

GENERAL TERMS AND CONDITIONS OF INSURANCE CONTRACTS

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1. Introduction

- 1.1. ERGO Insurance SE (ERGO Kindlustuse AS until 01.01.2013) offers several insurance possibilities with different content and cover, therefore it is necessary to regulate the relationship between Ergo Insurance SE and the client on the basis of the general rules.
- 1.2. The general terms and conditions of insurance contracts set out the definitions used in insurance contracts, also the rights and obligations of ERGO and the client upon conclusion and performance of a contract. The general terms and conditions of insurance contracts shall also apply to traffic insurance contracts insofar as the general terms and conditions are not inconsistent with the provisions of the Traffic Insurance Act.
- 1.3. The general terms and conditions of insurance contracts are an integral part of the insurance contract to be concluded between the insurer and the policyholder.

2. Definitions

- **Insurer** is ERGO Insurance SE.
- **Policyholder** is a person who has an insurable interest and who has concluded an insurance contract with the insurer.
- **Client** (policyholder, insured person, beneficiary, injured party) is a person to whom the insurer provides the insurance service or who has contacted the insurer for the purpose of using the service.
- **Client data** is any information, including personal data, that the insurer knows about the client.
- **Personal data** is the data of a natural person who has been or will be identified. The chief processor of personal data is the insurer, authorised processors are the persons appointed by the insurer.
- **The insurance contract documents** are the policy, general terms and conditions of insurance contracts, terms and conditions of the selected class of insurance, application for conclusion of an insurance contract, and other documents specified in the insurance contract.
- **Insurance offer** is a proposal of the insurer to conclude an insurance contract.
- **Insurance contract** is an agreement concluded between the policyholder and insurer, in accordance with which the insurer shall compensate for damage resulting from an insured event or pay an agreed sum of money or perform the contract in any other agreed manner. The policyholder shall pay insurance premiums.
- **Fixed-term insurance contract** is a contract that expires when the insurance period ends.
- **Indefinite-term insurance contract** is valid until cancellation of the insurance contract.
- **Terms and conditions of insurance** are conditions that the insurer applies to a specific insurance relationship. Terms and conditions of insurance are deemed to include these general terms and conditions, conditions of each product, and risk and special conditions.
- **Policy** or insurance policy is a document certifying the conclusion of an insurance contract and is issued by the insurer.
- **Payment notice** is a notice sent by the insurer to remind the due date for payment of insurance premium.
- **Insured person** or the insured is a person, the related insurable risk of whom is insured. The insurable risk related to the policyholder is assumed to be insured.
- **Beneficiary** is a person specified in the insurance contract who is entitled to an insurance indemnity or performance of other obligation by the insurer in accordance with the insurance contract.
- **Insured item or insured object** is an object, the related insurable risk of which is insured.
- **Insurable risk** is a threat against which insurance is made.
- **Insurance period** is a time period on the basis of which insurance premiums are calculated. The insurance period is assumed to be one year unless otherwise agreed.
- **Covered place or covered territory** is a region or area specified in

the insurance contract where the occurred insured event is subject to performance by the insurer of the obligation under the insurance contract.

- **Insured event** is an unexpected and unforeseeable event upon the occurrence of which the insurer has to perform its obligation under the contract.
- **Excess** is the agreed part of damage that reduces the insurer's obligation of performance. An excess shall apply to each insured event unless otherwise agreed.
- **Insurance indemnity** is a sum of money that is paid to compensate for damage resulting from an insured event. Insurance indemnity is not in the form of monetary payment if the insured object is replaced or restored.
- **Insurable value** is the value of insurable interest at the time of occurrence of an insured event.
- **Sum insured or limit of indemnity** is the maximum amount to be paid per insured event.
- **Notification procedure.** A notice, application or any other information shall be sent to the policyholder or any other agreed person at the postal address, mobile phone number, e-mail or any other contact address. Information is deemed to be delivered if sent by a notice, application or other communication in the aforementioned manner.

3. Existence of insurable interest

- 3.1. Insurable interest is the interest of the policyholder to insure himself/herself against a specific insurable risk.
- 3.2. Upon conclusion of an insurance contract, the insurer assumes that the policyholder has an insurable interest. The insurer has the right to verify the existence of insurable interest and, if it is non-existent, to refuse to conclude a contract.
- 3.3. If it is established during the insured event proceedings that the policyholder does not have an insurable interest and a person with the actual insurable interest does not agree to perform the insurance contract for another person, the insurer is released from the obligation to perform the insurance contract.

