

HOME PROPERTY INSURANCE TERMS AND CONDITIONS
CONDITION OMA 200.20, valid as of 1 January 2021

This is a translation of the original Finnish insurance terms and conditions 'Kodin omaisuusvakuutusehdot'. In case of discrepancy, the Finnish wording prevails.

The overall home property insurance cover consists of the Policy Document, these Terms and Conditions and the General Terms and Conditions.

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KEY CONCEPTS USED IN THE TERMS AND CONDITIONS

Insurance up to the maximum amount of compensation

An individual object, movable property or building can be insured up to the maximum amount of compensation. Even in this case, the amount of loss or damage is determined in accordance with these Home Property Insurance Terms and Conditions, but the compensation paid is, at most, the maximum amount of compensation selected for the Insured Interest and entered in the Policy Document. The Insurance Company will pay compensation for loss or damage up to the agreed maximum amount without investigating whether the maximum amount is sufficient to cover the price of the entire Insured Interest (the maximum amount or first loss rule).

Net room area

Net room area refers to a horizontal area on a floor or floors bordered by the internal surfaces of the walls surrounding the flat. Spaces with a height of 160 cm or higher are taken into account in the calculation of the net room area. The net room area of flats consisting of more than one (1) floor is calculated by adding together the net room areas of the floors.

Room programme

A room programme describes a building's rooms, their areas and purposes.

Current price of movable property

The value of property is reduced by its age, use, negligence in servicing or maintenance or decreased usability. The current price of property refers to the amount of money remaining from the replacement price after making special deductions. The current price of movable property is the price of a used object.

Replacement price of movable property

The replacement price of movable property refers to the amount of money required for the purchase of similar new property or equivalent property.

Residual price

Residual price refers to the price of the property immediately after the occurrence of loss, assessed on the same grounds as immediately beforehand.

Collection

Collection refers to a group of items collected according to a system, the price of which is higher as a collection than the total price of the individual items. Typical collections include e.g. stamp and coin collections. A collection need not be complete. For example, a set of antique furniture, compact discs or miscellaneous, ordinary pictures or books are not considered a collection.

Actuator

Actuator refers to an appliance permanently connected to the water supply system, such as a dishwasher or a washing machine.

Permanent fixtures of a flat

Permanent fixtures of a flat refers to property for whose maintenance the flat owner is responsible under Chapter 4, Sections 2–3 of the Finnish Housing Companies Act (1599/2009), and redecorating and refurbishing of the flat.

These include:

- fittings such as kitchen and bathroom cabinets
- coatings such as tiles, parquet floors and wallpapers
- retrofitted saunas, air conditioning systems and air source heat pumps.

Market price

Market price is the cash price which could have been obtained for the object or building in Finland if sold in an appropriate manner at the time of the loss. In determining the market price of a building, the proportion of the building site and other buildings is deducted from the market price of the item of real estate in question.

HPVAC appliances

HPVAC appliances refer to fixed heating, water and air conditioning appliances and pipework serving the insured building and its use as well as

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the related tanks, pipework, water and heating pipes and wastewater drains on the site up to the connection with the public utilities. Subsurface drain pipes as well as stormwater pipes, gutters and downpipes outside the building are not included in the HPVAC appliances referred to herein. Wood-heated sauna ovens or fireplaces are not HPVAC appliances.

Deductible

The deductible is the amount of money entered in the Policy Document or in the Terms and Conditions of the Insurance which is deducted from the amount of loss covered in each case of loss.

Journey

Journey refers to a journey to a destination outside the Insured Person's daily sphere of activities which comprises travelling to the destination, sojourn there and return (such as a holiday trip). A journey does not comprise ordinary travel related to matters such as attending to one's affairs, hobbies, visits to family and friends, or travelling to one's own holiday home or place of work or study.

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Total area of a building

The total area of a building is calculated on the basis of the outside dimensions (length x width). Spaces with a height of 160 cm or higher are taken into account in the calculation of the total area. Unheated storage spaces, garages and other spaces attached to the building are included in the total area. Open shelters, terraces or balconies are not included in the total area. The total area of buildings consisting of more than one (1) floor is calculated by adding together the floor areas.

Current price of a building

The value of buildings is reduced by their age, use, being unoccupied, negligence of service or maintenance, decreased usability or obsolescence. The current price of a building refers to the price which remains from the replacement price after making special deductions. The evident effects of other reasons, such as the effects of changed circumstances in the locality, and the location of the building, are also taken into account in the assessment.

Replacement price of a building

The replacement price of a building refers to the amount of money required to construct a new building of the same area, volume, number of floors and external appearance, and with an equivalent room programme and standard of equipment.

Sports equipment and supplies

Sports equipment and supplies refers to items used in sports activities, such as skiing and downhill skiing equipment, golf equipment, racquet sports equipment, bicycle, riding equipment and diving equipment.

Electronic mobility devices

Electronic mobility devices refer to electrically operated mobility devices that assist or replace walking, such as electronic balance boards and scooters, self-balancing unicycles, electric mobility scooters and light electrically assisted bicycles that do not require motor third party liability insurance due to their power or speed. Vehicles subject to motor third party liability insurance are not covered under Home Insurance.

Electrical appliances

Electrical appliances included in the movable property refer to movable appliances connected to electrical mains network and run by electricity. Electrical appliances of a building refer to fixed electrical appliances, electric cables and wiring serving the building and its use in the building and on the site up to the connection with public utilities. Kitchen stoves, ovens and range hoods are regarded as electrical appliances of a building. HPVAC appliances are not electrical appliances.

Definitions of floods

- Sea water flood

Sea water flood refers to an exceptional rise in the sea water level caused by storm, fluctuations in air pressure or flow in the Danish straits.

- Flood caused by heavy rain

Flood caused by heavy rain refers to a situation where an exceptionally heavy rain causes flooding on the ground.

- Flooding of water bodies

Flooding of water bodies refers to an exceptional rise in the water level of rivers, lakes, ditches or brooks caused by exceptional rains, the melting of snow or an ice or slush jam.

