



# GENERAL TERMS AND CONDITIONS 1/2008

Effective as of 1 July 2008

## PURPOSE

The purpose of these General Terms and Conditions is to stipulate the overall principles of Seesam International Insurance Company Ltd. for entry into and performance of insurance contracts and indemnification of loss and damage.

## DEFINITIONS

**Insurance contract** is a contract made in writing or in a format which can be reproduced in writing between the insurer and the policyholder (hereinafter the Contract), under which the insurer undertakes, upon occurrence of an insured event, to indemnify the loss or damage arising as a result of such insured event or to perform the Contract in any other manner agreed (the insurer's performance obligation) and the policyholder undertakes to pay insurance premiums to the insurer.

**Policy** is a document issued by Seesam, which certifies the entry into the Contract. A policy may be titled otherwise.

**Insurer** is Seesam International Insurance Company Ltd. (hereinafter Seesam).

**Policyholder** is a person who has entered into the Contract with Seesam.

**Insured person** is either the policyholder or any specified or unspecified third party, whose risks are insured. It is presumed that the risks related to the policyholder are insured.

**Insured object** is the life and health of the insured person or a thing, right, obligation or cost belonging to the insured person with regard to which the Contract was made.

**Beneficiary** is a person who, upon occurrence of an insured event, is entitled to the insurance indemnity, agreed amount of money or performance of any other obligation by Seesam according to the Contract. After the death of the policyholder his or her successors may not take the place of the beneficiary.

**Third party** is a person who is not the policyholder or a person equalised with the policyholder or Seesam.

**Insurable interest** is the interest of the policyholder to insure himself or herself against specific risks.

**Insurance risk** is a threat which is insured.

**Insured event** is a previously agreed event upon occurrence whereof Seesam shall have to perform its obligation arising from the Contract.

**Sum insured** is an amount of money agreed upon between the parties, which is the maximum amount payable by Seesam.

**Insurable value** is the value of the insurable interest at the time of occurrence of an insured event.

**Insurance period** is a time period which serves as the basis for calculation of insurance premiums. The insurance cover is effective during the insurance period specified in the policy, unless otherwise provided in the Contract.

**Insurance cover** is an obligation limited by the terms and conditions of Seesam's Contract to pay an insurance indemnity or perform other acts specified in the Contract in the case of an insured event.

**General Terms and Conditions** are these Seesam General Terms and Conditions 1/2008.

**Insurance conditions** are the General Terms and Conditions, conditions of the insurance class and special conditions.

**Safety requirements** are requirements provided in the Contract or by the producer of the property or in legislation for the purpose of prevention of loss and damage, reduction of risk and ensuring the safety of the property or the person.

**Deductible** is an amount of money or another value specified in the Contract (percentage of loss and damage, period, etc.), which is to be borne by the policyholder in the case of an insured event.

**Insurance indemnity** is financial compensation or a contractual compensation in kind, which indemnifies the damage caused as a result of an insured event.

## 1 CONTRACT DOCUMENTS AND INTERPRETATION

1.1 The Contract documents means one or several of the following documents: an application for entry into the Contract, an offer, the policyholder's consent to the entry into the Contract, the policy, the deed of inspection, the list of insured

objects, and other documents specified in the Contract. The Contract documents are specified in the policy, unless agreed otherwise.

1.2 The insurance conditions applicable to the Contract have been specified in the policy.

1.3 Upon performance and interpretation of the Contract it shall be proceeded from the Contract as a whole. In the event of any controversies it shall first be proceeded from the policy, followed by other Contract documents, the special conditions of the insurance class, the conditions of the insurance class and, finally, the General Terms and Conditions.

1.4 Upon interpretation of the Contract the special meaning given to a definition and the Estonian version of the Contract shall prevail, unless otherwise specified in the Contract.

1.5 The governing law shall be Estonian law.

1.6 The policyholder may demand that Seesam issue a replacement policy and a transcript of the expression of will made by the policyholder in writing or in a format which can be reproduced in writing. The policyholder may also demand issuance of the data and copies of the documents pertaining to the policyholder's Contract, which are in Seesam's possession, if the policyholder proves that these affect the policyholder's rights and obligations arising from the Contract. The policyholder shall not have the right to demand issuance of the documents and data if it is in conflict with legislation.