4. Identification of client and conclusion of insurance contract

- 4.1. The insurer has the right to request that the client or representative of the client present a document certifying the identity and/or the right of representation, and to make copies thereof.
- 4.2. Should the insurer have any doubt about the correctness of documents or identity, the insurer may refuse to conclude the transaction and/or demand the presentation of additional documents.
- 4.3. The insurer shall accept an unattested authorisation document if it is drawn up in the presence of the representative of the insurer. Otherwise the authorisation document certifying the right of representation shall be digitally signed or notarially certified.
- 4.4. An insurance contract is deemed to be concluded if the policyholder has met one of the following conditions:
 - 4.4.1. has paid the insurer the first insurance premium;
 - 4.4.2. has confirmed the conclusion of an insurance contract with his/her signature on the insurance offer or policy;
 - 4.4.3. has committed any other act agreed upon in the insurance contract.
- 4.5. The insurer shall issue a policy to certify the conclusion of the insurance contract. The certification by the representative of the insurer on the policy may be original, digital or replicated.
- 4.6. Based on the principle of freedom of contract, the insurer may decide with whom and on which conditions the insurer will conclude or refuse to conclude a contract in case of voluntary insurance.

- 4.7. The person who applies for the conclusion of an insurance contract is bound to his/her conclusion application within one month as of its submission to the other party.

5. Entry into force, validity, amendment and renewal of insurance contract

- 5.1. The insurance contract shall enter into force upon its signature unless another due date or condition is agreed upon.
- 5.2. The insurance cover shall be valid during the period specified in the insurance policy.
- 5.3. An insurance contract may be concluded for a fixed or non-fixed term.
- 5.4. To amend the insurance contract, the policyholder must submit an application to the insurer. The insurance contract is deemed to be amended when the parties have reached a corresponding agreement and the policyholder has met the conditions specified in that agreement.
- 5.5. A fixed-term insurance contract is deemed to be renewed for the subsequent period if the insurer submits a new proposal to the policyholder and the policyholder agrees to it.
- 5.6. In case of a non-fixed term insurance contract, the insurer shall present a policy before the beginning of each subsequent insurance period unless otherwise agreed in the insurance contract.
- 5.7. If a party wants to amend or terminate a non-fixed term insurance period, that party shall give the other party at least one month's notice before expiry of the one-year insurance period.

6. Insurance premium and its payment

- 6.1. The amount of the insurance premium shall be determined by the insurer on the basis of the sum insured, excess, length of the insurance period, statistics of damage of earlier periods and other circumstances that influence the insurable risk.
- 6.2. The policyholder is required to pay the insurance premium specified in the insurance contract by the due date. The insurance premium is deemed to be paid at the time when that amount is credited to the bank account of the insurer or is paid to the representative of the insurer in cash or by payment card.
- 6.3. Delay in payment or failure to pay the first insurance premium.
 - 6.3.1. If the policyholder has not paid the insurance premium or the first insurance premium within 14 days after conclusion of the insurance contract, the insurer may withdraw from the contract until the payment is made.
 - 6.3.2. It is assumed that the insurer has withdrawn from the contract if the insurer does not file a claim for collection of the insurance premium within three months as of the time when the premium becomes collectable.
 - 6.3.3. If the insurance premium that has become collectable or the first insurance premium has not been paid by the time when the insured event takes place, the insurer shall be released from its obligation of performance.
- 6.4. Delay in paying or failure to pay the subsequent insurance premiums.
 - 6.4.1. If the policyholder fails to pay the second or any subsequent insurance premiums by the due date, the insurer may determine, in a format that can be reproduced in writing, a new payment due date of at least two weeks for the payment of the insurance premium by the policyholder and, if a building is insured, a new due date of at least one month.
 - 6.4.2. If the policyholder fails to pay the insurance premium by the new due date, the insurer has the right to cancel the insurance contract without a prior notice. In the notice of a new due date, the insurer may declare that the insurer considers the contract to be cancelled after expiry of the due date if the policyholder has not made the payments within that due date.
 - 6.4.3. If the insured event takes place after the expiry of a new due date and the policyholder has not paid the insurance premium by the time when the insured event takes place, the insurer shall be released from its obligation of performance.
 - 6.4.4. If the policyholder pays all insurance premium arrears within one month as of cancellation of the contract or expiry of the due date and no insured event has taken

place before the payment, the contract is not deemed to be cancelled.

