

**These insurance terms and conditions specify the scope and terms and conditions of the insurance cover specified in the home insurance contract concluded between the Compensa Vienna Insurance Group, ADB Estonian branch (hereinafter Compensa) and the Policyholder. In matters not regulated by the insurance contract the parties shall be governed by the Law of Obligations Act and other legislation.**

## **1. INSURED ITEM**

1.1. The insured item is the asset indicated in the policy. The insured item may be:

- 1.1.1. A building or a terraced house;
- 1.1.2. Civil engineering works;
- 1.1.3. Interior decoration of the apartment or the interior decoration of the apartment with a legal share;
- 1.1.4. Household property;
- 1.1.5. Rental costs of temporary dwelling;
- 1.1.6. Loss of rental income.

1.2. A **building** is a construction that has an interior space that is separated from the external environment by the roof and other parts of the building envelope together with its main structures, internal and external finish, permanently installed technical systems (including ventilation and heating systems) and sanitary wares.

External heating, water, sewage and electrical systems are insured in that part that are located on the same property with the building. A building is, for example, a detached house, an ancillary building, a glasshouse, a garage and a sauna.

Also, together with the building, civil engineering works and buildings up to 20m<sup>2</sup> located in the same place of insurance are insured in the amount up to 10,000 euros (included in the sum insured). Separate sauna and buildings larger than 20 m<sup>2</sup> must be listed separately in the insurance contract.

Solar panels attached to the building are insured up to a value of EUR 10,000. Solar panels that are insured for more than EUR 10,000 must be marked separately in the insurance contract.

**Terraced house** refers to the interior decoration of a terraced or a semi-detached house, and the parts of the building belonging thereto until the interior decoration of the neighbouring section (incl. those parts of the building that are in common ownership). The common parts of the technical system outside the terraced or semi-detached house section are insured to the extent that corresponds to the conceptual part of the terraced or semi-detached house.

In addition, the built-in furniture (incl. kitchen furniture, sliding doors), sanitary equipment and alarm system devices are also insured together with the building or terraced house section.

**The following elements are not insured as buildings or terraced house sections:**

- a) elements not attached to the building (building materials, disassembled parts of the building, etc.);

- b) household property located in the building (kitchen appliances, luminaires, furniture, etc.) that can be secured as household property;

- c) greenhouses with film and plastic coating.

1.3. **Civil engineering work** is a construction located at the same place of insurance with the building, terraced or semi-detached house section, and which is not a building. Civil engineering works can be fences, gates, barriers, outdoor luminaires, pavilions, flag posts, separate solar panels etc.

**The following civil engineering works are not covered by the insurance:**

- a) wells, equipment installed in wells, well water, bridges, boat moorings, seawalls, ponds, lawn, trees, bushes, herbaceous plants, playgrounds and roads (including pavements and driveways).

1.4. **The interior finish of an apartment** is a building-demarcated dwelling with the essential parts of the building, flooring, wall and ceiling coverings, non-bearing partition walls, built-in furniture (including kitchen furniture, sliding doors), built-in ovens, parts of the technical system, apartment doors, windows, balconies and a locked storage room belonging to the apartment and located in the apartment building.

**The interior decoration of the apartment together with the legal share** is the interior decoration of the apartment and the legal share of the building corresponding to the size of the property, which is in common ownership (for example, the roof of the building, bearing walls, staircases, elevators, etc.).

**The following interior decoration of the apartment is not covered by the insurance:**

- a) movable property located in the apartment (for example, kitchen appliances, furniture, luminaires, etc.).

1.5. **Domestic property** means movables specified in the insurance contract and located in the place of insurance (e.g. the furniture, kitchen equipment, clothes, home electronics etc.).

**The following is not covered by the insurance contract as household property:**

- a) documents, manuscripts, securities, lottery tickets, archives, databases, computer software and licenses, explosives, ammunition, living animals (animals, birds, fish), plants, construction tools in the yard or in non-residential premises, tenant's property, if the tenant is not the Policyholder, the property used in economic activities, the property located in the yard of the apartment building, motor vehicles subject to registration, aircraft and watercraft and property the possession of which is illegal.

1.6. **Rental costs of temporary dwelling.** If, as a result of an insured event, a permanent residence becomes inhabitable, reasonable expenses shall be compensated for the cost of renting a temporary residence, the cost of

moving to a temporary residence and returning to the place of insurance for a period of time when the permanent residence was inhabitable, and to the extent of the damage incurred, but not more than the sum insured specified in the insurance contract without deductible. If the place of insurance of residence cannot be restored, the rent of the temporary residence shall be compensated until the payment of the compensation, but not more than 12 months and not more than the sum insured specified in the insurance contract. Utility bills of the temporary residence are not subject to compensation.

**1.7. Loss of rental income.** If the insured residential space is rented out and has become inhabitable as a result of the insured event, compensation for the loss of rental income shall be compensated if the rental space was inhabitable, to the extent of the damage incurred, but not more than the sum insured specified in the insurance contract, and for a maximum period of 12 months without deductible. Compensation does not include utility bills, contractual penalties, interests on arrears and damage, if the rental contract was terminated for other reasons than the insured event (for example, the rental contract expired).

