

General insurance conditions



ÜU 20021

IF P&C INSURANCE AS. COMMERCIAL REGISTER CODE 10100168

NB! This is an unofficial text. In case of the dispute the Estonian wording shall prevail.

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Terminology

1. Insurer means If P&C Insurance.
2. Policyholder means a person who has concluded an insurance contract with the insurer.
3. Insured person (hereinafter also 'the insured') is the person who owns the insured object or whose life, health is insured. The insured has the right to indemnity unless stipulated otherwise by the law or in the insurance contract.
4. Beneficiary is a third party appointed by the policyholder in the insurance contract with a written agreement of the beneficiary. After the occurrence of an insurance event, the beneficiary will be entitled to indemnity or to other obligations to be fulfilled by the insurer as stipulated in the insurance contract.
5. Insurance cover is the insurer's liability defined in the insurance contract conditions to pay indemnity after the occurrence of an insurance event or to proceed with other actions as foreseen in the insurance contract.
6. Insurance period is the validity period of the insurance cover unless stipulated otherwise in the insurance contract.
7. Insurance validity area means the insurance location or the insurance area, the insurer being obliged to meet his contractual liabilities concerning the insurance event occurring in this location or within this area. The insurer will have no contractual liabilities regarding those events taking place outside the insurance validity area.
8. Insurance event means an event defined in the insurance contract that is unexpected and unforeseen for the policyholder and the persons under his responsibility (see Art. 27). After the occurrence of the insurance event, the insurer will be obliged to meet his contractual liabilities.
9. The insured object (hereinafter also 'the insurance object') means the life and health of the insured person, or the object, right, obligation or expenses of the insured person for which the insurance contract was concluded.
10. Insurance risk is the threat against which to insure.
11. Deductible means the amount of money or another value (a per cent share of the loss, a period, etc.) stipulated in the contract by which the insurer's liability to pay indemnity is reduced.
12. Insurance indemnity means, in the case of property insurance, an amount of money to be paid in the occurrence of an insurance case for compensating the resulting property loss. The insurance indemnity may be non-financial (e.g. replacing the insured object).

Insurance contract documents and application of the conditions

13. The conditions of the insurance contract are stated in, or referred to, in the insurance policy or other documents that form a part of the insurance contract. Those prior acts of will, actions or agreements between the insurer and the policyholder will not be considered as parts of the insurance contract unless stipulated otherwise in the insurance contract documents.
14. The insurance policy will be signed by the insurer. The signature on the insurance policy may be mechanically reproduced.
15. When fulfilling and interpreting an insurance contract, the insurance documents will be considered as one entity. In cases of contradictions, the primary conditions to proceed from will be the conditions

stated in the policy as agreed separately between the policyholder and the insurer, then the additional conditions of the specific type of insurance, after that the general conditions of the specific insurance type, and finally, these general insurance conditions.

16. If a word is given a special meaning in the insurance contract, then by fulfilling and interpreting the insurance contract one will proceed from this special meaning stated in the insurance condition.
17. In cases of disputes, the Estonian version of the insurance documents will prevail, unless stated otherwise in the insurance documents.

Appointing the beneficiary

18. The beneficiary will be appointed and changed according to the agreement between the policyholder and the insurer, with a written agreement of the beneficiary. This written agreement will not be necessary if the policyholder and the beneficiary are one and the same person.
19. After the death of the policyholder, the heirs of the policyholder may change the beneficiary if the insured agrees.
20. After the death of the insured the beneficiary cannot be changed. If the insured is given the right to change the beneficiary by the insurance contract, his heirs cannot change the beneficiary after his death.
21. If the beneficiary loses his right to the insurance indemnity due to circumstances caused by him (e.g. knowingly creating a loss) or if the beneficiary dies before the insurance event occurs, it will be deemed that no beneficiary has been appointed.

Payment of the premium

22. The policyholder will pay the insurance premium in the amount specified in the insurance contract and will guarantee that the premium or the agreed instalment (hereinafter also 'the premium') is received by the insurer by the due date as foreseen in the insurance contract.
23. The policyholder will be obliged to pay the premium stated in the insurance contract irrespective of whether the insurer has sent the policyholder a respective reminder or invoice, or not.

Delayed premium

24. If the policyholder delays in paying the consecutive premium (instalments) and does not pay the consecutive premium by the additional term set by the insurer, the insurer will be relieved from the contractual liabilities regarding the insurance events that occur after the additional term has passed.
25. If the insurer has given notice about cancelling the insurance contract because of unpaid premium, but the policyholder pays the premium within 31 days from the cancelling of the insurance contract, the insurance contract will not be considered cancelled and the insurer will have contractual liabilities regarding these insurance events that occur after the day following the day all insurance premiums due to the insurer are received.

