



General terms and conditions

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Ü101-2018

Valid from 25.05.2018

Unofficial translation from Estonian

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General terms and conditions

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The general terms and conditions shall be applied to insurance contracts concluded with Gjensidige, if the general terms and conditions have been referred to on the insurance policy.

1. Basic terms and definitions

- 1.1. **Gjensidige** is the insurer Akcinė draudimo bendrovė "Gjensidige" (ADB Gjensidige) Estonian branch.
- 1.2. **Policyholder** is a person who has concluded an insurance contract with Gjensidige and is obliged to pay insurance premium.
- 1.3. **Insured person** or the **insured** is a person with whom the insured risk is associated. If an insured person is not specified on the policy, the policyholder is the insured.
- 1.4. **Beneficiary** is a person determined in the insurance contract, who shall be entitled to receive an insurance indemnity in the case of an insured event in accordance with the insurance contract.
- 1.5. **Third person** is a person who is not the policyholder or a person equivalent to policyholder (see p 6 for persons equivalent to policyholder).
- 1.6. **Insurable interest** is the policyholder's interest to insure him-/herself against a specific insured risk.
- 1.7. **Insured risk** is a risk insured against.
- 1.8. **Insurance contract** is an agreement concluded between Gjensidige and the policyholder, pursuant to which Gjensidige shall, in the case of an insured event, indemnify the damage caused as a result of the insured event or fulfil the contract in another agreed manner (the Gjensidige's fulfilment obligation) and the policyholder shall be obliged to pay insurance premium to Gjensidige.
- 1.9. **Policy** is a document issued by Gjensidige to certify the conclusion of an insurance contract.
- 1.10. **Insured object** or the **object of insurance** is e.g. the life or health of the insured person or a thing, liability or expense of the insured person, with regard to which the insurance contract is concluded.
- 1.11. **Insured event** is a sudden and unforeseeable event, which is defined in the insurance contract and upon the occurrence of which Gjensidige has the fulfilment obligation arising from the contract.
- 1.12. **Sudden and unexpected event** is an event, which occurs suddenly and fast, and the occurrence of which, or damage caused by which cannot be influenced, foreseen, mitigated or avoided by the policyholder/person equivalent to the policyholder.
- 1.13. **Insurance period** is a period of time, when the insurance cover is valid, and on the basis of which insurance premium is calculated.
- 1.14. **Insurance premium** is an amount which the policyholder is obliged to pay Gjensidige in accordance with the insurance contract.
- 1.15. **Place of insurance** is an address, territory, region or area defined in the insurance contract, insured events occurring in which are subject to Gjensidige's fulfilment obligation arising from the insurance contract.
- 1.16. **Deductible** is an amount of money or other value (e.g. a percentage of damage, a period or other such) determined in the insurance contract, by which the fulfilment obligation of Gjensidige shall be reduced.



- 1.17. **Sum insured** is the maximum amount payable per insurance period.
- 1.18. **Insured value** is the value of the insurable interest at the time of occurrence of the insured event.
- 1.19. **Limit of indemnity** is the maximum limit of payment of indemnity agreed in the insurance contract, which has been determined for example for an insured object, an insurance cover or an insured event. The terms and condition concerning underinsurance shall not be applied in the case of applying the limit of indemnity.
- 1.20. **Insurance indemnity** is an amount of money or a non-monetary compensation (replacement, restoration), by which the proprietary damage incurred as a result of an insured event is indemnified on the terms and conditions established in the insurance contract. The manner of indemnifying the damage shall be decided by Gjensidige. The amount of insurance indemnity per one insured event is limited by the amount of damage caused as result of the insured event, and by the sum insured or the limit of indemnity.

2. Insurance contract documents

- 2.1. Insurance contract documents are: the policy, the terms and conditions indicated in the policy, and other document if it is specified in the insurance policy.
- 2.2. In the case of a contradiction between the insurance contract documents, the policy shall prevail, followed by the product terms and conditions, then the general terms and conditions and the law regarding all questions not regulated in the previous.
- 2.3. If the insurance contract documents are both in Estonian and in a foreign language, the Estonian text of the insurance contract documents shall prevail in the case of a contradiction between the documents, unless specified otherwise in the policy.