## **2. INSURED EVENT**

**2.1.** The insured event is the destruction of, damage to or loss of an insured item during the insurance period as a result of an unexpected and unforeseeable event. In the case of an insured event, a compensation obligation arises for Compensa in cases and in the extent provided for in the insurance contract.

**2.2.** An insured event may include (only as noted in the insurance policy):

- 2.2.1. Fire;
- 2.2.2. Storm damage;
- 2.2.3. Pipe leakage;
- 2.2.4. Burglary;
- 2.2.5. Flood;
- 2.2.6. Damage under all-risk insurance;
- 2.2.7. Damage under third party liability insurance;
- 2.2.8. Damage under accident insurance.

**2.3. In case of fire,** the unforeseen and unexpected damage to the insured item is compensated, if the cause is:

- a) open fire spreading outside the fireplace or the resulting smoke, grime and fire extinguishing water;
- b) lightning strike;
- c) over voltage caused by lightning strike;
- d) explosion;
- e) falling aircraft (airplane, helicopter), part or load thereof.

### **The following shall not be compensated:**

a) damage caused to the electrical installation or equipment by over or under voltage, fluctuations in electrical current (including electrical interruptions or short circuits).

**2.4. In case of storm damage,** the unforeseen and unexpected damage to the insured item is compensated, if the cause is:

- a) storm (wind blowing at a speed of at least 18 m/s);
- b) hail;
- c) ridged ice.

### **The following shall not be compensated:**

a) damage that is directly or indirectly caused by a flood, incl. a flood resulting from a storm.

**2.5. In case of pipe leakage,** the unforeseen and unexpected damage to the insured item is compensated, if the cause is:

- a) water, sewage water or vapour escaping from the building's or apartment's water supply, sewerage, heating, cooling or rainwater drainage network;
- b) water that has leaked out as a result of breakage of household appliances that are permanently connected to the internal water supply network and the connecting details of such appliances;
- c) leakage of a sprinkler or other water discharging system;
- d) water that has leaked out from an aquarium.

### **The following shall not be compensated:**

- a) damage due to the fact that the building's heating devices did not function and as a result of which freezing occurred;
- b) damage caused by a long process, such as decay, mould, corrosion, rust, etc.;
- c) damage caused by excess moisture, condensation, purification or cleaning water;
- d) damage caused, directly or indirectly, by water or waste water entering the building through the sewage system due to natural phenomena;
- e) the cost of leaking water or other liquids.

**2.6. In case of burglary,** the unforeseen and unexpected damage to the insured item is compensated, if the cause is:

- a) theft of property by burglary to the place of insurance;
- b) robbery, which is the capture of an insured item by using physical violence or threatening to do so;
- c) vandalism, which means damage to or the destruction of the insured item by a third party.
- d) burglary means entering into a properly closed building located at the place of insurance through a door, window, wall, roof, etc., using a false key, a crowbar or other mechanical device or an illegally obtained key to remove the barrier or lock preventing access to the property.

### **Additionally, the following shall be compensated:**

- a) damage caused by the theft of the exterior parts of the building;
- b) in the event of a burglary, changing the door lock without the Policyholder's obligation to pay the deductible, if the door lock is broken.

**The following shall not be compensated:**

a) damage caused, if the lock of the building was opened with the original key, unless the key was in the possession of third parties by burglary or robbery.

2.7. **In case of flood**, the unforeseen and unexpected damage to the insured item is compensated, if the cause is:

- a) storm;
- b) precipitation;
- c) flooding of a body of water.

Flooding means only a natural flood caused by a storm, precipitation, or flooding of a body of water. A natural flood means an extraordinary increase in water level, which is why the abnormal amount of water cannot be absorbed by the ground or the drainage system (including drainage and sewage system) designed according to the project. The movement of water under the ground is not considered to be a flood.

**The following shall not be compensated:**

- a) damage caused by breakage or freezing of the piping of water supply, sewerage, or heating system, storm water drainage network and sprinkler or other extinguishing system;
- b) damage caused by breakage of a dam or other protection facility.

2.8. **In case of all-risk insurance**, the unforeseen and unexpected damage to the insured item not indicated in Clause 2.3.-2.7. and not excluded by the terms and conditions of the insurance contract shall be compensated.

**Additionally, the following shall be compensated under all-risk insurance:**

- a) costs of applying for a new document in the event of theft of passport, ID-card or driver's license - up to 100 euros;
- b) in the event of the theft of a bank card, the cost of its unlawful use within 48 hours after the occurrence of the event, up to 300 euros;
- c) in the event of theft, cash located at the place of insurance, up to 300 euros;
- d) in the event of breakage of a door or window glass, replacement of glass without the Policyholder's obligation to pay deductible;
- e) in the event of storm damage, damage shall be compensated without taking into account the wind speed limit;
- f) in the event of loss of keys, the cost of switching the door lock without the Policyholder's obligation to pay deductible;
- g) pet's veterinary expenses incurred as a result of the occurrence of an insured event up to 300 euros.

