

ERGO Insurance SE Eesti filiaal

## Terms and Conditions of ERGO's Corporate Insurance

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This is an unofficial translation from Estonian to English. In case of contradictions the Estonian wording will prevail.

ERGO Insurance SE and the Estonian branch of ERGO Life Insurance SE (hereinafter “ERGO”) jointly apply these terms and conditions of company insurance when insuring companies against different insured events under a single insurance contract. The following types of insurance are described in the terms and conditions of insurance: property insurance, machinery breakdown insurance, business interruption insurance, building owner’s liability insurance, general third party liability insurance, product liability insurance, employer’s liability insurance and employer’s health insurance.

ERGO Insurance SE provides insurance against risks and contractual obligations pertaining to property insurance, machinery breakdown insurance, business interruption insurance, building owner’s liability insurance, general third party liability insurance, product liability insurance, and employer’s liability insurance. The Estonian branch of ERGO Life Insurance SE provides employer’s health insurance and covers the respective contractual obligations.

In providing the insurance, ERGO proceeds from the insurance interests and needs of the policyholder and the insured person. The final decision is made by the policyholder. Agreed insurance coverage is set out in the insurance contract, the conclusion of which is verified by an insurance policy (hereinafter “policy”).

In matters not resolved in these insurance terms and conditions, the special terms and conditions of the insurance contract, the general terms and conditions of ERGO Insurance SE’s insurance contracts (does not apply to the employer’s health insurance class), the general terms and conditions of ERGO Life Insurance SE’s Estonian branch’s health insurance contracts (only extends to the employer’s health insurance class), the Law of Obligations Act, and other legislation are followed.

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# Property insurance

## 1. Object of insurance

- 1.1. Object of insurance is:
  - 1.1.1. building, facility or interior finishing;
  - 1.1.2. inventory and equipment;
  - 1.1.3. goods;
  - 1.1.4. other object stated on the policy.
- 1.2. Unless otherwise stated in the policy, the object of insurance does not include:
  - 1.2.1. motor vehicle, aircraft and watercraft subject to registration;
  - 1.2.2. information, software, licence, and the like;
  - 1.2.3. cash, security and other document or set of documents (e.g., archive), plan, drawing;
  - 1.2.4. well, fountain, body of water, civil engineering works on an inland or open water body (whether or not the civil engineering works are connected to the shore);
  - 1.2.5. road, square, car park, ground;
  - 1.2.6. weapon, ammunition, explosives;
  - 1.2.7. plant, animal, other living organism;
  - 1.2.8. sample or prototype, exhibition exhibit, model;
  - 1.2.9. sculpture, antique object or object of artistic value, article of precious metal or of other precious material;
  - 1.2.10. customer assets;
  - 1.2.11. employee assets.

### Building

- 1.3. Building is a structure with interior rooms that is permanently fixed to its base surface and built as a result of human activity, separated from the external environment by a roof and other external boundaries, including:
  - built-in items (immovable and cannot be separated without significantly damaging the building or the part that is being separated), including furniture, bath, shower cabin, sanitary equipment, and suspended ceilings;
  - low voltage wiring for communications, TV and sound equipment;
  - fire extinguishing, security alarm and fire alarm system;
  - surveillance cameras, antennas, awnings, lighting fittings and advertising installations permanently fixed on the exterior of the building, with the exception of electronic boards such as LED screens;
  - other parts permanently connected to the building (including parts of ventilation, local exhaust, heating, steam production, water supply, sewerage, refrigeration and cooling system intended for use in the production process) that cannot be separated without significantly damaging the building or the part that is being separated.
- 1.4. Unless otherwise agreed in the policy, other objects not listed in clause 1.3 installed on the outside of a building will not be considered a building.
- 1.5. Parts of ventilation, local exhaust, heating, steam production, water supply, sewerage, refrigeration and cooling system meant for use in the production process (e.g., boiler or pumping station equipment, cold storage's refrigeration and/or cooling equipment) that can be separated from the building without damaging the building are insured as inventory and equipment.
- 1.6. The parts of the utility systems of the building that are located outside of the building are insured up to the border of the property, but not beyond the public connection point. Technical network facility (e.g., heating, gas, water, sewer, electricity and communication underground cable and overhead line) belonging to the insured person, servicing the insured building, and located within the registered immovable is also insured with the building, but no further than to the public connection point.
- 1.7. Together with the building, the limit of indemnity of 15,000 euros also covers buildings of up to 20 m<sup>2</sup> (e.g., shelter) located within the registered immovable of the insurance location and other facilities firmly connected to the ground, such as advertising structure, outdoor lighting, barrier, fence, flagpole, and the like.

## Facility

- 1.8. Facility is a structure that is permanently connected to the ground and built by humans, but is not a building.
- 1.9. Unless otherwise agreed in the policy, a solar power plant, a wind turbine with a mast, a tank or a reservoir permanently connected to the ground or any other object specified in clause 1.2 is not civil engineering works.

## Interior finishing

- 1.10. Interior finishing is a part of a building, the removal of which does not damage the stability of the building or its exterior, the parts of the building in the adjoining room or the rights of the owner of the adjoining room.
- 1.11. Interior finishing includes doors and windows, non-load-bearing partitions (including glass constructions), floors, suspended ceilings, wall and floor coverings (except removable carpet), built-in furniture (non-removable without significantly damaging the interior finishing), sanitary engineering, technical system on the room (e.g., gas, heating, water supply, sewerage, ventilation, cooling, electrical, communication, and alarm systems), on which the possessor of the room is only dependent.
- 1.12. Unless otherwise agreed in the policy, interior finishing does not include any object inside the building that can be viewed as inventory, equipment, or goods (e.g., furniture, lighting, curtain rods).

## Inventory and equipment

- 1.13. Inventory and equipment are tangible assets located at the insurance location, e.g., furniture, computers, printers, tools, spare parts or accessories, movable carpets or lighting fixtures, motor vehicles not subject to registration, production equipment, ventilation, local exhaust, heating, steam production, water supply, sewerage, refrigeration and cooling system used in production, transformers.
- 1.14. Inventory and equipment are insured without a list of insured assets and all tangible assets located at the insurance location (fixed assets and small assets), except the building, facility, interior finishing, goods, and the objects listed in clause 1.2 are deemed to be insured. Object of insurance also includes inventory and equipment purchased during the insurance period.
- 1.15. Together with the items mentioned in clause 1.14, inventory and equipment in the possession of the insured person, regarding which they have an insurance interest but which is not included in the list of fixed and small assets of the insured person, is insured with the limit of indemnity of 5,000 euros, unless a different limit has been agreed in the policy.
- 1.16. Each individual object listed is a separate object of insurance.

## Goods

- 1.17. Goods are raw materials, materials, semi-finished and finished products that are used in the production process or which the insured person intends to sell.
- 1.18. Goods do not include a building, interior finishing, facility, inventory and equipment or the items listed in clause 1.2.

## 2. Insurance location

- 2.1. Insurance location is the building or the interior room(s) of the building indicated in the policy.
- 2.2. The insurance location of inventory, equipment and goods is the interior room(s) of the building located at the address indicated in the policy. The insurance cover extends to the insurance location located outside the building at the territory of the insured person, if the object is intended for outdoor use or storage. In this case, the insurance cover is valid against fire, storm, flood and all risk, if such insurance cover has been chosen in the policy.

## 3. Property insurance insured events

- 3.1. Property insurance insured events are fire, pipe leakage, burglary, storm, flood, vandalism, glass breakage, all risk, i.e. any other non-excluded events.
- 3.2. More detailed content and exclusions of the insured event are explained in the following sub-clauses.
- 3.3. In addition to the exclusions specified in the sub-clauses, damage caused by events specified in the exclusions of the general terms and conditions of insurance contracts will not be indemnified.
- 3.4. In addition, it is possible to select additional insurance covers provided in clause 4.



## **Fire**

- 3.5. Damage directly caused by the following shall be indemnified:
- 3.5.1. fire;
  - 3.5.2. arson by a third person;
  - 3.5.3. direct lightning strike;
  - 3.5.4. over voltage caused by lightning strike;
  - 3.5.5. explosion, incl. explosion of an explosive device or container;
  - 3.5.6. fall of an aircraft or a part thereof, and its cargo.
- 3.6. Fire is an open flame that has occurred outside its intended hearth or has exited it and is spreading with its own force.
- 3.7. If damage is caused as a result of a direct lightning strike, an explosion (including an explosion of an explosive device or a container), an aircraft or a part thereof and cargo, but no fire has occurred, such damage is also subject to indemnification.
- 3.8. Soot and smoke damage caused by a fire is also indemnified.

### **Fire exclusions**

- 3.9. The following shall not be indemnified:
- 3.9.1. damage caused by a fire that has not left the fire place or the device in which the fire is used, including damage to the parts of the fire place or equipment (e.g., chimney, smoke flue, control unit, hoses, cables);
  - 3.9.2. damage caused by blasting works;
  - 3.9.3. damage due to the effect of electric current on an electrical installation or electrical equipment, including overvoltage, overload, insulation failure, e.g., short circuit, inadequate contact and failure or damage to the measuring, control, or safety equipment, except for in the cases set out in clause 3.5.4;
  - 3.9.4. damage that is causally related to repair or construction work at the insurance location, unless additional construction insurance has been included in the policy.
- 3.10. If the event specified in clauses 3.9.1-3.9.3 causes a fire, damage caused by the fire shall be indemnified.

### **Pipe leakage**

- 3.11. Damage caused directly by the leakage of liquid or gas from the technical system of the building (water, heating, sewerage or rainwater piping, fire-fighting, ventilation or air-conditioning system) will be indemnified.
- 3.12. Additionally, the following will be indemnified:
- 3.12.1. costs in the amount of up to 2,000 euros caused by restoration of the technical system that caused the damage or elimination of frost damage caused to the internal part of the technical system;
  - 3.12.2. the cost of water or other liquid that leaked due to the insured event in the amount of up to 1,000 euros.

### **Pipe leakage exclusions**

- 3.13. The following shall not be indemnified:
- 3.13.1. damage that has occurred gradually over a long period of time or as a result of a long-term process (e.g., corrosion, oxidation, scale formation, accumulation of particles or sediment, condensation, excessive moisture and mould, decay, dry rot or other fungal damage);
  - 3.13.2. damage caused directly or indirectly by the penetration of liquid through sewers due to natural phenomena;
  - 3.13.3. damage that is causally related to repair or construction work at the insurance location, unless additional construction insurance has been included in the policy.

### **Burglary**

- 3.14. Damage directly caused by the following events taken place at the insurance location shall be indemnified:
- 3.14.1. theft due to breaking in a building or a room. Burglary is the removal of an obstacle, barrier or lock that prevents access to a building or room, as well as opening of a lock that prevents access to a building or room with a false key or an illegally obtained key, picklock, or other mechanical aid;
  - 3.14.2. robbery. Robbery is taking the object of insurance by violence or by threat of violence, as well as destruction or damage of the object of insurance during a robbery;

- 3.14.3. vandalism in the course of housebreaking or burglary.
- 3.15. In addition, the costs of repairing a barrier structure or a part thereof damaged during burglary or robbery, or restoration thereof will be indemnified. Also, justified costs for changing locks or purchasing new locks are indemnified if the key or the access code was taken from the insured person or a person authorised by them in the course of breaking in or robbery.

#### **Burglary exclusions**

- 3.16. Damages caused by the following shall not be indemnified:
  - 3.16.1. a person working for the insured person by themselves or acting together with a burglar or a robber, or a person who has a common household with the insured person, unless the building or premises of the insurance location was closed and locked for those persons;
  - 3.16.2. seizure of the object of insurance without violence or the threat thereof, or theft committed while the object of insurance was left unattended (so-called public theft).

#### **Vandalism**

- 3.17. Damage caused by a third party is indemnified if the direct cause of it is:
  - 3.17.1. unlawful damage or destruction of the object of insurance;
  - 3.17.2. a land vehicle colliding with the object of insurance when it is not subject to indemnification under the Motor Third Party Liability Insurance Act;
  - 3.17.3. theft of the insured building, interior finishing or parts of the facility, including cases where no burglary has taken place in the building or its rooms.

#### **Vandalism exclusions**

- 3.18. Damage caused by the following shall not be indemnified:
  - 3.18.1. theft or removal of inventory, equipment, goods or parts thereof;
  - 3.18.2. arson;
  - 3.18.3. detonation of an explosive.

#### **Storm**

- 3.19. Damage directly caused by the following shall be indemnified:
  - 3.19.1. a storm with an accompanying wind speed of at least 18 m/s;
  - 3.19.2. hail;
  - 3.19.3. a tree or other object that has fallen on an object of insurance due to a storm.
- 3.20. In addition, damage caused by precipitation entering the building through an opening caused by the circumstances listed in clause 3.19 will be indemnified.
- 3.21. Damage occurring in the insurance location due to a storm within up to 72 hours is viewed as a single insured event.

#### **Storm exclusions**

- 3.22. Damage caused by the following shall not be indemnified:
  - 3.22.1. damage that is directly or indirectly caused by a flood, incl. a flood resulting from a storm;
  - 3.22.2. damage that is causally related to repair or construction work at the insurance location, unless additional construction insurance has been included in the policy;
  - 3.22.3. damage that has occurred as a result of a long-term process (e.g., corrosion, decay, mould, dry rot, fungal damage);
  - 3.22.4. damage caused by entering of precipitation into the insurance location through the external structure of the building (e.g., roof, wall, window), except for entry through an opening caused by the circumstances listed in clause 3.19.

#### **Flood**

- 3.23. Damage directly caused by natural flood shall be indemnified.

- 3.24. Natural flood is understood as an extraordinary rise of the water level due to natural events (including storm, precipitation, flood of a water body) to such an extent where the ground and the drying system built according to the construction design (including the drainage and sewerage system) cannot accept such an extraordinary quantity of water.
- 3.25. Damage occurring in the insurance location due to a flood within up to 72 hours is viewed as a single insured event.

#### **Flood exclusions**

- 3.26. The following damage shall not be indemnified:
- 3.26.1. the damage caused by movement of water below the ground, if the water only penetrates the building via an underground structure. This exclusion does not apply in the case described in clause 3.23;
  - 3.26.2. damage due to the construction or breakage of a water barrier structure;
  - 3.26.3. damage that is causally related to repair or construction work at the insurance location, unless additional construction insurance has been included in the policy.

#### **Breaking of glass**

- 3.27. Indemnity will be paid for damage that is directly caused by the breaking of internal or external glass fixed to the building, facility, or interior finishing, and damage to an advertisement (painted or pasted texts) belonging to the insured person, placed on the glass. Plastic materials which are used in the place of glass (incl. acrylic plastic, polycarbonate), are considered to be equal to glass surfaces.

#### **Breaking of glass exclusions**

- 3.28. Damage caused by the following shall not be indemnified:
- 3.28.1. damage that leaves the glass surface scratched, dirty or less transparent, but the glass has not lost its durability and does not endanger the health or life of people;
  - 3.28.2. damage caused by poor quality or thermal breakage of the glass;
  - 3.28.3. damage resulting from treatment of the glass surface;
  - 3.28.4. damage caused by mistakes in the installation of glass;
  - 3.28.5. damage that is causally related to repair or construction work at the insurance location, unless additional construction insurance has been included in the policy;
  - 3.28.6. damage caused by subsidence, cracking, shrinkage or expansion of the building, regardless of the cause and event.

#### **All risk (or any other non-excluded event)**

- 3.29. Damage caused directly by any other unexpected and unforeseen event not specified in clauses 3.5-3.28 above shall be indemnified. For example, all risk insured events are events caused by the breakdown of the building's technical system (so-called internal failure), collision of an employee-driven land vehicle with the object of insurance, overturning or falling of the object of insurance, falling of a tree, antenna or other object onto the object of insurance, if the fall is not due to a storm.

