

TERMS AND CONDITIONS OF HOME TOTAL RISK INSURANCE ERGO MAKSI

KT.0927.15

These terms and conditions of home insurance shall apply to home insurance contracts concluded at ERGO Insurance SE.

In any matters not resolved by these terms and conditions, the parties to an insurance contract shall be guided by the general terms and conditions of insurance contracts, the Law of Obligations Act and other legislation.

1. Insured object

- 1.1. The insured object, as specified in the insurance contract, is:
 - 1.1.1. a structure (a building, an apartment, apartment ownership or a civil engineering work);
 - 1.1.2. domestic property;
 - 1.1.3. civil liability.
- 1.2. The building (e.g. a residential building, an ancillary building, a summerhouse) is a structure that is permanently connected to the ground and has a roof, outer walls and interior space, including the essential parts, such as hot water boilers, electrical wiring, ventilation and air conditioning equipment.
- 1.3. Insured against the same risks as the residential building is the following property of the policyholder, which is located on the registered immovable:
 - civil engineering works, incl. utility lines located on the immovable;
 - small buildings with an area of up to 20 m²;
 - heating fuel for the residential building (e.g. firewood, coal, fuel oil, liquefied gas) for one year.

Civil engineering works, small buildings and heating fuel are insured in the value of up to 10,000 euros.
- 1.4. Along with the residential building, an insurance cover of up to EUR 6,400 applies to the costs of restoring decorative plants in the yard surrounding the residential building to their initial condition, in case they have been damaged in a fire or as a result of an insured event which occurred to the building.

A fire is understood as fire spreading outside the borders of a fireplace and the resulting carbon black, smoke and extinguishing water.
- 1.5. An apartment is a constructionally distinct and separately usable residential area and its parts, which can be changed without damaging any legal shares of the building, affecting the rights of other owners or changing the external shape of the building. Parts of the apartment are:
 - floors, ceilings and walls up to the load-bearing structure; • apartment doors and windows;
 - balcony and loggia;
 - hot water, cold water and gas piping starting from the closing fittings of the apartment;
 - sewerage, ventilation and air conditioning systems starting from the apartment connection or input, which are bordered with a wall, the floor or the ceiling;
 - electrical installations starting from the fuse box of the apartment;
 - the part of the heating system which is in the exclusive ownership of the apartment owner;
 - a storeroom attached to the apartment.
- 1.6. The apartment ownership is a constructionally bordered and separately usable residential area, as well as parts of a building attached to the residential area along with the part that corresponds to the total area of the residential area and that is not a physical part of the building. In addition to the apartment ownership, the insurance also covers a storeroom, which is located in the building and belongs to the apartment.
- 1.7. Along with the building, the apartment and the apartment ownership the insurance cover also applies to:
 - the video surveillance system, antennae, sunshades and lighting fixtures attached to the exterior of the building;

- fitted furnaces, stoves, fireplaces;
 - built-in low voltage wiring for communications, TV and sound equipment
 - fire extinguishing, fire alarm and security alarm systems;
 - fitted furniture along with the integrated devices;
 - bathtubs, shower stalls, sanitary equipment, suspended ceilings;
 - built-in sliding and folding doors.
- 1.8. The building, the apartment or the apartment ownership does not include mobile stoves and heating elements, refrigerators and washing machines, curtain rods, busbars, carpets, lighting fixtures and other assets insurable as domestic property.
 - 1.9. A civil engineering work is a structure that is permanently connected to the ground and is other than a building (e.g. a fence, an awning, a pool, a greenhouse).
 - 1.10. Domestic property means movables specified in the insurance contract and located in the insured place.
 - 1.11. Domestic property that is carried along by the policyholder and/or their family members and that is in their care is insured in the amount of up to 2,000 euros within the countries of the European Union also outside the insured place specified in the insurance contract, except at the time when the policyholder has released the property from their possession (e.g. checked luggage, into the possession of a third person).

Damage caused to bicycles or sports equipment (e.g. skis, surfing equipment) during their use, also theft of the property from a public bicycle park or common area (e.g. hallway, jointly used part of a basement) shall not be subject to compensation.
 - 1.12. Unless stated otherwise in the insurance contract, domestic property does not include:
 - the building and its parts;
 - agricultural products, alcoholic beverages;
 - cash, bank cards, documents, manuscripts, drawings, archives, models, securities (e.g. coupons, bonds, checks, lottery tickets);
 - information and software contained in data processing systems and devices (excl. property referred to in clause 6.6);
 - ammunition, explosives;
 - motor vehicles, trailers and semi-trailers, agricultural machinery (excl. lawn tractors);
 - aircraft and watercraft (incl. jet skis);
 - living creatures or plants;
 - property belonging to a tenant in case the tenant is not the policyholder.

