



LHV ettevõttekindlustus

The terms and conditions of LHV corporate insurance describe the scope of insurance coverage, instructions in the event of a loss event, and the principles of indemnification.

AS LHV Kindlustus (hereinafter **LHV**) applies these terms and conditions of LHV corporate insurance (hereinafter **terms and conditions**) to insuring companies if the purpose is to insure property, business interruption or civil liability. The terms and conditions also apply to other persons (self-employed person, non-profit association, etc., hereinafter jointly **company** or **companies**) if the object to be insured or insurable interest is suitable for the application of the terms and conditions.

LHV corporate insurance (hereinafter **corporate insurance**) offers companies the opportunity to receive several types of insurance coverage on the basis of a single insurance contract. The types of insurance to be insured are property insurance, business interruption insurance, and general third party liability insurance. The agreed insurance coverage, including extra covers, restrictions, and other special conditions, will be indicated in the insurance policy.

Before concluding an insurance contract, the policyholder must verify the accuracy of the information in the insurance contract and the suitability of the insurance coverage, and read the terms and conditions.

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Corporate insurance terms and conditions 20.02.2025

Definitions

Insurer is AS LHV Kindlustus (above and hereinafter **LHV**).

Policyholder is the person named in the insurance policy who concludes an insurance contract with LHV.

Person equated with the policyholder is the insured person and the persons performing their employment or service duties; the owner and legal possessor of the insured object; the person for whom the policyholder is liable in the performance of the obligations (other than the obligation to pay the premium) arising from the insurance contract or any other person who has the legal or contractual right to possess or use the insured object.

Insured person is the policyholder as well as the third party, whether named in the insurance contract or not, in respect of whom the insurance risk is insured.

Third person is a person who is not the policyholder or a person equated with the policyholder.

Beneficiary is a person named in the insurance policy who is entitled to receive an insurance indemnity in the event of an insured event or to claim other obligations from LHV based on the insurance policy.

Insured object is the object specified in the insurance contract and covered by the insurance coverage.

Insurance indemnity is a sum of money paid by LHV to compensate for property damage and costs agreed in the insurance contract as a result of an insured event (hereinafter also **benefit**).

Loss event is any event that results in loss. The loss event may or may not be an insured event.

Insured event is an event established in the terms and conditions, in the case of which LHV must fulfil their obligations under the contract. Losses incurred as a result of the same sudden and unforeseeable event are considered to be a single insured event.

Insurance coverage is LHV's obligation, as defined in the terms and conditions of the insurance contract, to pay out the insurance indemnity in the event of insured events specified in the insurance policy or perform the insurance contract in another way.

Parts of the insurance contract are the insurance policy (hereinafter also **policy**) and the terms and conditions, and other documents specified in the insurance policy, including a risk questionnaire, an insurance order, and a list of insured objects. The policy specifies the sum insured of the insured objects, the amount of the deductible, special conditions, etc. Before concluding an insurance contract, the policyholder must check the accuracy of the information and the suitability of the scope of the insurance coverage and read the terms and conditions.

Insurance policy is a document certifying the conclusion of an insurance contract issued by LHV.

Insurance premium is the sum agreed in the insurance contract, which the policyholder is obliged to pay to LHV for the insurance coverage.

Insurance period is the period stated in the insurance policy during which the loss or damage caused by an insured event will be indemnified by LHV.

Insurable value is the value of the insured object or insurable interest immediately prior to the insured event.

Sum insured is the maximum sum stated in the insurance contract up to which LHV will indemnify for the damage caused by an insured event.

Indemnity limit is the maximum amount up to which LHV will indemnify for damage caused by an insured event. The indemnity limit may be set for a specific event, risk, property or object, and applies to a single insured event.

Deductible is the sum or other value (e.g. percentage, waiting period) specified in the insurance contract, which the policyholder bears in the event of an insured event and by which LHV reduces the insurance indemnity.

Fixed-term insurance contract is a contract that expires after the end of the insurance period.

Property insurance

These terms and conditions of property insurance are part of the corporate property insurance contract concluded with LHV, if the property insurance coverage has been chosen in this insurance contract. In matters not regulated by the terms and conditions of property insurance, the special conditions specified in the policy, the general part of the terms and conditions of LHV's corporate insurance, the Law of Obligations Act, and other applicable legislation will be followed.

Insured location

1. Insured location is the address specified in the insurance contract where, in the event of an insured event, the insured objects are covered by insurance, taking into account the following exceptions.
 - 1.1. Insured location of inventory, equipment, and goods will be the internal premises of the construction located at the address specified in the insurance contract. If the insured object is intended for use or storage outdoors, the insurance coverage will also extend to inventory, equipment, and goods located outside the construction within the boundaries of the registered immovable that is the insured location.
 - 1.2. The insurance coverage for inventory, equipment, and goods is valid outside the insured location with an indemnity limit of EUR 50,000, if it has not been agreed upon in the policy to insure the said property outside the insured location in the amount of another sum insured.

Insured object

2. The insured object may be the construction specified in the policy (building, building envelope, structure, and interior finishing), inventory and equipment, goods and other objects. Objects not marked in the policy are not insured and the damage caused in connection with them is not indemnified.

BUILDING

- 2.1. Building is a construction with indoor space and other important parts permanently connected to the ground and separated from the outside by a roof and other external boundaries.
 - 2.1.1. Parts of the building are permanently connected to it:
 - 2.1.1.1. basic structures (foundation, floor, walls, ceiling, windows, doors, roof, stairs, and balconies);
 - 2.1.1.2. exterior and interior finishing;
 - 2.1.1.3. non-removable and built-in furniture, lighting, and sanitary installations;
 - 2.1.1.4. technical systems and communication lines serving the building (i.e. electricity, water, gas, heating, sewerage, ventilation, air-conditioning, security, communication and fire safety systems and lines) together with the parts extending beyond the building up to the connection point, but not further than the boundary of the registered immovable of the insured building;
 - 2.1.1.5. billboards and signs, lighting fixtures, radio and television antennas, solar panels and parts thereof mounted on the roof and exterior wall of the building;
 - 2.1.1.6. lifts and escalators;
 - 2.1.1.7. awnings, safety curtains, and bars.
 - 2.1.2. As a building or with a building, the objects specified in clause 2.8 of the terms and conditions are not insured.

BUILDING ENVELOPE. PARTS OF THE BUILDING CO-OWNED BY APARTMENT OWNERS

- 2.2. The building envelope is a construction with indoor space and other important parts permanently connected to the ground and separated from the outside by a roof and other external boundaries, belonging to all apartment owners jointly.
 - 2.2.1. The parts of the building envelope are permanently connected to it:
 - 2.2.1.1. basic structures (foundation, load-bearing walls, intermediate and roof ceilings, external windows and doors, balconies, stairwells, roof);

- 2.2.1.2. exterior finishing and interior finishing of public spaces (e.g. stairwells);
- 2.2.1.3. non-removable and built-in furniture, lighting, and sanitary installations of public spaces;
- 2.2.1.4. technical systems and communication lines serving the building (i.e. electricity, water, gas, heating, sewerage, ventilation, air-conditioning, security, communication and fire safety systems and lines) from the connection point of each individual apartment to the connection point of the building itself, but not further than the boundary of the registered immovable of the insured building envelope;
- 2.2.1.5. public billboards and signs, lighting fixtures, radio and television antennas, co-owned solar panels and parts thereof mounted on the roof and exterior wall of the building;
- 2.2.1.6. lifts and escalators;
- 2.2.1.7. awnings, safety curtains, and bars.
- 2.2.2. As a building envelope or together with a building envelope, the interior finishing of apartment properties and the objects specified in clause 2.8 of the terms and conditions are not insured.

