Fennia

Fennia motor vehicle insurances

1) Motor liability insurance

2) Fenniakasko motor vehicle insurance

PRODUCT BROCHURE VALID AS OF 1 NOVEMBER 2010

Contents

1. Motor liability insurance 3
What is a motor vehicle? 3
What is covered by motor liability insurance? 3
Territorial scope of validity 5
Insurance premiums 6
Entry into force, changing and termination of the insurance contract 8
When a vehicle is uninsured 9

2. Fenniakasko 10
Fenniakasko insurances and territorial scope of validity 10
Package solutions 11
What is covered and compensated by material damage insurances 11
Collision insurance 12
Elk damage insurance 12
Vandalism insurance 12
Fire insurance 13
Theft insurance 13
Windscreen insurance 13
Hire purchase and leasing insurance 14
Fraud and embezzlement insurance for rental vehicles 14
The payable compensation shall be evaluated according to the amount of loss and possibility to repair 14
Supplementary cover – financial loss coverage 16
Emergency road service insurance 16
Legal expenses insurance 17
Hire car insurance 18
Consequential loss insurance 19
Towing service insurance for lorries and buses 19
General liability insurance for motor vehicles abroad 20
Deductions 20
Refund for the period when the vehicle is temporarily decommissioned 21
Insurance premium and bonus 22

Issues related to insurance cover 24
Primary safety regulations 24
Intent, gross negligence and influence of alcohol 25
Identification 25
After an insured event has occurred 25
Appeals 26
Right to terminate the contract 26
Applicable law and supervisory authority 26

We handle information confidentially 27

This product brochure describes the content, primary restrictions and compensation principles of Fennia motor vehicle insurances, as well as the rights and obligations of the policyholder. All insured events and compensable damages, including the restrictions thereto, are specified in the insurance terms and conditions.

Motor liability insurance is statutory. The Fenniakasko motor vehicle insurance may be compiled from the voluntary insurances of your choice.

1. Motor liability insurance

Under the Motor Liability Insurance Act, motor liability insurance is mandatory for all motor vehicles and trailers used in traffic. *Thus it is secured by law that in case of an accident each driver has an insurance that indemnifies personal injury and any material damage sustained by the innocent party.*

More detailed information about the extent of the insurance and the rights and obligations of different parties can be found in the Motor Liability Insurance Act, Motor Liability Insurance Decree, Insurance Contracts Act, and terms and conditions of Fennia motor liability insurance.

What is a motor vehicle?

A motor vehicle is a mechanically driven vehicle or machine that travels on land without the use of rails. A vehicle that is built to move only when connected to another motor vehicle or machine is also considered to be a motor vehicle.

Those **vehicles and machines that need not be insured** under motor liability insurance are separately listed in the Motor Liability Insurance Decree. They include, for example, combine harvesters and other harvesting machines, and platform trailers and loading equipment used in a closed factory area. It is possible to take out general liability insurance in case there is an obligation to pay damages related to the use of such vehicles.

A motor vehicle operates in traffic as referred to in the Motor Liability Insurance Act and requires motor liability insurance also when it is used, for example, on a private road, in a yard or on ice.

What is covered by motor liability insurance?

The motor liability insurance covers personal injuries and material damage. Fennia will pay compensation in accordance with the Motor Liability Insurance Act and the instructions issued on the basis thereof. The compensation is determined according to the Tort Liability Act (412/74), Chapter 5, sections 2, 2 a–2 d, 3, 4, 4 a, 4 b, 5, 7 and 8, and Chapter 7, section 3.

All such personal injuries sustained by persons in the vehicle and personal injuries and material damage sustained by external parties resulting from the use of the motor vehicle in traffic shall be compensated on the basis of the statutory Motor Liability Act.

If a traffic accident caused by the motor vehicle concerns another motor vehicle, the damage shall be compensated on the basis of the motor liability insurance of the first-mentioned vehicle only if the accident was caused by

- negligence (carelessness) of its owner, possessor, driver or passenger
- the fact that its movement or location was in conflict with the traffic rules
- its faulty condition

Motor liability insurance shall not compensate for damage to the policyholder's own vehicle or the goods or load carried by it.

Familiarise yourself with the motor liability insurance! After that you can better estimate the need for voluntary coverage for your vehicle. You can compile an individual solution from Fenniakasko insurances which, together with motor liability insurance, will ensure that you have the right kind of insurance coverage in traffic.

Compensable personal injuries

Medical treatment expenses and other expenses caused by the accident shall be compensated as personal injuries. Fennia has, however, as a principal rule the right to choose the nursing institution in which the treatment is provided.

In addition, compensation shall be paid for

- loss of income
- pain and suffering and other temporary inconvenience
- permanent injury and permanent cosmetic injury.

The injured person may also be entitled to receive a **home-care allowance, clothing allowance or rehabilitation** under the motor liability insurance. **Burial expenses** and other costs related to burial shall be compensated up to a reasonable amount. Excluding some exceptions, the compensation under motor liability insurance shall be integrated with other statutory compensations.

Compensable material damages

Repair costs of a vehicle or its redemption

The owner of a motor vehicle is entitled to receive repair costs as compensation. If the vehicle cannot be repaired at a reasonable cost, compensation amounting to the current value of the vehicle shall be paid for the redemption of the vehicle, in which case the damaged vehicle is handed over to Fennia.

Compensation for loss of use

Compensation for loss of use shall be paid for the duration of the repairs to a motor vehicle, either according to the recommendations confirmed by the Traffic Accident Board (standard compensation) or on the basis of actual loss.

Other material damage

For material damage other than that caused to motor vehicles, repair costs or current value of the damaged object shall be compensated.

Primary restrictions

1.

The damage shall not be compensated under motor liability insurance, if the motor vehicle has not been used in traffic.

A motor vehicle is not used in traffic when

- it is used outside the road network for agricultural work or a purpose essentially different than the transportation of people or goods
- it is stored or being repaired e.g. in a garage or a car repair shop or other similar place
- it is used in an isolated area for race, practice or testing purposes.

2.

Neither shall the motor liability insurance compensate for a damage that is

- during loading, unloading or other work performance while the motor vehicle is immobile directed at the owner, possessor or driver of the vehicle or other person carrying out work referred to here
- during loading, unloading or other work performance directed at the property that is the object of the activities or another motor vehicle that is involved in these activities
- directed at an animal other than reindeer that is unsupervised on the road, unless the owner, possessor, driver or passenger of the vehicle has caused the damage intentionally or through negligence
- directed at the property in the motor vehicle or other property of the owner, possessor or driver of the vehicle. Motor liability insurance does, however, compensate for damage caused to clothing and other personal utility goods worn or carried by a passenger.

In the case of a single traffic accident or more than one traffic accidents directly linked to each other, a maximum total compensation of 3,300,000 euro shall be paid for material damages for each motor liability insurance that is liable for the accident.

The independent actions of the party that has suffered the damage may result in a reduction or refusal of compensation. Such grounds include, for example, drunken driving, being a passenger in a vehicle driven by someone driving under the influence in certain cases, and driving a stolen vehicle.

Territorial scope of validity

The motor liability insurance is valid in all countries of the European Economic Area (EEA).
These countries are:

Austria	Italy
Belgium	Latvia
Bulgaria	Liechtenstein
Cyprus	Lithuania
Czech Republic	Luxembourg
Denmark	Malta
Estonia	Netherlands
Finland	Norway
France	Poland
Germany	Portugal
Great Britain and Northern Ireland	Romania
Greece	Slovakia
Hungary	Slovenia
Iceland	Spain
Ireland	Sweden

Motor liability insurance compensates for damages caused by the use of the motor vehicle in traffic in EEA countries – in accordance with the motor liability insurance act of the country in question or Finland, depending on which insurance coverage is better.

In addition to damages occurring in EEA countries, the motor liability insurance covers, outside the EEA, the damages caused to Finnish citizens and citizens of other EEA countries or their vehicles on a direct trip from one EEA country to another.

A Finnish driver always has the right – in case of an accident involving no other parties or when the driver in question is the guilty party in a collision – to receive compensation in accordance with the Finnish motor liability insurance system for personal injuries on the basis of the motor liability insurance for his/her own vehicle, if the accident has occurred in Finland or other EEA country.