- Assessment of the exceptional nature of the event

Rain is considered exceptional if the rainfall is at least 30 mm per hour or 75 mm per 24 hours. A rise in the water level of the sea or a water body is considered exceptional if it is likely to occur once in every 50 years or less often. A flood caused by a permanent rise in the mean water level, fluctuations in water level or waves is not exceptional.

Insurance up to full price

Buildings and movable property can be insured at their full price which means insurance according to the area of the building. Movable property can be insured at full price in blocks of flats and terraced houses, too. When insuring up to full price, the price of the property is not evaluated in drawing up the contract or during the insurance period, but only after the occurrence of the insured event.

Insured event

The insured event refers to an incident which, according to the insurance contract, falls within the scope of this Insurance and takes place during a valid insurance period.

Official permit

An official permit refers to building and action permits in accordance with the Land Use and Building Act.

Sudden and unforeseeable loss or damage

Sudden and unforeseeable loss or damage refers to loss or damage which occurs suddenly, without forewarning and which could not be avoided through normal care and anticipation. The unforeseeable nature of a loss is objectively evaluated based on general experiences, the exceptional nature of the event and the claimant's actions. Compensability is determined on the basis of the cause of the loss or damage, not the consequences.

Rental income

Rental income refers to amount of rent specified in the rental agreement. Other separately specified fees charged from the tenant, such as rent for a parking space or water or electricity fees, are not included in the loss of rental income covered by this insurance.

1 THE INSURED AND VALIDITY OF THE INSURANCE

The Insurance covers the Policyholder and any persons living permanently in the Policyholder's household. A person is regarded as living permanently at the address at which he or she mainly lives for work, study or some other purpose. As a general rule, the address entered in the register of the population register authority is considered as the Insured Person's place of residence.

With respect to each item, the Insurance is valid in the place of insurance specified in the Policy Document and temporarily worldwide. The temporary status may last for a maximum of one (1) year.

If the Insured Person knows that the property is not going to be in the place of insurance for over a year, the moved property is insured for no longer than three (3) months from the date of moving.

Luggage insurance is valid during travel.

The Insurance is valid in Finland only if the Insured Person's permanent place of residence is not in Finland.

2 INSURED INTEREST

2.1 Building

The Insured Interest comprises a building specified in the Policy Document. The Insured Interest can also comprise a building which is under construction or renovation.

Permanent dwelling

Permanent dwelling refers to a building over half of which is used for habitation.

A building is regarded as intended for all-year-round use if its structures, technology and fixtures and fittings enable continuous all-year-round habitation.

Leisure-time dwelling refers to a building or cottage intended for leisure-time habitation.

In addition to the permanent dwelling and leisure-time dwelling, the Insurance covers the yard area, which is considered to include the managed, daily used area in the immediate vicinity of the building. On-site forests or uncultivated areas are not covered by the Insurance.

In addition to the permanent dwelling and leisure-time dwelling, the Insurance covers the following fixed and ordinary structures:

- playhouse, barbecue shelter, lightweight gazebo or shed, greenhouse, swimming pool, jacuzzi or hot tub, each up to EUR 5,000
- other structures in the yard area, in total up to EUR 5,000
- a separate car shelter up to 30 m² up to EUR 10,000 if it is not subject to an official permit.

Exclusions

The Insured Interest does not comprise buildings used in or intended for practising an occupation or engaging in entrepreneurship, unless these are insured separately and specified in the Policy Document.

The Insured Interest does not comprise waters, jetties or beach constructions.

2.2 Movable property

The Insured Interest comprises the movable property owned by the Insured Person and specified in the Policy Document. If movable property is insured at the maximum amount of compensation, this is stated in the Policy Document.

Movable property refers to ordinary items intended for daily or leisure-time use in the household, which are used mainly in the place of insurance specified in the Policy Document.

The insurance also covers such rented or borrowed property which, if owned by the Insured Person, would belong to his/her insured movable property.

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The following table shows the maximum amounts of compensation for certain individual items or item and property groups included in the Insured Interest. These maximum amounts of compensation are applied, irrespective of whether the movable property is insured at the maximum amount of compensation or at full price.

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Insured movable property	
Insured Interest	Maximum amount of compensation, EUR
Individual item or collection	5,000
Works of art, jewellery or valuables worth more than EUR 5,000, in total	20,000
Bicycle and its accessories	2,500
Home or leisure-time dwelling contents stored permanently or temporarily in a motor vehicle, camper van, trailer, caravan or boat in the case of loss or damage caused by theft or malicious damage	3,500
Movable property stored permanently or temporarily in the cellar closet of a block of flats, terraced or semi-detached house or other stores outside the dwelling, directly relating to the occupancy and use of the dwelling	3,500
A rowing boat, canoe or dinghy and its motor of not more than 8 hp, in total	3,500
Tools, implements and equipment used in gainful employment, in total	2,000
Money and securities in the place of insurance	500
Money and securities outside the place of insurance	100

Exclusions

The Insured Interest does not comprise the following, unless these are insured separately and specified in the Policy Document:

- 1) animals
- 2) motorised vehicles, trailers, caravans, other motorised means of transport, and their parts and accessories
- 3) boats, and their parts and accessories, excluding aforementioned rowing boat, canoe and dinghy with a motor of not more than 8 hp
- 4) property owned by a company.

The Insured Interest does not comprise

- 1) data, files and software included in data carriers
- 2) manuscripts, research papers, theses and other similar documents.

2.3 Luggage

The Insured Interest comprises luggage owned by the Insured Person up to the amount of compensation per occurrence of loss or damage stated in the Policy Document.

Luggage refers to ordinary items intended for daily or leisure time use in the household which are carried along on a journey. The Insurance also covers such rented or borrowed property which, if owned by the Insured Person, would belong to his/her insured movable property.

With respect to luggage, the maximum amounts of compensation and exclusions for movable property specified in clause 2.2 are applied. In deviation from this, however, money and securities are covered by the Insurance up to EUR 100.

2.4 Named object

The Insured Interest is a named object or group of objects specified in the Policy Document.

2.5 Property belonging to a business

The Insured Interest comprises the fixed and current assets of small-scale entrepreneurship specified in the Policy Document up to the selected maximum amount of compensation.

