

# GENERAL TERMS AND CONDITIONS OF INSURANCE CONTRACTS

## KT.0806.11

### 1. Introduction

- 1.1. ERGO Kindlustuse AS provides several insurance solutions of various content and coverage. As a result of this, it is necessary to regulate the relations between ERGO Kindlustuse AS and the client on the basis of general rules.
- 1.2. The general terms and conditions of insurance contracts formulate the definitions used in insurance contracts, as well as the rights and obligations of ERGO and of the client in entering and performing a contract and in compensating a loss.
- 1.3. The general terms and conditions are an integral part of the insurance contract entered between ERGO Kindlustuse AS and the policy holder.

### 2. Definitions

- **Insurer** is ERGO Kindlustuse AS.
- **Policy holder** is a person who has an insurable interest and has entered an insurance contract with the insurer.
- **Insurable interest** is the policy holder's financial interest to insure itself or its property against a certain insured risk (see clause 3 of the general terms and conditions).
- **Insurance quotation** is the insurer's proposal to enter an insurance contract.
- **Insurance contract** is an agreement entered between the policy holder and the insurer, according to which the insurer shall compensate for the loss caused as a result of the insured event or pay the agreed amount of money or perform the contract in some other agreed upon manner. The policy holder shall undertake to pay the insurance premiums.
- **Fixed-term insurance contract** is an insurance contract that expires upon the expiry of the insurance period.
- **Insurance contract for an unspecified term** shall remain valid until the cancellation of the insurance contract.
- **Terms and conditions of insurance** are the terms and conditions applied by the insurer in a specific insurance relationship. Terms and conditions of insurance shall be considered to be these general terms and conditions, the terms and conditions of each insurance product, and risk and special conditions.
- **Policy** (or insurance policy) is a document issued by the insurer proving the entry into the insurance contract.
- **Payment notice** is a notice sent by the insurer, notifying the policy holder of the upcoming payment due date.
- **Insured person** (or the insured) is the person with respect to whom the insured risk has been insured. It shall be presumed that an insured risk related to the insurance policy holder has been insured.
- **Beneficiary** is the person referred to in the insurance contract who, in the event of the insured event, shall be entitled to receive the insurance benefit or to benefit from the performance of some other obligation of the insurer in accordance with the insurance contract. Where a contract for liability insurance is entered, no beneficiary shall be designated.
- **Insured object** (or the object of insurance) is the object with respect to which the insured risk has been insured.
- **Insured risk** is the risk against which insurance is taken out.
- **Insurance period** is the time period on the basis of which insurance premiums shall be calculated. Unless agreed otherwise, it shall be presumed that the insurance period is one year.
- **Insurance location** or the geographic area of insurance is the region or area defined in the insurance contract where the obligation to perform arising from the insurance contract of the insurer shall apply with respect to the insured event that has occurred.
- **Insured event** is the agreed upon event in the case of which the insurer shall perform its contractual obligation.
- **Excess** is the agreed portion of the loss by which the insurer's obligation to perform shall be reduced. Excess shall apply in the case of each insured event.

- **Insurance benefit** is the amount of money paid in order to compensate for the loss caused as a result of the insured event. An insurance benefit may be non-monetary if the insured object is replaced or reinstated.
- **Insurance value** is the value of the insurable interest during the occurrence of the insured event.
- **Amount insured** or the maximum compensation is the maximum settlement amount per one insured event.
- **Written notification** is the transmission of a notice, application or other information to the insurer, policy holder or other agreed person in a manner permitting the communicated information to be reproduced later in writing.
- **Notification procedure.** A notice, application or other information shall be transmitted to the insurer, policy holder or other agreed person at the postal address, e-mail address or fax number indicated on the policy or other insurance contract documents. With the transmission of a notice, application or other information in the said manner, the respective information shall be deemed to have been delivered.

### 3. Existence of an insurable interest

- 3.1. An insurable interest is the financial interest of the policy holder that may be impaired as a result of damage to, the destruction or disappearance of the insured object.
- 3.2. In entering an insurance contract, the insurer presumes the policy holder to have an insurable interest. The insurer shall be entitled to verify the existence of an insurable interest and, in the absence thereof, decline to enter an insurance contract.
- 3.3. If the absence of the policy holder's insurable interest is established during the processing of an insured event, and it becomes evident that the owner of the insured object will not consent to the performance of the insurance contract for another party, the insurer shall be released from the obligation to perform the insurance contract.