2. Insurable value and sum insured

- 2.1. The insurable value of the building, the apartment, the apartment ownership and civil construction works is the reinstatement value thereof, i.e. the lowest possible expenses for the restoration thereof to its initial state in case of destruction.
- 2.2. The insurable value of the domestic property is its re-acquisition value, i.e. the amount of money necessary for acquiring an equivalent item.
- 2.3. The insurable value of works of art (paintings, prints, sculptures), collections, jewellery, mobile phones over two years of age, photography equipment over two years of age and computers and related devices over two years of age is their market value.

In case the policyholder does not provide the acquisition documents of a mobile phone, photography equipment, computer or related device over two years of age in case of an insured event, the item's insurable value is regarded to be their market value.
- 2.4. Domestic property located in a storeroom (e.g. in the basement), which is outside the apartment in an apartment building,

is insured to the extent of 10% of the sum insured of the domestic property.

- 2.5. The sum insured is the maximum amount paid per insured event.
- 2.6. The sum insured shall not be reduced by the amount of indemnity paid out.
- 2.7. In case of civil liability insurance, the sum insured that is agreed upon in the insurance contract shall be the maximum limit for all claims arising from the same insured event.

3. Covered place

- 3.1. The covered place is the building, a part of the building or the apartment that is located at the address specified in the insurance contract.
- 3.2. The covered place also includes a storeroom (e.g. basement) that is located in the same apartment building as the residential area and that is in the exclusive use of the policyholder.
- 3.3. For insured domestic property which is intended to also be used outdoors, insurance cover also applies in the garden of the insured private house or terraced house, if during the dark hours or when leaving the area covered by the insurance, all of the said property, excluding garden furniture, trampoline, barbecue or smoke oven, robotic lawn mower, needs to be brought into the building. In addition to the insurance cover described in the terms and conditions, the above property is also insured against theft.
- 3.4. Unless otherwise specified in the insurance contract, insured locations of domestic property do not include:
 - civil engineering works (excl. property referred to in clause 3.3);
 - sheds, garages and other auxiliary structures of the apartment building.

4. Insured event

Total risk insurance

The insured event is damage to, destruction of or loss of an insured object as a result of an unexpected and unforeseeable event, except for the exclusions specified in clause 5.

5. Exclusions

Damage and costs shall not be compensated if they are directly or indirectly caused by:

- 5.1. loss of the insured object for reasons other than burglary or robbery. A burglary is understood as a theft by way of removing, breaking or picking open the barrier or lock that prevented entry to the insured location, which was locked. The removal, breaking or picking open of a barrier or lock must be established. Loss of items fastened to the outer parts of a building or its exterior (the items the removal of which requires tools) is deemed to be an insured event even without the characteristics of a burglary. A robbery is understood as taking the assets by physical violence or by a direct threat of violence;
- 5.2. the insured object not being used for its intended purpose;
- 5.3. normal wear and tear of the insured object, perishing, corrosion, fatigue of material, rotting, fungal damage, dry rot fungus, long-term degradation;
- 5.4. shrinkage or expansion of the building or its parts, except when directly caused by the insured event;
- 5.5. low-quality design, construction, repair or maintenance work, unsuitable or defective material;
- 5.6. insects, pests, birds or domestic animals;
- 5.7. rain, snow or water from melted snow, hail or water from melted hail entering the building through openings in the building or civil engineering works through the roof, walls or other construction structures, except for events when the openings have come to existence due to a storm, hail or ridged ice. Such openings must be identifiable. A storm is understood as a wind with the average speed or with gusts of at least 18 metres per second;
- 5.8. the weight of ice or snow. By way of derogation, damage caused by the dropping of snow and ice from the roof shall be compensated;

- 5.9. subsidence of the earth, the building or its parts, regardless of the event causing or the reason of the subsidence;
- 5.10. landslide;
- 5.11. radioactive radiation or radioactive pollution;
- 5.12. war, civil war, invasion, public unrest, coup d'état, strike, state of emergency, terrorism, expropriation;
- 5.13. use of nuclear energy for any purpose or nuclear energy getting out of control;
- 5.14. blasting or excavation works, vibration;
- 5.15. circumstances of which the policyholder was aware before the conclusion of the insurance contract, but which they did not report to the insurer.

