

These terms and conditions of insurance stipulate the scope and conditions of cover, specified in the third-party liability insurance contract concluded between the policyholder and the insurer. The Law of Obligations Act and other legislation shall be followed in any matters not covered by the insurance contract.

1. THE INSURER, THE POLICYHOLDER AND THE INSURED PERSON

- 1.1. The insurer is Compensa Vienna Insurance Group, the Estonian branch of ADB (hereinafter the insurer or Compensa).
- 1.2. The policyholder is a person named in the insurance contract, who has an insurable interest, and has concluded an insurance contract with Compensa and has the obligation to pay insurance premiums to Compensa.
- 1.3. Insured person is the policyholder or a person named in the insurance contract, the insurance risk related to whom is insured; as a rule, the policyholder itself. Insured person shall be the policyholder, unless otherwise agreed with the insurance contract.
- 1.4. The policyholder and the employees of the policyholder shall be considered equivalent to the insured person. The insured person is responsible for their conduct in the performance of obligations arising from the insurance contract as if it were their own.
- 1.5. The insurance contract extends to all natural persons working under the subordination and/or on the behalf of the policyholder, who are used for the fulfilment of duties in its economic activity.

2. INSURED ITEM

Insured item is the civil liability of the insured person (except for product liability and liability in connection with the quality of provided service), which arises from unlawful damage to a third party (injured party) caused by the activity set out in the insurance contract of the insured person.

3. INSURED EVENT

- 3.1. An insured event is an unexpected and unforeseeable unlawful proprietary or personal damage caused to a third party, as a result of which the policyholder or a person considered equivalent to them has incurred a compensation obligation (civil liability) and which (event/loss) has not been excluded under clause 4 of these terms and conditions.
- 3.2. An insured event must occur during the insurance period and there must be a causal relationship between the damage and the insured activity stipulated in the insurance contract of the insured person.
- 3.3. All claims resulting from the same circumstance or event are considered as one insured event. One limit of Indemnity and one deductible apply to claims

resulting from the same insured event. The time of occurrence of an insured event is considered to be the time of occurrence of the first insured event.

4. EXEMPTIONS

Compensa does not reimburse claims related to the following circumstances or objects:

- 4.1. damage arising from circumstances or events that were known or should have been known to the policyholder and/or the insured person before the conclusion of the insurance contract;
- 4.2. claims resulting from non-proprietary damage (incl. moral damage) and lost income (except for lost income related to personal injury);
- 4.3. damage, resulting from public promise to pay;
- 4.4. damage, resulting from presenting the item;
- 4.5. damage, resulting from *negotiorum gestio*;
- 4.6. damage, resulting from unjustified enrichment;
- 4.7. damage, resulting from product liability;
- 4.8. other monetary claims, not related to direct proprietary damage;
- 4.9. damage that has been caused by the policyholder and/or the insured person deliberately;
- 4.10. damage caused with criminal offence;
- 4.11. damage caused outside the economic activity of the policyholder;
- 4.12. claims resulting from public (such as pecuniary sanctions, fine, penalty payment, imprisonment) or private sanctions (such as deposit, fine for delay, contractual penalty, guarantee, interest);
- 4.13. liability arising from a contractual obligation, unless such liability would rest with the policyholder also without a respective agreement;
- 4.14. claims related to the quality of services provided by the policyholder and/or the insured person and the relating cost;
- 4.15. claims resulting from the destruction, loss, damaging of the property of third parties (incl. documents, data media) at the time when the insured person possessed, kept, carried, rented, leased, borrowed, used, repaired or processed this property; as well as damage caused to an item transferred by the insured person. The exemption applies regardless of whether the possession was legal or illegal;
- 4.16. damage, if not caused by the insured activity stipulated in the policyholder's insurance contract;
- 4.17. claims related to infringement of intellectual property;
- 4.18. damage caused by force majeure;