## **2 SENDING AND RECORDING NOTICES**

2.1 Any and all notices by the policyholder, insured person and beneficiary, which shall be given to Seesam pursuant to the Contract or legislation as well as any and all statements and approvals relating to the Contract shall be sent to Seesam in writing or in a format which can be reproduced in writing, unless otherwise agreed.

2.2 Seesam shall hand the policy and other documents relating to the Contract over or send them to the policyholder's postal address or e-mail address specified in the Contract.

2.3 Any and all notices which Seesam shall give to the policyholder, insured person, beneficiary or mortgagee under the Contract or legislation shall be sent by Seesam in writing or in a format which can be reproduced in writing. Seesam shall publish public notices of general nature at [www.seesam.ee](http://www.seesam.ee) or via the mass media.

2.4 Seesam has the right to record any and all notices given to it via a means of communication and other acts and use, where necessary, the respective recordings for proving the expressions of will and acts of the policyholder or other persons relating to the Contract.

## **3 ENTRY INTO AND AMENDMENT OF CONTRACT**

3.1 The Contract has been made if the policyholder has fulfilled one of the following terms and conditions specified in the policy:

- 1 the policyholder has sent Seesam his or her consent to enter into the Contract;
- 2 the policyholder has paid the insurance premium to Seesam;
- 3 the policyholder has performed another term or condition specified in the Contract.

3.2 Seesam shall issue to the policyholder a policy signed by Seesam. The signature on the policy may be digital or mechanically reproduced. Seesam may hand the policy over to the policyholder or send it to the policyholder by post or electronically.

3.3 Seesam shall send the insurance conditions to the policyholder not later than upon sending the policy, if requested by the policyholder. The policyholder can access the insurance conditions at Seesam's offices or website [www.seesam.ee](http://www.seesam.ee).

3.4 If the policyholder fulfils the condition specified in the policy as the prerequisite for entry into the Contract, it shall be presumed that the policyholder has received the policy, accessed the insurance conditions and consented to them. If the policyholder does not receive the policy or cannot access the insurance conditions, the policyholder shall immediately notify Seesam thereof.

3.5 For the purpose of amendment of the Contract the policyholder shall file an application with Seesam. The Contract has been amended if Seesam has issued a new policy on the amendment and the policyholder has fulfilled the condition serving as the prerequisite for enforcement of the Contract as specified in the given document.

## **4 ENTRY INTO FORCE AND TERM OF CONTRACT**

4.1 The Contract shall enter into force upon signature, unless a different condition or term for enforcement has been prescribed in the Contract.

4.2 The insurance cover shall be effective during the insurance period specified in the policy, unless otherwise provided in the Contract.

4.3 It may be stipulated in the Contract that the insurance cover shall commence retroactively before entry into the Contract.

4.4 The Contract shall be made for a specified or unspecified term.

4.4.1 A fixed-term Contract shall be valid from the entry into force until the expiry of the agreed

insurance period, unless the parties terminate the Contract earlier, in accordance with the grounds of cancellation specified in the General Terms and Conditions.

4.4.2 A Contract made for an unspecified term shall, after the expiry of the insurance period, remain in force for another insurance period, unless the parties terminate the Contract on the grounds of cancellation specified in the General Terms and Conditions. If the insurance conditions have changed in comparison with the previous insurance period, Seesam shall send new insurance conditions to the policyholder.

4.5 At the end of the current insurance period each party may cancel the Contract made for an unspecified period, notifying the other party thereof one month in advance.

## **5 SPECIFICATION OF BENEFICIARY**

5.1 The beneficiary shall be specified and amendment in the Contract by agreement between the policyholder and Seesam. The beneficiary shall be specified in the Contract. If the policyholder and the insured person are not the same person, the written consent of the beneficiary shall be required for amendment of the beneficiary.

