

# MOTOR THIRD PARTY LIABILITY INSURANCE

## TERMS AND CONDITIONS No. EE16



### APPROVED

30.09.2014 „BTA Insurance Company“ SE Board Decision no. LV1\_0002/02-03-03-2014-111

The present motor third party liability insurance conditions (hereinafter conditions) are applied to motor third party liability insurance contracts concluded at the BTA Insurance Company SE Estonian branch (hereinafter BTA), whereby the insured object is the liability resulting from damages caused to a third party by a vehicle, in accordance with the procedure and the extent set out in the Motor Insurance Act. For issues that have not been set out in the conditions, the Motor Insurance Act, the BTA General Terms and Conditions for Insurance Contracts, the Law of Obligations Act, and other legislation serve as a basis.

### 1. POLICY HOLDER AND INSURED PERSON

- 1.1. A policy holder can be any person with an insurance interest.
- 1.2. Insurance interest can have a person who is using the car.

### 2. CONTRACT

- 2.1. A contract is concluded between BTA and a policy holder on a durable medium for the following motor vehicles or their trailers (hereinafter together - vehicle):
  - 2.1.1. a vehicle that has been registered or has to be registered at a vehicle registry established based on the Traffic Act (hereinafter traffic registry), except for vintage vehicles and racing cars that are not used in traffic;
  - 2.1.2. tram and trolleybus;
  - 2.1.3. a vehicle with a removable national registration plate issued in Estonia;
  - 2.1.4. a vehicle with a transit plate issued in Estonia;
  - 2.1.5. a vehicle with the main location in a foreign country, except for a member state of the European Economic Area or in the Swiss Confederation (hereinafter third country), when the liability for damage caused with this vehicle has not been insured.
- 2.2. BTA is entitled to refuse the conclusion of a contract if the vehicle has not been duly registered, except for the cases set out in subsections 14 (3) and (4) of Motor Insurance Act.
- 2.3. At BTA, a policy holder can only conclude a non-automatically renewable contract with a fixed term of up to one year.
- 2.4. For each vehicle only one contract can be concluded.
- 2.5. If a person who is concluding contract is vehicle owner or responsible user, then this person will be identified by given data of this person (person's name, personal ID code and vehicle data), and these will be compared to data of vehicle registry. If customer wishes to conclude a contract in office, then this person has to be identified by ID document.
- 2.6. If a person who is concluding contract is a person who is not marked in vehicle registry as owner of the vehicle, responsible user or user, then natural person has to be identified and interest to insure a vehicle has to prove by ID document and vehicle registration passport.
- 2.7. For receiving a proposal and concluding a contract, the policy holder submits information of the vehicle and policy holder to BTA.
- 2.8. BTA will submit a proposal for the conclusion of a contract, present the conditions of the contract, and disclose the information that is required for the policy holder to make a decision.
- 2.9. The contract shall enter into force on the date set out in the proposal, provided that the payment is received by the date set out in the proposal.
- 2.10. An insurance contract is effective during the period, on the conditions and in the territory set out in the contract.
- 2.11. The insurance cover provided under a contract is effective in all the contracting states without the parties having to agree on it separately. The insurance cover is effective in a third country if the country has been specified in the policy or on a green card.

## **2.12. Contract documents are:**

- 2.12.1.** BTA general terms and conditions for insurance contracts, which are in force at the time of submission of the proposal,
- 2.12.2.** the present terms and conditions,
- 2.12.3.** the proposal,
- 2.12.4.** the policy,
- 2.12.5.** the special conditions set out on the policy,
- 2.12.6.** other documents.

## **2.13. A policy holder is obliged to inform BTA immediately of any changes in contract data. Contract data are:**

- 2.13.1.** personal information (personal ID code / registry code, name, address, email address, phone number of the policy holder / owner / liable user),
- 2.13.2.** vehicle information (make, model, registration number, year of manufacture, VIN, technical passport number, vehicle power, permissible maximum mass, number of seats, purpose of the vehicle).

