

Home insurance terms and conditions

Liability insurance 1/2020

Effective as of 1 July 2020

These home insurance terms and conditions (hereinafter referred to as terms and conditions) form part of the home insurance contract entered into between the Estonian Branch of Compensa Vienna Insurance Group, ADB, the brand of which in Estonia is Seesam (hereinafter referred to as Seesam), and the policyholder.

PURPOSE OF LIABILITY INSURANCE

- 1 The purpose of liability insurance is to protect an insured person against a claim filed by a third party for the indemnification of damage pursuant to the procedure and to the extent provided by these terms and conditions.

LIABILITY INSURANCE OPTIONS

- 2 Liability insurance options are:
 - 2.1 real estate liability insurance;
 - 2.2 private person liability insurance.

The liability insurance option chosen by the policyholder is specified in the insurance policy.

REAL ESTATE LIABILITY INSURANCE

- 3 Real estate liability insurance is the personal injury or property damage that has been caused unlawfully to a third party (injured party) by the insured person through possession or use of the insured building or apartment specified in the policy during the insurance period and in respect of which the insured person has civil liability.
- 4 Insured person in the case of the real estate liability insurance option.
 - 4.1 Insured person is the person related to whom the risk has been insured. For the purposes of these terms and conditions, risk means the civil liability and the possibility of the emergence of the obligation to indemnify any damage that may accompany the civil liability.
 - 4.2 In the case of the real estate liability insurance option, the insured person is the owner of the insured building or apartment.
 - 4.3 If the policyholder is not the owner of the insured apartment or building, this constitutes an insurance contract that has been entered into for the benefit of a third party (the owner of the insured apartment or building).

PRIVATE PERSON LIABILITY INSURANCE

- 5 Private person liability insurance covers the personal injury or property damage that has been caused unlawfully to a third party (injured party) by the insured person acting as a private person in the pursuit of day-to-day activities and in respect of which the insured person has civil liability.
- 6 Private person liability insurance is valid in the Republic of Estonia and covers, among other things:
 - 6.1 the damage arisen while the insured person possessed or used a building or apartment insured in Seesam;
 - 6.2 the damage caused by the insured person's children under 18 years of age;
 - 6.3 the damage caused by pets belonging to the insured person.

- 7 If in the case of private person liability insurance the policyholder is the lessee, the private person liability insurance also involves protection against those cases where the lessee has damaged, lost or destroyed the property of the lessor in the course of possession or use of a leased apartment.
In the case of a lease relationship, the restriction specified in clause 53.6 does not apply.
- 8 Insured person in the case of private person liability insurance option.
- 8.1 Insured person is the natural person related to whom the risk has been insured. For the purposes of these terms and conditions, risk means the civil liability and the possibility of the emergence of the obligation to indemnify any damage that may accompany the civil liability.
- 8.2 Insured persons are the policyholder and the legal or actual family members residing together with the policyholder at the address (place of insurance) specified in the policy.
- 8.3 For the purposes of these terms and conditions, legal family members mean the spouse of the policyholder, their children up to 18 years of age and their parents.
- 8.4 For the purposes of these terms and conditions, actual family members mean the cohabitee of the policyholder, their children of up to 18 years of age and their parents.

GENERAL DEFINITIONS CONCERNING LIABILITY INSURANCE

9 Third party

- 9.1 Third parties are deemed to be all the persons other than parties to the insurance contract and insured persons.
- 9.2 For the purposes of the insurance contract, an injured party is a third party to whom the insured person caused personal injury or property damage by their unlawful activities.

10 Unlawfully caused damage

- 10.1 Unlawfully caused damage is deemed to be a wrongful violation of law committed by the insured person as a result of which a third party sustains personal injury or property damage and for which the insured person is liable on the grounds provided by law.
- 10.2 For the purposes of these terms and conditions, an unlawful act means the wrongful activity or inactivity of the insured person, which constitutes a breach of effective legal provisions.
- 10.3 Unlike that provided by clauses 10.1 and 10.2 of the terms and conditions, the wrongful conduct of the insured person is not important in the case of the real estate insurance option and pet owner's liability.
- 10.4 The types of culpability are negligence, gross negligence and intent. These terms are interpreted according to the meaning given to them by law.
- 10.5 The damage intentionally caused to a third party by the insured person is not subject to indemnification.
- 10.6 Time of causing unlawful damage.
- 10.6.1 The time of causing unlawful damage is deemed to be the moment when the injured party's claim against the insured person for the indemnification of damage arose pursuant to law. A claim for indemnification of damage arises immediately after the event that caused the damage.
- 10.6.2 An injured party's claim for indemnification of damage against the insured person must have emerged during the insurance period and it must be possible for the injured party to assert the claim for indemnification of damage against the insured person on the basis of law.
- 10.6.3 The filing of a claim with the insured person by an injured party during the insurance period is not deemed to be equivalent to the time when the damage emerged.