3. Conclusion and amendment of insurance contract

- 3.1. An insurance contract shall be concluded when the conditions specified in Gjensidige's proposal are fulfilled, e.g:
 - 3.1.1. Gjensidige has released policy to the policyholder or the insured,
 - 3.1.2. the policyholder has paid the insurance premium or the first instalment of insurance premium in a manner and amount specified in proposal,
 - 3.1.3. the policyholder has fulfilled some other condition agreed in the insurance contract. Exact terms and conditions of contract conclusion and validity of insurance cover are stated in the insurance contract.
- 3.2. Gjensidige shall issue a policy to certify the conclusion of the insurance contract. The policy shall be valid without signature, but the policy may contain the original, digital or mechanically reproduced signature of representative of Gjensidige. Gjensidige may send the policy to the policyholder electronically or by post.
- 3.3. In accordance with the principle of freedom of contract, Gjensidige shall have the right to decide with whom and on what terms and conditions it concludes or does not conclude a contract.
- 3.4. In order to amend the insurance contract, the policyholder shall submit an application to Gjensidige at least in a format which enables reproduction in writing (for example via e-mail). The insurance contract shall be considered amended when the policyholder and Gjensidige have agreed with the amendment at least in a format which enables reproduction in writing.

4. Expiry, cancellation and termination of insurance contract

- 4.1. The insurance contract shall expire upon the expiry of the insurance period, upon the cancellation of the insurance contract, upon termination of the insurance contract, upon agreement of the parties or on other grounds established by law or in the insurance contract.
- 4.2. If Gjensidige indemnifies damages in the amount of the whole sum insured (except the deductible), then the insurance contract is deemed to have been cancelled due to lack of policyholder's insurable interest at the moment the insurance indemnity is paid out, unless the parties of the insurance contract have agreed that the sum insured shall not decrease by the indemnity paid.
- 4.3. Gjensidige shall have the right to cancel the insurance contract:



- 4.3.1. if the policyholder has violated the terms and conditions of the insurance contract, incl if the policyholder does not take safety measures stipulated in the insurance contract or specified additionally by Gjensidige. Gjensidige shall not have the right to cancel the insurance contract, if the violation of the terms and conditions of the insurance contract does not have an effect on increasing of the insured risk or Gjensidige's obligation to fulfil the insurance contract (excluding the non-payment of the insurance premium);
- 4.3.2. if the policyholder, insured person or the beneficiary has mislead, deceived or attempted to mislead or deceive Gjensidige with regard to the insurance contract or the circumstances of an insured event;
- 4.3.3. upon an increase in the insured risk;
- 4.3.4. after the occurrence of an insured event.
- 4.4. Both parties to the insurance contract may cancel the insurance contract after an insured event, by giving the other party one week's prior notice thereof. Upon cancelling the insurance contract on other grounds, Gjensidige shall be obliged to comply with the requirements and terms established in the Law of Obligations Act for the cancellation of the insurance contract.
- 4.5. Upon cancellation, termination or early end of the insurance contract on other ground, the policyholder shall have the right to recover the insurance premium paid for the time left until the end of the insurance period. If Gjensidige has indemnified damages in the amount of the whole sum insured (except the deductible) as a result of the insured event, the insurance premium for the time left until the insurance period shall not be returned.
- 4.6. Gjensidige shall have the right to terminate the insurance contract, if the policyholder has not informed Gjensidige of significant circumstances that influence the insured risk or has intentionally submitted false data upon the conclusion of the insurance contract. Gjensidige shall have the right to terminate the contract within one month from the date on which it learnt or should have learnt of the violation of the notification obligation.