Compensation is also not paid for:

- 5.16. damage to domestic property (excl. property carried along) outside the insured place;
- 5.17. damage to be reimbursed on the basis of the guarantee given to the insured object;
- 5.18. maintenance costs;
- 5.19. damage that is in a causal relationship with constructions works carried out on the insured object. Construction work means the establishment, extension, or reconstruction of a building, the modification of utility systems and the demolition of a building. The reconstruction of a building means the modification of the border structures of the building and the modification and replacement of stiffening and bearing structures. Construction works do not include the maintenance or repair of the building, such as wallpapering, painting, replacement of floorings or doors and windows, except for when this work is conducted by a construction company. In case maintenance and repair work is conducted by a construction company, insurance cover is only valid when the works have been agreed upon with the insurance provider;
- 5.20. monetary claims that cannot be regarded as direct proprietary damage (e.g. loss of income, damage to proprietary rights.);
- 5.21. costs of removing environmental pollution.

6. Additional cover of property insurance

- 6.1. Cost of renting a temporary residence
 - 6.1.1. If the building or a part of it (apartment) that is the permanent residence of the policyholder has been rendered temporarily or permanently inhabitable due to an insured event, all the substantiated and documented costs that the policyholder has incurred to rent an equivalent temporary residence for themselves or for a tenant who lived at the place of residence on the basis of a rental agreement are reimbursed.
 - 6.1.2. A building or an apartment is unsuitable for habitation if it is destroyed or damaged insofar that it makes normal living impossible or significantly harder.
 - 6.1.3. The following are reimbursed: • costs for moving to and back from a temporary residence; • rental costs of an equivalent temporary residence.
 - 6.1.4. Costs are reimbursed without excess and for a maximum of twelve months since the occurrence of the insured event, but not longer than: • the insured location has been restored as inhabitable or • the residential building or its part (apartment) is replaced.
 - 6.1.5. The following shall not be compensated: • utilities of a temporary residence; • late fees, contractual penalties; • the cost of finding a temporary residence.
 - 6.1.6. Insurance cover for rental costs of a temporary residence shall not extend to persons who use the insured building or part thereof (an apartment) on the basis of a tenancy contract.
- 6.2. The theft or robbery of a key
When the key to the insured residence is stolen or robbed, making it necessary to change the respective lock at the insured place, then the insurer shall reimburse the related costs to the extent of up to EUR 640 and without excess.
- 6.3. Costs of cleaning and transportation of rubbish
Reasonable expenses that are necessary for cleaning up the property that was damaged as a result of the insured event and the remaining assets, and for removing the rubbish are reimbursed.

- 6.4. Costs of minimising and mitigating the damages
In case of an insured event reasonable costs incurred by the policyholder in order to prevent or mitigate the damages are reimbursed.
- 6.5. Costs of determining the damages
Costs of determining the damages resulting from an insured event or the size of the damages are reimbursed if so agreed upon with the insurer in advance.
- 6.6. Cost of recovering software
Costs of restoring legally acquired software that was destroyed due to an insured event are reimbursed in the amount of up to EUR 500 and without excess. The basis for the reimbursement are the software acquisition documents presented by the policyholder.
- 6.7. Damages from the activities of rescue workers
Damages are reimbursed without excess in the amount of up to 6,400 euros to restore the insured property that was damaged as a result of the activities of the rescue workers, which were not related to the insured event.
- 6.8. The theft and robbery of a bank card
When the policyholder or a dependent member of their household has their bank card stolen, robbed or taken during a burglary, compensations is paid for an unauthorised withdrawal of cash from an ATM in the sum of up to 1,000 euros.

7. Civil liability insurance

- 7.1. The insured event means the unlawful infliction of damage by the policyholder to a third party, as a result of which the policyholder shall have the obligation to compensate for damage.
- 7.2. Damage that the policyholder has unlawfully caused to a third party shall be compensated when a claim has been filed for it against the insured person no later than a year after the end of the insurance period. Unless otherwise agreed upon, the insurance cover shall only extend to the claims arising from possession of the insured object. Damages shall be compensated if the damages were caused through the fault of the policyholder and/or the policyholder is liable for the incurrence of the damage in accordance with the law. The event that has caused damage must have taken place during the insurance period.
- 7.3. Costs for legal assistance necessary for the deferral of claims are to be reimbursed. These are understood as the sum the insured person has spent on legal assistance, expert assessments and court proceedings. The costs for legal assistance shall be compensated by the insurer in case these are necessary for evidencing the absence of liability and/or guilt of the insured person and in case these have previously been agreed upon with the insurer.
- 7.4. Upon concluding the insurance contract, a choice can be made between the civil liability insurance cover restricted with the possession of the insured object, the liability insurance cover of a pet owner or the extended civil liability insurance cover.
- 7.5. The civil liability insurance cover limited with the possession of the insured object also extends to the claims that are in a causal relationship with the possession of the insured object that is covered by the same insurance contract.
- 7.6. The cover of the extended civil liability insurance extends to all damage caused to third parties, which is not excluded by these terms and conditions.
- 7.7. As for the liability insurance that is related to the possession of the insured object, the owner of the building or apartment and people living permanently in the same household as the policyholder are treated as equivalent to the policyholder.
- 7.8. As for the liability insurance that is not related to the possession of the insured object, the policyholder shall be considered equivalent to their spouse or cohabitant and their children under the age of 18, as well as the dependents of the policyholder.
- 7.9. The following shall not be compensated:
 - 7.9.1. claims based on the loss of income and non-proprietary claims;
 - 7.9.2. claims arising from the policyholder's contractual responsibility, contractual obligations, incl. written and other guarantees, and similar claims;
 - 7.9.3. claims for damage arising from an act performed without due authority;