11 Personal injury and property damage

- 11.1 For the purposes of these terms and conditions, personal injury is damage arising due to damage to health, bodily injury or death.
- 11.2 For the purposes of these terms and conditions, property damage is damage arising due to the deterioration, destruction or loss of a thing.

12 Scope of application of law

- 12.1 In the case of personal injury or property damage caused by the insured person to the injured party, the relevant provisions of the law of the country of location on the basis of which the liability of the insured person emerges are taken as the basis for the emergence of liability, considering the specifications set out in the insurance contract.
- 12.2 Law in these terms and conditions primarily means the legislation that regulates non-contractual debt relationships.

TERM OF INSURANCE CONTRACT

- 13 The insurance contract is valid during the insurance period, under the terms and conditions and in the territory provided by the insurance contract.

INSURED PERSON AS SOLIDARY OBLIGOR

- 14 For the purposes of these terms and conditions, solidary liability means the joint liability of several persons for causing damage in the case of which the injured party may demand performance in full or in part from the persons who caused the damage jointly or from each of these persons separately.
- 15 If the insured person is liable to a third party (injured party) solidarily with the other persons who caused the damage, the insurance indemnity will be determined on the basis of the amount of the claim filed against the insured person, not the insured person's share in the division of liability within the relationship between the solidary obligors.
- 16 If another solidary obligor files a claim against the insured person, the insurance indemnity will be determined on the basis of the share of the insured person's liability within the relationship between the solidary obligors.
- 17 When the insurance indemnity is paid out, the right of recourse of the insured person against the other solidary obligors will transfer to Seesam to the extent of the insurance indemnity paid out.

RIGHT OF CLAIM AND TIME OF FILING CLAIMS

- 18 The person entitled to receive the insurance indemnity is only the person related to whom the insured risk has been insured. An injured party has no right to demand that Seesam pay them the insurance indemnity without the policyholder's respective consent.
- 19 If an insurance risk related to a third party is insured, the third party (insured person) has the right to demand the payment of the insurance indemnity and all of the rights related thereto from Seesam. The insured person may not dispose of these rights without the consent of the policyholder.
- 20 The policyholder may dispose of the rights arising for the insured person from an insurance contract in the policyholder's name, including recover or waive the claim of the insured person against Seesam. Seesam must perform its obligation to the policyholder only if the latter proves that the insured person granted their consent for entry into the insurance contract.
- 21 The insured person has the right to file a claim for an insurance indemnity with Seesam within three years of the damage that occurred during the insurance period and for which the injured party's claim arose against the insured person for the indemnification of damage. The limitation period commences as of the end of the calendar year of the damage that occurred during the insurance period.
- 22 The insured person's claim for an insurance indemnity against Seesam will be suspended for the period of judicial proceedings in a situation where the injured party files an action against the insured person with a court. The prerequisites for the suspension of a claim for an insurance indemnity are:
- 22.1 occurrence of damage that causes liability during the insurance period;
- 22.2 the insured person has notified Seesam of the judicial proceedings on time.
- 23 If the injured party's claim against the insured person expires, the insured person's claim against Seesam will also expire as of the moment of expiry.