The Insurance is valid in the place of insurance specified in the Policy Document, unless otherwise agreed on in the Policy Document.

Movable property stored permanently or temporarily in a car, camper van, trailer, caravan or boat is covered by the Insurance up to EUR 3,500.

Exclusions

The Insured Interest does not comprise

- 1) animals
- 2) motorised vehicles, other motorised means of transport or boats, and their parts and accessories
- 3) data, files and software included in data carriers
- 4) money and securities.

The Insurance does not cover loss or damage to the property belonging to a business used in production caused by the use of faulty hardware.

2.6 Permanent fixtures in a flat

The Insured Interest comprises the permanent fixtures of the flat specified in the Policy Document. The maximum amount of compensation is specified in the Policy Document.

Insuring the permanent fixtures of a flat requires that the same place of insurance has a valid insurance cover for movable property. If the insurance cover for movable property expires, the cover for permanent fixtures in a flat also expires.

The Insurance does not cover any extensions to liability agreed in the articles of association.

2.7 Intentional damage by a tenant

The Insured Interest comprises the permanent fixtures of a flat rented out and specified in the Policy Document. The maximum amount of compensation is specified in the Policy Document. The Insurance does not cover any extensions to liability agreed in the articles of association.

Insuring the permanent fixtures of a flat requires that the same place of insurance has a valid insurance cover for movable property. If the insurance cover for movable property expires, the cover for permanent fixtures in a flat also expires.

Coverage for damages requires that the Insurance was valid from the start of the tenancy. If the tenancy began before the Insurance became valid, the Insurance must have been valid for a continuous period of at least 6 months prior to the insured event.

The Insurance covers sudden loss or damage to the permanent fixtures of a flat, which is caused intentionally by a tenant and which the landlord could not foresee, if it is the result of an individual occurrence which has been reported to the police. In this respect, exclusion 4.17 does not apply.

The Insurance does not cover loss or damage caused by wear and tear or the poor condition or maintenance of the flat. The time of occurrence and other circumstances of the loss or damage must be specified. Loss or damage discovered on one and the same occasion are considered a single insured event, unless otherwise proven.

2.8 Rental income interruption

The Insured Interest comprises the loss of rental income for a flat rented out and specified in the Policy Document. The maximum amount of compensation is specified in the Policy Document.

Insuring the rental income requires that the same place of insurance has a valid insurance cover for movable property. If this insurance cover expires, the Rental income interruption cover attached to it will also expire.

3 INSURANCE COVERS

3.1 Cover for a sudden and unforeseen event

The Insurance covers sudden and unforeseen direct property damage caused by a sudden and unforeseeable event.

This cover does not apply to a case of loss or damage which, under these Insurance Terms and Conditions, could be compensated from some other cover.

3.2 Fire cover

The Insurance covers sudden and unforeseen direct property damage caused by

- fire, soot, smoke or flue gas
- an explosion
- lightning striking the insured property and resulting in mechanical damage.

3.3 Cover against natural forces

The Insurance covers sudden and unforeseen direct property damage caused by storm or hail.

In addition, the Insurance covers direct property damage to the insured building located in Finland, to the insured movable property in the insured building and to the insured permanent fixtures in the insured flat, caused by an exceptional flood due to heavy rain, flooding of water bodies or sea water flood and water entering the building either directly from the land surface or through fixed sewage pipes. In the case of flooding of water bodies or sea water flood, damage to the yard area is not covered.

3.4 Theft and malicious damage cover

The Insurance covers sudden and unforeseen direct property damage caused by

- theft or attempted theft
- malicious damage, i.e. damage intentionally caused by an outsider
- burglary, which means the act of breaking into a locked building, space or other store, the structure and strength of which is sufficient to protect the property

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- robbery, which means the felonious removal or attempted felonious removal of personal property by the use of violence or intimidation.

3.5 Leakage cover

The Insurance covers direct property damage arising from leakage caused by a sudden and unforeseen breakage in HPVAC equipment, pipework or actuators connected with them.

3.6 HPVAC appliance cover

The Insurance covers direct HPVAC equipment breakages caused by a sudden and unforeseen event.

3.7 Electrical appliance cover

The Insurance covers direct electrical appliance breakages caused by a sudden and unforeseen electrical phenomenon (short circuit, earthing fault or overvoltage).

3.8 Cover for discontinuance of habitation

The Insurance covers costs due to the discontinuance of habitation in a dwelling used by the Insured Person and specified in the Policy Document when the dwelling has been subjected to a sudden and unforeseen loss or damage covered under these Terms and Conditions.

3.9 Rental income interruption cover

The insurance covers the loss of rental income for a rented flat specified in the Policy Document, when the tenant is partially or fully exempted by law from paying rent. According to these insurance terms and conditions, the loss or damage must be sudden and unforeseeable.

4 GENERAL EXCLUSIONS

The Insurance does not cover loss or damage caused

- 1) to the property or object
 - by a defect in its design, installation, handling, usage or workmanship
 - by a structural or manufacturing defect or defective materials
 - by other building against rules and regulations or good building practice in force at the time of construction
 - by parts or materials used in repairing or constructing the object that are unsuitable or of obviously poor quality
 - by defective construction
 - by defective foundations