Finnish motor liability insurance is also valid without further measures in the following countries:

Croatia	Switzerland
Monaco	Vatican
San Marino	

Furthermore, a Finnish motor liability insurance is valid with a separate certificate, **Green Card**, in the following countries:

Albania	Montenegro
Andorra	Morocco
Belarus	Russia
Bosnia and Herzegovina	Serbia
Iran	Tunisia
Israel	Turkey
Macedonia (F.Y.R.O.M.)	Ukraine
Moldova	

You can get a Green Card from Fennia. Keep the card with you whenever you drive your vehicle outside the Nordic countries.

When you travel abroad – especially outside the aforementioned countries

It is always worthwhile to check the obligation to insure, the scope of the insurance cover, and possible maximum amounts of compensation, and to consider supplementary coverage to avoid personal liability for damages.

Finnish motor liability insurance is valid in Russia. The compensation for damage that occurs in Russia is determined in accordance with Russian legislation, and the compensation amounts are considerably lower compared with the Finnish motor liability insurance system. Hence, it is worthwhile to consider arranging supplementary coverage by taking a voluntary general liability insurance and travel insurance for the driver and passengers of the vehicle in order to cover their personal injuries. Read also about general liability insurance for motor vehicles valid abroad on page 20.

Insurance premiums

The premium for motor liability insurance is calculated according to Fennia's premium bases. The premium is affected by, for example, the make, weight and capacity of the vehicle, and the policyholder's domicile and age.

The minimum premium for each insurance period is eight euro.

The insurance premium shall be paid by the due date stated in the invoice. **If the payment is delayed,** five euro will be charged for sending a reminder.

Depending on the seriousness of the insurance applicant's disruption in payments, Fennia may require that the first insurance premium be paid in advance before the insurance enters into force.

Bonus reduces insurance premium

A new motor liability insurance policy will commence – with exceptions mentioned below – with bonus category U (0% bonus). **A new insurance** is an insurance that has no existing or no transferable claims history (usable bonus).

A new insurance for a motorcycle and an insurance for a motorcycle whose bonus is not in a lower bonus category due to an accident, shall be placed in bonus category 3 (20% bonus).

An insurance transferred from another insurance company to Fennia shall be placed in that bonus category to which it belongs on the basis of its claims history according to the bonus system applied by Fennia. If the policyholder does not give his/her consent to check the claims history, Fennia will place the insurance in bonus category U (0% bonus).

A *liikennekasko* motor insurance sold to a financing company does not include any bonus, and the insurance and claims history of the possessor of the vehicle shall not accrue during the validity of the insurance.

Bonuses will accrue from no-claims insurance periods in accordance with the bonus chart below. If the duration of the insurance period is less than 120 days, or less than 90 days for motorcycles, no bonus will accrue. The bonus chart is not applicable to the motor liability insurance of mopeds, snowmobiles and certain other vehicles.

The bonus is reduced on average by 20% on the basis of each compensated damage which has resulted from the carelessness of the owner, driver or possessor, or defective condition of the vehicle. If more than one accident occurs during the same insurance period, the bonus may be reduced by more than 20% per occurrence of damage.

Bonus chart for motor liability insurance

The bonus chart below is applicable to motor liability insurance, unless otherwise noted in item 8.2 of the terms and conditions of motor liability insurance.

The new bonus category is determined according to this bonus chart and the number of occurrences of damage when compensation that affects the bonus category has been paid during the same insurance period.

Bonus category and percentage	No damage	1	2	3	4
M = 0%	K	M	M	M	M
K = 0%	0	M	M	M	M
U = 0%	1	M	M	M	M
0 = 5%	1	M	M	M	M
1 = 10%	2	K	M	M	M
2 = 15%	3	K	M	M	M
3 = 20%	4	0	M	M	M
4 = 25%	5	1	M	M	M
5 = 30%	6	2	M	M	M
6 = 35%	7	2	M	M	M
7 = 40%	8	3	K	M	M
8 = 45%	9	4	0	M	M
9 = 50%	10	5	1	M	M
10 = 55%	11	6	1	M	M
11 = 60%	12	7	2	M	M
12 = 65%	13	8	3	K	M
13 = 70%	13	9	4	0	M

Example

If the bonus category of your motor liability insurance is 10, you will get a 55% discount on the basic premium. **The bonus category is checked once a year.** If the vehicle has not been involved in a traffic accident by the next checking, your bonus category will rise to 11 and the discount for the basic premium will be 60%. If the vehicle has been involved in a traffic accident, the bonus category will fall to 6 and your discount for the basic premium will be 35%.

Transfer of claims history

The claims history related to the motor liability insurance of a vehicle can be transferred to another motor liability insurance policy held by the **same policyholder** for a vehicle of similar type and purpose of use.

The same policyholder means

- a private person or his/her spouse
- a person with whom the policyholder lives in a registered partnership
- co-habitation partner, provided that the co-habitation has lasted for at least two years or the co-habitation partners have a common child.

A claims history cannot be transferred

- between the motor liability insurances of cars and motorcycles
- from the motor liability insurance of a car registered for use subject to a license to the motor liability insurance of a car registered for private use
- from the motor liability insurance of a vehicle registered to a private person to the motor liability insurance of a policyholder with a Business ID – nor vice versa
- to a motor liability insurance that is in a lower bonus category because of the occurrence of an insured event.

By consent of the policyholder, Fennia can hand over the claims history to another insurance company or, if necessary, give it directly to the policyholder in writing. We give a written certificate for the same claims history only once. We store the claims history for five calendar years after the termination year of the insurance, unless it is transferred to another motor liability insurance during that time.

Refund for the period when the vehicle is temporarily decommissioned

The possessor or owner of a vehicle can submit decommissioning and commissioning notifications to the Finnish Transport Safety Agency (Trafi). **No motor liability insurance or vehicle tax is payable** for the vehicle during decommissioning.

Decommissioning of cars is also possible without returning the license plates. **Decommissioning is always valid until further notice, and it is not possible to give a date for the commissioning of the car in connection with the decommissioning.** A decommissioned vehicle must not be used in traffic before a notification on commissioning has been submitted to the registration authorities.

Decommissioning and commissioning are **registration events subject to a charge.** A notification may be submitted, for example, at an **inspection site or, for vehicles with motor liability insurance in Fennia, at Fennia offices.** The registration certification of the vehicle must be presented when submitting the notification.

The motor liability insurance premium shall not be refunded for the decommissioning period for a vehicle insured with liikennekasko motor insurance.

Changes in the registration details of the vehicle, such as a change of owner or possessor, shall be notified to the Vehicle Register also during the time the vehicle is decommissioned.

Decommissioning does not concern motorcycles. Their lay-up period shall be notified to Fennia in writing in advance. It is also possible to take out motor liability insurance for a motorcycle as a seasonal insurance, in which case the motorcycle can be used year round. The lesser use in the winter season is taken into account in the premium of the seasonal insurance without a separate refund for the lay-up period.

Refund to policyholder for a decommissioning and lay-up period

The insurance premium shall be refunded for the entire period that the vehicle has been decommissioned.

If you have a traditional motor liability insurance for a motorcycle, we will refund the insurance premium when the motorcycle has been provedly decommissioned without interruption for at least 30 days.

Increased premium

The owner or possessor of a motor vehicle shall pay Fennia an increased premium (penalty premium), if the vehicle has been used in traffic during the decommissioned or reported lay-up period. The penalty premium may be four times the insurance premium or, if a traffic accident has occurred, at most ten times the insurance premium.

If a decommissioned vehicle is encountered in traffic, the police will prevent the use of the vehicle by taking the license plates and registration certificate. Vehicle tax as a tax reassessment and an additional vehicle tax shall be imposed on the vehicle.

Entry into force, changing and termination of the insurance contract

An insurance is usually valid as of the day stated in the insurance application as the date of commencement of the insurance. The insurance may enter into force on the signing date of the application at the earliest.

If a written insurance application has been submitted to our representative or sent to Fennia, we will take responsibility for any insured event that occurs after the submission or sending of the application. The application is considered to have been submitted or sent at 12.00 midnight unless other evidence exists.

