

TERMS AND CONDITIONS OF VEHICLE E-INSURANCE

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The terms and conditions of vehicle e-insurance are applied to insurance contracts concluded with ERGO Insurance SE via mobile app mSöiduk. In any matters not resolved by the terms and conditions of vehicle e-insurance, the parties to an insurance contract shall be guided by the general terms and conditions of insurance contracts of ERGO Insurance SE, Telia conditions of use of vehicle e-insurance and the Law of Obligations Act.

1. Insurance Contract validity, insurance policy, insurance period

The validity of insurance contract is displayed in the mobile app and proven with an insurance policy, which can be viewed in the mobile app and which is issued for each insurance period. The start and end dates of the insurance period shall be indicated on the insurance policy.

2. Insured object

- 2.1. The insured object is the vehicle, insured via mobile app mSöiduk, on which a device can be installed to ensure that the e-insurance is functioning.
It is not permitted to use the insured vehicle as a short-term rental vehicle, alarm vehicle, vehicle for driving practice, for providing carriage, courier or taxi services or for negotiable transportation services (such as Uber, Taxify).
- 2.2. The vehicle is insured in its first sale assembly with the accessories installed by the manufacturer before the first sale.
- 2.3. Within the sum insured of accessories, specified in the insurance contract, the insured object shall be also accessories, attached to the vehicle permanently (a tool is required to remove these), which has not been installed by the manufacturer or a workshop authorised by the same, incl. alloy wheels, spoilers, additional lights, bumpers and steps, films, not installed by the manufacturer, reconstruction of the vehicle, child seat (carrycot, child-safety chair) and roof rack, roof box and bicycle rack mounted to the vehicle (except for theft).

3. Insured event

An insured event is an unexpected and unforeseeable event specified in these terms and conditions, upon the occurrence of which the insurer has to perform its obligation under the contract. If the precise time of the insured event cannot be determined, it is deemed to be the time when the policyholder or a person considered equivalent to the policyholder should have learned about the insured event.

4. Deductible

Deductible is a part of damages specified in the insurance contract, that the insurer does not cover. Deductible can be a specific sum of money or a percentage of damages. An insurance contract can include several instances of deductible that are applied either together or separately depending on the terms and conditions of the insurance contract. Deductible is applied to each insured event.

5. Insurable value and sum insured

- 5.1. Insurable value is the regular price i.e. the market value of the vehicle. Market value is the average local sales price of the vehicle. In case of the insured event, the insurable value shall be the market value of the vehicle at the time of the occurrence of the event.
- 5.2. The sum insured is the maximum amount disbursed. Unless otherwise provided in the insurance contract, the sum insured shall equal the insurable value.
- 5.3. Maximum sums insured of accessories, not installed on the vehicle by the manufacturer, are presented in the insurance contract per one insured event.

6. Insured risk and significant circumstances influencing thereof

- 6.1. Insured risk is a threat against which the vehicle is insured. An increase in insured risk is understood as an increase in the probability of the insured event.
- 6.2. Significant circumstances influencing the insured risk are above all a change in the field of use of the vehicle, failure of locking systems, replacement of (electronic) duplicate keys, changing the assembly of the vehicle, loss of registration documents, etc.
- 6.3. The insurer shall be immediately notified of an increase in the insured risk, unless the increase in insured risk is caused by commonly known circumstances.

7. Insurance plan and covered territory

- 7.1. The insurance cover in the vehicle's e-insurance plan includes fire and explosion, natural disaster and hail, vandalism, mechanical impact, incl. traffic accident, theft and robbery, roadside assistance, animal collision insurance, window cover, replacement vehicle.
- 7.2. For motor vehicle insurance, the plan does not include window cover and replacement vehicle.
- 7.3. It is not possible to choose additional cover to vehicle's e-insurance.
- 7.4. The covered territory of vehicle's e-insurance is Europe, except the Ukraine, Belarus, the Russian Federation, Azerbaijan, Georgia, Kazakhstan, Moldova and Turkey.