5. Rights and obligations and determination of beneficiary

- 5.1. The beneficiary shall, upon the occurrence of an insured event, be entitled to fulfilment of obligations by Gjensidige, but the beneficiary shall not have a claim of fulfilment against Gjensidige.
- 5.2. The beneficiary shall be determined and changed upon the policyholder's proposal. One cannot change the insurance contract afterwards (incl the beneficiary) without the approval of the beneficiary, if the insurance contract has been concluded to secure another contract concluded between the policyholder and the beneficiary. One also cannot change the insurance contract without the approval of the beneficiary after an insured event has occurred.
- 5.3. The heirs of the policyholder may not replace the beneficiary after the death of the policyholder.
- 5.4. If the beneficiary loses the right to insurance indemnity due to circumstances arising from the beneficiary or if the beneficiary has died or has been liquidated before the occurrence of an insured event, the beneficiary shall be considered as not determined.
- 5.5. If a beneficiary has not been determined it's the policyholder or a person determined by the policyholder who is entitled to Gjensidige's performance, unless Gjensidige has a statutory obligation to refrain from indemnifying without an approval of a third person (e.g mortgagee).

6. Persons equivalent to policyholder

- 6.1. In the fulfilment of the obligations arising from the insurance contract, other than the payment of insurance premium, the following persons shall be equivalent to the policyholder:
 - 6.1.1. the insured;
 - 6.1.2. the beneficiary (not applicable to liability insurance);
 - 6.1.3. the legal possessor of the insured object, as well as the person to whom the legal possessor has transferred possession, e.g lessee (not applicable to liability insurance);
 - 6.1.4. the person who uses the insured object with the consent or approval of the policyholder, the insured person or the legal possessor of the insured object, e.g a family member of an insured person (not applicable to liability insurance);
 - 6.1.5. the person working for the policyholder and the person whom the policyholder uses in its economic activities marked on the policy or fulfilment of obligations marked on the policy;

- 6.1.6. other person who is obliged to comply with the requirements of use, safety, damage prevention and limitation, rescue and other such pursuant to the law, a contract (including an employment contract) or other legal relationship (not applicable to liability insurance).
- 6.2. The policyholder shall explain the requirements and obligations arising from the insurance contract to a person who is equivalent to the policyholder.
- 6.3. If a person equivalent to the policyholder fails to comply with the requirements of the insurance contract, the policyholder shall be considered as having violated the insurance contract.

7. Obligations of parties to insurance contract

7.1. Obligations of policyholder

The policyholder shall be obliged to:

- 7.1.1. pay insurance premium due date and in the manner and amount determined in the policy;
- 7.1.2. act with reasonable care to avoid the occurrence of loss event;
- 7.1.3. comply with the legal acts applicable in Estonia, the (special) terms and conditions specified in the insurance contract, safety requirements and equipment user instructions; make his/her best efforts to prevent an insured event and to reduce the possible damage, not to increase the insured risk and not to allow it to be increased by persons for whom the policyholder is liable;
- 7.1.4. immediately notify Gjensidige of an increase of the insured risk, incl in cases then the increase of insured risk was caused by generally known circumstance which does not affect only the insurance risk related to the policyholder;
 - 7.1.4.1. If the policyholder has not notified Gjensidige of an increase of the insured risk Gjensidige shall not have the obligation to indemnify damages which result from an insured event which occurs one month from the time Gjensidige should have received the respective notification.
 - 7.1.4.2. If the policyholder increases the insured risk, does not inform Gjensidige about it, and the insured event occurs after the increase of the insured risk, Gjensidige shall not have the obligation to indemnify damages in the extent the risk was increased.
- 7.1.5. during the insurance contract allow Gjensidige's representative to inspect the condition of the insured object and the documents necessary for the conclusion of the insurance contract, if Gjensidige has information on possible change of the insured risk which might provide basis for ending the insurance contract;
- 7.1.6. apply on its own cost additional safety measures required by Gjensidige, if those are necessary due to change in risk circumstances during the validity of the insurance contract (e.g assuring additional surveillance if during the insurance contract active business activity stops in a an insured hotel).
- 7.1.7. introduce with the insurance contract and explain the obligations arising from the insurance contract to persons equivalent to policyholder;
- 7.1.8. submit all notices to Gjensidige in a format which enables reproduction in writing.