Period of validity

An insurance contract shall be valid one insurance period at a time until the obligation to insure the vehicle ceases.

Amending the contractual terms and conditions at the turn of the insurance period

Fennia has the right to amend the insurance terms and condition and premium for the motor liability insurance policy and other contractual terms and conditions by virtue of the grounds determined in the insurance terms and conditions.

If Fennia will amend the insurance contract, we will send a notification about the planned amendments in advance with the invoice. The amendment will enter into force as of the beginning of the insurance period that starts one month after the dispatch of the notification.

Notice of termination

The policyholder has the right to give notice of termination on the motor liability insurance and transfer it to another insurance company at any time during the insurance period. If the policyholder is a company, it is possible to agree on a different procedure for notice of termination, with certain preconditions.

The notice of termination becomes void, unless a written notification thereof has been submitted to the Vehicle Register within seven days from the notice of termination.

The policyholder can give a written notice of termination concerning the motor liability insurance policy, if a vehicle that need not be entered in the register is destroyed or is not used in traffic in the manner referred to in the Motor Liability Insurance Act.

Statutory motor liability insurance shall end without a notice of termination

1. when the insured vehicle is transferred to a new owner by a legal act (e.g. sale)

The damages that have occurred within seven days from the transfer of the right of ownership or possession shall also be compensated on the basis of the terminated insurance, if the new owner or possessor of the vehicle has not taken out an insurance policy within the said period of time.

2. when the vehicle is deregistered

If the vehicle is nevertheless still used in traffic in the manner referred to in the Motor Liability Insurance Act, the policyholder shall notify Fennia thereof within seven days from the deregistration of the vehicle. In that case, the insurance remains in force.

When a vehicle is uninsured

In accordance with the Motor Liability Insurance Act, the Finnish Motor Insurers' Centre shall compensate for the damages caused by an uninsured motor vehicle.

Restrictions
Personal injuries sustained by the owner and possessor of the uninsured vehicle shall not be compensated. Personal injuries sustained by the driver shall not be compensated if he/she knew or should have known that the vehicle has no motor liability insurance.

Collection of penalty premium for motor liability insurance

The owner or possessor of a motor vehicle who has not had a motor liability insurance during his/her period of ownership or possession is liable to pay afterwards a penalty premium equalling a multiplied insurance premium to the Finnish Motor Insurers' Centre.

When buying a registered vehicle, it should be checked that the seller is the same as the owner listed in the register and that the date of conclusion of the sale is entered as the selling date in the notification part of the registration certificate. By doing that, the buyer will avoid a possible penalty premium, and the liability of the previous owner's insurance company will continue for seven days for the benefit of the next owner.

If the vehicle is, however, bought from a person other than the owner listed in the register, interim transfer certificates concerning the interim owners (an owner who is not registered as the owner of the vehicle) shall be submitted in connection with registration either to an inspection site, the Finnish Transport Safety Agency (Trafi), or other organisation that is in charge of the registration of the vehicle.

Otherwise it may be difficult to sort out the right of ownership and ownership relations afterwards, and it may result in a demand for a penalty premium also for the period of ownership of the previous owners. **If the vehicle is bought from an interim owner,** it is worthwhile to insure the vehicle as of the date of purchase, because the interim owner may not necessarily have had motor liability insurance.

Our new service numbers

Advisory services related to motor liability insurance and compensation for traffic accidents is available from our telephone service

+358 10 19 5030, motor liability insurance

+358 10 19 5031, traffic accidents.

The charge for calling these numbers from a Finnish landline is the **local telephone charge** and, from a mobile phone, the **mobile operator charge.** These numbers provide service from Monday to Friday 8 a.m. – 4 p.m.

Our other contact information and service numbers can be found on the back cover of this brochure.

2. Fenniakasko motor vehicle insurance

The individual Fenniakasko motor vehicle insurance for your vehicle comprises the voluntary insurances of your choice. This product brochure describes the key content and primary restrictions of the insurances. All insured events and compensable damages including restrictions, and the safety regulations are specified in the insurance terms and conditions.

The insurances have been divided into material damage coverage and financial loss coverage in the insurance terms and conditions. *Material damage coverage compensates for various material damage sustained by your own vehicle. Financial loss coverage includes supplementary insurances that can only be taken in connection with specific material damage policies.*

Fenniakasko insurances and territorial scope of validity

Material damage insurance policies include collision, elk damage, vandalism, fire, theft, windscreen, hire purchase and leasing insurances, as well as fraud and embezzlement insurances for rental vehicles. More detailed information about these insurances can be found on pages 12–14.

The collision, elk damage, vandalism, fire and theft insurance includes a replacement value condition, when the insured object is a car, camper, caravan or motorcycle.

The collision insurance for a car registered for private use includes redemption coverage, if it has been separately agreed on and is stated in the policy document.

The collision, elk damage, vandalism, fire and theft insurance includes an extended replacement value condition, when the insured object is a car registered for private use, and the extended replacement value condition has been separately agreed on and is stated in the policy document.

More detailed information about the replacement value condition, redemption coverage and extended replacement value condition can be found on page 15.

A vehicle covered with a **collision insurance** is always also covered with hire purchase and leasing insurances without a separate agreement.

The following vehicles can be insured for material damage:

- cars and vans
- motorcycles and mopeds
- campers and caravans
- buses including accessories
- other motor vehicles and trailers with standard accessories (by separate agreement also special accessories).

In case of a **car or van, motorcycle, moped, camper or caravan,** Fenniakasko material damage insurances also cover accessories included in its standard sales price when purchased new, as well as special accessories fitted to the vehicle that are essentially linked to its use to a maximum value of 3,500 euro – and by special agreement to a higher sum insured.

Special accessories in **taxis and disabled persons' taxis** are included in Fenniakasko to a maximum value of 7,000 euro.

Restriction
Fenniakasko does not cover, for example, iridescent, decorative and other special paint work or signage, electronic files and documents, or radios, players, image reproduction devices and phones on motorcycles, snowmobiles, all-terrain vehicles and mopeds.

Financial loss insurance supplements material damage insurances. They include emergency road service insurance, legal expenses insurance, hire car insurance, consequential loss insurance, towing service insurance for lorries and buses, and general liability insurance for motor vehicles abroad. (More detailed information about these insurances can be found on pages 16–20.)

Emergency road service insurance and legal expenses insurance can be granted, when your vehicle is covered by a collision, elk damage, vandalism, fire or theft insurance.

Hire car insurance, consequential loss insurance, towing service insurance for lorries and buses, and general liability insurance for motor vehicles abroad can be granted, when your vehicle is covered by collision insurance.

Territorial scope of validity

When the vehicle has collision insurance, Fenniakasko insurances are valid in the European Economic Area (EEA) and, excluding Russia, in Green Card countries outside the EEA as well as in transport between these countries. If a different territorial scope of validity is agreed on, the exception is only valid if it is stated in the policy document. The Green Card countries are listed on page 5.

If the vehicle does not have collision insurance, Fenniakasko is only valid in the Nordic countries and in transport between these countries.

Exceptions

The territorial scope of validity of Fenniakasko can be expanded by a separate agreement in order for it to also be valid in the European area of Russia. The expansion is only valid if it is stated in the policy document.

The general liability insurance for motor vehicles abroad is valid in the Green Card countries outside the European Economic Area (EEA) and, with restrictions, in Russia. In Russia the insurance only covers personal injuries sustained by the passengers in the insured vehicle.

If it has been separately agreed that the Fenniakasko collision insurance is valid in Russia, and it is stated in the policy document, the general liability insurance for motor vehicles abroad is valid in Russia in the same way as in other Green Card countries outside the European Economic Area (EEA).

Towing service insurance for lorries is valid in Europe excluding Russia. It is also possible to limit the territorial scope of validity to Finland.

Towing service insurance for buses is valid in Finland.

If the insured vehicle has **temporary license plates** on the basis of a temporary number certificate issued by the Finnish Transport Safety Agency (Trafi) or a **transfer mark** on the basis of a transfer permit from Trafi, the insurance is valid in Finland, Sweden, Norway and Denmark.