#### **All risk exclusions**

- 3.30. The following shall not be indemnified:
- 3.30.1. damage caused to inventory or equipment and by an event specified in clauses 14.5-14.8 of the machinery breakdown insurance. The above exclusion does not apply to inventory and equipment which are considered part of the building in accordance with clause 1.3 or as part of the interior finishing in accordance with clause 1.11;
  - 3.30.2. damage caused by a programming or design error, regardless of the cause and event that caused the error or who made the error;
  - 3.30.3. damage caused by assembly, disassembly, adjustment, testing or trial run, poor quality work, defective or incomplete work standard or technique, omissions of the insured person or a person working for them;
  - 3.30.4. damage caused to equipment that is not ready for use (e.g., the equipment has not been assembled or has been disassembled, the adjustment, testing or trial run prescribed by the manufacturer has not been carried out or has not been completed);



- 3.30.5. functional equipment failure, malfunction, error or non-functioning and the costs of eliminating it (e.g., software failure, malfunction, alteration, deletion or theft of data, intentional damage to data or software, including through the use of unauthorised access, computer virus or data and software incompatibility or supercharging);
- 3.30.6. damage caused by improper or incorrect use;
- 3.30.7. damage caused by non-compliance with the instructions for use or maintenance manual or the requirement or obligation prescribed by the manufacturer (e.g., failure to carry out maintenance, storing material intended for indoor storage outdoors);
- 3.30.8. the cost of replacing a part or a component (e.g., blade, chain, belt, seal, filter, bearing, battery) that has a high wear rate, a short service life or which would have been replaced after the period or service life specified by the manufacturer. If the part or component is damaged as a result of an insured event (e.g., fire), the cost of its replacement will be indemnified;
- 3.30.9. the cost of maintenance and the part replaced (e.g., liquid, oil, fuel, or the like);
- 3.30.10. damage for which a third party is contractually liable (e.g., manufacturer, seller, builder, installer, or person carrying out the maintenance);
- 3.30.11. damage that is causally related to repair or construction work at the insurance location, unless additional construction insurance has been included in the policy;
- 3.30.12. damage caused by subsidence, cracking, shrinkage or expansion of the building;
- 3.30.13. damage that has occurred gradually over a long period of time or as a result of a long-term process (e.g., corrosion, oxidation, scale formation, accumulation of particles or sediment, condensation, excessive moisture and mould, decay, dry rot or other fungal damage), as well as damage caused by normal and natural wear and tear of the material (including scratches and indentations);
- 3.30.14. damage caused by water or other liquid penetrating through the external structure of the building (e.g., roof, wall, window);
- 3.30.15. damage caused by a plant, animal, bird, insect, or pest;
- 3.30.16. damage caused to the material, semi-finished or finished product during its processing;
- 3.30.17. damage caused by an interruption in the supply of electricity, water, gas, or other energy;
- 3.30.18. damage caused by deterioration, thawing or change of properties of the goods;
- 3.30.19. damage caused by contamination or pollution (e.g., due to poison, soot, sediment, dust, etc.);
- 3.30.20. damage caused to an object of insurance located outside the building or in an open building by wind, rain, snow, frost, flood or other natural phenomenon, sand or dust, if the object is not intended for outdoor use;
- 3.30.21. damage caused by theft, disappearance, or a shortcoming detected during inventory, storage or placement of information in the wrong place;
- 3.30.22. damage caused by defects of an aesthetic nature (e.g., scratches, dents, nicks, stains, tears) that do not affect the intended use of the object of insurance.

## 4. Supplementary insurance coverage

The supplementary insurance cover is only valid if it has been separately agreed upon in the policy, incl. agreeing on the potential limit of indemnity per insured event.

### 4.1. Deductible insurance

The agreed deductible is also indemnified if the amount of damage exceeds the amount of deductible fixed in the policy. If the amount of damage is less than the amount of deductible, then deductible insurance does not apply.

### 4.2. 20% under-insurance extension

Under-insurance shall not be applied if the insurable value of the object of insurance at the time of the insured event does not differ from the sum insured by more than 20%.

### 4.3. Construction works

If the contractual cost of the construction works does not exceed 50,000 euros, the insurance cover extends to the insured event caused by construction works carried out at the insurance location. If the volume of the works exceeds 50,000 euros, an additional agreement or a separate insurance contract must be concluded.

If hot works are carried out at the insurance location, fire safety requirements in force in the Republic of Estonia must be complied with. Damage caused by non-compliance with such requirements will not be indemnified.

#### 4.4. Terrorism

Insurance cover extends to damage caused by terrorism. The following shall be deemed terrorism:

- actions carried out for political, religious, ideological or similar purposes, involving an act of violence or the use of illegal force or an unlawful act, and endangering human life or property;
- actions carried out by a person or group of persons acting for political, ideological, ethnic, religious or other reasons;
- actions aimed at threatening or influencing the civilian population, the state, or the government, etc.

Notwithstanding the above, any damage directly or indirectly related in any way to a radioactive or nuclear substance, material, device or weapon, or to a biological or chemical substance, material, device or weapon shall not be covered.

#### 4.5. Scope of insurance cover for portable laptops and tablets

Laptop and tablet insurance cover is valid worldwide. The insurance cover also applies in the event of a traffic accident. Burglary insurance cover outside the insurance location is only valid if the object of insurance is located in a closed and locked room in the building or in a closed and locked vehicle in a luggage compartment or glove box not visible to third parties.

#### 4.6. Insurance cover for inventory and equipment added during the insurance period

The insurance cover extends to the inventory and equipment added at the insurance location during the insurance period to the extent of the sum insured that has been agreed in the policy.

#### 4.7. Temporary relocation of inventory and equipment

The insurance cover of the inventory and equipment is maintained for the duration of the repair and maintenance work outside the insurance location stated in the policy. The protection is valid within the Republic of Estonia at the place of performance of the specified work, provided that the probability of an insured event occurring at the place of performance of the work is not greater than at the main insurance location agreed in the policy. Insurance cover does not extend to damage that has occurred during transport between the insurance locations.

#### 4.8. Additional cover for building owners (damage caused to the building by tenants)

The insurance cover extends to damage to the building that is the object of insurance due to an insured event caused by a tenant in the same way as if the event would have been caused by a third party within the meaning of the insurance contract. This means that in performing the obligations arising from the insurance contract, the tenant is not equated with the policyholder and the damage is indemnified to the owner of the building, regardless of whether the tenant's actions give the building owner a reason to refuse or reduce the indemnity.

In addition to the above, the insurer shall not file a recourse claim against the tenant in the case of an insured event, unless the damage is caused by the tenant's gross negligence, intent, or actions while being intoxicated or under the influence of drugs or other psychotropic substances.

## 5. Expenses arising from damage prevention, demolition and cleaning works, and legislation

#### 5.1. Upon an insured event of property insurance, the following shall be indemnified:

- 5.1.1. reasonable costs of preventing or reducing damage, even if they did not deliver the desired result;
- 5.1.2. the costs of demolition and cleaning of the object of insurance and the necessary costs for the removal of demolition and cleaning debris;
- 5.1.3. the costs to be borne in the restoration of the object of insurance in order to comply with the requirements and precepts of competent authorities.

#### 5.2. The justified expenses listed in clause 5.1 will be indemnified in the amount of up to 10% of the sum insured of the object of insurance, in the maximum value of 300,000 euros. These expenses are also indemnified when the total amount of property damage and expenses listed exceeds the sum insured.

## 6. Sum insured and insurable value

- 6.1. Sum insured is the largest amount payable per a single insured event.
- 6.2. The sum insured shall not be reduced upon indemnity being paid out.
- 6.3. Insurable value is the value of the object of insurance at the time of the occurrence of the insured event. The policyholder must inform ERGO of the correct insurable value.
- 6.4. The insurable value of a building, facility, and interior finishing is its reinstatement or residual value.
- 6.5. Reinstatement value is the cost of restoring a new similar building, facility, or interior finishing.
- 6.6. Residual value is the reinstatement value less the depreciation of a building, facility or interior finishing. Residual value is the insurable value if the depreciation of the building, facility or interior finishing exceeds 50% or if the insurable value is set to be residual value in the policy.
- 6.7. The insurable value of inventory and equipment is the re-acquisition value or market value.
- 6.8. Re-acquisition value is the cost of re-acquiring a new equivalent object (with the same purpose and technical characteristics).
- 6.9. Market value is the cost of repurchasing an equivalent item (with the same purpose and technical characteristics). Market value is used if the market value of the item is less than 50% of the re-acquisition value of the item or if the insurable value is set to be market value in the policy.
- 6.10. Insurable value of goods is its re-acquisition value, meaning the cost of acquiring the equivalent (with the same characteristics and technical characteristics) goods again.

## 7. Limit of indemnity and first loss insurance

- 7.1. Limit of indemnity is the maximum amount of indemnity agreed in the insurance contract. This is the largest payable amount per insured event, in which case the conditions for under-insurance remain valid. Limit of indemnity is only agreed upon when a policy has been issued with such an indication.
- 7.2. First loss insurance is the maximum amount of indemnity agreed upon for the object of insurance. This is the largest payable amount per insured event, in which case the conditions for under-insurance shall not be applied. First loss insurance has only been agreed upon when a policy has been issued with such an indication.

## 8. Indemnity

- 8.1. Indemnity is a sum of money that is paid to indemnify proprietary damage resulting from an insured event and reimburse the costs agreed in the insurance contract.
- 8.2. The amount of the indemnity per insured event is limited to the amount of the loss incurred as a result of the event, the sum insured, the insurable value or the maximum amount of the limit of indemnity agreed in the insurance contract. However, if the total amount of property damage and costs specified in clause 5 exceeds the sum insured, the costs listed in clause 5 will also be indemnified in addition to the sum insured, taking the limits established in clause 5 into account.
- 8.3. Deductible shall be subtracted from the indemnity. An excess shall apply to each insured event unless otherwise agreed.

## 9. Indemnification procedure and principles

- 9.1. In the case of an insured event, ERGO will indemnify material damage and expenses agreed upon in the insurance contract. The basis for calculating the indemnity is the insurable value of the object of insurance immediately before the occurrence of the insured event.
- 9.2. The amount of damage consists of the amount agreed for restoration or re-acquisition of the object of insured damaged, destroyed or lost as a result of the insured event, and the costs set out in clause 5.
- 9.3. If the insurable value of the object of insured is the residual value, the amount of damage will be reduced in the proportion that is the ratio of the residual value to the reinstatement value.
- 9.4. In the case of under-insurance, ERGO will indemnify damages in proportion to the ratio of the sum insured to the insurable value. If the sum insured does not differ from the insurable value by more than 10%, under-insurance will not be applied.

- 9.5. In the case of over-insurance, ERGO shall indemnify damages up to the insurable value.
- 9.6. In the case of insurance with a limit of indemnity, ERGO will indemnify the loss amount up to the agreed level of indemnity, and the conditions for under-insurance will remain valid.
- 9.7. In the case of first loss insurance, ERGO will indemnify the loss amount up to the highest agreed level of indemnity without applying the under-insurance.
- 9.8. If the insurable value is the reinstatement value, the right for the part of the indemnity that exceeds the residual value shall arise after the indemnity is used to reinstate an object of the same type and purpose at the same location within two years from the date of the indemnity decision.
- 9.9. The part of the indemnity that exceeds the residual value (or market value) is indemnified on the basis of the estimate provided for recovery of the object, if the recovery of the object has reached a proportional share of the ratio of the residual value (or market value) of that asset to the reinstatement value (or re-acquisition value) of the object.
- 9.10. The part of value added tax refunded to the policyholder under the Value Added Tax Act will not be indemnified.

## 10. Obligations of the policyholder

- 10.1. Policyholder shall allow the representative of the insurer to examine the object of insurance and the documents and information necessary for conclusion of the insurance contract.
- 10.2. The policyholder needs to explain the obligations (incl. safety requirements) arising from the insurance contract to all persons that are equated to it. If the respective person fails to comply with the contract or safety requirements, this means that the contract is not executed by the policyholder.
- 10.3. Upon an insured event, the policyholder has the obligation to:
  - 10.3.1. immediately inform the police if deliberate actions of a third party are suspected, incl. submit a written report to the police;
  - 10.3.2. immediately inform the local rescue service if fire has occurred or an explosive has detonated;
  - 10.3.3. in all other events, the relevant competent bodies or persons should be informed;
  - 10.3.4. if possible, retain the scene of the insured event intact until the orders are given by the insurer;
  - 10.3.5. present the damaged object in the condition as it was after the insured event or the remnants of such asset to the insurer for inspection.

The insurer may not start to restore the damaged object or recycle the destroyed object without the consent of the insurer;
  - 10.3.6. comply with all safety requirements arising from the applicable Estonian legislation, the manufacturer's manuals, and these safety requirements.

## 11. Safety requirements

- 11.1. Cleanliness and maintenance
  - 11.1.1. From the point of view of fire safety, daily cleaning and maintenance of the premises and territory is paramount.
  - 11.1.2. The company's premises and territory must be regularly cleaned of production waste and rubbish.
  - 11.1.3. The placement of rubbish bins in the territory must ensure that fire will not spread if the rubbish bins catch fire.
  - 11.1.4. Excessive fire load (e.g., pallets and packaging) must be removed from the workplace immediately after completion of the work.
  - 11.1.5. All passageways in production and storage rooms must be kept clear.
  - 11.1.6. Escape routes must be kept clear and objects must never be stored there, not even temporarily.
- 11.2. Smoking

Smoking is only allowed at specifically designated and furnished places.
- 11.3. Hot works

- 11.3.1. Hot works are works performed by warming or heating a detail or a material, generating sparks or using an open (out-of-furnace) fire, such as gas welding and gas flaring, electric welding, metal cutting with combustible liquid, soldering with combustible liquid, metal cutting with a wheel cutter machine, heating and use of bitumen and other mastics, use of gas flame or hot air blower, blacksmithing or other activities in which a flame is used, sparks or temperatures are generated which may ignite the surrounding combustible material, creating an actual fire hazard.
- 11.3.2. When carrying out hot works, the applicable legislation must be observed.
- 11.3.3. Hot works may be performed by a person with the appropriate qualification and certification as well as proper approval.
- 11.4. Constructional fire protection
  - 11.4.1. Fire doors, hatches and windows must be kept in working order at all times.
  - 11.4.2. Fire doors must usually be closed, except for automatically functioning doors, the unobstructed closing and fixing in the closed position of which must be ensured.
  - 11.4.3. The blocking of fire doors (entrapment, tying, etc.) is prohibited.
  - 11.4.4. Openings and feedthroughs for communications must be filled with non-combustible material throughout the thickness of the structure, ensuring that it does not reduce the fire resistance time of the structure.
- 11.5. Storage
  - 11.5.1. In a room below the ground, the goods must be stored at least 12 cm above the floor.
  - 11.5.2. Combustible material must be stored in accordance with the compatibility of hazardous substances.
  - 11.5.3. Escape routes and access to electricity cutting equipment and fire-fighting equipment shall not be obstructed by materials, inventory, or equipment.
  - 11.5.4. The area around the equipment must be kept free of materials and products.
  - 11.5.5. Storage in the building and in the immediate vicinity of the building (incl. storage of combustible material) must be organised in a way that it does not cause a fire hazard or complicate rescue work.
  - 11.5.6. Combustible material must be stored at a safe distance from the building in accordance with the applicable regulations.
- 11.6. Heating appliances

Heating appliances must comply with the design project of the building or the heating appliance. Upon installation, respective safety distances must be observed.
- 11.7. Fire alarm
  - 11.7.1. If a fire alarm exists, it must be activated 24 hours a day.
  - 11.7.2. The design, installation and maintenance of the fire alarm system must comply with the applicable legislation.
- 11.8. Security alarm system
  - 11.8.1. If a security alarm exists, it must be switched on upon leaving the insurance location.
  - 11.8.2. Security alarm system must be installed so that the object of insurance insured against burglary is located within the operating area of the security alarm system sensors.
  - 11.8.3. Storage, constructional solutions, furniture layout, etc. may not reduce the range of sensors or their sensitivity. It should be considered that the building or its room may be broken into through the door, window, wall, roof, etc.
  - 11.8.4. The security alarm system must operate so that it is activated in the case of threat and secure transmission of the alarm.

The policyholder is required to ensure that in the case that the security alarm system is activated and an alarm is received, an employee of the security company or a representative of the policyholder shall inspect the building or room being the insurance location, both inside and outside.
  - 11.8.5. The security alarm system must be in an operable condition and its functioning may not be disturbed due to the actions or omissions of the policyholder or persons considered equal to him/her.
  - 11.8.6. The security alarm system codes may not end up in the hands of any third parties.
- 11.9. Locking and storage of keys (codes)



- 11.9.1. Upon leaving the insurance location, all doors, windows, shutters and other openings of the building or the room must be closed and locked so that it is not possible to enter the insurance location without breaking or removing the lock(s) or barrier that prevents access to the insurance location.
- 11.9.2. Upon leaving the insurance location, the doors of the building or room where the insurance location is located, as well as the safes and security lockers at the insurance location, must be closed and locked.
- 11.9.3. The keys to the locks and the access codes, as well as safety alarm keys and codes, must not be stored in a place and in a way that allows third parties to access them.
- 11.9.4. If the key or code is lost or falls into the wrongful possession of a stranger, the insured person must change the lock or code immediately.
- 11.10. Water supply, sewerage and heating system
  - 11.10.1. The policyholder must take care of the maintenance of the water supply, sewerage and heating system.
  - 11.10.2. Water supply, sewerage and heating system located in an unused or unheated building or part of a building must be emptied, closed, and kept empty.

## Machinery Breakdown insurance

### 12. Object of insurance

- 12.1. Object of insurance (hereinafter equipment) is:
  - 12.1.1. an electronic device that is not older than five (5) years at the time the policy is issued;
  - 12.1.2. industrial and production equipment that is not older than ten (10) years at the time the policy is issued;
  - 12.1.3. medical and laboratory equipment that that is not older than ten (10) years at the time the policy is issued;
  - 12.1.4. other device that has independent use.
- 12.2. The device is insured in the assembly specified by the manufacturer. The cover also includes the inputs and outputs of the equipment, such as a mouse, keyboard, and other similar items.
- 12.3. Unless otherwise stated in the policy, the object of insurance does not include:
  - 12.3.1. equipment that is not ready for use in the way and for the purpose determined by its manufacturer (e.g., the equipment has not been assembled or has been disassembled, the adjustment, testing or trial run prescribed by the manufacturer has not been carried out or has not been completed);
  - 12.3.2. the foundation or post, pole, and other such structure to or on which the equipment is installed or attached;
  - 12.3.3. equipment that can be defined as an essential part of the building;
  - 12.3.4. moulds, stencils, and any other such items necessary for the manufacture of the product;
  - 12.3.5. software and information installed on the equipment or on any media.

