

# Working Machine Extra

Product Guide  
Valid as of 1 January 2021



This product guide describes the key content of and relevant restrictions to Working Machine Extra. Working Machine Extra is a comprehensive and versatile property insurance solution for machinery and excavation contractors.

Working Machine Extra requires that you have a valid Working Machine Insurance policy in accordance with the relevant insurance terms and conditions.

This product guide is based on the insurance terms and conditions. The terms and conditions are divided into general contract terms and conditions and terms and conditions specific to the insurance line.

The general contract terms and conditions include details about the policy's validity, premium and claim settlement practices. The insurance line specific terms and conditions of Working Machine Extra specify the key content of the insurance, such as coverage, exclusions and safety regulations. Please read carefully the insurance terms and conditions.

## Specific items to note

If the damage is covered by both Working Machine Insurance as the basic insurance and Working Machine Extra, the indemnity will be paid from Working Machine Insurance. In such a case, the deductible applied to Working Machine Insurance will be subtracted from the indemnity.

Working Machine Extra does not cover damage to an accessory fitted to a working machine which would be covered by Working Machine Insurance if sufficiently extensive Working Machine Insurance coverage had been chosen. Breakage of an accessory is covered by Breakage Insurance included in Working Machine Insurance as an optional additional cover, provided that the cover was available as an option and the loss was coverable under the applicable terms and conditions.

Working Machine Extra cannot be used to offset the age reduction and deductible applied to breakage losses.

### Example

An excavator is insured with Working Machine Insurance against fire damage only. The excavator is fitted with chipping hammer that is detached and stolen from the worksite during the night. The excavator contractor also has Working Machine Extra as a comprehensive property insurance policy, and the chipping hammer is listed separately as an accessory. Because the chipping hammer was insured with only fire insurance, the theft is not covered under either Working Machine Insurance or Working Machine Extra. If the chipping hammer had been stored separately from the excavator and stolen from a locked storage or while locked to a fixed object with a chain lock or other lock, the theft would be covered under Working Machine Extra.

### Example

A harvester operated at a forestry site is insured with Working Machine Insurance as a basic insurance against fire and theft. The harvester is fitted with a valuable computer, for which the forestry contractor has taken out additional insurance cover in the form of comprehensive property insurance under Working Machine Extra. If the computer is damaged due to a sudden and unforeseeable reason that is not excluded from the scope of cover of Working Machine Extra, the insurance will cover the damage. If the damage is instead caused by a tree falling on the harvester, for example, the loss is not covered unless the harvester's basic insurance policy, Working Machine Insurance, includes motor vehicle (own) damage insurance.

# Property insurance

## Object of insurance

The insurance covers property used in machine contracting and owned by the policyholder, as well as property of which the policyholder has taken possession on the basis of a written lease agreement. Consequently, Working Machine Extra can be used to supplement the insurance cover provided by Working Machine Insurance. The objects of the insurance include separately named, portable or fixed accessories intended for use in the machine as well as other movable property used in the machine contracting operations.

These forms of **movable** property include

- machinery, tools, small power tools and equipment used in repair and maintenance

- furniture, office equipment and documents related to one's occupation
- working machine spare parts and other accessories
- fuels and lubricants separate from the working machine
- measuring instruments, earth retention structures (excluding sheet piles), soil compactors.

These **separately named accessories** include

- various dippers, hoes, shredders, chipping hammers etc. attached to the machine's beam
- bulldozer plates, snow blowers, earth and stump drills, chain excavators and roller and snow sweepers etc.
- mowers, mower conditioners, grab buckets, gritters, washing equipment etc. detachable from the working machine.

Object of property insurance	Extensive Cover	Limited Cover	Basis of compensation
<b>Separately named accessories</b> intended for use with the working machine	X	X	Fair value
Machinery, tools, small power tools and equipment used in repair and maintenance	X	–	Replacement value
Furniture, office equipment and documents in professional use	X	–	Replacement value
Working machine spare parts and other accessories	X	–	Replacement value
Fuels and lubricants separate from the working machine	X	–	Replacement value
Measuring instruments, earth retention structures (excluding sheet piles), soil compactors	X	–	Replacement value

## Territorial limits

The insurance cover is valid throughout the Nordic countries. The territorial limits may be extended with a separate agreement.

## A Extensive property insurance

The insurance covers all losses caused by a sudden and unforeseeable event, provided that the cause is not excluded from cover.

### Example

A log pile collapses after wet snowfall and a separate harvesting head left beside the pile is hit by the rolling logs. The broken parts of the harvesting head are covered from Working Machine Extra.