## **2.14. Upon changes in the contract data, a new contract will be concluded with the term of the previous contract. If the policy holder wishes, the new contract will be concluded for a new period, however, for no longer than one year.**

## **3. INSURED EVENT**

### **3.1. An insured event is the causing of damage to a third party provided that the following conditions exist at the time:**

- 3.1.1.** the damage has been caused by a vehicle that is subject to the insurance obligation arising from the Motor Insurance Act or the legislation of the state where the vehicle is normally based;
- 3.1.2.** the damage has been caused by the realisation of the risk characteristic of the operation of the vehicle in traffic and there is a causal link between the movement or location of the vehicle and the damage caused;
- 3.1.3.** the damage has been caused on the road or in another area used for conventional vehicle traffic.

### **3.2. The following is not deemed an insured event:**

- 3.2.1.** damage caused in a vehicle (incl. aircraft and water craft), except upon driving on or off a ferry engaged in regular services;
- 3.2.2.** damage caused in a place closed and separated for racing, training or another similar event;
- 3.2.3.** damage caused in the territory of an aerodrome closed for traffic;
- 3.2.4.** damage caused on the road or in another area used for conventional vehicle traffic when this area is closed to public traffic and if the vehicle which caused damage is used for forest, agricultural or building management or in other similar purpose and damage will be caused directly in the process of work.

### **3.3. Sum insured, recoverable damage and the grounds of compensation are defined as required by the Motor Insurance Act.**

## **4. INSURANCE FEE**

### **4.1. The main obligation of a policy holder is paying the insurance fee.**

### **4.2. The policy holder has to pay the insurance fee in one instalment by the due date set out in the proposal.**

### **4.3. Should the policy holder not pay the insurance fee by the due date indicated on the proposal or pay a smaller fee, the contract shall not enter into force.**

## **5. MOTOR INSURANCE POLICY**

### **5.1. A motor insurance policy (hereinafter policy) is proof of the conclusion of a contract.**

### **5.2. BTA will issue a policy to the policy holder on a durable medium within two (2) working days after the payment of the insurance fee received.**

### **5.3. Upon losing the policy, the policy holder is entitled to request the issuing of a duplicate.**

## **6. GREEN CARD**

### **6.1. A Green card is a special type of policy, which certifies that besides Estonia and the contracting states, the insurance cover is also effective in the third country specified on the Green card.**

### **6.2. At the request of the policy holder, BTA will issue a Green card to the policy holder or the insured person indicated by the policy holder.**

### **6.3. Green card shall be valid only together with a policy.**

### **6.4. If policy starts on the same date when issued, then Green card shall start on the next day.**

**6.5.** The minimum duration of Green card is 15 days.

**6.6.** If the Green card is issued in conjunction with a policy, then the Green card expiry date will coincide with a policy deadline.

## **7. OBLIGATIONS OF THE POLICY HOLDER**

**7.1.** The policy holder is obliged to:

- 7.1.1.** pay the insurance fee by the due date indicated in the proposal;
- 7.1.2.** inform BTA at the time of conclusion of the insurance contract of all circumstances of significant importance that are known to the policy holder and that may affect the conditions of the BTA proposal or may cause the making of a proposal under agreed additional conditions;
- 7.1.3.** upon request by BTA, submit additional information related to the insured risk;
- 7.1.4.** present the contract documents to all legal possessors of the vehicle;
- 7.1.5.** take all measures at its disposal to prevent an insured event, not to increase insurance risk, and not to allow it to be increased by persons the policy holder is liable for;
- 7.1.6.** immediately inform BTA of an increase in insurance risk to [info@bta-kindlustus.ee](mailto:info@bta-kindlustus.ee) or by telephone +372 68 68 068;
- 7.1.7.** allow a representative of BTA to assess the insurance risk;
- 7.1.8.** immediately inform BTA of an insured event;
- 7.1.9.** maintain the vehicle in the same condition it was in after the insured event, and present the vehicle to BTA;
- 7.1.10.** give explanations and testimonies about the circumstances of the insured event;
- 7.1.11.** immediately inform BTA of any legal or other proceedings taken that could cause BTA liability, or any circumstances that may be a basis for a claim against BTA;
- 7.1.12.** immediately take measures to avoid the further increasing of damages occurred;
- 7.1.13.** immediately inform the police if there are any disagreements about whose was at fault for causing the traffic accident, the damage (including damage caused by hitting an animal) and injuries (death), and act according to the instructions given by the police.