**The following shall not be compensated:**

a) medicines not registered in the Estonian Register of Veterinary Medicines or when the animal was treated without going to the veterinarian;

b) expenses for the treatment of a pet if they are not necessary due to an insured event (such as illness, natural death, vaccination, etc.).

**2.9. Third party liability insurance**

2.9.1. Under the home insurance contract, third party liability insurance (as specified in the policy) may insure either the liability of the owner or possessor of the real estate and/or the liability of the private individual.

2.9.2. In the case of third party liability insurance of the owner or possessor of real estate, non-contractual claims arising from the ownership or possession of an insured item or apartment shall be compensated.

2.9.3. The private person's third-party liability insurance cover applies to non-contractual damages caused to third parties by the Policyholder or his/her family members in the Republic of Estonia (including liability of the pet owner, liability of the cyclist, etc.). In the case of third party liability insurance, non-contractual claims arising from the ownership or holding of a building or an apartment shall not be compensated.

2.9.4. In the case of juridical policyholder, only non-contractual claims that arise from the ownership or possession of an insured item or apartment shall be compensated.

2.9.5. In the case of civil liability insurance, the insured event means unexpected and unforeseeable unlawful creation of non-contractual property or personal damage to a third party, as a result of which the Policyholder or his/her family member shall have the obligation to compensate for damage. The Policyholder's spouse, partner, their children and dependents are deemed to be the family members of the Policyholder. The event that caused the damage must have occurred during the insurance period and the written claim for the compensation of damage must be submitted no later than six months after the end of the insurance period.

2.9.6. Personal damage is damage caused by personal injury, physical harm or death.

2.9.7. In addition, Compensa will reimburse the costs of legal assistance, expert assessment and trial necessary to challenge the claim. All claims coordinated with Compensa shall be compensated, but no more than the sum insured specified in the insurance policy.

2.9.8. All claims resulting from the same circumstance or event are considered as one insured event. The time of occurrence of an insured event is considered to be the time of occurrence of the first insured event.

2.9.9. The sum insured is the indemnity limit for damages occurring during the insurance period.

**2.9.10. The claims arising from the following cause shall not be compensated:**

- a) Damage intentionally caused by the Policyholder or his/her family member;
- b) loss of profit;
- c) legal expenses related to contractual penalties, interests, etc.;
- d) the damage caused by an act or omission committed by the insured person or his/her family member under the influence of alcohol or drugs;
- e) damage to or loss of a movable or immovable property possessed, leased, borrowed or otherwise used by the Policyholder or his/her family member;
- f) the Policyholder's or his/her family member's performance of the work or official duties, economic or professional activity, producer responsibility;
- g) possession, rental, use or lease of engine-powered land vehicles, watercraft and aircraft;
- h) smoke, grime, dust, vapour, moisture, gas, heat, odour or another similar long-term factor;
- i) contamination of air, soil or water;
- j) damage caused by the animal, other than the damage caused by the pet of the Policyholder or his/her family member;
- k) negotiorum gestio;
- l) unjustified enrichment;
- m) public promise to pay;
- n) defective product;
- o) asbestos, communicable disease or infection;
- p) force majeure;
- q) Explosives, weapons, radioactive material.

**The following shall not be compensated:**

- a) damage, unless it is an insured event, except for the exclusion of a claim in Clause 2.9.7;
- b) damage if the Policyholder or his/her family member was aware of the fact that caused it before the conclusion of the insurance contract;
- c) claims arising from contractual liability, contractual obligations, guarantees, etc.;
- d) environmental damage;
- e) damage covered by the obligatory liability insurance;
- f) expired claims;
- g) mutual claims between the Policyholder and his/her family members.
- h) claims for the compensation of non-pecuniary damage;
- i) damage that is not subject to compensation in accordance with the legislation in force in the Republic of Estonia.

**2.10. Accident insurance**

2.10.1. An insured event under the accident insurance is a permanent disability or death of the Policyholder or his/her family member of up to 70 years of age caused by an unexpected and unforeseeable accident at the place of insurance. Accident is an unexpected and unforeseeable event that has occurred due to an external impact beyond the control of the insured person (including heat stress, sunstroke, gas poisoning).

2.10.2. A **permanent disability** is considered to be a situation in which the normal function of a body part has not been restored within one year of the occurrence of an insured event.

2.10.3. **Death event** is the insured person's death, caused by an accident that has occurred during the period of validity of insurance coverage.

2.10.4. **Permanent disability indemnity** is paid, when the insured person has been diagnosed with permanent disability within one year from the moment when an insured event occurs. The basis for determining the amount of indemnity is the severity of the disability identified:

- a) Moderate disability - regular external assistance or guidance outside the place of residence is required at least once a week. The indemnity amount shall be 50% of the sum insured.
- b) Severe disability - external assistance, guidance or supervision is required every day. The indemnity amount shall be 70% of the sum insured.
- c) Profound disability - a person needs constant external assistance, guidance or supervision around the clock. The indemnity amount shall be 100% of the sum insured.