Upon the occurrence of an insured event, the policyholder shall be obliged to:

- 7.1.9. immediately take measures to prevent the escalation of damage and to reduce the possible damage;
- 7.1.10. immediately inform the police, if intentional activities of third persons are suspected; the local rescue service, if the event involves a fire or explosion; the competent bodies or persons in other cases;
- 7.1.11. notify Gjensidige of the insured event at the first opportunity personally or via his/her representative, stating the data concerning the event, the expected amount of damage, the witnesses, parties and suspects, and to follow the instructions of Gjensidige's representative thereafter;
- 7.1.12. preserve the scene of the insured event untouched until Gjensidige has inspected it, if possible;
- 7.1.13. submit a list of the property lost, damaged or destroyed as a result of the insured event to Gjensidige within two weeks from the moment of learning of the insured event (not applicable to liability insurance);
- 7.1.14. allow Gjensidige to identify in the course of handling the case the reasons for and the amount of the damage caused as a result of the insured event, by submitting the documentation necessary for that purpose;



- 7.1.15. present the damaged property or the remains thereof in the post-event condition to Gjensidige for inspection (not applicable to liability insurance). The policyholder shall not start to restore damaged property or utilise destroyed property without Gjensidige's consent;
- 7.1.16. give Gjensidige complete information concerning the circumstances related to the insured event and allow Gjensidige to determine losses as a result of the insured event. The obligation to prove the insured event lies with the policyholder;
- 7.1.17. notify Gjensidige within two working days of finding an insured object lost as a result of the insured event.

7.2. Obligations of insurer

Gjensidige shall be obliged to:

- 7.2.1. maintain the confidentiality of the data that has become known to him/her in connection with the insurance contract;
- 7.2.2. register the notice of event, inform the policyholder of the procedure for the settlement of insurance events and indemnification of damage, and immediately commence the handling of the insured event and to determine the amount of damage to be indemnified;
- 7.2.3. present to the policyholder a list of documents necessary for determining the reasons for and the amount of the damages caused as a result of the insured event;
- 7.2.4. decide on the indemnification of damage or refusal to indemnify the damage immediately, but not later than within 10 working days from receiving all the required documents and determining the amount and the circumstances of the damage. If civil, misdemeanour or criminal proceedings have been initiated in connection with the loss event and the circumstances to be identified in the course of the proceedings are important in determining Gjensidige's fulfilment obligation, Gjensidige shall have the right to postpone the decision until the receipt of the ruling made in the relevant proceedings;
- 7.2.5. notify the policyholder in writing of its refusal to indemnify the damage or reducing the insurance indemnity within 5 working days at the latest from making the relevant decision, indicating the reason and grounds for the refusal or reduction;
- 7.2.6. inform the policyholder on Gjensidige's webpage www.gjensidige.ee or via mass media, if the name or legal form of Gjensidige, the address of Gjensidige or the address of Gjensidige's structural unit via which the insurance contract was concluded or the address of the competent insurance supervisory body is changed during the insurance period;
- 7.2.7. submit all notices to the policyholder in a format which enables reproduction in writing.

8. Transfer of insured object

- 8.1. Upon the transfer of the insured object, all the rights and obligations of the policyholder arising from the insurance contract shall pass to the acquirer of the object.
- 8.2. With regard to Gjensidige, the rights and obligations of the policyholder arising from the insurance contract shall not be considered as transferred until notification of the transfer of the insured object.
- 8.3. The transferor or the acquirer of the insured object shall give Gjensidige immediate notice of the transfer.
- 8.4. If Gjensidige is not notified of the transfer of the insured object in a timely manner, Gjensidige shall be released from its fulfilment obligation, if an insured event occurs later than one month from the date by which Gjensidige should have received the relevant notice.
- 8.5. Upon the transfer of the insured object, Gjensidige may cancel the insurance contract within one month from learning of the transfer, by giving at least one month's prior notice of the cancellation.