For example, the Insurance does not cover loss or damage

- caused by water entering the structures through a point which connects a floor drain and an extension ring, or water entering the structures through a point which connects them to a floor drain, an extension ring or other structures
 - caused by water entering the structures through the untight inlet of the extension ring or floor drain
 - caused by water penetrating waterproofing, or in cases in which there was no waterproofing
 - in cases in which the thaw water or rain water has penetrated the foundation from the outside, the exterior wall or the roof
 - in cases in which the defrosting water from a refrigerating appliance has run outside the appliance
- 2) as a result of a long-term process developing slowly into loss or damage, e.g.
 - corrosion or deterioration
 - fungal growth, mould or decay
 - wear, material fatigue, condensation, or other, similar gradually occurring phenomenon
 - 3) by the expansion or contraction of materials as a result of temperature changes
 - 4) by odour
 - 5) by frost, ice, freezing, drought, heat, humidity, frost heaving, subsidence of land, or snow or rain, except in the case of damage caused by flooding of water bodies or a flood caused by heavy rain
 - 6) by shifting of structures
 - 7) by exceptional flood, surge or the movement of ice caused by natural forces or rise in the water level not caused by a storm at the site where the loss occurred, a flood caused by heavy rain, flooding of water bodies or sea water flood
 - 8) by the breakage or malfunctioning of a municipal or other general water or sewage system, unless this is due to a flood caused by heavy rain, flooding of water bodies or sea water flood
 - 9) by professional blasting work, excavation, piling or other earthwork
 - 10) by insects or vermin
 - 11) by the disappearance or mislaying of property
 - 12) by the breaking or loss of a piece of sports equipment in connection with an athletic performance or exercise
 - 13) by the breaking or loss of a remote-controlled model aircraft, drone or comparable, including their accessories and equipment connected to them, during flying
 - 14) to a combustion engine or a device equipped with a combustion engine for a reason other than a sudden external factor. However, any loss or damage arising from the outbreak of fire is covered.
 - 15) by normal scratching or damage
 - 16) by a computer virus or malware

- 17) by fraud, embezzlement, or comparable dishonest means, or breach of contract, or the gross negligence or carelessness of a tenant
- 18) by the growing of narcotic plants or to equipment and implements used therein
- 19) by a cause which is compensable on the basis of a special Act, guarantee, obligation, or other insurance, or from public funds.

The Insurance does not cover

- 20) loss or damage caused by a pet by biting, scratching, urinating, defecating, vomiting or staining
- 21) to drawings and documents, unless these are replaced
- 22) pure financial loss
- 23) loss or damage whose time and place cannot be determined; e.g. loss as a result of theft when the time, place and circumstances of the event cannot be profoundly defined
- 24) loss or damage in connection with loss or damage to structures for whose maintenance the housing corporation is liable if the housing corporation, in this connection, is also liable for damage to property for whose maintenance the flat owner would normally be liable
- 25) damage caused to the insured property by flood or a rise in water level caused by a local storm insofar as the damage affects a building that has been built without or against a permission required by law, or property in such building.

5 PRECAUTIONS

Precautions include the most common safety regulations to prevent loss or damage and reduce its extent.

The Policyholder, the Insured Person and any person comparable to the Insured Person must observe the precautions. Negligence in heeding the precautions may cause the compensation to be reduced or completely denied in accordance with clause 5 of the General Terms and Conditions.

The Policyholder, the Insured Person and any person comparable to the Insured Person must ensure that the item is not used contrary to the user manual or service and installation instructions given by the manufacturer, importer or seller, and that the item is not overburdened.

In the precautions, surveillance means continuous supervision. Furthermore, in the precautions the surveillance of a building refers to visiting the building at least once a month.

5.1 Safe use and careful storage of property

- 1) Windows, doors and other entrances of the Insured Interest's storage facilities must be locked. The property must be separately locked if it is stored in so-called common premises, to which, for instance, the residents of the building have access.
- 2) Jewellery or other valuable objects or objects exposed to theft must not be left in a hotel room, cabin or other such premises, unless separately locked away.
- 3) Keys must not be left or hidden near the residence or the storage facilities. No name or address should be attached to keys, since it may reveal the location of the property. The lock must be immediately changed or rekeyed, if a key has fallen into the wrong hands. In order to prevent theft, keys must not be kept in a visible or unlocked place where an outsider can expect or assume keys to be kept.
- 4) Property kept outdoors or carried must be kept under surveillance in order to avoid theft. When carried property has to be left without the Insured Person's surveillance, it must be locked or left in a locked storage place. Valuable property or property exposed to theft such as cameras, telephones, tablets, computers and valuables must not be left in a motor vehicle, trailer, boat, caravan or tent without surveillance even if the said place of storage was locked.
- 5) Bicycles must be kept under surveillance or locked.
- 6) When storing a boat outdoors, it must be locked to the jetty or some other fixed object. In addition, the boat must be fastened so that it can withstand changing weather conditions. The outboard engine must be locked to the boat's stem with a lock, the boat's spaces must be kept locked and the equipment belonging to the boat must be kept in a locked place.
- 7) Personal identification numbers for bank or credit cards must not be kept close to the card.
- 8) Drinks must be kept at such a distance from a computer that if they are spilled, they cannot harm the computer.
- 9) When a firearm is not in use, it must be stored in a secure safe cabinet, other locked place, otherwise locked, or so that a component belonging to the firearm is stored separate from the firearm in accordance with the Firearms Act (9 January 1998/1).
- 10) Stored goods susceptible to damp and water damage must be placed at a minimum height of 10 cm from the floor level.

5.2 Fire safety

- 1) The Policyholder must observe fire safety rules and regulations issued by authorities.
- 2) Safety distances and installation instructions issued by the manufacturer of a fireplace and flues must be adhered to. The

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compatibility of the temperature classes of the fireplace and flue must always be ensured.

