

TERMS AND CONDITIONS OF HOUSEHOLD INSURANCE PROPERTY INSURANCE 1/2017

EFFECTIVE AS OF 30 JANUARY 2017

CONTENTS

PURPOSE OF INSURANCE	2
PLACE OF INSURANCE	2
OBJECT OF INSURANCE	2
INSURANCE COVER OPTIONS	7
INSURED EVENTS AND RESTRICTIONS	7
FIRE	7
DIRECT LIGHTNING STRIKE	7
EXPLOSION	7
STORM	8
ACTS AGAINST PROPERTY	8
PIPELINE LEAKAGE	9
GENERAL EXCLUSIONS OF FIRE AND STORM INSURANCE AND COMPREHENSIVE INSURANCE	9
ALL-RISK INSURANCE	11
EXCLUSIONS OF ALL-RISK INSURANCE	11
INCREASE IN PROBABILITY OF INSURED RISK AND NOTIFICATION THEREOF	12
PROHIBITION ON INCREASING PROBABILITY OF INSURED RISK	13
SAFETY REQUIREMENTS	13
FIRE SAFETY	13
REQUIREMENTS FOR REDUCING RISK OF THEFT	15
OTHER SAFETY REQUIREMENTS	15
POLICYHOLDER'S BURDEN OF PROOF	16
PRINCIPLES OF INDEMNIFICATION FOR DAMAGE	16
DEDUCTIBLE	16
INDEMNIFICATION FOR DAMAGE CAUSED TO BUILDING OR APARTMENT	17
INDEMNIFICATION FOR DAMAGE CAUSED TO HOUSEHOLD PROPERTY	18
GENERAL PRINCIPLES OF INDEMNIFICATION	19

PURPOSE OF INSURANCE

1. The purpose of the insurance contract is to indemnify for damage arisen as a result of an insured event due to destruction of or damage to an object of insurance and separately specified costs pursuant to the terms and conditions of household insurance and the general terms and conditions of the contract.

PLACE OF INSURANCE

2. The place of insurance is a building, ancillary building, terraced house, semi-detached house, apartment and the storage room belonging to the apartment located at the address specified in the policy (clause 19 and clause 23).

OBJECT OF INSURANCE

3. The policyholder can choose which object specified in the following clauses they wish to insure.
4. An object of insurance is a building, facility, apartment, apartment ownership, household property, claim for rent payment for temporary housing of an insured person, or a claim for loss of rent as provided in the policy.
5. The appliances and items servicing the building or apartment (see clause 12.3, e.g. a boiler, heat pump, furnace, wood stove) are insured as sets of integrated items including all the essential parts of the appliances and items. The essential parts of the appliances and items are their parts that cannot be separated from the appliance without destroying, damaging or significantly amending the appliance or the item or the part being separated from them or without aggravating the purposeful use of the appliance or item or making it impossible.
6. A **building** is a legal construction work permanently attached to the ground and having an interior room separated from the external environment by a roof and other external borders.
7. A **residential building, ancillary building, sauna, terraced house and semi-detached house** may be insured as a **building**.
8. An **ancillary building** is a building not used for residential purposes (e.g. a shed, storehouse, livestock housing, barn or garage).
9. Buildings that are joined to each other, such as a garage sharing a common wall with a residential building, are insured as one object.
10. Regardless of size, a **sauna** located separately from the residential building is only insured if so specified in the policy.
11. When insuring a **terraced house and a semi-detached house**, the insurance includes the interior finish and the essential parts of the building located within the boundaries of the terraced house or semi-detached house up to the interior decoration of the neighbouring housing section. The parts of the building (for example, partition enclosures), utility, low-current and power supply systems designated for common use and not located in the insured terraced house or semi-detached house as well as facilities (clause 13.1) are insured to the extent that corresponds to the share of the area of the terraced house or semi-detached house in the total area of the building.

