

Comprehensive property insurance

Insurance terms No. EE10

The insurance policy is governed by:

- The insurance policy, together with certifications and specific conditions.
- These insurance terms No. EE10.
- The Company's general terms and conditions No. YY10.
- Act No. 30/2004 on Insurance Contracts.

The provisions of the insurance policy or renewal receipt take precedence over the provisions of these insurance terms. The provisions of the insurance policy, of the renewal receipt and of the insurance contract terms take precedence over derogable legal provisions.

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1. Insured interests

This insurance covers the effects stated in the insurance certificate or the renewal receipt.

2. The insured and the co-insured

- 2.1 The owner of the effects is insured.
- 2.2 Pledgers and others who own a financial interest in the effects are not co-insured in the sense of Act No. 30/2004 on Insurance Contracts, unless they have received confirmation to the contrary from the company. The rights of the co-insured vis-à-vis the company can never exceed those of the insured, as provided for in the third paragraph of Article 41 of Act No. 30/2004 on Insurance Contracts.

3. Geographical validity

The insurance applies universally, provided the effects are in the custody of the insured. A special agreement must be reached with the company for exceptions to this rule, i.e. when the effects are in the custody of a person other than the insured.

4. Scope of coverage

The insurance contract compensates:

- 4.1 Direct loss of or damage to the insured effects due to a sudden and unforeseeable external event.

The insurance contract does not cover loss or damage:

- 4.2 Caused by sudden changes in temperature and/or humidity.
- 4.3 Caused by normal wear and tear, defect, incorrect assembly or internal breakdown such as mechanical breakdown.
- 4.4 Resulting directly or indirectly, wholly or in part, from the effects of time tagging on the operations of equipment, systems or a combination of the two.

This exemption applies to all time tagging.

The term "time tagging" applies to the specification of time based on a calendar system where the specification functions as information, coding, labelling or in some other way with regard to equipment, systems or a combination of the two.

"Equipment" refers to every kind of machinery, devices, products and other tangible items or a collection of items, whether it refers to real estate or chattels, including, but not restricted to, computer machinery, software or intertwined electronic devices (including microprocessors and silicon chips).

The term "system" applies to any sort of information, instructions or collection of these, as well as any sort of medium for information and instructions in computerised form, on paper or in the form of beams, waves, physical effects, chemical reactions or other tangible or intangible form.

This exemption does not apply to loss or damage caused by fire, explosion, falling, burglary, theft or water damage.

5. Specific limitations on liability

The insurance contract does not compensate loss or damage or increase thereof that is directly or indirectly the result of or caused by:

- 5.1 War, invasion, military actions, civil unrest, rebellion, riots, strike or similar activities.
- 5.2 Nuclear reaction, ionising radiation, pollution from radioactive substances, nuclear fuel or nuclear waste.

6. Precautionary principles

- 6.1 The insured shall comply with the instructions of the manufacturer with respect to handling, use and maintenance of insured effects.
- 6.2 The insured shall close windows and latch them and shall lock dwellings, motor vehicles, boats and other places where insured effects are stored.
- 6.3 The insured shall not leave the insured effects unattended in public and shall ensure that he brings the insured effects along when leaving a public place.
- 6.4 The insured must know where the effects are located at all times.

7. Breach of precautionary principles

Complying with the precautionary principles herein is mandatory. In the event that precautionary principles are not complied with, the liability of the company may be cancelled in whole or in part, as provided for in Article 26 of Act No. 30/2004 on Insurance Contracts.

8. Identification

- 8.1 In determining its liability, the company reserves the right to take into account the conduct of the insured's spouse or registered domestic partner, as provided for in Article 29 of Act No. 30/2004 on Insurance Contracts.
- 8.2 In instances of professional use, the company may identify the conduct of the managers of the insured and the administrators of individual effects or equipment.

9. Premium payment

- 9.1 The insurance premium becomes due upon demand of payment.
- 9.2 Non-payment of premiums can result in loss of rights or cancellation of the policy, as provided for in Article 33 of Act No. 30/2004 on Insurance Contracts.

10. Premium refund

- 10.1 If the insurance contract expires before the insurance period is concluded, the company shall reimburse the proportion of the premium corresponding to the overpayment. This does not apply, however, if the insurance contract has expired because the company has satisfied its obligation by remitting compensation for total loss.
- 10.2 Short-term insurance is entirely excluded from the reimbursement provisions in Article 10.1.

11. Transfer of ownership

In case of a transfer of ownership of the insured effects, the insurance shall expire when the transfer of ownership has taken place. However, the company is liable if an insurance incident takes place within 14 days following the transfer of ownership if the new owner has not purchased insurance.

12. Insurance amount

- 12.1 The amount of insurance coverage is the amount specified in the insurance policy or the renewal receipt.
- 12.2 The amount of the insurance coverage does not provide proof of the value of the insured interests.
- 12.3 The amount of the insurance coverage is adjusted in accordance with the Consumer Price Index.

13. Deductible

- 13.1 The insured carries own risk in every instance of damage as provided for in the insurance policy or the renewal receipt.
- 13.2 The amount of the deductible is adjusted in accordance with the Consumer Price Index.

14. Determination of compensation

- 14.1 Compensation shall be based on the value of a new item comparable to the damaged item on the date when the damage occurred. The company is authorised to reduce the compensation by an amount corresponding to the reduction in value due to age, use or other factors that may affect the value of the item in question.
- 14.2 The company may either pay the estimated cost of repair or have the damaged item repaired and then pay the repair cost if the item can be restored to its pre-damaged condition and it is worth the effort in the opinion of the company.
- 8.2 The company may pay compensation in cash or procure a similar item to that which was lost or damaged, taking into account the reduction in value under Article 14.1, if the damage to the item is such that repairing it is not feasible or if it is not worth the effort in the opinion of the company. In the event that the company has paid compensation under this Article, the company reserves the right to recover the item that was damaged.
- 14.4 The company has the right to pay the difference between the value of the item that was damaged as the value stood prior to the insurance event and the value after the insurance event.
- 14.5 The insured shall not profit from the insurance event. The insurance contract shall only compensate the actual loss or damage of the insured.

15. Underinsurance

If the total value of the insured property exceeds the insurance amount, the damage will be compensated proportionally.

16. Multiple insurance

- 16.1 If the same loss or damage is covered by more than one insurance contract, the insured may choose which insurance contract he wishes to apply until he has received the compensation to which he is entitled.
- 16.2 If more than one insurance company is liable to pay compensation in accordance with Article 16.1, the companies shall pay compensation proportionally, in accordance with each company's liability to pay compensation, unless otherwise agreed.

17. Lapse of claim

The right to claim compensation expires after four (4) years. The four-year time limit period shall begin at the end of the calendar year in which the insured received the necessary information about the incident on which his claim is based. The claim to compensation shall expire, however, no later than ten (10) years after the end of the calendar year in which the insurance event occurred.

These insurance terms shall take effect on 1 January 2016.