- 3) Controlled burning must always be notified to the regional emergency centre. It is forbidden to make an open fire in a yard area or on the terrain when a forest fire or grass fire warning is in force.
- 4) Fireplaces and flues must be swept regularly. In general, fireplaces and flues must be swept once a year (Act on Rescue Services 379/2011). If the fireplaces and flues of a building have been unused for over three years or their purpose of use changes, they must be inspected and swept by a chimney sweep before being used again. Chimney sweeping may only be performed by a chimney sweep who holds a professional qualification.
- 5) In the use and storage of inflammable liquids and liquid gas, the amounts specified in the stipulations and permits relating to burning liquids may not be exceeded (Decree on the Handling and Storing of Dangerous Chemicals, 20 December 2012/856). Liquid gas may not be kept in the basement.
- 6) Residential flats as well as permanent dwellings and leisure-time dwellings must be equipped with functioning fire alarms which meet the authorities' regulations.
- 7) Faulty electrical appliances and installations must be repaired without delay. Their use is forbidden before they are repaired.
- 8) Only approved installation and service shops may carry out electrical work and repair electrical appliances.
- 9) Smoking and making an open fire on premises containing flammable substances or materials is prohibited. Smoking in bed is forbidden. Cigarettes must be extinguished in an incombustible container.
- 10) Fireplaces, open fire and candles must be continuously supervised. Outdoor candles may be burned on a fireproof surface only.
- 11) The ash from the fireplace may be removed no earlier than 24 hours from ending the heating of the fireplace. The ash from the fireplace must be stored in a lidded metal container.
- 12) Drying clothes over a sauna oven or in its close vicinity is forbidden.
- 13) Hot work operations may not be performed in a garage or a storage, basement or similar facility. Hot work operations mean any work where sparks are generated or where a flame or other source of heat is used and which thus creates a fire hazard. Hot work operations include gas and arc welding, oxygen cutting, disc cutting and metal grinding, and any other work in which a gas burner, other open fire or a hot air blower is used. If temporary hot work operations are essential, a portable A-B-C-class fire extinguisher of at least six (6) kilos, a smothering blanket and a pressurised hose must be at hand as first-aid extinguishing equipment. If a pressurised water hose is not available, 50 litres of water in separate containers must be at hand. Flammable objects must be protected and flammable movables must be removed. A fire-watch is essential both during the work and for at least two (2) hours after the work has ended.
- 14) Frozen pipes may not be defrosted by use of open fire.
- 15) The stove and oven should be operated under supervision, and no flammable objects may be kept on or in the immediate vicinity of the stove. Make sure they are switched off before you leave the dwelling.
- 16) Movable halogen lights must only be used under supervision. Any flammable materials must be removed from the immediate vicinity of a halogen light. Halogen lights must be switched off whenever the room is unattended.

5.3 Preventing damage during transport

- 1) Property in transit must be packed in an appropriate manner, so that it withstands ordinary stresses of weather and transportation. Easily breakable objects as well as jewellery, valuables and other items exposed to theft should be transported as hand luggage in public means of transport.
- 2) Liquids as well as corrosive and staining items must be transported separately and packed using sufficient protection so as not to harm other goods.

5.4 Preventing damage by natural forces

- 1) The leakage of rain or melt water (stormwater) into a building must be prevented by waterproofing and implementing specific drainage systems, such as slanting the ground away from the building, subsurface drains, ditches and rainwater sewers as well as pumping stations.
- 2) The ditches and subsurface drains of the lot and the building site must be kept in working condition. Their condition must be inspected on an annual basis.
- 3) The lot and the building site must be connected to the municipal stormwater drainage system if such exists in the area.
- 4) The sewer system must be kept in working condition and the proper maintenance of sewage pumps must be ensured.
- 5) Snow must be removed from the roof when its weight endangers the bearing capacity of roof structures, or when snow falling from the roof may cause loss or damage.
- 6) The condition of the roof, of the fixtures located on the roof and roof ducts must be checked every autumn and spring, and possible damage must be repaired.
- 7) Stored goods susceptible to damp and water damage must be placed at a minimum height of 10 cm from the floor level.

5.5 Preventing water damage caused by leakage

- 1) HPVAC appliances and pipework must be emptied of water if the building is left without sufficient heating and supervision during the cold season. Even in this case, sufficient heating and supervision must be arranged for the room in which the water metering device is located.
- 2) If the building is unoccupied for longer than a week, the main water valve must be closed and any water pump switched off before leaving the building.
- 3) The shut-off valve of the water supply point to which a water hose is attached must always be turned off after use. A water hose attached to an outdoor water supply point must be removed during the cold season.
- 4) The pumping station of a drainage or wastewater system must be equipped with an appropriate alarm, with the alarm sounding if the water surface in the pumping station rises too high.
- 1) Washing machines must always be connected to the water mains with a separate shut-off valve and an approved pressure-proof inlet hose. Washing machine outlet hoses must be connected to the sewage system and the machine monitored during operation. The washing machine's shut-off valve must be turned off when the machine is not in use.
- 2) Floor drains and drain traps must be cleaned sufficiently often to prevent the forming of blockages which obstruct the flow of water.
- 3) A container must be placed under washing machines and refrigerating appliances if the room is not equipped with a floor drain or the floor structure prevents the immediate detection of a possible leak.
- 4) Oil storage tanks and the related pipework must be inspected at least every ten (10) years. Oil storage tanks of buildings located in groundwater areas and the related pipework must be inspected at least every five (5) years by an expert service shop. Any oil tank that is not according to tank standards must be removed from usage. Any defects in the overfill protector or the oil storage tank itself must be repaired immediately.

6 COMPENSATION

6.1. Basis for compensation

The insured property and the selected cover are specified in the Policy Document.

6.1.1 Direct property damage

The Insurance covers direct material damage to the Insured Interest during the insurance validity period caused by a sudden and unforeseen event in accordance with the level specified in the Policy Document.

The basis of compensation is the loss incurred in connection with the property damage, which means that the compensation for used property is not always the same as the value of new property.

In addition to direct property damage, reasonable additional costs arising from the authorities' imperative orders concerning construction are covered, however at most 10 per cent of the repair expenses of the building covered, excluding demolition and planning costs. If the building is insured at the maximum amount of compensation, the maximum amount of compensation always acts as the upper limit of the maximum amount of compensation of the building under construction.

Demolition costs covered by the Insurance comprise costs arising from the demolition work on the building, transportation of demolition waste and waste charges. If no new building is built to replace the demolished one, the levelling of the site is also covered by the Insurance.

In case of damage caused by leakage, the waterproofing of a wet room is only compensated for the part of the room the damage was caused to.

In addition to direct property damage, this Insurance covers reasonable costs arising from the prevention of loss or damage or reduction of its extent in connection with the property damage.

The costs arising from rekeying or changing the lock are compensated as loss prevention expenses only if the key has fallen into the wrong hands through theft, robbery or burglary and there is reason to assume that this poses an essentially increased risk.