12. The insurance of a building shall automatically cover the following: main structures of the building (foundation, internal and external walls, ceilings, floors, stairs, roof), doors, windows, rain water drainage, and heating sources, fireplaces and chimneys permanently connected to the building structures as well as exterior finish;
 - 12.1. interior finish of the building (finishing materials of walls, floors, and ceilings), sanitary equipment, bathtubs, shower boxes, permanently attached bathroom and kitchen furniture (except for kitchen appliances, tables and chairs), integrated lighting fixtures, sliding doors and folding doors);
 - 12.2. permanently attached heating, cooling, water and gas supply, sewerage and ventilation systems and the connecting wires, pipes, channels and tanks;
 - 12.3. permanently attached communications, security and sound systems and the power supply system;
 - 12.4. radio and television antennae, lighting fixtures and parts of air conditioning appliances installed on the exterior sides or the roof of the building;
 - 12.5. the following systems located outside but permanently attached to the building or a part of the building: heating, cooling, water and gas supply, sewerage and ventilation systems, air-conditioning, communications and security alarm systems, and the power supply system up to the boundary of the registered immovable or to the junctions with the common pipeline or electricity line.
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13. The insurance of a building shall automatically cover the following:
 - 13.1. facilities and ancillary buildings (clause 8) with a ground surface area of up to 20 m² that belong to the building and are stationary – in a value of up to 5,000 euros. Facilities are construction works other than buildings (clause 6), e.g. gazebos, shelters, fences, flagpoles, outdoor lighting fixtures, outdoor pools, wind power generators, paved roads, ball game courts and playgrounds.
 - 13.2. a year's supply of heating substance that is used for heating the insured building and is located in a building on the same registered immovable as the residential building.
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14. Ancillary buildings with a ground surface area of over 20 m² are insured only if clearly specified as an object of insurance in the policy.
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15. Unless otherwise specified in the policy, the insurance of a building shall not cover the following:
 - 15.1. portable equipment (e.g. electric cooker, refrigerator, washing machine, electric radiators), furniture, curtain rods and fittings, curtains, removable carpets and lighting fixtures and other household property;
 - 15.2. advertisements installed on the external walls of the building or on the registered immovable;
 - 15.3. soil, plants, landscaping, garden sculptures, gas, water (including water in the well, pipelines and pool), ponds, wharves, moles, berths, other facilities built in water;
 - 15.4. removable and/or wheeled caravans, tents, inflatable structures, temporary facilities, greenhouses with film and plastic cover;
 - 15.5. solar panels that are separate from the insured building and located on the same immovable and that are to be or have been installed as well as the devices that belong thereto;
 - 15.6. ancillary buildings and facilities with a ground surface area of over 20 m².

16. An **apartment** is delimited residential space that can be independently used as well as the parts thereof that can be altered without damaging common ownership or the rights of another apartment owner or altering the external form of the building. The insurance of an apartment shall automatically cover the following:
- 16.1. interior finish of the apartment (finishing materials of walls, floors and ceilings), sanitary equipment, bathtubs, shower boxes, permanently attached bathroom and kitchen furniture (except for kitchen appliances, tables and chairs), permanently attached sliding doors and folding doors);
 - 16.2. doors and windows as well as the finishing of balconies, recessed balconies or terraces of the apartment;
 - 16.3. main building structures within the apartment that can be removed without compromising the stability of the building (non-load-bearing partition walls);
 - 16.4. the part of the heating system, water pipeline, sewerage, ventilation and electrical systems that is located in the apartment and is used solely by the apartment owner;
 - 16.5. permanent communications, security and sound systems in the apartment;
 - 16.6. heating sources and fireplaces located in the apartment and permanently attached to the building structures;
 - 16.7. parts of air-conditioning appliances of the apartment that are attached to the external walls of the building;
 - 16.8. a year's supply of heating substance that is only used for heating the insured apartment and is located in a building on the same registered immovable as the apartment building.
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17. The insurance of an apartment shall not cover the following:

- 17.1. structures that ensure the stability or safety of the building (load-bearing structures, foundation, roof, stairs);
 - 17.2. load-bearing or main structures (incl. hydroinsulation) of a balcony or a recessed balcony;
 - 17.3. parts of the building, systems or equipment designated for joint use by apartment owners (boiler room, utility system, lifts, interior finish of the stair hall, exterior finish of the building) and other items that are in the common ownership of apartment owners;
 - 17.4. portable equipment (e.g. electric cooker, refrigerator, washing machine, electric radiator), furniture, curtain rods and fittings, curtains, removable carpets and lighting fixtures and other household property;
 - 17.5. water (including water in the well, pipelines and pool), gas.
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18. **Apartment ownership** is the insured apartment (clause 16) and the pertaining parts of the building and appliances that are in the common ownership of apartment owners (clauses 17.1 to 17.3). The part in common ownership is insured to the extent that corresponds to the size of the insured apartment in the entire building.

- 18.1. The apartment ownership insurance covers externally located utility systems (e.g. heating, cooling, water and gas supply, sewerage and ventilation systems, air conditioning, communications and security alarm systems) and the power supply system up to the boundary of the registered immovable or to the junctions with the common pipeline or electricity line. The utility and power supply system is insured to the extent that corresponds to the size of the insured apartment in the entire building.

19. The apartment and apartment ownership insurance covers the interior finish of a storage room/cellar which is not directly connected with the insured apartment or apartment ownership, but is located in the same building and is used solely by the policyholder, the door of the storage room and shelves permanently installed in the storage room to the value of 2,000 euros.

20. **Household property** is the movable property located in the place of insurance. This includes furniture (except for permanently attached kitchen and bathroom furniture that is insured with building or apartment), household appliances, electrical home appliances, clothes, tableware, etc. The insured sum of household property is indicated in the policy.

21. Unless otherwise specified in the insurance policy, the insurance shall cover:

21.1. art, collections, valuables and clocks with a limit of indemnity of 3,000 euros. Valuables means jewels, precious metals and items made thereof, precious and semi-precious gemstones;

21.2. land vehicles and watercraft not subject to registration, e.g. a bicycle, self-balancing electric vehicles, rowboats (length of up to 2.5 metres), riding lawn mowers and parts thereof – with a limit of indemnity of 3,000 euros;

21.3. navigation equipment, tyres and wheel rims that are temporarily removed from the motor vehicle and are located in the place of insurance (clause 2) – with a limit of indemnity of 1,000 euros;

21.4. uninstalled construction materials located in the insured building or apartment – with a limit of indemnity of 3,000 euros.