- 7.9.4. claims that are based on events which caused damage and of which the policyholder was aware before entering into the insurance contract;
- 7.9.5. claims caused by the intent or dishonesty of the policyholder and by his/her actions committed under the influence of alcohol, drugs, toxic substances, etc.
- 7.9.6. mutual claims between the policyholder and persons considered equivalent to them;
- 7.9.7. claims arising from labour, service or family law disputes;
- 7.9.8. claims arising from lawful fines imposed on the policyholder or the injured party, accrued interest, interest on arrears and other punishments to be added to damage;
- 7.9.9. claims arising from asbestos dust, diethylstilbestrol (DES), dioxin or acquired immune deficiency syndrome (AIDS), medicaments and communicable diseases;
- 7.9.10. claims arising from unjust enrichment;
- 7.9.11. claims arising from the policyholder's economic or occupational activities;
- 7.9.12. claims arising from risk liability (incl. source of larger threat, except for a building or apartment) and producer liability;
- 7.9.13. claims caused by a land vehicle, watercraft or aircraft that belongs to, is leased, borrowed, rented to and/or driven by the policyholder, except for claims arising from the use of land vehicles without the engine;
- 7.9.14. claims related to the damage or loss of property belonging to third persons and being under the management or in the possession or use of or held by, etc. the policyholder;
- 7.9.15. damage caused by force majeure;
- 7.9.16. claims caused by radioactivity, radiation, toxicity or explosivity of substances;
- 7.9.17. claims arising from contamination or pollution;
- 7.9.18. claims arising from damage caused by animals belonging to the policyholder, except for the claims arising from damage caused by pets belonging to the policyholder in case this has been specifically agreed upon in the insurance contract;
- 7.9.19. costs for legal assistance when the reimbursement of damages has been precluded with the insurance terms and conditions and/or the insurance contract.

8. Obligations of the policyholder

- 8.1. The policyholder has the obligation:
 - 8.1.1. upon entering into the insurance contract, to supply to the insurer the correct and complete data in any matter concerning the insurance contract and to inform the insurer of all significant circumstances affecting the insurable risk; to enable a representative of the insurer to examine the property and to meet the additional conditions set by the insurer, which are necessary for reducing the insurable risk (e.g. the requirement for the installation of fire or security alarms). Significant factors affecting the insurable risk mainly include the information requested by the insurer before entering into the insurance contract. Significant factors affecting the insurable risk also include the failure to comply with the special conditions, additional conditions or agreements set out in the insurance contract or its annexes in relation to the insurable risk;
 - 8.1.2. to allow the representative of the insurer to examine the state of the property and the documents necessary for entering into the insurance contract;
 - 8.1.3. to examine the insurance contract documents before entering into the insurance contract;
 - 8.1.4. to comply with the legislation applicable in the Republic of Estonia, the additional conditions specified in the insurance contract and the equipment operating manuals, to take his/her best efforts to avoid an insured event and to reduce any potential damage, not to increase the insurable risk and to prevent other persons for whom the policyholder is liable from increasing the risk;