#### Electronic equipment

- 12.4. Electronic equipment is computer and office equipment, such as tablets and laptops, desktop computers, monitors, servers, printers, scanners, copiers, projectors, TVs, screens, landline telephones, telephone systems, conference call systems, or other such objects for independent use for storing, processing, transmitting, presenting and reproducing information.

#### Industrial and production equipment

- 12.5. Industrial and production equipment is an object for independent use intended for the manufacture of a product or part thereof or for the production, transformation, transmission, distribution or use of energy.

#### Medical and laboratory equipment

- 12.6. Medical and laboratory equipment is an object for independent use intended for the performance of research, analysis, treatment or supervision in a specially designated room.

### **Other equipment that has independent use**

- 12.7. Other equipment for independent use is, for example, an object intended for surveying, measuring, carrying out engineering or geological surveys, or any other object for independent use. Other equipment that has independent use may also be an uninterruptible power supply or a UPS, or a ventilation or cooling device used to keep another device (e.g., computer, server) running.

## **13. Insurance location**

- 13.1. The insurance location is the interior room(s) of the building indicated in the policy.
- 13.2. The insurance cover extends to the insured equipment located outside the building at the territory of the insured person, if the equipment is intended for outdoor use.

## **14. Machinery breakdown insured events**

- 14.1. Machinery breakdown insured events are electrical failure and machinery breakdown.
- 14.2. More detailed content and exclusions of the insured event are explained in the following sub-clauses.
- 14.3. In addition to the exclusions specified in the sub-clauses, damage caused by events specified in the exclusions of the general terms and conditions of insurance contracts will not be indemnified.
- 14.4. In addition, it is possible to select additional insurance coverage provided in clause 15.

### **Electrical failure**

- 14.5. Damage caused to the equipment shall be indemnified when it is caused by:
- 14.5.1. short circuit, short circuit current, short circuit voltage, overvoltage, undervoltage or other electrical or magnetic effect (e.g., short circuit in equipment due to damage to electrical insulation, short circuit in equipment due to fault current);
  - 14.5.2. failure of a control, monitoring or protection device (e.g., failure of a residual current device, lightning protection system, or other electrical installation);
  - 14.5.3. lightning transmission through an electrical network or electromagnetic environment;
  - 14.5.4. unannounced interruption of electricity transmission (e.g., falling of a tree on the overhead power line due to a storm or rupture of an underground electricity cable line during excavation or fire at a power substation, resulting in short circuit current or voltage in the power grid and short circuit in equipment). Breaking of the equipment or a part thereof due to a short circuit is also subject to indemnification.

### **Electrical failure exclusions**

- 14.6. The following shall not be indemnified:
- 14.6.1. damage that has occurred due to non-compliance of the electrical installation or equipment with the prescribed requirements, if the policyholder is responsible for compliance (e.g., if the protective earth or residual current device does not comply with the requirements or is not technically in order);
  - 14.6.2. damage caused as a result of a previously notified interruption in the transmission of electricity;
  - 14.6.3. damage for which the network operator is liable pursuant to legislation or a contract;
  - 14.6.4. damage for which the manufacturer or seller (e.g., product warranty), the installer or the person who performed the maintenance is liable under legislation or a contract;
  - 14.6.5. the cost of replacing the light bulb or lamp, unless otherwise agreed in the policy;
  - 14.6.6. the cost of performing maintenance and bringing it into conformity with the prescribed requirements and the cost of the part to be replaced in the course of it.

### **Machinery breakdown**

- 14.7. Damage caused to the equipment shall be indemnified when it is caused by:
- 14.7.1. mechanical force or centrifugal force which caused the device or part thereof to break or crack;
  - 14.7.2. failure of a control, monitoring or protection device which has caused the device or a part thereof to break or crack (e.g., failure of a pressure or temperature protection installation);

- 14.7.3. unannounced interruption of the water, steam or gas supply which has caused the equipment to break or be damaged;
- 14.7.4. overpressure that has caused the equipment to break or be damaged;
- 14.7.5. foreign objects entering the equipment, which have caused the equipment to break or be damaged;
- 14.7.6. use of poor quality material in the manufacture of the equipment or a technological error that has caused the equipment to break or crack;
- 14.7.7. negligence by the user of the equipment (e.g., unintentional practice due to poor user training) which has caused the equipment to break or crack.

#### **Machinery breakdown exclusions**

14.8. The following shall not be indemnified:

- 14.8.1. damage caused by fatigue breakage and cracking;
- 14.8.2. damage caused by mechanical vibration;
- 14.8.3. damage caused by a programming error, regardless of the cause and event that caused the error or who made the error;
- 14.8.4. damage caused to the equipment during processing of the material or object (e.g., corrosive effects of particles released during processing);
- 14.8.5. damage caused as a result of a previously notified interruption in the transmission of water or gas;
- 14.8.6. damage for which the network operator is liable pursuant to legislation or a contract;
- 14.8.7. damage for which the manufacturer or seller (e.g., product warranty), the installer or the person who performed the maintenance is liable under legislation or a contract;
- 14.8.8. the cost of replacing a part or a component (e.g., blade, chain, belt, seal, filter, bearing, battery) that has a high wear rate, a short service life or which would have been replaced after the period or service life specified by the manufacturer. If the part or component is damaged as a result of an insured event (e.g., foreign object in the equipment), the cost of its replacement will be indemnified;
- 14.8.9. the cost of replacement of liquid, oil, fuel and the like, unless otherwise agreed in the policy;
- 14.8.10. the cost of performing maintenance and bringing it into conformity with the prescribed requirements and the cost of the part to be replaced in the course of it;
- 14.8.11. overtime pay for the restoration of the damaged equipment or part thereof, the cost of expedited delivery of the equipment part to be replaced, the cost of hiring an expert or adviser and the related travel and accommodation costs, unless otherwise agreed in the policy;
- 14.8.12. damage that has occurred gradually over a long period of time or as a result of a long-term process (e.g., corrosion, oxidation, scale formation, accumulation of particles or sediment, condensation), also damage caused by natural wear and tear (incl. scratches and dents).

## **15. Supplementary insurance coverage**

The supplementary insurance cover is only valid if it has been separately agreed upon in the policy, incl. agreeing on the potential limit of indemnity per insured event.

### **15.1. Deductible insurance**

The agreed deductible is also indemnified if the amount of damage exceeds the amount of deductible fixed in the policy. If the amount of damage is less than the amount of deductible, then deductible insurance does not apply.

### **15.2. 20% under-insurance extension**

Under-insurance shall not be applied if the insurable value of the object of insurance at the time of the insured event does not differ from the sum insured by more than 20%.

## **16. Expenses arising from damage prevention, demolition and cleaning works, and legislation**

- 16.1. Upon an insured event of machinery breakdown insurance, the following shall be indemnified:
- 16.1.1. reasonable costs of preventing or reducing damage, even if they did not deliver the desired result;
  - 16.1.2. the costs of dismantling the damaged object, the costs of transportation to the nearest repair shop and back to the insurance location, and the costs of assembling the restored object;
  - 16.1.3. the costs to be borne in the restoration of the object of insurance in order to comply with the requirements and precepts of competent authorities.
- 16.2. The justified expenses listed in clause 16.1 will be indemnified in the amount of up to 10% of the sum insured of the object of insurance, in the maximum value of 30,000 euros. These expenses are also indemnified when the total amount of property damage and expenses listed exceeds the sum insured.

## **17. Sum insured and insurable value**

- 17.1. Sum insured is the largest amount payable per a single insured event.
- 17.2. The sum insured shall not be reduced upon indemnity being paid out.
- 17.3. Insurable value is the value of the object of insurance at the time of the occurrence of the insured event. The policyholder must inform ERGO of the correct insurable value.
- 17.4. The insurable value of equipment is the re-acquisition value or market value.
- 17.5. Re-acquisition value is the cost of re-acquiring a new equivalent object (with the same purpose and technical characteristics).
- 17.6. Market value is the cost of repurchasing an equivalent item (with the same purpose and technical characteristics). Market value is used if the market value of the item is less than 50% of the re-acquisition value of the item or if the insurable value is set to be market value in the policy.

## **18. Limit of indemnity and first loss insurance**

- 18.1. Limit of indemnity is the maximum amount of indemnity agreed in the insurance contract. This is the largest payable amount per insured event, in which case the conditions for under-insurance remain valid. Limit of indemnity is only agreed upon when a policy has been issued with such an indication.
- 18.2. First loss insurance is the maximum amount of indemnity agreed upon for the object of insurance. This is the largest payable amount per insured event, in which case the conditions for under-insurance shall not be applied. First loss insurance has only been agreed upon when a policy has been issued with such an indication.

## **19. Indemnity**

- 19.1. Indemnity is a sum of money that is paid to indemnify proprietary damage resulting from an insured event and reimburse the costs agreed in the insurance contract.
- 19.2. The amount of the indemnity per insured event is limited to the amount of the material loss incurred as a result of the event, the sum insured, the insurable value or the maximum amount of the limit of indemnity agreed in the insurance contract. However, if the total amount of property damage and costs specified in clause 16 exceeds the sum insured, the costs listed in clause 16 will also be indemnified in addition to the sum insured, taking the limits established in clause 16 into account.
- 19.3. Deductible shall be subtracted from the indemnity. An excess shall apply to each insured event unless otherwise agreed.

## **20. Indemnification procedure and principles**

- 20.1. In the case of an insured event, ERGO will indemnify material damage and expenses agreed upon in the insurance contract. The basis for calculating the indemnity is the insurable value of the object of insurance immediately before the occurrence of the insured event.

- 20.2. The amount of damage consists of the amount agreed for restoration or re-acquisition of the object of insured damaged or destroyed as a result of the insured event, and the costs set out in clause 16.
- 20.3. In the case of under-insurance, ERGO will indemnify damages in proportion to the ratio of the sum insured to the insurable value. If the sum insured does not differ from the insurable value by more than 10%, under-insurance will not be applied.
- 20.4. In the case of over-insurance, ERGO shall indemnify damages up to the insurable value.
- 20.5. In the case of insurance with a limit of indemnity, ERGO will indemnify the loss amount up to the agreed level of indemnity, and the conditions for under-insurance will remain valid.
- 20.6. In the case of first loss insurance, ERGO will indemnify the loss amount up to the highest agreed level of indemnity without applying the under-insurance.
- 20.7. The part of the indemnity that exceeds the market value is indemnified on the basis of the estimate provided for recovery of the object, if the recovery of the object has reached a proportional share of the ratio of the market value of that asset to the re-acquisition value of the object.
- 20.8. The part of value added tax refunded to the policyholder under the Value Added Tax Act will not be indemnified.

## **21. Obligations of the policyholder**

- 21.1. Policyholder shall allow the representative of the insurer to examine the object of insurance and the documents and information necessary for conclusion of the insurance contract.
- 21.2. The policyholder needs to explain the obligations (incl. safety requirements) arising from the insurance contract to all persons that are equated to it. If the respective person fails to comply with the contract or safety requirements, this means that the contract is not executed by the policyholder.
- 21.3. Upon an insured event, the policyholder has the obligation to:
  - 21.3.1. inform the relevant competent bodies or persons;
  - 21.3.2. if possible, retain the scene of the insured event intact until the orders are given by the insurer;
  - 21.3.3. present the damaged object in the condition as it was after the insured event or the remnants of such asset to the insurer for inspection. The insurer may not start to restore the damaged object or recycle the destroyed object without the consent of the insurer;
  - 21.3.4. comply with all safety requirements arising from the applicable Estonian legislation, the manufacturer's manuals, and these safety requirements.

## **22. Safety requirements**

The policyholder and a person equated to it are required to comply with the legislation and official safety requirements in force in the Republic of Estonia (e.g., Electrical Safety Act, Equipment Safety Act, safety requirements for electrical equipment, and electromagnetic compatibility requirements for electrical installations or equipment) and the safety requirements set out in the insurance contract.

- 22.1. Commissioning and use of the device
  - 22.1.1. Prior to commissioning, the device must meet the prescribed requirements and be in good technical condition.
  - 22.1.2. The necessary conditions must be created for the proper use and maintenance of the device.
  - 22.1.3. In commissioning and using the device, its instructions for use and maintenance, as well as maintenance and condition requirements must be followed.
  - 22.1.4. The device must be installed, assembled, set up and have passed the test or trial run in accordance with the manufacturer's instructions and requirements.
  - 22.1.5. The user of the device must be provided with information on the use of the device. In providing training or education to the user of the device, the completion of the training or education must be documented in a form that can be reproduced in writing.
  - 22.1.6. The device may only be used in the manner and for the purpose specified by the manufacturer.
  - 22.1.7. The mains or system to which the appliance is connected must be earthed.
  - 22.1.8. The device must not be overloaded during use and the manufacturer's limit must not be exceeded.



- 22.1.9. Use of the device must be stopped in the case of imminent danger.
- 22.2. Equipment maintenance and the related requirements
  - 22.2.1. In order to maintain the device, it must be regularly cleaned of dust; accumulated and settled particles, condensate formed during the liquefaction of steam, scale formed, settled chemical substances and compounds, etc. must be removed.
  - 22.2.2. To maintain the device, it must be serviced in accordance with the maintenance instructions. Maintenance must be performed at prescribed intervals. Maintenance may not be omitted or delayed. During maintenance, all damage must be eliminated and worn or damaged parts, fluid, oil, fuel, etc. must be replaced. Maintenance must be documented in a format that can be reproduced in writing.
  - 22.2.3. Only qualified personnel may service the device.

## Business interruption insurance

### 23. Object of insurance

- 23.1. The object of insurance is the operating profit and fixed costs, rental income or additional costs from the business activity (sale of products and/or provision of services) specified in the policy.
- 23.2. Operating profit and fixed costs
  - 23.2.1. Operating profit is the difference between the insured person's income and expenses, which reflects the economic outcome during a certain period (e.g., 12 months).
  - 23.2.2. Operating profit is calculated by deducting the cost of goods sold (goods or services), fixed costs and variable costs from the income from the insured business.
  - 23.2.3. Fixed costs are the expenses of the insured person that remain unchanged as a result of the insured event regardless of changes in the volume of products, goods or services. Fixed costs are indemnified if their further payment is justified in economic terms and in accordance with the current legislation, and would have been made even if the insured event had not occurred.
  - 23.2.4. Variable costs are expenses of the insured person that are directly related to changes in the volume of products, goods or services.
- 23.3. Rental income

Rental income or lease income is a fee paid to an insured person on the basis of a contract for the lease or rental of an immovable or a part thereof. Rental income does not include accessory expenses or other payments in addition to rent or lease.
- 23.4. Additional costs
  - 23.4.1. Additional costs are the expenses of the insured person to limit and/or reduce the damage caused by the business interruption, which the person has deemed necessary to bear (e.g., the cost of renting a temporary space, the cost of moving).
  - 23.4.2. Additional costs are not indemnified if the insured person receives economic benefits as a result.
- 23.5. Unless stated otherwise in the insurance contract, the object of insurance does not include:
  - 23.5.1. the cost of procuring goods, raw materials, semi-finished products and aids;
  - 23.5.2. transportation costs related to the sale of goods and/or provision of services;
  - 23.5.3. costs and expenses that are directly related to changes in the volume of products, goods or services;
  - 23.5.4. net profit and other expenses (e.g., interest income and expense, real estate transactions and the related income and expenses);
  - 23.5.5. penalties, sanctions and claims for indemnity arising from the non-performance or undue performance of the contractual obligations;
  - 23.5.6. national and local taxes (e.g., VAT, excise duty, duty, income tax).

## **24. Sum insured and insurable value**

- 24.1. Sum insured is the largest amount payable per a single insured event.
- 24.2. The insurable value is the sum of the monetary values of the objects of insurance during the indemnity period; the expected change in turnover is also taken into account.
- 24.3. The sum insured shall not be reduced upon indemnity being paid out.
- 24.4. The policyholder shall tell ERGO the correct insurable value.

## **25. Deductible**

- 25.1. The deductible is a combination of the time period and the amount of money specified in the policy.
- 25.2. A time period, i.e., a waiting period, applies from the day following the occurrence of the insured event. If the business interruption period is within the waiting period, the damage incurred is not subject to indemnification.
- 25.3. If the period of business interruption is longer than the waiting period, the damage incurred is subject to indemnification and the agreed monetary deductible is deducted from the indemnity calculated during the indemnity period.
- 25.4. Unless otherwise agreed in the policy, the deductible is applied to each insured event and in addition to the deductible for property and machinery breakdown insurance.

## **26. Business interruption insured event**

- 26.1. An insured event is an unexpected and unforeseen event for the insured person, in the course of which the business activities specified in the policy at the insurance location are interrupted as a result of a property or machinery breakdown insured event.
- 26.2. There must be a causal link between the interruption of business operations and the insured event of property or machinery breakdown insurance.
- 26.3. In addition, it is possible to choose the additional insurance covers provided in clause 29.

## **27. Business interruption damage and expenses for limiting it**

- 27.1. Business interruption damage is the operating profit lost as a result of the insured event and the fixed costs or rental income, which the policyholder would have had during the indemnity period if the insured event had not occurred.
- 27.2. Fixed costs are only reimbursed if their further payment is justified in economic terms and in accordance with the current legislation and would have been made even if the insured event had not occurred.
- 27.3. Reasonable expenses incurred in order to limit the damage caused by the business interruption will only be indemnified if they reduce the amount of ERGO's indemnification obligation and they have been agreed with ERGO before. These costs will not be indemnified if the policyholder receives an economic benefit as a result.