22. The insurance covers household property that is accompanying the policyholder or their family member permanently living with the policyholder in the place of insurance while they are *outside of the place of insurance but within the borders of the Republic of Estonia – with a limit of indemnity of 1,000 euros. E.g. the policyholder locks the bicycle in front of the store and it gets stolen while the policyholder is in the store. The policyholder goes to the gym in a sports club and leaves their belongings in the locker. The belongings are stolen from the locker. Each of the cases is an insured event.*

23. If the household property is insured, insurance cover to the value of 10% of the insured sum of household property also applies automatically to property in locked storage rooms (cellars) that are located in a locked building on the same immovable property as the insured residential building or in the same building as the apartment and used solely by the policyholder.

24. Unless otherwise specified in the insurance contract, household property insurance shall not cover the following:

24.1. the structure and parts thereof;

24.2. agricultural products, foodstuff, alcohol, tobacco, animals, birds, fish;

24.3. cash, stamps, bonds, securities, cheques, gift certificates, bankcards, lottery tickets, documents, manuscripts, drawings, models, forms, databases, archives;

24.4. computer, mobile phone and tablet software, licences, data stored in an electronic form;

24.5. removable and/or wheeled caravans, tents, inflatable structures, temporary facilities, greenhouses with film and plastic cover located outside the insured building or apartment;

24.6. explosives, objects not in compliance with security requirements or legislation;

- 24.7. motor fuel, power-driven land vehicles, watercraft and aircraft subject to registration and their parts (incl. keys), except for items specified in clause 21.3;
 - 24.8. assets used in the economic activities of the policyholder or their family member. For example: goods, product samples, semi-finished products, store equipment, production or service equipment.
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25. Lease costs of temporary residence

- 25.1. Lease costs of a temporary residence are insured if it has been specified in the insurance policy.
 - 25.2. The lease costs of an equivalent place of residence and costs necessary for the change of lodgings after an insured building or apartment has become uninhabitable as a result of an insured event shall be indemnified.
 - 25.3. Reasonable and justified lease costs previously agreed upon with Seesam to the value of the insured sum specified in the policy are subject to indemnification as of the moment of occurrence of an insured event until the restoration of the building or the apartment that constitutes the object of insurance, but for no longer than 24 months after the occurrence of the insured event.
 - 25.4. Insurance cover shall not extend to people who use the insured building or apartment on the basis of a lease contract.
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26. Loss of rent

- 26.1. Loss of rent is insured if it has been specified in the insurance policy.
- 26.2. The loss of rent to the value of the insured sum specified in the policy for the building or apartment that constitutes an object of insurance, was leased at the moment of an insured event and has become uninhabitable as a result of the insured event shall be indemnified.
- 26.3. The amount to be indemnified is the revenue foregone based on a lease contract entered into in writing, from the moment of the insured event until the restoration of the building or the apartment that constitutes an object of insurance, but not for longer than 12 months after the insured event.

INSURANCE COVER OPTIONS

The insurance cover options are as follows:

27. **Fire and storm insurance**, in the case of which the damage caused by fire, direct lightning strike, explosion, and storm damage shall be indemnified under the terms and conditions and to the extent indicated in clauses 31 to 45 and 53 to 55.
28. **Comprehensive insurance**, in which case the damage caused by fire, direct lightning strike, explosion, storm damage, theft, robbery, vandalism and pipeline leakage shall be indemnified under the terms and conditions and to the extent indicated in clauses 31 to 55.
29. **All-risk insurance**, in which case the damage caused by theft or robbery of an object of insurance as well as damage arisen from damage to or destruction of an object of insurance due to a sudden and unforeseen contact event shall be indemnified under the terms and conditions and to the extent indicated in clauses 56 to 60.
30. The insurance cover option chosen by the policyholder is indicated in the policy.

INSURED EVENTS AND RESTRICTIONS

Fire

31. Damage caused by fire shall be indemnified. Fire is a damage caused by fire, smoke and soot spread outside a heating source prescribed therefor and by fire extinguishing.
 32. Damage caused as a result of short-circuit, overload or another electrical reason (insulation mistakes, insufficient contact) shall not be indemnified if no fire has broken out.
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Direct lightning strike

33. Damage caused by lightning that struck an object of insurance directly and causes visible damages to the object of insurance shall be indemnified.
 34. If household property (incl. household appliances and electrical home appliances) is also insured in addition to the building or apartment, damage to the property shall be indemnified only if the direct lightning struck the insured building directly. If the object of insurance is an apartment or apartment ownership, the damage shall be indemnified only if the lightning struck directly the building where the apartment or apartment ownership is located.
 35. Damage caused by a failure of power supply or power fluctuations (incl. excess voltage) that thunder involves shall not be indemnified.
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Explosion

36. Damage resulting from an explosion shall be indemnified. Explosion is a shockwave occurring as a result of sudden release of a large amount of energy, which causes visible damages to an object of insurance.