OBJECTS INSURED TOGETHER WITH A BUILDING OR BUILDING ENVELOPE

- 2.3. Together with the insured building (clause 2.1 of the terms and conditions) and the building envelope (clause 2.2 of the terms and conditions), the following will be insured at the insured location with an indemnity limit of up to EUR 15,000:
 - 2.3.1. structures permanently connected to the ground: small constructions (shelters and garbage sheds) with a total area of up to 20 m², fences, gates, barriers, flag masts, outdoor lights, advertising facilities, and playgrounds. Structures other than those referred to in this clause are not insured and must be insured as separate structures (clause 2.4 of the terms and conditions);
 - 2.3.2. bins and containers;
 - 2.3.3. landscaping. LHV will indemnify reasonable and justified costs of restoring landscaping damaged as a result of an insured event involving a building or building envelope at the insured location.

Example. Due to the storm, the roof of the building falls on a Thuja hedge, and the hedge is damaged. LHV will indemnify the cost of restoring the hedge.

STRUCTURE

- 2.4. A structure is a construction permanently connected to the ground, which is not a building, building envelope, or interior finishing. A structure is, for example, an above ground solar park with important parts, a shelter, a shed, and a fence.
 - 2.4.1. Along with the structure, billboards and signs, lighting fixtures, radio and television antennas, and parts of heating, air conditioning, and ventilation systems installed on the structure are insured.
 - 2.4.2. As a structure or with a structure, the objects specified in clause 2.8 of the terms and conditions are not insured.

INTERIOR FINISHING

- 2.5. The interior finishing includes parts of the enclosed space(s) of the building, the removal of which will not damage the permanence or appearance of the building or violate the rights of other owners of the building or occupiers of the adjoining premises.
 - 2.5.1. The interior finishing is permanently connected to the room:
 - 2.5.1.1. floors, ceilings, and walls up to the load-bearing structures of the building;
 - 2.5.1.2. doors and windows, non-load-bearing partitions, and permanent finishing materials for the ceiling, wall, and floor;
 - 2.5.1.3. non-removable and built-in furniture, lighting, and sanitary installations;
 - 2.5.1.4. technical systems and communication lines (i.e. electricity, water, gas, heating, sewerage, ventilation, air-conditioning, security, communication and fire safety systems and lines) on upon which only the owner of the insured space depends, up to the connection point of the room, but not further than the boundary of the registered immovable .

- 2.5.2. As interior finishing or with interior finishing, the objects specified in clause 2.8 of the terms and conditions are not insured.

INVENTORY AND EQUIPMENT

- 2.6. Inventory and equipment are tangible assets located at the insured location that are not a constructions or a commodity for the purposes of the terms and conditions.
- 2.6.1. Examples of inventory and equipment include furniture, furnishings, portable luminaires, small appliances and accessories, tools, office equipment, production machinery and equipment and their spare parts, refrigeration or cooling equipment used in economic activities or production processes, and aspiration systems.
- 2.6.2. Production machinery and equipment are in the completeness specified by the manufacturer or the official representative, including accessories, load-bearing structures, and other essential components, which are installed for the functioning, use or safety of the equipment.
- 2.6.3. When insuring inventory and equipment without a property list, the insured object is the following, belonging to the insured person and located at the insured location:
- 2.6.3.1. inventory and equipment entered in the balance sheet;
- 2.6.3.2. inventory and equipment not entered in the balance sheet. In the event of an insured event, the insured person must provide proof of the presence of off-balance-sheet objects at the insured location by means of cost and other documents.
- 2.6.4. When insuring inventory and equipment on the basis of the property list, the insured object means the object located at the insured location and specified in the policy of the insured person or listed in the property list accompanying the insurance contract.

GOODS

- 2.7. The goods are products, raw materials, materials, semi-finished or finished products, which are used in a production process or in respect of which the insured person has an intention to sell.

NON-INSURABLE OBJECT

- 2.8. Unless otherwise stated on the policy, the insured objects are not the following:
- 2.8.1. constructions built into water (e.g. quays, floating docks, piers, canals, fairways, and locks);
- 2.8.2. assets for fuel handling, waste handling, wood processing, and energy generation;
- 2.8.3. liquid, vapour or gas present in the technical systems and communication lines of the construction;
- 2.8.4. parts of the construction which are not permanently incorporated into the construction, including uninstalled building materials and dismantled parts of the construction;
- 2.8.5. water, including from pools, wells, and water bodies and other liquids;
- 2.8.6. digital screens installed on the outside wall, roof, and external territory of the construction;
- 2.8.7. soil, railways, bridges, tunnels, and paved roads;
- 2.8.8. living organisms, including animals, birds, fish, plants, and fungi;
- 2.8.9. customs and excise warehouses, including goods in transit and goods in customs and excise warehouses;
- 2.8.10. illegally erected construction, illegal reconstruction, and illegal objects;
- 2.8.11. works of art, antiques, and valuables, precious metals and stones;
- 2.8.12. samples and prototypes, exhibition exhibits and models, and collections of objects;
- 2.8.13. cash and digital money, securities, documents, plans, and drawings;
- 2.8.14. motor vehicles, aircraft, and vessels subject to registration;
- 2.8.15. mobile machinery, tractors, and other motorised work vehicles;

- 2.8.16. underground equipment. For the purposes of the terms and conditions, non-insurable underground equipment is not equipment located in the basement of a construction or parts of the technical system of a construction and other parts installed for the functioning, use or safety of the construction;
- 2.8.17. weapons and their parts, ammunition, and explosives;
- 2.8.18. facilities for the production and storage of ammunition, explosives, and fireworks;
- 2.8.19. property belonging to a third party (e.g. client, employee, apartment association member);
- 2.8.20. non-standard (e.g. specially designed for the policyholder) software, applications, digital data, and computer program settings.

Insured event

- 3. An insured event is a sudden and unforeseeable event that occurred during the insurance period. Only insured events specified in the policy are insured. If there is a note to this effect in the policy, the insured event also includes the extra covers listed in clause 19 of the terms and conditions.

FIRE AND EXPLOSION

- 4. LHV will indemnify damage caused to the insured object due to:
 - 4.1. fire, resulting soot, smoke or fire-fighting water. Fire is an open fire that has ignited outside or has escaped from a fireplace not intended for that purpose and spreads by its own means;
 - 4.2. act of arson by a third party;
 - 4.3. fire and destruction caused by lightning strikes. A lightning strike is the direct contact between the insured object and the lightning channel;
 - 4.4. fire and destruction caused by an explosion, including an explosion of an explosive or a container. An explosion is a shock wave formed as a result of a sharp release of a large amount of energy;
 - 4.5. fire and destruction caused by the falling of aircraft, its parts or cargo;
 - 4.6. sudden and unforeseeable discharge of the automatic fire extinguishing system.

Fire and explosion exclusions

- 5. LHV will not indemnify damage that is:
 - 5.1. caused to the insured object during its processing with open fire or heat. The exclusion is not applied if this event caused a fire;
 - 5.2. the result of the short circuiting of a piece of electrical equipment or an installation due to overvoltage or undervoltage, insulation error or other electrical phenomenon, including a fire that did not go beyond the boundaries of the device or installation in question. It is possible to insure external electrical phenomena of the insured object with extended insurance coverage and electrical phenomena inside the insured object with an extra machinery breakdown cover;
 - 5.3. caused to a device, engine, tank or other pressure vessel due to an internal explosion if no fire or destruction occurred outside of it;
 - 5.4. excluded in clause 26 of the terms and conditions.

