

Terms and Conditions of Additional MTPL Coverage

Valid from 01.11.2024



These insurance terms and conditions specify the scope and terms and conditions of the additional motor third party liability (MTPL) insurance coverage. The persons considered equal to the policyholder are the beneficiary, the legal possessor of the vehicle, and a person to whom the legal possessor of the vehicle has voluntarily transferred the right to drive. For issues not regulated in the insurance contract, the Law of Obligations Act and other legal acts will apply.

1. Insured object

- 1.1. The insured object is the motorcycle, passenger car, or van (L, M1, M1G, N1, N1G) in regular use as indicated on the policy within the insured sum.
- 1.2. For passenger cars, vans, and motorcycles, short-term rental (up to 6 months), use as a motorhome, taxi, ride-sharing service, courier, driving school, emergency vehicle or security company patrol vehicle is not considered to be a regular-use vehicle.

2. Insurance cover

- 2.1. An **insured event** is sudden and unforeseen event that results in damage to the insured object or requires the policyholder to use roadside assistance, for which the insurer has an obligation to compensate. An insured event may include a collision with an animal, the need for roadside assistance, and/or the use of a replacement vehicle while the insured vehicle is being repaired due to damages from a traffic accident.
- 2.2. **Collision with an animal** is the damage or destruction of the insured object as a result of hitting an animal/bird, with immediate notification of the police. Damage caused by avoiding a collision with an animal/bird is only considered an insured event if there is a video recording of the incident.
- 2.3. **Roadside assistance** is the provision of initial assistance to a vehicle when, as a result of a sudden and unforeseen event, the vehicle cannot be used or the journey cannot be continued. Roadside assistance is provided (24/7) only via the phone number listed on the policy. Roadside assistance is provided under the following conditions:
 - 2.3.1. If towing is required, the vehicle will be transported to the nearest storage or repair location. If roadside assistance is required in Estonia, the vehicle will be transported to the policyholder's location in Estonia;
 - 2.3.2. If the vehicle runs off the road, assistance will be provided to return the vehicle to the road;
 - 2.3.3. In the event of tire damage, assistance will be provided with tire replacement/repair, or the vehicle will be transported to the nearest tire repair shop;
 - 2.3.4. In case of a problematic battery, jump-start assistance will be provided once during the insurance period;
 - 2.3.5. Passengers in the vehicle will be transported, if necessary, to their destination or home within Estonia, Latvia, or Lithuania.
- 2.4. A **replacement car** will be provided if the insured object cannot be used in road traffic due to an insured traffic accident or a collision with an animal under the following conditions:
 - 2.4.1. The estimated repair time for the vehicle is more than one business day;
 - 2.4.2. The policyholder signs a rental agreement for a replacement car with a partner designated by the insurer, and the insurer will cover the cost of the

- replacement car for up to 14 days during the insurance period;
- 2.4.3. The replacement car does not need to be equivalent to the insured object..

3. Exclusions

- The following shall not be subject to indemnification under the insurance contract:
- 3.1. Damage caused by an event outside the insured event;
 - 3.2. Damage incurred while the vehicle was used outside of regular traffic areas (areas open to land vehicles) or on other areas not intended for land vehicle traffic by the landowner (for example, incidents occurring off-road, on shorelines, in water, on marshy terrain, on roads not open for traffic on ice, or on ice itself, etc., are excluded);
 - 3.3. Fuel that has leaked from the vehicle;
 - 3.4. Incidents that occurred when the driver of the insured object did not have the legal right to drive, or when the driver was under the influence of alcohol, drugs, or psychotropic substances at the time of the incident;
 - 3.5. Damage when the driver refused to undergo intoxication testing immediately after the incident or consumed prohibited substances/liquids after the incident;
 - 3.6. Damage if the person who entered into the insurance contract or the person entitled to receive the insurance compensation is subject to international financial sanctions.