Package solutions

Laaja Fenniakasko Comprehensive Motor Vehicle Insurance includes collision, elk damage, vandalism, fire, theft, emergency road service and legal expenses insurances, as well as hire purchase and leasing insurances.

Fenniakaskon osakasko Limited Motor Vehicle Insurance includes elk damage, fire, theft, emergency road service and legal expenses insurances.

In addition, both insurance packages include a replacement value condition, when the insured object is a car, camper, caravan or motorcycle. (More detailed information about the replacement value condition can be found on page 15.

Emergency road service insurance can be taken out in both packages for a car, van, camper, motorcycle or a lorry with a net weight of under 5 tonnes. (More detailed information about the Emergency road service insurance can be found on page 16.)

What is covered and compensated by material damage insurances

Material damage insurances compensate – each according to their terms and conditions – for the direct material damage caused by the insured event, costs resulting from lifting a damaged vehicle onto the road, and towing to the nearest repair shop.

Restrictions

Material damage insurances do not cover

- a reduction in value
- a change or improvement made in connection with the repair
- fuel
- washing or other treatment not related to the accident
- financial loss incurred in connection with material damage, such as e.g. vehicle tax. (See on page 19 what is covered by consequential loss insurance.)

Collision insurance

The insurance covers direct material damage caused to the insured object when it is caused by a collision, swerving off the road, overturning, or a sudden and unforeseeable external event.

Examples of insured events that are covered

Collision with another car or a tree or swerving off the road are the most common insured events covered. Collision insurance also covers an event, if a brick or paint is hurled from a construction site onto the bonnet of the car – or if, for example, a ski box is damaged when the car is driven into a shallow garage.

Another car damages the entire left side of the car in a parking lot, and the liable party remains unidentified. The repair costs are covered by Fenniakasko collision damage.

Restrictions

Collision insurance does not cover damage, for example, when

- a part of the vehicle or its accessories are damaged due to a structural or manufacturing defect, defective materials, wear and tear or insufficient maintenance
- the vehicle has been used to participate in or train for a race, or was used for driving practice in an area or on a road section closed to ordinary traffic, or it has been driven on a motor track, unless such activity is required to obtain a driver's licence.
- the damage is caused by water while driving the vehicle on a road or in an area partly or wholly covered by water
- it is caused by engine failure or rust
- it is due to vandalism, fire, theft, theft of use, unauthorised use, fraud, embezzlement, robbery or an attempt of any of the above, and the damage has been caused during or due to such acts. (Fenniakasko has separate insurances to cover most of these risks, e.g. fire and theft insurances.)

Elk damage insurance

Elk damage insurance covers direct material damage to the vehicle as caused by an elk or deer.

Vandalism insurance

Vandalism insurance covers direct material damage caused by vandalism to the vehicle.

Vandalism insurance covers, for example, the damage, if somebody has intentionally scratched the entire side of the car, or the tyres have been slit.

Restrictions

Vandalism insurance does not cover

- damage due to theft, theft of use, unauthorised use, fraud, embezzlement, robbery or an attempt of any of the above, and the damage has been caused during, after or due to such acts
- damage caused by another vehicle. Vandalism insurance does not cover, for example, damage caused in a parking lot by a car or bicycle that is unidentified or has left the scene.

Neither does vandalism insurance cover

- damage caused to the interior of an unlocked vehicle or to standard and special accessories inside an unlocked vehicle
- damage caused if an unlocked vehicle has been set on fire intentionally from the inside.

  A vehicle is considered to be unlocked, unless it has been closed and locked as stated in the terms and conditions of theft insurance.

Fire insurance

Fire insurance covers damage when a fire or a short-circuit in an electrical device has damaged the vehicle.

Restrictions

Fire insurance does not cover damage caused to the electrical devices of the vehicle, if the devices have been damaged due to a short-circuit in the electrical device itself.

Furthermore, fire insurance does not cover

- damage due to theft, theft of use, unauthorised use, fraud, embezzlement, robbery or an attempt of any of the above, if the damage has been caused during, after or due to such acts
- damage caused when an unlocked vehicle has been set on fire intentionally from the inside. A vehicle is considered to be unlocked, unless it has been closed and locked as stated in the terms and conditions of theft insurance.

Theft insurance

Theft insurance covers direct material damage caused by damage or loss to a vehicle or other insured object that has been closed and locked, kept in a locked shelter or in a continuously guarded storage shelter, when the damage is due to theft, theft of use, or unauthorised use of the insured object, or an attempt at any of the above.

The insured object is closed and locked, when its windows and any coverable open space are closed, its doors and lockable storage and cargo space are locked and its obligatory theft prevention device has been switched on.

The storage space is locked when its doors and entrance routes are locked, and its windows and other openings are closed and locked in a way that should prevent breaking in.

A trailer is locked when it is fitted with a device that **prevents the trailer from being latched onto a vehicle.**

A snowmobile is locked when it is fitted with a device that prevents the rollers from turning.

Another vehicle that does not have a built-in lock effectively preventing unauthorised use is only **considered locked** when it has been fitted with a proper anti-theft device.

A vehicle is not locked when it is kept inside another unlocked vehicle or trailer.

Compensation for a lost vehicle shall be paid, if the vehicle has not been recovered within 30 days of the date on which Fennia receives a written notification of the theft.

Windscreen insurance

Windscreen insurance covers direct material damage when the windscreen or another glass of the vehicle has been struck and the glass has thus to be repaired or replaced to comply with traffic safety regulations. Windscreen insurance can be granted if the vehicle is covered by collision, elk damage, vandalism, fire or theft insurance.

Restrictions

Windscreen insurance does not cover damage caused to the glass roof or sunroof of the vehicle.

Hire purchase and leasing insurance

Hire purchase and leasing insurance covers the damage caused to the seller, lessor, pledge holder or car mortgage possessor of the insured vehicle, if the damage caused to the vehicle is not covered due to the vehicle being left unlocked or, for example, due to insufficient oil or coolant circulation.

The insurance covers to the maximum of the current value of the vehicle

- that part of the compensation for material damage that is not covered by the insurance of the vehicle
- lessor's undue receivables
- undue receivables in accordance with the hire purchase agreement
- undue, unpaid part of a loan granted against a car mortgage.

Restrictions

Hire purchase and leasing insurance does not cover the damage, if

- the person entitled to receive compensation knew or should have known before the insured event that the insured vehicle was not locked or kept in a locked shelter when the insured event occurred
- a part of the vehicle or its accessories are damaged due to a structural or manufacturing defect, defective materials, wear and tear or insufficient maintenance
- the vehicle has been used to participate in or train for a race, or used for driving practice in an area or on a road section closed to ordinary traffic, or it has been driven on a motor track, unless such activity is required to obtain a driver's licence.

Fraud and embezzlement insurance for rental vehicles

The insurance can be granted to car hire companies.

Fraud and embezzlement insurance for rental vehicles covers damage caused if the vehicle has been lost due to fraud or embezzlement and it has not been found within 30 days of when Fennia received written notification of the insured event. If the vehicle has been taken over by fraud or embezzlement and it is found within 30 days of when Fennia received written notification of the insured event, the insurance also covers direct material damage sustained by the vehicle during that time.

Fraud and embezzlement insurance for rental vehicles compensates for the current value of the vehicle in cases of redemption. No replacement value condition, extended replacement value condition or redemption coverage shall be applied to the insurance.

All vehicles for hire shall have **the country code and license plate number of the vehicle as a security symbol** on a window. The hire agreement of the vehicle shall include the following condition: "The vehicle must not be taken abroad without a separate written permission from the lessor". This written prohibition must be kept with the registration certificate of the vehicle.

The payable compensation shall be evaluated according to the amount of loss and possibility to repair

Fennia can

- pay the repair costs of the insured object against receipts
- pay the sum agreed for repair costs in cash
- redeem the insured object
- pay the difference between the insured object's pre-damage current value or value according to a replacement value condition, extended replacement value condition or redemption coverage and its unrepaired value in cash (amount of loss)
- replace the vehicle or a part thereof with one that is similar or of equal value.