An excavator's swivelling bucket tilter delivered for maintenance is destroyed in a repair shop fire. The loss is covered from Working Machine Extra unless the repair shop's insurance covers customers' property stored during repairs.

## B Limited property insurance

Limited property insurance covers losses and damage caused by insurance events listed in the insurance terms and conditions.

### Fire

The insurance covers loss caused by uncontained fire or short circuit in the electrical equipment of the object of insurance.

### Theft

The insurance compensates loss of or damage to the object of insurance caused by theft, unauthorised use or theft for temporary use or an attempt thereof. However, if it was not possible to lock the insured accessory due to its structure, the loss is covered by theft cover if the insured object was duly stored or protected as specified in the safety regulations.

## Vandalism

The insurance covers damage to the object of insurance caused by wilful acts of damage to the extent that the damage is not covered as theft.

## Restrictions on cover in extended and limited property insurance:

### Wear and tear

The insurance does not cover loss or damage caused to the object itself by a structural, manufacturing or material fault, wear and tear, rust, corrosion, fatigue or other gradual event, or due to the malfunctioning, insufficient maintenance or unskilled or careless handling of the object or part thereof.

#### Example

Saw blades attached to a tractor were blunted by cutting through railway sleepers full of sand and nails. The damage is normal wear and tear resulting from the saw's use and not covered by the insurance.

### Effects of temperature

The insurance does not cover damage caused to an object by the fact that it has been subjected to heat.

#### Example

During heavy snowfall in freezing temperatures, the protective cover of a working machine accessory was used to cover the engine while the machine was in operation. The protective cover was plastic and was damaged partially beyond repair due to the heat. The damage is not covered by the insurance.

### Contracts

The insurance does not cover loss or expenses for which the supplier, manufacturer, vendor or some other party is responsible on the basis of an agreement, warranty, service agreement or similar commitment. Loss covered otherwise by the insurance is, however, indemnified to the extent that the policyholder shows that the responsible parties are unable to meet their liability to make good the loss.

### Blasting

The insurance does not cover loss or damage caused by blasting or quarrying.

## Disappearance

The insurance does not cover loss or damage to property which was lost, left behind or misplaced or which disappeared, or an event whose time and place cannot be specified. The insurance will also not cover theft if the loss of the property is not discovered missing until the next inventory.

#### Example

After a work contract, it was found that most of the cables used to hold a working machine accessory in place had disappeared in an unknown manner. The loss is not covered by the insurance.

### Financial crime

The insurance does not cover loss caused by fraud, embezzlement or any other similar offence.

### Computer errors

The insurance does not cover loss or damage caused to the data carriers of computers or electronic devices by malfunction of hardware, operating system or software, or by operating error, incorrect labelling or disappearance of data due to magnetic fields or other malfunction.

### Work errors

The insurance does not cover loss or damage caused by a work error, deficient equipment or material, manufacturing flaws, an error in calculations or drawings or by incorrect advice related to property being repaired, serviced or handled.

### Consumables

The insurance does not cover damage caused to consumables used in machinery or equipment, such as ploughs, scoops, cables and rubber tyres, except when the consumables have been damaged in connection with another coverable loss.

### Goods transportation

The insurance does not cover loss or damage caused by inappropriate packaging or transport method of the object of insurance.

### Flooding and other changes in water level

The insurance does not cover loss or damage caused by flooding, or a change in the level of groundwater or other body of water.

### Servicing costs

The insurance does not cover expenses caused by adjustments or maintenance, preventive or periodic servicing or any parts replaced in connection with such work, or the elimination of functional disturbances.

## Other losses not covered by property insurance

The insurance does not cover damage

- to the engine and its optional extras, gears, power transmission or cooling system caused by deficient circulation of air, oil or coolant
- caused by water, if the device is operated on a road or area covered by water
- caused by sinking through the ice or into a swamp elsewhere than on a winter road that meets the safety requirements of the road authorities
- caused by the load, overload or overstress on a working machine
- caused by war, rebellion, shell, mine or any other such reason, or the device having been acquired by the authorities
- caused by frost, rain or gradually increasing moisture
- caused by a nuclear accident referred to in the Nuclear Liability Act.

Working Machine Extra does not cover loss or damage compensated under a specific law, guarantee or other insurance policy, such as motor liability insurance or Working Machine Insurance.

## Oil damage insurance

### Validity of insurance

Oil damage insurance is valid only in Finland.

### What is covered?

Oil damage insurance covers damage caused by a liquid in accordance with the fair value of the damaged property, when such liquid has escaped suddenly, unforeseeably and directly from a tank and damaged the property in question. The insured tank refers to any (fixed) tanks above the ground and outside a building whose minimum capacity is 450 litres and total maximum capacity 10,000 litres, in which liquid substances referred to in the Decree on the Industrial Handling and Storage of Dangerous Chemicals (673/1993) are stored.

