

Commercial Property insurance

Insurance product information document

AB "Lietuvos Draudimas" Estonian branch



The information document provides a general overview of the insurance product. It does not reflect the specificities of the contract being entered into. The complete information on the insurance contract being entered into can be found in other documents, such as the proposal, policy conditions and insurance policy.

What is this type of insurance?

Commercial Property insurance is used to insure property used in entrepreneurship. It consists of property insurance, business interruption insurance, electronic equipment insurance and liability insurance. Business interruption insurance, electronic equipment insurance and liability insurance can only be bought together with property insurance.



What is insured?

- ✓ In the case of property insurance, the insured object may be a building (i.e. building, part of a building, structure or interior), inventory and equipment and goods.
- ✓ A property insurance insured event may be a fire, water accident, burglary, vandalism, storm, flood, all-risk or breaking of advertising structure.

In the case of electronic equipment insurance, the insured object may be office and computer equipment, audio and video equipment, kitchen appliances or auxiliary devices used for ensuring the operation of such equipment (e.g. ventilation equipment or UPS).

An electronic equipment insurance insured event may be a short circuit, overvoltage, low-voltage or induction, internal failure, negligence of the operator upon handling the equipment, substandard material used for manufacturing the electronic equipment, technological or installation failures, leaking fluids or gas and the resultant humidity.

In the case of business interruption insurance, the insured objects may be operating profit and fixed costs of business activities as well as financially substantiated additional expenses or income from rent.

A business interruption insurance insured event is the interruption of agreed business activities as a result of a property insurance insured event.

In the case of liability insurance, the insured object comprises the proprietary obligations arising from the ownership or possession of a building.

A liability insurance insured event is the occurrence of damage that has a causal link to the ownership or possession of a building, part of a building or structure at the address provided in the insurance contract.

The costs of required legal assistance are also indemnified.

- ✓ The sum insured is agreed in the policy.
- ✓ The sum insured (limit of indemnity) of property insurance will not decrease upon payment of an indemnity and is automatically restored. The limit of indemnity of liability insurance is decreased by the indemnity and legal expenses paid on the basis of the insurance contract. The limit of indemnity may be restored by agreement of the parties. PZU may charge an extra fee for restoring the limit of indemnity.



What is not insured?

The object of insurance does not include:

- * In the case of property insurance, for example: cash, securities, bonds, documents, plans, drawings, archives, information and software in the data processing system, motor vehicles subject to registration, aircraft and watercraft, docks, buoys, underground machinery, weapons, ammunition, explosives, models, exhibits, antique objects, objects of artistic value, objects made of precious metal and materials, living beings and plants; Port facilities (e.g. moorings, breakwaters, piers, etc.), wind generators with masts, solar panels (those permanently installed on a building are insured with the building), car parks, roads and sidewalks, pools and ponds are not regarded as structures.
- * In the case of business interruption, for example: costs of purchasing raw material, semi-finished goods, auxiliary means and goods; state and local taxes; turnover-dependent insurance premiums; licence fees.
- * In the case of electrical equipment, for example: computer equipment which is an integral part of the production process and/or the production line used in such process; Equipment older than five years at the moment of issuing the policy.
- * In the case of liability insurance, for example: cases where the event that caused damage and its consequence did not occur during the insurance period.



Are there any restrictions on cover?

- ! PZU will not compensate for the damage or costs directly or indirectly caused by:
 - ! acts of war, acts of terrorism, riot, strike, states of emergency, expropriation, confiscation or any other similar event;
 - ! blasting or mining operations;
 - ! cybercrime or software errors;
 - ! gross negligence or intent of the policyholder or a person considered equal to them;
 - ! activities of the policyholder or a person considered equal to them under the influence of alcohol, drugs or other psychotropic substances;

In the case of property insurance:

- ! design error or lack of project if the project was mandatory according to legislation;
- ! non-compliance with standards, incorrect material and/or poor performance when installing solar panels and parts for their operation;
- ! damage caused by non-purposeful use of an object of insurance

In the case of business interruption insurance:

- ! damage caused by the fact that part of the time spent on restoring the business was used for making such improvements, extensions or changes (*inter alia* at the request of officials) that are not indemnified under the General Terms and Conditions of Property Insurance

In the case of liability insurance:

- ! damage caused by the apparent or known poor condition of buildings, structures or parts thereof or by failure to perform due diligence, including failure to implement primary measures for preventing damage upon discovering a deficiency.

The complete list of non-reimbursable losses is given in the Terms and Conditions.



Where am I covered?

- ✓ The insurance applies at the address provided in the insurance policy



What are my obligations?

- Before entering into an insurance contract, you must provide the insurer with the required data. The data submitted must be complete and correct. The insurer expects the client to submit data that is of substantial, recognisable interest to the insurer and has an important effect on assessing the insurance risk without being specifically asked to do so.
- The insurer must be notified of any changes to the submitted data that occur after entry into the insurance contract.
- The main obligation of the policyholder is to pay the insurance premium.
- The policyholder must also behave reasonably during the insurance period in order to avoid insured events.
- Upon the occurrence of an insurance event, the insurer of the person who caused the damage or that of the person who suffered damage must be notified immediately. The policyholder must also take appropriate measures to avoid any further damage.
- A comprehensive list of the policyholder's obligations is set out in the policy conditions.



When and how do I pay?

The insurance premium or a part thereof must be paid in the amount and by the date specified in the policy. The premium is usually paid by bank transfer on the basis of an invoice.



When does the cover start and end?

The cover becomes effective on the commencement date of the insurance period. The insurance cover expires upon the expiry of the insurance period.

It may also end before the expiry of the insurance period specified in the contract. For instance, the insurer may terminate the contract if the insurance premium is left unpaid.



How do I terminate the contract?

An insurance contract can be terminated prematurely only upon mutual agreement between the policyholder and the insurer under extraordinary circumstances. For example, if the insured company ceases its operations.

A respective contract termination request must be submitted to the insurer in order to terminate the contract.