The compensation shall be paid **within one month** from the date on which Fennia receives a written notification of the insured event and other necessary documents, such as the repair invoice.

The insurance covers reasonable repair costs of the vehicle. Repair costs are reasonable when the value of the damaged vehicle combined with the estimated repair costs does not exceed the current value of the vehicle prior to the damage.

Used, damaged parts are replaced with similar parts. Usable parts of similar age and condition are used in the repair of the damaged vehicle if these are available and their acquisition does not delay the repair. Fennia is not obliged to replace damaged parts with new ones if they can be repaired to an operational condition.

Improved vehicle condition is taken into account when calculating the compensation. If the repair involves replacing damaged, worn, rusted or corroded parts due to damage, or painting, upholstering or other work has been done that essentially improves the condition of the vehicle, this is taken into account as a reducing factor when calculating the compensation.

The vehicle is redeemed if it cannot be repaired at reasonable cost.
The redemption price is one of the following:

1) the vehicle's current value

2) price in accordance with redemption coverage

3) replacement value

4) extended replacement value

Current value is the reasonable cash price generally obtainable for the vehicle had it been sold prior to the damage. Current value is not a car dealer's sales price or the refund value offered when buying a new car.

The assessment of current value takes into account the market price, individual condition and accessories, the date when the vehicle was placed in service, model, type of use, mileage, number of previous owners and possessors, service history and other relevant features of the insured object.

Redemption coverage is applied in the redemption of a car registered for private use if the vehicle is covered by collision insurance, and redemption coverage has been separately agreed on and is stated in the policy document. Under redemption coverage, the amount of loss is, instead of current value, the cash sale price of a similar new vehicle at the time of the insured event with corresponding redeemable special accessories, if

- the vehicle has been in the insured's sole ownership or possession and covered by voluntary motor vehicle insurance since it was registered or should have been registered for the first time
- the first registration has taken place no more than three years ago
- the vehicle's mileage is no more than 60,000 km
- the estimated minimum cost of repair work is more than 40% of the cash sale price of a similar new vehicle at the time of the incident, including corresponding redeemable special accessories.

If the above requirements are not met, the maximum limit of Fennia's liability to compensate is the current value of the insured object at the time of the insured event increased by 30%, provided that the estimated minimum amount of repair costs is more than 60% of the current value of the vehicle. The maximum amount of the compensation is, however, the cash sale price of a similar new vehicle at the time of the insured event. The maximum amount of compensation for a vehicle that was bought used is the current value at the time of purchase.

The replacement value condition is applied instead of current value to the redemption of a car, camper, caravan or motorcycle. In that case, the compensation is paid according to the cash sale price of a similar new vehicle at the time of the insured event.

The extended replacement value condition is applied to the redemption of a car registered for private use if it has been separately agreed on and it is stated in the policy document. In that case the compensation is paid according to the cash sale price of a similar new vehicle at the time of the insured event.

The requirements for applying the replacement value condition or extended replacement value condition are as follows:

- the vehicle has been in the insured's sole ownership or possession and covered by voluntary motor vehicle insurance since it was registered for the first time
- the first registration has taken place no more than a year before the replacement value condition is applied, and no more than two years before the extended replacement value condition is applied
- the vehicle's mileage is no more than 25,000 km when the replacement value condition is applied, and no more than 50,000 km when the extended replacement value condition is applied
- the estimated minimum cost of repair work is more than 50% of the cash sale price of a similar new vehicle at the time of the insured event when the replacement value condition is applied, and more than 40% when the extended replacement value condition is applied.

The cash sale price of a new vehicle refers in all cases, at a maximum, to the price for which Fennia could purchase or could have purchased a similar vehicle including corresponding redeemable special accessories at the time of the insured event, or when it last was on sale in a car dealer.

Supplementary cover – financial loss coverage

Emergency road service insurance

Emergency road service insurance can be granted to **a car, van, camper, motorcycle or a lorry** weighing less than 5 tonnes, if the vehicle is covered by collision, elk damage, vandalism, fire or theft insurance. A trailer attached to the vehicle during the journey is also covered by the insurance.

A vehicle is covered by emergency road service insurance when it is stated in the policy document.

The **insurance covers reasonable extra expenses,** as stated below, that are caused by an interruption of the journey within the territorial scope of the insurance, where these are not covered by, for example, statutory motor liability insurance. A journey is a trip made by the insured vehicle from an initial location to an intended destination. Overnight stays and brief stopovers along the way are also considered part of the journey.

The insurance covers **extra expenses** when the journey is interrupted due to

- a defect in or damage to the vehicle
- a locked vehicle being stolen or used without authorisation during a journey
- the death, injury or sudden illness of the driver or passenger that necessitates the use of another vehicle to continue the journey.

The insurance covers

- reasonable expenses caused by the transporting of an inoperable vehicle to the nearest repair shop or alternatively the travel and work expenses for repair done at the site of the event up to the amount of transport expenses
- with prerequisites mentioned in the terms and conditions, the transport and travel expenses of the vehicle, its driver and passengers, if the vehicle has been stolen or it has to be left to be repaired
- extra overnight expenses of the driver and passengers, if the insured event has occurred outside Finland, and the repair of the vehicle takes a maximum of three business days
- extra overnight expenses of the driver and passengers for a maximum of one day, if a locked vehicle has been stolen or used without authorisation during a journey outside Finland.

The travel expenses of the driver and passengers shall be compensated to the **maximum** of the expenses caused by the journey home, however a maximum of 100 euro per person when the insured event has occurred in Finland and a **maximum** of 300 euro per person when the insured event has occurred outside Finland. The maximum compensation for the combined overnight costs of the driver and passengers is 200 euro per day.

Restrictions

Emergency road service insurance does not cover loss incurred by e.g.

- the vehicle running out of fuel
- the lack of a serviceable spare tyre or equivalent or lack of tools necessary for changing the spare tyre
- failure to start the vehicle due to frost, rain or other climate factor
- loss of keys or the keys being locked inside the vehicle

Furthermore, emergency road service insurance does not cover

- possible additional costs caused by the transport of property in the vehicle or persons other than the driver and passengers
- indirect costs arising from damage inspection or the loss itself, such as loss of earnings or income, travel and food expenses, telephone and fax expenses, costs related to an interpreter's or translator's services or other costs arising from the resolution of the insured event
- the mileage allowance for driving the vehicle to its home town or destination.

Legal expenses insurance

Legal expenses insurance can be granted if the vehicle is covered by collision, elk damage, vandalism, fire or theft insurance. It compensates the necessary and reasonable **legal and litigation expenses of the owner, possessor and driver of the vehicle** (each in this particular capacity), as specified in the policy document, arising from the use of legal counsel in disputed civil cases, **criminal cases and application cases** related to the vehicle in question.

Legal expenses insurance can be applied in cases that can be immediately tried in a district court in Finland or a similar court outside Finland within the territorial scope of validity of Fenniakasko.

Legal expenses insurance can be applied, for example, if

- the public prosecutor demands in a district court that the driver receive a punishment for endangering traffic safety
- the buyer notices after concluding a sale that the engine of the car is broken and demands the sale to be cancelled.

In both cases, the legal expenses insurance covers the lawyer's fees and other expenses resulting from the use of a lawyer.

The maximum amount compensated on the basis of the insurance is 10,000 euro per insured event. However, the maximum limit of Fennia's compensation liability for expenses incurred prior to the start of the main hearing, or for expenses in a case that is settled outside the court, is half of the maximum amount of compensation.

The **deductible** of the insured in each insured event is 15% of the covered expenses; however, no less than the minimum deductible stated in the policy document (300 euro in 2010).

Restrictions

Fenniakasko legal expenses insurance does not cover expenses, if

- the civil, criminal or application case concerns employment or entrepreneurial or business activity (however, the insurance does cover cases related to ownership and possession of a vehicle)
- the civil, criminal or application case concerns an operating permit or the unauthorised operation of traffic or unauthorised driving of a vehicle
- charges are due to drunken driving, aggravated drunken driving, hit-and-run or entrusting the vehicle to a person under the influence of alcohol
- charges are due to aggravated endangerment of traffic safety or an endangerment of traffic safety or other traffic violation due to speeding
- charges are due to vehicle violation.