#### Example

A scaffold next to a bulk tank is blown over by the wind and hits the tank, causing fuel to leak to the ground from the damaged tap during the night. The insurance covers the costs of soil decontamination.

### Exclusions

The insurance does not cover damage caused to the tank and its pipes or other equipment, loss of liquid or loss or damage insofar as it is compensated under other insurance.

## Safety regulations

The insurance terms and conditions contain safety regulations that help prevent loss or damage or mitigate their effects. If the policyholder fails to observe the safety regulations or neglects the duty to prevent and mitigate damage wilfully or through negligence which cannot be deemed minor, the insurance compensation may be reduced or refused altogether. The negligence must have a causal connection with the occurrence of the insurance event.

Clause 5 of the terms and conditions contain safety regulations on, for example, preventive measures against theft and burglary, instructions on the storage of valuables and optical and electronic equipment and the supervision of movable property not in storage.

#### Example

During the day, the contractor uses a Spectra precision laser to measure excavation heights and paths at the construction site. At lunch, the instrument is left in place unattended. The instrument disappears during the lunch break. Working Machine Extra does not cover the loss of the device, as it was unattended at the time of the loss.

## Bases of compensation

### General

Losses are compensated in the first place by repairing the damaged or broken object or by purchasing equivalent property as a replacement.

Losses must be reported to the insurance company without delay, and the insurance company must be reserved the right to inspect the loss. Claims for compensation must be submitted in writing within one year of the date when the claimant was informed of the right to claim compensation and no later than 10 years after the loss or damage occurred. The claim application must include any purchase receipts or other reliable documentation of the price and place and time of purchase.

In the case of losses due to burglary, vandalism, robbery or theft, the loss report must include the report of the offence.

Compensation based on replacement value is paid in two instalments. The first of these to be paid is the compensation based on current value. After the policyholder has purchased a replacement item no later than two years after the insurance event, the remaining amount of compensation is paid against a receipt of the purchase.

The insurance compensates actual losses. For this reason, when appraising the value of old and used property, we take into account factors such as the item's age, condition and usability.

## Calculation of compensation

If the value of the property was at least half of its replacement value prior to the loss, the amount of loss is determined by the replacement value. If the damaged item can be repaired, the amount of loss is equal to the repair costs.

If the value of the property is less than half of its replacement value and the property cannot be repaired, the compensation is paid based on current value. If the damaged property can be repaired, the amount of loss is the proportion of the repair costs given by the ratio of current value to replacement value.

## Age reductions

For the following categories of property, the amount of loss is equal to the item's replacement cost, to which an age reduction is applied starting from the item's second year of use.

### Reduction per year

- IT equipment 15%

For these categories of property, no age reduction is applied when indemnifying repair costs. However, if a damaged item whose current value is less than 50% of its replacement value could be repaired, the maximum amount of loss is equal to the current value.

#### Example of compensation

An IT device that is three years old is broken beyond repair. The replacement value of the IT device is 841 euros, and its value at the time of loss is more than half of the replacement value.

The amount of compensation is  $€841 - 2 \times 15\% = €588.70$ . In addition, a deductible is applied to the compensation.

## Sum insured and deductible

The insurance company's maximum liability is the sum insured specified in the policy document. The amount of the insurance premium is determined by a separate insurance tariff. The deductible in property insurance is 200 euros. Special deductibles are listed in clause 7.7.2 of the insurance terms and conditions.

## Duty to report changes in circumstances

The insurance is based on information received from the insured at the time of taking out the policy. The policyholder has the duty to notify the insurance company without delay of any substantial changes in the information reported at the time of signing the insurance contract or in the circumstances entered in the policy document during the insurance period.

Change to be reported include changes in address, change in the sum insured, and changes in business

operations. Failure to comply with the duty to report changes may result in the compensation being reduced or refused altogether.

## Loss caused by the insured

The insurance company is released from liability to the insured if the insured person has wilfully caused the insurance event. If the loss is caused through gross negligence, the compensation may be reduced or refused altogether. If the insurance event was caused in part by the use of alcohol or other intoxicant by the insured, the compensation may be reduced or rejected.

## Identification

Clause 8 of the general contract terms and conditions specify who are identified as comparable to the insured with regard to causing an insurance event, observing the safety regulations and the duty of salvage.

## General

### Entry into force of the insurance contract

Unless otherwise agreed, the insurance company's liability commences when the policyholder has submitted the insurance application to the insurance company.