## **8. OBLIGATIONS OF BTA**

**8.1.** BTA is obliged to:

- 8.1.1.** take necessary measures for determining the obligation of indemnifying damage and its extent within 30 calendar days starting from the reporting of the insured event;
- 8.1.2.** indemnify for damages caused by the policy holder due to the insured event, or inform the damaged person of the refusal of indemnification immediately after the completion of the measures listed under clause 8.1.1 of the present terms and conditions.

## **9. BTA'S RIGHT OF RECESS**

**9.1.** BTA is entitled to file a recourse action against the driver of vehicle who caused the insured event, if the driver of the vehicle:

- 9.1.1.** caused the insured event intentionally;
- 9.1.2.** caused an insured event and illegally left the scene of the insured event;
- 9.1.3.** drove a vehicle that was in his possession illegally;
- 9.1.4.** drove a vehicle while being drunk or in any other condition listed in subsection 69 (3) of the Traffic Act, or consumed alcohol, narcotic or psychotropic substances immediately after the insured event;
- 9.1.5.** had concluded a contract set out in subsection 14 (3) of the Motor Insurance Act and the driver violated the conditions of validity of the vehicle's insurance protection;
- 9.1.6.** exceeded the allowed driving speed by 41 km/h or more;
- 9.1.7.** intentionally ignored the stopping signals given by a traffic supervisor mentioned in subsection 200 (1) of the Traffic Act;
- 9.1.8.** drove the vehicle by ignoring the motor vehicle driving restriction set out under clauses 90 (1) 1 or 2 of the Traffic Act;
- 9.1.9.** was suspended from driving the vehicle in accordance with clauses 91 (2) 5, 7 or 9 of the Traffic Act, and the basis for suspension had not been renounced by the time of the insured event.

**9.2.** It is presumed that the driver caused the insured event due to circumstances listed under clauses 9.1.6-9.1.9 of the terms and conditions.

**9.3.** BTA is entitled to file a recourse against the driver who caused the insured event to the extent of 30% of the amount of the paid out insurance benefit, however, not more than 640 EUR, if the driver did not present the vehicle for inspection upon the request of the insurer, or did not give explanations with regard to the circumstances of the insured event.

**9.4.** BTA is entitled to file a recourse against the employer of the driver who caused an insured event, if the insured event was caused by the driver in violation of the legislation on working and resting time.

**9.5.** BTA is entitled to file a recourse against a person, who in violation of the Motor Insurance Act, does not fulfil his insurance obligation, if the insured event takes place within 12 months after the ending of the contract and the restriction set out in subsection 3 (2) of the Motor Insurance Act to participate with the vehicle in traffic was not adhered to.

## **10. CONTRACT ADMINISTRATION**

**10.1.** Before the ending of the contract, BTA will send a notification to the policy holder about the ending of the contract and suggest the conclusion of a new contract by submitting a new proposal and an invoice to the policy holder.

**10.2.** In order to conclude a contract under the conditions set out in the proposal, the policy holder has to pay the insurance fee (as indicated on the invoice) by the due date set out in the proposal.

## **11. TERMINATION AND EXPIRATION OF THE CONTRACT**

**11.1.** The contract expires on the last day of the insurance period at 12 pm.

**11.2.** The policy holder is entitled to terminate a contract under the following conditions:

**11.2.1.** the vehicle is removed from the traffic registry;

**11.2.2.** upon a change in person with an insurance obligation, if the person with an insurance obligation concludes a contract with another insurer;

**11.2.3.** the vehicle has been destroyed;

**11.2.4.** theft of the vehicle;

**11.2.5.** the vehicle cannot be used for technical reasons;

**11.2.6.** upon the termination of the contract under which the policy holder used the vehicle.

**11.3.** In order to claim the return of the insurance fees paid for a period after the termination of the contract, the policy holder shall submit an application on a durable medium. BTA will deduct 3 EUR from the returned insurance fee for administrative costs.

**11.4.** These terms shall apply to insurance contracts, concluded as of 1 October 2014, unless otherwise agreed by the parties in the insurance contract.