

*The following text is translated from the Finnish language.  
In case of any conflict between the English and the Finnish texts, the Finnish text shall prevail.*

## **Motor Vehicle Third Party Liability Insurance**

### **1. Purpose of insurance**

The insurance provides cover in respect of damages occurring when driving abroad for which the owner, holder or driver of an insured registered motor vehicle is liable according to current legislation.

### **2. Insured**

The insured is the owner, holder or driver of the insured motor vehicle specified in the insurance policy, each in his/her specific capacity,

### **3. Territorial validity**

The insurance is valid only in the countries endorsed in the insurance policy.

### **4. Validity period**

An insurance contract is made either for a fixed term as endorsed in the insurance policy or on a continuous basis. A continuous insurance contract is valid for one year at a time after the end of the first yearly insurance period. A continuous insurance can be terminated by either party at the end of yearly insurance period.

A fixed-term insurance becomes effective only if the entire premium has been paid by the due date. A continuous insurance becomes effective if the premium for the first insurance period has been paid and the payment endorsed in the insurance policy. For other conditions please see section 3.1 of the IngoNord General Insurance Terms.

### **5. Damages covered**

The insurance covers any personal injury and property damage caused to a third party occurring during the validity of the insurance while driving abroad for which the owner, holder or driver of the insured motor vehicle is held liable according to current legislation.

### **6. Exclusions from the insurance coverage**

6.1. The following damages are excluded from the insurance coverage:

- damages for which the insured is responsible only by agreement, warranty or some other obligation or promise;
- damage due for compensation under the Law on statutory motor vehicle third party liability insurance or under a corresponding foreign law;
- damage due for compensation under the Law on treatment injury or through any special/general liability insurance coverage on the territory of the insured's country;
- damage covered by some other valid liability insurances of the insured;
- damage that can be eliminated by remedying the product or completed work

6.2. Also excluded from the insurance coverage:

- damage to the insured him/herself, driver or other person in the insured motor vehicle and damage to their property;
- damage to the motor vehicle specified in the insurance policy;

- damage to an employee of the insured or similar, insofar as this person is entitled to compensation through statutory accident or motor insurance;
- damage to goods sold but as yet not delivered;
- damage to goods delivered which at the moment of action or negligence that led to the damage are or were in the insured's possession, rent or otherwise utilized by the insured;
- damage to property which at the moment of action or negligence leading to the damage was in the care of the insured or person on the insured's behalf, undertaken to manufacture, install, store, or otherwise handle or take care of;
- fines or other such consequences.

## **7. Indemnity rules and stipulations**

- 7.1. IngoNord will establish whether the insured is to be held liable for any reported damages and conduct negotiations with the party claiming damages. Where the insured pays the damages, reaches an agreement thereupon or admits liability in respect of a claim, this will not be binding on IngoNord unless it is obvious that the amount of damages and the basis of liability are correct.
- 7.2. The insured should inform IngoNord without delay about any legal action arising out of the insured occurrence. IngoNord will conduct the legal proceedings and pay the legal fees within the amount insured. If the legal action concerns also other matters, IngoNord will pay only legal fees insofar as they arise out of the insured occurrence.
- 7.3. If IngoNord has informed the insured that the insurance company is prepared to negotiate an agreement within the amount insured with the party who has suffered the damage in order to compensate the latter for the said damage and the insured would not consent to this, the insurance company will not be under obligation to pay compensation for any costs or expenses incurred subsequently nor to undertake any further action in order to reach a settlement in the case.
- 7.4. Damage caused by the same event or occurrence is considered to constitute only one claim regardless of whether the loss or damage has been discovered during one or several insurance periods. Where such damage is discovered during several insurance periods, it will be considered as if it had occurred during that insurance period when the first damage was discovered.
- 7.5. Where several persons are jointly liable to provide indemnity for the same damage, the insurance will provide indemnity for only that part of the damage which corresponds to the degree of culpability ascribed to the insured and to any advantage he may have gained through the occurrence. Where the above-mentioned factors have no implications, the maximum indemnity provided by the insurance is "per capita" share of the total damage.
- 7.6. If the insured or the party who has suffered the damage is entitled to a deduction or refund under the Law on value added tax on goods or services or under a similar foreign law, IngoNord will pay the insured compensation less value added tax.

## **8. Amount insured**

- 8.1. The insured amount endorsed on the insurance policy is the upper limit of compensation payable by IngoNord for each insured occurrence.
- 8.2. Deductible  
There is no deductible in the motor vehicle third party liability insurance.

**9. Rules regarding premium payment**

The insured is entitled to a discount on the insurance premium (bonus) for each claim-free insurance period, the bonus rate is 10% for a one yearly no-claim insurance period, up to a maximum of 60%.

The insured has the right to receive a bonus, if during a minimum insurance period of 12 months throughout which the insurance has been valid, the insurer has paid no compensation for any insured occurrence which would have affected the insured's right to receive a bonus. The insurance can be upgraded to a higher bonus-category only once during a yearly period.

Each insured occurrence for which the insurer has paid a compensation shall reduce the insured's no-claim bonus by 20%, but a 10% bonus can only be reduced by 10%.