### 4. Entry into an insurance contract

- 4.1. An insurance contract shall be deemed to have been entered into once the policy holder has met one of the following conditions:
  - 4.1.1. Paid the insurer the first premium;
  - 4.1.2. Certified the entry into the insurance contract with his/her signature on the insurance quotation or policy;
  - 4.1.3. Performed some other act agreed upon in the insurance contract.
- 4.2. As proof of the entry into the insurance contract, the insurer shall issue an insurance policy. The insurer's certification on the insurance policy may be original, digital or mechanically reproduced.
- 4.3. In accordance with the principle of the freedom of contract, in the case of voluntary insurance the insurer shall be entitled to decide with whom and on what terms it enters or refrains from entering a contract.

### 5. Insurance contract documents

Insurance contract documents shall include the insurance policy, the terms and conditions of insurance contracts, the conditions of the type of insurance selected, the application to enter an insurance contract and any other documents referred to in the insurance policy and/or insurance quotation.

## 6. Entry into effect, term, amendment and renewal of an insurance contract

- 6.1. An insurance contract shall enter into force upon entry, unless another term or condition for entry into force has been agreed.
- 6.2. Insurance coverage shall apply during the period indicated on the insurance policy.
- 6.3. An insurance contract may be for a specified or unspecified term.
- 6.4. To amend the insurance contract, the policy holder shall file an application with the insurer. An insurance contract shall be deemed to have been amended once the parties have reached a relevant agreement, and the policy holder has performed the condition(s) provided in this agreement.
- 6.5. An insurance contract for a specified term shall be deemed to have been renewed once the insurer submits to the policy holder a new proposal, and the policy holder accepts it. Where the terms and conditions of insurance have changed compared to the previous period, the insurer shall forward to the policy holder, together with the proposal, the new terms and conditions of insurance.
- 6.6. In case of an insurance contract for an unspecified term, the insurer shall forward the policy for every upcoming insurance period.

## 7. Premium and its payment

- 7.1. The policy holder shall be obligated to pay by the due date the premium specified in the insurance contract. The time of the payment of the premium shall be taken to be the moment when the relevant amount is deposited into the insurer's bank account or paid to the insurer's representative in cash or by payment card.
- 7.2. Delay or failure to pay the first premium.
  - 7.2.1. If the policy holder has not paid a premium or the first premium within 14 days of the conclusion of the insurance contract, the insurer may withdraw from the contract until the payment is made.
  - 7.2.2. It shall be presumed that the insurer has withdrawn from the contract if it does not file an action to collect the premium within three months of the payment becoming collectable.
  - 7.2.3. If the premium or first premium that has become collectable has not been paid by the time of the occurrence of the insured event, the insurer shall be released from the performance of its obligation.
- 7.3. Delay or failure to pay subsequent premiums.
  - 7.3.1. If the policy holder does not pay the second or subsequent premium by the due date, the insurer may, in a format reproducible in writing, assign to the policy holder a grace period for payment of at least two weeks, and in case of the insurance of a building a grace period of at least one month.
  - 7.3.2. If the policy holder does not pay the premium by the extended due date, the insurer shall be entitled to cancel the insurance contract without advance notice. In the notice on the grace period, the insurer may advise that upon the lapse of the term of payment it shall deem the contract to have been cancelled if the policy holder has not made the payments within the term of payment.
  - 7.3.3. If the insured event occurs after the expiry of the grace period, and the policy holder has not paid the premium by the time of the occurrence of the insured event, the insurer shall be released from its obligation to perform.
  - 7.3.4. If the policy holder pays all indebtedness on a premium(s) within one month of the cancellation of the contract or the lapse of the term designated for payment, and no insured event has occurred prior to the payment, the contract shall not be deemed to have been cancelled.
  - 7.3.5. If the policy holder pays a premium, the insurer shall apply this to the debt incurred earliest on the premium that the policy holder owes the insurer under the insurance contract in accordance with which the policy holder made the payment.

## 8. Settlements

- 8.1. The insurer shall present a payment notice to notify the policy holder of the upcoming payment due date and the bank account and reference numbers of the insurer. A payment notice may be

transmitted in hard copy or electronically.