9. Multiple insurance, overinsurance and underinsurance

- 9.1. Multiple insurance is a situation where the insured object is either partly or fully insured against the same insured risk with several insurers and the total amount of the indemnities payable by the insurers would exceed the amount of damage and the insurable value. In the case of multiple insurance, the insurers shall be liable as joint and several obligors.



- 9.2. If the sum insured differs from the insurable value by more than 10%, the damage shall be indemnified in accordance with the provisions of underinsurance or overinsurance respectively (not applicable to liability insurance).
- 9.3. Overinsurance is a situation where the sum insured exceeds the insurable value. In the case of overinsurance, Gjensidige shall not indemnify in excess of the actual amount of damage. If the policyholder requests to decrease the insurance premium according to the extent of decrease of the insured sum, Gjensidige shall decrease the insured sum from the moment Gjensidige received the respective notification of the policyholder. Not applicable to liability insurance.
- 9.4. Underinsurance is a situation where the sum insured is lower than the insurable value at the moment of occurrence of the insured event. In the case of underinsurance, Gjensidige shall be liable for the damage in proportion to the ratio of the sum insured to the insurable value at the time of occurrence of the insured event. Not applicable to liability insurance.
- 9.5. In order to avoid overinsurance and underinsurance, the policyholder shall determine the sum insured upon the conclusion of the insurance contract on the basis of the insurable value of the insured object, monitor changes in the insurable value during the insurance period and, if necessary, submit an application to Gjensidige for changing the sum insured. Not applicable to liability insurance.

10. Indemnification of damage

- 10.1. Gjensidige shall indemnify damage in accordance with the terms and conditions agreed in the insurance contract.
- 10.2. If Gjensidige indemnifies the damage incurred, Gjensidige shall also compensate the policyholder for the necessary costs incurred for the purpose of reducing the damage and preventing the further escalation of the damage, as well as the costs incurred by the policyholder in identifying the damage or determining the amount of the damage. In determining the cause of damage and the size of damage, Gjensidige or the policyholder may use expert assistance. The expert costs are borne by the party to the insurance contract using the expert assistance or by prior agreement, equally by both parties.
- 10.3. If the amount of or the reason for the damage caused as a result of an insured event is not fully proven, only the part that is proven shall be indemnified.
- 10.4. Gjensidige shall have the right to set-off its obligation to fulfil the insurance contract against the unpaid insurance premiums payable by the time of the occurrence of the insured event. If Gjensidige is obliged to indemnify damages in the amount of the whole sum insured (except the deductible), then Gjensidige has the right to set-off unpaid insurance premiums payable until the end of the insurance period.
- 10.5. Deductible
 - 10.5.1. The deductible shall be applied to every insured event.
 - 10.5.2. Upon calculating the insurance indemnity, the deductible shall be applied last after other possible deductions and withholdings.
 - 10.5.3. If more than one insured event follows one sudden and unexpected event or due to one sudden and unexpected event insured objects with different deductibles are damaged, only the highest deductible shall be applied
- 10.6. If Gjensidige does not have the data concerning the name, personal- or registry code and settlement account number of the person entitled to receive insurance indemnity, Gjensidige shall not be obliged to pay the indemnity before receiving such data.
- 10.7. The policyholder or the beneficiary shall be obliged to return the insurance indemnity to Gjensidige, if circumstances excluding indemnification are determined after the indemnification of the damage (e.g the insured person shall recover the possession of the stolen item) or if the damage is indemnified by a third person.