6.1.2 Exclusions

The Insurance does not cover

- 1) the decrease in value of the property, or the loss or weakening of guarantee or other additional benefit received in the context of the purchase, due to the occurrence of loss or damage or the repair work carried out due to it
- 2) the decrease in or loss of sentimental value of the property
- 3) claims settlement costs or expenses or expenses indirectly connected with the loss or damage, such as telephone and travelling costs, loss of income or other comparable costs
- 4) service and maintenance costs
- 5) costs relating to alteration or improvement work and other costs unrelated to the loss. Where worn, rusted or corroded parts have been replaced due to their having been damaged, or other comparable work has been carried out in connection with the repair, on the basis of which the condition of the property can be considered to have

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- essentially improved in this respect compared with its earlier condition, this will be taken into account in assessing the final compensation.
- 6) additional expenses arising from the introduction of official regulations when they exceed what is stated in Clause 6.1.1 above
 - 7) costs arising from an exceptional manner of transportation or repair of the object, materials or parts, such as working overtime or during holidays to save time
 - 8) repair costs insofar as they exceed the price of the property before the occurrence of loss
 - 9) wear caused by normal use of the object in connection with the occurrence of loss or damage
 - 10) a change in the energy performance indicator of the building due to the insured event or the repair work carried out due to it, nor costs for acquiring a new energy performance certificate.

6.1.3 Other loss or damage

6.1.3.1 Discontinuance of habitation

This insurance only covers reasonable and necessary additional accommodation, transportation, storage and other equivalent costs. The Insurance covers additional costs arising from a temporary dwelling in which the Insured Persons can reasonably live, taking into consideration their life situation and the duration of the discontinuance of habitation. However, this Insurance does not cover meal costs. Compensation is paid to a maximum of 85% of the aforementioned real costs agreed with the Insurer in advance. Alternatively, compensation for the discontinuance of habitation can also be paid as a lump-sum compensation, in which case the Insured Person does not have to provide a clarification of the real, additional expenses. Compensation for the discontinuance of habitation is paid for no more than one (1) year.

6.1.3.2 Not being able to use luggage

Costs arising from the acquisition of necessities are covered if luggage duly checked in for transport is delayed for at least 6 hours from the time the Insured Person arrived at the destination. However, costs arising from the acquisition of necessities are not covered in the case of return journeys.

Additional costs due to not being able to use luggage are compensated up to EUR 80 per traveller for each commencing 24-hour period, the maximum being EUR 320 per traveller. The expenses are compensated against specified receipts.

In cases of theft, burglary or robbery occurring outside Finland, additional and reasonable travel, telephone and accommodation costs arising from the acquisition of a passport or visa necessary for a return journey are compensated. However, this Insurance does not cover meal costs.

6.1.3.3 Luggage transportation costs

Reasonable expenses for the transportation of luggage to the destination or back home are covered in cases of loss or damage to any insured motor vehicle used for transporting said luggage.

6.1.3.4 Crisis therapy

The insurance covers psychotherapy needed by the Insured, if the reason for such need is extensive property loss or damage incurred by the Insured which is compensable from fire, theft or malicious damage cover. The psychotherapy must be prescribed by a physician, and the insurance will cover no more than five (5) treatment sessions. The treatment must be started within one month of the property loss or damage

6.1.3.5 Interruption of rental income

The basis for compensation is damage that fully or partially prevents the use of the flat for rental purposes. Compensation requires a valid rent agreement at the time of the damage.

Compensation is paid until the flat has been restored to a condition suitable for renting. If the repair work or its start is delayed, interruption loss is only covered for a period that would be required to repair the property damage if efficient methods were used.

Compensation is paid for a maximum of 12 months as a result of a single insured event. Compensation is based on the actual loss of rent caused by the interruption. The compensation is calculated on a daily basis and paid according to the actual days of interruption. A month is considered to have 30 days. Compensation requires that the Policyholder provides a clarification of the period of interruption of rental income and the actual loss of rent.

The deductible is 50% of the rental income for one calendar month.

Rental income interruption cover does not cover the interruption of rental income for a period

1. caused by repair and/or renovation of the flat unrelated to the compensable damage which prevents habitation in the flat
2. that elapses before the flat is rented again after having been restored to a condition suitable for renting after the damage.

6.2 Assessment of property and amount of loss

6.2.1. Building

6.2.1.1 Assessment of the price of a building

Buildings are assessed at the replacement price of a new building with equivalent facilities, furnishings and fittings, and usability.

The replacement price is calculated on the basis of modern structural parts, working methods and building material commonly provided in Finland.

The replacement price and current price are calculated by applying calculation methods generally used in Finland.

6.2.1.2 Determination of the amount of loss and conditions for compensation with regard to buildings

The amount of damage to a building or part of it is determined primarily by defining the level of planned repair costs, either through calculation or by competitive tendering. The plan must include the implementation of repairs using modern structural parts, realised in Finland with material commonly provided in shops, and generally used, modern working methods. In calculating the amount of loss, increased costs arising from the restoration of building structures are not taken into account in repair costs. If the current price of the building or part of the building at the time of the loss equals or exceeds half of its replacement price, the amount of loss is calculated on the basis of the replacement price.

If the current price of the building or part of the building at the time of the loss has decreased to less than half of its replacement price, the amount of loss is calculated on the basis of the current value of the building or the part of the building. In this case, the compensation is also paid on the basis of the current value.

Compensation defined on the basis of the replacement price requires that the damaged building be repaired or replaced by a new, equivalent building intended for equivalent use and built on the same lot or estate within two (2) years of the occurrence of loss or damage.

The compensation is paid in two parts. First, compensation according to the current price is paid, then the difference between the replacement price and the current price is paid after the Insurance Company has received an account of the performance of repair or construction work on the building. However, the maximum compensation paid is the difference between the actual building costs and the compensation paid on the basis of the current price.

However, in all of the above-mentioned situations, the maximum compensation based on the current value of the building equals the market price of the building.

If a damaged building cannot be repaired due to a building prohibition or restriction in force, the residual value of the building is compensated in addition to the actual property damage. The maximum total compensation paid is the price of the building before the occurrence of loss. However, this sum is reduced by the selling price that could be obtained by selling the remaining parts of the building if they were sold for the purpose of removal.