## **28. Business interruption exclusions**

- 28.1. The following shall not be indemnified:
  - 28.1.1. damage due to the fact that the insured person is not able to use adequate labour or financial or technical resources in time to restore, recover or re-acquire the damaged, destroyed or lost item (e.g., property insurance is concluded by under-insurance);
  - 28.1.2. damage related to damage, destruction or loss of cash, securities and other documents, plans, drawings, or other data carriers, accounting documents or any other written records;
  - 28.1.3. damage caused by a decision or activity of a public authority or local government, as well as an unforeseen delay caused by the state authority (e.g. activity restriction);
  - 28.1.4. damage caused by the fact that, at the request of officials, improvements, extensions or alterations have also been made during the indemnity period which are not indemnified in accordance with these terms and conditions;
  - 28.1.5. damage caused by contractors by a breach or improper performance of their contractual obligations;

- 28.1.6. damage caused by the absence of electricity, water, gas or heat supply, or insufficiency thereof, except for when loss is caused by an insured event;
- 28.1.7. damage subject to indemnification by a third party or under another insurance contract;
- 28.1.8. fines or sanctions (e.g., default interests) resulting from the insured person's non-performance of contractual obligations;
- 28.1.9. company's liquidation costs.

## 29. Supplementary insurance coverage

The supplementary insurance cover is only valid if it has been separately agreed upon in the policy, incl. the potential limit of indemnity per insured event.

### 29.1. Deductible insurance

The agreed deductible is also indemnified if the amount of damage exceeds the amount of deductible fixed in the policy. If the amount of damage is less than the amount of deductible, then deductible insurance does not apply.

### 29.2. 20% under-insurance extension

Under-insurance shall not be applied if the insurable value of the object of insurance at the time of the insured event does not differ from the sum insured by more than 20%.

### 29.3. Construction works

If the contractual cost of the construction works does not exceed 50,000 euros, the insurance cover extends to the insured event caused by construction works carried out at the insurance location. If the volume of the works exceeds 50,000 euros, an additional agreement or a separate insurance contract must be concluded.

If hot works are carried out at the insurance location, fire safety requirements in force in the Republic of Estonia must be followed. Damage caused by non-compliance with the requirements regarding hot works will not be indemnified.

### 29.4. Terrorism

Insurance cover extends to damage caused by terrorism. The following shall be deemed terrorism:

- actions carried out for political, religious, ideological or similar purposes, involving an act of violence or the use of illegal force or an unlawful act, and endangering human life or property;
- actions carried out by a person or group of persons acting for political, ideological, ethnic, religious or other reasons;
- actions aimed at threatening or influencing the civilian population, the state, or the government, etc.

Notwithstanding the above, any damage directly or indirectly related in any way to a radioactive or nuclear substance, material, device or weapon, or to a biological or chemical substance, material, device or weapon shall not be covered.

### 29.5. Extension of the lessee's business interruption insurance cover

If an insured event of property or machinery breakdown insurance in the building where the rental space is located causes a business interruption against which the lessee has insured its business, the damage caused by this business interruption is indemnified even if the lessee's property was not damaged.

## 30. Indemnity period

- 30.1. Indemnity period is the time agreed in the policy, during which ERGO indemnifies the damage caused by the interruption of business activities.
- 30.2. The Indemnity period begins from the moment the property or machinery breakdown insurance insured event occurs.

## 31. Calculation period

- 31.1. Calculation period is the period, the economic indicators of which are used as the basis for determining the insurable value and calculating the indemnity. In doing so, circumstances that have an impact on the generation or amount of sales revenue (e.g., seasonality, cyclicity, change in sales price, change in costs, etc.) are taken into account.
- 31.2. The length of the calculation period is 12 months preceding the date of the insured event.

## 32. Indemnification procedure

- 32.1. In the case of an insured event, ERGO indemnifies the incurred loss for the period of business interruption, which starts from the moment of occurrence of the insured event and ends with the achievement of the economic situation that the insured person would have had if the insured event had not occurred, or with the end of the indemnity period, at the latest.
- 32.2. In the case of under-insurance, ERGO will indemnify damage in proportion to the ratio of the sum insured to the insurable value. The same ratio applies when indemnifying additional costs. If the sum insured does not differ from the insurable value by more than 10%, under-insurance will not be applied.
- 32.3. In the case of over-insurance, ERGO shall indemnify the damage up to the insurable value.
- 32.4. The calculation of the amount of business interruption loss caused by the insured event takes into account all circumstances that could have affected the company's operations and results both positively and negatively (e.g., no business loss is indemnifiable and the amount is reduced) if the insured event had not occurred.
- 32.5. If the indemnity has been reduced or indemnity has been refused on the basis of the insurance terms and conditions of the property or machinery breakdown insurance, the indemnity for business interruption shall also be reduced proportionally or denied.
- 32.6. If one month has passed since the business interruption and it is possible to determine the minimum indemnifiable amount for the time elapsed since the beginning of the business interruption, the policyholder has the right to demand the payment thereof. It may also be required for each subsequent month. These amounts are then treated as an advance indemnity and are subsequently deducted from the final indemnity.
- 32.7. Should it appear that the business activity specified in the insurance contract will not be continued, the amount of loss shall be calculated for the time period which, according to an expert assessment, would have been necessary for resuming the same business activity during a period not exceeding the indemnity period. In such a case, only operating profit is indemnified.

## 33. Obligations of the policyholder

- 33.1. The policyholder has the obligation to:
  - 33.1.1. notify ERGO of circumstances that significantly affect the business or insurance value stated in the policy (e.g., addition of machinery and equipment, completion of new buildings, expansion of production activities);
  - 33.1.2. notify ERGO immediately of any property or machinery breakdown insurance that may result in business interruption;
  - 33.1.3. organise its accounting in accordance with the legislation of the Republic of Estonia, including the Accounting Act and good accounting practice;
  - 33.1.4. keep records of the last three financial years and the original accounting records, making copies of them that must be stored separately and securely (including in a fireproof manner) away from the originals, in order to avoid their simultaneous destruction.
- 33.2. Upon an insured event, the policyholder has the obligation to:
  - 33.2.1. take immediate measures to rescue the object of insurance, prevent the increase of damage, shorten the time of business interruption, and limit the damage caused by the business interruption (e.g., reduction of salary costs), asking ERGO for instructions;
  - 33.2.2. allow ERGO to determine the cause and extent of the damage caused as a result of the insured event in the course of claims handling, and to submit the necessary documentation, including the annual accounts of the last three financial years.
- 33.3. Policyholder must provide ERGO with all the information in his possession necessary to determine ERGO's contractual obligations and to authorise ERGO to obtain the necessary information.

If the policyholder fails to perform this obligation, ERGO is released from the obligation to perform the insurance contract.

## Third party liability insurance of a building possessor

### 34. Application of the insurance terms and conditions

- 34.1. The terms and conditions of the third party liability insurance of a building possessor only apply to insure the liability arising from the ownership or possession of the insured building in respect of the property insurance of the insurance contract.
- 34.2. If the third party liability insurance protection of the possessor of the building has been selected in the insurance contract, protection of the general liability insurance cannot be selected separately. If more extensive protection is required than the liability Insurance of the building possessor, the general liability insurance cover must be chosen.

### 35. Insured event

- 35.1. An insured event is the occurrence of damage to a third party as a result of an unexpected and unforeseen event that has occurred during the insurance period, as a result of which the insured person has a statutory obligation to indemnify the damage.
- 35.2. The damage must be causally related to the ownership or possession of the immovable, building or part thereof specified in the insurance contract (e.g., falling of ice or snow from the roof, falling of a billboard, poorly maintained slippery road, damage to tenants caused by the building, etc.).
- 35.3. The insurance also applies to damage caused by legal persons (e.g., management and maintenance companies) whose services the insured person has used in the performance of their duties, but only if the damage is directly related to ensuring the good condition and safety of the immovable, building or part thereof specified in the insurance contract. The insurance cover only extends to the extent in which the insured person is legally liable to the injured person and a claim for damages has been filed against the insured person. Other person used by the insured person in the performance of their duties shall not be deemed an insured person. After providing indemnification for the damage, the insurer shall have the right to submit a recovery claim against the person who actually caused the damage.
- 35.4. All losses incurred as a result of the same unexpected and unforeseen event are considered as one insured event.

### 36. Supplementary insurance coverage

The supplementary insurance cover is only valid if it has been separately agreed upon in the policy, incl. agreeing on the potential limit of indemnity per insured event.

#### 36.1. Deductible insurance

The agreed deductible is also indemnified if the amount of damage exceeds the amount of deductible fixed in the policy. If the amount of damage is less than the amount of the deductible, the deductible insurance does not apply.

#### 36.2. Property in the possession of the insured person

ERGO shall indemnify the damage caused by the damage or destruction of the property of a third party in the possession, use, control or custody of the insured person in accordance with the special conditions added to the policy upon the purchase of the additional insurance cover. If the policy does not indicate the purchase of additional insurance cover, the additional insurance cover is not valid.

### 37. Validity of the Insurance Contract

- 37.1. In the case of indemnification, the insurer shall adhere to the terms and conditions of the insurance contract, the limit of indemnity, and the excess applicable at the time when the event took place.
- 37.2. Upon the conclusion of the insurance contract, the parties may agree on an extended reporting period for the notification of claims against the insured person.
- 37.3. In the case of an extended reporting period for the notification of claims against the insured person, the insurance indemnifies a claim that is submitted against the insured person within the agreed time after the end of the insurance period, but the underlying damage has occurred during the insurance period.
- 37.4. If the extended reporting period for the notification of claims has not been separately agreed, ERGO shall indemnify the claim submitted against the insured person within one year after the end of the insurance period.



37.5. Unless otherwise agreed in the insurance contract, ERGO indemnifies the claim arising from the insured event if the loss is causally related to the event occurring at the location of the immovable, building or part thereof, the claim is filed under the law of the Republic of Estonia, and is to be settled in a court of the Republic of Estonia.

## 38. Sum insured

38.1. The sum insured is the maximum limit of indemnity for damages to be indemnified by ERGO that is agreed in the insurance contract.

38.2. In addition, an limit of indemnity may be agreed in the insurance contract for a single insured event or for an insured event based on a specific risk event defined in the insurance contract (for example, damage caused by work involving an open flame) or for a certain type of expense. If the limit of indemnity for an individual case has not been set, it is considered to be equal to the sum insured.

38.3. The sum insured is reduced by the amount of the indemnity paid out on the basis of the same insurance contract.

38.4. In agreement with the insurer, the sum insured or the limit of indemnity can be restored.

## 39. Deductible

39.1. Deductible is the amount agreed in the insurance contract, to the extent to which ERGO does not indemnify for the damage for which the insured person is liable to the extent specified in the terms and conditions of the insurance contract. Deductible applies to each insured event unless otherwise agreed.

39.2. Deductions arising from the same insured event are subject to a single deductible.

39.3. In the case of damage caused by the same cause (several insured events), one deductible applies.

39.4. Except for as otherwise agreed, legal expenses, court costs and expertise expenses will not be deductible.

## 40. Indemnity and costs of legal aid, court and expertise

40.1. Indemnity is the part of the damage and legal aid, court and expertise expenses that is subject to indemnification by ERGO in connection with the insured event.

40.2. ERGO will reimburse:

40.2.1. a decrease in the value of the object of the injured person as a result of destruction of or damage to the object;

40.2.2. the costs related to the infliction of bodily injury, damage to health or death to the injured person or the person who has the obligation to bear the incurred costs and the loss caused by the decrease in income as a result thereof;

40.2.3. material damage not covered by clauses 40.2.1 and 40.2.2, but being a direct result of the damage referred to in clauses 40.2.1 or 40.2.2.

40.3. Legal, court and expertise expenses are reasonable and necessary expenses in connection with the establishment of the insured liability of the insured person.

40.4. ERGO does not reimburse legal assistance, court and expertise expenses if indemnification of a claim for damages is excluded by the insurance terms and conditions (e.g., a claim for non-material damage, a claim related to a contractual penalty) or if ERGO is released from the obligation to perform the insurance contract.

40.5. Only legal aid, court and expertise costs previously agreed with ERGO in a format that can be reproduced in writing are reimbursed.

## 41. Actions in the case of a loss event

41.1. The policyholder must immediately notify ERGO of a circumstance which may result in damage to a third party or the submission of a claim against the insured person under the liability of the insured person, as well as immediately notify of any claim against themselves.

41.2. The policyholder must immediately notify ERGO of a circumstance which may result in ERGO's liability to a third party arising from the insurance contract concluded with the policyholder (e.g., under compulsory insurance).

41.3. The policyholder must immediately notify ERGO of the fact of initiating any court or other procedural proceedings that may have a connection with ERGO's rights and obligations arising primarily from the insurance contract concluded with the policyholder.

- 41.4. The policyholder must immediately perform the initial necessary rescue operations and take measures to prevent any increase in damage.
- 41.5. The policyholder must make every effort to preserve evidence of the circumstances of the damage and take immediate measures to prevent further damage or increase of the existing damage.
- 41.6. After receiving a claim against the insured person or regarding the circumstances referred to in clause 41.1 of these terms and conditions, ERGO must immediately begin processing the claim.
- 41.7. The policyholder must submit ERGO all documentation, evidence, pictures, explanatory notes, etc. related to the loss event, necessary to establish the circumstances of the loss event and the liability of the insured person.
- 41.8. At the request of ERGO, the policyholder must allow the location of the event to be examined during the claims handling procedure in order to determine the cause, amount, or other circumstances of the damage. Policyholder must provide ERGO with all information in their possession necessary to determine the circumstances of the loss event, the liability of the insured person, and ERGO's contractual obligations, and to authorise ERGO to obtain the necessary information.
- 41.9. If the policyholder has not fulfilled the above mentioned obligations and there is causation between the failure to fulfil obligations and the reason for the occurrence of the insured event and determining the circumstances or the consequences of the extent of the damage arising therefrom, ERGO has the right to reduce or refuse to pay the indemnification.

## **42. Indemnification procedure and principles**

- 42.1. ERGO shall make a decision on indemnification or refusal to indemnify the damage after receiving all the documents and information related to the loss event that are necessary for establishing the insured liability, and after ascertaining the amount of damage and the circumstances of its occurrence. If criminal or misdemeanour proceedings have been initiated, ERGO has the right to postpone the decision until the accused is prosecuted or receives a decision to terminate or suspend the respective proceedings.
- 42.2. ERGO will pay the indemnity to the policyholder within two weeks after it has deemed the claim against the insured person to be verified, or from the time when the claim of the injured person has been established by a court decision, recognition of the claim, or a compromise agreement.
- 42.3. If the claim against the insured person has not been verified in full, ERGO will indemnify the part of the claim that has been verified and is subject to the insured liability.
- 42.4. If the insured person has acknowledged and fulfilled the claim against them in part or in full without receiving an approval from ERGO in a format that can be reproduced in writing, ERGO has no obligation to indemnify unless the circumstances of the damage, its amount, or the insured person's liability have been verified.
- 42.5. In the case of partial or joint and several liability of the insured person, ERGO shall indemnify the part of the claim for which the insured person is liable to the injured person in accordance with these terms and conditions. After indemnification for the damage, ERGO has the right to file a claim against the partial or joint and several debtor, if the law or the contract allows it.
- 42.6. If the damage is caused by gross negligence, ERGO has the right to reduce the amount paid or refuse to indemnify it.