11. Exclusions

Gjensidige shall be released from the obligation to fulfil the insurance contract entirely or partially, if:

- 11.1. the damage did not occur as a result of an insured event or if the damage has already been indemnified;



- 11.2.** the insured event did not occur in the place of insurance, during the period of insurance or in the event that the damage was caused to an item that does not have insurance cover for some other reason (incl. the part of damage exceeding the sum insured or limit of indemnity);
- 11.3.** the policyholder or a person equivalent to the policyholder has failed to fulfil at least one obligation specified in the insurance contract and there is causal relationship between the non-fulfilment of the obligation and the insured event and/or the damage caused as a result thereof;
- 11.4.** the policyholder has failed to pay the insurance premium by the agreed term (by the additional term established by Gjensidige in the case of instalments) and an insured event occurs after the expiry of the term for the payment the insurance premium;
- 11.5.** the insured event has occurred due to the gross negligence or intent of the policyholder, a person equivalent to the policyholder or the beneficiary;
- 11.6.** the damage has resulted from the loss or disappearance of the insured item;
- 11.7.** the insured event has been caused by the activities of the policyholder or a person equivalent to the policyholder in a state of alcoholic, narcotic, toxic or other intoxication;
- 11.8.** the damage has occurred as a result of force majeure;
- 11.9.** the damage has occurred due to nuclear energy, use of chemical or biological weapon, electromagnetic field or radioactivity, radiation, toxicity or explosivity of any substance;
- 11.10.** damage is related to genetically modified organisms or raw material received from them;
- 11.11.** the damage has occurred due to war or war-like situation, terrorism (incl. restrictions or measures implemented for preventing thereof), riot or uprising;
- 11.12.** the damage has occurred due to an epidemic, natural disaster (incl. earthquake, landslide, land subsidence), environmental pollution (incl. elimination thereof) or an epizootic;
- 11.13.** the damage has occurred due to a confiscation or expropriation or from another act of public authority;
- 11.14.** the damage has occurred due to a strike or work stoppage;
- 11.15.** the damage has occurred as a result of or in connection with archaeological excavations;
- 11.16.** the damage is due to a public law sanction (pecuniary punishment, fine, penalty payment, imprisonment, detention, etc.);
- 11.17.** the damage is due to public admission, presentation of a thing, unfounded expenditures, negotiorum gestio or claims that have arisen in the relationship between persons insured under one and the same insurance contract and their equivalent persons;
- 11.18.** the damage is due to a contractual liability of the insured person (incl. fine, contractual penalty, suretyship) or increased responsibility provided for in the contract (e.g. waiving objections, simplified proving, extending the expiration date, determining the extent of damage);
- 11.19.** the damage is non-patrimonial damage, loss of profit, pure economic damage;
- 11.20.** the damage is an expense incurred due to maintenance work or repairs that are not caused by an occurrence of an insured event;
- 11.21.** the damage has occurred due to an event or circumstance that the policyholder or insured person was or should have been aware of before entering into the insurance contract;
- 11.22.** the damage is a result of extortion, fraud, embezzlement or use of weapon;
- 11.23.** the policyholder or a person equivalent to the policyholder has mislead or attempted to mislead Gjensidige with regard to the circumstances and/or the amount of the damage or has otherwise attempted to deceive Gjensidige with regard to the insurance contract or the circumstances of fulfilment thereof.

12. Gjensidige's right of recourse

- 12.1.** The claim for compensation, which the policyholder or the insured person holds against a third person, shall pass to Gjensidige in the extent of the damage indemnified by it.
- 12.2.** If the policyholder or the insured person waives its claim against a third person or waives the right securing that claim, Gjensidige shall be released from its fulfilment obligation in the extent of the compensation it could have claimed on the basis of that claim or right.
- 12.3.** If the policyholder or the insured person holds a claim against his/her ascendant or descendant relative or spouse or against a family member living together with him/her, Gjensidige shall only have the right of recourse if the relevant liability of such person is insured or if the person intentionally caused the damage.
- 12.4.** The policyholder shall be obliged to assist Gjensidige in presenting a recourse claim, submitting data, documents, explanations, etc. necessary for exercising the right of claim.



Personal data processing

Gjensidige is processing personal data received from Policyholder, who would like to use or is using Gjensidige services, and the personal data, which is received from other sources (e. g. from registers maintained by government or private persons, from other third parties).

Gjensidige is publishing detailed information about principles of personal data processing on the website www.gjensidige.ee.