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

- The insurer shall be partially or fully exempt from the obligation to perform the insurance contract if:
- 4.1. the policyholder has intentionally or due to gross negligence violated at least one of the obligations stipulated in the insurance contract (clause 11.1) and this has an impact on the incurrence of damage or its amount or on the establishment of the extent of damage;
 - 4.2. the policyholder has violated the obligation to give notification of the changed material risk circumstances;
 - 4.3. the policyholder has deliberately submitted incorrect data on the circumstances or extent of damage;
 - 4.4. damage if the person who was driving the vehicle left the place where the insured event occurred without having done so in accordance with clause 11.2;
 - 4.5. the damage occurred by the policyholder intentionally;
 - 4.6. damage if, at the time of the insured event, the person driving the vehicle was in a state of sickness or fatigue, or was engaged in an extraneous activity while driving, which prevented them from accurately perceiving traffic conditions and from obeying traffic law without distraction;
 - 4.7. the policyholder contributed with the vehicle to the commission or attempted commission of a criminal offence;
 - 4.8. the policyholder has failed to pay the insurance premium.

5. Kindlustusterritoorium

The covered territory shall be indicated in the policy and the insurer shall only have the indemnification

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obligation in the case of an event that occurred in the covered territory.

6. Sum insured and indemnity limit

- 6.1. The sum insured of the vehicle is the market price of the vehicle in Estonia immediately before the insured event or the amount set out in the policy.
- 6.2. The sum insured of the vehicle shall not decrease by the insurance indemnities paid out.
- 6.3. The indemnity limit is an amount agreed in the policy, being the limit for all payable insurance indemnities.

7. Indemnification methods

- 7.1. The indemnification methods are indemnification of the cost of restoring the damaged vehicle or financial indemnification.
- 7.2. The method of indemnification shall be decided by the insurer.
- 7.3. The restoration costs of the damaged vehicle shall be indemnified on the basis of documents certifying these costs.

8. Indemnification procedure

- 8.1. Conditions for indemnification of restoration costs:
 - 8.1.1. the vehicle's restoration costs are indemnified if restoration of the vehicle is economically and technically justified.
 - 8.1.2. If the policyholder is applying for a monetary indemnity but fails to submit expense receipts confirming the restoration of the vehicle, the amount of damage is deemed to be 55% of the costs of restoration accepted by the insurer.
 - 8.1.3. Upon restoration of the vehicle the details and spare parts corresponding to the age and technical condition of the vehicle shall be used.
- 8.2. A total loss is considered to be a situation where the cost of repairing the insured vehicle is not economically or technically feasible. Repairs are generally not justified if they exceed 70% of the market value of the vehicle.
- 8.3. When determining the insurance indemnity, the deductible, collectible unpaid insurance premiums, deductions from the indemnity, and taxes refunded by law (e.g. value added tax (VAT)) shall be taken into account.
- 8.4. The insurer has the right to reduce the payable insurance indemnity until the end of the current insurance period by the unpaid insurance premiums, regardless of whether the date of paying the insurance premium has arrived and to whom the insurance indemnity is paid.
- 8.5. If the vehicle declared destroyed is not handed over to the insurer, the indemnity shall be reduced by the post-accident value of the vehicle.

9. Refunding of insurance indemnity

If, after the damage has been indemnified, circumstances have arisen which preclude indemnification or if the damage has been indemnified by a third party (e.g. a motor third party liability insurance insurer), the policyholder and/or the insured person are obliged to return the insurance indemnity to the insurer as soon as possible.

10. Obligations of the policyholder

- 10.1. The policyholder has the obligation:
 - 10.1.1. to operate the vehicle in accordance with the instructions and/or restrictions set out by the manufacturer, in the traffic regulations, and in the Road Traffic Act;
 - 10.1.2. to notify, before the conclusion of an insurance contract or during the validity of the insurance contract, if the policyholder has been / is being entered in the sanctions list;
 - 10.1.3. The policyholder shall, as soon as possible, provide information on a possible increase of the insured risk. Circumstances which notably increase the insured risk are, above all, disposal of the vehicle, deletion of the vehicle from the traffic register, change of use of the vehicle, etc.
- 10.2. **In the event of an insured event, the policyholder is obliged:**
 - 10.2.1. to register the accident and report it in accordance with the law;
 - 10.2.2. to notify the police and the Environmental Board of a collision with an animal or bird;
 - 10.2.3. to notify the insurer of the insured event at the earliest opportunity, but no later than within five working days after becoming aware of the insured event and follow the further instructions of the insurer.
- 10.3. The policyholder shall present the damaged vehicle or its remains to the insurer for examination of the state after the insured event. The policyholder may not commence restoration or utilisation of the vehicle without the consent of the insurer.
- 10.4. The policyholder is obliged to provide the information and evidence in the policy-holder's possession concerning the circumstances of the damage as soon as possible. In the case of a vehicle equipped with a tachograph, an extract from the tachograph shall be provided at the request of the insurer.