- 4.19. damage to be reimbursed based on compulsory insurance;
- 4.20. mutual claims of persons covered by one and the same insurance contract;
- 4.21. claims filed by a person who/which are owned or managed by the insured person or who/which owns or manages the insured person, incl. claims filed by a legal or contractual representative of the insured person;
- 4.22. claims related to the provision of professional service (such as advising, measuring, designing) by the insured person;
- 4.23. claims resulting from the lack/deficiency of permits, qualification, licence that are necessary for the activity of the policyholder or the insured person;
- 4.24. damage caused by asbestos dust and/or other toxic mould, tobacco, infection, medicine, communicable disease, genetically modified substance or organism, magnetic or electromagnetic field, chemical or biological substances not used for peaceful purposes;
- 4.25. damage related to radioactivity, radiation, toxicity or inflammability and explosiveness of a substance;
- 4.26. damage related to nuclear energy and equipment based on it, nuclear fuel, -reactor, -power plant and -waste;
- 4.27. claims relating to harbours, quays, barriers, dams, reservoirs, lighthouses, piers, vessel traffic service, underground structures, bridges, viaducts, tunnels;
- 4.28. damage related to weapons (inter alia biological, biochemical, nuclear and chemical weapons);
- 4.29. claims resulting from subsidence, movement or collapse of earth or building, incl. landslides, earthquakes, vibration or pile-driving works;
- 4.30. damages related to a strike, lock-out, industrial action, rebellion, war, civil war, invasion, martial law, coup, civil unrest, state of emergency, revolution, nationalisation, confiscation, expropriation, establishment of preventive measures, act of a foreign enemy, robbery, looting, terrorism, cyber-attack, natural disaster;
- 4.31. claims arising from environmental liability directive, claims relating to regular environmental pollution, operation of landfills, contamination charges, except for costs for eliminating pollution resulting from sudden and unforeseen environmental damage;
- 4.32. damage resulting from long-term factors causing deterioration: wear, mould, mould fungus, waste water, decay, corrosion, moisture, dust, smoke, soot, noise, light (excl. damage arising from sudden and unforeseen events like a fire);

Compensa does not reimburse damages related to the following areas of activity:

- 4.33. damage related to the production, storage and sale of natural gas and oil;
- 4.34. damage related to the construction, maintenance, ownership and possession of a train, tram, trolleybus, railway or cable car;
- 4.35. damage related to blasting, pile-driving, underground and underwater works;
- 4.36. damage related to ship building and repair; use and maintenance of ships and other watercraft;
- 4.37. damage related to the use and maintenance of aircraft;
- 4.38. damage related to airport, airfield and control centre;
- 4.39. damage related to the ownership, possession and use of amusement parks, ski resorts, stages and stadiums;
- 4.40. damage related to participating in training, sports competitions and attractions;
- 4.41. damage related to the management of landfills or waste handling centres.

5. RELEASE OF COMPENSA FROM THE OBLIGATION TO PERFORM THE INSURANCE CONTRACT

Compensa shall be partially or fully released from the obligation to perform the insurance contract if:

- 5.1. before the conclusion of the insurance contract, the policyholder has provided to the insurer incorrect information and if the insurer had known the correct circumstances, the insurer had not concluded the insurance contract or had not concluded the contract on the respective conditions;
- 5.2. the insured risk has increased and the insurer has not accepted the increase in the insured risk;
- 5.3. the policyholder has violated the obligation to notify of changes in risk circumstances and the insured event occurs after one month as of the time when Compensa should have received the notice;
- 5.4. the policyholder and/or the insured person has willingly or due to gross negligence violated at least one obligation provided in the insurance contract and such violation has an impact on the occurrence or size of the damage or establishing the extent of the damage;
- 5.5. the policyholder has deliberately submitted incorrect data on the circumstances or extent of damage;

- 5.6. the insured event has taken place due to severe negligence or intention of the policyholder or a person considered equivalent to the same;
- 5.7. the insured person caused the loss event under the influence of alcohol, drugs or psychotropic substances;
- 5.8. the insured person facilitated a crime or an attempted crime;
- 5.9. the insured person waives his/her right against the person who caused the damage or realisation of Compensa's right of recourse appears impossible due to the fault of the policyholder (exceeding the limitation period for filing a claim, failure to submit necessary documents);
- 5.10. the damage has been reimbursed by a third person.

