

# Commercial Property Insurance

Insurance Service Information Document  
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This information document provides a general overview of commercial property insurance. It does not reflect the terms and conditions of your insurance contract based on your insurance interest and claims. The terms and conditions of the contract are in other documents, such as the offer, insurance terms and conditions, and policy.

## WHAT TYPE OF INSURANCE IS IT?

Commercial property insurance can be used to insure buildings, inventory, equipment, goods belonging to the company or being under its responsibility. In addition, it is possible to conclude a business interruption insurance, which also compensates for the loss of profit and fixed costs incurred in addition to the damage to the building and movable property.



### WHAT IS INSURED?

Depending on the choice of insurance chosen at the conclusion of the contract, the following is insured:

- ✓ the building as a whole, including all building-related communications such as heating, ventilation, air conditioning, cooling. Also, all the low-voltage systems serving the building for example communication, electricity security system are subject to insurance. All communications serving the building and located outside the building are also insured;
- ✓ interior decoration of used premises (unless the whole building is insured);
- ✓ a facility, such as an attic, slurry tank and other such construction works that are not a building;
- ✓ inventory, a device that is owned by the company and is necessary for business purposes;
- ✓ goods owned by the company and acquired by the company or manufactured for the purpose of sale;
- ✓ the equipment, goods or other property under the responsibility of the company as agreed in the insurance contract, which is not owned by the company, but necessary for the business of the company;
- ✓ financial loss is resulting from property damage, which may be a loss of fixed costs and profits;

The construction, inventory, equipment, goods, assets under the responsibility of the company, as well as fixed costs and profits, are subject to insurance on the basis of the sum insured indicated in the policy.

- ✓ In the case of construction work, the insured sum is the recoverable amount, residual value or the agreed sum of the insured.
- ✓ In the case of inventory, equipment, and also the property under the responsibility of the company, the sum insured is the market value.
- ✓ In the case of goods, the sum insured is the acquisition cost, to which is added the cost incurred by the company to achieve the product's sales readiness.
- ✓ The sum insured of business interruption is the amount of the planned fixed cost and the profit planned depending on the chosen period of compensation.



### WHAT IS NOT INSURED?

The following is not subject to insurance:

- ✗ construction works built in water;
- ✗ construction works in an emergency condition or poor condition;
- ✗ soil, well, well water, swimming pool water;
- ✗ documents including project documents, cash, securities, data;
- ✗ plants, animals, birds, other living organisms.



### ARE THERE RESTRICTIONS IN THE INSURANCE COVER?

The following is not subject to compensation:

- ! damage which was not sudden or unforeseen;
- ! damage resulting from the process that has taken place over time, for example, mildew caused by long-term moisture, dry rot;
- ! the proportion of the deductible of the loss incurred;
- ! damage to a manufactured, processed item that ultimately does not meet expectations or is not secure;
- ! damage caused by penetration of precipitation through the roof and/or wall structure of the building;
- ! damage occurred during building and/or repairs;
- ! the damage caused by rodents, birds, animals, insects.

Unless otherwise agreed upon at the time of conclusion of the contract, the following is not insured:

- ! the additional cost that is required to be incurred in order to carry out repairs faster than usual;
- ! additional cost, which is necessary to be incurred in the restoration of the building, in order to bring the building into compliance with modern requirements;
- ! utility systems located on the same property but serving a large number of buildings;
- ! internal breakdown of the device;
- ! property outside the building;
- ! property outside of the agreed address or territory;
- ! used inventory and equipment in the new value.



### WHERE AM I INSURED?

- ✓ The insurance applies to the territory indicated in the policy.



### WHAT ARE MY RESPONSIBILITIES?

- Your primary obligation is to pay an insurance premium.
- The insurer must be informed about the risk factors and the changes thereof, for example, when additional activities are added, or existing business activities are changed.
- The safety requirements specified in the insurance contract must be complied with, including
  - the property must be used in accordance with the instructions for use and maintenance and must be kept prudently, and the property must be kept in such a way that its theft is reasonably prevented;
  - the general fire safety requirements must be observed.
- The insurer must be informed promptly of the insured event, and its instructions must be followed.



### WHEN AND HOW DO I PAY?

The amount of the insurance premium and the due date for payment are in the policy. Usually, payment will be made by bank transfer on the basis of the invoice. If the contract is considered to have been made as of making the payment, the offer indicates the time during which the payment must be paid.



### WHEN DOES THE INSURANCE COVERAGE BEGIN AND WHEN DOES IT END?

The insurance coverage begins on the date of commencement of the insurance period. The insurance cover expires after the expiry of the insurance period. The insurance cover may end before the end of the insurance period indicated in the policy. For example, an insurer may terminate the contract if the insurance premium has not been paid.



### HOW TO TERMINATE AN INSURANCE CONTRACT?

An application must be submitted to the insurer for termination of the contract. As a rule, an agreement can be terminated prematurely only upon agreement between the policyholder and the insurer.