- 6.4.5. If the policyholder pays the insurance premium, the insurer shall deem that to cover, in the first place, the first insurance premium arrears the policyholder incurred and owes to the insurer on the basis of the insurance contract for which the policyholder made the payment.
- 6.5. The insurer has the right to set off the insurance premium that has become collectable against the insurer's obligation of performance, even if the insurer owes the obligation of performance to a third party, not the policyholder.
- 6.6. The insurer has the right to submit an insurance premium that has become collectable for collection to a company that provides a collection service. The insurer has also the right to forward the data on payment arrears to a company that maintains a credit register (e.g. Krediidinfo AS). The insurer shall forward the following information to the company providing the collection service and/or the company maintaining the credit register: name of the client, contact information, data on the amount and basis of arrears. Upon handling the arrears, the insurer shall adhere to the principles for data processing specified and referred to in section 24 of these general terms and conditions.

7. Payment procedure

- 7.1. The insurer shall submit a payment notice to notify the policyholder of the imminent due date, bank account of the insurer and the reference number. The payment notice may be sent on paper or electronically.
- 7.2. If the payment notice is not sent or received, it shall not release the policyholder from the obligation to pay the insurance premium.
- 7.3. If the insurance premium is paid incorrectly and, on the basis of the available information, the insurer is not able to determine the particular insurance contract for which the premium is paid, the premium is deemed to be unpaid until the insurance contract is identified for which the premium is paid.
- 7.4. If the policyholder pays less than prescribed, the insurer shall contact him/her. The insurance premium is deemed to be received only when the entire prescribed amount is received.
- 7.5. If the policyholder pays more than prescribed, the insurer shall refund the amount paid in excess. Before refunding the excessive amount, the insurer shall contact the policyholder and specify the necessary information.

8. Expiry and cancellation of insurance contract, withdrawal from insurance contract

- 8.1. The insurance contract shall expire:
 - 8.1.1. upon expiry of the insurance period;
 - 8.1.2. upon cancellation of the insurance contract;
 - 8.1.3. upon withdrawal from the insurance contract;
 - 8.1.4. on other grounds specified in the legislation.
- 8.2. Parties to the insurance contract may cancel the insurance contract pursuant to the procedure and on the grounds provided by the legislation and by agreement of the parties. If a party wants to amend or terminate a non-fixed term insurance contract, that party shall give the other party at least one month's notice before expiry of the one-year insurance period.
- 8.3. The insurer has the right to cancel the insurance contract:
 - 8.3.1. if the policyholder has violated the conditions of the insurance contract;
 - 8.3.2. if the policyholder or beneficiary has deceived or attempted to deceive the insurer about the circumstances of the insurance contract or insured event;
 - 8.3.3. after the occurrence of an insured event;
 - 8.3.4. if the insurable risk has increased;
 - 8.3.5. if the policyholder has failed to pay the second or any subsequent insurance premium.
- 8.4. Upon cancellation of the insurance contract, the insurer is required to adhere to the requirements and deadlines set out in the Law of Obligations Act.
- 8.5. The insurer is not entitled to cancel the insurance contract if violating the conditions of the insurance contract does not have

an impact on increase of the insurable risk or the insurer's obligation to perform the insurance contract (except for failure to pay periodic premiums).

- 8.6. Upon cancellation of the insurance contract, the policyholder has the right to refund of the premium paid for the remaining insurance period, less the insurer's administration expenses totalling 15% of the annual insurance premium. If the insured object has been destroyed as a result of an insured event, the premium paid for the remaining insurance period shall not be refunded.
- 8.7. The insurer may withdraw from the insurance contract if the policyholder has not notified the insurer of significant circumstances influencing the insurable risk or has knowingly submitted incorrect data. The insurer may withdraw from the contract within one month as of the time when the insurer learned or should have learned about violation of the notification obligation.
- 8.8. If the insurer has failed to pay the first insurance premium within 14 days as of the agreed due date and the insurer has not determined a new deadline to the policyholder within that period, it is assumed that the insurer has withdrawn from the contract.
- 8.9. Upon withdrawal from the insurance contract, the insurer shall refund to the policyholder the insurance premium, less the insurer's administration expenses totalling 15% of the annual insurance premium.