TYPES AND SCOPE OF DAMAGE SUBJECT TO INDEMNIFICATION

- 24 Personal injury and property damage are subject to indemnification on the basis of an insurance contract.
- 25 The amount of the personal injury or property damage caused by the insured person to the injured party is calculated according to the relevant provisions of the law of the country of location on the basis of which the insured person is required to indemnify the damage to the injured party, considering the specifications set out in this insurance contract.
- 26 The following, which has been caused to the injured party as a result of an unlawful act of the insured person, is not subject to indemnification on the basis of the insurance contract:
 - 26.1 claim for loss of profit. For the purposes of these terms and conditions, loss of profit means the profit the injured party would probably have gained in the future in accordance with the circumstances, especially due to the preparations they made, if the unlawful damage had not been caused to them;
 - 26.2 claim for non-proprietary damage. For the purposes of these terms and conditions, non-proprietary damage means moral damage if physical or emotional distress and suffering was caused to the injured party;
 - 26.3 claim for purely economic loss. For the purposes of these terms and conditions, purely economic loss means proprietary damage not directly related to personal injury or property damage. Purely economic loss is not sustained by a person to whom the insured person causes property damage or personal injury directly;
 - 26.4 environmental damage. For the purposes of these terms and conditions, environmental damage means such damage that has arisen as a result of environmentally hazardous activities.
 - 26.5 Seesam has the right to deduct from the insurance indemnity any gains that the injured party obtained as a result of causing damage, except if such deduction is contrary to the purpose of indemnification of damage.
 - 26.6 In the case of personal injury, claims subject to indemnification under a pension or another social insurance procedure are subject to be deducted from the insurance indemnity.
 - 26.7 The court and out-of-court costs for legal assistance incurred by the injured party are, inter alia, subject to indemnification on the basis of the insurance contract if they were justified and necessary for asserting their claims against the insured person.

Costs for legal assistance

- 27 The costs for legal assistance necessary for combating claims filed against the insured person are subject to indemnification if all of the following terms and conditions exist:
 - 27.1 the insured person needs legal assistance for combating claims arising from an unlawful act caused to a third party;
 - 27.2 none of the restrictions specified in these terms and conditions and in the insurance policy, which exclude the performance obligation of Seesam, are present;
 - 27.3 the person who provides legal assistance to the insured person has been approved by Seesam in advance at least in a format that can be reproduced in writing.
- 28 The court and out-of-court costs for legal assistance incurred in defence of the insured person are subject to indemnification even if the claim filed against the insured person is later proven to be unfounded.
- 29 Seesam agrees to indemnify the costs for legal assistance incurred by the insured person within two weeks of the time the insured person submitted proof of the amount of the costs for legal assistance to Seesam.
- 30 The insured person has the right to demand that Seesam pay the costs for legal assistance in advance.
- 31 If Seesam has paid the costs for legal assistance to the insured person in advance and, pursuant to a court judgment, the injured party is ordered to pay the costs for legal assistance for the benefit of the insured person, the insured person is required to repay Seesam the part of the costs for legal assistance that the insured person is entitled to receive from the injured party according to the court judgment.
- 32 If, pursuant to a court judgment, the insured person has the right to get back costs for legal assistance in a larger amount than Seesam paid to the insured person before the judicial proceedings, the insured person is required to return to Seesam the amount that corresponds to the amount of the costs for legal assistance paid by Seesam before the judicial proceedings.

- 33 The costs for legal assistance incurred by the insured person, which are not related to combating the claims arising from an unlawful act and claims that are not related to the liability insurance option, but rather to a possible insured event, are not subject to indemnification.
- 34 Costs for legal assistance not related to personal injury or property damage are not subject to indemnification.
- 35 Costs for legal assistance related to the occurrence of an event specified in the restrictions of these terms and conditions are not subject to indemnification. The above is not applied in a situation where the occurrence of an event specified in the restrictions is only clarified in judicial proceedings. In this case, Seesam will indemnify the costs for legal assistance incurred by the insured person in judicial proceedings until the restriction that rules out the performance obligation of Seesam is clarified.

Costs for expert assessment

- 36 The costs for expert assessment required for combating the claims filed against the insured person, which have been approved by Seesam in advance at least in a format that can be reproduced in writing, are also subject to indemnification.
- 37 The costs for expert assessment are subject to indemnification if all of the following terms and conditions exist:
- 37.1 the insured person needs expert assessment for combating claims arising from an unlawful act caused to a third party;
- 37.2 the performance of the expert assessment is necessary due to circumstances related to the occurrence, scope or size of the damage;
- 37.3 none of the restrictions set out in these terms and conditions are present.
- 38 Seesam agrees to indemnify the costs for expert assessment incurred by the insured person within two weeks of the time the insured person submitted proof of the amount of the costs for expert assessment to Seesam.
- 39 The insured person has the right to demand that Seesam pay the costs for expert assessment in advance.
- 40 If Seesam has paid the costs for expert assessment to the insured person in advance and, pursuant to a court judgment, the injured party is ordered to pay the costs for expert assessment for the benefit of the insured person, the insured person is required to repay Seesam the amount of the costs for expert assessment paid by the latter.
- 41 If the expert assessment reveals that damage was caused due to any of the restrictions specified in these terms and conditions, Seesam has the right to demand repayment of the paid costs for expert assessment from the insured person.