26. If the insurer has not given notice about cancelling the insurance contract because of unpaid premiums, the insurer will have contractual liabilities for the insurance events that occurred after the day following the day all insurance premiums due to the insurer were received.

The persons on the policyholder's responsibility

27. The policyholder will be responsible for the behaviour of the following persons:
 - 27.1. The insured;
 - 27.2. The family members living with the insured;
 - 27.3. The legal possessor of the insured property, as well as the person to whom the legal possessor of the property has voluntarily handed over his possession;
 - 27.4. The persons who use the insured property with the agreement or the approval of the policyholder or the insurer or the possessor of the insured property;
 - 27.5. The persons who are obliged to follow the regulations of exploitation, safety, loss prevention, restriction, or rescue under a law, contract (incl. labour contract) or other legal relations.
28. The policyholder must introduce to the above mentioned persons the stipulations of the insurance contract (first of all, the requirements concerning safety).
29. If the above mentioned persons do not follow the stipulations of the insurance contract, it will be considered the policyholder's breach of contract.

Insurer's obligation to inform the policyholder

30. During the insurance period, if there are any changes in the name, legal form, address of the insurer or in the address of the structural unit through which the contract was concluded, or in the address of a qualified insurance superintendent, the insurer will inform the policyholder about this on the insurer's web page or through mass media.

Policyholder's obligation to inform the insurer

31. When concluding the contract, the policyholder must inform the insurer in writing about any circumstances known to the policyholder that may influence the insurer's decision to conclude the contract or to conclude it on the agreed conditions.
32. The policyholder will be obliged to give true and complete answers to the insurer's questions, even if the policyholder thinks that the insurer is already aware of the respective fact.
33. When deciding on the insurance contract conditions and terms (incl. insurance value, sum insured, insurance premium, etc.) the insurer relies on the data on the insurance application. Until receiving a written notice regarding a change in these data, the insurer will consider the data stated in the insurance application to be correct.

34. The policyholder will inform the insurer immediately in writing about the increase of insurance risk (see: Art. 48) and the alienation of the insurance object (see: Art. 44).
35. After filling in the insurance application form, if the data given to the insurer turns up to be, or becomes incorrect or incomplete, or if there are substantial changes in the facts describing the insurance object, the policyholder will be obliged to inform the insurer about these changes in writing as soon as possible.
36. When insuring property or material interests, the following changes among others will be considered substantial in the context of Article 35: change in the ownership of the insurance object, change in its value, permanent user, purpose of usage, state of being burdened with a burdening, the insurance object turned up to be a bankrupt's asset or, due to initiated bankruptcy proceedings, a property threatened by bankruptcy, the insured property has been seized or a ban on restricting the usage of the property has been made, or full procedures have been initiated against the insured property.
37. When insuring the life and health of a private person, the following changes among others will be considered substantial in the context of Article 35: change in the job of the person, the person becoming unemployed, or increased threat of an accident due to the lifestyle or hobbies of the insured (e.g. the range of hobbies, level of intensity).
38. When deciding about the conditions and terms for the insurance contracts to be concluded for the following insurance periods, the insurer will also be entitled to proceed from the data stated in the insurance application about the insurance object and from the notices sent to the insurer about the respective insurance risk or the insured object.

Notices

39. If the insurance contract or the law stipulates the obligation of the policyholder of giving notice, the respective notice will be forwarded in writing to the address of the structural unit of the insurer as stated in the insurance policy or to the insurer's address as stated in the business register.
40. The insurer's notices, insurance policies and other documents in connection with the insurance contract will be sent to the address of the policyholder or the insured as stated in the insurance contract.

Insuring the risks of a third party

41. If the insured person is not the policyholder, the insured person stated by the name in the insurance contract will be entitled to require that the insurance contract be followed and to use the rights regarding him as stated in the insurance contract without the policyholder's agreement.
42. If the insured person is not the policyholder and the insured person is not stated by the name in the insurance contract, the insured person may require that the insurance contract be followed and may use the rights regarding him as stated in the insurance contract only with the policyholder's agreement.

43. If the policyholder is not the insured person, the policyholder has no right to require that the contract be followed or to use the rights resulting from the insurance contract.