8. Insured events, insurance cover and the related claims and restrictions

- 8.1. Fire and explosion
Damage, caused to the vehicle of its part(s) by open fire (incl. smoke, soot, and extinguishing activities) and explosion (incl. explosion of an explosive). Explosion is understood as a force with immediate effect that is created upon expansion of gases or vapours.
- 8.2. Natural disaster and hail
 - 8.2.1. Damage caused by a storm is compensated. Damage is deemed to be caused by a storm also if the nature of damage and data of the weather station or damages to adjacent objects indicate that the wind was strong.
 - 8.2.2. Damage caused by a flood is compensated, incl. damage due to the rise of surface and groundwater level and failure of the sewerage or storm water systems.
 - 8.2.3. Damage caused by hail and other extreme rainfall is compensated.
- 8.3. Vandalism
Damage to vehicle or its part(s) caused by wrongful actions of a third party aimed at damaging or destroying the vehicle or any of its parts.
- 8.4. Mechanical impact, incl. traffic accident
Loss or damage sustained as a result of unforeseeable external mechanical force (including a traffic accident) with immediate impact on the vehicle of any of its parts, will be indemnified.
- 8.5. Roadside assistance insurance cover
In case of unexpected events, if further driving becomes impeded, the client is offered free basic consultation on the roadside assistance phone line stated in the insurance contract. Roadside assistance includes:
 - in case of an empty battery, a booster shall be used;
 - if the car runs out of fuel, fuel will be added (fuel required to make it to the nearest petrol station is for free);
 - if the car has a flat tyre, help is provided to replace it (the client pays for the costs related to repairing or replacing the tyre);
 - car that has gone off the road is pulled back onto the road;
 - vehicle stuck in sand, snow, etc. is pulled out;
 - in case of losing the keys, the client is taken to pick up a set of spare keys;
 - in case of technical problems or accident, the vehicle is towed to the nearest workshop or storage place;
 - if case the event happened in Estonia, the passengers are transported to their destination within Estonia. If the client's destination is outside Estonia, the passengers are taken to the closest point in Estonia where they can continue their trip.

The limit of indemnification for the costs of lifting the vehicle back on the road and towing is stated in the insurance contract.

- 8.6. Theft and robbery
The damage to the vehicle or any of its parts, arising from theft, stealing or robbery of a vehicle or an attempt thereof is indemnified, provided that at the time of occurrence of said event the vehicle had a working anti-theft device approved by the insurer and the device was switched on (it is not required that the device be switched on in the case of a robbery), if anti-theft device was required at the conclusion of the contract.
- 8.7. Glass insurance
 - 8.7.1. By applying reduced deductible, damage caused to the windows of a vehicle by an external force, provided that the window needs to be replaced to ensure that the vehicle complies with the requirements of technical inspection. In case of repairing the window, no deductible is applied.
 - 8.7.2. Glass insurance shall not include a roof hatch and other parts of the insured object made of glass, transparent plastics or other transparent materials, including a glass roof.
 - 8.7.3. Glass insurance is applicable if the windscreen and side and rear windows were undamaged upon signing the insurance contract.
 - 8.7.4. Deductibles of glass insurance are stated in the insurance contract.
- 8.8. Replacement car coverage
If the passenger car or pick-up is unfit for use because of an insured event, the insurer shall offer the policyholder a replacement car for up to 21 days. The replacement car is provided from delivery points stated by the insurer on working days and within a reasonable period of time.
Restrictions:
 - the replacement car does not have to be equivalent to the insured object;
 - the replacement car is offered for the time of repair. If the vehicle is, as the result

- of an insured event, unfit for use in traffic, the policyholder has the right to receive a replacement car also for the period between registering the insured event and the time of repair;
- in case of destruction, theft, stealing or robbery of the vehicle, the replacement car shall be provided until the compensation decision is made;
- in the case of several insured events that have occurred within a one-year insurance period the policyholder shall be entitled to receive a replacement car on three occasions;
- the replacement car is not provided if the vehicle's expected repair time is less than 12 hours;
- the policyholder shall conclude an agreement with the person handing over the vehicle (appointed by the insurer) for using the replacement car and follow the conditions of the agreement;
- the replacement car shall be returned within 24 hours on demand of the insurer or the lessor appointed by the insurer;
- if the replacement car is not used or is rented from a place not stated by the insurer, monetary indemnity shall not be paid and the rental costs shall not be compensated.

8.9. Animal collision insurance

- 8.9.1. Damage resulting from a collision with an animal shall be compensated without applying the deductible. The policyholder has an obligation to prove the occurrence of the collision with the animal and the incident must be registered with the police, in accordance with the applicable legislation.
- 8.9.2. In the case of compensation of damage resulting from the attempt to avoid a collision with an animal, the standard deductible will be applied.