- 8.2. If the payment notice is not sent or received, this shall not release the policy holder from the obligation to pay a premium.
- 8.3. If a premium is paid incorrectly, and the insurer is unable to decide, based on the information available, for which insurance contract the payment has been received, the premium shall be deemed to have been left unpaid until it has been established for which insurance contract the payment is.
- 8.4. If the policy holder pays an amount less than stipulated, the insurer shall contact the policy holder. The premium shall be deemed to have been received only once the entire amount stipulated has been received.
- 8.5. If the policy holder pays an amount greater than stipulated, the insurer shall refund the amount paid in excess. To refund the overpaid amount, the insurer shall contact the policy holder and double-check any information required.

## 9. Expiry, cancellation and withdrawal of an insurance contract

- 9.1. An insurance contract shall expire:
  - 9.1.1. Upon the lapse of the insurance period;
  - 9.1.2. Upon the cancellation of the insurance contract;
  - 9.1.3. Upon the withdrawal of the insurance contract;
  - 9.1.4. On other bases stipulated by law.
- 9.2. Parties to the insurance contract shall be entitled to cancel the insurance contract as per the procedure stipulated by law and by agreement between the parties.
- 9.3. The insurer shall be entitled to cancel the insurance contract:
  - 9.3.1. If the policy holder has breached any terms of the insurance contract;
  - 9.3.2. If the policy holder or beneficiary has deceived or attempted to deceive the insurer as to the insurance contract or the circumstances of the insured event;
  - 9.3.3. After the occurrence of the insured event;
  - 9.3.4. In case of an increase in the insured risk;
  - 9.3.5. If the policy holder has failed to pay the second or subsequent premium.
- 9.4. In cancelling the insurance contract, the insurer shall be obligated to observe the requirements and time periods stipulated by the Law of Obligations Act.
- 9.5. The insurer shall have no right to cancel the insurance contract if the breach of the terms of the insurance contract has no impact on the increase of the probability of the insured risk or on the insurer's obligation to perform the insurance contract (except the non-payment of a periodic premium).
- 9.6. If the insurance contract is cancelled, the policy holder shall be entitled to a refund of the premium paid for the time remaining until the end of the insurance period, less the administrative expenses of the insurer (15% of the annual premium). If the insured object has been destroyed as a result of the insured event, there shall be no refund of the premium paid for the time remaining until the end of the insurance period.
- 9.7. The insurer shall be entitled to withdraw from the insurance contract if during the conclusion of the insurance contract the policy holder has not notified the insurer of material circumstances affecting the insured risk or has knowingly submitted false information. The insurer shall be entitled to withdraw from the insurance contract within one month of when it became aware of or should have become aware of the breach of the notification obligation.
- 9.8. If the policy holder has not paid the first premium within 14 days of the agreed due date and if the insurer has not granted the policy holder a new payment term during this time, it shall be presumed that the insurer has withdrawn the contract.
- 9.9. In withdrawing the insurance contract, the insurer shall refund to the policy holder the premium, less the administrative expenses of the insurer (15% of the annual premium).

## 10. Designation of a beneficiary

- 10.1. A beneficiary shall be designated or altered on proposal by the policy holder. If the insurance contract designates an insured

person, the consent of the insured person shall be required for the designation of a beneficiary as well.

- 10.2. After the death of the policy holder that is a natural person, heirs to the policy holder may alter the beneficiary only with the consent of the insured person.
- 10.3. After the death of the insured person that is a natural person, the identity of the beneficiary may not be altered.
- 10.4. If the beneficiary forfeits the right to the insurance benefit due to circumstances dependent on him/her, or the beneficiary has died before the occurrence of the insured event, the beneficiary shall be deemed to not have been designated.
- 10.5. For the conclusion of a liability insurance contract, no beneficiary shall be designated.

## 11. Persons equal to the policy holder

- 11.1. For the purposes of the performance of any obligations under the insurance contract, there shall be equal to the policy holder:
  - 11.1.1. the insured person (except in a liability insurance contract);
  - 11.1.2. the insured or the legal and/or de facto family members living together with the policy holder;
  - 11.1.3. the beneficiary/beneficiaries (except in a liability insurance contract);
  - 11.1.4. the legal possessor(s) of the insured object;
  - 11.1.5. a person using the insured object with the consent of its owner or legal possessor;
  - 11.1.6. any persons working for the policy holder and any persons whom the policy holder employs in his/her business activity and/or the performance of his/her obligations.
- 11.2. The policy holder shall be obligated to explain to the above persons the obligations of the policy holder under the insurance contract.
- 11.3. If the above persons breach the insurance contract, this shall be deemed to be a breach by the policy holder.