- 8.1.5. to explain the obligations under the insurance contract to the persons in whose possession or use the insured object belongs or to whom it is handed over;
- 8.1.6. to immediately inform the insurer of the emergence of the multiple insurance and of the increase in the likelihood of the insurable risk (e.g. changes compared to what is specified in the application), unless the increase in the likelihood of the insurable risk is caused by commonly known circumstances. The insurer has the right to require that the policyholder applies additional safeguard measures in order to reduce the increased insurable risk and/or to demand the payment of a larger insurance premium corresponding to the increased insurable risk. The abovementioned does not preclude the right of the insurer to cancel the insurance contract with immediate effect, if necessary;
- 8.1.7. to immediately inform the insurer of the transfer of the insured object;
- 8.1.8. upon leaving a room or building, to close and lock all entrances and exits (doors, windows, hatches, etc.) at the covered place;
- 8.1.9. if a security alarm system is installed, to switch it on when leaving the room or building, and not to limit the working area of the sensors nor reduce their sensitivity;
- 8.1.10. if a fire alarm system is installed, to keep the devices switched on around the clock;
- 8.1.11. to use and maintain the alarm equipment as provided in the instruction manual;
- 8.1.12. to close and empty the water supply and heating systems located in an unheated building or its part.
- 8.2. The insurer has the right to examine the insured object during the insurance period.
- 8.3. Upon an insured event, the policyholder has the obligation to:
- 8.3.1. immediately take measures to save the insured object, to prevent the damages from increasing and to mitigate the damages;
- 8.3.2. notify the police immediately of the event in case intentional activity of a third person is suspected, or the local rescue board in case of a fire or explosion; in other cases the respective competent institutions or persons shall be notified;
- 8.3.3. as soon as possible after having learned of the insured event, notify the insurer of the insured event either in person or through a representative, disclosing in their declaration information on the event, presumed damages, witnesses, participants and persons at fault, and follow any subsequent guidelines from the representative of the insurer;
- 8.3.4. if possible, retain the scene of the insured event intact until the orders are given by the insurer;
- 8.3.5. provide the list of property lost, damaged or destroyed as a result of the insured event as soon as possible;
- 8.3.6. allow the insurer to identify in the loss adjustment procedures the reasons for and the amount of damage arising from the insured event, by submitting the necessary documentation.
- 8.4. The policyholder shall present the damaged property in the condition as it is after the insured event or the remnants of such property to the insurer for inspection. The policyholder may not start to restore the damaged property or recycle the destroyed property without the consent of the insurer.
- 8.5. The policyholder is required to submit to the insurer the information that is necessary for determining the performance of the insurer's contractual obligations.
- 9.2. Direct proprietary damage and other expenses that are set out in the insurance contract and are substantiated shall be compensated. The insurance indemnity shall be calculated based on the insurable value of the insured object, which was damaged, destroyed or lost as a result of the insured event, immediately before the insured event.
- 9.3. Excess shall be subtracted from the indemnity. If several excesses are applied simultaneously, only the largest excess shall be subtracted from the indemnity. No excess is applied when:
- more than 50% of the insured building has been destroyed;
 - the insured event has occurred only to the glass surfaces of the building.
- 9.4. Upon over-insurance, the insurer shall compensate for the actual amount of damage.
- 9.5. In case of under-insurance, the insurance indemnity and other justified expenses, which have been determined in the insurance contract, shall be paid in proportion to the ratio of the sum insured to the insurable value at the time of the occurrence of the insured event.
- 9.6. Upon the determination of the indemnity for domestic property, under-insurance shall not be considered.
- 9.7. In case of a building, the insurer has the right to compensate at first the indemnity portion, which also includes the depreciation of the building. The remaining portion shall be compensated on the basis of calculations submitted for the restoration of the building, provided that the policyholder will use the indemnity to restore a building of the same type and purpose and at the same place within two years as of the commencement of compensation. At the same time, the policyholder must have supplied evidence that they have used the first received indemnity for restoring the same building.
- 9.8. Upon the destruction of the insured object the insurer has the right to withhold insurance premiums from the insurance indemnity until the end of the insured period.

10. Release of the insurer from the obligation to perform the insurance contract

The insurer shall be partially or fully released from the obligation to perform the insurance contract, in case:

- 10.1. the policyholder has not met at least one of the requirements provided in clause 8 and there is a causal relationship between the failure to meet the requirement and the insured event and/or the amount of damages incurred;
- 10.2. the policyholder has not paid the insurance premium by the agreed due date (in case of periodic payments, by the additional due date determined by the insurer) and the insured event takes place after the expiry of the due date for the payment of the insurance premium;
- 10.3. the insured event has taken place due to severe negligence or intent of the policyholder or beneficiary;
- 10.4. the insured event has been caused by the activities of the policyholder or a person considered equivalent to them under the influence of alcohol, drugs or other psychotropic substances;
- 10.5. the policyholder or beneficiary has misled or tried to mislead the insurer about the circumstances and/or amount of the damage, or has otherwise tried to deceive the insurer as regards the circumstances of the insurance contract or its performance.

This is a translation of the original terms and conditions in Estonian, which take precedence should there be any differences between the original and the translation.

9. Compensation procedure

- 9.1. If the precise time of the insured event cannot be determined, it