9. Obligations of the policyholder

- 9.1. The policyholder shall:
 - 9.1.1. notify the insurer of all circumstances known to them which due to their nature may have an impact on the insurer's decision to conclude the insurance contract or do so on additional conditions to be agreed upon;
 - 9.1.2. maintain and use the vehicle carefully and safely, make their best efforts to avoid an insured event and reduce any possible damage; not increase the insured risk and not allow persons, for whom the policyholder is liable, to increase the insured risk;
 - 9.1.3. explain the obligations under the insurance contract to persons into whose possession or use the vehicle is given;
 - 9.1.4. immediately inform the insurer of multiple insurance and an increase in the insured risk (e.g. changes in the use, safekeeping conditions, anti-theft equipment);
 - 9.1.5. immediately inform the insurer of transfer of the vehicle;
 - 9.1.6. enable the representative of the insurer to examine the condition of the vehicle and the documents related to insurance of the vehicle;
 - 9.1.7. upon leaving the vehicle, lock it, close the windows and latches (and in the case of a convertible install the roof); take the vehicle's registration documents along and switch on anti-theft devices, if required upon conclusion of the contract;
 - 9.1.8. keep the keys and registration documents of the vehicle in a way to prevent their easy capturing by third parties. The mechanical or electronic keys to the vehicle, the electronic remote controls of the anti-theft devices and the vehicle's registration documents must not be kept in the vehicle;
 - 9.1.9. install in the vehicle the vehicle's e-insurance device and ensure that the device is connected with the vehicle.
- 9.2. Upon an insured event, the policyholder shall:
 - 9.2.1. immediately take measures for saving the vehicle and avoiding any increase in damage and reducing any possible damage;
 - 9.2.2. inform the police and/or rescue board of what happened, register the traffic accident, theft, stealing, robbery or vandalism, collision with an animal with the police pursuant to effective legislation; and register the fire with both the police and the rescue board;
 - 9.2.3. in the case of an event that cannot be classified as an event specified in clause 9.2.2, inform the police without leaving the scene and act according to their instruction;
 - 9.2.4. to inform the insurer of the insured event personally or through a representative, in a format which can be reproduced in writing and at the first possibility after learning about the insured event and by presenting details of the event, estimated amount of damage, witnesses, parties and offender on the statement, and subsequently follow the instructions given by the representative of the insurer.
- 9.3. The policyholder shall hand the damaged vehicle or the remains thereof over to the insurer or its representative for inspection in the condition following the insured event and preceding the repair as well as hand over the remains of the damaged parts and accessories. The policyholder may not start restoring or recycling the vehicle without the consent of the insurer. The policyholder is obliged to submit to the insurer all documents regarding the cause for the occurrence and the extent of damage.
- 9.4. If the insured event occurred outside the Republic of Estonia, the policyholder shall be obliged to hand the destroyed or damaged vehicle over to the insurer in the territory of the Republic of Estonia. The costs of transporting the remains to Estonia shall be compensated within the limit of indemnity of road assistance.
- 9.5. In the case of theft of the vehicle, all parts of the vehicle's registration certificate and all

- keys (incl. the keys and remote controls of the anti-theft systems) must be handed over to the insurer along with a request for indemnification. In the event of a robbery, all of the keys and documents left in the possession of the policyholder must be submitted.
- 9.6. The obligation to supply proof of the insured event lies with the policyholder. The policyholder is obliged to provide the insurer with information necessary for the identification of the performance obligation of the insurer.
- 9.7. If a stolen or robbed vehicle is found, the policyholder shall inform the insurer thereof in writing within two working days.
- 9.8. If it becomes evident that a loss event cannot be treated as an insured event or if the insurer has been released of its performance obligation, the policyholder undertakes to pay the insurer the cost of using a replacement car specified in the replacement car rental agreement.

10. Rights and obligations of the insurer

- 10.1. The insurer shall:
- 10.1.1. introduce the documents of the insurance contract to the policyholder before entering into the insurance contract;
 - 10.1.2. commence loss adjustment immediately after receiving an application from the policyholder to determine the amount of damage to be indemnified;
 - 10.1.3. inspect the damaged vehicle within five working days as of receiving the application from the policyholder;
 - 10.1.4. make a decision on the indemnification for damages or its refusal immediately, but no later than within ten working days as of the receipt of all requested documents and determination of the amount of damage and circumstances of its creation; upon stealing, theft or robbery of the vehicle, not before than two months as of the date of notification of the insurer. If criminal proceedings have been commenced, the insurer has the right to postpone the decision-making until charges are brought against the offender or upon receiving a decision on termination or suspension of the criminal proceedings. If the insurer refuses to compensate for the damages or decreases the compensation, they shall be obliged to inform the policyholder hereof in writing within five working days as of the decision, indicating also the cause and grounds for refusal or reduction of the compensation.
- 10.2. During the insurance period, the insurer has the right to examine the vehicle and, upon an increased insured risk, demand from the policyholder application of additional security measures and payment of a larger insurance premium. The insurer shall forward the requirements for additional security measures to the policyholder in writing. If the policyholder does not agree to additional security measures, the insurer shall be entitled to cancel the insurance contract pursuant to the procedure and within the deadlines specified in the Law of Obligations Act.