37. Damage caused as a result of an explosion at warehouses where explosives are stored and as a result of professional blasting work shall not be indemnified.
 38. Damage shall not be indemnified if the explosion has occurred inside an appliance or item that services the insured building or apartment and the damages did not go out of the boundaries of the insured appliance or item (e.g. damage shall not be indemnified if an explosion occurs inside a heating appliance and only the heating appliance suffers damages).
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Storm

39. Damage caused by storm and precipitation that the storm involved or hail that has directly destroyed the insured building or the facilities shall be indemnified.
 40. If the object of insurance is an apartment or apartment ownership, the damage shall be indemnified only if the storm has directly caused destructions to the building where the insured apartment or apartment ownership is located.
 41. Storm damages to movable property located in a building or apartment shall be indemnified only if they have cause-and-effect relationship with the storm damages arisen to the insured building or apartment.
 42. Damage caused by rising water levels (flood) shall be indemnified if the rise was caused by storm wind or torrential rain in the place of insurance.
 43. A storm is deemed to be a gust of wind with a speed of at least 18 m/s according to the data of the meteorological observation station closest to the place of insurance.
 44. If strong wind damages an object of insurance as a result of a smaller gust of wind than that specified in clause 43, the valid presumption is that damage to the object of insurance has cause-and-effect relationship with the insufficient construction quality of the object of insurance.
 45. The following shall not be indemnified:
 - 45.1. damage caused by rain water or snowmelt water that got into the building through openings of the building that were not shut or through the buildings envelopes, except if the openings were created as a result of the storm;
 - 45.2. damage caused by the weight or movement of ice or snow;
 - 45.3. damage caused by a failure of power supply or power fluctuations (incl. excess voltage) that storm involves.
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Acts against property

46. Damage caused by **theft**, i.e. deprivation of an object of insurance by a third party for the purposes of illegal appropriation thereof, shall be indemnified. Upon theft, the policyholder shall make an application to the police.
47. Damage caused by **robbery**, i.e. deprivation of an object of insurance by a third party for the purposes of illegal appropriation thereof if the deprivation has been committed using violence, i.e. physical harm, hitting, beating or other physical abuse that causes pain or by threatening to kill or cause physical harm, shall be indemnified.

48. Damage caused by intentional impairment or destruction of an object of insurance by a third party (vandalism) shall be indemnified.
 49. Damage caused by deceit, fraud or extortion shall not be indemnified.
 50. Damage caused by losing or forgetting property shall not be indemnified.
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Pipeline leakage

51. Damage caused by the following shall be indemnified:
 - 51.1. liquid discharged as a result of a breakdown in the water supply, heating or cooling system installed in the insured building or apartment or the storm water pipeline in the building;
 - 51.2. water discharged as a result of a breakdown of a household appliance (e.g. washing machine, boiler) that has a permanent connection to the water supply system in the insured building or apartment, or the connecting pieces of such a household appliance;
 - 51.3. liquid discharged from the water supply, heating or cooling system of an apartment of a third party;
 - 51.4. effluent or wastewater discharged as a result of an accident (clogging) within the internal sewerage system;
52. The following shall not be indemnified:
 - 52.1. damage caused by liquid that discharged through the building structures (e.g. wall, roof, open windows, balcony) or from the pipeline outside of the building;
 - 52.2. damage caused by overflow of the sewerage system of the building or apartment due to rainfall, melting of snow or flood;
 - 52.3. damage arising from steam, condensed moisture or excessive moisture, except cases caused by the events specified in clauses 51.1 to 51.4;
 - 52.4. the cost of repairs or acquisition the household appliance or equipment that caused the damage or the cost of the pipeline itself;
 - 52.5. the cost of water, gas, etc., that discharged from the pipeline.

GENERAL EXCLUSIONS OF FIRE AND STORM INSURANCE AND COMPREHENSIVE INSURANCE

53. Damage caused by or resulting in the following shall not be subject to indemnification:
 - 53.1. normal wear and tear, soiling, spoilage, corrosion (incl. chemical, electrochemical and biochemical corrosion), material fatigue, rotting, fungal damage, dry rot, mould, condensed moisture, freezing, and other slowly occurring processes;
 - 53.2. poor-quality design, construction, renovation or maintenance work, defective product, unsuitable or substandard material;

- 53.3. Exception. If a fire or pipeline leakage arises for the reasons specified in clause 53.2, the damage shall be indemnified. The costs of restoration of the item that caused a fire or pipeline leakage shall not be indemnified. For example: due to a defective or incorrectly installed chimney a fire occurs and the building is destroyed. The restoration of the chimney is not indemnified, but the costs of restoration of damages to other parts of the building are indemnified;
- 53.4. sinking, cracking, swelling, shrinking, vibration or movement of the ground or the structure or parts thereof;
54. The damages or defects that are subject to compensation by the manufacturer or supplier and for which the supplier or manufacturer is liable on the basis of law or a contract, e.g. warranty, shall not be indemnified.
55. Damage subject to indemnification on the basis of compulsory insurance (e.g. motor third party liability insurance) shall not be indemnified. If the policyholder or beneficiary does not receive, within a reasonable period of time, insurance indemnity on the basis of a compulsory insurance contract in full or in part, Seesam shall not apply the exclusion set out in this clause.