Obligation of insured person to notify of circumstances

- 42 The insured person agrees to notify Seesam of any circumstances that may result in the occurrence of an insured event as well as of the filing of a claim against them by an injured party within one week of the time when the insured person became aware of the circumstance or the filing of the claim.
- 43 The insured person must immediately notify Seesam of the commencement of judicial or other proceedings that may give rise to liability against the insured person or of a circumstance that may serve as a basis for the filing of a claim against the insured person.
- 44 If the insured person breaches the obligation specified in clauses 42 to 43 and this breach causes damage to Seesam, Seesam may reduce its performance obligation to the extent of the damage caused with the breach of the obligation.
- 45 Seesam will be released from its performance obligation in full if the insured person intentionally breaches an obligation specified in clauses 42 to 43.

OBLIGATIONS OF INSURED PERSON UPON OCCURRENCE OF DAMAGE

- 46 The insured person agrees to provide Seesam, at least in a format that can be reproduced in writing, with explanations and proof necessary for evaluating the grounds for the emergence of the possible liability of the insured person.
- 47 The insured person agrees to provide Seesam, at least in a format that can be reproduced in writing, with explanations and proof necessary for evaluating the circumstances of the occurrence of damage, the scope of the damage or the size thereof.

- 48 If the insured person breaches the obligations specified in clauses 46 to 47 and the breach has an impact on the establishment of the circumstances of the insured event and the performance obligation of Seesam, Seesam will be released from its performance obligation in part or in full.

PAYMENT OF INSURANCE INDEMNITY

- 49 Damage is indemnified in accordance with the terms and conditions agreed with the insurance contract in effect at the time when the damage occurred, the sum insured and the deductible.
- 50 Seesam agrees to pay out the insurance indemnity immediately, but no later than within two weeks of the time when the claim of the injured party was satisfied by the insured person or of the time the claim of the injured party was ascertained with a court judgment, admission of the claim or a compromise agreement.
- 51 If Seesam breaches the obligation specified in clause 49, the insured person has the right to demand from Seesam indemnification of the damage caused to them as a result of the delay.
- 52 Seesam will be released from the obligation to pay the insurance indemnity if the insured person compensates the damage to the injured party or admits the claim of the injured party in a situation where the liability of the insured person or its extent is not clear.

RESTRICTIONS OF INSURED EVENT

- 53 No indemnity is paid for damage:
- 53.1 that is based on an event of which the insured person was or had to be aware before entry into the insurance contract;
 - 53.2 that the insured person has caused to themselves or to their family member who resides in the same place of insurance;
 - 53.3 that the insured person has caused intentionally;
 - 53.4 if the insured person exhibited signs of consumption of or intoxication by or was intoxicated by alcohol, narcotic drugs, or toxic or other similar psychotropic substances at the time the damage was caused;
 - 53.5 that has been caused by an uninsured person;
 - 53.6 that arises from the destruction, deterioration or loss of a thing of a third party at the time when the insured person possessed, managed, held, transported, rented, borrowed, used or processed it. The aforementioned exclusion is applied irrespective of whether possession by the insured person was lawful or unlawful;
 - 53.7 that arises from unjust enrichment;
 - 53.8 that arises from negotiorum gestio;
 - 53.9 that is subject to indemnification under compulsory liability insurance;
 - 53.10 that has been caused by a defect of a product;
 - 53.11 that arises from a breach of a contractual obligation (incl. contractual penalties, interest, default interest and taxes);
 - 53.12 that has been caused by force majeure;
 - 53.13 that arises from the liability emerging from the performance of duties of employment or official duties, economic activities, participation in non-profit associations or the activities of the insured person as a member of a management body of any legal person;
 - 53.14 that arises in the course of possessing or using a building or apartment that belongs to the insured person at the time when the building or apartment was not insured in Seesam (clause 6.1);
 - 53.15 that has arisen in the course of a sports competition while observing the rules of a certain sport;
 - 53.16 non-proprietary claims or loss of profit in the case of property damage;
 - 53.17 that arises from possessing, using, owning, leasing or renting power-driven land vehicles, watercraft and aircraft (incl. drones).