Alienation of the insured object

44. The alienation of the insured object (e.g. sales, gift, exchange) must be reported to the insurer immediately in writing by the alienator and the acquirer.
45. If an insurance object is alienated, all the policyholder's contractual rights (incl. the right to the return of the insurance premium) and obligations will be transferred to the acquirer, except for the rights and obligations that originated before the alienation of the insured object.
46. Regarding the insurer, the policyholder's contractual rights and obligations are not considered transferred before the insurer learned about the alienation of the insured object.
47. If the insurer is not informed about the alienation of the insured object as required, the insurer will be relieved of his contractual liabilities if the insurance event occurs later than 31 from the time the insurer should have received the respective notice.

Increase of insurance risk

48. After concluding the contract, the policyholder has no right to increase the insurance risk or allow the persons on his responsibility to increase it (see: Art. 27) without the prior written agreement of the insurer.
49. The policyholder will inform the insurer immediately in writing about the increase (incl. knowing increase of) of the insurance risk, including the cases where the increase of the insurance risk is caused by a publicly known fact that does not influence the insurance risk of this particular policyholder only.
50. If the policyholder fails to fulfil his obligation of informing about the increase of the insurance risk, the insurer will be relieved of his contractual liabilities if the insurance event occurs after 31 days from the time the insurer should have received the notice.
51. If the policyholder or a person on his responsibility breaches the stipulation prohibiting to increase the risk (see: Art. 48) and the insurance event occurs within 31 days from the time the insurance risk was increased then the insurer will be entitled, depending on the circumstances of the breach, to either refuse from paying the insurance indemnity or to reduce the indemnity.

Safety stipulations

52. The policyholder will be obliged to act with major care and concern in order to avoid the occurrence of the damaging result.
53. The policyholder will be obliged to follow all legal acts, regulations, instructions, orders, etc., that contain instructions of activity for the purpose of guaranteeing safety, loss prevention, and restricting the potential loss.
54. During the validity of the insurance contract and during the process of handling an insurance case, the insurer will be entitled to inspect the conditions of the insured object, the application of safety regulations

and other circumstances in connection with the insured risks and the insurance object, as well as to require from the policyholder and third parties information about the afore-mentioned circumstances.

55. The insurer will be entitled to require that additional safety regulations be applied. The policyholder will be entitled to cancel the insurance contract without prior notice within 10 days from receiving the insurer's additional safety regulations. If the policyholder gives no written notice to the insurer during the afore-mentioned period about cancelling the insurance contract, these additional safety regulations will be considered as insurance contract conditions.
56. If in 31 days from forwarding the request for additional safety regulations no additional safety regulations are applied, the insurer will be entitled to cancel the insurance contract by informing the policyholder respectively in writing 31 days in advance.

Activity in the case of an insurance event

57. In the occurrence of an insurance event (damage to, or destruction of the insured object, creation of insured expenses, bodily injury, a claim being made, etc.), the policyholder will act according to the order stipulated in legal acts and, depending on the nature of the event, to report immediately to the police, fire brigade or other body involved with respective rescue work or the investigation of the circumstances of the case.
58. The policyholder will inform the insurer about the insurance case immediately, in writing or by using a method that allows written reproduction (e.g. e-mail, a notice through the insurer's Internet home page).
59. The policyholder will be obliged to apply the measures for restricting further damages, preventing potential additional loss and protecting the insurer's rights (e.g., by helping to detect the potential cause of the loss, the party creating the loss and the names of the witnesses).
60. Before the amount of loss and the circumstances of the event are established, the policyholder will have no right to make within five days from the event without the insurer's agreement any such changes in connection with the damaged object or the scene of loss that may influence the establishing of the loss amount or the cause of it. The changes are allowed in case these are necessary for the purpose of reducing the loss or in public interests. The insurer will be entitled to set even a longer period during which no changes are allowed.
61. In the event of loss, the policyholder will be obliged to give the insurer true and complete information about the circumstances of the loss, the amount of loss and the persons who are potentially responsible.
62. The policyholder will enable the insurer to inspect the scene of loss and the damaged property and the direct questioning of the persons on the policyholder's responsibility.
63. The policyholder will submit to the insurer documents, written explanatory statements, answer to the insurer's questions both orally and in writing, on the insurer's request to participate in the inspection of the scene of the event or of the damaged property.
64. The policyholder will guarantee that the persons on his responsibility will give to the insurer evidence and information in the afore-mentioned way.

65. After the occurrence of an insurance event, both parties will be entitled to terminate the insurance contract in 31 days from the decision to pay indemnity or to refuse from paying it, by giving the other party a written notice 31 days in advance.