### Altering an insurance contract

Clause 15 of the general contract terms and conditions provides for the amendment of the terms and conditions during the insurance period and adjusting the premium basis at the turn of the insurance period.

### Termination of the insurance contract

The policyholder has the right, at any time, to terminate the Working Machine Extra policy during the insurance period. The termination must be made in writing.

The insurance company may terminate the Working Machine Extra policy only in certain situations listed in clause 16 of the general contract terms and conditions. These include, among others, fraudulent conduct by the policyholder or the insured, a change in circumstances that substantially increases the insurance company's risk, or negligence on the part of the policyholder. The insurance company always has the right to terminate the insurance at the end of an insurance period. If the insurance company alters the terms and conditions or premiums, it will notify the policyholder of such alterations one month before the end of the insurance period. These alterations will apply as of the beginning of the following insurance period unless the insurance is terminated.

## Insurance premium of Working Machine Extra

The amount of the insurance premium is determined by a separate insurance tariff. The premium depends on the sum insured and the duration of the insurance period.

Pricing is based on the total value of the property covered by the customer's insurance. The sum insured should be set sufficiently high to cover the total value of the property.

If the insurance premium is paid in more than one instalment, the amount of premium is increased by 3% when paid in two instalments, by 4.1% when paid in three instalments, and 4.6% when paid in four instalments.

### Minimum premium

Regardless of the duration of the insurance period, the insurance company always charges a minimum premium of 33 euros.

### Delayed payment

The insurance company may collect a delayed insurance premium for continuous Working Machine Extra by distraint without a court ruling or decision. This is noted on the insurance bill. The premium for a fixed-term Working Machine Extra cannot be collected by distraint without a court ruling or decision.

## Claims register

Insurance companies have a joint non-life insurance information system in which they can check losses reported to other companies. The system is aimed at preventing insurance fraud against insurance companies.

## Personal data processing

Pohjola Insurance processes customers' personal data in accordance with regulations in force and in a manner described in greater detail in the Privacy Statement and the Privacy Notice. The customer is advised to get acquainted with the indicated privacy information. The Privacy Statement and the Privacy Notice are available at op.fi and at Pohjola Insurance Customer Service outlets.

Statements on the contents of personal data files used by the insurance company can be reviewed at our branch offices and online at op.fi.

## Glossary

The **policyholder** is the party that signs the insurance contract with the insurance company.

The **insured** is the party for whose benefit the insurance is valid.

The **insurance period** is the agreed period recorded in the policy document during which the insurance is valid. Continuous insurance is usually valid for a period of one year at a time unless terminated.

The **insurance event** is an event for which compensation is paid under the insurance.

## Insurance sales commissions

The insurance company pays a commission that is either a percentage of the insurance premium or a fixed fee based on the number of policies sold. The commission and its amount are affected by the insurance product and sales channel. The commission is paid to the agent or insurance company employee.



## Our services

### Manage your insurance policies at op.fi

Log into op.fi using the user identifiers for your own bank.

Once logged in, you can

- Report a loss and file claims
- make changes to your company's policies
- print out or order a Green Card
- print out certificates of insurance

Learn more about our services for commercial transport service providers at [op.fi/commercial-transport](https://op.fi/commercial-transport).

### Pohjola Claim Help at your service 24/7

Pohjola Claim Help provides clear instructions for all types of losses. In the event of vehicle damage, Pohjola Claim Help also lists the contact details of Pohjola Repair Advisors and other repair shop partners.

Pohjola Claim Help is available at [claimhelp.pohjola.fi](https://claimhelp.pohjola.fi) and the OP Business mobile app.

## Our telephone service

### Statutory insurance telephone services

- Motor liability insurance and claims and workers' compensation insurance and claims 0100 5335\*

### A-Insurance services for commercial transport

- Insurance and Claims Settlement 0304 0506\*\*

### Pohjola Insurance

- Insurance and Claims Settlement 0303 0303\*\*

\* Call rate: local/mobile network rate.

\*\* From mobile phones and landline networks in Finland, EUR 0.0835 per call plus EUR 0.12 per minute.

Prices are inclusive of VAT.

We record customer calls to assure the quality of customer service, among other purposes.

## Advice on claims and insurance policies

Our insurance and claims advisors provide personal assistance in our telephone service. You can also file a complaint or appeal an insurance or claim settlement decision with our customer ombudsman. For more information on filing an appeal, visit [op.fi/filing-a-complaint](https://op.fi/filing-a-complaint).

For independent advice, contact the Finnish Financial Ombudsman Bureau (FINE), tel. +358 9 6850120, [www.fine.fi/en](https://www.fine.fi/en)

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