STORM AND HAIL

- 6. LHV will indemnify damage caused to the insured object due to:
 - 6.1. a storm, or strong wind, at a speed of at least 18 metres per second. The wind speed is based on the measurement data of the meteorological station nearest to the insured location. If it is not possible to determine the wind speed, then a storm is considered to be a wind that has caused damage to other constructions in decent condition located in the vicinity of the insured location;
 - 6.2. hail;
 - 6.3. a tree or other object that fell on the insured object due to a storm.

7. Losses incurred in the same insured location for up to 72 hours as a result of the events specified in clauses 6.1–6.3 will be deemed to be a single insured event.

Storm and hail exclusions

8. LHV will not indemnify damage that is:
- 8.1. caused by precipitation or meltwater that has penetrated into the construction through unclosed openings of the construction or through the boundary structures of the construction. This exclusion is not applied if the openings were formed as a result of a storm;
 - 8.2. incurred on a construction under construction, and the inventory, equipment or goods located therein;
 - 8.3. caused by flood, ice movement or accumulation;
 - 8.4. excluded in clause 26 of the terms and conditions.

OFFENCE AGAINST PROPERTY

9. LHV will indemnify damage caused to the insured object, the reasons for which are the following.
- 9.1. **Vandalism**
 - 9.1.1. Intentional and unlawful damage to or destruction of the insured object, including the theft of parts of the construction that constitutes the insured object, by a third party.
 - 9.1.2. Collision of a motor vehicle driven by a third party with an insured object if not indemnified under the Motor Insurance Act.
 - 9.2. **Burglary and robbery**
 - 9.2.1. Burglary at the insured location for the purpose of theft of the insured object through an obstructive barrier, fence or lock, including breaking the construction or its lock, or by opening the lock of the construction by means of a key obtained by tampering, a false key, burglary or robbery.
 - 9.2.2. If the insured object is inventory, equipment or goods located outside the construction at the insured location, then breaking into the fenced territory for the purpose of theft by breaking the fence or gates, or breaking or altering the lock of the gate, is considered burglary.
 - 9.2.3. Robbery of the insured object by physical violence or threats thereof and damage to or destruction of the insured object in the course of robbery.
 - 9.2.4. Vandalism in the process of a burglary or robbery.
 - 9.2.5. In addition, the restoration of a construction or parts of a construction damaged in the course of a burglary, robbery or attempted burglary will be indemnified, including justified costs for the replacement of locking systems if the keys or codes for opening them have left the policyholder's possession due to burglary or robbery.

Exclusions related to an offence against property

10. LHV will not indemnify damage:
- 10.1. caused by arson or explosion. These risks can be insured with fire and explosion insurance coverage;
 - 10.2. which has arisen as a result of the theft of the insured object without the construction located at the insured location having signs of burglary (e.g. safe in the office has been broken open, but there are no signs of burglary at the entrance to the office);
 - 10.3. the cause of which is the loss of the insured object or a deficit discovered during the inventory;
 - 10.4. that is excluded in clause 26 of the terms and conditions.

PLUMBING LEAK

11. LHV will indemnify the following damage caused to the insured object:
- 11.1. damage caused by liquid, vapour or gas emitted as a result of a sudden and unforeseeable breakdown of the sewerage, water supply, heating, cooling or storm water drainage system or parts thereof inside the construction;

- 11.2. damage caused by liquid, vapour or gas emitted from the sewerage, water supply, heating, cooling or storm water drainage system inside the construction used by a third party;
- 11.3. damage caused by sewage or wastewater discharged from the sewerage system inside the construction, including that used by a third party, as a result of a blockage;
- 11.4. cost of repairing the plumbing system or the technical system servicing the construction that caused the leakage of the plumbing in the insured building will also be indemnified, including the cost of identifying the leak site in the amount of up to EUR 1,500 euros per insured event and period in total.

Plumbing leak exclusions

12. LHV will not indemnify the following:
 - 12.1. damage caused by non-operation, blockage, insufficient capacity or failure of the sewerage, water supply, heating, cooling or storm water drainage system or parts thereof outside the construction;
 - 12.2. damage caused by the activation of the automatic fire extinguishing system;
 - 12.3. cost of liquid, vapour or gas spilled out of the piping or technical system;
 - 12.4. cost covered to remove the blockage of the plumbing or to clean the plumbing;
 - 12.5. damage caused by the freezing of piping in an insured construction that is not in continuous use or heated;
 - 12.6. damage caused to the internal part of the equipment or technical system itself as a result of the discharge of liquid, vapour or gas;
 - 12.7. damage that is excluded in clause 26 of the terms and conditions.

FLOOD

13. LHV will indemnify damage caused to the insured object caused by natural flood, i.e. an extraordinary increase in the water level on the ground due to a natural phenomenon (extraordinary rainfall, flooding of a body of water or a storm), which cannot be received or discharged by the ground or a properly designed sewerage, drainage or other drainage system.

Flood exclusions

14. LHV will not indemnify damage:
 - 14.1. caused by the intrusion into the construction of water moving below ground level (including due to a change in groundwater level) through its boundary structure (e.g. foundation) or sewerage;
 - 14.2. caused by the breakage or non-operation of a dam or other protective installation or drainage system;
 - 14.3. that is excluded in clause 26 of the terms and conditions.

GLASS SURFACES DAMAGE

15. LHV will indemnify damage caused to the insured object due to:
 - 15.1. breakage of the internal or external windows of the insured construction as a result of a sudden and unforeseeable event caused by an external factor. Insurance applies to glasses that are placed in a frame or permanently mounted in their place. A plastic material that is used instead of glass, such as polycarbonate or acrylic plastic, is equated to glass;
 - 15.2. damage to or destruction of a protective sticker or film, advertising sticker or tinted film fitted to the glass as a result of glass breakage.

Glass surfaces damage exclusions

16. LHV will not indemnify damage:
 - 16.1. caused by small cracks or damage to the glass without the glass breaking;
 - 16.2. caused by the scratching, soiling, abrasion, reduced transparency, etc., of the glass, which do not interfere with the glass being used for its intended purpose;

- 16.3. due to thermal breakage, incorrect installation or the poor quality of the glass;
- 16.4. that is excluded in clause 26 of the terms and conditions.

EXTENDED INSURANCE

17. LHV will indemnify damage caused to the insured object by a sudden and unforeseeable event that is not defined in clauses 4–16 of the terms and conditions and not excluded by the insurance contract.

Example. Extended insurance indemnifies damage caused by the weight or movement of snow or ice masses that have occurred in the last 72 hours (inclusive).

Example. Extended insurance indemnifies a sudden and unforeseeable internal electrical phenomena or mechanical breakdown of the technical system serving the insured construction.

Example. Extended insurance indemnifies damage to or loss of the insured object caused by an external electrical phenomena, such as overvoltage or undervoltage, short circuit, grounding error, current fluctuation or overvoltage caused by lightning strike.

Extended insurance exclusions

18. LHV will not indemnify damage that is excluded in clauses 4–16 and 26 of the terms and conditions.

Extra covers

19. The extra cover is valid only if it has been agreed upon separately and there is a note to that effect in the policy.

INTRUSION OF PRECIPITATION AND MELTWATER INTO THE CONSTRUCTION

20. LHV will indemnify damage caused to the insured object by the first sudden and unforeseeable intrusion of precipitation or meltwater into the insured construction through the roof, foundation, wall, window or other boundary structure, and which is not caused by partially or fully uncovered or temporarily covered openings or structures of the construction, a construction defect, natural wear and tear of the material, unsuitability or fatigue. First means that no water has penetrated into the construction in the last three (3) years. The damage caused is indemnified with an indemnity limit of up to EUR 10,000 per insured event and period.