Furthermore, legal expenses insurance **does not cover litigation expenses** of the opponent which, either under the sentence or settlement, are to be paid by the insured. However, this restriction shall not be applied, if the opponent of the insured has not complied with the decision of the Consumer Disputes Board, the Finnish Insurance Complaints Board or other similar body – or if the insured has been assisted in the litigation by the Consumer Ombudsman or his/her employee, and advocating the case of the insured has been important for the application of law or for the public interests of consumers.

Hire car insurance

Hire car insurance can be granted for a **car registered for private use,** if the car is covered by collision insurance. It covers costs caused by the renting of a hire car or, alternatively, a daily allowance of 35 euro for the lost days of use of the vehicle.

The payment of the compensation requires that the vehicle is out of use due to an insured event that is compensable on the basis of **collision, elk damage, vandalism, fire, theft or windscreen insurance,** and that there are payments left after deductions (deductible and other deductions in accordance with the insurance terms and conditions and the Insurance Contracts Act).

Full 24-hour days, beginning from an insured event until the vehicle is roadworthy count as **lost days of use.** A maximum of seven days are counted as lost days of use separately for the period of waiting for spare parts and the period of waiting for repair work to start.

The maximum hire car costs that are compensated are costs from a **small class, middle class or large middle class** car with standard accessories which has been selected in connection with the taking of the insurance. An example of a small class car is Citroën C2, middle class Ford Focus, and large middle class Mazda 6 STW.

In addition, taxi expenses (maximum 150 euro) are paid from the scene of the accident e.g. to a repair shop, work place or a car hire company named by Fennia.

Hire car insurance has **no deductible. Hire costs or a daily allowance** shall be paid for a maximum of 30 days in case of repair and for a maximum of 14 days in case of redemption.

In cases of redemption, the maximum limit for compensation is the current value of the vehicle before the damage.

Restrictions

The insurance does not cover costs caused by fuel and lubricants, parking permits and additional insurances attached to the hire contract.

Issues related to hiring and compensation

Fennia has the right to determine where the car is hired. If the car is hired from a car hire company other than that named by Fennia, a daily allowance of 35 euro shall be paid. After an accident has occurred, inquiries about a car hire company can be made to Fennia accident service, tel. +358 10 503 011.

The car must be returned to the same car hire station from which it was hired. Fennia is not responsible for costs resulting from the car being returned to a different car hire station.

Integration of compensations: motor liability insurance or general liability insurance

Compensation in accordance with the recommendations of the Traffic Accident Board (standard compensations) paid on the basis of motor liability insurance or general liability insurance is deducted from the **daily allowance.**

If the insured can receive compensation from the costs of a hire car on the basis of motor liability insurance or general liability insurance, he/she has to fill out a **form for specifying the use of the substitute car** when hiring the car.

The insured is obliged to transfer his/her right to compensation paid for the hire costs of a substitute car to Fennia on the basis of motor liability insurance or general liability insurance for the part that he/she can receive compensation from a motor liability insurance or general liability insurance company. (According to the valid instructions of the Traffic Accident Board, a current maximum of 94% of the costs of a substitute car are compensated.)

If the insured does not fulfil his/her obligations related to hiring, as referred to here, the compensation may be reduced or refused.

If the insured receives compensation for the hiring costs of a car on the basis of motor liability insurance or general liability insurance, the hire car insurance only compensates that part of the costs for which the insured does not receive compensation on the basis of the said insurance (amount corresponding with the savings in costs of use).

Consequential loss insurance

Consequential loss insurance can be taken out for a vehicle covered by collision insurance. The insurance covers lost days of use, if

- the vehicle is unfit for use due to an insured event under collision, elk damage, vandalism, fire, theft or windscreen insurance

  and

- the damage is such that it is covered on the basis of one of the abovementioned property insurances, and there are still payments to be made after deductions (deductible and other deductions in accordance with the insurance terms and conditions and the Insurance Contracts Act).

Full 24-hour days, beginning from an insured event until the vehicle is roadworthy count as **lost days of use.** A maximum of seven days are counted as lost days of use separately for the period of waiting for spare parts and the period of waiting for repair work to start.

Compensation for lost days of use is paid for up to 33 days; the qualifying period is deducted from this period. If the vehicle is redeemed, compensation is paid for a maximum of 17 days; the qualifying period is deducted from this period. In cases of redemption, the maximum limit of compensation is the current value of the vehicle before the insured event.

The qualifying period is three days, unless removal of the qualifying period has been separately agreed on.

Compensation paid for the same period based on motor liability insurance or general liability insurance for not being able to use the vehicle due to an insured event (lay-up period) is deducted from the compensation based on consequential loss insurance. Consequential loss insurance does not cover the fuel expenses of a substitute car that is compensated on the basis of motor liability insurance or general liability insurance.

Towing service insurance for lorries and buses

Towing service insurance can be taken out for a **bus and a lorry that weighs more than 5 tonnes** and is covered by collision damage insurance. The territorial scope of validity of insurance for a lorry can be chosen to be either Finland or Europe excluding Russia. Insurance for a bus is only valid in Finland.

Towing service insurance covers costs caused by the sudden and unexpected interruption of a journey when the interruption is caused by a technical failure of the vehicle. They include costs for the towing of a vehicle unfit for traffic to the nearest repair shop, as well as transport costs of a trailer to the same place and the driver's extra travel and overnight expenses.

If the insured event occurs in Finland, the maximum amount of compensation is 2,600 euro per insured event. **When the territorial scope of validity covers Europe excluding Russia and the insured event occurs outside Finland,** the maximum amount of compensation is 5,000 euro per insured event. These amounts may include a maximum of 550 euro of costs for the transportation of a trailer and a maximum of 200 euro for the extra travel and overnight expenses of the driver.

The **deductible** for the towing service insurance is 170 euro.

Restrictions

The insurance does not cover e.g.

- costs caused by the lifting of the vehicle or a trailer connected to it onto the road
- loading, unloading or transport costs of the goods in the vehicle or a trailer connected to it
- repair work done at the site of the accident or costs caused by the picking up of the repaired vehicle or a trailer connected to it from the repair shop.

General liability insurance for motor vehicles abroad

The general liability insurance for motor vehicles abroad covers the obligation of the owner, possessor or driver to pay damages caused by the **use of the motor vehicle in traffic abroad** within the territorial scope of validity of the general liability insurance. This general liability insurance covers personal injuries and material damage for the part that they are not covered by the Finnish motor liability insurance extended to these countries.

The insured are the **owner, possessor and driver of the vehicle** stated in the policy document, each in this particular capacity.

The insurance is valid in the Green Card countries outside the European Economic Area (EEA) and, with restrictions, in Russia. In Russia the insurance only covers personal injuries sustained by the passengers in the insured vehicle.

If a separate agreement has extended the validity of Fenniakasko collision damage to Russia, and it is stated in the policy document, the general liability insurance for motor vehicles abroad is valid in Russia in the same way as in the other Green Card countries outside the European Economic Area (EEA).

Deductions

Value added tax and other payments

If you or your company are entitled, under the Value Added Tax Act or other act, to a tax deduction or refund on a tax or fee relating to the purchase or repair of a vehicle or its accessory or to another acquisition or service, the share of the tax or fee will be deducted from the compensation. The same procedure is applicable if you or your company are not obliged to pay or have not paid the tax or fee in question.

The sum of the value added tax, calculated from the difference between the vehicle's current and residual value, is deducted from the redemption compensation if the insured had been obliged to pay tax on the sales price had the vehicle been sold on the date of the insured event. A similar procedure is applied if the vehicle is redeemed for the value determined according to the replacement value, extended replacement value or redemption coverage.

Deductible

The **deductible** for Fenniakasko material damage insurances **may vary** from 150–5,000 euro depending on the type of vehicle. For example, the deductible for an insurance taken for a car at a car dealer may be 150, 300 or 500 euro. The higher the deductible, the smaller the insurance premium. The chosen deductible is stated in the policy document.

The deductible for **elk damage, vandalism, fire and theft insurance, as well as fraud and embezzlement insurance for rental vehicles** is 150 euro, unless a higher deductible has been agreed on.