6. INSURANCE PERIOD AND COVERED LOCATION

- 6.1. The insurance period is the period of time agreed in the insurance contract.
- 6.2. The covered location is the territory or area agreed in the insurance contract, where the insured event must take place in order for the insurer to have the respective obligation of the performance of the insurance contract. If the covered location has not been stated in the insurance contract, the covered location is the Republic of Estonia.
- 6.3. The insurance cover extends to claims which are filed against the insured person within one year after the end of the insurance period, however where the event that serves as basis to it occurred during the insurance period.

7. INSURANCE INDEMNITY AND LIMIT OF INDEMNITY

- 7.1. Insurance indemnity is an amount of money to be paid by the insurer to the policyholder to compensate for the damage.
- 7.2. The limit of indemnity is an amount agreed in the insurance contract and this is the maximum limit for all payable insurance indemnities.
- 7.3. It is possible to agree in the insurance contract a separate limit of indemnity for a single event, which shall be the maximum payable insurance indemnity for all claims resulting from one and the same event. If there is no separate agreement on the maximum limit for a single event, it shall be deemed equal with the limit of indemnity.
- 7.4. The limit of indemnity is reduced by the amount of indemnity paid out on the basis of the insurance contract. It is possible to sign an additional agreement for restoring the limit of indemnity.

8. DEDUCTIBLE

Deductible is the amount of money agreed upon in the insurance contract which shall be borne by the policyholder upon each single event.

9. RIGHTS AND OBLIGATIONS OF THE POLICYHOLDER

- 9.1. The policyholder has the right to demand an explanation of the following terms and conditions from the insurer.

The policyholder shall:

- 9.2. provide complete and accurate information necessary for the assessment of the insured risk and, upon entry into the insurance contract, disclose all the circumstances known to the policyholder that affect the decision to enter into the insurance contract on the agreed terms and conditions;
- 9.3. provide on demand of Compensa additional data related to the insured risk;
- 9.4. notify Compensa about the occurrence of multiple insurance;
- 9.5. enable Compensa to examine the covered location and the necessary documentation and assess the insured risk;
- 9.6. explain the rights and obligations arising from the insurance contract to all people considered equivalent to the policyholder, as well as persons working under the policyholder whom the policyholder uses in their business activities;
- 9.7. do all they can to prevent an insured event and mitigate the potential damage, i.e. be diligent, follow the legislation of the Republic of Estonia and relevant guidelines, good practices and safety requirements and special conditions arising from the insurance contract;
- 9.8. prevent any increase in the likelihood of insured risk;
- 9.9. immediately apply measures to avoid any increase in damage and reduce any possible damage;
- 9.10. inform Compensa of any circumstances that increase the insured risk;
- 9.11. comply with additional instructions given by Compensa to reduce the insured risk;
- 9.12. inform Compensa as soon as possible of a filed claim, commencement of a court or other procedure that may cause liability of the policyholder and/or insured person and/or any other circumstances which may result in an insured event, however no later than within one week as of the time when the policyholder became aware of the circumstances or filing of a claim;
- 9.13. inform Compensa of an insured event if possible in a format which can be reproduced in writing as soon as possible, however no later than within one week after becoming aware of the insured event in person or through a representative. If the precise time of the insured event cannot be determined, it is deemed to be the time when the policyholder or a