## 12. Notification obligation of the insurer

During the term of the insurance contract, the insurer shall be obligated to notify the policy holder of any changes to the insurer's name, legal form, address, also the address of the branch office where the insurance contract was entered. Notification of the changes described shall be provided via the insurer's webpage ([www.ergo.ee](http://www.ergo.ee)) or the mass media.

## 13. Notification obligation of the policy holder

- 13.1. When entering a contract, the policy holder shall notify the insurer of all the circumstances known to him/her that may affect the insurer's decision to enter the contract or to do so under other circumstances agreed upon.
- 13.2. The policy holder shall also be obligated to provide truthful and accurate answers if the policy holder presumes that the relevant circumstance may be known to the insurer.
- 13.3. It shall be presumed that material circumstances are those that the policy holder has been asked about during the conclusion of the contract or that have been stipulated in the terms and conditions of insurance or on the policy.
- 13.4. During the term of the insurance contract, the policy holder shall notify the insurer immediately and in writing of:
  - 13.4.1. an increase in the probability of the insured risk, including in the event when the increase in the insured risk is caused by a generally known circumstance affecting also the insured risk of other policy holders;
  - 13.4.2. any changes to the material circumstances agreed in the contract;
  - 13.4.3. transfer of the insured object;
  - 13.4.4. mortgaging of an immovable, if the insured object is an integral part of this immovable.

## 14. Consequences of a breach of the notification obligation

- 14.1. If the policy holder did not notify the insurer of circumstances material to the conclusion of the insurance contract and thereby

breached the notification obligation stipulated in clause 13 of the general terms and conditions or intentionally avoided learning of a material circumstance or provided incorrect information thereon, the insurer may withdraw from the contract. For the reason described, the contract may be withdrawn from within one month as of the moment when the insurer became aware of or should have become aware of the breach of the notification obligation stipulated in clause 13 of the general terms and conditions.

- 14.2. The insurer may not withdraw from a contract by reference to a breach of the notification obligation, if:
  - 14.2.1. the insurer knew of the incorrectness of the information or of the circumstance of which it had not been informed.
  - 14.2.2. the policy holder was not at fault for failing to notify or for providing incorrect information;
  - 14.2.3. the circumstance regarding which notification was not provided or about which incorrect information was provided ceased to exist before the occurrence of the insured event.
  - 14.2.4. the insurer abandoned the withdrawal.
- 14.3. If the policy holder must notify the insurer of material circumstances on the basis of questions posed by the insurer, the insurer may withdraw from the contract directly because of the non-disclosure of a circumstance not asked about only if an intentional concealment of the circumstance is involved.
- 14.4. If the insurer cannot withdraw from the contract on the basis of the provisions in clause 14 of the general terms and conditions, it may require of the policy holder an increase in the premium from the beginning of the current insurance period. On the basis described, an increase in the premium may be required within one month of when the insurer became aware of the circumstance of which the policy holder had not notified it.
- 14.5. The provisions in clause 14 of the general terms and conditions shall not preclude the insurer's entitlement to cancel the contract due to fraud.

## 15. Underinsurance, overinsurance, multiple insurance

- 15.1. Underinsurance is a situation where the amount insured of the insured object is less than its insurance value. In the case of underinsurance, the insurance benefit shall be paid in proportion to the ratio between the premium and the insurance value during the occurrence of the insured event.
- 15.2. Overinsurance is a situation where the upper limit of the amount insured or the agreed insurance benefit exceeds the insurance value of the insured object. In case of overinsurance, the insurer shall compensate for no more than the actual amount of loss.
- 15.3. Multiple insurance is a situation where the insured object is either partially or fully insured against the same insured risk by the same or multiple insurers, and the total amount of the benefits payable by the insurers would exceed the amount of the loss, or the premiums all together would exceed the insured value.
- 15.4. In case of multiple insurance, the insurers shall be liable as solidary obligors.