ALL-RISK INSURANCE

56. An insured event of all-risk insurance is the theft (clause 46), robbery (clause 47) or destruction of or damage to an object of insurance due to a sudden and unforeseen contact event, taking into account the exclusions specified in clauses 58 to 60.
57. A sudden and contact event is deemed to include, for example, a fire (clause 31), direct lightning strike (clause 33), explosion (clause 36), storm damage (clause 39), pipeline leakage (clause 51) and other sudden and unforeseen events in the course of which an object of insurance has become damaged or destroyed as a result of any contact event.

EXCLUSIONS OF ALL-RISK INSURANCE

58. The following shall not be indemnified:
 - 58.1. any damage caused by or resulting in normal wear and tear, soiling, spoilage, corrosion (incl. chemical, electrochemical and biochemical corrosion), scale, material fatigue, rotting, fungal damage, incl. dry rot, mould, condensed moisture, and other slowly occurring processes;
 - 58.2. damage arisen from the end of service life of household appliances and devices (for example, a washing machine that is eight years old ceases to operate);
 - 58.3. poor-quality design, construction, renovation or maintenance work, defective product, unsuitable or substandard material;
 - 58.4. Exception. If a fire or pipeline leakage arises for the reasons specified in clause 58.3, the damage shall be indemnified. The costs of restoration of the item that caused a fire or pipeline leakage shall not be indemnified. For example: due to a defective or incorrectly installed chimney a fire occurs and the building is destroyed. The restoration of the chimney is not indemnified, but the costs of restoration of damages to other parts of the building is indemnified.
 - 58.5. damage caused by sinking, cracking, swelling, shrinking, freezing, vibration or movement of the ground or the structure or parts thereof;
 - 58.6. damage caused by precipitation (snow, snowmelt water, rainwater, ice, melt water), surface water and groundwater seeping into the structures of the building (roof, foundation, walls, balconies, windows, doors);
 - 58.7. damage caused by rising water levels if there is no causal link between the rising water and the strong wind (storm) or torrential rain that occurred in the place of insurance; For example, damages arisen due to floods that occur every spring shall not be indemnified.
 - 58.8. damage caused by the weight or movement of ice or snow;
 - 58.9. damage caused by insects, rodents, birds or domestic animals;
 - 58.10. costs of restoration of such damages that were caused to the insured property by creditors, its former owners or possessors;
 - 58.11. damage caused by deceit, fraud or extortion;
 - 58.12. damage caused by loss, disappearance or forgetting of an object of insurance;

- 58.13. damage and costs caused by conventional preservation, maintenance, upkeep, renewal or improvement of the object of insurance, replacement of parts due to maintenance or repair.
- 58.14. minor damages that do not hinder the purposeful use of an object. Seesam regards the following as minor damages: notches, dents, scratches, small cracks, changes of colour, usual soiling, tears, etc.;
- 58.15. damage to sports equipment during ordinary use;
- 58.16. the cost of water leaking from the pipeline;
- 58.17. damage caused by non-purposeful use or non-standard storage of an object of insurance;
- 58.18. damage caused by professional blasting work and as a result of an explosion at warehouses where explosives are stored.
- 59. The damages or defects that are subject to compensation by the manufacturer or supplier and for which the supplier or manufacturer is liable on the basis of law or a contract, e.g. warranty, shall not be indemnified.
- 60. Damage subject to indemnification on the basis of compulsory insurance (e.g. motor third party liability insurance) shall not be indemnified. If the policyholder or beneficiary does not receive, within a reasonable period of time, insurance indemnity on the basis of a compulsory insurance contract in full or in part, Seesam shall not apply the exclusion set out in this clause.

POLICYHOLDER'S OBLIGATIONS

INCREASE IN PROBABILITY OF INSURED RISK AND NOTIFICATION THEREOF

- 61. An increase in the probability of an insured risk is deemed to be an increase in the probability of realisation of an insured event. Seesam regards the circumstances specified in clauses 63 and 64 as an increase in the probability of an insured risk.
- 62. Seesam must immediately be notified of an increase in the probability of an insured risk, but no later than within five working days of the increase in the probability of the insured risk.
- 63. Seesam must be notified of a change in the data that has taken place prior to the beginning or during the term of the insurance contract and that has been asked in the insurance application or in any other manner upon entry into the insurance contract.
- 64. An increase in the probability of an insured risk is deemed to be the following:
 - 64.1. expropriation, change in the purpose of use, waiver of use of and renting out the insured building, apartment or apartment ownership;
 - 64.2. waiver of security systems or the insured building, apartment or apartment ownership or cessation of operation thereof;
 - 64.3. construction work related to the insured building, apartment or apartment ownership (clause 64.3.1). Seesam must be notified within a reasonable period of time before the beginning of the planned construction work;

- 64.3.1. Construction work means erection, extension or reconstruction of construction works or a change of utility systems. Construction work does not include maintenance or repair of the building, e.g. paperhanging, painting or changing of flooring.
65. If the policyholder breaches the obligation specified in clause 62, Seesam shall be released from its performance obligation if the insured event occurs more than one month after the time when Seesam should have received the notice.