9. Appointment of beneficiary

- 9.1. A beneficiary shall be appointed and changed at a proposal of the policyholder. If an insured person is specified in the insurance contract, the consent of the insured person is also required for appointing the beneficiary.
- 9.2. After death of a policyholder who is a natural person, successors of the policyholder may change the beneficiary only upon the consent of the insured person.
- 9.3. After death of the insured person who is a natural person, the beneficiary cannot be changed.
- 9.4. If the beneficiary loses his/her right to the insurance indemnity due to circumstances under his/her control or if the beneficiary has died before occurrence of the insured event, it is deemed that no beneficiary is appointed.
- 9.5. No beneficiary shall be appointed upon conclusion of a liability insurance contract.

10. Persons considered equivalent to policyholder

- 10.1. Upon performance of obligations under the insurance contract, the following persons shall be considered equivalent to the policyholder:
 - 10.1.1. the insured (except for in a liability insurance contract);
 - 10.1.2. legal and/or factual family members cohabiting with the insured or policyholder (except in a liability insurance contract);
 - 10.1.3. beneficiary (beneficiaries) (except in a liability insurance contract);
 - 10.1.4. legal possessor(s) of the insured object;
 - 10.1.5. a person who uses the insured object upon the consent of its owner or legal possessor;
 - 10.1.6. a person and persons working for the policyholder, whom the policyholder deploys in his/her economic activities and/or performance of obligations.
- 10.2. The policyholder is required to explain to the aforementioned persons the obligations of the policyholder under the insurance contract.
- 10.3. If the aforementioned persons violate the conditions agreed upon in the insurance contract, it means that the contract is violated by the policyholder.

11. Notification obligation of insurer

During validity of the insurance contract, the insurer is required to inform the policyholder of any change in the name, legal form, address of the insurer, as well as the address of the insurance supervision authority or its office where the insurance contract is concluded. Notification of those changes shall be given through the insurer's website (www.ergo.ee) or by means of mass media.

12. Notification obligation of policyholder

- 12.1. Upon conclusion of the contract, the policyholder shall notify the insurer of all circumstances known to him/her which may have an impact on the insurer's decision to conclude a contract or do so on other conditions to be agreed upon.
- 12.2. The policyholder is required to give truthful and precise replies even if the policyholder assumes that the insurer may be aware of such circumstances.
- 12.3. Such circumstances are deemed to be significant which the policyholder was asked about upon conclusion of the contract or which are specified in the terms and conditions of insurance or on the policy.
- 12.4. During validity of the insurance contract, the policyholder shall immediately notify the insurer in writing of:
 - 12.4.1. an increase in the insurable risk, including when the increase in the insurable risk is caused by commonly known circumstances which also influence the insurable risk of other policyholders;
 - 12.4.2. a change of significant circumstances agreed upon in the contract;
 - 12.4.3. transfer of the insured object;
 - 12.4.4. establishment of a mortgage on a registered immovable if the insurable object is an integral part of that registered immovable.

13. Consequences of violation of notification obligation

- 13.1. If the policyholder has not notified the insurer of circumstances that are relevant for conclusion of the insurance contract and thereby has violated the notification obligation specified in section 12 of the general terms and conditions, or has intentionally avoided becoming aware of relevant circumstances or has given incorrect information with regard thereof, the insurer may withdraw from the contract. For those reasons, withdrawal from the contract is allowed within one month as of the time when the insurer became aware or should have become aware of violation of the notification obligation specified in section 12 of the general terms and conditions.
- 13.2. The insurer may not withdraw from the contract by relying on violation of the notification obligation if:
 - 13.2.1. the insurer was aware of incorrectness of the information or knew of a circumstance that the insurer was not informed about;
 - 13.2.2. the policyholder was not guilty of non-notification or submission of incorrect information;
 - 13.2.3. a circumstance, about which no information was supplied or incorrect information was supplied, ceased to exist before occurrence of the insured event;
 - 13.2.4. the insurer has chosen not to withdraw from the contract.
- 13.3. If the policyholder has to notify the insurer of relevant circumstances on the basis of the questions asked by the insurer, the insurer may withdraw from the contract due to non-notification of a circumstance for which no direct questions were asked only in such case as the circumstance is intentionally concealed.
- 13.4. If the insurer may not withdraw from the contract on the basis of section 13 of the general terms and conditions, the insurer may demand that the policyholder increase the insurance premium starting from the beginning of the current insurance period. On these grounds, an increase of the insurance premium may be demanded within one month as of the time when the insurer became aware of a circumstance about which the policyholder did not inform the insurer.
- 13.5. Provisions of section 14 of the general terms and conditions do not preclude the insurer's right to cancel the contract due to fraud.