Exclusion of intrusion of precipitation and meltwater into the construction

21. LHV will not indemnify the following:
- 21.1. cost of repairing or replacing the site of leakage (e.g. a roof or other structural element) or leaks of which the policyholder was or should have been aware of before the loss event;
- 21.2. damage that is excluded in clauses 4–16 and 26 of the terms and conditions.

DAMAGE CAUSED BY THE TENANT OR LESSEE

22. LHV will indemnify damage to the insured object caused by the tenant or lessee. With this extra cover, the tenant or lessee is considered a third party, which means that they are not equated with the policyholder, and LHV indemnifies the policyholder for damage regardless of whether LHV has the right to waive indemnification for damage or reduce the benefit due to the actions of the lessee. If the tenant or lessee has caused the insured event due to gross negligence (including while intoxicated) or intent, the right of claim against the person who caused the damage is transferred to LHV.

Exclusions of damage caused by the tenant or lessee

23. LHV will not indemnify damage that is excluded in clauses 4–16 and 26 of the terms and conditions.

MACHINERY BREAKDOWN

24. LHV will indemnify damage caused to the insured equipment due to:
- 24.1. sudden and unforeseeable internal electrical phenomena or mechanical breakdown in the equipment, which at the moment of concluding the insurance contract is up to:
- 24.1.1. a five-year-old electronic device (e.g. office and computer equipment);

- 24.1.2. a ten-year-old industrial, manufacturing, medical or laboratory equipment (e.g. production line).
- 24.2. The age of the equipment is calculated from the date it was purchased new. If the date of purchase is unknown, the age of the object is considered to be the time that has passed since the date of its release.

Machinery breakdown exclusions

25. LHV will not indemnify the following:
- 25.1. the part which caused the damage and the cost of repairing or replacing it, whether or not the damage was caused solely to the part which caused the damage;
- 25.2. damage caused by overvoltage or undervoltage, short circuit, grounding error, current fluctuations or other external electrical phenomena of the insured object;
- 25.3. damage that is excluded in clauses 4–16 and 26 of the terms and conditions.

Exclusions

26. These exclusions are applied to all insured events of property insurance and extra covers. If the damage has occurred due to the reasons described in the exclusions, it is not an insured event.

LHV does not indemnify the following:

FORESEEABLE LOSS

- 26.1. damage that, by its nature, has not occurred suddenly and unforeseeably or occurs at a predictable frequency (e.g. annual flood);

PRE-EXISTING CONDITIONS

- 26.2. damage that has occurred or the cause of which has begun before the conclusion of the insurance contract or the occurrence of which was obvious at the time of concluding the insurance contract (e.g. known damage, defect);

GROSS NEGLIGENCE AND INTENT

- 26.3. damage caused by the intent or gross negligence of the policyholder or a person equated with the policyholder, the insured person or the beneficiary;

DISAPPEARANCE, LOSS, AND FORGETTING

- 26.4. damage caused as a result of losing or forgetting the insured object, leaving it unattended, and leaving it in a visible place (e.g. the loss of the insured object in a common space);

LONG-TERM PROCESS

- 26.5. damage caused by fatigue breakage or cracking, crumbling, natural wear and tear, material fatigue, spoilage, corrosion, erosion, descaling, rotting, decay, fungal damage, mould, dry rot, evaporation, loss of mass, excessive moisture, condensate water, dryness or any other phenomenon or process occurring over a long period of time;

SHRINKAGE AND SWELLING

- 26.6. damage caused as a result of shrinkage or swelling of the insured object or its parts. This exclusion is not applied if the event was caused by an insured event specified in the policy;

CONSTRUCTION DEFECT AND DEFECTIVE WORKMANSHIP

- 26.7. damage caused by a construction defect or by poor quality or improper construction or repair work;

FAULTY DESIGN

- 26.8. damage or cost that is directly or indirectly due to a faulty or non-compliant design or the absence of a mandatory design provided for by law;

DEFECTIVE MATERIAL

- 26.9. damage or cost that is caused directly or indirectly by defects in materials or workmanship or by inappropriate or poor quality material or product. This exclusion is not applied in the event of an insured event of fire and explosion and plumbing leak;

CONSTRUCTION WORK

- 26.10. damage caused by construction work at the insured location. Construction work means the erection, renovation, reconstruction, extension, and demolition of a construction work, the modification or replacement of its boundary, load-bearing and stiffening structures, the modification or complete replacement of a construction works technical system or parts thereof, and any other activity related to the construction work which results in the creation or modification of its physical characteristics or functions. Construction is also the relocation of soil or cover to an extent that has a significant permanent impact on the surrounding environment and a functional relationship with the construction work. This exclusion is not applied if a fire has occurred as a result of construction work. In the event of a fire caused by construction works, a special deductible of 10% of the damage, at least EUR 5,000, is applied;

LANDSLIDE, SOIL MOVEMENT, AND EARTHQUAKE

- 26.11. damage caused by landslides, soil movements (e.g. subsidence or rising of soil, including the construction) or earthquakes;

PESTS, BIRDS, ANIMALS, AND PATHOGENS

- 26.12. damage caused by micro-organisms, pests, including plant pests, pathogens, insects, rodents, birds or animals. This exclusion is not applied in the case of the insured event involving fire and explosion, pipework leakage, and glass surfaces damage;

COSMETIC AND MINOR DEFECTS

- 26.13. damage that does not affect the intended use of the insured object, such as cosmetic and minor defects, scratches, chips, stains, dents, tears, and changes in colour tone and colour differences;

NUCLEAR WEAPON, NUCLEAR ENERGY, AND RADIOACTIVITY

- 26.14. damage caused directly or indirectly by a nuclear weapon, nuclear energy or radioactivity;

EXPLOSIVE

- 26.15. damage caused by improper handling of the explosive by the policyholder or a person equated with the policyholder;

MINING, BLASTING, EARTHING, AND RAMMING WORK

- 26.16. damage caused by professional mining, blasting, earthmoving or ramming work;

ACTIVITIES OF PUBLIC AUTHORITIES

- 26.17. damage resulting from compulsory purchase, confiscation or any other similar event or from a lawful breakdown, dismantling or demolition;

WAR, UPRISING, AND CIVIL UNREST

- 26.18. damage caused by war, invasion, war-like situation, civil unrest, rebellion, revolution, insurrection, mass disorder, *coup d'état*, state of emergency or similar event;

WORK INTERRUPTION AND STRIKE

- 26.19. damage caused by a work interruption or strike;

TERRORISM

- 26.20. damage or expense caused by terrorism or the prevention of an act of terrorism, the mitigation of risks or the control of the situation. Terrorism is an act that involves, but is not limited to, the use and/or threat of force or violence by one or more persons acting independently or in conjunction with an organisation or government for a political, religious, ideological or similar purpose, including the purpose of influencing the government and/or creating fear in public;

NON-COMPLIANCE WITH THE REQUIREMENTS FOR USE

- 26.21. damage caused as a result of the use of the insured object in a way for which it is not intended, including by ignoring the instructions for use or in violation of the requirements for use (e.g. overloading the equipment) or using an insured object that is not in working order;

LIABILITY OF THE MANUFACTURER, SELLER, SUPPLIER, INSTALLER, MAINTAINER, AND BUILDER

- 26.22. damage, for which the manufacturer, seller, importer, network operator, installer, maintainer, builder or other person in a contractual relationship is liable under the law or contract;