Insurance indemnity

66. The claim to the insurer's contractual liability can be made after the procedures for establishing the circumstances of the insurance event and the range of the insurer's liability have been ended.
67. If the insurer fulfils the insurance contract by paying money, the insurer will have no obligation of paying the indemnity before the person justified to receive the indemnity has informed in writing the number of the bank account and the name of the account holder.
68. If the procedures necessary for determining the extent of the insurer's liability are not finished within one month from the notice of the insurance event, it is possible – in the case of ascertaining the insurance event – to require on the account of the insurer's contractual liability the paying of the money in the amount that the insurer should pay as the minimum in the existing circumstances. The proceeding of the term will be halted for the period during which the procedures cannot be finished due to the circumstances caused by the policyholder.
69. If the extent of the insurer's contractual liability depends on the circumstances to be ascertained during the proceedings of a civil, criminal, administrative case or a case of violation of administrative law, the insurer will be entitled to make the decision about paying indemnity or refusing to pay after the proceedings have been halted or closed, or after a court decision or a decision by a respective officer has come into effect.
70. When paying the insurance indemnity, the insurer will be entitled to require that the salvaged or replaced property be transferred to the insurer, as well as for the waiver of the property that was taken illegally from the rightful possessor. Until the transfer of the aforementioned property or the waiver, the insurer will be entitled to stop the payment of insurance indemnity or to deduct from the indemnity the common value (market value) of the said property.
71. If the insurer pays indemnity for the object taken illegally from the rightful possessor, the policyholder will be obliged to inform the insurer immediately about finding the object or finding out its location; the notice to be sent in writing or in the form enabling written reproduction of the notice.
72. If the insurer delays in fulfilling his obligations, he will be obliged to pay on the request of the person rightfully entitled to the indemnity the fine for the delay in the amount of 0.1% of the sum to be paid per each delayed day, but not more than 10% of the sum to be paid.
73. If the policyholder completes a breach of contractual obligations (incl. additional safety stipulations, the obligation of providing evidence) the insurer will be entitled to refuse from paying insurance indemnity or to reduce the amount of indemnity, provided this breach had an influence on the occurrence of loss or the amount of loss or the ascertaining of the extent of the insurer's contractual liability.

- 74. If the insurer learns about the breach of contract only after the payment of indemnity, the insurer will be entitled to require the return of indemnity, either in full or partially, depending on whether the insurer would have refused to pay the indemnity or would have reduced it had he known about it.
- 75. Property loss may be indemnified by restoring the damaged property or a part of it, by replacing the damaged property or the part of it with another property or a part of a property of the same purpose of usage, of the same value and in the same price category, or by paying financial indemnity. The insurer will be entitled to decide about the method of indemnifying for a property loss.
- 76. In the case of replacing or restoring damaged or destroyed property, the insurer will be entitled to prescribe how the restoration or replacement is to be carried out and by whom.
- 77. When paying the insurance indemnity, the insurer will be entitled to deduct from the indemnity the insurance premiums unpaid up to the end of the current insurance period, irrespective of whether the due date for paying the premium has arrived. The insurer will have this right even in case the indemnity is paid to another person than the policyholder.
- 78. The insurer will be entitled to refuse to pay indemnity in the following cases:
 - 78.1. The insurance event was caused by a nuclear weapon, a war or a situation similar to a military operation, an uprising, riot, strike, work stoppage, terrorism, nuclear energy or radioactivity; seizure of the property;
 - 78.2. The insurance event is directly or indirectly caused by the data processing systems (incl. the software, hardware, microcircuits, devices in connection with the computer or similar mechanisms) not being ready for the change of millennium, irrespective of whether the loss occurred before the year 2000, in 2000 or after that;

- 78.3. The policyholder, the beneficiary or the person on the policyholder's responsibility caused the occurrence of the insurance event deliberately or due to gross negligence;
- 78.4. The occurrence of the insurance event was connected with the policyholder, the beneficiary or the person on the policyholder's responsibility completing or hiding an act with the characteristics of a deliberate criminal act;
- 78.5. The policyholder, the beneficiary or the person on the policyholder's responsibility has presented to the insurer incorrect data during the loss handling;
- 78.6. Another party has indemnified for the loss.

Insurer's right of recourse

- 79. The right of the policyholder or the insured to make claims for the loss against third parties will be transferred to the insurer in the extent of the loss to be indemnified by the insurer.
- 80. If the policyholder or the insured abandons his claim against a third person or waives his right securing the claim, the insurer will be relieved of his contractual liabilities to the extent that he could have claimed a recourse based on this claim or this right.
- 81. If the policyholder or the insured has a claim against his ascending or declining relative, against a spouse, or against another member of the family living with him, the insurer will have the right of recourse only in case the liability of such person is insured or if this person has caused the loss deliberately.
- 82. The policyholder is obliged to assist the insurer in making the claim of recourse, by submitting the data, documents, explanatory statements, etc. necessary for carrying out the recourse claim.