14. Under-insurance, over-insurance, multiple insurance

- 14.1. Under-insurance is a situation where the sum insured of the insured object is smaller than its insurable value. In case of under-insurance, insurance indemnity shall be paid in proportion to the ratio of the sum insured to the insurable value at the time of occurrence of the insured event.
- 14.2. Over-insurance is a situation where the sum insured or agreed upper limit of insurance indemnity exceeds the insurable value

of the insured object. In case of over-insurance, the insurer shall not indemnify in excess of the actual amount of damage.

- 14.3. Multiple insurance is a situation where the insured object is insured partially or fully against the same insurable risk with the same insurer or several insurers, and the total amount of indemnities payable by the insurers would exceed the amount of damage or the total sums insured would exceed the insurable value.
- 14.2. In case of multiple insurance, the insurers are liable as solidary debtors.

15. Transfer of insured object

- 15.1. A transferor or transferee of the insured object shall immediately notify the insurer of transfer of the insured object.
- 15.2. If the insurer is not notified of transfer of an object in a timely manner, the insurer shall be released from its obligation of performance if the insured event takes place later than one month after the time when the insurer should have received the corresponding notice.
- 15.3. Upon transfer of the insured object, all rights and obligations arising from the insurance contract of the policyholder shall pass over to the transferee of the object.
- 15.4. The rights and obligations arising from the insurance contract of the policyholder shall not transfer with regard to the policyholder until the insurer has learned about such transfer of the insured object.
- 15.5. Upon transfer of the insured object, the insurer may cancel the insurance contract within one month of learning about transfer of the object if the insurer gives at least one month's notice of cancellation.

16. Increase of insurable risk and its consequences

- 16.1. An increase of an insurable risk is understood as an increase of probability of the insured event. After conclusion of the contract, the policyholder may neither increase the insurable risk nor allow it to be increased by persons for whom the policyholder is responsible without the consent of the insurer.
- 16.2. If the policyholder violates the obligation to notify of an increase of the insurable risk (section 12.4.1 of the general terms and conditions), the insurer shall be released from the obligation to perform the insurance contract if the insured event takes place within one month after the time when the insurer should have received such notice.
- 16.3. If the policyholder increases the insurable risk and the insured event takes place after an increase of the insurable risk, the insurer shall be released from the obligation to perform the insurance contract to the extent of the increased insurable risk.
- 16.4. The provisions of 16.2 and 16.3 of these general terms and conditions shall not apply if:
- 16.4.1. by the time of occurrence of the insured event, the deadline has expired during which the insurer could have cancelled the contract due to increase of the insurable risk or demand its amendment without the insurer having cancelled the contract or demanded its amendment;
 - 16.4.2. an increase of the insurable risk did not have any impact on occurrence of the insured event;
 - 16.4.3. a larger insurable risk would not have influenced validity and extent of the insurer's obligation of performance;
 - 16.4.4. the insurable risk has increased at the fault of the insurer.
- 16.5. If the insurer is released from the obligation of performance only with regard to a few insured objects or persons in accordance with the provisions of clause 16.2 or 16.3, the insurer shall be released from the entire obligation of performance if under the given circumstances it may be assumed that the insurer would not have concluded the contract under the same conditions only with regard to that part.
- 16.6. During the insured period, the insurer may inspect the insured object, demand that the policyholder implement additional security measures, etc. for decreasing the increased insurable risk and/or demand a higher insurance premium according to the increased insurable risk. The above does not preclude the right of the insurer to cancel the insurance contract if necessary.

17. Safety requirements and compliance therewith

- 17.1. To avoid damage, the policyholder is required to keep and use his/her property prudently and carefully.
- 17.2. The insurer and persons considered equivalent to the insurer are required to comply with all safety requirements arising from valid legislation, regulations, instructions, etc., also the safety requirements specified in the insurance contract.
- 17.3. If the policyholder does not comply with the safety requirements applicable to the insured object, the insurer has the right to demand that the policyholder comply with the safety requirements or establish additional safety requirements by notifying the policyholder thereof.
- 17.4. If the policyholder does not agree to the additional safety requirements, the insurer has the right to cancel the contract with one month's notice thereof.