2.10.5. **Death benefit** is paid when the insured person dies within three years of the occurrence of an accident. The amount of the death benefit is the sum insured specified in the insurance policy. Death indemnity is reduced by the permanent disability indemnity paid before due to the same insured event.

**2.10.6. The damage arising from the following cause shall not be compensated:**

- a) the influence of alcohol or narcotic substances;
- b) illness of the insured person (including infarction, stroke, radiculitis, epilepsy, borreliosis, HIV, AIDS, chronic diseases, etc.);
- c) the insured person's illness which contributed to the occurrence of an accident, regardless of whether the illness was present or diagnosed before the accident;
- d) dangerous hobbies or dangerous work (including construction);
- e) competitive sport or participation in its training;
- f) medical procedure (including surgery), unless this is due to an insured event;
- g) if the Policyholder is placing his or her life knowingly at risk, self-harm, suicide, participating in or facilitating the commission of a criminal offence;
- h) cosmetic surgery, a tattoo;

**The following shall not be compensated:**

- a) injury to the body or a sense organ that was damaged already before the accident.

**3. ADDITIONAL COSTS SUBJECT TO COMPENSATION**

Upon an insured event, Compensa shall compensate for:

- 3.1.1. demolition, debris removal and cleaning costs up to 10% of the cost of the building;
- 3.1.2. the cost arising from the requirements of the legislation for the restoration of the insured item;

3.1.3. design costs if the building had an authorisation for use just before the insured event or if the relevant legislation did not require such authorisation;

3.1.4. in the case of a building or an apartment, initial aid if an unexpected and unforeseen accident happened at the place of insurance, i.e.

**Compensa Home Assistance:**

- a) in case of breakage of a water pipe or the connecting detail of a household appliance that is permanently connected to it, or other unexpected and unforeseeable breakage of internal water supply network. The melting of the piping system due to freezing and the removal of blockages shall not be compensated;
- b) opening of the door when the door lock is defective or damaged by third parties;
- c) in case of losing keys, the cost of changing the door lock or ordering an additional key (if all-risk insurance is chosen, Clause 2.8);
- d) if window or door glasses are broken;
- e) damage caused by storm to a building or apartment, including the fall of a tree, post or other object onto the building (except in case of flood);
- f) if the insured event requires the supervision of a building or apartment for up to 12 hours;
- (g) the place of insurance has become inhabitable and assistance is needed for the organisation of primary transport to a temporary residence;
- h) the organisation of a temporary heating solution for up to 24 hours, if this is necessary for the protection of other technical systems (e.g. freezing risk);
- i) in the event of a major failure of the internal electrical system, the elimination of ignition hazard and diagnosis.

The home assistance service provides the following services in the event of an insured event:

- a) emergency services' arrival to the place of insurance;
- b) repair, coating or reinforcement of the insured item (including protection against external factors).

**The Compensa Home Assistance service is valid if it is ordered from Compensa's contact phone + 372 675 6756.**

**4. EXEMPTIONS**

Exclusions presented in Clause 4 shall be applied in the case of all insured events (including Liability Insurance).

Compensa shall not compensate damage and costs if they are directly or indirectly caused by:

- 4.1. liquids (incl. precipitation) or steam entering through openings, building constructions or technical systems;
- 4.2. the gravity of ice or snow, except the damage caused by falling ice or snow onto parts of the building (incl. rainwater pipes);
- 4.3. low quality / incorrect construction or repair works, design, planning, installation or assembly faults, use of

inappropriate or defective building materials, unless due to the insured event occurred as a result of the abovementioned reason, damage was caused to the insured building or its qualitative part. The cost of defective work and materials and the costs of repair, replacement or alteration shall not be compensated;

4.4. damage to home appliances and equipment (for example the technical systems of a building) caused by a sudden and unforeseen interruption, disturbance or voltage fluctuation in power supply outside of the insurance place, unless the above mentioned event is confirmed by the network holder or licenced electricity service provider.

4.5. construction, maintenance or repair work carried out at the site of insurance, except in case of fire;

4.6. cost of maintenance of the insured item and the cost of the replaced equipment and part thereof;

4.7. wear and tear, mould (including dry rot), scale or other long-term processes;

4.8. legitimate demolition, destruction or disassembly of the insured item;

4.9. activities of birds, domestic animals, rodents, and insects;

4.10. losing or forgetting the property, except for the loss of keys specified in Clause 2.8;

4.11. use of the insured item for a purpose or in a manner for which it is not intended (for example, the use of a residential / auxiliary building for business purposes in the form of woodworking, car repair, animal husbandry, etc.);

4.12. intention or gross negligence on behalf of the Policyholder or the person for whom the Policyholder is responsible;

4.13. act of war, terrorist act, civil unrest, rebellion, mass disorder, strike, coup, state of emergency;

4.14. expropriation, confiscation or similar event;

4.15. use of nuclear energy for any reason whatsoever or its getting out of control;

4.16. radioactive radiation and radioactive contamination;

4.17. use of chemical, biological, biochemical or electromagnetic weapons;

4.18. blasting operations, excavation operations, earthworks or storage of explosives;

4.19. earthquake, movement of the earth's surface or landslide;

4.20. vibration;

4.21. subsidence, cracking, shrinkage, expansion or temperature variation of the ground, building or the parts thereof.