## 16. Transfer of the insured object

- 16.1. The transferor or transferee shall notify the insurer of the transfer of the insured object immediately.
- 16.2. If the insurer is not notified of the transfer of the object in a timely fashion, the insurer shall be released from its obligation to perform, in the event that the insured event occurs later than one month as of the date when the insurer should have received the relevant notice.
- 16.3. In the case of the transfer of the insured object, all of the policy holder's rights and obligations under the insurance contract shall be transferred to the transferee.
- 16.4. The policy holder's rights and obligations under the insurance contract shall not be deemed to have been transferred until the insurer has been notified of the transfer of the insured object.
- 16.5. In case of the transfer of the insured object, the insurer may cancel the insurance contract within one month of learning of the transfer of the object, if it provides at least one month's advance notice of the cancellation.

## **17. Increase of the insured risk and the consequences thereof**

- 17.1. An increase in the likelihood of the insured event shall be considered to be an increase in the probability of the insured risk. After the conclusion of the contract, the policy holder may not, without the consent of the insurer, increase the insured risk or permit it to be increased by persons to whom it is liable.
- 17.2. If the policy holder breaches the obligation to notify of an increase in the insured risk (clause 13.4.1 of the general terms and conditions), the insurer shall be released from the obligation to perform the insurance contract if the insured event occurs after the lapse of one month from when the insurer should have received the notice.
- 17.3. If the policy holder increases the insured risk, and the insured event occurs after the increase in the insured risk, the insurer shall be released from the obligation to perform the insurance contract to the extent of the increased insured risk.
- 17.4. The provisions in clauses 17.2 and 17.3 shall not apply, if:
  - 17.4.1. by the time of the occurrence of the insured event there will have lapsed the term during which the insurer could cancel the contract or require its amendment due to an increase in the insured risk without the insurer cancelling the contract or requiring its amendment;
  - 17.4.2. the increase in the insurance risk had no effect on the occurrence of the insured event;
  - 17.4.3. the greater insured risk would not have affected the applicability or scope of the insurer's obligation to perform;
  - 17.4.4. the insurance risk increased through the insurer's fault.
- 17.5. If, in accordance with the provisions in clause 17.2 or 17.3, the insurer is released from its obligation to perform only with respect to some insured object or person, it shall be released from the entire obligation to perform if based on the circumstance it may be presumed that it would not have entered the contract on the same circumstances with regard to this part alone.
- 17.6. During the insurance period, the insurer shall be entitled to inspect the insured object, require the policy holder to implement additional security measures and the like to reduce the increased insured risk and/or a higher premium in accordance with the increased insured risk. The above shall not preclude the insurer's entitlement to cancel the insurance contract if necessary.

## **18. Safety requirements and compliance therewith**

- 18.1. To prevent loss, the policy holder shall be obligated to maintain and use his/her property prudently and diligently.
- 18.2. The policy holder and any persons equal to him/her shall be obligated to observe all the safety requirements deriving from applicable legislation, rules, instructions and the like, as well as from the safety requirements stipulated in the insurance contract.
- 18.3. If the policy holder does not comply with the safety requirements applicable to the insured object, the insurer shall be entitled to require the policy holder to comply with the safety requirements or to institute additional safety requirements, of which the policy holder shall be notified.
- 18.4. If the policy holder does not consent to the additional safety requirements, the insurer shall be entitled to cancel the contract by giving one month's advance notice.

## **19. Proceeding in the event of an insured event**

- 19.1. In the event of an insured event, the policy holder shall act and proceed as diligently as when he/she had no insurance contract.
- 19.2. The policy holder shall do all within his/her power to preserve evidence of the circumstances of the occurrence of the loss, also prevent further loss from being caused or an increase in the existing loss.

## **20. Compensation for loss**

- 20.1. The insurer shall perform loss adjustment operations as quickly as possible and compensate for the loss in accordance with the terms agreed upon in the insurance contract.