18. Actions in case of loss event

- 18.1. Upon a loss event, the policyholder must behave and act as carefully as if he/she did not have any insurance contract.
- 18.2. The policyholder shall make his/her best efforts to ensure preservation of evidence concerning the circumstances of occurrence of loss or damage, he/she shall also avoid creation of any further loss or damage, or increase of the current loss or damage.

19. Compensation for loss or damage

- 19.1. The insurer shall handle loss or damage as quickly as possible and pay compensation pursuant to the conditions agreed upon in the insurance contract.
- 19.2. The insurer is required to obtain and explain all relevant circumstances pertinent to the event, and the policyholder is required to present all necessary data and evidence to establish the occurrence and amount of loss or damage.
- 19.3. The insurer is required to terminate loss or damage handling and make a decision concerning the event within 10 days at the latest after obtaining all necessary evidence and documents.
- 19.4. For purposes of sections 19.2 and 19.3, the necessary evidence also includes a decision made as a result of civil, criminal or misdemeanour proceedings commenced in relation to the loss event if the circumstances to be identified during the proceedings are relevant to the determination of the insurer's obligation of performance.
- 19.5. If the amount or reason of loss created as a result of the insured event is not evidenced, the insurer shall compensate only for that part that has been evidenced.
- 19.6. Upon compensation for loss, the insurer may demand transfer of a destroyed or damaged item, also transfer of the right of claim to a lost (stolen, robbed, etc.) item. Until transfer of the item or the corresponding right of claim, the insurer may reduce the indemnity by the value of the corresponding item or right.
- 19.7. If the policyholder or beneficiary regains possession of the stolen item, it shall be transferred to the insurer or the insurance indemnity shall be repaid.
- 19.8. If the insurer delays in paying the insurance indemnity, the insurer is required to make a late interest payment pursuant to the legislation at the request of the person entitled to the insurance indemnity.

20. Manner of compensation for loss or damage and withholdings

- 20.1. Manners of compensation for loss or damage are:
- 20.1.1. monetary indemnity;
 - 20.1.2. restoration of a damaged object;
 - 20.1.3. replacement of a damaged, destroyed or lost (stolen, robbed, etc.) item with an equal one.
- 20.2. The manner of compensation for loss or damage shall be determined by the insurer.
- 20.3. Upon replacement or restoration of a damaged, destroyed or lost item, the insurer has the right to determine the manner of restoration or replacement, and the person to perform such recourse.

- 20.4. Upon compensating for loss or damage, the insurer has the right to withhold from the insurance indemnity:
- 20.4.1. the excess specified in the insurance contract;
 - 20.4.2. the portion of insurance premium not paid under the insurance contract until the end of the insurance period (upon destruction of the insured object) or the insurance premium that has become collectable.
- 20.5. The insurer shall not compensate the policyholder for any taxes that are subject to repayment to the policyholder under the Value Added Tax Act, such as value added tax.

21. Release from obligation to perform insurance contract

- 21.1. The insurer shall be partially or fully released from the obligation to perform the insurance contract if:
- 21.1.1. the policyholder and a person considered equivalent to him/her has violated at least one of the obligations specified in the insurance contract and there exists a causal relationship between failure to perform the obligation and the occurrence of the insured event and/or the amount of damage resulting from this;
 - 21.1.2. the policyholder has not paid the insurance premium by the agreed due date (in case of periodic payments, by the additional due date determined by the insurer) and if the insured event takes place after expiry of the due date for payment of insurance premium;
 - 21.1.3. the insured event has taken place due to severe negligence or intention of the policyholder or a person considered equivalent to him/her;
 - 21.1.4. the insured event was caused by the activities of the policyholder or a person considered equivalent to him/her under the circumstances of alcohol, drugs or other psychotropic substances;
 - 21.1.5. the policyholder or a person considered to be equivalent to him/her has misled or tried to mislead the insurer about the circumstances and/or amount of the loss or damage, or has otherwise tried to deceive the insurer about the circumstances of the insurance contract or its performance;
 - 21.1.6. the policyholder, insured person or beneficiary has used the insured object for committing, aiding or hiding a crime, resulting in damage to that object.
- 21.2. The extent of release from performance of the insurance contract shall be determined by the insurer.