11. Procedure for indemnification

- 11.1. The forms of indemnification are payment of monetary indemnity, restoration of the parts of the damaged vehicle or compensation for the replacement costs of the vehicle.
- 11.2. Direct proprietary damage and other substantiated expenses set out in the insurance contract shall be compensated. In the event of compensation of the restoration costs of the vehicle, the insurer has the right to determine the place of restoration of the vehicle or organise and commission restoration of the vehicle. In the event of indemnification of the replacement costs of the vehicle, the insurer has the right to determine the place from which a replacing vehicle is acquired. If the policyholder or the beneficiary does not agree with the aforementioned, the insurer shall indemnify damage to the extent of damages had the provisions of this clause been followed.
- 11.3. In the case of theft, stealing or robbery of the vehicle or if the restoration of the vehicle is not economically justified, the insurable value of the vehicle at the time of occurrence of the insured event is paid, less the policyholder's excess, the reductions of the insurance indemnity specified in the insurance contract and outstanding monthly insurance premium(s) for the period remaining until expiry of the insurance period.
- 11.4. If restoration of the vehicle is economically justified, the restoration value of the vehicle is indemnified less the excess and reductions of the insurance indemnity specified in the insurance contract.
- 11.5. Parts with a level of deterioration corresponding to the age and technical condition of the vehicle are used for restoration of the vehicle. If parts with the respective level of deterioration cannot be obtained or their acquisition is not economical, the price of new parts is indemnified along with installation costs. The insurer has the right to determine the place where the required part is purchased (pursuant to the manufacturer's requirements in the case of vehicles with an effective factory's warranty).
- 11.6. The insurer indemnifies the restoration and replacement costs of the engine, transmission, chassis and related systems and mechanisms up to the extent of the cost of original parts and in the complexity prescribed by the manufacturer of the vehicle, regardless of the engine, transmission, chassis and related systems and mechanisms installed in the vehicle during the time of insuring the vehicle.
- 11.7. The insurer has the right to set off its obligation to perform the insurance obligation against insurance premiums that have not been paid under the insurance contract until the end of the insurance period.
- 11.8. The title to the vehicle indemnified by the insurer or to the remains or parts thereof transfers to the insurer. If the owner of the vehicle would like to keep a vehicle damaged

- in an insured event, the indemnity is reduced by the value of the property following the insured event.
- 11.9. If the policyholder or the beneficiary regains possession of a stolen or robbed vehicle, the possession must be transferred or the insurance indemnity returned to the insurer.
 - 11.10. If upon indemnification of the vehicle's restoration costs the policyholder does not consent to the indemnification of these costs directly to the repairer and wishes to obtain monetary indemnity, the damage is indemnified on the basis of the repair costs accepted by the insurer, upon calculation of which spare parts with level of wear corresponding to the age of the and technical condition of the vehicle have been taken into account. If the policyholder does not submit documents certifying payment for restoration, the cost of spare parts required for restoration, less the amount proportional to their technical depreciation and the price of the restoration service which has been reduced by 35% and corresponds to the taxes payable by the undertaking is indemnified.
 - 11.11. If the policyholder or their authorised person has lost the possession to the mechanical or electronic key to the vehicle or the key has been broken, the cost of ordering a new set of keys is compensated for, provided that at the time of insurance there were two sets of keys. Where necessary, the insurer shall compensate for the cost of replacement or recoding the vehicle's locks.