11. Rights and obligations of the insurer

- 11.1. The insurer has the obligation to:
 - 11.1.1. examine the claim for damage and the related documents submitted by the policyholder;
 - 11.1.2. examine the damaged vehicle or arrange its inspection as soon as possible; however, no later than within five working days as of receiving the notice of claim;
 - 11.1.3. make a decision on the indemnification of or refusal to indemnify the damage within ten working days as of the receipt of the information necessary for ascertaining the circumstances and extent of the insured event;
 - 11.1.4. If the insured risk has increased, the insurer has the right to demand that the policy-holder pay the difference between the insurance premium stated in the policy and the insurance premium to be paid according to the actual insured risk..

12. Processing of complaints and resolution of disputes

- 12.1. Disputes arising from the insurance contract shall be attempted to be resolved through negotiations. If disagreements persist, the policyholder / insured person has the right to:
 - 12.1.1. contact the insurance conciliation body of the Estonian Insurance Association (more information: www.lkf.ee/lepitusavaldus);

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- 12.1.2. contact the Consumer Disputes Committee of the Consumer Protection and Technical Regulatory Authority in the case of a client who is a consumer (more information: www.komisjon.ee);
- 12.1.3. apply to the Estonian court under the conditions and in accordance with the procedure laid down by law.
- 12.2. If the client is not satisfied with the insurer's actions, they have the right to file a complaint. To do this, the complaint shall be sent to the email address info@elama.ee. Client's expression of dissatisfaction presented in a format that can be reproduced in writing is registered as a complaint. The complaint shall be resolved within 15 days for a consumer and within 30 days for a legal entity.

13. Form of notices

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

14. Data processing and protection

- 14.1. The insurer processes personal data in accordance with the provisions of the law.
- 14.2. The principles of data processing by the insurer are found in the document 'Personal data processing conditions of AS Elama Kindlustus' and can be found on the insurer's website at www.elama.ee/tingimused.
- 14.3. The insurer has the right to process the data of the policyholder and the insured person for risk assessment, preparation, conclusion, and execution of the insurance contract.
- 14.4. The insurer has the right to forward client's data to third parties whom they use in fulfilling their obligations (data processors).
- 14.5. The policyholder has the right to obtain information from the insurer on the personal data and their use at any time and demand the correction of incorrect data and demand the ceasing of the processing of personal data from the insurer, unless otherwise provided by the law.
- 14.6. The insurer retains the personal data for as long as is necessary for fulfilling the objectives of client's data processing or performing the objectives arising from the legislation, also taking into account the term of expiry of claims arising from the contract.

15. Expiry of claims

- 15.1. The term for expiry of claims arising from the insurance contract shall be three years. The term for expiry shall start as of the end of the calendar year when the claim becomes collectable.

16. Termination of the contract, cancellation of the contract, withdrawal from the contract

- 16.1. The additional coverage insurance contract ends under the same conditions as the Motor Third Party Liability policy. Typically, this occurs due to the expiration of the insurance period, mutual agreement between the parties, the removal of the vehicle from the registry, failure to pay the initial insurance premium, or failure to pay subsequent instalments by the extended deadline.:

- 16.2. It is possible to withdraw from a contract concluded through means of communication within 14 days.
- 16.3. An application shall be submitted for withdrawal. Upon withdrawal from the contract, we shall refund the paid insurance premiums.
- 16.4. In case of provision of immediate insurance cover, the policyholder does not have the right to withdraw from the contract.
- 16.5. If the insurance contract has been cancelled or withdrawn, the parties to the insurance contract shall no longer have any obligations arising from the contract from the end of the insurance contract. The rights and obligations of the parties (including the obligation to pay the insurance premium) are valid until the end of the insurance contract.