4.22. cessation of operation of an infotechnological device, electrotechnological data processing device, processor-controlled device or machine, changing, deletion or theft of data, deliberately damaging data and/or software, including through unauthorised access, a computer virus or the incompatibility or overloading of data and/or software.

**The following are also not subject to indemnification:**

4.23. damage caused to buildings with a total surface area of more than 20 m<sup>2</sup>, unless they are indicated in the insurance contract;

4.24. solar panels attached to the building with a value in excess of EUR 10,000, except if a corresponding notation has been made in the insurance contract;

4.25. internal electrical or mechanical failure of the insured item;

4.26. the cost of the reacquisition or repairing of the damage caused to a technical system, except for in the case of using the Compensa Koduabi service, clause 3.1.4. a), up to EUR 100;

4.27. indirect costs related to the insured event, including telephone bills, reduction of income or profit;

4.28. damage caused to sporting equipment, fishing equipment and means of transport during their normal use (including bicycles, scooters, children's prams, etc.);

4.29. sporting equipment costing over EUR 1200 (for example bicycle, skis, surfing gear, a SUP board, etc.), except if a corresponding notation has been made in the insurance contract;

4.30. expenditures on maintenance works and external scratches, stains or cracks in walls;

4.31. property that was not operational before the damage occurred;

4.32. damage which is subject to indemnification on the basis of a warranty granted to the insured item (incl. construction warranty);

4.33. costs of designing a building different to the current one (extensions, changes to external solutions, etc.);

4.34. following the insured event, the costs associated with harmonising a portion of a restored building or the interior finish with the undamaged part of a building or the interior finish (for example, differences in colour tone between the old and new paint, differences in the patterns of ceramic tiles, differences in the texture of materials, etc.);

4.35. damage caused to motor vehicles, off-road vehicles (cars, motorcycles, ATVs, snowmobiles) outside the place of insurance;

4.36. damage, if the event does not correspond to the characteristics of an insured event and is not unexpected and unforeseeable.

**5. RELEASE OF COMPENSA FROM THE OBLIGATION TO PERFORM THE INSURANCE CONTRACT**

Compensa shall be partially or fully released from the obligation to perform the insurance contract if:

5.1. the Policyholder or a person considered equivalent to him/her has violated at least one of the obligations stipulated in the insurance contract and this has an impact on the incurrence of damage or the amount thereof or on the establishment of the extent of damage;

5.2. the insured event has taken place due to severe negligence or intention of the Policyholder or a person considered equivalent to him/her;

5.3. the Policyholder or the beneficiary has knowingly presented false data on the circumstances of the damages or the extent of the damages;

5.4. the insured event was caused by the activities of the Policyholder or a person considered equivalent to him/her under the influence of alcohol, drugs or other psychotropic substances;

5.5. the person entitled to receive insurance indemnity is subject to international financial sanctions.

**6. PLACE OF INSURANCE**

6.1. The place of insurance is (are) the building(s), facility (facilities), apartment and the storage room located in the same building with the apartment located in the address indicated in the insurance contract.

6.2. In the case of household property intended for outdoor use, the insurance cover also covers up to 10% of the sum insured of the household property in a limited area of a private house, terraced or semi-detached house.

6.3. The insurance cover also covered up to 15% of the sum insured of the household property located in the storage room or the outbuilding belonging to the apartment and exclusively used by the Policyholder or his/her family member.

6.4. The domestic assets carried along by the Policyholder and/or his/her family members are insured in the amount of up to 2000 euros within the territory of the Republic of Estonia also outside the place of insurance.

**7. SUM INSURED AND INSURANCE VALUE**

7.1. The insurance value of the interior decoration of a building or an apartment and the civil engineering works is the restoration value, i.e. the restoration of the same-

purpose building at the place of insurance in its former form without taking into account the depreciation, unless the building is not restored at the place of insurance

7.2. The insurable value of a domestic asset is its re-acquisition value, i.e. the amount of money necessary for re-acquiring an equal item.

7.2.1. in the case of damage to mobile telephones, tablet computers, smart watches and other devices that are more than 12 months old, the compensation for damage shall be reduced in accordance with the age of the device, as follows:

- a) 12–24 months 25%;
- b) Devices older than 24 months are not insured.

The amount of the indemnity is limited by the market value of the device, in other words, if the calculation of the above mentioned reduced indemnity exceeds the market value of the device, the amount of the indemnity shall be the market value of the device.

The age of the device shall be calculated from the date when it was purchased new. If the policyholder fails to prove the age or if the device was acquired used, the initial date of manufacture of the device shall be taken into account.

7.2.2. in the case of damage to laptop computers, personal computers and camera equipment, and other such devices that are more than 12 months old, the compensation for damage shall be reduced in accordance with the age of the device, as follows:

- a) 12–24 months 25%;
- b) 24–48 months 50%;
- c) over 48 months are not insured.

The amount of the indemnity is limited by the market value of the device, in other words, if the calculation of the above mentioned reduced indemnity exceeds the market value of the device, the amount of the indemnity shall be the market value of the device.