The Policyholder must present an account of the validity of a building prohibition or restriction and, at the Insurance Company's request, acquire, or authorise the Insurance Company to obtain the appropriate special permission to restore the building to its former state.

6.2.1.3 Water damage caused by the breakage of the pipework of the building

In cases of loss where the pipework of a building breaks down and results in water damage caused by leakage, the amount of loss or damage is calculated by making an annual deduction based on the useful life of the leaked pipework from the repair expenses of the building covered, unless otherwise agreed on in the Policy Document.

Age of pipework	Deduction of the repair costs for the compensable loss
0–29 years	0%
30–50 years	25%
over 50 years	50%

The deduction is calculated on the basis of the amount of damage falling within the scope of cover of the Insurance. The age of the pipework is calculated in calendar years from the year when the property was first used or the pipework renewed. The first year of commissioning ends at the turn of the calendar year, regardless of the time of year at which the pipework began to be used.

6.2.1.4 Deductions on the basis of the age of HPVAC and electrical appliances

In cases of loss where the pipework, heating, plumbing, ventilation, air-conditioning or electricity equipment of a building breaks down, the amount of the loss or damage is calculated by making an annual deduction based on the age of the equipment from the repair expenses covered as follows:

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- pipework, electric cables and wires of a building 3%
- other HPVAC and electrical appliances, including heating cables 6%.

The deduction is calculated on the basis of the replacement or repair expenses of the pipework and HPVAC and electrical appliances. These also include the expenses for opening and closing constructions as well as excavation and filling expenses and the related labour costs.

The age of the appliance or pipework is calculated in calendar years from the year when the appliance or pipework was taken into use or the pipework was renewed. With respect to the repair and replacement expenses of a single part of equipment, the age deduction is calculated on the basis of the age of the entire equipment, even if the single part were newer. No deduction is made for the year the property was taken into use or for the following year. In the calculation of the age deduction, the year the appliance or pipework was taken into use is regarded as the first year of commissioning. The first year of commissioning ends at the turn of the calendar year, regardless of the time of year the item was taken into use. The age deduction is also calculated for the year during which the loss or damage occurred. The deduction is calculated as follows: years x deduction percentage based on age.

These deductions cannot be removed by paying an extra premium.

6.2.2 Yard area

The amount of loss or damage to a yard area or garden is calculated on the basis of their restoration costs. Compensation for shrubs, fruit trees and ornamental trees is calculated by multiplying the purchase price of new saplings by three. For trees other than fruit and ornamental trees, compensation is only paid for clearing, whereas their removal, chopping or chipping is excluded.

The costs of the acquisition of the plants are compensated against receipts according to the replacement prices of plants commonly on offer in Finland. In addition, reasonable transportation and planting costs are covered.

Cleaning and restoration costs are compensated to a maximum of EUR 50,000.

6.2.3 Movable property

6.2.3.1 Assessment of property with regard to movable property

Movable property is assessed on the basis of the replacement price of new property with equivalent qualities and usability. The replacement price is the price with which a movable piece of property as closely resembling the lost one can be acquired, if acquisition is possible.

6.2.3.2 Determination of amount of loss with regard to movable property

As regards movable property newer than five (5) years, the amount of loss is calculated on the basis of the replacement price of an equivalent piece of property. However, for the items and groups of items listed below, the amount of loss or damage is always calculated according to the table.

As regards other property older than five (5) years, the amount of loss is calculated on the basis of its current price, which refers to the price of used property. The value of property is reduced by its age, use, negligence in servicing or maintenance and evident effects of other factors.

The amount of loss or damage to works of art, jewellery and other valuables is always calculated on the basis of their market price.

The amount of loss or damage to works of art, paintings, jewellery and handicrafts made by the Insured is calculated on the basis of the replacement price of the materials used for the items.

The maximum compensation paid for repair expenses is the amount of loss calculated according to the above procedures.

6.2.3.3 Determination of amount of loss with regard to specific objects

When compensating property listed below, the replacement value is reduced by annual deductions based on age.

- | | | |
|---|-----|----|
| - Consumer electronics, other electronic appliances and optical instruments and their accessories (excluding binoculars and telescopes) | 9% | |
| - Smartwatches and similar | 9% | |
| - Bicycles and electronic mobility devices and their accessories | 9% | 9% |
| - Household appliances | 9% | |
| - Other machinery and equipment | 5% | |
| - Laptops, tablets and similar devices | 20% | |
| - Other computer hardware | 15% | |
| - Spectacles and prescription sunglasses | 15% | |
| - Sports gear and equipment | 15% | |
| - Clothing and footwear; prams and strollers | 15% | |
| - Property of entrepreneurship | 15% | |
| - Mobile phones and equivalent equipment | 25% | |
| - Property used for gainful employment or | | |

- | | |
|---|-----|
| entrepreneurship | 15% |
| (if the above-mentioned age deduction percentage of the coverable item is not higher) | |

The deduction is calculated from the replacement price of an equivalent item. With respect to the replacement price of a single part of an item or equipment, the age deduction is calculated on the basis of the age of the entire equipment or item, even if the single part were newer. No deduction is made for the year the property was placed in service. In the calculation of the age deduction, the year when the item was taken into use is regarded as the first year of commissioning. The first year of commissioning ends at the turn of the calendar year, regardless of the time of year the item was taken into use. The age deduction is also calculated for the year during which the loss or damage occurred. The deduction is calculated as follows: years x deduction percentage based on age.

The price of the aforementioned items is always at least 10 per cent of the replacement price of an equivalent item, except for laptops, tablets and similar devices, other computer hardware, spectacles, clothing and footwear, as well as mobile phones and similar devices. The price of a bicycle is always at least 28 per cent of the replacement price of an equivalent item. The maximum compensation for an item purchased second-hand is the price of an equivalent, used item at the time of the loss or damage.

The deduction is not made from repair costs based on an invoice. The maximum compensation paid for the repair expenses is the amount of loss, less the deductible.