PROHIBITION ON INCREASING PROBABILITY OF INSURED RISK

66. Increasing the probability of insured risk is deemed to be the breach of the obligations provided for in the safety requirements of these terms and conditions as committed by the policyholder or people that are regarded as being equivalent to the policyholder (hereinafter equivalent people) in the Seesam's general terms and conditions of the contract.
67. The policyholder or people equivalent to the policyholder may not breach the obligations specified in the safety requirements.
68. If the policyholder or people equivalent to the policyholder breach the safety requirements and an insured event occurs due to the aforementioned breach, Seesam shall be released from its performance obligation to the extent in which the breach of the obligation contributed to the occurrence of the insured event.

SAFETY REQUIREMENTS

69. When possessing and using the insured property, in order to prevent the arrival of a harmful consequence in respect of an object of insurance, the policyholder and people equivalent to the policyholder shall:
- 69.1. perform a reasonable diligence obligation;
- 69.2. act prudently and with normal diligence;
- 69.3. observe legislation in force, instruction manuals of appliances and rules.

Fire safety

70. It is obligatory to apply measures to prevent fire when smoking, using an open flame, equipment and installations, and refrain from other activities that may cause a fire or explosion.
71. Burning waste and trash is only allowed in windless weather, under constant supervision and with a respective permit.
72. It is forbidden to use an open fire or gas flame to thaw frozen pipes.
73. Matches and other means of ignition must be kept out of the reach of minors, and minors should not be allowed to be near a working flammable or explosive device, flammable material being used or other similar things or activities (an electrical appliance, a burning fireplace or campfire) without adult supervision.
74. When leaving home, it should be made sure that the electric cooker, iron or other flammable home appliances are switched off.

75. Burning candles may not be left without supervision. Candles must be placed on an inflammable surface, away from flammable materials.
76. Heating and electrical systems must be designed, constructed, installed and taken into use according to regulations or, if no regulations exist, in a manner that ensures their safe use and maintenance.
77. Upon installing and designing heating appliances, the ventilation ducts may not be used for conveying smoke.
78. Only such heating system may be used that is in good technical order, integral and safe.
79. Furnaces, fireplaces or wood stoves and their chimneys and flues must be cleaned at least once a year. Once every five years, the aforementioned parts of the building must be cleaned by a licensed chimneysweep who issues an instrument of chimney sweeping on the technical state and safety of the heating system.
80. When using a temporary heating appliance, the instruction manuals and the safety distances specified in the manual must be complied with.
81. Heaters with radiating or incandescent surfaces and without protective covers (e.g. fan heaters) may not be placed in dusty rooms and left without supervision.
82. It is forbidden to use flammable fluid for igniting the fire in the hearth of a furnace, fireplace or wood stove.
83. When using a heating appliance, it is forbidden to use a type of fuel that is not suitable or adapted for that particular heating source.
84. It is forbidden to put unextinguished coal or bottom ash into a storage place for furnace residue, a flammable container and/or anywhere where it may damage the object of insurance should it ignite.
85. When using an electrical appliance, it is forbidden to:
 - 85.1. install a temporary power cord (except during construction or renovation work or for a temporary workplace);
 - 85.2. use an electrical appliance, cable or a power cord whose insulation is damaged or broken or that has any other defects that may cause a fire or explosion;
 - 85.3. keep any flammable materials or objects in or on the electric switchboard;
 - 85.4. leave an electrical appliance that is not intended for constant operation unsupervised.
86. When performing hot work, the requirements established for hot work by legal acts must be followed. Hot work is work involving heating a part or material, generation of sparks or using an open (out-of-furnace) fire.
87. Flammable material may be stored in a construction work in accordance with the requirements prescribed in the Fire Safety Act and the building design documentation.
88. It is forbidden to store in a construction work flammable liquids and gas the container of which has signs of leakage.

Requirements for reducing risk of theft

89. When nobody is at home, the windows, doors and other openings of the object of insurance must be locked and closed in such a way that it is not possible to enter the insured building or apartment without breaking the shutter, the lock or another barrier blocking the entrance.
 90. Keys and other devices enabling entrance to the object of insurance must be kept carefully; they must not be left in a visible or accessible place or handed over to third parties.
 91. If there is a reason to suspect that the key to the object of insurance has fallen into the possession of a third party, the lock must be changed.
 92. If there is a security alarm system, it must be switched on when leaving home. The security alarm system should be checked, maintained, and, whenever necessary, also improved and updated regularly. The coverage area of the security sensors may not be obstructed by furniture, houseplants or other objects.
 93. Property that has been taken along outside of the place of insurance must be under constant supervision or locked. For example: when going to the store, the bicycle must be locked. A mobile phone and other household property carried by the policyholder or their family member may not be left unattended.
 94. Household property left in a locked motor vehicle must be placed in a non-visible place, such as the boot or the glove compartment. At night (from 23:00 to 06:00), one should move household property from the car into a locked building (except for a public place) or apartment.
 95. Household property that is not meant to be permanently kept outside – such as a lawnmower, baby buggy, bicycles – should be placed into a locked building or, in the event of insuring an apartment, into a locked storeroom in the apartment building after use. For example, household property may not be left in front of an apartment building or in a public corridor (stair hall).
 96. Garden furniture, BBQ and trampolines should be stored inside when the season is over.
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Other safety requirements

97. Roofs, rainwater, wastewater and water piping systems must be maintained and checked regularly.
98. Pipelines must be protected against freezing. In a building that is not heated during the heating period or that is not lived in, the water supply and heating systems must be emptied of water.
99. When using and preserving household property and equipment that services the building (e.g. heating boilers, heat pumps, gas appliances, hot water boilers), it is necessary to comply with the instruction and maintenance manual provided by the manufacturer, seller or importer of the item.
100. In the winter period, it is necessary to clear snow and ice from the roofs of insured buildings (incl. ancillary buildings) and get rid of icicles hanging from the eaves.