The age of the device shall be calculated from the date when it was purchased new. If the policyholder fails to prove the age or if the device was acquired used, the initial date of manufacture of the device shall be taken into account.

7.2.3. The insured value of the technical systems of buildings (heating device, boiler, ventilation system, etc.) is the replacement value. In the event of damage to the technical systems of a building, the amount of compensation for damage shall be reduced based on the age of the device, as follows:

- a) from 3 years old 20%
- b) additional 10% in every following year
- c) 6–10 years old 50%
- d) over 10 years old 100%.

The age of the equipment is counted from the day when it was purchased. When the insurer is not able to prove the

age of the equipment, then the accounting base will be the date of the production of the equipment.

7.3. The insurable value of the following items is always their market value, i.e. the amount of money necessary for re-acquiring an equal item.

- a) works of art (including paintings, sculptures);
- b) antiques and valuables (including jewellery, furniture);
- c) weapons;
- d) agricultural machinery (including lawnmowers);
- e) trailers, motor vehicles (including motorcycles, scooters), ATVs, vehicles not subject to registration in the Estonian Motor Vehicle Registration Centre;
- f) mobile phones, tablets, laptops, personal computers, smart watches, and photographic equipment of over one year.

## **8. DEDUCTIBLE**

Deductible means a part of damages specified in the insurance contract for each insured event. The Policyholder always bears the damage to the extent of the deductible. Damages smaller than the deductible shall not be compensated.

8.1. The deductible shall not apply in the event of a fire if the building insured is destroyed by more than 50%.

8.2. If the security alarm is indicated in the policy, but the alarm system is not active at the time of the theft, the Insurer may apply a double deductible rate.

8.3. A deductible is not applied in 3.1.4 in case of Compensa Home Assistance.

## **9. INSURED RISK AND INCREASE IN THE LIKELIHOOD OF INSURED RISK**

9.1. Insured risk means a risk against the realisation of which insurance coverage is taken.

9.2. A change in the circumstances that increase the likelihood of the occurrence of an insured event or the amount of damage caused is considered to increase the possibility of insured risk.

9.3. In particular, the circumstances for which Compensa asks the Policyholder to submit information before the conclusion of an insurance contract are considered circumstances that may increase the possibility of the insured risk. Also, an important factor influencing the possibility of insured risk is the failure to comply with the specific or additional conditions, the safety requirement or other agreement related to the insured risk and stipulated in the insurance contract. A circumstance which may increase the insured risk is, for example, construction and/or repair works.

9.4. The Policyholder must immediately inform Compensa of the increase in the possibility of insured risk, unless the increase in the risk of the insured was caused by a generally known fact that does not affect only the insured risk of this particular Policyholder.

9.5. After conclusion of the contract, the Policyholder may neither increase the insured risk nor allow it to be increased by persons considered equivalent to him/her without the consent of Compensa.

9.6. If the Policyholder violates the obligation to notify of the possibility of increase of the insured risk, then Compensa shall be released from the obligation to perform the insurance contract if the insured event takes place within one month after the time when Compensa should have received such notice.

9.7. If the Policyholder or a person equal to the Policyholder violates the prohibition on increasing the possibility of insured risk and the insured event occurs after the increase in the possibility of insured risk, Compensa reserves the right, in the light of the circumstances of the violation, to reduce the insurance indemnity or refuse to pay it.

9.8. Compensa has a right to examine the insured item during the insurance period and if the possibility of insured risk has increased, demand from the Policyholder implementation of further security measures and/or to increase the insurance premium or cancel the insurance contract.

## **10. SAFETY REQUIREMENTS**

10.1. The Policyholder and a person equal to him/her are required to comply with the safety requirements arising from the legislation, user manuals and the insurance contract.

10.2. In the event of a breach of safety requirements, Compensa reserves the right to reduce the insurance indemnity or refuse to pay it, if the breach of safety requirements had an impact on the occurrence of an insured event.

10.3. In addition to the safety requirements set forth in the legislation, user manuals and the insurance contract, the Policyholder and a person equal to him/her must comply with the following safety requirements:

10.3.1. When leaving the place of insurance or at night-time, items in the courtyard, on the terrace or on the first-floor balcony must be taken to a locked building, with the exception of garden furniture, trampoline, oven, barbecue, heat radiator and robot lawnmower.

10.3.2. When leaving the place of insurance, all doors and windows must be locked, and the alarm system must be turned on, when available. Upon loss of the key or alarm system code or their ending up in unlawful possession of a third party, the Policyholder shall immediately replace the lock or code.

10.3.3. The assets taken along outside the place of insurance must be under constant supervision, located in a locked building or locked in a locked car in an location where it cannot be seen.

10.3.4. A bicycle, stroller or wheelchair must be locked with a bike locker in an area without supervision outside the place of insurance (including in jointly-used areas, for example, a staircase of an apartment building).

10.3.5. The water supply, sewerage, heating and cooling system of the building must be regularly maintained. During a non-residential period of a building where the air temperature falls below 0 degrees, the water and heating systems must be emptied of water.