5.2 If the beneficiary loses the right to the insurance indemnity due to circumstances depending on the beneficiary or if the beneficiary has deceased or been dissolved before the occurrence of an insured event, it shall be deemed that no beneficiary has been specified.

## **6 PAYMENT OF INSURANCE PREMIUM**

6.1 The policyholder shall pay insurance premiums to Seesam by the due date and in the amount specified in the policy or invoices.

6.2 The policyholder shall pay the insurance premiums specified in the policy or invoices by the due date regardless of whether Seesam has sent the policyholder a reminder or invoice.

## **7 FAILURE TO PAY FIRST INSURANCE PREMIUM**

7.1 If the policyholder has not paid the insurance premium or the first instalment within 14 days after entry into the Contract, Seesam may withdraw from the Contract until the payment has been made.

7.2 If within three months after the insurance premium fell due Seesam has not filed an action with the court claiming payment of the insurance premium, it shall be presumed that Seesam has withdrawn from the Contract.

7.3 If insurance premium or the first instalment which has fallen due has not been paid by the time of the occurrence of an insured event, Seesam shall be released from its performance obligation.

7.4 Subsections 7.1 to 7.3 shall be applicable if, according to clause 3.3.1, the payment of the first insurance premium is not the prerequisite for entry into the Contract.

## **8 FAILURE TO PAY FOLLOWING INSURANCE PREMIUMS BY DUE DATE**

8.1 If the policyholder fails to pay the second or following instalment by the due date, Seesam may give the policyholder at least a two-week additional term and in the case of insuring a building a one-month additional term for payment.

8.2 If Seesam has given an additional term for payment of the insurance premium and an insured event occurs after the expiry of the term without the policyholder having paid the insurance premium by the time of occurrence of the insured event, Seesam shall be released of its performance obligation, unless the failure to pay the insurance premium occurred due to a circumstance not depending on the policyholder.

8.3 If Seesam has given an additional term for payment of the insurance premium and the policyholder has not paid the insurance premium during the term, Seesam may cancel the Contract without any advance notification. Seesam may state in the notice specified in subsection 8.1 that it shall deem the Contract as cancelled upon expiry of the term, unless the policyholder pays the insurance premium within the term.

8.4 If the policyholder pays the insurance premium within one month after cancellation of the Contract or expiry of the additional term given for payment and no insured event has occurred before payment, the Contract shall not be deemed as terminated in the case specified in subsection 8.3.

8.5 If the policyholder fails to pay the second or following instalment and Seesam does not give the policyholder an additional term for payment, the Contract shall be deemed as cancelled as of the moment of expiry of the payment term.

## **9 PERSONS EQUALISED WITH POLICYHOLDER**

9.1 The policyholder shall be liable for the following persons:

- 1 the insured person;
- 2 the lawful possessor of the insured object;
- 3 Persons who use or possess the insured object in the presence of the policyholder, the insured person or the lawful possessor of the object;

4 legal or actual family members of the policyholder or the insured person;  
5 persons who, based on law, another contract (incl. employment contract) or another legal relationship are obligated to follow the requirements of use, safety, prevention and limitation of damage, rescuing, etc.

9.2 The policyholder shall explain the requirements arising from the Contract to the aforementioned persons (primarily, performance of the safety requirements).

9.3 The failure to perform the requirements of the Contract by the persons specified in subsection 9.1 shall be deemed a breach of the Contract committed by the policyholder.

## **10 SEESAM'S NOTIFICATION OBLIGATION**

10.1 If during the Contract term Seesam's name, legal form, address or the address of the office where the Contract was concluded or the address of the insurance supervisory body changes, Seesam shall notify the policyholder thereof in a format which can be reproduced in writing or publish the notice on website [www.seesam.ee](http://www.seesam.ee).

## **11 POLICYHOLDER'S NOTIFICATION OBLIGATION**

11.1 Upon entry into the Contract, the policyholder shall provide Seesam with true and complete information about any and all essential circumstances known to the policyholder, which due to their nature may influence Seesam's decision to enter into the Contract or establish specific conditions for entry into the Contract. The notification obligation is also applicable if the policyholder presumes that Seesam may already be aware of the given circumstance.

