PRODUCT LIABILITY INSURANCE

Terms and Conditions No.GL 2018.4

Effective as of 01.10.2018

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bta
VIENNA INSURANCE GROUP

AAS BTA Baltic Insurance Company Eesti filiaal and the Policyholder shall enter into a Product Liability Insurance contract in accordance with these Terms and Conditions and Liability Insurance General Conditions.

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1. APPLICATION OF THE TERMS

1.1. These terms and conditions are a part of the voluntary liability Insurance contract concluded with BTA, in which an Insurance object is the Insured person's civil liability arising from the causing of unlawful act to the Third party (Injured party) in relation to defective product or competed service indicated in the Insurance contract.

1.2. These terms and conditions apply to a compulsory liability Insurance contract only if the respective agreement is indicated in the Insurance policy.

2. INSURANCE EVENT

2.1. The Insurance event shall be an accident due to defective product or completed operations transferred during Insurance period that occurred unexpectedly and unforeseeably during the Insurance period or 3 years after Insurance period and caused personal injury or property damage to the Injured party.

2.2. The terms of the Insurance contract (Sum insured, Deductible, Insurance conditions) are determined according to the Insurance period during which the product was transferred or service was provided.

3. DEADLINE FOR SUBMISSION OF CLAIMS

3.1. BTA indemnifies the claims arising from the Insurance event which have been submitted to the BTA during Insurance period or within 3 year at the latest after the end of the Insurance period when the product was transferred or service was provided.

3.2. Upon entering into an Insurance contract, an extended claims reporting period may be agreed. The purpose of the extended claims reporting period is to ensure the Insured person's Insurance cover if the Injured party submits the claim within 3 years after Insurance period.

3.3. Upon entering into an Insurance contract, a retroactive Insurance period may be agreed. The purpose of the retroactive Insurance period is to provide the Insured person with an Insurance cover against losses caused to the Injured party before the conclusion of the Insurance contract and which the Policyholder or Insured person was not aware at the time of the conclusion of the Insurance contract.

3.4. An extended reporting period and a retroactive Insurance period coverage agreement are indicated in the Insurance policy.

4. EXCLUSIONS

If the BTA and the Policyholder have not agreed otherwise, in addition to the exclusions set out in the liability insurance general conditions, the following exclusions apply:

4.1. **Product or completed service not stated in the Insurance policy –** BTA shall not indemnify loss related to product or completed service which is not identified in the Insurance policy.

4.2. **Maintenance contract –** BTA shall not indemnify loss arising from the inactivity of the Insured person to perform the maintenance duties (e.g. the Insured person does not recognize the need for maintenance).

4.3. **Professional services –** BTA shall not indemnify losses due to error in professional service (e.g. geodetic works, design, evaluation, consultancy, etc.) provided by Insured person.

4.4. **Defective product or completed service –** BTA shall not indemnify costs of repair or replacement of a defective product. Also not indemnified losses caused by a decrease in the value of a product (defective product).

4.5. **Product recall –** BTA shall not indemnify loss due to removing a defective product from the market (product recall).

4.6. **Product in the possession of the Insured person –** BTA shall not indemnify loss which arose before the product was handed over or the service was completed.

4.7. **Medical products –** BTA shall not indemnify losses due to medicinal product (medicine, contraceptive, hormonal formulation, blood preparation / bank, implants, electronic or electrical medical equipment, medical gases).

4.8. **Genes –** BTA shall not indemnify claim arising from the fact that the product has a harmful genetic effect.

4.9. **Agricultural chemicals –** BTA shall not indemnify losses due to agricultural chemicals, fungicides, insecticides, fertilizers, weed and rodent control agents, disinfectants, acids).

4.10. **Chemicals –** BTA shall not indemnify losses due to chemicals or petrochemical products, including methyl-tertiary butyl-ether

4.11. **Soil –** BTA shall not indemnify losses due to soil, peat or other growing medium.

4.12. **Animal feed –** BTA shall not indemnify losses due to feeding stuffs or additives of the animal.

4.13. **Concrete –** BTA shall not indemnify losses arising from raw materials used in cement, concrete, bitumen etc. carrying building structures**.**

4.14. **Raw material from plastic –** BTA shall not indemnify losses arising from plastic raw materials, granulate for plastic products.

4.15. **Expiration of date –** BTA shall not indemnify if losses were caused by a product that was marketed after expiration of date.

4.16. **Alcohol and tobacco –** BTA shall not indemnify losses if it were caused by the intoxicating effect or health hazard of a tobacco product or a product containing alcohol, which occurred to the person who consumed the product.

4.17. **Land, water and aircrafts and their spare parts –** BTA shall not indemnify losses due to land, water and aircraft and their spare parts.

4.18. **Damage to the final product –** BTA shall not indemnify damage caused by the Insured person's produced or supplied components (ingredients) to the final product.

4.19. **Inappropriate use of the product –** BTA shall not indemnify losses related to incorrect or unskillful use of the product, excluding cases when incorrect or unskillful use took place as the result of the absence of instructions for use

4.20. **Failure to follow product instructions –** BTA shall not indemnify losses caused by failure to follow the instructions provided by the manufacturer or failure to comply with safety requirements.