22. Transfer of claim to insurer

- 22.1. The policyholder's or insured person's claim against a third party for compensation for damage shall transfer to the insurer to the extent of damage to be compensated by the insurer.
- 22.2. If the policyholder, beneficiary or insured person waives his/her claim against a third party or waives the right securing thereof, the insurer shall be released from the obligation of performance to the same extent as the policyholder waived its right or claim.
- 22.3. If the policyholder has a claim against his/her ascendant or descendant or spouse or any other family member cohabiting with him/her, the insurer has a right of claim only insofar as liability of the insured person is insured.
- 22.4. Documents, data and other materials that are in possession of the policyholder and certify the claim transferred to the insurer shall be handed over to the insurer.

23. Expiry of claims

- 23.1. The term for expiry of claims arising from the insurance contract shall be three years. The term of expiry shall commence to run as of the end of the calendar year when the claim becomes collectable.
- 23.2. If the insurer has notified in writing of non-compensation for damage or reduction of indemnity, the insurer shall be released from the obligation of performance if the person entitled to receive the insurance indemnity does not file an action with the court within one year as of the receipt of a decision from the insurer concerning non-compensation for damage or reduction

of indemnity. The insurer shall be released from the notification obligation only when in its reply to the policyholder the insurer notifies of the legal consequences of lapse of the one-year expiry term.

24. Processing and protection of client data

- 24.1. Upon conclusion of the insurance contract with the insurer or upon expression of the wish to conclude the insurance contract, the client shall grant the insurer the consent for processing his/her client data in accordance with the provisions of these general terms and conditions.
- 24.2. Upon processing the client data, the insurer shall adhere to the requirements of the Personal Data Protection Act, Insurance Activities Act and other relevant legislation. The insurer shall protect the client data with the safety and confidentiality requirements and has adopted the organisational, physical and information technology measures necessary for protection of client data. Upon processing the client data, the insurer shall set a limit to the minimum procedures that are necessary for achieving the objectives determined by the insurer. In accordance with the Insurance Activities Act, the employees of the insurer are required to maintain the client data in confidence for a non-fixed term.
- 24.3. The insurer has the right to process the client data for performing the concluded insurance contract or for securing the performance of the contract, assessing the insurable risk or for other procedures preceding conclusion of the contract and issuance of the policy in case if the policyholder has submitted an application for conclusion of the insurance contract and conclusion of the contract requires performance of those procedure(s). Composition of the client data, all purposes of processing and data of the authorised processors (principles for processing of client data) are listed on the insurer's website <http://www.ergo.ee/tasubteada>.
- 24.4. The insurer shall also process the sensitive personal data of the client necessary for performance of the contract and for securing performance of the contract (information concerning the health condition or disability of the client).
- 24.5. For making decisions related to conclusion or performance of the insurance contract, the insurer has the right to process any client data in the public domain (e.g. public registers and data available on the internet).
- 24.6. The insurer has the right to record and retain the information communicated by the insurer's means of communication (e.g. helpline, e-mail, website), among other things, the insurer has the right to record the conversations with the client. The insurer shall use the recorded information for performing the insurance contract and/or for securing the performance of the insurance contract, evidencing the submitted declarations of intention or concluded contracts, and for servicing the client.
- 24.7. For assessing and managing the risks, also for performing the obligations arising from the legislation (e.g. implementation of an international financial sanction), the insurer has the right to share the client data with third parties specified in the legislation (e.g. Financial Intelligence Unit, etc.).
- 24.8. Upon forwarding the client data to the authorised processors, the insurer demands that the authorised processors comply with the safety and confidentiality rules in accordance with the principles established by the insurer.
- 24.9. The insurer shall retain the personal data for as long as is necessary for fulfilling the objectives of client data processing or performing the objectives arising from the legislation, taking into account also the term of expiry of claims arising from the contract.
- 24.10. Upon an insured event a third party may, without the consent of the policyholder, forward the personal data to the insurer or enable access to the personal data which are necessary for the insurer to determine the obligation to perform the insurance contract or the extent of such performance. The above also applies to the information concerning the health condition or disability of the client, if it is necessary to the insurer for performing the contract, securing the performance of the contract or for determining the obligation of performance and its extent.
- 24.11. The policyholder agrees to the use by the insurer of his/her personal data (e.g. name and contact information, data

concerning the insurable interest and object) in order to offer the policyholder additional insurance services and pension solutions and marketing information on such services. For those purposes, the insurer may make enquiries about the aforementioned client data, analyse and sort the data, and make samples and direct mail offers to all or some clients, based upon marketing purposes. For the purpose of examining the client habits, the insurer has the right to organise surveys, store the obtained data, arrange and analyse them, also use such data for offering new additional insurance services and pension solutions.