11.2 Essential circumstances have been specified in the conditions of the insurance class, the application or the policy.

11.3 The policyholder shall immediately notify Seesam if during the Contract term:

- 1 there have been changes in the essential circumstances or other data specified in the Contract;
- 2 the insured risk has increased;
- 3 the insured object has been transferred;
- 4 the registered immovable accommodating the insured building has been mortgaged.

## **12 CONSEQUENCES OF BREACHING NOTIFICATION OBLIGATION**

12.1 If the policyholder has failed to notify Seesam of an essential circumstance, violating subsections 11.1 to 11.3 or has intentionally evaded

learning an essential circumstance or provided false information about an essential circumstance, Seesam may withdraw from the Contract within one month as of the time when it learned or had to learn of the breach of the notification obligation, unless:

- 1 Seesam already knew of the circumstance that it was not notified of or knew that the information given to it by the policyholder is false;
- 2 the policyholder is not guilty of the breach of the notification obligation;
- 3 a circumstance which the policyholder did not notify of or on which the policyholder gave false information lapsed before the occurrence of an insured event;
- 4 Seesam has waived its right of withdrawal from the Contract.

12.2 If the policyholder must notify Seesam of essential circumstances on the basis of questions asked by Seesam, Seesam may withdraw from the Contract if it was intentionally not notified of a circumstance that was not asked about.

12.3 If Seesam does not, according to subsection 12.2, have the right to withdraw from the Contract, Seesam may demand that the policyholder pay a higher insurance premium within one month from the time when Seesam learned of the policyholder's breach of the notification obligation.

12.4 Subsections 12.1 to 12.3 do not preclude Seesam's right to have the Contract declared null and void due to fraud.

12.5 If Seesam withdraws from the Contract based on subsections 12.1 or 12.2, Seesam shall have to perform the obligations arising from the Contract if an insured event occurs before the withdrawal from the Contract and the circumstance that the policyholder failed to notify Seesam of did not affect the occurrence of the insured event.

12.6 If Seesam increased the insurance premium without changing the insurance cover, the policyholder may cancel the Contract by the time of increasing the insurance premium, notifying Seesam thereof within one month after receiving the notice on the increase of the insurance premium from Seesam.

## **13 INSURING THIRD PARTY RISKS, UNDERINSURANCE, OVERINSURANCE AND MULTIPLE INSURANCE**

13.1 If an insured risk of a third party has been insured, the third party shall have the right to demand that Seesam perform the Contract and exercise any and all rights relating thereto exclusively in the presence of the policyholder, unless the third party has been specified in the Contract as the beneficiary.

13.2 If the policyholder is not the insured person, the policyholder shall not have the right to demand that Seesam perform the Contract or dispose of the rights arising from the Contract, unless the policyholder proves that the insured person approved it.

13.3 In the case of underinsurance and overinsurance the policyholder shall have the right to submit to Seesam an application for bringing the sum insured and the insurable value into compliance in the Contract. For the purpose of elimination of underinsurance the policyholder shall pay an additional insurance premium to Seesam in order to amend the Contract. For the purpose of elimination of overinsurance the policyholder has the right to demand reduction of the sum insured along with the respective reduction of the insurance premium.

13.4 In the case of multiple insurance the policyholder may cancel the Contract that was made later or demand that Seesam reduce the insurance premium and the sum insured to the amount not covered by the Contract made earlier. In the given case the Contract shall be deemed as cancelled or the sum insured and the insurance premium shall be deemed as reduced by the end of the insurance period during which the notice of cancellation or the reduction of the sum insured and insurance premium was given.

#### **14 TRANSFER OF INSURED THING**

14.1 The transferor or the transferee of a thing shall immediately notify Seesam of the transfer of the insured thing.

14.2 If the policyholder transfers the insured object, all the rights and obligations of the policyholder arising from the Contract (incl. the right to a refund of the insurance premium) shall be transferred, except the rights and obligations which have emerged before the transfer of the insured thing.

14.3 With regard to Seesam the policyholder's rights arising from the Contract shall not be deemed to have transferred before Seesam learned of the transfer of the insured object.