The deductible for **windscreen insurance** is 0, 100 or 200 euro, if the windscreen has to be replaced. There is no deductible for the repair of the windscreen.

In fire insurance for a public works vehicle, the deductible is 680 euro.

Additional deductibles

In cases of material damage that occur **outside the Nordic countries,** a double basic deductible is deducted from the amount of loss. The double deductible is not, however, deducted from compensation payable on the basis of windscreen insurance.

If the insured event under **theft insurance or fraud and embezzlement insurance for rental vehicles** occurs in **Belarus, Bosnia and Herzegovina, Croatia, Estonia, Latvia, Lithuania, Morocco, Moldova, Poland, Russia, Serbia, Tunisia, Turkey or the Ukraine,** and the object of the insurance is a car or van, motorcycle, moped, camper or a trailer attached to any of these, an additional deductible as stated in the policy document, besides the basic deductible and other additional deductible, will be deducted from the amount of loss.

Example concerning the subtraction of deductibles

Your car is broken into in Estonia, and the repair cost of the damage is 2,300 euro. The basic deductible of theft insurance is 150 euro and the additional deductible stated in the policy document is 10% of the amount of loss; however, no less than 510 euro. Because the insured event occurred outside the Nordic countries, the basic deductible is doubled. In addition, the minimum amount of the additional deductible of 510 euro is subtracted. The deductibles total 810 euro, and compensation payable on the basis of theft insurance is 1,490 euro.

In addition to the basic deductible, **fraud and embezzlement insurance for rental vehicles has an additional deductible** as a percentage stated in the policy document.

When compensation is paid on the basis of two or more material damage insurance policies

Where damage or loss is compensated on the basis of two or more Fenniakasko material damage insurance policies, the deduction is only made for the insurance with the highest total sum of deductibles.

Deductibles and other deductions are subtracted from the total loss consecutively in the following order:

1. value added tax and other fees
2. deductible (fixed euro sum)
3. possible reduction of compensation
4. additional deductible (fixed percentage).

Refund for the period when the vehicle is temporarily decommissioned

The decommissioning and commissioning of a vehicle is described in more detail in connection with motor liability insurance on page 7.

If you want the voluntary insurances for the vehicle – or part of them – to be valid during decommissioning, you should notify us thereof separately. Without a separate notification, the only voluntary insurances that will be valid during that period include vandalism, fire and theft insurances.

With the exception of hire purchase and leasing insurances, the insurance covers damages caused by an insured event during decommissioning only if the material damage or financial loss insurance has been in force at the time.

When the vehicle is decommissioned, we will refund the payments of those insurances that are not in force during the decommissioned period.

The motor liability insurance premium shall not be refunded for the decommissioning period for a vehicle insured with liikennekasko motor insurance.

Insurance premium and bonus

We reward careful driving and no-claims insurance periods with a premium discount, or bonuses. **Bonuses are only taken into account** in the payment of collision insurance.

Compensation paid on the basis of collision insurance reduces the bonus by 20% regardless of whether the driver of the vehicle is guilty or not-guilty of the insured event.

Damages caused by separately determined natural phenomena are covered by collision insurance without a reduction of the bonus. Damage caused by a natural phenomenon is sudden and unexpectedly occurring

- damage to the vehicle caused by hails or storm
- damage to the vehicle caused by a branch or a tree fallen on it due to a storm
- damage to the parked vehicle caused by a flood.

The bonus may be as high as 70%. Previously earned bonuses can also be transferred to Fenniakasko.

The Merkkikasko insurance sold by car dealers has a maximum bonus of 20%. **The liikennekasko insurance sold to financing companies** has no bonus system, and the possessor's claims history is not accrued during the validity of the insurance.

There are also **vehicle groups that are not entitled to bonuses.** These include e.g. snowmobiles, mopeds and trailers.

Fenniakasko bonus chart

Bonus category and percentage	Next year's bonus category if no collision damage	Next year's bonus category if 1 collision damage	Next year's bonus category if 2 collision damages	Next year's bonus category if 3 collision damages	Next year's bonus category if 4 collision damages
0 = 0%	1	0	0	0	0
1 = 10%	2	0	0	0	0
2 = 20%	3	0	0	0	0
3 = 30%	4	1	0	0	0
4 = 40%	5	2	0	0	0
5 = 50%	6	3	1	0	0
6 = 60%	7	4	2	0	0
7 = 70%	7	5	3	1	0

If the insurance period is less than 120 days, or less than 90 days for motorcycles, the bonus is not accrued according to the bonus chart above.

Two examples of insurance premiums and deductibles

The prices in both examples are based on Fenniakasko tariffs valid on 1 November 2010. The premium is affected by, for example, the make, weight and capacity of the vehicle, and the policyholder's domicile and age.

Fennia has the right to amend the prices in accordance with the insurance terms and conditions e.g. on the basis of compensations paid or changes in the cost level of vehicles and repairs.

Example 1

Car, in private use (premium area 2)

Fenniakasko includes collision, elk damage, vandalism, fire, theft, emergency road service and legal expenses insurances. In this example, the car's cylinder volume is 1.6 l, weight 1,315 kg, and capacity 91 kW.

	Policyholder Private person	**Policyholder Company**
Deductible 150 euro		
Annual premium	942 euro	1,336 euro
Bonus 70%	339 euro	457 euro
Deductible 300 euro		
Annual premium	881 euro	1,248 euro
Bonus 70%	320 euro	431 euro

Example 2

Car, in private use (premium area 2)

Fenniakasko includes collision, elk damage, vandalism, fire, theft, emergency road service and legal expenses insurances. In this example, the car's cylinder volume is 1.8 l, weight 1,390 kg, and capacity 95 kW.

	Policyholder Private person	**Policyholder Company**
Deductible 150 euro		
Annual premium	1,041 euro	1,500 euro
Bonus 70%	368 euro	506 euro
Deductible 300 euro		
Annual premium	974 euro	1,400 euro
Bonus 70%	348 euro	476 euro

The minimum premium for each insurance period is eight euro.

The insurance premium shall be paid by the due date stated in the invoice. If the payment is delayed, five euro will be charged for sending a reminder.

Depending on the seriousness of the insurance applicant's disruption in payments, Fennia may either choose not to grant Fenniakasko insurance or require that the first insurance premium be paid in advance before the insurance enters into force.

Issues related to insurance cover

The following includes the primary safety regulations and limitations for material damage and financial loss insurances, and practical guidelines for the investigation of the damage and termination of the insurance.

You will receive the terms and conditions of Fenniakasko and motor liability insurance with the policy document. When you familiarise yourself with them, in addition to this product brochure, you will know precisely the extent of your insurance cover, and your rights and obligations as a policyholder and insured person.

Primary safety regulations

The driver of the vehicle must have a valid driving licence and the right to drive a vehicle. The vehicle must not be entrusted to someone else without checking their identity and valid right to drive. According to the Road Traffic Act, it is prohibited to drive the vehicle while unwell or tired. Furthermore, it is prohibited to drive the vehicle under the influence of pharmaceuticals that affect one's driving ability.

•

Audio or visual reproduction devices, other communications devices or other electronic devices may not be used while driving in a way that the use of the said device could interfere with the use of the vehicle's controls or otherwise interfere with the driver's concentration on traffic. A driver may not hold a mobile telephone in their hand while driving.

•

The vehicle must be in a condition required by relevant safety rules and regulations, and the vehicle must also be stored in a safe place.

•

The keys to the vehicle or its storage place may not be kept in sight or in an unlocked location where an outsider knows or may know the location of the keys. The keys may also not be kept inside a vehicle or its storage place.

•

The vehicle must not be parked or left in a place where it may easily be subjected to theft or vandalism.

•

The vehicle may not be parked at a roadside, in a parking area or other area in such a way or for so long that it stands out or appears abandoned. If the vehicle has been left at a roadside due to an accident, it must be transported to a repair shop or other safe location without delay.

•

The storage place of the vehicle may not be used for any purpose constituting a fire safety risk. For example, the storage of flammable liquids, use of a naked flame or smoking is not allowed in the storage place.