10.3.6. Smoke flues and chimneys should be cleaned once a year, and every five years, the chimney of the building must be cleaned by a person with a relevant professional certificate.

10.3.7. The location of open fire must be at a safe distance from the building or combustible material.

## **11. OBLIGATIONS OF THE POLICYHOLDER**

11.1. The Policyholder's contractual obligations also apply to persons equal to him/her. Persons who are deemed to be equal to the Policyholder are his/her family members living in the same household, as well as the legal possessor of the insured item, or those who use the insured item with the consent of the owner or possessor.

11.2. The Policyholder is required to explain to the aforementioned persons the safety requirements and other obligations of the Policyholder under the insurance contract. If a person who is equal to the Policyholder violates the insurance contract, the Policyholder is deemed to have violated the insurance contract.

### **The Policyholder has the obligation:**

11.3. To notify before conclusion of an insurance contract or during the validity of the insurance contract if the Policyholder or a beneficiary has been/is being entered to the sanctions list;

11.4. to allow the representative of Compensa to examine the insured location, the insured items and the documents necessary for conclusion of the insurance contract;

11.5. to provide complete and accurate information necessary for the assessment of the insured risk and, upon entry into the insurance agreement, disclose all the circumstances known to the Policyholder that affect the decision to enter into the insurance agreement on the agreed terms and conditions;

11.6. inform Compensa as soon as possible if the information provided turn out to be false or incomplete;

11.7. immediately inform Compensa of the increase in the insured risk (for example, if there are changes in comparison with what is indicated in the insurance contract), the transfer of the insured item or the creation of multiple insurance;

11.8. to make every effort to prevent an insured event and minimise any damage, avoid any increase in the

probability of the insured risk and cause the persons who are deemed equivalent to the Policyholder to do the same;

11.9. inform about the transfer of the insured item or the occurrence of multiple insurance.

**Upon occurrence of an insured event, the Policyholder has the obligation to:**

11.10. take immediate measures to save the insured item, prevent and reduce damage by asking and following the instructions of Compensa;

11.11. report the events immediately:

- a) to the police if actions of a third party are suspected;
- b) to the local rescue service if fire has occurred or an explosive has detonated;
- c) in other cases, to the competent authority or person.

11.12. notify Compensa of an insured event personally or via a representative at the earliest opportunity after becoming aware of it;

11.13. if possible, the scene of the insured event should be preserved in an untouched state until orders are received from Compensa;

11.14. a claim or any accusation submitted by an injured third party must not be satisfied or recognised without the consent of Compensa;

11.15. comply with the orders given by Compensa;

11.16. submit damaged assets or their remains for the purpose of reviewing them to Compensa in the post insured event state and not to recover or repair lost assets without the consent of Compensa;

11.17. provide Compensa with all information in his/her possession necessary to determine Compensa's contractual obligations, including all documents on the causes of the damage and the amount of damage, and to authorise Compensa to obtain the necessary information and documents.

**12. COMPENSA'S RIGHTS AND OBLIGATIONS**

12.1. In the event that the insurance contract is concluded for a period longer than one year, Compensa reserves the right to modify the standard terms and conditions and/or the insurance premium, but not for the first annual insurance period of the insurance contract.

**Compensa has the obligation to:**

12.2. introduce the documents related to the insurance contract to the Policyholder before the conclusion of the insurance contract and to keep the confidentiality of information that has become known to him in connection with the contract;

12.3. when damages are reported by the Policyholder, to start processing the insured event immediately, establishing the amount of damages to be compensated;

12.4. register the notice of damage and introduce the procedure for resolving the insured event and compensating for the damage to the Policyholder;

12.5. inform the Policyholder as soon as possible of the documents necessary for determining the cause and amount of damage caused by an insured event;

12.6. make a decision on compensation for damages or refusal to do so within 10 business days at the latest as of the receipt of all required documents and identification of the amount of damage and the circumstances related to its occurrence; Compensa reserves the right to postpone the decision if a judicial or pre-trial proceeding has been initiated in relation to a case until receiving the decision to suspend or terminate it.

12.7. participate in the expert procedure provided for in § 490 of the Law of Obligations Act in the event of a dispute over the amount of damage.

**13. INSURANCE INDEMNITY, MEANS AND PROCEDURE OF COMPENSATION**

Insurance indemnity is a sum of money that is paid to compensate for financial damage resulting from an insured event. Compensa has the right to decide whether the way to compensate the damage is the restore of assets, their replacement with an equivalent or financial compensation.

13.1. **The restoration of a building**, an apartment or civil engineering works is based on the calculation of construction works and compensation is paid according to the works performed and the invoices submitted thereon. Restoration must be carried out at the place of insurance and Compensa is entitled to choose the executor of such works.

If the insurance value of a building, apartment or civil engineering works is the residual value, the indemnity shall be based on the local construction value of the building, minus the depreciation of the building before the insured event.

In case of financial compensation or if the building is not restored within two years from Compensa's acceptance of the compensation decision, the amount of the compensation is the estimated restoration cost minus the depreciation of the building before the insured event.