14.4 If Seesam does not receive any proper notice of the transfer of the thing, Seesam shall be released of its performance obligation if the insured event occurs more than one month after the time when Seesam should have received the respective notice.

14.5 In the case of the transfer of the insured thing Seesam has the right to terminate the Contract within one month after learning of the transfer of the thing, notifying the policyholder thereof one month in advance.

14.6 In the case of the transfer of the insured thing the transferee of the thing has the right to cancel the Contract by the end of the current insurance period. To that end the notice of cancellation of the Contract shall be given within one month after the acquisition of the thing or learning of the acquisition of the thing. In the case of the cancellation of the Contract the transferor of the things shall pay Seesam insurance premiums for the current insurance period and in that case the transferee shall not be liable for payment of the transferee's insurance premiums.

#### **15 INCREASE OF INSURED RISK**

15.1 After the entry into the Contract the policyholder shall not, without Seesam's prior written consent, increase the insured risk or allow the insured risk to be increased by the persons equalised with the policyholder (subsection 9.1).

15.2 The policyholder shall immediately notify Seesam of an increase in the insured risk, even if the rise in the insured risk was caused by circumstances which are common knowledge and do not affect the insured risk of this policyholder alone.

15.3 If the policyholder has failed to perform the obligation to notify Seesam of the increase of the insured risk, Seesam shall be released from its performance obligation if the insured event occurs more than one month after the time when Seesam should have received the notice.

15.4 If the policyholder breaches subsection 15.1 and the insured event occurs after the increase of the insured risk, Seesam shall be released from its performance obligation to the extent by which the insured risk has increased due to a circumstance attributable to the policyholder.

15.5 Subsections 15.3 and 15.4 shall not be applied if:

- 1 by the time of occurrence of the insured event the term during which Seesam could cancel the Contract or demand amendment thereof due to an increase of the insured risk had expired, but Seesam had not cancelled the Contract or demanded amendment thereof;
- 2 the increase of the insured risk did not affect the occurrence of the insured event;
- 3 the higher insured risk did not affect the validity or extent of Seesam's performance obligation;
- 4 the insured risk decreased due to Seesam's fault.

15.6 If according to subsections 15.3 and 15.4 Seesam is released of its performance obligation solely with regard to some insured persons or objects, Seesam shall be released of the entire performance obligation if it can be presumed that

Seesam would not have entered into the Contract on the same terms and conditions solely for the part.

## **16 PERFORMANCE OF SAFETY REQUIREMENTS**

16.1 The policyholder shall be obligated to exercise due diligence and adhere to any and all legislation, rules, instructions and precepts required for the entry into force of the Contract and containing instructions for:

- 1 keeping and using items and ensuring safety;
- 2 prevention of accidents and illnesses relating to persons;
- 3 for prevention of an insured event of persons and objects and reduction of loss and damage.

16.2 The policyholder shall adhere to the safety requirements specified in the insurance conditions and act prudently and with normal diligence in order to prevent adverse consequences with regard to the insured object.

16.3 During the term of validity of the Contract and in the course of loss adjustment Seesam has the right to inspect the condition of the insured object, fulfilment of the safety requirements, an increase of the insured risk and other circumstances relating to the insured person and object.

16.4 If the policyholder does not adhere to the safety requirements with regard to the insured object, Seesam shall have the right to give the policyholder an additional term for fulfilment of the safety requirements and to cancel the Contract upon expiry of the term if the policyholder has not fulfilled the safety requirements.

16.5 If during the term of validity of the Contract the insured risk increases, Seesam shall have the right to demand that the policyholder apply additional safety requirements, notifying the policyholder thereof.

16.6 The policyholder can cancel the Contract after receiving the notice of application of additional safety requirements if the policyholder notifies Seesam of the cancellation of the Contract one month in advance. If the policyholder has not cancelled the Contract during the term, the additional safety requirements shall be deemed part of the Contract.

## **17 OCCURRENCE OF INSURED EVENTS**

17.1 Upon occurrence of an insured event the policyholder shall act pursuant to the procedure established by legislation and, depending on the nature of the insured event, immediately notify the police, the rescue board or another authority carrying out the rescue work or investigation of the

circumstances of the insured event thereof and enable identification of the circumstances relating to the insurance event.