•

Only electric lighting may be used to illuminate the vehicle's engine, fuel tank or other part of the vehicle.

•

Heating of the vehicle's engine, transmission equipment or other parts or the vehicle itself may only be done using equipment specifically approved for this purpose or the vehicle's standard equipment. The equipment must be installed and connected according to the instructions and orders of the manufacturer of the equipment and the vehicle.

No cover may be placed in the space between the bonnet and engine.

•

When repairing the vehicle by welding, its upholstery and other flammable structures must be removed from a sufficiently wide area. Requisite supervision and extinguishing equipment must also be arranged for the repair site.

•

The compensation may be reduced or refused, if the insured fails to follow the safety regulations intentionally or through negligence that cannot be considered minor.

Intent, gross negligence and influence of alcohol

Fennia is discharged from liability to an insured who has intentionally caused the occurrence of an insured event.

The compensation paid to the insured may be reduced or refused, if the insured has caused the insured event through gross negligence or while under the influence of alcohol or other intoxicant.

Identification

The persons **identified** with the insured are stated in the insurance terms and conditions. The same terms and conditions are applied to the persons identified with the insured as to the insured in cases of intent, gross negligence, consequences of the influence of alcohol or other intoxicant in the insured event, the following of safety regulations and the duty of salvage.

Example

The owner of the car lends the car to a person he/she knows, who then goes to a restaurant and on the way home drives the car off the road. The borrower is condemned for aggravated drunken driving and endangering traffic safety. Because the borrower is identified with the owner of the car, the owner does not receive compensation for the damage caused to the car on the basis of the motor vehicle insurance, even though the borrower was sober when he/she borrowed the car.

After an insured event has occurred

Take part in the investigation into the damage

According to the regulations on traffic safety, all parties to an accident shall, to the best of their ability, take part in the investigation into the damage at the scene and contribute to the clarification of the actual cause and perpetrator of the damage.

Report to the authorities

An insured event under theft or vandalism insurance or fraud and embezzlement insurance for rental vehicles must be immediately reported by the insured to the local police.

The complainant must demand conviction for an offence or misdemeanour, and this demand may not be withdrawn. If the offence or misdemeanour has not been reported to the police or no conviction has been demanded for the offence or misdemeanour, it shall be taken into account in resolving Fennia's liability to compensate.

Report the insured event to Fennia as soon as possible

In hire car insurance, Fennia has the right to determine the car hire company to be used. **When you need to rent a car after an insured event has occurred, call Fennia accident service, tel. +358 10 503 010.**

A **written compensation** claim shall be made **within one year** from the date on which the claimant became aware of the validity of the insurance, the insured event, and the consequences of the insured event – **in any case within 10 years** from the insured event or, if the insurance has been taken for personal injury or liability for damages, from the occurrence of the consequences. A written notification of the insured event is considered equal to a compensation claim.

The **claimant** must provide Fennia with the **documents and information** necessary to determine Fennia's liability. Such documents and information should clarify whether or not an insured event has occurred, what is the extent of the damage or loss and who is entitled to compensation.

If the insured event has been caused by an **outside party,** try to find out the identity of the liable party.

Practical guidelines concerning documents related to claims procedure etc. are available at our offices and from the claims service, tel. +358 10 5031.

Agree on the inspection of the damaged vehicle before the repair

Fennia's representative must be given the opportunity to inspect the damaged vehicle before repairs are started. The vehicle is inspected at the inspection station of Suomen Vahinkotarkastus SVT Oy. Once the damage report has been delivered to Fennia, the inspection can be agreed on directly with a representative of SVT. The SVT inspection point closest to you can be found at *www.svt.fi.*

Appeals

Those not satisfied with the insurer's decision can, within three years from receipt of the decision, file a claim in the district court of the insurance company's domicile, their own domicile or permanent place of residence, or the place of the insured event. It is also possible to appeal the decision to the independent and free Board stated in the insurer's decision.

Right to terminate the contract

When voluntary motor vehicle insurance is no longer needed, the policyholder shall give a notice of termination in writing. If the desired date of termination is not specifically mentioned in the notice of termination, the insurance will end as of the date of submission or sending of the notice of termination.

According to the insurance terms and conditions, Fennia can give a notice of termination on a continuous non-life insurance one month before the end of the insurance period. In addition, the Insurance Contracts Act and the insurance terms and conditions specify situations in which the insurance can be terminated earlier than the end of the insurance period.

Applicable law and supervisory authority

Fennia Group companies – **Fennia Mutual Insurance Company, Mutual Insurance Company Pension Fennia and Fennia Life Insurance Company Ltd** – have been granted a business license in Finland, and they apply the valid Finnish law in their operations.

The **contract languages** of the companies are Finnish and Swedish.

Supervisory authority
Financial Supervisory Authority
Snellmaninkatu 6 and Mikonkatu 8
P.O. Box 103
FI-00101 Helsinki
Tel. +358 10 831 51
finanssivalvonta@finanssivalvonta.fi
www.finanssivalvonta.fi

Public registers in which Fennia Group companies are entered

Trade Register, Tax Administration, Prepayment Register, Register of taxpayers liable for VAT, and Employer Register.

We handle information confidentially

At Fennia, we handle the personal information of our customers in accordance with the provisions of the ***Personal Data Act and insurance legislation,*** *and ensure the privacy protection of our customers also otherwise when handling personal data.*

We acquire information from the customers themselves, parties authorised by them, the public registers of the authorities, and the credit rating register. We also use our customer register for marketing directed at our own customers.

To prevent crime directed at insurance companies, we report damages to the **common information system of insurance companies.** (This only concerns natural persons.) Insurance companies use the information obtained in such a manner **only in connection with claims handling** to check what damages have been reported to other companies.

On conditions determined by the Data Protection Board, an insurance company may also hand out individualised damage details to another insurance company. If we request information from other insurance companies in connection with claims handling, we will inform the customer thereof in connection with our compensation decision.

According to the professional secrecy provision of the Insurance Companies Act, **we do not give out information on our customers to outside parties** – except by consent of the customer and when the provision of the information is based on a legal provision or permission of the Data Protection Board.

We record telephone calls

- to and from the **Fennia service, corporate service centre, telephone claims service and telephone exchange** in order to ensure the content of the discussion with the customer when the issue at hand concerns, for example, the drawing up of a contract or advice related to matters concerning a loss.
- **when we deal with a claim on the telephone,** if so required by a report we have received
- in **accident service** in case of an emergency call made outside office hours.

We may also record telephone calls for training purposes – the goal being to improve our customer service.

Fennia

The Insurance Specialists

It's worthwhile to concentrate your insurances in Fennia

In addition to Fennia, Fennia Group comprises Pension Fennia, which specialises in earnings-related pension insurance, and Fennia Life, which specialises in voluntary life, pension and savings insurances. In addition to vehicle insurance, your own contact person at Fennia will also provide you with the other voluntary and statutory insurances for private individuals and companies.

Read more about the other services of the Fennia Group online at *www.fennia.fi* and *www.elake-fennia.fi*. For example, in the Fennia Online service, you can manage your insurance issues at any time of the day.

Fennia Mutual Insurance Company

Business ID	0196826-7
Domicile	Helsinki
Postal address	00017 FENNIA
Telephone	+358 10 5031
Fax	+358 10 503 5300
Fennia service (private customers)	Telephone service +358 10 503 8808, Mon–Fri 8 a.m. – 8 p.m.
Corporate service centre	Telephone service +358 10 503 8818, Mon–Fri 8 a.m. – 6 p.m.
Our service number	
Mon–Fri 8 a.m. – 4 p.m. *)	
*motor liability insurances	+358 10 195 030
*traffic accidents	+358 10 195 031
Accident service	In cases of emergency +358 10 503 010, 24 hours a day
Towing and car service	In acute matters related to interruption of journey and vehicle towing +358 10 503 011, 24 hours a day
Internet	www.fennia.fi
E-mail	info@fennia.fi and firstname.lastname@fennia.fi

*) The charge for calling our service numbers from a Finnish landline is the local telephone charge and, from a mobile phone, the mobile operator charge.

92 410 30 5.11