MAINTENANCE, CONSUMABLE PARTS, AND MATERIALS

- 26.23. cost of maintenance and compliance with the prescribed requirements of the insured object and the cost of the part to be replaced in the process thereof. This exclusion is not applied if the need to perform the said works has arisen as a result of an insured event specified in the policy;
- 26.24. damage caused to the consumable part or material of the insured object, including bearing, gasket, filter, light bulb, fuse, lubricating oil, coolant, fuel or similar. This exclusion is not applied if the consumable part or material was damaged or destroyed as a result of the insured event specified in the policy;

ELECTRONIC DATA AND SOFTWARE

- 26.25. damage caused by data loss or change in data, deletion, damage, destruction, theft or unavailability of data files, malware or computer viruses, a faulty computer program, a programming error, faulty software or the effect of hardware or a magnetic field on the data;

CYBERCRIME

- 26.26. damage caused by a computer crime, cybercrime or cyberattack. This exclusion is not applied if, as a result of the above, physical damage has occurred to the insured object, which is directly caused by an insured event specified in the policy (e.g. a cyberattack causes a fire);

ASSEMBLY, DISASSEMBLY, ADJUSTING, AND TESTING

- 26.27. damage resulting from the assembly, disassembly, adjusting, testing or test operation of a part of a construction, inventory or equipment, or from loading and lifting operations carried out in the course of these activities;

INTENT AND GROSS NEGLIGENCE

- 26.28. damage caused by the intent or gross negligence of the policyholder or a person equated with the policyholder;

PROCESSING AND TESTING OF GOODS

- 26.29. damage caused to the insured goods as a result of their processing, testing or other physical influence;

SPOILAGE, MELTING, AND CHANGE OF CHARACTERISTICS OF GOODS

- 26.30. damage caused to the insured goods as a result of spoilage, melting or change of characteristics if this is caused by non-functioning, failure or incorrect setting of the heating, cooling or refrigeration unit or if the goods are stored in conditions not intended for this purpose;

NATURAL SPOILAGE AND LOSS

- 26.31. damage or loss of value caused to the insured object as a result of its natural spoilage or property or loss, even if the insured event had not occurred;

INFECTIOUS DISEASES

- 26.32. any damage or expense caused directly or indirectly by an infectious disease (such as a virus, bacterium, parasite) or contributed to by an infectious disease or by fear or threat of an infectious disease, regardless of whether that fear or threat is actual or not. As an exception, physical damage to the insured object caused by an insured event specified in the policy, the formation or amount of which was helped by an infectious disease or its threat or fear of an infectious disease (e.g. fire) will be indemnified. Physical damage is not contamination or rendering unusable of the insured object or restricting or prohibiting the use of the insured object due to an infectious disease or threat thereof or fear of an infectious disease.

Example. Due to the spread of an infectious disease, the number of people allowed into the restaurant is limited, as a result of which the restaurant's turnover decreases. This is not an insured event.

Example. A case of salmonellosis occurs in a restaurant, due to which the goods that are the insured object are contaminated and, in addition, the restaurant must be temporarily closed. This is not an insured event;

ENVIRONMENTAL POLLUTION

- 26.33. damage to the environment, including the cost of removing environmental pollution;

SMOKE, STEAM, DUST, SEDIMENT, AND SOOT

- 26.34. damage caused by smoke, steam, dust, sediment, soot, etc., unless it is causally related to the insured event (e.g. smoke damage caused by a fire);

FLOOD

- 26.35. damage caused by flood. Flood is defined as a natural phenomenon caused by precipitation, melting snow or rising ground, soil or surface water that cannot be received or discharged by the ground or a properly designed sewerage, drainage or other drainage system. This exclusion is not applied in the event of an insured event of flood;

INTRUSION OF WATER INTO THE CONSTRUCTION

- 26.36. damage caused to the insured object by the intrusion of water, including precipitation or meltwater, into the insured construction through the roof, foundation, wall, window or other boundary structure. This exclusion does not apply to the extent of an extra cover insured event involving precipitation and meltwater and as described in the insured event of flood;
- 26.37. damage caused by the intrusion of water, including precipitation or meltwater, into the insured construction through the sewerage or storm water drainage system or as a result of its non-operation, blockage, insufficient capacity or failure;

INVENTORY, EQUIPMENT OR GOODS OUTSIDE THE CONSTRUCTION

- 26.38. damage that has been caused to the inventory, equipment or goods that are insured and located outside the construction or in an open construction (e.g. a shelter with open sides), if it is not intended for use or storage outdoors;

DAMAGE CAUSED IN TRANSIT

- 26.39. damage caused to the insured object during its transportation;

ELECTRICITY, WATER, STEAM AND GAS SUPPLY, AND INTERNET CONNECTION

- 26.40. damage caused to the insured object as a result of a disturbance, interruption or shortage of electricity, water, steam, gas or other energy source or the Internet connection;

ELECTRICAL PHENOMENA

- 26.41. damage caused by an external electrical phenomena of the insured object. An electrical phenomena is an overvoltage or undervoltage, short circuit, grounding error, current fluctuation or other external electrical phenomenon of the insured object. This exclusion is not applied in the event of a fire or explosion (if the fire goes beyond the boundaries of an electrical device or installation) and an insured event of extended insurance;

MACHINERY BREAKDOWN

- 26.42. damage caused by an internal electrical phenomena or mechanical breakdown of the equipment that is the insured object itself. This exclusion does not apply to equipment (e.g. production equipment, computer) in the event of an insured event of an extra machinery breakdown cover and the technical system serving the building in the event of an insured extended insurance event;

EMBEZZLEMENT, FRAUD, FRAUDULENT CONDUCT, AND EXTORTION

- 26.43. damage caused by the embezzlement of the insured object by a third party through fraud, fraudulent conduct, or extortion;

UNIDENTIFIED PROPERTY

- 26.44. damage to property, the existence of which has not been proven (there are no remnants of property, receipts, instructions for use, bank statements, and other evidence);

ARCHAEOLOGICAL EXCAVATIONS

- 26.45. damage or expenses caused by archaeological excavations;

FINANCIAL LOSSES

- 26.46. financial loss, such as a decrease in turnover or profit, incurred as a result of an insured event.

Sum insured and the insurable value

27. The sum insured is the largest sum to be paid out specified in the policy, to the extent of which LHV indemnifies the damage caused as a result of an insured event.
28. The sum insured does not decrease upon payment of the insurance indemnity for an insured event under property insurance.
29. The sum insured for the insured object is determined by the policyholder based on the insurable value and taking into account its possible change during the insurance period.
30. VAT is added to the insurable value if the insured person is not liable for VAT or is unable to recover VAT on the expenses incurred.
31. Insurable value is the value of the insured object immediately prior to the insured event. The policyholder is liable for the correctness of the insurable value.

INSURABLE VALUE OF A CONSTRUCTION

- 31.1. The insurable value of a construction is its restoration or residual value.
 - 31.1.1. The replacement value is the cost (i.e. construction cost) of rebuilding a new construction with technical characteristics that are of the same type and at the same insured location immediately prior to the insured event.
 - 31.1.2. The residual value is the replacement value, which has been reduced by the depreciation of the construction. The residual value is the insurable value of the construction if the insurable value of the construction is indicated in the insurance contract as the residual value or if the depreciation of the construction is more than 50%.

INSURABLE VALUE OF INVENTORY AND EQUIPMENT

- 31.2. The insurable value of inventory and equipment is their repurchase or market value.
 - 31.2.1. The replacement value is the cost of a new inventory or equipment of the same type, with the same use, with the same technical indicators and characteristics, and having the same completeness, together with the cost of transport and assembly, immediately prior to the insured event. Where inventory or equipment of the same type, use, technical indicators and characteristics, and completeness is not available, the insurable value will be determined on the basis of another new inventory or equipment with characteristics and indicators as similar as possible.
 - 31.2.2. Market value is the replacement value, reduced by the depreciation of the inventory or equipment. Market value is the insurable value of inventory or equipment if the insurance contract specifies the market value of inventory or equipment as the insurable value or if depreciation due to the age and depreciation of inventory or equipment is more than 50%.