17.2 The policyholder shall immediately notify Seesam of the occurrence of the insured event. The notice may be submitted to Seesam in writing, in a format which can be reproduced in writing or orally. The notice shall contain information on at least the scene, the damaged object, the date of occurrence of the insured event and the known circumstances of the insured event as well as the sender of the notice (contact phone and address).

17.3 The person entitled to receive the insurance indemnity shall submit to Seesam a loss application not later than within three months after the occurrence of the insured event or learning thereof. The policyholder's claim against Seesam shall emerge upon submission of a loss application, unless agreed otherwise.

17.4 Upon occurrence of an insured event the policyholder shall take any and all means for further limitation of loss and damage to the extent of the abilities, reduction of possible additional loss and damage and identification of the circumstances and reasons of the insured event, size of loss and damage, the person causing the loss and damage and identification of the witnesses.

17.5 Before identification of the size of the loss and damage or the circumstances of the insured event the policyholder may not, without Seesam's consent, make any changes to the damaged thing or the scene, which may affect identification of the cause of the loss and damage or the size of the loss and damage. Changes may be made only to the extent to prevent loss and damage or an increased of loss and damage caused or if the changes are in the public interest. Before making the changes the policyholder shall ask Seesam for permission where possible.

17.6 The policyholder shall immediately provide Seesam with true and complete information about the circumstances of the insured event, the size of the loss and damage and persons who possibly caused the loss and damage.

17.7 The policyholder shall allow Seesam to immediately inspect the scene and the damaged object.

17.8 With regard to the circumstances of the insured event the policyholder shall submit to Seesam documents, oral and written explanations, reply to the questions relating to the insured event and participate in the inspection of the scene or the damaged object at Seesam's request. Seesam shall submit the sample list of documents in the conditions of the insurance class or in a separate document.

17.9 The policyholder shall ensure that the persons equalised with the policyholder (subsection 9.1) adhere to subsections 17.1-17.2 and 17.4-17.8.

17.10 After the occurrence of an insured event each party to the Contract may cancel the Contract within one month after Seesam has made a decision about indemnification of the loss and damage, notifying the other Party to the Contract thereof one month in advance.

## **18 LOSS ADJUSTMENT**

18.1 After the receipt of the loss application Seesam or the person authorised by Seesam shall conduct loss adjustment. Seesam shall conduct loss adjustment pursuant to the principle of good faith. Seesam's performance obligation becomes collectible if all acts which are necessary for identification of the occurrence of an insured event, Seesam's performance obligation and the extent of performance (hereinafter the loss operations) have been completed in loss adjustment.

18.2 Seesam shall be obligated to complete the loss adjustment operations not later than within one month after the receipt of all the data and documents required for it, considering the exceptions specified in clauses 18.2.1 to 18.2.2.

18.2.1 If civil, criminal or misdemeanour proceedings in the course of which circumstances essential for identification of Seesam's performance obligation have been initiated in connection with an insured event, Seesam shall complete the loss adjustment operations not later than within one month after learning of the decision to suspend or terminate the respective proceedings or learning of a court judgment which has entered into force or learning of another decision of an official or body having the respective right.

18.2.2 If another term has been prescribed for completion of the loss adjustment operations specified in the conditions of the insurance class, this term shall be applied.

18.3 If Seesam has not completed the loss adjustment operations within the term specified in subsection 18.2 to clause 18.2.2, but the occurrence of the insured event has been proven, the policyholder may demand that Seesam pay money to the extent which corresponds to the performance obligation identified by the time. If completion of the loss adjustment operations is impeded by a circumstance dependent of the policyholder, the running of the term of completion of the loss adjustment operations shall stop.

18.4 If Seesam fulfils its performance obligation by way of payment of money, Seesam shall not have the payment obligation before the person entitled to receive the indemnity has communicated the name and current account number of the recipient of the money to Seesam.