## **43. Exclusions**

- 43.1. ERGO does not indemnify:
  - 43.1.1. if the damage has occurred in connection with the ownership or possession of an immovable, building or part thereof not covered by property insurance not stated in the insurance contract;
  - 43.1.2. if the damage has occurred elsewhere than at the location of the immovable, building or part thereof specified in the insurance contract;
  - 43.1.3. if the damage has occurred in connection with the construction, renovation, repair, demolition, assembly, dismantling of the building or part thereof or the technical system of the building or part thereof (e.g., water, sewerage, ventilation, elevator, etc.). Starting such works increases the risk situation significantly. ERGO must be informed before the commencement of such works and, in agreement with ERGO, a suitable solution must be found to insure the increased risk;
  - 43.1.4. intentionally caused damage;
  - 43.1.5. damage caused by force majeure;
  - 43.1.6. loss in revenue, except for a decrease in income related to the personal injury referred to in clause 40.2.2;

- 43.1.7. non-material damage;
- 43.1.8. unjust enrichment;
- 43.1.9. if the claim against the insured person has expired;
- 43.1.10. cost that would have been incurred even if the insured event had not occurred;
- 43.1.11. damage caused by *negotiorum gestio*;
- 43.1.12. damage that has been caused by an illegal activity, including the lack of registration, permit, licence, qualification, etc. required by legislation;
- 43.1.13. damage resulting from a contractual liability or contractual obligation (e.g., guarantees, extension of limitation period, contractual penalties, default interest, interest, breach of agreed term or price agreement, non-compliance with the budget, etc.), unless the obligation to indemnify would also arise without the contract;
- 43.1.14. damage resulting from public law sanctions imposed on the insured person (e.g., fines, penalties, etc.);
- 43.1.15. mutual claims of persons covered by the same insurance contract;
- 43.1.16. claims between companies belonging to the same group as the insured person, claims between parent companies, subsidiaries and affiliates;
- 43.1.17. claim submitted by a person who is the owner of the insured person, its legal representative, member of the management body, procurator, liquidator, trustee in bankruptcy;
- 43.1.18. damage has been caused by a rented employee to a renting employer or a renting employer to a rented employee;
- 43.1.19. claim has been submitted by a person working for the insured person in connection with an accident at work or an occupational disease;
- 43.1.20. if the participation of the injured person in causing damage to themselves has been established;
- 43.1.21. if a claim against a self-employed insured person has been filed by a person in an employment relationship with the insured person, a person living with him or her, his or her close relative, including a spouse, partner, child, grandchild, parents, grandparents, etc.;
- 43.1.22. if the damage has been caused in connection with the provision of a professional service. Professional services include, in particular, design and other construction services (incl. owner supervision, surveying, geology, etc.); planning; auditing; surveying; evaluation; insurance intermediation; medical, financial, broker, legal aid, training, consulting, accounting, auditing, and notary services; programming; information technology services, etc.;
- 43.1.23. damage that is indemnified by way of pension or other social insurance;
- 43.1.24. damage that is subject to indemnification on the basis of compulsory insurance (e.g., Motor Insurance Act, Liquid Fuel Act) or recoveries of motor third party liability insurance or other compulsory insurance;
- 43.1.25. damage resulting from a product produced, sold, intermediated by the insured person after its transfer or leaving its control (manufacturer's liability);
- 43.1.26. cost of repairing or redesigning work not properly carried out;
- 43.1.27. claims for harm caused by toxic, alcohol, drug or other intoxication;
- 43.1.28. claims arising from the infringement of intellectual property rights, including infringement of patents or copyrights or regulations governing the use of trademarks;
- 43.1.29. damage related to blasting works, explosives, ammunition, firearms, chemical weapons, biological weapons, electromagnetic weapons, nuclear weapons;
- 43.1.30. damage related to radiation or radioactivity of any substance; nuclear energy or nuclear fuel;
- 43.1.31. damage related to the harmful effects of tobacco, tobacco products, e-cigarettes or asbestos, damage caused by electromagnetic fields, mould or dry rot;
- 43.1.32. damage related to any infectious disease (incl. AIDS, hepatitis, COVID, SARS or similar viruses), pests, fertilisers;
- 43.1.33. damage caused by urea formaldehyde (UF), diethylstilbestrol (DES), dioxins, or furans;
- 43.1.34. damage in connection with the damage, destruction or loss of an object of a third party in the possession, use, control or custody of the insured person (incl. documents, data carriers);
- 43.1.35. damage caused by disturbances in the transmission of electricity or the internet or disturbances in the water, heat or gas supply;

- 43.1.36. if the damage was caused by the penetration of precipitation into the building through its partially or completely open structures, windows, doors, roof, or if these openings were covered with a temporary cover;
- 43.1.37. if the damage is related to a road, car park or territory belonging to a building not specified in the policy, a mine, a quarry, a land improvement system;
- 43.1.38. if the damage is related to a natural water body, port, object not located on land, water structure, including a bridge, quay, pier, dam, reservoir, dyke, pond;
- 43.1.39. if the damage is related to railway vehicles, railway infrastructure, underground railway (metro) infrastructure, tram cable railway, cable car;
- 43.1.40. if the damage relates to a land, air and water vehicle or to any operation in connection with the said objects. However, ERGO shall indemnify the damages if the use of a land vehicle caused damage on the address of the building indicated in the policy or in its immediate vicinity in connection with maintenance works of the said building and the adjacent territory and provided that the damage is not indemnified under the motor third party liability insurance contract or the respective law.
- 43.1.41. if the damage is related to the aerodrome, aerodrome facilities (incl. air traffic control centre or other buildings or facilities belonging to any aerodrome), aeroplanes or any other aircraft, drones;
- 43.1.42. if the damage is related to power plants, including hydroelectric power plants, combined heat and power plants, wind turbines or wind farms; nuclear power plants, oil or gas platforms and oil or gas rigs;
- 43.1.43. if the damage is related to a landfill or waste management centre;
- 43.1.44. damage caused by the organisation or transmission of software, communication or internet services, a cyber incident (see also the exclusion in the general terms and conditions of insurance contracts);
- 43.1.45. damage arising from a breach of an international financial, economic or other trade sanction and damage arising from a breach of the protection of personal data provided for in the legislation of the European Union or Estonia (see also the exclusion in the general terms and conditions of insurance contracts);
- 43.1.46. damage caused to the environment, including the costs of limiting or cleaning pollution, sanctions and fines imposed in connection with the damage caused to the environment, etc.

## 44. Beneficiary

In the case of third party liability insurance, the beneficiary is not identified.

## General third party liability insurance

### 45. Application of the insurance terms and conditions

The Conditions of general third party liability insurance include protection of the third party liability insurance of the building possessor. When choosing general third party liability insurance protection, it is not necessary to purchase separate liability insurance cover of the building possessor to insure the liability arising from the ownership or possession of the building.

### 46. Insured event

- 46.1. An insured event is the occurrence of damage to a third party as a result of an unexpected and unforeseen event that has occurred during the insurance period, as a result of which the insured person has a statutory obligation to indemnify the damage.
- 46.2. The occurrence of damage must be causally related to the insured activity indicated in the insurance contract or to the possession or control of an immovable, building or part thereof used in that activity.
- 46.3. ERGO does not indemnify damage caused by another person used by the insured person (e.g., subcontractor) to a third party in connection with the insured activity specified in the insurance contract, unless "Subcontractors" have been selected as additional insurance cover in the insurance contract.
- 46.4. All losses incurred as a result of the same unexpected and unforeseen event are considered as one insured event.

## 47. Supplementary insurance coverage

The supplementary insurance cover is only valid if it has been separately agreed upon in the policy, incl. agreeing on the potential limit of indemnity per insured event.

### 47.1. Deductible insurance

The agreed deductible is also indemnified if the amount of damage exceeds the amount of deductible fixed in the policy. If the amount of damage is less than the amount of the deductible, the deductible insurance does not apply.

### 47.2. Property in the possession of the insured person

ERGO shall indemnify the damage caused by the damage or destruction of the property of a third party in the possession, use, control or custody of the insured person in accordance with the special conditions added to the policy upon the purchase of the additional insurance cover. If the policy does not indicate the purchase of additional insurance cover, the additional insurance cover is not valid.

ERGO does not indemnify if the damage has occurred to the property used by the insured person in their economic activities (tools, vehicles, equipment, etc.).

### 47.3. Subcontractors

ERGO shall provide indemnification for damage caused by a subcontractor used by the insured person when performing their obligations. ERGO shall indemnify a claim if a subcontractor caused damage related to the insured activity included in the insurance contract in the case if an employment contract was concluded with the subcontractor to perform these works. ERGO indemnifies if the insured person is liable to the injured party for the damage and the injured party submits a claim for damages against the insured person.

Subcontractors are not deemed to be insured persons, unless otherwise agreed in the insurance contract. After indemnification of the damage, ERGO has the right to file a claim against the person who actually caused the damage.

## 48. Validity of the Insurance Contract

48.1. In the case of indemnification, the insurer shall adhere to the terms and conditions of the insurance contract, the limit of indemnity, and the excess applicable at the time when the event took place.

48.2. Upon the conclusion of the insurance contract, the parties may agree on an extended reporting period for the notification of claims against the insured person.

48.3. In the case of an extended reporting period for the notification of claims against the insured person, ERGO indemnifies a claim that is submitted against the insured person within the agreed time after the end of the insurance period, but the underlying damage has occurred during the insurance period.

48.4. If the extended reporting period for the notification of claims has not been separately agreed, ERGO shall indemnify the claim submitted against the insured person within one year after the end of the insurance period.

48.5. Unless otherwise agreed in the insurance contract, ERGO indemnifies the claim arising from the insured event if the loss has occurred in Estonia, the claim is filed under the law of the Republic of Estonia, and is to be settled in the Estonian courts.

## 49. Sum insured

49.1. The sum insured is the maximum limit of indemnity for damages to be indemnified by ERGO that is agreed in the insurance contract.

49.2. In addition, a limit of indemnity may be agreed in the insurance contract for a single insured event or for an insured event based on a specific risk event defined in the insurance contract (for example, damage caused by work involving an open flame) or for a certain type of expense. If the limit of indemnity for an individual case has not been set, it is considered to be equal to the sum insured.

49.3. The sum insured is reduced by the amount of the indemnity paid out on the basis of the same insurance contract.

49.4. In agreement with ERGO, the sum insured or the limit of indemnity can be restored.



## 50. Deductible

- 50.1. Deductible is the amount agreed in the insurance contract, to the extent to which ERGO does not indemnify for the damage for which the insured person is liable to the extent specified in the terms and conditions of the insurance contract. Deductible applies to each insured event unless otherwise agreed.
- 50.2. Deductions arising from the same insured event are subject to a single deductible.
- 50.3. In the case of damage caused by the same cause (several insured events), one deductible applies.
- 50.4. Except for as otherwise agreed, legal expenses, court costs and expertise expenses will not be deductible.

## 51. Indemnity and costs of legal aid, court and expertise

- 51.1. Indemnity is the part of the damage and legal aid, court and expertise expenses that is subject to indemnification by ERGO in connection with the insured event.
- 51.2. ERGO will reimburse:
  - 51.2.1. a decrease in the value of the object of the injured person as a result of destruction of or damage to the object;
  - 51.2.2. the costs related to the infliction of bodily injury, damage to health or death to the injured person or the person who has the obligation to bear the incurred costs and the loss caused by the decrease in income as a result thereof;
  - 51.2.3. material damage not covered by clauses 51.2.1 and 51.2.2, but being a direct result of the damage referred to in clauses 51.2.1 or 51.2.2.
- 51.3. Legal, court and expertise expenses are reasonable and necessary expenses in connection with the establishment of the insured liability of the insured person.
- 51.4. ERGO does not reimburse legal assistance, court and expertise expenses if indemnification of a claim for damages is excluded by the insurance terms and conditions (e.g., a claim for non-material damage, a claim related to a contractual penalty).
- 51.5. Only legal aid, court and expertise costs previously agreed with ERGO in a format that can be reproduced in writing are reimbursed.

## 52. Actions in the case of a loss event

- 52.1. The policyholder must immediately notify ERGO of a circumstance which may result in damage to a third party or the submission of a claim against the insured person under the liability of the insured person, as well as immediately notify of any claim against themselves.
- 52.2. The policyholder must immediately notify ERGO of a circumstance which may result in ERGO's liability to a third party arising from the insurance contract concluded with the policyholder (e.g., under compulsory insurance).
- 52.3. The policyholder must immediately notify ERGO of the fact of initiating any court or other procedural proceedings that may have a connection with ERGO's rights and obligations arising primarily from the insurance contract concluded with the policyholder.
- 52.4. The policyholder must immediately perform the initial necessary rescue operations and take measures to prevent any increase in damage.
- 52.5. The policyholder must make every effort to preserve evidence of the circumstances of the damage and take immediate measures to prevent further damage or increase of the existing damage.
- 52.6. After receiving a claim against the insured person or regarding the circumstances referred to in clause 52.1 of these terms and conditions, ERGO must immediately begin processing the claim.
- 52.7. The policyholder must submit ERGO all documentation, evidence, pictures, explanatory notes, etc. related to the loss event, necessary to establish the circumstances of the loss event and the liability of the insured person.
- 52.8. At the request of ERGO, the policyholder must allow the location of the event to be examined during the claims handling procedure in order to determine the cause, amount, or other circumstances of the damage. Policyholder must provide ERGO with all information in their possession necessary to determine the circumstances of the loss event, the liability of the insured person, and ERGO's contractual obligations, and to authorise ERGO to obtain the necessary information.

52.9. If the policyholder has not fulfilled the above mentioned obligations and there is causation between the failure to fulfil obligations and the reason for the occurrence of the insured event and determining the circumstances or the consequences of the extent of the damage arising therefrom, ERGO has the right to reduce or refuse to pay the indemnification.

## 53. Indemnification procedure and principles

- 53.1. ERGO shall make a decision on indemnification or refusal to indemnify the damage after receiving all the documents and information related to the loss event that are necessary for establishing the insured liability, and after ascertaining the amount of damage and the circumstances of its occurrence. If criminal or misdemeanour proceedings have been initiated, ERGO has the right to postpone the decision until the accused is prosecuted or receives a decision to terminate or suspend the respective proceedings.
- 53.2. ERGO will pay the indemnity to the policyholder within two weeks after it has deemed the claim against the insured person to be verified, or from the time when the claim of the injured person has been established by a court decision, recognition of the claim, or a compromise agreement.
- 53.3. If the claim against the insured person has not been verified in full, ERGO will indemnify the part of the claim that has been verified and is subject to the insured liability.
- 53.4. If the insured person has acknowledged and fulfilled the claim against them in part or in full without receiving an approval from ERGO in a format that can be reproduced in writing, ERGO has no obligation to indemnify unless the circumstances of the damage, its amount, or the insured person's liability have been verified.
- 53.5. In the case of partial or joint and several liability of the insured person, ERGO shall indemnify the part of the claim for which the insured person is liable to the injured person in accordance with these terms and conditions. After indemnification for the damage, ERGO has the right to file a claim against the partial or joint and several debtor, if the law or the contract allows it.
- 53.6. If the damage is caused by gross negligence, ERGO has the right to reduce the amount paid or refuse to indemnify it.

## 54. Exclusions

- 54.1. ERGO does not indemnify:
- 54.1.1. damage that has occurred in connection with an activity or provision of service not described in the policy;
  - 54.1.2. intentionally caused damage;
  - 54.1.3. damage caused by force majeure;
  - 54.1.4. loss in revenue, except for a decrease in income related to the personal injury referred to in clause 51.2.2;
  - 54.1.5. non-material damage;
  - 54.1.6. unjust enrichment;
  - 54.1.7. if the claim against the insured person has expired;
  - 54.1.8. cost that would have been incurred even if the insured event had not occurred;
  - 54.1.9. damage caused by *negotiorum gestio*;
  - 54.1.10. damage that has been caused by an illegal activity, including the lack of registration, permit, licence, qualification, etc. required by legislation;
  - 54.1.11. damage resulting from a contractual liability or contractual obligation (e.g., guarantees, extension of limitation period, contractual penalties, default interest, interest, breach of agreed term or price agreement, non-compliance with the budget, etc.), unless the obligation to indemnify would also arise without the contract;
  - 54.1.12. damage resulting from public law sanctions imposed on the insured person (e.g., fines, penalties, etc.);
  - 54.1.13. mutual claims of persons covered by the same insurance contract;
  - 54.1.14. claims between companies belonging to the same group as the insured person, claims between parent companies, subsidiaries and affiliates;
  - 54.1.15. claim submitted by a person who is the owner of the insured person, its legal representative, member of the management body, procurator, liquidator, trustee in bankruptcy;
  - 54.1.16. damage has been caused by a rented employee to a renting employer or a renting employer to a rented employee;

- 54.1.17. claim has been submitted by a person working for the insured person in connection with an accident at work or an occupational disease;
- 54.1.18. if the participation of the injured person in causing damage to themselves has been established;
- 54.1.19. if a claim against a self-employed insured person has been filed by a person in an employment relationship with the insured person, a person living with him or her, his or her close relative, including a spouse, partner, child, grandchild, parents, grandparents, etc.;
- 54.1.20. if the damage has been caused in connection with the provision of a professional service. Professional services include, in particular, design and other construction services (incl. owner supervision, surveying, geology, etc.); planning; auditing; surveying; evaluation; insurance intermediation; medical, financial, broker, legal aid, training, consulting, accounting, auditing, and notary services; programming; information technology services, etc.;
- 54.1.21. damage that is indemnified by way of pension or other social insurance;
- 54.1.22. damage that is subject to indemnification on the basis of a compulsory insurance (e.g., motor insurance), or recoveries of motor third party liability insurance;
- 54.1.23. damage resulting from a product produced, sold, intermediated by the insured person as movable property after its transfer or leaving its control (manufacturer's liability);
- 54.1.24. costs of repairing or redesigning work not properly carried out;
- 54.1.25. claims for harm caused by toxic, alcohol, drug or other intoxication;
- 54.1.26. claims arising from the infringement of intellectual property rights, including infringement of patents or copyrights or regulations governing the use of trademarks;
- 54.1.27. damage related to blasting works, explosives, ammunition, firearms, chemical weapons, biological weapons, electromagnetic weapons, nuclear weapons;
- 54.1.28. damage related to radiation or radioactivity of any substance; nuclear energy or nuclear fuel;
- 54.1.29. damage related to the harmful effects of tobacco, tobacco products, e-cigarettes or asbestos, damage caused by electromagnetic fields, mould or dry rot;
- 54.1.30. damage related to any infectious disease (incl. AIDS, hepatitis, COVID, or SARS viruses), murrains, harmful organisms to plants, fertilisers, etc.;
- 54.1.31. damage caused by urea formaldehyde (UF), diethylstilbestrol (DES), dioxins, or furans;
- 54.1.32. damage in connection with the damage, destruction or loss of an object of a third party in the possession, use, control or custody of the insured person (incl. documents, data carriers);
- 54.1.33. damage caused to an underground cable or pipeline or one inside a structure.  
However, unlike the above, ERGO will indemnify the damage caused under this circumstance and limited by the insurance conditions, if the location of the cable or pipeline was determined according to a plan or project, the work was coordinated with the owner or holder of the cable or the pipeline, all safety requirements were followed during digging (incl. instructions on the digging permit, e.g., digging is only allowed with a shovel);
- 54.1.34. damage caused by disturbances in the transmission of electricity or the internet or disturbances in the water, heat or gas supply;
- 54.1.35. resulting from damage caused by vibration or removal or weakening of the supporting elements of the building;
- 54.1.36. if the damage has occurred in the course of demolition work to a part of the building not to be demolished or to the property located therein, or if the building has been demolished more than prescribed in the project documentation, etc.;
- 54.1.37. if the damage was caused by the penetration of precipitation into the building through its partially or completely open structures, windows, doors, roof, or if these openings were covered with a temporary cover;
- 54.1.38. if the damage is related to blasting works, mines, land improvement systems, tunnels built using the closed method;
- 54.1.39. if the damage is related to underwater works or objects not located on land, water structures, including a bridge, quay, pier, dam, reservoir, dyke, pond;
- 54.1.40. if the damage is related to railway vehicles, railway infrastructure, underground railway (metro) infrastructure, tram cable railway, cable car;
- 54.1.41. if the damage relates to air and water vehicle or to any operation in connection with the said objects;

- 54.1.42. is related to aerodromes, aerodrome facilities (including air traffic control centre), aeroplanes or any other aircraft, drones;
- 54.1.43. if the damage is related to power plants, including hydroelectric power plants, combined heat and power plants, wind turbines or wind farms; nuclear power plants;
- 54.1.44. is related to the insuring of oil or gas platforms and rigs;
- 54.1.45. if the damage is related to a landfill or waste management centre;
- 54.1.46. damage caused by the organisation or transmission of software, communication or internet services, a cyber incident (see also the exclusion in the general terms and conditions of insurance contracts);
- 54.1.47. damage arising from a breach of an international financial, economic or other trade sanction and damage arising from a breach of the protection of personal data provided for in the legislation of the European Union or Estonia (see also the exclusion in the general terms and conditions of insurance contracts);
- 54.1.48. damage to the environment, except for the costs of cleaning up pollution caused by a one-off, unexpected and unforeseen event, and reasonable costs related to initial rescue operations, including costs to prevent an increase in damage.