INSURABLE VALUE OF GOODS

- 31.3. The insurable value of goods is their repurchase or reproduction value.
 - 31.3.1. The replacement value is the maximum possible cost of equivalent goods at the insured location during the insurance period for their re-acquisition together with transport costs. The insurable value of goods does not include the insured person's share of profits or other costs.
 - 31.3.2. The reproduction value is the maximum possible cost of equivalent goods at the insured location for their reproduction during the insurance period if the insured object includes goods produced by the insured person themselves. The reproduction value includes the cost of acquiring raw materials and direct production costs. The insurable value of goods does not include the insured person's share of profits or other costs.

Indemnity limit

32. The indemnity limit is the largest amount of insurance indemnity to be paid per insured event agreed in the insurance contract, in which case the terms and conditions of underinsurance are not applied. Insurance with an indemnity limit is agreed only if there is a note to this effect in the insurance contract. The indemnity limit is not added to the sum insured but is included in it.

Additional costs to be indemnified

33. In the event of an insured event involving property insurance, LHV will indemnify, in addition to material damage, up to 10% of the sum insured of the insured object, but not more than EUR 300,000, also the following additional costs:

COSTS OF PREVENTION OR REDUCTION OF DAMAGE

- 33.1. reasonable and justified costs of preventing or reducing damage, even if they did not produce the desired result;

CLEANING AND DEMOLITION COSTS

- 33.2. justified cleaning and demolition costs of a damaged or destroyed insured object, including the costs of removal and disposal of cleaning and demolition waste, subject to the following exceptions:
- 33.2.1. cleaning and demolition costs are indemnified only if the damaged or destroyed insured object is restored, repurchased or reproduced;
- 33.2.2. if the total amount of property insurance damage and the costs of cleaning and demolition works exceed the sum insured of the damaged or destroyed insured object, LHV will indemnify these additional costs to the extent of up to EUR 100,000 per insured event;

ADDITIONAL COSTS DUE TO LEGISLATION

- 33.3. justified additional costs necessary for the restoration of the insured object due to legal requirements, subject to the following exceptions:
- 33.3.1. additional costs arising from legal claims are indemnified only if the damaged or destroyed insured object is restored;
- 33.3.2. if the total amount of property insurance damage and additional costs of claims arising from legislation exceed the sum insured of the damaged or destroyed insured object, LHV will indemnify these additional costs in the amount of up to EUR 10,000 per insured event. LHV will not indemnify the costs related to the elimination of environmental damage;
- 33.3.3. LHV will not indemnify the expenses that the policyholder would have had to incur in order to comply with the requirements arising from legislation even if the insured event had not occurred and regardless of whether the authorities had issued a compliance notice in this regard or not.

The insurance indemnity and principles of indemnification in property insurance

34. The insurance indemnity is the sum that LHV pays out to indemnify for material damage caused in the event of an insured event and additional costs agreed in the insurance contract. The insurance indemnity is calculated on the basis of the insurable value of the insured object immediately prior to the occurrence of the insured event.
35. LHV has the right to decide whether it will pay the indemnity in cash or indemnify for the costs of restoring, re-acquiring or reproducing the damaged insured object or replacing it with an equivalent.
36. The deductible is deducted from the insurance indemnity.
37. If the insurable value of a construction is the residual value, the amount of damage is reduced in proportion to the ratio of the residual value to the reinstatement value.
38. If the policyholder does not wish to restore the construction, LHV will indemnify the damage based on a reasonable and justified calculation prepared for the restoration of the construction, from which a part proportional to the physical depreciation of the damaged or destroyed construction is deducted.
39. In the event of an insured event involving inventory and equipment, LHV will indemnify the repair costs of the object. If the insured object has been stolen, robbed or destroyed or damaged in such a way that it is not possible or reasonable to restore it, LHV will indemnify the cost of the object at the replacement value or the market value.
40. If the insurable value of inventory and equipment is market value and the insured object can be repaired, LHV will indemnify the repair costs of the insured object damaged as a result of an insured event. If it is not possible or reasonable to repair the insured object, LHV will indemnify the market value of the insured object immediately prior to the occurrence of the insured event, reducing the amount of damage in the proportion of the market value to the replacement value.

41. In the event of an insured event of goods, LHV will indemnify the costs of repurchasing the goods together with transportation costs or, if the goods have been produced by the insured person themselves, LHV will indemnify the costs of reproducing the goods together with the necessary acquisition and direct production costs of the raw materials. LHV does not indemnify the profit share or other expenses of the insured person.
42. In the case of indemnity limit insurance, LHV will indemnify the damage incurred up to the maximum amount of the insurance indemnity agreed in the insurance contract. The terms and conditions of underinsurance are not applied.
43. LHV may replace the destroyed object with an equivalent object or pay the insurance indemnity in cash up to an amount equal to the replacement value of the replaced object.
44. LHV has no obligation to indemnify for the value of the remaining part of the object.
45. LHV will indemnify other expenses specified in the terms and conditions or the policy to a reasonable and justified extent on the basis of a document certifying their amount.
46. The provisions of underinsurance, overinsurance, and multiple insurance set out in clauses 47.4–47.6 of the terms and conditions will be applied to the property insurance indemnity.
47. In addition, LHV will proceed from the general principles of indemnification set out in clauses 123–126 of the terms and conditions when indemnifying damage.

DEDUCTIBLE

- 47.1. The deductible is the sum shown in the insurance contract which is payable by the policyholder in the case of an insured event.
- 47.2. The deductible is deducted from the insurance indemnity payable. If the insured object has been damaged or destroyed as a result of more than one insured event, the deductible will be applied for each insured event separately.
- 47.3. As part of a single insured event, only a single, maximum deductible is applied to damage under property insurance and/or liability insurance.

UNDERINSURANCE, OVERINSURANCE, AND MULTIPLE INSURANCE

Underinsurance

- 47.4. If, at the time of the occurrence of the insured event, the sum insured specified in the policy is more than 15% less than the insurable value, LHV will be liable for the damage in proportion to the ratio of the sum insured to the insurable value.

Example. Damage is incurred in the amount of EUR 10,000 and the deductible is EUR 500. The sum insured of the building is EUR 100,000, the actual insurable value is EUR 200,000. The insurance indemnity to be paid out is $10,000 \times 100,000 / 200,000 - 500 = \text{EUR } 4,500$, because the building is 50% underinsured.

Overinsurance

- 47.5. If the sum insured specified in the policy exceeds the insured value, it is overinsurance and LHV will indemnify the actual loss amount.

Multiple insurance

- 47.6. If the policyholder insures the same insurance risk with several insurers and the total amount of insurance indemnities paid by the insurers exceeds the amount of the loss or the sum insured exceeds the insurable value, the insurers will be jointly and severally liable. In the case of multiple insurance, the policyholder must immediately notify LHV.

Safety requirements

48. The following safety requirements are applied to LHV corporate insurance for property, business interruption, and liability insurance.
49. The policyholder and the persons equated with the policyholder are obliged to comply with the safety requirements arising from the current legislation, instructions for use, and the safety requirements established in the insurance contract and the terms and conditions of insurance.