- 20.2. The insurer shall be obligated to collect and clarify all the relevant material circumstances, and the policy holder shall be obligated to submit all the necessary information and evidence for the establishment of the occurrence and amount of the loss.
- 20.3. The insurer shall be obligated to complete loss adjustment and make a decision on the case no later than within 10 days of receiving all the evidence and documents required for this.
- 20.4. For the purposes of clauses 20.2 and 20.3, required evidence shall be considered to also be a judgment issued after civil, criminal or misdemeanour proceedings initiated in connection with the insured event, if the circumstances to be established in the course of these proceedings are relevant to the ascertainment of the obligation to perform.
- 20.5. If the amount of the loss caused as a result of the insured event or its cause are unproven, the insurer shall compensate only for the portion that has been proven.
- 20.6. In compensating for the loss, the insurer shall be entitled to require the destroyed or damaged object to be handed over, as well as requiring the transfer to itself of the right to claim the lost or stolen (robbed, etc.) object. Until the transfer of the object or the respective right of claim, the insurer may reduce the benefit by the value of the respective object or right.
- 20.7. If the policy holder or beneficiary regains possession of the stolen object, this property shall have to be assigned to the insurer, or the insurance benefit shall have to be paid back.
- 20.8. If the insurer delays the payment of the insurance benefit, it shall be obligated, on demand of the person entitled to receive the insurance benefit, to pay a late fee in accordance with the law.

## **21. Methods for the compensation of a loss and deductions**

- 21.1. Methods for the compensation of a loss include:
  - 21.1.1. monetary compensation;
  - 21.1.2. restoration of the damaged object;
  - 21.1.3. replacement of the damaged, destroyed or lost (stolen, robbed, etc) object, with an object of equivalent value.
- 21.2. The method of compensation shall be decided by the insurer.
- 21.3. In case of the replacement or restoration of the damaged, destroyed or lost object, the insurer shall be entitled to determine the method of replacement or restoration and the person to affect it.
- 21.4. In compensating for a loss, the insurer shall be entitled to deduct from the insurance benefit:
  - 21.4.1. any excess specified in the insurance contract;
  - 21.4.2. the proportion of an outstanding premium until the end of the insurance period (in the case of the destruction of the insured object) or the premium that has become collectable, as per the insurance contract.
- 21.5. The insurer shall not compensate any taxes (for instance, value added tax) refundable to the policy holder under the Value Added Tax Act.

## **22. Release from the obligation to perform the insurance contract**

- 22.1. The insurer shall be released partially or fully from its obligation to perform the insurance contract if:
  - 22.1.1. the policy holder or a person equal to him/her has breached at least one of the obligations referred to in the insurance contract, and there is a causal relationship between the non-performance of the obligation and the occurrence of the insured event and/or the amount of the loss caused as its result;
  - 22.1.2. the policy holder has not paid the premium by the agreed due date (in case of a period premium, by the extended due date assigned by the insurer at the latest), and if the insured event occurs after the lapse of the due date for the payment of the premium;
  - 22.1.3. the insured event has occurred through the gross negligence or intent of the policy holder or a person equal to it;
  - 22.1.4. the insured event has been caused by the actions of the

policy holder or a person equal to him/her in a state of intoxication or under the influence of narcotics or other psychotropic substances;

- 22.1.5. the policy holder or a person equal to him/her has misled or attempted to mislead the insurer as to the circumstances and/or amount of the loss or attempted to deceive the insurer in some other manner with respect to the insurance contract or a circumstance of its performance;
  - 22.1.6. the policy holder, insured person or beneficiary used the insured object to commit a crime, aid and abet a crime or conceal this, and for the above reasons the object suffered damage.
- 22.2. The extent of release from the performance of the insurance contract shall be decided by the insurer.

### **23. Transfer of a claim to the insurer**

- 23.1. To the insurer there shall be transferred, to the extent of the loss compensated by it, any compensation claim by the policy holder or insured person against a third party.
- 23.2. If the policy holder, beneficiary or insured person waives its claim against a third party or the right securing it, the insurer shall be released from its obligation to perform by the extent to which the policy holder waived its claim or right.
- 23.3. If the policy holder has a claim against its relative in an ascending or descending line or its spouse, as well as some other family member living with him/her, the insurer shall have a right of claim only insofar as the liability of the person liable has been insured.
- 23.4. Any documents, information and other materials in possession of the policy holder proving the claim transferred to the insurer shall be handed over to the insurer.

### **24. Limitation period of claims**

- 24.1. The limitation period of claims under the insurance contract shall be three years. The limitation period shall be assessed from the end of the calendar year in which the claim becomes collectable.
- 24.2. If the insurer has provided written notification of the non-compensation of the loss or the reduction of the benefit, it shall be released from the obligation to perform if the person entitled to receive the insurance benefit does not file an action in court within one year of receiving from the insurer notification of the non-compensation of the loss or the reduction of the benefit. The insurer shall be released from the obligation to perform only if it provides notification in its reply to the policy holder of the legal consequence of the lapse of the one-year limitation period.