POLICYHOLDER'S BURDEN OF PROOF

101. In order to receive insurance indemnity, the policyholder is obliged to prove the occurrence of an insured event, the occurrence of damage, the reason for the occurrence of damage and the extent of damage.
102. If the policyholder breaches the burden of proof, Seesam has no obligation to pay insurance indemnity.

PRINCIPLES OF INDEMNIFICATION FOR DAMAGE

103. The purpose of the indemnification of damage is the restoration of the situation prior to the insured event, under the terms and conditions and to the extent provided for in the insurance contract.
 104. **Insurance indemnity** is the amount of money paid in order to indemnify the damage caused as a result of the insured event, in accordance with the insurance contract. Payment of the insurance indemnity does not reduce the insured sum for the insurance period.
 105. **Limit of indemnity** is the upper limit of indemnification agreed upon with respect to the insured risk and indicated in the policy, for which under-insurance does not apply, i.e. damage shall be indemnified up to the limit of the indemnity.
 106. **Method of indemnification** is paying a monetary indemnity to the policyholder or beneficiary.
 107. The parties may agree on a different method of indemnification.
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Deductible

108. Deductible means the share of damage that shall be borne by the policyholder themselves and has been specified in the insurance contract. The policyholder has a deductible in respect of any insured event. The amount of the deductible is indicated in the policy. Deductible shall be deducted from the amount of damage subject to indemnification on the basis of the insurance contract. Upon concurrent application of several deductibles, only the largest deductible shall be deducted from the indemnity.
109. Deductible is not applied:
 - 109.1. to damage caused by theft if the thieves entered the building or apartment by breaking open or picking the safety lock and there are clear traces of damaging the lock;
 - 109.2. to the smashed glass surfaces of exit doors, windows, or balcony railing of the construction work damaged as a result of an insured event.

INDEMNIFICATION FOR DAMAGE CAUSED TO BUILDING OR APARTMENT

110. If the interior finish of a building or apartment damages due to an insured event, the reasonable expenses of fixing the damages caused shall be indemnified.
111. The basis for the indemnification of fixing expenses incurred as a result of damages caused to the interior finish of a building or apartment is their reinstatement value.
112. Reinstatement value is the cost of restoration of a building or the interior finish of an apartment in the insured place into the condition prior to the insured event, primarily taking into account the size and level of finishing of the building or apartment before the insured event.
113. Reasonable and justified expenses necessary for the renovation of the internal finish of a building or apartment shall be indemnified in two parts (clauses 115 to 117) on the basis of calculations agreed upon with Seesam.
114. In order to receive insurance indemnity for restoration expenses, the policyholder must actually restore the damaged object of insurance within one year as of the moment when the first part of the insurance indemnity was received (clause 115).
115. Seesam pays the first part of the insurance indemnity to an extent of 70% of the cost of restoration of the damaged object of insurance, taking into account possible reductions of the insurance indemnity as well as the deductible.
116. Seesam indemnifies the remaining part of the cost of restoration if the policyholder proves that they have used the first part of the insurance indemnity for restoring the damaged object of insurance within one year of the receipt thereof. To certify the restoration expenses, the policyholder shall submit to Seesam the receipts and invoices to be checked.
117. If the policyholder does not restore the damaged object of insurance within one year to an extent of 70% of the cost of restoration of the construction work, Seesam shall not indemnify the part of the reinstatement value that exceeds 70%.
118. The following types of expenses are regarded as reasonable and justified restoration expenses:
 - 118.1. expenses that are required for demolition works to be carried out and for the removing of trash from the building or apartment that was damaged as a result of the insured event;
 - 118.2. expenses arising from the requirements established by law (e.g. requirements arising from fire safety and construction norms) to the extent of no more than 5% of the cost of restoration of the damaged object of insurance, but no more than 5,000 euros;
 - 118.3. expenses that are related to preparing a proper design, carrying out construction supervision required by law and obtaining permits from various departments, except for the expenses incurred in relation to the interior design.
119. In the case of damages to the heating, water supply, sewerage or pool devices of a building, the calculated insurance indemnity shall be reduced by 6% for each year of use as of the third year of use of the device. The years of use are counted from the beginning of the calendar year following the year of putting the device into use for the first time. If the policyholder fails to submit proof of the year of putting the device into use, the indemnity is calculated on the basis of the year of manufacturing the device.
120. The share of the cost of restoration of the building or apartment that increased due to circumstances arising from the policyholder (i.e. the policyholder's choices or actions) is not indemnified.
121. The part of VAT to be returned to the policyholder pursuant to the Value Added Tax Act, revenue foregone, moral damage and pure economic damage, contractual penalties, interest and late interest are not regarded as damage.