50. The policyholder and the person equated with the policyholder are obliged to use, maintain, and store the insured object in accordance with the applicable legislation, instructions for use, and the safety requirements established in the insurance contract or terms and conditions of insurance.
51. The policyholder and the person equated with the policyholder are obliged to perform reasonable due diligence and to act with ordinary diligence, to take reasonable measures to prevent the occurrence of damage, and to minimise it if damage occurs.
52. The policyholder and the persons equated with the policyholder are obliged to take measures to prevent repeated damage.
53. LHV has the right to refuse indemnification or reduce the insurance indemnity if the policyholder or a person equated with the policyholder has not complied with the safety requirements established in legislation, the instructions for use, the insurance contract, and terms and conditions of insurance, and as a result, damage occurred or there was a causal connection with the loss event.

FIRE SAFETY

In addition to the fact that the policyholder organises the fulfilment of fire safety requirements themselves, LHV draws separate attention to the following issues related to fire safety.

General fire safety requirements

- 53.1. The policyholder and the person equated with the policyholder must comply with the fire safety requirements stipulated in the Fire Safety Act, other legislation, operating and maintenance instructions, and elsewhere.
- 53.2. The policyholder and the person equated with the policyholder must have the knowledge to prevent fire hazards and to act in the event of a fire.
- 53.3. The insured location must have proper, operational, maintained, and inspected primary fire-fighting equipment. Their locations must be marked and access to them must not be hindered.
- 53.4. The interior and territory of the insured location, as well as the equipment and machinery located at the insured location, must be regularly cleaned of garbage and waste.
- 53.5. Garbage and waste must be placed on the territory in such a way as to prevent the spread of fire if it ignites.
- 53.6. Excessive combustible loads (e.g. pallets and packaging material) must be removed from the workplace as soon as work is completed.
- 53.7. Materials, gases, and liquids must be used and stored in accordance with the manufacturer's instructions and with applicable safety requirements and limits.
- 53.8. Combustible liquid, gas, and other hazardous substance containers must not leak.
- 53.9. In rooms where there is a risk of fire or explosion, the use of open fire, sparking tools, equipment, machinery or objects is not permitted.
- 53.10. Emergency routes, exits, and passageways in constructions must be kept free and in good order.
- 53.11. Combustible materials, equipment or machinery may not be stored in the immediate vicinity of the walls of the building.
- 53.12. Smoking is allowed only in designated and appropriately furnished areas.
- 53.13. Fire doors, hatches, and windows must be maintained at the prescribed frequency.
- 53.14. Fire doors will be closed, except for automatically operated doors which must be ensured an unobstructed means of closing.
- 53.15. Openings and communications intrusions will be filled throughout the full thickness of the sheathing with a non-combustible material that does not reduce the fire resistance time of the sheathing.
- 53.16. Low-voltage and server rooms must comply with the fire safety requirements applicable to them.
- 53.17. Objects may only be stored in or in the immediate vicinity of a building in a designated area and in a manner that complies with fire safety requirements and other applicable regulations.
- 53.18. The storage of combustible materials must be in accordance with the applicable standards, including the compatibility of hazardous substances and a safe distance from the construction.

- 53.19. Evacuation routes and access to extinguishers and fire-fighting equipment must not be obstructed.
- 53.20. All containers, equipment and machinery in contact with combustible materials must be grounded.
- 53.21. The batteries of forklifts and hand tools must be recharged in a designated area. The charging device must be mounted on a fire-proof structure. Combustible materials must not be stored in the immediate vicinity of the place of charging.
- 53.22. Extension cords must not be used in excess of the manufacturer's maximum prescribed load.
- 53.23. The heating appliance must comply with the construction design of the construction or heating system.
- 53.24. When installing and using a heating appliance (including a temporary one), compliance with the designated safety distance, the instructions for its installation, adjustment, use, and maintenance, the current legislation and the requirements for the technical maintenance and condition of the heating appliance will be required.
- 53.25. Solid fuel heating appliance (including stoves, cookers, fireplaces) installed in the building must be regulated and their safety must be certified by a competent expert. The flues of heating appliances must be cleaned in accordance with the operating load, but at least once a year.
- 53.26. When designing, installing, adjusting, operating, and maintaining an electrical system, the requirements for its technical maintenance and condition and the current legislation must be observed. The electrical system must be audited in accordance with the procedure established by law.
- 53.27. When designing, installing, adjusting, operating, and maintaining a ventilation system, the requirements for its technical maintenance and condition and the current legislation must be observed. The ventilation system (including piping and exhaust systems and their filters) must be cleaned in accordance with the manufacturer's or installer's instructions, and the same instructions must be used to replace the ventilation system (including piping and exhaust systems and their filters).

Fire detection and alarm system

- 53.28. If a fire detection and alarm system is provided, it must be switched on 24/7, in working order, and regularly maintained.
- 53.29. The fire detection and alarm system must operate in such a way that it is activated in the event of danger and ensures that the alarm is transmitted to at least one of the following outlets: to the security company, to at least two continuously monitored mobile phones, or to a guard at the insured location.
- 53.30. When designing, installing, adjusting, operating, and maintaining a fire detection and alarm system, the requirements for its technical maintenance and condition and the current legislation must be observed.

Automatic fire extinguishing system

- 53.31. If an automatic fire extinguishing system is available, it must be in working condition.
- 53.32. When designing, installing, adjusting, operating, and maintaining an automatic fire extinguishing system, the requirements for its technical maintenance and condition and the current legislation must be observed.

Works involving an open flame

- 53.33. Works involving an open flame includes work in which a material, part or object is treated with a flame, the formation of sparks or a higher temperature, and which can ignite combustible material and create a real fire hazard. Examples of works involving an open flame include welding, cutting metal with a disc cutter, heating bitumen, and using a gas flame.
- 53.34. Works involving an open flame may only be carried out in accordance with the current legislation.
- 53.35. Works involving an open flame may be carried out only by a person who has the relevant professional certificate or who has undergone training in the performance of works involving an open flame and who has a certificate for works involving an open flame.
- 53.36. During the performance of works involving an open flame, constant fire safety and supervision must be ensured. After the works involving an open flame, it must be ensured that the place of works involving an open flame is constantly inspected until the fire hazard ceases to exist.

SAFETY REQUIREMENTS AGAINST BURGLARY AND VANDALISM

Security alarm

- 53.37. If there is a security alarm, it must be switched to standby mode when leaving the insured location.
- 53.38. The security alarm must operate in such a way that, in the event of danger, it is activated and ensures the transmission of the alarm to at least one of the following outputs: to the security company, to at least two continuously monitored mobile phones, or to a guard at the insured location.
- 53.39. The security alarm must be installed in such a way that the insured object for which burglary insurance coverage has been selected is within the operating range of the sensors of the security alarm system.
- 53.40. Storage, construction engineering, furniture arrangement, and the like must not reduce the operating range or sensitivity of the sensors of the security alarm system. Consideration should be given to the possibility of breaking into a building or space through a door, window, wall, roof or other means.
- 53.41. The policyholder is obliged to ensure that an employee of the security company or a representative of the policyholder inspects the insured building or room both inside and outside in the event of the activation of the security alarm system and the receipt of an alarm.
- 53.42. The security alarm must be in good working order and its operation must not be impaired by any act or omission on the part of the policyholder or the persons equated with the policyholder.
- 53.43. The security alarm codes must not fall into the hands of a third party.

Supervision and locking

- 53.44. The insured object (inventory, device or goods) must not be left in an unattended or unlocked room.
- 53.45. In the event of departure from the insured location, all windows, shutters, and other openings in the building or room, which serves as the insured location, must be closed in such a way that it is not possible to enter the insured location without breaking or removing the latch(es) or barrier(s) preventing entry. In addition, it is necessary to make sure that all unauthorised persons have left the insured location.
- 53.46. Cash, valuables, precious metals, and precious stones must be stored in a locked safe or security cabinet installed locally.
- 53.47. When leaving the insured location, the safes and security cabinets located there must be closed and locked, and their keys must not be stored in the same room.
- 53.48. The keys and unlocking codes of the locks, as well as the keys and codes of the security alarm, must not be stored in a place or in such a way as to allow a third party access to them. If the key or code is lost or finds its way into unauthorised possession, the insured person must immediately change the lock or code.