The extension of the insurance cover is valid if the damage and costs have been caused by the insured person within the framework of the insured activity and the insured person is responsible for their indemnification.

ERGO will not indemnify if the damage or costs are related to any regular, gradual pollution or contamination of the environment.

ERGO does not reimburse fees for the remediation of environmental damage based on the European Union Environmental Liability Directive, the Estonian Environmental Liability Act or any other legislation, or sanctions and fines imposed in connection with environmental damage.

## 55. Beneficiary

In the case of third party liability insurance, the beneficiary is not identified.

## Product liability insurance

### 56. Insured event

- 56.1. An insured event is the occurrence of damage to a third party as a result of an unexpected and unforeseen event that has occurred during the insurance period, as a result of which the insured person has a statutory obligation to indemnify the damage.
- 56.2. The damage must be causally linked with the defect of the product stated in the policy.
- 56.3. The product is a movable property produced, sold, brokered by the insured person specified in the insurance contract. The product may form a part of another object.
- 56.4. A product is defective if it is not safe to the extent that people have a justified reason to expect and if it has caused or may cause damage as defined in the insurance terms and conditions. A defect in the product manual or information on the packaging is also considered a defect of the product.
- 56.5. All losses arising from the same cause and claims arising from the occurrence of the same damage are considered to be as one insured event. A single limit of indemnity applies to the insured event, if it is indicated in the policy in addition to the sum insured, and a single deductible. The first occurrence of damage is considered to be the time of occurrence of the insured event.

### 57. Supplementary insurance coverage

The supplementary insurance cover is only valid if it has been separately agreed upon in the insurance contract, incl. agreeing on the potential limit of indemnity per insured event.

#### 57.1. Deductible insurance

ERGO will also indemnify the part of the agreed deductible if the amount of damage exceeds the amount of deductible fixed in the insurance contract. If the amount of damage is less than the amount of the deductible, the deductible insurance does not apply.

## 57.2. Insurance for expenses of product recall

ERGO indemnifies the costs related to the recall of a defective product from the market in accordance with the special conditions specified in the insurance contract when concluding the supplementary insurance cover. If the insurance contract does not indicate the purchase of additional insurance cover, the respective additional insurance cover is not valid.

## 58. Validity of the Insurance Contract

- 58.1. In the case of indemnification, the insurer shall adhere to the terms and conditions of the insurance contract, the limit of indemnity, and the excess applicable at the time when the event took place.
- 58.2. Upon the conclusion of the insurance contract, the parties may agree on an extended reporting period for the notification of claims against the insured person.
- 58.3. In the case of an extended reporting period for the notification of claims against the insured person, ERGO indemnifies a claim that is submitted against the insured person within the agreed time after the end of the insurance period, but the underlying damage has occurred during the insurance period.
- 58.4. If the extended reporting period for the notification of claims has not been separately agreed, ERGO shall indemnify the claim submitted against the insured person within one year after the end of the insurance period.
- 58.5. Unless otherwise agreed in the insurance contract, ERGO indemnifies the claim arising from the insured event if the loss has occurred in Estonia, the claim is filed under the law of the Republic of Estonia, and is to be settled in the Estonian courts.

## 59. Sum insured

- 59.1. The sum insured is the maximum limit of indemnity for damages to be indemnified by ERGO that is agreed in the insurance contract.
- 59.2. In addition, an limit of indemnity may be agreed in the insurance contract for a single insured event or for an insured event based on a specific risk event defined in the insurance contract (for example, damage caused by concrete elements manufactured and sold) or for a certain type of expense. If the limit of indemnity for an individual case has not been set, it is considered to be equal to the sum insured.
- 59.3. The sum insured is reduced by the amount of the indemnity paid out on the basis of the same insurance contract.
- 59.4. In agreement with ERGO, the sum insured or the limit of indemnity can be restored.

## 60. Deductible

- 60.1. Deductible is the amount agreed in the insurance contract, to the extent to which ERGO does not indemnify for the damage for which the insured person is liable to the extent specified in the terms and conditions of the insurance contract. Deductible applies to each insured event unless otherwise agreed.
- 60.2. Deductions arising from the same insured event are subject to a single deductible.
- 60.3. In the case of damage caused by the same cause (several insured events), one deductible applies.
- 60.4. Except for as otherwise agreed, legal expenses, court costs and expertise expenses will not be deductible.

## 61. Indemnity and costs of legal aid, court and expertise

- 61.1. Indemnity is the part of the damage and legal aid, court and expertise expenses that is subject to indemnification by ERGO in connection with the insured event.
- 61.2. ERGO will reimburse:
  - 61.2.1. a decrease in the value of the object of the injured person as a result of destruction of or damage to the object;
  - 61.2.2. the costs related to the infliction of bodily injury, damage to health or death to the injured person or the person who has the obligation to bear the incurred costs and the loss caused by the decrease in income as a result thereof;
  - 61.2.3. material damage not covered by clauses 61.2.1 and 61.2.2, but being a direct result of the damage referred to in clauses 61.2.1 or 61.2.2.

- 61.3. Legal, court and expertise expenses are reasonable and necessary expenses in connection with the establishment of the insured liability of the insured person.
- 61.4. ERGO does not reimburse legal assistance, court and expertise expenses if indemnification of a claim for damages is excluded by the insurance terms and conditions (e.g., a claim for non-material damage, a claim related to a contractual penalty).
- 61.5. Only legal aid, court and expertise costs previously agreed with ERGO in a format that can be reproduced in writing are reimbursed.

## **62. Actions in the case of a loss event**

- 62.1. The policyholder must immediately notify ERGO of a circumstance which may result in damage to a third party or the submission of a claim against the insured person under the liability of the insured person, as well as immediately notify of any claim against themselves.
- 62.2. The policyholder must immediately notify ERGO of a circumstance which may result in ERGO's liability to a third party arising from the insurance contract concluded with the policyholder (e.g., under compulsory insurance).
- 62.3. The policyholder must immediately notify ERGO of the fact of initiating any court or other procedural proceedings that may have a connection with ERGO's rights and obligations arising primarily from the insurance contract concluded with the policyholder.
- 62.4. The policyholder must immediately perform the initial necessary rescue operations and take measures to prevent any increase in damage.
- 62.5. The policyholder must make every effort to preserve evidence of the circumstances of the damage and take immediate measures to prevent further damage or increase of the existing damage.
- 62.6. After receiving a claim against the insured person or regarding the circumstances referred to in clause 62.1 of these terms and conditions, ERGO must immediately begin processing the claim.
- 62.7. The policyholder must submit ERGO all documentation, evidence, pictures, explanatory notes, etc. related to the loss event, necessary to establish the circumstances of the loss event and the liability of the insured person.
- 62.8. At the request of ERGO, the policyholder must allow the location of the event to be examined during the claims handling procedure in order to determine the cause, amount, or other circumstances of the damage. Policyholder must provide ERGO with all information in their possession necessary to determine the circumstances of the loss event, the liability of the insured person, and ERGO's contractual obligations, and to authorise ERGO to obtain the necessary information.
- 62.9. If the policyholder has not fulfilled the above mentioned obligations and there is causation between the failure to fulfil obligations and the reason for the occurrence of the insured event and determining the circumstances or the consequences of the extent of the damage arising therefrom, ERGO has the right to reduce or refuse to pay the indemnification.

## **63. Indemnification procedure and principles**

- 63.1. ERGO shall make a decision on indemnification or refusal to indemnify the damage after receiving all the documents and information related to the loss event that are necessary for establishing the insured liability, and after ascertaining the amount of damage and the circumstances of its occurrence. If criminal or misdemeanour proceedings have been initiated, ERGO has the right to postpone the decision until the accused is prosecuted or receives a decision to terminate or suspend the respective proceedings.
- 63.2. ERGO will pay the indemnity to the policyholder within two weeks after it has deemed the claim against the insured person to be verified, or from the time when the claim of the injured person has been established by a court decision, recognition of the claim, or a compromise agreement.
- 63.3. If the claim against the insured person has not been verified in full, ERGO will indemnify the part of the claim that has been verified and is subject to the insured liability.
- 63.4. If the insured person has acknowledged and fulfilled the claim against them in part or in full without receiving an approval from ERGO in a format that can be reproduced in writing, ERGO has no obligation to indemnify unless the circumstances of the damage, its amount, or the insured person's liability have been verified.
- 63.5. In the case of partial or joint and several liability of the insured person, ERGO shall indemnify the part of the claim for which the insured person is liable to the injured person in accordance with these terms and conditions. After indemnification for the damage, ERGO has the right to file a claim against the partial or joint and several debtor, if the law or the contract allows it.
- 63.6. If the damage is caused by gross negligence, ERGO has the right to reduce the amount paid or refuse to indemnify it.



## 64. Exclusions

- 64.1. ERGO does not indemnify:
- 64.1.1. damage caused in relation to a product not stated in the policy;
  - 64.1.2. intentionally caused damage;
  - 64.1.3. damage caused by force majeure;
  - 64.1.4. loss in revenue, except for a decrease in income related to the personal injury referred to in clause 61.2.2;
  - 64.1.5. non-material damage;
  - 64.1.6. unjust enrichment;
  - 64.1.7. if the claim against the insured person has expired;
  - 64.1.8. cost that would have been incurred even if the insured event had not occurred;
  - 64.1.9. damage caused by *negotiorum gestio*;
  - 64.1.10. damage that has been caused by an illegal activity, including the lack of registration, permit, licence, qualification, etc. required by legislation;
  - 64.1.11. damage resulting from a contractual liability or contractual obligation (e.g., guarantees, extension of limitation period, contractual penalties, default interest, interest, breach of agreed term or price agreement, non-compliance with the budget, etc.), unless the obligation to indemnify would also arise without the contract;
  - 64.1.12. damage resulting from public law sanctions imposed on the insured person (e.g., fines, penalties, etc.);
  - 64.1.13. damage caused by sabotage of the product or change in the price of the product;
  - 64.1.14. mutual claims of persons covered by the same insurance contract;
  - 64.1.15. claims between companies belonging to the same group as the insured person, claims between parent companies, subsidiaries and affiliates;
  - 64.1.16. claim submitted by a person who is the owner of the insured person, its legal representative, member of the management body, procurator, liquidator, trustee in bankruptcy;
  - 64.1.17. claim has been submitted by a person working for the insured person in connection with an accident at work or an occupational disease;
  - 64.1.18. if the participation of the injured person in causing damage to themselves has been established;
  - 64.1.19. if a claim against a self-employed insured person has been filed by a person in an employment relationship with the insured person, a person living with him or her, his or her close relative, including a spouse, partner, child, grandchild, parents, grandparents, etc.;
  - 64.1.20. damage caused in connection with the provision of a professional service, or work or service delivered while providing such service. Professional services include, in particular, design and other construction services (incl. owner supervision, surveying, geology, etc.); planning; auditing; surveying; evaluation; insurance intermediation; medical, financial, broker, legal aid, training, consulting, accounting, auditing, and notary services; programming; information technology services, etc.;
  - 64.1.21. damage that is indemnified by way of pension or other social insurance;
  - 64.1.22. damage that is subject to indemnification on the basis of compulsory insurance (e.g., Railways Act) or recoveries of motor third party liability insurance or other compulsory insurance;
  - 64.1.23. costs related to depreciation, damage or destruction, repair, altering, replacement, recall of a defective product;
  - 64.1.24. damage that arose from the product before the insured person transferred it to a third party;
  - 64.1.25. damage that was caused by a product that has exceeded its best before date;
  - 64.1.26. damage caused by improper use of the product, non-compliance with the instructions for use;
  - 64.1.27. claims for harm caused by toxic, alcohol, drug or other intoxication;
  - 64.1.28. claims arising from the infringement of intellectual property rights, including infringement of patents or copyrights or regulations governing the use of trademarks;
  - 64.1.29. damage related to radiation or radioactivity of any substance; nuclear energy or nuclear fuel;

- 64.1.30. damage related to the harmful effects of tobacco, tobacco products, e-cigarettes or asbestos, damage caused by electromagnetic fields, mould or dry rot;
- 64.1.31. damage related to explosives, ammunition, firearms, chemical weapons, biological weapons, electromagnetic weapons, nuclear weapons, or parts thereof;
- 64.1.32. damage caused by urea formaldehyde (UF), diethylstilbestrol (DES), dioxins, or furans;
- 64.1.33. damage related to any infectious disease (incl. AIDS, hepatitis, COVID, SARS or similar viruses);
- 64.1.34. damage arising from medical equipment and accessories, silicone implants, medicines, vaccines; hormone products, blood and blood banks, harmful effect on genes;
- 64.1.35. damage related to pests, insecticides, herbicides and plant protection products, fertilisers, growing media (including peat, soil), pest control products (e.g., rat poison), farm animal or horse feed;
- 64.1.36. if the product is a live animal, bird, fish;
- 64.1.37. damage related to a mine, an object used therein, or a part thereof;
- 64.1.38. if the damage is related to an object not located on land, water structure, including a bridge, quay, pier, dam, reservoir, dyke, pond, or parts thereof;
- 64.1.39. if the damage relates to a watercraft or parts thereof;
- 64.1.40. if the damage is related to railway vehicles, railway infrastructure, underground railway (metro) infrastructure, tram cable railway, cable car, or parts thereof;
- 64.1.41. damage related to products produced, sold or brokered for the automotive industry;
- 64.1.42. if the damage is related to the aerodrome, aerodrome facilities (incl. air traffic control centre or other facilities belonging to any aerodrome), aeroplanes or any other aircraft, drones, space technology, or parts thereof;
- 64.1.43. if the damage is related to power plants, including hydroelectric power plants, combined heat and power plants, wind turbines or wind farms; nuclear power plants, oil or gas platforms and oil or gas rigs, or parts thereof;
- 64.1.44. production of various gases, liquid fuel, or electricity;
- 64.1.45. damage caused by the organisation or transmission of software, communication or internet services, a cyber incident (see also the exclusion in the general terms and conditions of insurance contracts);
- 64.1.46. damage arising from a breach of an international financial, economic or other trade sanction and damage arising from a breach of the protection of personal data provided for in the legislation of the European Union or Estonia (see also the exclusion in the general terms and conditions of insurance contracts);
- 64.1.47. damage to the environment, except for the costs of cleaning up pollution caused by a one-off, unexpected and unforeseen event, and reasonable costs related to initial rescue operations, including costs to prevent an increase in damage.

The extension of the insurance cover is valid if the damage and costs have been caused by the insured person within the framework of the insured activity and the insured person is responsible for their indemnification.

ERGO will not indemnify if the damage or costs are related to any regular, gradual pollution or contamination of the environment.

ERGO does not reimburse fees for the remediation of environmental damage based on the European Union Environmental Liability Directive, the Estonian Environmental Liability Act or any other legislation, or sanctions and fines imposed in connection with environmental damage.

## 65. Beneficiary

In the case of third party liability insurance, the beneficiary is not identified.

## Employer's liability insurance

### 66. Insured event

- 66.1. An insured event is an unexpected accident at work involving the employee or an unforeseeable occupational disease diagnosed during the period of insurance, as a result of which the insured person (employer stated in the insurance contract) shall have the lawful obligation to indemnify damage. The insurance cover for an occupational disease is only valid if a corresponding note is made in the insurance contract.