INDEMNIFICATION FOR DAMAGE CAUSED TO HOUSEHOLD PROPERTY

122. If household property damages or is destroyed due to an insured event, either the expenses of fixing thereof, the acquisition cost of the new object or an object of similar value, or the actual value shall be indemnified.
123. If it is possible to fix household property from a technical point view and it is economically feasible to do so, the amount of damage shall be equal to the amount of fixing expenses.
124. If it is not possible to fix household property from a technical point view or it is economically not feasible to do so, Seesam shall consider the object to be destroyed and indemnify for the damage pursuant to clauses 125 to 131.
125. **The value of the acquisition of a new object** is the cost of the acquisition of a new object of similar value in place of the insured household property. If no more new items of the same object are sold, the insurance indemnity is calculated on the basis of objects whose functionality is equivalent to that of the destroyed objects. If no more equivalent objects are sold, the insurance indemnity is calculated on the basis of objects that are as similar as possible to the destroyed objects.
126. **The value of the acquisition of a second-hand object of similar value** is the cost of the acquisition of a second-hand object of similar value in place of the insured household property. If no more items of the same object are sold on the secondary market, the insurance indemnity is calculated on the basis of objects whose functionality is equivalent to that of the destroyed objects. If no more equivalent objects are sold, the insurance indemnity is calculated on the basis of objects that are as similar as possible to the destroyed objects.
127. **The actual value** is the local average sales price of the object of insurance prior to an insured event.
128. **Exception.** Upon indemnifying damage caused to computers and computer equipment, tablets and mobile phones, the percentage of reduction of indemnity shall be deducted from the value of the acquisition of the new object (clause 125) according to the following table:

Age of the device in years	Percentage of reduction of indemnity
0-1	0%
1-2	25%
2-3	50%
3 years and older	75%

129. The damage caused to power-driven land vehicles and watercraft that are not subject to registration, and their parts, is subject to indemnification in the value of the acquisition of a second-hand object of similar value.
130. In the event of damage or theft of art, collections, clocks and valuables (clause 21.1), the indemnity equals their actual value prior to the insured event.
131. Household property that is not mentioned in clauses 128 to 130 shall be indemnified in the value of the acquisition of the new object.
132. If Seesam indemnifies the costs of acquisition of a new object or an object of similar value, the right of ownership of the destroyed object is handed over to Seesam and the policyholder must hand the destroyed object over to Seesam. If the policyholder breaches this obligation, Seesam may reduce the amount of insurance indemnity subject to be paid by the value of the destroyed object.
133. If the policyholder reacquires the lost object of insurance (fully or partially) after the insurance indemnity has been paid, they must turn it over to Seesam immediately or return the respective part of the insurance indemnity.

GENERAL PRINCIPLES OF INDEMNIFICATION

134. If a key of an object of insurance has left the possession of the policyholder or people equivalent to the policyholder as a result of theft or robbery and it is necessary to change the locks or to install a new lock for the object of insurance in order to prevent further damage, the abovementioned expenses shall be indemnified to the value of up to 635 euros. In such an event, the deductible shall not apply when indemnifying for changing locks.
135. In the case of an insured event, reasonable expenses borne by the policyholder in order to prevent additional damage, reduce the amount of damage or prevent it shall be indemnified if they are previously agreed upon with Seesam.
136. In the case of an insured event, expenses connected with establishing whether damage was inflicted or with determining its amount shall be indemnified if they are previously agreed upon with Seesam.
137. On the basis of the insurance contract, the expenses incurred as a result of hiring additional experts not previously agreed upon with Seesam shall not be indemnified.
138. In the case of an insured event, expenses that were incurred as a result of relocation or assembly of household property required for carrying out fixing work of the building, apartment or parts thereof (e.g. permanently attached furniture) damaged as a result of an insured event, shall be indemnified to the extent of no more than 5% of the value of the fixing work of the damaged object of insurance.
139. If the policyholder has provided incorrect data when entering into the insurance contract, on the basis of which a smaller insurance premium was calculated, the damage shall be indemnified according to the ratio of the insurance premium calculated on the basis of correct data to the insurance premium calculated on the basis of incorrect data.
140. On the basis of the insurance contract, damage shall not be indemnified if the object of insurance was so damaged before an insured event that it would have required repair or replacement regardless of the damage caused by the insured event. If that is the case, Seesam does not consider the damage to be caused by the insured event.
141. On the basis of the insurance contract, **the reduction of the value of the object or its emotional value** shall not be indemnified. The reduction of the value of the object is the situation where the value of the object of insurance remains lower after fixing thereof compared to the value before the insured event. Emotional value of an object is the value attributable to the object that arises from emotional attitude towards the object, e.g. an object may be connected with memories, due to which a very high price is determined for it.
142. In the event of **multiple insurance**, the insurers are held as solidary debtors. Multiple insurance is when the policyholder insures the same insurance risk at several different insurers, and the total amount of insurance indemnities paid by the insurers would exceed the amount of the damage, or if the insured sums together would exceed the insurable value.