13.2. **The compensation of household property** is based on their re-acquisition value. If it is reasonable to repair the property, the reparation costs (including transportation costs) make up the amount of compensation. If the property is not repaired, Compensa will compensate the cost of the new item with the same characteristics (re-acquisition value), except in case of items listed in Clause 7.3., for which the insured value of the item is the market value. Upon the determination of the indemnity for domestic property, under-insurance shall not be considered. In the case of over-insurance, the

actual amount of damage is compensated, but not more than the sum insured.

13.3. Unless otherwise stated in the insurance contract, the sum insured includes the sum insured of works of art, antiques and valuables (jewellery, collections, furniture, etc.), agricultural machines (including lawnmowers), trailers, motorcycles, scooters, ATVs and motor vehicles not subject to registration in the Estonian Motor Vehicle Registration Centre up to EUR 4000.

13.4. Sports equipment costing more than EUR 1200 (per insured object) is insured in the event that a separate notation has been made in the insurance contract. Sports equipment includes, for example, a bicycle, self-propelled electrical device, surfing gear, SUP board, skis, etc.

13.5. Compensa has the right to withhold any insurance premiums that remain unpaid by the end of the current insurance period from the payable indemnity, regardless of whether the date of paying the insurance premium has arrived and to whom the insurance indemnity is being paid.

13.6. If, in connection with a loss event, civil or criminal proceedings have been initiated and it has a direct link with the insured event, Compensa reserves the right to postpone making the decision on compensation until the respective proceedings have been suspended or terminated.

#### **14. REFUNDING OF INSURANCE INDEMNITY**

14.1. The Policyholder and/or beneficiary has the obligation to return the insurance indemnity to Compensa as soon as possible, when circumstances precluding the reimbursement have appeared after the damages have been reimbursed or the damages have been reimbursed by a third person.

14.2. If the Policyholder and/or beneficiary gets stolen property back into their possession after receiving the insurance indemnity, the returned item must be given to the possession of Compensa or the insurance indemnity is to be returned.

#### **15. PROCESSING OF CUSTOMER COMPLAINTS AND RESOLUTION OF DISPUTES**

15.1. Any disputes arising from the insurance contract are attempted to be resolved by means of agreement and, if an agreement is not reached, the parties have the right to go to court.

15.2. If the Policyholder and/or beneficiary is not satisfied with the activities of Compensa, they have the right to file a claim to Compensa. Client's expression of dissatisfaction presented in a format that can be reproduced in writing is registered as a complaint. Compensa notifies the client of their term of answering the complaint as soon as possible.

15.3. For the settlement of disputes, the Policyholder may contact the insurance conciliation body at the Estonian

Insurance Association pursuant to the procedure of the body.

#### **16. NOTIFICATION FORMAT**

16.1. All notices between the parties to the insurance contract that are necessary for the performance of the contract shall be forwarded in a form that can be reproduced in writing.

16.2. Compensa has the right to record the telephone calls related to the performance of the insurance contract.

#### **17. DATA PROCESSING AND PROTECTION**

17.1. Compensa processes personal data in accordance with the legislation. Compensa has the right to process the Policyholder's, the insured party's, the beneficiary's and the injured party's data to assess the risk and to prepare, conclude and fulfil the insurance contract.

17.2. With their request to conclude an insurance contract or conclusion of an insurance contract, the Policyholder grants their full and unconditional consent to process the Policyholder's personal data for the conclusion, amendment and performance of the insurance contract, incl. the person's age, residence, contact details, job, position, business activity, relationships, hobbies, insurance and loss history, as well as sensitive personal data (incl. data on the client's state of health or disability), data on committing or being a victim of a crime.

17.3. The Policyholder authorises Compensa to source the said data from third persons. The Policyholder grants Compensa the right to forward the personal data to all third persons related to the conclusion, amendment and performance of the contract.

17.4. Compensa has the right to forward client's data to third persons whom they use in fulfilling their obligations (authorised employees). Information on the authorised employees is provided on Compensa's website: [www.compensa.ee](http://www.compensa.ee).

17.5. Compensa has the right to issue a copy of the insurance policy to the insured person, the beneficiary and the pledgee of the insured item. Compensa has the right to disclose information related to a loss event to a government body in whose competence the proceedings of the loss event is.

17.6. The Policyholder agrees that Compensa uses the client data for offering additional insurance services to the Policyholder and marketing information on the said services.

17.7. The Policyholder has the right to obtain information from Compensa on the personal data and their use at any time and demand the correction of incorrect data and demand the ceasing of the processing of personal data from Compensa, unless otherwise provided by the law.

17.8. Compensa retains the personal data for as long as is necessary for fulfilling the objectives of client data

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processing or performing the objectives arising from the legislation, also taking into account the term of expiry of claims arising from the contract.

#### **18. CONTRADICTIONS**

In the case of any contradictions in the documents of the insurance contract, the following hierarchy of documents will be used in their interpretation, where each preceding document shall prevail over the next one: special terms and conditions – insurance policy – additional terms and conditions – terms and conditions of home insurance.

In the case of any disputes, the terms and conditions of home insurance compiled in Estonian will always be taken as the basis.