- 24.12. The client agrees to the use by the insurer of his/her personal data (name and contact information, data of insurance contract) for testing the information systems of the insurer before adoption of new information systems.
- 24.13. The client agrees that the insurer forwards his/her data to financial companies and their branches belonging to the same consolidation group with the insurer, in order to supply to the policyholder the information and additional financial services based on his/her expected financial needs. Such financial companies include ERGO Life Insurance SE Eesti filiaal (A. H. Tammsaare tee 47, 11316 Tallinn, phone 610 6500, info@ergo.ee); ERGO Funds AS (A. H. Tammsaare tee 47, 11316 Tallinn, phone 610 6500, funds@ergo.ee); D.A.S. Õigusabikuluude Kindlustuse AS (Veerenni 58a, 11314 Tallinn, phone 679 9450, info@das.ee). The personal data to be forwarded includes the name and contact information of the person (address, phone number, e-mail address) and data on the insured object and insurable interest.
- 24.14. The client may examine their client data at any time at the insurer's office or by submitting a corresponding enquiry to the insurer. The client is required to immediately notify the insurer of any changes in the data submitted to the insurer. The insurer shall regularly verify whether the client data is complete and correct.
- 24.15. The client has the right, if his/her data may not be processed to the extent provided by the legislation on the basis of the concluded contract and/or the data processing principles, to demand termination of processing and publication of his/her data and/or access thereto and/or deletion of the obtained data. The client may withdraw at any time his/her consent to the data processing. The withdrawal of the consent does not have any retrospective effect. The policyholder has the right to prohibit the processing of data concerning him/her for the purpose of examining the consumer habits or sending the marketing information. If the client finds that the requirements of his/her data processing have been violated, the client may contact the insurer by demanding termination of violation and/or submit a complaint to the Data Protection Inspectorate.

25. Potential inconsistencies between conditions

Upon any inconsistencies between the general terms and conditions and the conditions of insurance product, the wording of the conditions of the insurance product shall prevail. If there exists an inconsistency

between the provisions of the conditions of the insurance product and the provisions of risk or special conditions, the wording of risk or special conditions shall prevail.

26. Use of foreign language documents

- 26.1. A translation into a foreign language may be attached to the Estonian-language documents of the insurance contract if so agreed upon by the parties. The translation has only an explanatory meaning. Upon any inconsistencies between the translation and Estonian-language document, the Estonian-language document shall prevail.
- 26.2. If a foreign-language document (international clauses, etc.) is a part of the insurance contract as agreed upon, the Estonian-language translation of that document shall be appended to the insurance contract.

27. Settlement of client complaints

- 27.1. The client may submit a complaint against the activities of the insurer, by using all official contact channels and means of communication of the insurer (e-mail, phone, office).
- 27.2. The insurer shall give the client feedback about acceptance of the complaint within one working day.
- 27.3. The insurer shall reply to the client's complaint within five working days. If the complaint cannot be settled within that term, the insurer shall notify the client of the reasons for extending the period of the proceedings and the new term for replying.
- 27.4. The client shall be notified of the result of processing the complaint in a format that can be reproduced in writing.
- 27.5. The additional information for processing of clients' complaints is available on ERGO's website www.ergo.ee.

28. Procedure for settlement of disputes

- 28.1. The policyholder may turn to a conciliation body at the Estonian Insurance Association to settle a dispute that the policyholder has with the insurer. Before a conciliation procedure, the claim in the disputed matter shall be submitted to the insurer and the insurer must be provided with an opportunity to reply to the claim. If the client is not satisfied with the reply from the insurer, the client may turn to an insurance conciliation body. Additional information is available on the Estonian Insurance Association's website www.eksl.ee.
- 28.2. Any disputes arising from insurance contracts, including disputes concerning which no agreement is reached at an insurance conciliation body shall be settled at Harju County Court.
- 28.3. Insurance contracts shall be governed by the Estonian law.
- 28.4. The policyholder may submit a complaint concerning the activities of the insurer to the Financial Supervision Authority (Sakala 4, 15030 Tallinn)