6.2.3.4 Determination of amount of loss with regard to motor vehicles and other motorised means of transport

The amount of loss or damage to motor vehicles and other motorised means of transport and their parts and accessories is calculated on the basis of their market price. The maximum compensation paid for the repair expenses is the market price of the item, less the deductible.

6.2.3.5 Objects taken out of daily use

Contrary to clauses 6.2.3.1–6.2.3.3, the maximum amount of loss or damage to an item of movable property that is no longer in daily use when the insured event occurs is its market price.

6.2.4 Other property

6.2.4.1 Rented or borrowed property

The price of rented or borrowed property and amount of loss are calculated according to the same principles as for movable property which, if owned by the Insured Person, would belong to his/her insured movable property.

6.2.4.2 Permanent fixtures in a flat

Loss or damage to permanent fixtures is assessed and the amount of loss is calculated according to the same principles as loss or damage to the Policyholder's own property.

Deductions concerning HPVAC and electrical appliances specified in clause 6.2.1.4 are applied to HPVAC and electrical appliances belonging to the building. The maximum amount of compensation to be paid on the basis of the Insurance is entered in the Policy Document.

6.3 Methods of compensation

The Insurance Company compensates property damage at its discretion in one of the following ways.

Property damage is compensated primarily by paying the repair costs. Repair refers to the restoration of the property to a state equivalent to what it was before the occurrence of loss. The Insurance Company is entitled to designate the repairer and repair method for the damaged property.

The repair costs are paid on the basis of the price at which the Insurance Company would have been able to repair the property. The maximum compensation paid for repair costs is the price of the property before the occurrence of loss. If the property is not repaired, even if this were possible, an amount corresponding to the estimated repair costs is paid as compensation, but only up to the price of the property before the occurrence of loss.

If the property cannot be repaired, or it has been lost and not recovered, the maximum compensation paid is the replacement price of the property immediately before the occurrence of loss, after the deduction of the residual price of the property, a deduction based on the age of the property and the deductible.

Alternatively, the Insurance Company may compensate property damage by acquiring an equivalent piece of property intended for the same use as replacement, or pay a compensation equivalent to the price at which it could have replaced the property with equivalent property (such as a replacement device for a mobile device). Deductions based on the age of the property and the deductible are deducted from the acquisition price.

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The damaged movable property becomes the Insurance Company's property.

If lost property is recovered after compensation has been paid, the recipient of the compensation must hand over the property to the Insurance Company or return the compensation paid for the property without delay.

Compensation for jewellery and watches is 60 per cent of their market price, if the Insured does not acquire equivalent items within six months of the occurrence of the insured event.

6.4 Deductible and other deductions

6.4.1 Deductible

The deductible is deducted from the amount of loss covered. The amount of the deductible is defined in accordance with the Policy Document and these Terms and Conditions.

If loss or damage to several Insured Interests with different deductibles is covered on the basis of the same occurrence of loss, the highest deductible selected is deducted.

No deductible is deducted

- from costs arising from the prevention of loss or reduction of its extent
- if the Insured Interest is protected by an alarm device and this device and its functioning has prevented the occurrence of loss or restricted the amount of loss
- from the compensation for costs specified in Clauses 6.1.3.1, 6.1.3.2. and 6.1.3.3.

In case of loss or damage to a building or flat under construction or renovation or to equipment, site huts and workers' property, the deductible chosen for the Insured Interest is doubled, to an amount which may not exceed EUR 1,700.

In cases of loss or damage to a building or a flat which has been hired out, the deductible chosen for the Insured Interest is doubled, to an amount which may not exceed EUR 1,700, if rental use is not mentioned in the Policy Document.

In cases of loss or damage to a building covered by the cover against natural forces and caused by a flood caused by heavy rain, flooding of water bodies or sea water flood, the deductible chosen for the Insured Interest is doubled, to an amount which may not exceed EUR 1,700.

6.4.2 Impact of individual acts

The Insurance Company may reduce or completely refuse compensation to the Insured Person and any person comparable to the Insured Person who has:

- 1) caused the loss or damage intentionally or through gross negligence. This also applies where the Insured Person's use of alcohol or intoxicants has contributed to the loss or damage (General Terms and Conditions, Clause 6.1).
- 2) neglected to observe the precautions applying to the Insurance (Clause 5 and General Terms and Conditions, Clause 5.1.1).
- 3) neglected measures to prevent loss or reduce its extent (General Terms and Conditions, Clause 5.2.1).

Persons comparable to the Insured Person are specified in Clause 7 of the General Terms and Conditions.

6.4.3 Impact of laws regulating taxation

The laws regulating taxation are also taken into account in the calculation of compensations.

6.4.4 Order of calculating deductions

Deductibles and other deductions are made from the amount of loss covered in the form of consecutive deductions in the following order:

- 1) the amount of possible tax
- 2) deduction based on the useful life of property (age deduction)
- 3) deductible
- 4) reduction based on the actions of persons.

6.5 Premium and Index Adjustments

6.5.1 Calculating the Insurance Premium

Premiums for home insurance shall be calculated according to the personal qualities of the Policyholder, his/her family members, the Insured, or the possessor of the Insured Interest. Such qualities shall include age, place of residence and living environment, as well as the insurance and claims history, the properties and the purpose of use of the insured interest specified in the Policy Document, the scope of cover, and the amount of the deductible. Factors affecting the premium will vary in accordance with the insured interest.

The insurance company is entitled to adjust the premium at the turn of the insurance period on the basis of a change in the age of the insured interest, the Policyholder, his/her family members, the Insured or the possessor of the insured interest. In such a case, the premium is adjusted in accordance

with the change in the statistical risk of loss or damage that corresponds to the change in age.

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When the effect of age on the risk of loss or damage changes, the insurance premium can be adjusted to better correspond to the risk.

The other cases in which the insurance company is entitled to adjust the premium are stated in the General Terms and Conditions.

6.5.2 Index adjustments

The maximum amounts of compensation, deductibles and insurance premiums will be adjusted annually, according to an index, at the turn of the insurance period. The index of the previous September is used as the adjustment index.

With respect to building projects, the construction cost index is applied, and with respect to other interests, the cost-of-living index.

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