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

- 12.1. The insurer shall be partially or fully released from the obligation to perform the insurance contract, in case:
 - 12.1.1. the policyholder has failed to perform at least one of the requirements specified in clause 9;
 - 12.1.2. the policyholder has not paid the insurance premium by the agreed due date (in case of periodic payments, by the new due date determined by the insurer) and if the insured event takes place after expiry of the agreed due date for payment of insurance premium;
 - 12.1.3. the policyholder has intentionally or due to gross negligence (significant failure in exercising necessary care upon performance of a contractual obligation) violated at least one condition of the insurance contract which affects the occurrence of the insured event or the extent of the damage;
 - 12.1.4. the insured event has taken place due to gross negligence or intention of the policyholder or beneficiary. Gross negligence is understood as a situation where the person foresees the consequences of their behaviour, but recklessly expects that no consequences will arrive due to his/her behaviour or any other circumstances;
 - 12.1.5. during occurrence of the insured event, the person driving the vehicle was under the influence of alcoholic, narcotic or psychotropic substances, one gram of their blood contained at least 0.2 milligrams and their breath at least 0.1 milligrams of alcohol; in such a state of illness or fatigue that obstructed objective perception of traffic conditions and full compliance with the requirements of traffic regulations; the driver did not have the right to drive the vehicle of the given category. A traffic accident is also deemed to have taken place under the influence of alcoholic, narcotic or psychotropic substances if the driver has consumed the aforementioned substances before due registration of the traffic accident in accordance with the applicable legislation or if the driver has not submitted to identification of intoxication in accordance with the applicable legislation;
 - 12.1.6. the damage has occurred due to the fact that the policyholder used the vehicle for an unlawful purpose or to aide an offender;
 - 12.1.7. the reason for the damage was an insufficient amount or circulation of oil or coolant;
 - 12.1.8. the vehicle was stolen with a key left in the vehicle by the policyholder or if the mechanical or electronic key to the vehicle had left the possession of the policyholder before the insured event (except in the case of robbery);
 - 12.1.9. in the case of the theft of the vehicle or the parts thereof, the vehicle had no anti-theft devices required by the insurer or these were not switched on, unless the infringement did not have any impact on the occurrence of the insured event;
 - 12.1.10. the policyholder or beneficiary misled or tried to mislead the insurer about the circumstances or amount of loss or damage, or otherwise tried to deceive the insurer about the circumstances of the insurance contract or its performance;
 - 12.1.11. at the moment of occurrence of the loss event (excl. natural disaster, vandalism, theft and the falling of objects on the vehicle if the vehicle was not engaged in traffic) a technical inspection of the vehicle had not been carried by the prescribed date;
 - 12.1.12. at the moment of the loss event, the number of passengers in the vehicle (incl. the driver) exceeded the number of seats specified in the technical passport of the vehicle;
 - 12.1.13. at the moment of the loss event, the vehicle's e-insurance device was switched off or removed from the vehicle;
 - 12.1.14. the vehicle was used as a short-term rental vehicle, alarm vehicle, vehicle for driving practice, for providing carriage, courier or taxi services or for negotiable transportation services (such as Uber, Taxify).
- 12.2. The extent of release from the obligation to perform the insurance contract shall be determined by the insurer.

13. Exclusions

The following shall not be compensated:

- 13.1. damage and loss, if caused by an event that cannot be classified as an insured event;
- 13.2. damage and loss arising from the use of the vehicle outside the insurance territory;
- 13.3. the cost of technical maintenance or warranty repair of the vehicle, the cost of worn down or defective spare parts and the cost of repairing or replacing them, and the costs of washing and cleaning independent of the insured event;
- 13.4. the costs of express delivery of spare parts;
- 13.5. damage and loss arising from the following circumstances: unlawful reconstruction of the vehicle or parts thereof, wear (also in connection with theft or unauthorised use) or which proved to be faulty, corrosion, insufficient or wrong maintenance, repair and handling;
- 13.6. damages to tyres, whose tread has deteriorated to the permitted limit or beyond it;
- 13.7. device or detail that caused the traffic accident or fire;
- 13.8. damage or loss caused by animals in the vehicle;
- 13.9. damage or loss caused to the vehicle at a time when it had unlawfully left the possession of its owner or legal possessor and the police had not been duly informed thereof;
- 13.10. additional costs arising from the transportation of people, loads or luggage;
- 13.11. damage or loss arising from the policyholder not being in possession of the vehicle due to fraud;
- 13.12. damage or loss caused by theft or robbery of parts taken from the vehicle by the policyholder or with the awareness of the policyholder;
- 13.13. damage or loss caused to the vehicle in connection with its participation in a competition or training event, driving off-road (for the purposes of the Traffic Act of the Republic of Estonia), using nuclear energy for any purpose whatsoever or losing control over it, damage or loss caused by war, civil war, invasion, terrorism, mass disruptions, internal disruptions, revolution, coup d'état, strike, confiscation, arrest or lockout.
- 13.14. damage caused by filling with the wrong fuel.

14. Refunding the insurance indemnity

The beneficiary or the policyholder are obliged to refund the insurance indemnity to the insurer if circumstances excluding indemnification have emerged after indemnification of the damage or if the damage has been indemnified by a third party pursuant to the procedure provided by law.