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- person considered equivalent to the policyholder should have learned about the insured event;
- 9.14. report the events immediately:
- 9.14.1. to the police, in the case of a violation of the law;
- 9.14.2. to local rescue board in the case of a fire or an explosion;
- 9.14.3. in other cases, to the competent authority or person;
- 9.14.4. to the loss adjustment contact provided in the insurance policy;
- 9.15. upon the occurrence of an insured event, follow the instructions received from Compensa and if possible retain the scene of the insured event intact until obtaining the instructions;
- 9.16. assist Compensa in establishing the circumstances necessary for loss adjustment and the collection of relevant evidence, if necessary issuing a letter of authorisation to Compensa;
- 9.17. not satisfy or acknowledge a claim of an injured third party without the consent of Compensa, if the liability of the insured person or the extent of it is unclear;
- 9.18. notify Compensa as soon as possible in a format that can be reproduced in writing of the damages being reimbursed by a third person or the claim presented to Compensa being revoked;
- 9.19. reimburse to Compensa the insurance indemnity, if the circumstances excluding indemnification appear after payment of the insurance indemnity by Compensa,
- 9.20. also fulfil other obligations arising from the documents of the insurance contract, i.e. the aforesaid list of obligations is not final.
- 10. COMPENSA'S RIGHTS AND OBLIGATIONS**
- Compensa has the right to:**
- 10.1. demand from the policyholder implementation of further security measures and/or to increase the insurance premium or cancel the insurance contract, if the insured risk has increased during the insurance period;
- 10.2. demand the payment of the difference between the insurance premium stated in the policy and the insurance premium to be paid according to the actual insured risk, if the insured risk has increased;
- 10.3. modify the standard terms and conditions and/or the insurance premium, but not for the first annual insurance period of the insurance contract, if the insurance contract is concluded for a period longer than one year;
- 10.4. involve third persons in the loss adjustment, if necessary.
- Compensa shall:**
- 10.5. present to the policyholder the documents related to the insurance contract before the conclusion of the insurance contract by means of a reference on the quote and/or the insurance policy (e.g. a link to the respective website);
- 10.6. register the notice of damage and introduce the procedure for resolving the insured event and compensating for the damage to the policyholder;
- 10.7. start processing the insured event immediately, when damages are reported by the policyholder, establishing the amount of damages to be reimbursed;
- 10.8. make a decision on compensation for damages or refusal to do so within 10 business days at the latest as of the receipt of all required documents and identification of the amount of damage and the circumstances related to its occurrence. Compensa has a right to postpone adoption of a decision, if a civil, criminal or misdemeanour procedure has been initiated in connection with the loss event and the circumstances to be established during the procedure have a bearing on determining Compensa's obligation to indemnify.
- 10.9. inform the policyholder as soon as possible, if it is necessary to submit additional materials or evidence to ascertain the damage and/or the extent thereof;
- 10.10. notify the policyholder immediately after making the decision to decline the reimbursement of the claim or reduction of the insurance indemnity, indicating the reason and basis for declining or reducing the insurance indemnity;
- 10.11. pay the insurance indemnity according to the terms and conditions of the insurance contract.
- 11. INSURANCE INDEMNITY, MEANS AND PROCEDURE OF COMPENSATION**
- 11.1. Insurance indemnity is a sum of money that is paid to compensate for proprietary damage resulting from an insured event and reimburse the costs agreed in the insurance contract.
- 11.2. The amount of indemnity per insured event is limited with the sum insured or the limit of indemnity agreed in the insurance contract.
- 11.3. Upon an insured event, the personal injury and proprietary damage and costs for legal assistance and legal expenses of the injured party are to be reimbursed.
- 11.4. Costs for legal assistance are reimbursed if these are necessary for challenging the claim, protecting the rights of the insured person and evidencing absence of liability and/or guilt of the insured person.
- 11.5. Only such reasonable and necessary legal assistance costs which have been previously agreed upon with Compensa shall be compensated.
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- 11.6. When determining the insurance indemnity, the deductive, collectible unpaid insurance premiums and deductions from the indemnity shall be taken into account.
- 11.7. Compensa has a right to reduce the payable insurance indemnity until the end of the current insurance period by the unpaid insurance premiums regardless of whether the date of paying the insurance premium has arrived and to whom the indemnity is paid.