### **25. Processing of personal information and the protection of information submitted by the policy holder (including confidentiality)**

- 25.1. The insurer shall be entitled to process the policy holder's personal information (except sensitive personal information) without the policy holder's consent in order to perform an insurance contract entered in favour of the policy holder or to ensure the performance of the contract, assess an insured risk or other operations preceding the conclusion of a contract and the issuing of a policy, if the policy holder has submitted an application to enter an insurance contract, and the conclusion of the contract presupposes the performance of the said operation(s).
- 25.2. The policy holder shall also consent to the processing of his/her sensitive personal information by the insurer in the instance and purpose referred to in clause 25.1 (information concerning the client's state of health or disability).
- 25.3. The insurer shall be entitled, to ensure the performance of the contract, to store personal information for the limitation period, unless stipulated otherwise by law.
- 25.4. In the event of the insured event, a third party shall be allowed to transmit to the insurer, without the policy holder's consent, personal information or provide access to personal information required by the insurer for the ascertainment of the obligation to perform the insurance contract or the scope of its performance.

The above shall also apply to the information concerning the client's state of health or disability if this is required by the insurer for the performance of the contract, ensuring the performance of the contract or if it is required for the ascertainment of the obligation to perform the insurance contract or the scope of its performance. The insurer shall comply strictly with the requirements provided by the Processing of Personal Data Act.

- 25.5. The policy holder shall consent to the use by the insurer of the policy holder's personal information (name and contact information) in order to provide it with additional insurance services and communicate information about the insurer's services.
- 25.6. The policy holder shall consent to the forwarding of his/her personal information by the insurer to financial institutions in the same consolidation group of the insurer in order to provide the policy holder with information based on its anticipated financial needs and additional financial services. These financial institutions include ERGO Elukindlustuse AS (A. Lauteri 5, 10114 Tallinn, Tel: 610 6677, info@ergo.ee) and ERGO Varahalduse AS (A. Lauteri 5, 10114 Tallinn, Tel: 610 6500, varahaldus@ergo.ee), D.A.S. Õigusabikuluude Kindlustuse AS (Veerenni 58a, 11314 Tallinn, Tel: 679 9450, info@das.ee). The policy holder shall be entitled to withdraw at any time his/her consent to the processing of the information. A withdrawal of consent shall have no retroactive effect. The policy holder shall be entitled to forbid the processing of information concerning him/her for the purposes of research into consumer habits or direct marketing.

### **26. Possible conflict of terms**

In case of conflict between the general terms and conditions and the terms of an insurance product, the wording of the terms of the insurance product shall be adhered to. In case of conflict between the provisions of the terms of an insurance product and the provisions of risk or special conditions, the wording of the risk or special conditions shall be adhered to.

### **27. Use of foreign-language documents**

- 27.1. In addition to Estonian-language insurance contract documents, a translation into a foreign language may be added by agreement between the parties. The meaning of a translation shall have a clarifying purpose only. In case of conflict between a translation and an Estonian-language document, the Estonian-language document shall be adhered to.
- 27.2. If by agreement a foreign-language document is part of an insurance contract (international terms and the like), a translation of this document into Estonian shall be appended to the insurance contract.

### **28. Procedure for resolution of disputes**

- 28.1. The policyholder shall have the right to address the Conciliation Body operating as part of the Estonian Insurance Association for resolution of disputes with the insurer. A claim shall be filed with the insurer regarding the point of dispute and an opportunity shall be given to the insurer to respond to the claim before the conciliation proceedings. If the client is not satisfied with the response of the insurer, they shall have the right to address the Conciliation Body for insurance disputes. (Additional information can be found on the website of the Estonian Insurance Association: [www.eksl.ee](http://www.eksl.ee).)
- 28.2. Disputes arising from insurance contracts (including disputes in regard to which agreement was not reached with the Conciliation Body for insurance disputes) shall be resolved in Harju County Court.
- 28.3. The policyholder shall have the right to file a complaint with the Financial Supervision Authority regarding the activities of the insurer.