- 66.2. When specifying an accident at work and an occupational disease, the basis shall be the Occupational Health and Safety Act.
- 66.3. All losses resulting from the same event that causes several occupational accidents are considered to be as one insured event.
- 66.4. All losses arising from the same diagnosis of an occupational disease are considered to be as one insured event.

## 67. Employee

Employees are persons working for the insured person on the basis of an employment or a service contract, members of the management board of the insured person, procurators and trainees, rented employees.

## 68. Supplementary insurance coverage

The supplementary insurance cover is only valid if it has been separately agreed upon in the insurance contract, incl. agreeing on the potential limit of indemnity per insured event.

### 68.1. Deductible insurance

The agreed deductible is also indemnified if the amount of damage exceeds the amount of deductible fixed in the policy. If the amount of damage is less than the amount of deductible, then deductible insurance does not apply.

### 68.2. Business trip (the whole world)

The insurance cover extends to business trips abroad taken by employees.

## 69. Validity of the Insurance Contract

- 69.1. In the case of indemnification, ERGO shall adhere to the terms and conditions of the insurance contract applicable when the event took place, the limit of indemnity and excess.
- 69.2. Unless agreed otherwise, ERGO will indemnify claims which are filed against the insured person within three years after the end of the insurance period.
- 69.3. Unless otherwise agreed in the insurance contract, ERGO will indemnify the claim arising from the insured event if the underlying event or damage has taken place in the Republic of Estonia.
- 69.4. ERGO indemnifies the claim arising from the insured event if it is submitted on the basis of the law of the Republic of Estonia and is subject to being settled in a court of the Republic of Estonia.
- 69.5. If the law of another country is applied to the legal relationship between the employer and the employee, ERGO shall not be obligated to indemnify in an amount that is greater than would be the case under similar circumstances under the legislation of the Republic of Estonia.

## 70. Sum insured

- 70.1. The sum insured is the maximum limit of indemnity for damages to be indemnified by ERGO that is agreed in the insurance contract.
- 70.2. In addition, an limit of indemnity may be agreed in the insurance contract for a single insured event or for an insured event based on a specific risk event defined in the insurance contract (for example, damage caused by occupational diseases) or for a certain type of expense. If the limit of indemnity for an individual case has not been set, it is considered to be equal to the sum insured.
- 70.3. The sum insured is reduced by the amount of the indemnity paid out on the basis of the same insurance contract.
- 70.4. In agreement with ERGO, the sum insured or the limit of indemnity can be restored.

## 71. Deductible

- 71.1. Deductible is the amount agreed in the insurance contract, to the extent to which ERGO does not indemnify for the damage for which the insured person is liable to the extent specified in the terms and conditions of the insurance contract. Deductible applies to each insured event unless otherwise agreed.

- 71.2. Deductions arising from the same insured event are subject to a single deductible.
- 71.3. In the case of damage caused by the same cause (several insured events), one deductible applies.
- 71.4. Except for as otherwise agreed, legal expenses, court costs and expertise expenses will not be deductible.

## 72. Indemnity and costs of legal aid, court and expertise

- 72.1. Indemnity is the part of the damage and legal aid, court and expertise expenses that is subject to indemnification by ERGO in connection with the insured event.
- 72.2. ERGO will reimburse:
  - 72.2.1. the costs related to the infliction of bodily injury, damage to health or death to the injured person (employee) or the person who has the obligation to bear the incurred costs and the loss caused by the decrease in income as a result thereof;
  - 72.2.2. a decrease in the value of the personal property of the injured person to the extent of the limit of indemnity agreed in the insurance contract, which results from the destruction or damage of the item in connection with an accident at work with the employee who owns the item.
- 72.3. Legal, court and expertise expenses are reasonable and necessary expenses in connection with the establishment of the insured liability of the insured person.
- 72.4. ERGO does not reimburse legal assistance, court and expertise expenses if indemnification of a claim for damages is excluded by the insurance terms and conditions (e.g., a claim for non-material damage, a claim related to a contractual penalty).
- 72.5. Only legal aid, court and expertise costs previously agreed with ERGO in a format that can be reproduced in writing are reimbursed.

## 73. Actions in the case of a loss event

- 73.1. The policyholder is obliged to immediately notify ERGO of a circumstance that may result in an accident at work or diagnosis of an occupational disease, as well as immediately notify of an accident at work or diagnosis of an occupational disease of an employee, or filing of a claim against the insured person in relation to such.
- 73.2. The policyholder must immediately notify ERGO of a circumstance which may result in ERGO's liability to a third party arising from the insurance contract concluded with the policyholder.
- 73.3. The policyholder must immediately notify ERGO of the fact of initiating any court or other procedural proceedings that may have a connection with ERGO's rights and obligations arising primarily from the insurance contract concluded with the policyholder.
- 73.4. Upon a loss event, the policyholder is required to:
  - 73.4.1. register an accident at work or an occupational disease in the manner prescribed by legislation of the Republic of Estonia and to fulfil all employer obligations arising from the legislation (e.g., notification obligations);
  - 73.4.2. make every effort to ascertain the circumstances and causes of the occurrence of an accident at work or an occupational disease, including the performance of all relevant obligations required by legislation;
  - 73.4.3. immediately perform the initial necessary rescue operations and take measures to prevent any increase in damage;
  - 73.4.4. make every effort to preserve evidence of the circumstances of the damage and take immediate measures to prevent further damage or increase of the existing damage;
  - 73.4.5. submit ERGO all documentation, evidence, pictures, explanatory notes, etc. related to the loss event, necessary to establish the circumstances of the loss event and the liability of the insured person;
  - 73.4.6. at the request of ERGO, allow the location of the event to be examined during the claims handling procedure in order to determine the cause or other circumstances of the damage. Policyholder must provide ERGO with all information in their possession necessary to determine the circumstances of the loss event, the liability of the insured person, and ERGO's contractual obligations, and to authorise ERGO to obtain the necessary information.  
  
If the policyholder fails to perform this obligation, ERGO is released from the obligation to perform the insurance contract.

- 73.5. If the policyholder has not fulfilled the above mentioned obligations and there is causation between the failure to fulfil obligations and the reason for the occurrence of the insured event and determining the circumstances or the consequences of the extent of the damage arising therefrom, ERGO has the right to reduce or refuse to pay the indemnification.
- 73.6. After receiving a claim against the insured person or regarding the circumstances referred to in clause 73.1 of these terms and conditions, ERGO must immediately begin processing the claim.

## 74. Indemnification procedure and principles

- 74.1. ERGO shall make a decision on indemnification or refusal to indemnify the damage after receiving all the documents and information related to the loss event that are necessary for establishing the insured liability, and after ascertaining the amount of damage and the circumstances of its occurrence. If criminal or misdemeanour proceedings have been initiated, ERGO has the right to postpone the decision until the accused is prosecuted or receives a decision to terminate or suspend the respective proceedings.
- 74.2. ERGO will pay the indemnity to the policyholder within two weeks after it has deemed the claim against the insured person to be verified, or from the time when the claim of the injured person has been established by a court decision, recognition of the claim, or a compromise agreement.
- 74.3. If the claim against the insured person has not been verified in full, ERGO will indemnify the part of the claim that has been verified and is subject to the insured liability.
- 74.4. If the insured person has acknowledged and fulfilled the claim against them in part or in full without receiving an approval from ERGO in a format that can be reproduced in writing, ERGO has no obligation to indemnify unless the circumstances of the damage, its amount, or the insured person's liability have been verified.
- 74.5. In the case of partial or joint and several liability of the insured person, ERGO shall indemnify the part of the claim for which the insured person is liable to the injured person in accordance with these terms and conditions. After indemnification for the damage, ERGO has the right to file a claim against the partial or joint and several debtor, if the law or the contract allows it.
- 74.6. If the damage is caused by gross negligence, ERGO has the right to reduce the amount paid or refuse to indemnify it.

## 75. Exclusions

- 75.1. ERGO does not indemnify:
- 75.1.1. damage intentionally caused by the employer, incl. if the employer intentionally violates the contract, safety requirements, mandatory instructions, etc.;
  - 75.1.2. damage caused by force majeure;
  - 75.1.3. loss of income, except for the decrease or loss of income or subsistence caused by the insured event;
  - 75.1.4. non-material damage;
  - 75.1.5. unjust enrichment;
  - 75.1.6. if the claim against the insured person has expired;
  - 75.1.7. damage due to lockout or strike;
  - 75.1.8. reduction in costs or income that would have been incurred even if the insured event had not occurred;
  - 75.1.9. damage caused by illness due to work (which is not an occupational disease);
  - 75.1.10. damage caused by *negotiorum gestio*;
  - 75.1.11. requirements arising from increased liability of the employer arising from law (e.g., the Security Act);
  - 75.1.12. damage caused by illegal activities either by the insured person or an employee, incl. no registration, permit, licence, qualification, driving licence, etc. required by legislation;
  - 75.1.13. damage resulting from contractual liability or contractual obligation (e.g., collective agreement, guarantees, extension of limitation period, contractual penalties, simplified verification, etc.), unless the obligation to indemnify would also arise without the contract;
  - 75.1.14. damage resulting from public law sanctions imposed on the insured person (e.g., fines, penalties, etc.);
  - 75.1.15. damage that is indemnified by way of pension or other social insurance;

- 75.1.16. damage that is subject to indemnification on the basis of compulsory insurance (e.g., motor third party liability insurance) or recoveries of motor third party liability insurance or other compulsory insurance;
- 75.1.17. claims for harm caused by toxic, alcohol, drug or other intoxication;
- 75.1.18. damage related to blasting works, explosives, ammunition, firearms, chemical weapons, biological weapons, electromagnetic weapons, nuclear weapons;
- 75.1.19. damage related to radiation or radioactivity of any substance; nuclear energy or nuclear fuel;
- 75.1.20. damage related to the harmful effects of tobacco, tobacco products, e-cigarettes or asbestos, lead or silicon, damage caused by electromagnetic fields, mould or dry rot;
- 75.1.21. damage related to any infectious disease (incl. AIDS, hepatitis, COVID, SARS or similar viruses) or medications taken;
- 75.1.22. damage caused by urea formaldehyde (UF), diethylstilbestrol (DES), dioxins, or furans;
- 75.1.23. damage arising from a breach of an international financial, economic or other trade sanction and damage arising from a breach of the protection of personal data provided for in the legislation of the European Union or Estonia (see also the exclusion in the general terms and conditions of insurance contracts).

## 76. Beneficiary

In the case of third party liability insurance, the beneficiary is not identified.

## Employer's health insurance

### 77. Insured person

- 77.1. The insured person(s) is/are the employee(s) of the policyholder specified in the insurance contract by their name.
- 77.2. An employee is deemed to be a person working on the basis of an employment contract as well as persons acting on the basis of a contract under the law of obligations, in public service, or as a member of a management body or a procurator of a legal person.
- 77.3. The insured person may also be the employee's family member if agreed thereon separately in the insurance contract.
- 77.4. A family member is deemed to be the employee's spouse, cohabitee and their children.
- 77.5. In order to add an insured person on the list or delete them from such, the policyholder must send ERGO a written notice.
- 77.6. When insured persons are added, the insurance cover will take effect on the date of the calendar month of submitting a notice of insurance cover, which corresponds to the start date of the insurance period.
- 77.7. When insured persons are deleted, the insurance cover will end on the last day of the calendar month of submitting the notice.
- 77.8. If insured persons are added during the insurance period or insurance cover is terminated, insurance premiums are accounted for the full month.

### 78. Validity of the health insurance contract. Insurance period

- 78.1. The insurance contract is concluded without a fixed term.
- 78.2. The insurance period is one year, the start and end dates of which are stated in the policy.
- 78.3. Unless the parties express their wish to terminate the insurance contract prior to the expiry of the insurance period, the insurer will issue a new policy for each following insurance period.

### 79. Insured risk and circumstances influencing it

- 79.1. Insured risk may be increased by the risk circumstances related to the policyholder or insured person, due to which the likelihood of the occurrence of an insured event or expenses related to an insured event increase.



79.2. In the case of a larger insured risk, ERGO has the right to increase the insurance premium upon entry into the contract, apply special terms and conditions or refuse to enter into the insurance contract.

## 80. Area of validity of the insurance cover

The insurance cover applies to the medical treatment services provided and prescription medicinal products, assistive devices, glasses and lenses purchased in Estonia, Latvia and Lithuania.

## 81. Sum insured. Limit and rate of indemnity for medical treatment expenses

- 81.1. The sum insured is the amount of money prescribed in the insurance contract to the extent of which ERGO pays the indemnity upon an insured event that occurred during the insurance period.
- 81.2. The limit of indemnity for medical treatment expenses is the maximum amount of money stated in the policy that ERGO pays upon an insured event that occurred during the insurance period.
- 81.3. The rate of indemnity for medical treatment expenses is the percentage of the medical treatment expenses per type of indemnity stated in the insurance contract. The part that exceeds the rate will be borne by the insured person themselves in the case of an insured event.
- 81.4. After payment of the indemnity, the sum insured for the given insurance period will decrease by the amount of indemnity paid for the respective type of indemnity.

## 82. Insured events

- 82.1. An insured event is an illness, accident or another event stated in the insurance contract of the insured person, due to which the insured person has, during the insurance period and after the end of the waiting period, been provided medically indicated health service or prescribed medical assistive devices or medicinal products in the volume and under the terms and conditions agreed in the insurance contract.
- 82.2. Every event that has happened to the insured person and is in compliance with the definition of an insured event is counted as a separate insured event.

## 83. Types of insurance coverage and insurance indemnities

The types of insurance indemnities on the covering of which ERGO and the policyholder may agree are listed below. The types of insurance indemnities covered as well as the limit and rate of indemnity thereof are stated in the policy.

- 83.1. Outpatient family and specialist doctor services
  - 83.1.1. ERGO indemnifies the expenses related to outpatient treatment of the insured person:
    - cost-sharing by the patient;
    - physician's paid appointment, incl. routine medical examination necessary for the prevention and early detection of diseases or for monitoring a chronic disease;
    - examinations, diagnostics, analyses and procedures prescribed by a physician;
    - medically indicated examinations, analyses and check-ups during pregnancy;
    - diagnostics and treatment of psychiatric diseases or their syndromes (incl. psychotherapy, psychologist counselling) prescribed by a physician.
  - 83.1.2. The exclusions of outpatient family medicine and specialised medical services include the following service providers, services and examinations:
    - addiction specialist;
    - nutritionist;
    - orthopaedist–prosthetist;
    - sclerotherapy and other procedures for the treatment of varicose veins;
    - barotherapy;
    - homeopathy;

- food intolerance testing;
- allergy tests;
- genetic and cytogenetic testing, except for when related to an insured event or medically indicated upon the monitoring of pregnancy;
- osteoporosis testing.

83.1.3. The insurance cover for outpatient family medicine and specialised medical services does not comprise, without a separate agreement, the following insurance coverage:

- expenses of prescription medicinal products;
- rehabilitation expenses;
- vaccination expenses.

## 83.2. Hospital treatment

83.2.1. The insurer indemnifies the expenses related to medically indicated planned or unplanned hospital treatment of the insured person both in the form of inpatient and day-care treatment, incl.:

- inpatient fees;
- extra expenses of a paid (incl. post-natal) hospital room;
- surgeries and treatment in hospital;
- analyses and diagnostic testing.

83.2.2. The exclusions of hospital treatment insurance cover include, in addition to those prescribed in the General Terms and Conditions of Health Insurance Contracts:

- surgery for veins;
- laparoscopic surgery for the penetrability of fallopian tubes and removal of adhesions;
- laser surgery correcting visual acuity;
- plastic surgery;
- expenses related to close relatives staying in hospital, except for the extra expenses of a post-natal paid hospital room;
- obstetrics;
- paid hospital treatment of a chronic disease or trauma diagnosed before the insurance contract entered into force.

83.2.3. The insurance cover for hospital treatment does not comprise, without a separate agreement, the following insurance coverage:

- organ and tissue transplants;
- cancer treatment;
- additional expenses of a paid midwife upon giving birth unless separately agreed thereon in the insurance contract.

## 83.3. Prophylactic health check

83.3.1. At the request of the insured person, the insurer indemnifies the following:

- paid health check, incl. allergy and food intolerance tests;
- expenses of an optometrist's consultation;
- expenses of travel-related medical counselling.

83.3.2. The insurance cover for the prophylactic health check does not comprise, without a separate agreement, the following insurance cover:

- expenses of the mandatory occupational health check arising from law.

## 83.4. Dental treatment

83.4.1. The insurer indemnifies the outpatient services provided by a dentist, incl.:

- dentist's outpatient appointment;
- diagnostics, treatment and prevention of oral soft tissue and hard tissue diseases, defects, traumas and congenital development disorders, including for example anaesthesia, fillings, root canal treatment, surgery, air-flow cleaning.

83.4.2. The exclusions of dental care insurance cover include:

- teeth whitening expenses;
- expenses of cosmetic treatment procedures and surgery on teeth and the oral cavity.

83.4.3. The insurance cover for dental care does not comprise, without a separate agreement, the following insurance coverage:

- orthodontics;
- fitting and repairing dental prostheses/dentures.

83.5. Rehabilitation and necessary assistive devices following an accident

83.5.1. The insurer shall reimburse the costs of outpatient rehabilitation treatment after an accident for up to three months after the end of active hospital treatment, including, for example:

- osteopathy, chiropractic, massage;
- mud treatment, manual therapy, electrotherapy;
- treatment baths, therapeutic exercise.