- 11.8. After the insurance indemnity is paid out, the policyholder's, insured person's or beneficiary's right of claim for the occurrence of damages against the person responsible is transferred to Compensa in the extent of the insurance indemnity paid. If requested by Compensa, the policyholder shall transfer the right of ownership or right of claim by written agreement.
- 11.9. Compensa shall pay the insurance indemnity to the policyholder immediately, however no later than within two weeks after considering the claims filed against the policyholder and/or a person considered equivalent to the same certified and justified and/or after a judgement has entered into force. If a part of the claim is not proven, Compensa will reimburse only the verified part of claim.
- 11.10. Damage shall be compensated on the basis of the legislation, terms and conditions of insurance contract, limit of indemnity, deductible and prices applicable at the time when the event took place;
- 11.11. The policyholder and/or beneficiary has the obligation to return the insurance indemnity to Compensa as soon as possible, when circumstances precluding the reimbursement have appeared after the damages have been reimbursed or the damages have been reimbursed by a third person.
- 12. PROCESSING OF CUSTOMER COMPLAINTS AND RESOLUTION OF DISPUTES**
- 12.1. Any disputes arising from the insurance contract are attempted to be resolved by means of agreement and, if an agreement is not reached, the parties have the right to go to court.
- 12.2. If the policyholder and/or beneficiary is not satisfied with the activities of Compensa, they have the right to file a claim to Compensa. Client's expression of dissatisfaction presented in a format that can be reproduced in writing is registered as a complaint. Compensa notifies the client of their term of answering the complaint as soon as possible.
- 12.3. In order to resolve disputes, the policyholder may approach the conciliation body of the Estonian Insurance Association based on the procedural code of the said body.
- 13. FORM OF NOTICES**
- 13.1. All notices between the parties to the insurance contract that are necessary for the performance of
- the contract shall be forwarded in a form that can be reproduced in writing.
- 13.2. Compensa has the right to record the telephone calls related to the performance of the insurance contract.
- 14. DATA PROCESSING AND PROTECTION**
- 14.1. Compensa processes personal data in accordance with the legislation. Compensa has the right to process the policyholder's, the insured person's, the beneficiary's and the injured party's data to assess the risk and to prepare, conclude and fulfil the insurance contract.
- 14.2. With their request to conclude an insurance contract or conclusion of an insurance contract, the policyholder grants their full and unconditional consent to process the policyholder's personal data for the conclusion, amendment and performance of the insurance contract, incl. the person's age, residence, contact details, job, position, business activity, relationships, hobbies, insurance and loss history, as well as sensitive personal data, incl. data on the client's state of health or disability, data on committing or being a victim of a crime.
- 14.3. The policyholder authorises Compensa to source the said data from third persons. The policyholder grants Compensa the right to forward the personal data to all third parties related to the conclusion, amendment and performance of the contract, incl. re-insurers, treatment facilities, providers of printing service, doctors, postal and direct mailing service providers.
- 14.4. Compensa has the right to forward client's data to third parties whom they use in fulfilling their obligations (authorised employees). Information on the authorised employees is provided on Compensa's website: www.compensa.ee.
- 14.5. Compensa has the right to issue a copy of the insurance policy to the insured person, the beneficiary and the pledgee of the insured item. Compensa has the right to disclose information related to a loss event to a government body in whose competence the proceedings of the loss event is.
- 14.6. The policyholder agrees that Compensa uses the client data for offering additional insurance services to the policyholder and marketing information on the said services.
- 14.7. The policyholder has the right to obtain information from Compensa on the personal data and their use at any time and demand the correction of incorrect data, and demand the ceasing of the processing of personal data from Compensa, unless otherwise provided by the law.
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- 14.8. Compensa retains the personal data for as long as is necessary for fulfilling the objectives of client data processing or performing the objectives arising from the legislation, also taking into account the term of expiry of claims arising from the contract.

15. CONTRADICTIONS

In the case of any contradictions in the documents of the insurance contract, the following hierarchy of documents will be used in their interpretation, where each preceding document shall prevail over the next one: special terms and conditions – insurance policy – additional terms and conditions – terms and conditions of third-party liability insurance.

In the case of any disputes, the terms and conditions of third-party liability insurance compiled in Estonian will always be taken as the basis.