18.5 Upon loss adjustment, Seesam shall have the right to demand the delivery of the remains of the damaged or replaced object to Seesam as well as the transfer of the right of claim of the object that was lost as a result of an insured event or unlawfully left the lawful possession of the person. Until the delivery of the object or right of claim of the object Seesam may suspend payment of the insurance indemnity or reduce the insurance indemnity by the usual (market) value of the respective object.

18.6 If Seesam is interested in the value of the object that unlawfully left the possession of the person, the policyholder is obligated to immediately notify Seesam of finding the object or learning of its location.

18.7 If Seesam delays payment of the insurance indemnity, Seesam shall, at the request of the person entitled to receive the insurance indemnity, be obligated to pay the default interest at the rate of 0.02% of the payable indemnity per day of delay, but not more than 15% of the insurance indemnity to be paid.

18.8 In the event of a dispute between Seesam and the insurer over Seesam's performance obligation or the extent thereof, they can agree in writing on appointment of an expert of a group of experts for carrying out an expert assessment. The costs of the expert assessment shall be borne by the party who made the proposal to appoint the expert, unless it is agreed otherwise in writing.

18.9 In the case of multiple insurance each insurer shall have the performance obligation pursuant to its insurance contract, but the indemnity demanded from all insurers may not exceed the actual amount of loss and damage.

18.10 In the case of co-insurance each insurer shall indemnify the loss and damage in proportion to their agreed share. The Contract shall specify the leading insurer who shall act as the representative of all the co-insurers upon notification of an insured event and submission of the loss application, and organise indemnification of damage.

## **19 MANNER OF AND ADHERENCE TO INDEMNIFICATION**

19.1 Loss and damage may be indemnified as follows:

- 1 restoration of the damaged object or a part of the object;
- 2 Replacement of the damaged object or a part thereof with another object or part thereof, which is of the same purpose, equal or belongs to the same price class, or
- 3 payment of a financial indemnity.

19.2 Seesam has the right to decide in which way it indemnifies the loss and damage specified in subsection 19.1.

19.3 In the case of replacement or restoration of the damaged or destroyed object Seesam shall have the right to determine the manner of restoration or replacement of the object and the person who performs the restoration or replacement.

19.4 Upon payment of the insurance indemnity, Seesam has the right to adhere to the indemnity:

- 1 the deductible specified in the policy or in the conditions of the insurance class, and
- 2 the insurance premiums payable until the end of the current insurance period. The insurance premium may be withheld regardless of the fact whether the due date of the insurance premium has arrived. Seesam also has the aforementioned right if the insurance indemnity is paid to a person other than the policyholder.

## **20 REDUCTION OF AND REFUSAL TO PAY INSURANCE INDEMNITY**

20.1 Seesam shall have the right to reduce the insurance indemnity or refuse to pay the insurance indemnity if:

- 1 the policyholder or a person equalised with the policyholder or the beneficiary caused an insured event due to gross negligence or intentionally;
- 2 the policyholder or a person equalised with the policyholder or the beneficiary caused an insured event by committing or concealing a criminal offence or aided the commission of a criminal offence;
- 3 the policyholder or a person equalised with the policyholder has breached an obligation specified in the Contract (incl. fulfilment of the safety requirements) and the breach has affected the occurrence or size of the loss and damage or identification of Seesam's performance obligation or scope thereof;
- 4 the policyholder or the person equalised with the policyholder intentionally breached an obligation specified in the Contract, which had to be performed after the occurrence of an insured event;
- 5 there is another basis specified in the conditions of the insurance class for reduction of the insurance indemnity or refusal of to pay the insurance indemnity.

20.2 Seesam shall decide on the refusal to pay the indemnity or reduce the indemnity as well as the rate of reduction of the indemnity on the basis of the severity of the breach and its impact on the occurrence of the loss and damage.

20.3 If Seesam learns of the breach of the Contract after payment of the insurance indemnity, Seesam shall have the right to reclaim the insurance indemnity either partially or fully if it may be presumed that knowing of the breach of the Contract Seesam would have refused payment of the insurance indemnity or reduced the insurance indemnity.