83.5.2. The insurer indemnifies the expenses of assistive devices necessary following an accident, including, for instance:

- expenses of a wheelchair, orthopaedic shoes and assistive devices, support equipment and hearing aid;
- expenses of joint prosthesis;
- expenses of support bandages, metal plates for osteosynthesis.

83.6. Dental care following an accident

The insurer indemnifies the expenses of repairing teeth that have become damaged as a result of an accident and the plastic surgery of the jawbone or teeth and the fitting of a jawbone prosthesis and dental prostheses/dentures (incl. orthodontics) following an accident.

83.7. Exclusions of accident insurance covers

The types of accident insurance indemnities are subject to the following exclusions, unless they are caused by an accident:

- stroke, epileptic seizure or other cramp-like seizures involving the entire body;
- minor injuries of the skin or mucous membrane by which the infection can enter the body, except for cases of rabies and tetanus if caused by an accident;
- intoxication caused by solids or liquids voluntarily administered orally, including food poisoning;
- abdominal hernia;
- vertebral spine disc damage;
- internal organ and brain haemorrhages.

83.8. Prescription medications

83.8.1. In the case of the insurance cover for prescription medicinal products, the insurer indemnifies the expenses of the medicinal products that have been prescribed during the insurance period by a physician and are registered in the European Union.

83.8.2. The exclusions of the insurance cover for prescription medicinal products include expenses on:

- medicinal products not subject to medical prescription;
- contraceptives;
- food supplements;
- vitamins;
- diet shakes.

83.9. Outpatient rehabilitation prescribed by a physician

83.9.1. The insurer shall reimburse the costs of outpatient rehabilitation prescribed by a doctor, including, for example

- osteopathy, chiropractic, massage;
- mud treatment, manual therapy, electrotherapy;
- treatment baths, therapeutic exercise.

83.9.2. The rehabilitation service provider may also provide the service elsewhere than in a medical institution.

#### 83.10. Vaccination

83.10.1. The insurer indemnifies the expenses of vaccinations given during the insurance period up to the limit and rate of indemnity stated in the policy.

83.10.2. The insurer also indemnifies the expenses of vaccination given outside of the premises of a health care provider.

#### 83.11. Expenses of ophthalmological aids

83.11.1. The insurer indemnifies the expenses of glasses and contact lenses based on a prescription issued by a physician or optometrist during the insurance period up to the limit of indemnity stated in the policy.

83.11.2. The precondition of reimbursing the cost of ophthalmological aids is a verified change in the insured person's vision during the insurance period.

#### 83.12. Critical illnesses

83.12.1. Critical illness is deemed to be an illness or surgery in the case of which all of the following terms and conditions are met:

- the illness or another event is included on the 'List and Description of Critical Illnesses' and is in compliance with the criteria described therein;
- the illness or another event has occurred for the first time during the insurance period and after the end of the waiting period;
- the need for the treatment or surgery of the critical illness has been confirmed by a health care professional entitled to work as a physician.

83.12.2. The additional cover for critical illnesses is subject to a two-month waiting period that is calculated as of the start of the insurance period or as of adding an insured person during the insurance period.

83.12.3. In the case of the additional cover for critical illnesses, the insurer pays the indemnity:

- as a single payment or
- as indemnity for medical treatment expenses.

83.12.4. Survival period is applied in the case of the indemnity in the form of a single payment.

- Survival period is a period of 30 days that is calculated as of the date when the diagnosis of the critical illness constituting the insured event was given.
- If the insured person dies during the survival period, the insurer has no obligation to pay the indemnity.
- If the insured person dies during the survival period, the insurance cover ends in respect of the insured person and the insurance premium paid by the policyholder is not refunded.
- The insurer makes the decision on the payment of the indemnity within 10 working days of the end of the survival period.

83.12.5. In the case of the cover for medical treatment expenses of critical illnesses, ERGO will indemnify the medical treatment expenses of the critical illness, incl.:

- the expenses of outpatient or inpatient treatment;
- the expenses of the medicinal products prescribed during the treatment;
- rehabilitation expenses.

83.12.6. The indemnity of medical treatment expenses is paid within a maximum of 18 months of the end of the calendar month when the diagnosis of the critical illness was given or until the amount of the limit of indemnity specified in the policy is paid out.

83.12.7. If several critical illnesses develop during the insurance period, the obligation of the insurer is limited to the sum insured.

83.12.8. If the insurer has, due to the treatment of a critical illness, paid the insured person the whole sum insured, upon the issue of a policy for the next insurance period the insurance cover will no longer extend to the critical illness whose treatment expenses have already been indemnified to the insured person.

83.12.9. The insurer pays the indemnity on the basis of a payment document issued by the health care provider either directly to the health care provider or to the insured person.

83.12.10. The type of the indemnity for critical illnesses and the limit of indemnity thereof is stated in the policy.

### 83.12.11. Cases of disbursement of indemnity

Critical illness within this document means an unexpected and unforeseeable serious illness of the insured person, which first occurred during the insurance period, which is included on the following list and corresponds to the conditions described herein.

The indemnity shall be paid if the insured person develops any of the illnesses listed below during the insurance period after the end of the waiting period.

- 83.12.11.1. Active tuberculosis (according to RHK-10 A15–A19) is an infectious disease, caused by mycobacteria. The disease usually spreads as a droplet infection manifesting in the lungs, and rarely other organs. The diagnosis must be confirmed by laboratory and radiation examinations and the disease must be diagnosed according to valid diagnostic and treatment guidelines.
- 83.12.11.2. Alzheimer's disease that appears before 65 years of age (according to RHK-10, G30, F00) is a neurodegenerative disease characterised by a disturbance in cortical nerve cell activity. The disease must be diagnosed according to appropriate valid diagnostic and treatment guidelines. Dementia is not considered an insured event if it is caused by other brain diseases, systemic diseases or psychiatric conditions.
- 83.12.11.3. Aorta surgery is an open or minimally invasive and endovascular surgical operation for the treatment of the narrowing, obstruction, aneurysm or dissection of the aorta. Aorta surgery must be performed by a qualified surgeon and the diagnosis must be confirmed with an angiographic examination. Surgery of an aorta branch or an operation due to congenital damage to the connective tissue (e.g. Marfan syndrome, Ehlers-Danlos syndrome) or an operation due to a traumatic injury to the aorta is not considered an insured event.
- 83.12.11.4. Aplastic anaemia (according to ICD-10, D60–D61) is an illness caused by chronic and persistent insufficiency of bone marrow function, for the elimination of which at least one of the following treatments is required:
- transfusion of blood or blood products;
  - administration of bone marrow stimulating medications;
  - administration of immunosuppressive medications;
  - bone marrow transplant.
- An insured event is not:
- haemorrhagic anaemia;
  - haemolytic anaemia;
  - iron deficiency anaemia;
  - vitamin B12 deficiency anaemia.
- 83.12.11.5. Bacterial meningitis (according to ICD-10, G00) is an inflammation of the meninges caused by a bacterial infection, as a result of which severe and permanent damage to the nervous system may develop. The disease must be diagnosed according to appropriate valid diagnostic and treatment guidelines.
- 83.12.11.6. Hepatitis C (according to ICD-10 B17.1 and B18.2) is an acute or chronic infectious disease caused by the hepatitis C virus. The disease is considered to be an insured event if the infection was the result of a transfusion of blood or blood products or a job-related accident. The disease must be diagnosed according to valid diagnostic and treatment guidelines.
- 83.12.11.7. Crohn's disease (according to ICD-10 K50, K51) is an autoimmune inflammatory disease involving any part of the digestive tract, which may cause different symptoms. The diagnosis must be confirmed with clinical findings and instrumental examinations. The disease must be diagnosed according to appropriate valid diagnostic and treatment guidelines.
- 83.12.11.8. Organ or bone marrow transplant is a surgical operation, in the course of which a heart, kidney, liver (full or partial), lung (both lungs, one lung or a part of a lung), bone marrow (allogenic), small intestine, pancreas (full), the entire face, arm or leg are transplanted. A transplant is considered to be an insured event if it is the only available treatment option. The transplanting of other organs, body parts, tissues (incl. cornea, bone tissue or skin) or cells (incl. pancreas islet cells, stem cells, haematogenous cells) is not considered to be an insured event.
- 83.12.11.9. A benign brain tumour (according to ICD-10, D33.0–D33.2) is a tumour verified by computed tomography or magnetic resonance tomography which, regardless of treatment (surgery, radiation therapy, gamma knife), causes permanent neurological damage lasting for more than three months. An insured event does not include cysts, granulomas, developmental anomalies of brain arteries or veins, brain haematoma or pituitary gland, spinal cord or acoustic nerve tumours.

- 83.12.11.10. Idiopathic Parkinson's disease before 65 years of age (according to ICD-10, G20) is a disease which causes a permanent disturbance in physical ability. The disease must be diagnosed according to appropriate valid diagnostic and treatment guidelines. The disease is considered an insured event, if it is not responsive to treatment, is progressive and if within six months the patient is not able to carry out at least three everyday activities (washing, dressing, getting to bed and up by themselves, moving around in the room eating, going to the toilet).
- 83.12.11.11. Human immunodeficiency virus disease or HIV disease (according to ICD-10 B20-B24) is a chronic infectious disease caused by the human immunodeficiency virus (HIV). The disease is considered an insured event, if the infection was caused by the transfusion of blood or blood preparations, or a job-related accident or physical assault. The virus must be diagnosed for the first time and the diagnosis must be confirmed in the national reference laboratory during the term of validity of the insurance contract. An asymptomatic human immunodeficiency virus infection (Z21 according to ICD-10), perinatal or congenital human HIV disease (according to ICD-10 P35) is not considered to be an insured event.
- 83.12.11.12. Total loss of a limb or function of a limb. A limb means the entire limb: an arm from the shoulder joint; a leg from the hip joint. Total loss of limb function means loss of muscle function in at least two limbs, lasting for more than 3 months, which has been diagnosed by a neurologist and caused by a trauma, or spinal cord or brain disease. Loss of a limb or the function of a limb due to self-mutilation or a psychiatric illness, Guillain-Barré syndrome, or a periodical or hereditary disturbance is not considered an insured event.
- 83.12.11.13. Total and irreversible damage to hearing in both ears, verified by an audiometric test and characterised by a hearing threshold of over 90 dB at the sound frequencies 500 and 1000, 2000 Hz with the ear with better hearing.
- 83.12.11.14. Total or partial loss of speech caused by any type of bodily damage or an illness, and which has lasted for more than 6 months. Loss of speech accompanying a psychiatric illness is not considered an insured event.
- 83.12.11.15. Liver function disorder (according to ICD-10 K71 and K72), the most common cause of which is liver necrosis caused by viral infections, toxins or immune system disorders. The diagnosis must be confirmed with:
- clinical findings (icterus, vomiting, liver tumour, ascites, encephalopathy, coagulopathy);
  - laboratory analysis results which characterise liver failure. Hepatic insufficiency caused by the unreasonable intake of drugs, as well as the consumption of alcohol or recreational drugs, is not considered to be an insured event.
- 83.12.11.16. Sclerosis multiplex (according to ICD-10 G35) is a chronic illness characterised by changes in the white matter of the central nervous system. The disease must be diagnosed according to appropriate valid diagnostic and treatment guidelines.
- 83.12.11.17. A malignant tumour (according to ICD-10 C00-C97, D46) is a disease, characterised by the uncontrolled multiplication of malignant cells and the spreading thereof into healthy tissues. This definition also covers malignant haematopoietic disease leukaemia, lymphoma and Hodgkin's disease, and myelodysplastic syndrome. The diagnosis must be confirmed by a pathomorphological examination. The insured events do not include tumours in situ, precanceroses, cervical dysplasia, types of cervical cancer CIN1-CIN3, early stages of prostate cancer (T1 in the tumour-nodus-metastasis system), basal cell or squamous cell melanoma and melanoma smaller than 1.5 mm of Breslow's depth or smaller than Clark level 3. In addition, tumours in carriers of HIV are not considered an insured event.
- 83.12.11.18. Stroke (according to ICD-10 I60-I64) is a cerebrovascular disease causing neurological damage lasting for more than 24 hours and is expressed by a disturbance in motor and sensory function and generalised symptoms. The definition includes cerebral infarction and intracerebral or subarachnoid non-traumatic haemorrhage. The diagnosis must be confirmed with brain computer tomography or MRT. Insured events do not include a transient i.e. passing ischaemic attack or a traumatic intracerebral haemorrhage and cerebral infarction. The disease must be diagnosed according to appropriate valid diagnostic and treatment guidelines.
- 83.12.11.19. Tick-borne encephalitis (according to ICD-10 A84) is an inflammatory infectious disease of the brain and meninges caused by a specific virus which is usually spread by ticks. Insured events shall only include events in which tick-borne encephalitis has developed despite receiving a timely and complete vaccination course, provided that the disease necessitated inpatient treatment lasting at least 10 days. A timely and complete vaccination course and inpatient treatment must be proven by documents (vaccination passport, excerpt of case history, etc.).



- 83.12.11.20. Lyme disease or tick-borne borreliosis or Lyme borreliosis (according to ICD-10 A69.2) is an infectious disease caused by bacteria of the Borrelia type, which develops after a tick attack and involves two or more organs or organ systems at one time (skin, joints, nervous system, cardiac muscle, etc.).
- 83.12.11.21. Coronary artery bypass grafting is a surgical operation conducted under general anaesthesia where the thorax is opened, with the aim of improving the blood supply to the cardiac muscle. In a coronary artery bypass, additional vessel(s) are added to the coronary artery or arteries, thereby ensuring the supply of arterial blood to the cardiac muscle with damaged blood supply.  
Endovascular coronary procedures (angioplasty, stenting of a coronary artery, laser treatment) are not considered to be insured events.
- 83.12.11.22. Acute chronic renal insufficiency (according to ICD-10 N18, N19) is a disease, caused by irreversible damage to the functioning of both kidneys, if it requires kidney replacement therapy with chronic dialysis therapy or a kidney transplant.
- 83.12.11.23. Heart surgery is a surgical operation conducted under general anaesthesia where the thorax is opened, with the aim of repairing or replacing one or several heart valves. Heart surgery is also the repairing or replacement of a heart valve through the blood vessels. Insured events do not include clipping of a mitral valve through a catheter.
- 83.12.11.24. Myocardial infarction (according to ICD-10 I21) means damage to the cardiac muscle caused by a disturbance in the blood supply to the cardiac muscle. The disease must be diagnosed according to appropriate valid diagnostic and treatment guidelines.
- 83.12.11.25. Third- and fourth-degree burns are burns which cause skin damage through the full thickness of the skin into the underlying tissues or muscles and involve at least 20% of the body surface area. An insured event is not:
- deliberately self-inflicted burns;
  - first and second degree burns.

## 84. Supplementary insurance coverage

The supplementary insurance cover is only valid if it has been separately agreed upon in the policy, incl. agreeing on the potential limit of indemnity per insured event.

- 84.1 If the policy states extended dental insurance coverage, the insurer shall indemnify the costs related to orthodontics, prosthetics and repair of prostheses in addition to the costs specified in clause 83.4.1.
- 84.2 If the policy specifies mandatory health examinations for additional insurance cover, the insurer shall indemnify the costs of the health examinations arising from law, including:
- occupational health check;
  - health check arising from law and necessary for employment.

## 85. General exclusions of health insurance coverage

In addition to the provisions of the general terms and conditions of ERGO health insurance, the following exclusions apply to all types of insurance indemnities:

- speech therapy and ergotherapy;
- sleep therapy, diagnostics and treatment of sleep disorders;
- sexual pathology;
- family planning, incl. infertility treatment, artificial insemination, termination of pregnancy without medical indication;
- immunotherapy;
- treatment and diagnostics, except for PAP test and HPV, of infections with a predominantly sexual mode of transmission, AIDS and HIV;
- transplantation of organs and tissues or haemodialysis, except for in the case of additional cover for critical illnesses;
- food supplements, diet shakes, food for particular nutritional uses;
- photodynamic laser treatment;
- informative lectures;

- stay at a spa;
- diagnostics and treatment of psychiatric diseases or their syndromes, except for in the case of outpatient family and specialist services cover;
- osteoporosis testing;
- trichology;
- podometry.

## 86. Actions in the case of a loss event

- 86.1. In the event of damage, the insured person may apply for treatment to both the ERGO contract partner and the health care provider suitable for them. The contact information on our contractual partners can be found on ERGO's webpage <https://www.ergo.ee/ravikindlustuse-koostoopartnerid>
- 86.2. In the event of a loss, an insured person shall:
- turn to a licensed physician at the first opportunity, follow the physician's instructions and do everything they can to prevent aggravation of the injuries caused by the accident;
  - report to the police, either themselves or through other persons, any bodily injuries that have been caused to the insured person by a third person or third persons;
  - report the need for treatment to the insurer in writing if there is a need to obtain a letter of guarantee from the insurer.

## 87. Indemnification procedure and principles

The insured person or the person having the right to claim an indemnity must present the following to ERGO:

- an indemnity application;
- in the case of the examinations, analyses and treatment prescribed by a physician, an extract from the medical history or medical record;
- documents certifying the expenses related to health services;
- a copy of the prescription in the case of indemnity of prescription medicinal products;
- in the case of bodily injuries caused by (a) third party/parties, a police statement.