20.4 Seesam shall not indemnify:

- 1 loss and damage caused by a war, civil war, uprising, rebellion, civil disturbance, revolution, terrorism, political armed conflict, invasion, nationalisation or confiscation of property or another event comparable to the aforementioned;
- 2 loss and damage caused by a nuclear reaction, nuclear radiation / radiation, the use of nuclear material, waste generated by the use of nuclear fuel, nuclear warheads or any other nuclear weapons or radioactive contamination;
- 3 loss or damage caused by a change in data, software or computer program due to deletion, destruction or harm of electronic data or damage of its initial structure;
- 4 loss or damage caused to data, software or computer programs due to the insufficiency of the functionality of the system, insufficient availability or the scope of use or access;
- 5 any actual or alleged loss and damage or liability directly or indirectly caused by asbestos;
- 6 Loss and damage arising from a work interruption caused by the reasons specified in this section.

## **21 TRANSFER OF CLAIMS**

21.1 The claim of indemnification of damage of the policyholder or a person equalised with the policyholder or the beneficiary against the person who caused the loss and damage (hereinafter the right of recourse) shall transfer to Seesam if Seesam has indemnified the respective loss and damage. If the policyholder has a claim against his or her ascendant, descendant or spouse or another family member who lives with the policyholder, with the insured person or with the beneficiary, Seesam shall have the right of recourse only insofar as the liability of the person liable has been insured or if the person caused the loss and damage intentionally.

21.2 If the policyholder, the person equalised with the policyholder or the beneficiary waives a claim against the person who caused the loss and damage (or waives the right which secures such claim), Seesam shall be released from its performance obligation insofar as Seesam could have claimed indemnification on the basis of the claim or right.



21.3 The policyholder shall hand all the existing data and documents which allow Seesam to exercise the right of recourse over to Seesam.

21.4 Along with the right of recourse Seesam has the right to collect the justified expenses of handling the insured event.

## **22 EXPIRY OF CLAIMS**

22.1 The term of expiry of the claims arising from the Contract is three years. The term of expiry shall commence as of the end of the calendar year when the claim becomes collectible.

22.2 If the policyholder has submitted to Seesam a claim for indemnification of loss and damage and Seesam has notified in writing of the refusal to indemnify the loss and damage or of reduction of the indemnity, Seesam shall be released of the performance obligation if the insurer does not file an action with the court within one year after the receipt of the decision of refusal to compensate the loss and damage or reduction of the indemnity. Seesam shall not be released from the performance obligation if it fails to notify the policyholder of the one-year term of expiry in writing.

## **23 RESOLUTION OF DISPUTES**

Disputes can be resolved in the Harju County Court on the conditions and pursuant to the procedure provided by legislation. The Financial Supervision Authority exercises supervision over the compliance of the activities of the insurer with legislation. The Financial Supervision Authority shall not resolve any contractual disputes between the insurer and the policyholder.

## **24 PROCESSING PERSONAL DATA**

24.1 The policyholder shall give Seesam full and unconditional approval to process the policyholder's personal data, incl. the data of the personal identification code, place of residence, means of communication and bank accounts, information about the state of health, lifestyles, hobbies, education, workplace, occupation and financial status for the purpose of entry into, amendment and performance of the Contract. The policyholder shall authorise Seesam to obtain the said data from third parties.

24.2 The policyholder is aware of the fact that the data about the policyholder's state of health is sensitive personal data.

24.3 The policyholder shall grant Seesam the approval to send the personal data specified in subsection 24.1 to all third parties relating to the entry into, amendment and performance of the Contract, incl. re-insurers, medical institutions, doctors and providers of printing, postal and direct debit services.

24.4 If the policyholder has communicated its contact details to Seesam, the policyholder has thus given Seesam the approval to have the policyholder send offers of the companies belonging to the same consolidation group as Seesam.

24.5 The policyholder has the right to receive information about the personal data and their purpose of use at any time and demand that the incorrect data be corrected as well as to demand that Seesam terminate the processing of the personal data, unless otherwise provided by law.

24.6 Seesam shall ensure the processing of the personal data pursuant to the procedure provided by legislation.