Insured object located outside the construction at the insured location

- 53.49. If the insured object involves inventory, equipment or goods located outside the construction at the insured location, the registered immovable of the insured location on which they are located must meet at least one of the following conditions:
- 53.49.1. be surrounded by a fence which is continuous and permanently connected to the ground and which is at least 1.5 metres high and the gates of which are locked in such a way that it is impossible to open the gate without breaking or altering the gate or its lock;
- 53.49.2. be equipped with operational electronic surveillance along the entire perimeter of the registered immovable, which ensures the transmission of the alarm to at least one of the following outputs: to the security company, to at least two constantly monitored mobile phones or to a guard at the insured location.

Insured object outside the insured location

- 53.50. If the insured objects, including portable objects (e.g. a laptop, tools), are located outside the insured location specified in the policy, then at least one of the following conditions must be met:
- 53.50.1. the insured object is under the direct supervision of the policyholder or a person equated with the policyholder;
- 53.50.2. the insured object is located in a locked room or vehicle and is not left in a visible place. The vehicle's security alarm is in working order and activated.

OTHER SAFETY REQUIREMENTS

- 53.51. The goods must be stored at a height of at least 12 cm from the floor surface.

- 53.52. Regular snow and ice removal from the structures of constructions and de-icing of the roads on the territory of the insured location must be ensured at the insured location.
- 53.53. It must be ensured that dangerous high-rise vegetation (trees and tree branches) located on the territory of the insured location is removed in a timely manner.
- 53.54. When the equipment is put into service and used, it is necessary to follow the instructions for its installation, adjustment, use, and maintenance, as well as the requirements for technical maintenance and condition.
- 53.55. Equipment and machinery which, in the event of a stoppage during a possible power outage, is liable to cause damage (e.g. freezing in the event of failure to heat) must be fitted with an alternative electrical power supply system to ensure that the equipment or machinery continues to function until the end of the power outage.
- 53.56. The policyholder is liable for the maintenance of the water supply, sewerage, and heating system.
- 53.57. In order to avoid the risk of freezing of liquid in the water supply, sewerage, and heating systems (including piping), an adequate temperature must be provided in those parts of the building where these systems are located. In an unused or unheated building or parts of a building, these systems must be drained, then closed, and kept empty.
- 53.58. The roof of the construction, rainwater and sewerage piping, sediment wells, and drainage grates must be regularly inspected and maintained.
- 53.59. A functioning return valve must be installed in the sewerage system of the construction.
- 53.60. Local septic tanks and other containers used for the collection of wastewater must be emptied regularly.
- 53.61. When carrying out construction, repair, and maintenance work, it is necessary to comply with the safety requirements of the relevant field, the requirements arising from the Building Code, the manufacturer's instructions for use, and other compliance notices and norms that apply to this work.
- 53.62. Before starting work, the policyholder determines the location of the water, sewerage, electrical installation, heating and/or ventilation system, is convinced of this, and does not perform the work in a way that could give rise to damage. This safety requirement also applies, for example, to the installation of pictures, luminaires, racks, and mirrors.

Business interruption insurance

The terms and conditions of business interruption insurance are part of the corporate property insurance contract concluded with LHV if the business interruption insurance coverage has been chosen in this insurance contract. In matters not regulated by the terms and conditions of business interruption insurance, the special conditions specified in the policy, the terms and conditions of LHV corporate property insurance, the general part of the terms and conditions of LHV corporate insurance, the Law of Obligations Act, and other applicable legislation are followed.

Insured object

54. The insured object may be the operating profit, fixed costs, rental or rental income or other agreed expenses specified in the policy. Objects not specified in the policy are not insured and the damage caused in connection with them is not indemnified by LHV.

OPERATING PROFIT

- 54.1. Operating profit is the revenue from the sale of economic activities described in the insurance contract, minus the direct costs of goods or services sold, fixed costs, and variable costs.

FIXED COSTS

- 54.2. Fixed costs are the costs related to the economic activity described in the insurance contract, which do not depend on changes in the volume of production, goods or services and are maintained even after the insured event of business interruption. LHV will indemnify fixed costs only if their further payment is economically justified and on the basis of the applicable legislation, and these costs would have been incurred even if the insured event had not occurred.

RENTAL OR LEASING INCOME

- 54.3. Rental or leasing income is the rental or leasing fee paid to the insured person under a rental or lease agreement for the rental or lease of the construction or part thereof specified in the policy. Rental or leasing income does not include incidental expenses or other expenses incidental to the rental or leasing, unless otherwise agreed.

OTHER AGREED EXPENSES

- 54.4. If the policy contains a note to this effect, the insured object also includes other expenses that the insured person may incur or retain in the event of an insured event.

NON-INSURABLE OBJECT

- 54.5. Unless otherwise stated on the policy, the insured object does not include the following:
- 54.5.1. variable costs or direct costs that depend on the volume of economic activity insured (e.g. copyright, patent, and licence fees, insurance premiums);
 - 54.5.2. national and local taxes (e.g. VAT, income tax, customs duty, excise duty);
 - 54.5.3. financial and other extraordinary income, and income and expenses not directly linked to the economic activity insured;
 - 54.5.4. expenses of procuring goods and other auxiliary equipment;
 - 54.5.5. transportation costs associated with the sale of goods and services.

Insured event

55. A business interruption insured event is an interruption or stoppage of economic activity described in the insurance contract caused by an insured event that occurred with the property insured with the corporate insurance valid at LHV at the time of the occurrence of the insured event.
56. The insurance coverage is valid only if LHV has incurred an obligation to indemnify damage on the basis of a property insurance insured event.

Exclusions

57. These exclusions are applied to all insured events of business interruption insurance. If the damage has occurred due to the reasons described in the exclusions, it is not an insured event.

LHV will not indemnify the following:

ABSENCE OF CAUSAL LINK WITH PROPERTY INSURANCE

57.1. damage that has no causal link with the insured event of the property insured by corporate insurance;

ACTS OR OMISSIONS OF THE INSURED PERSON AND LACK OF FINANCIAL RESOURCES

57.2. damage caused by an act or omission of the insured person and a lack of money or other means to restore the situation before the damage;

57.3. damage caused by the prolongation of the restoration of property or economic activity for a reason attributable to the insured person;

LOSS AND DESTRUCTION OF DOCUMENTS, PLANS, AND OTHER OBJECTS

57.4. damage caused by the loss, damage or destruction of documents, plans, cash, securities or other written notes and media;

ACTS OR OMISSIONS BY THE PUBLIC AUTHORITIES

57.5. damage caused by an act or omission of the state or local government. If the restoration of the pre-damage situation is extended due to the actions or omissions of the state or local government, LHV will indemnify the damage for the period that, according to expert assessment, would have been spent on resuming the same business if the act or omission of the state or local government had not occurred, but not more than for the liability period specified in the policy;

CONTRACTUAL OBLIGATIONS OF BUSINESS PARTNERS

57.6. damage caused by non-fulfilment of contractual obligations by a business partner;

DAMAGE TO BE INDEMNIFIED BY A THIRD PARTY

57.7. damage that is indemnified by a third party or that is indemnified under another insurance contract;

FINES AND SANCTIONS

57.8. damage caused by fines and sanctions resulting from the policyholder's failure to perform a contractual obligation;

INCOMPLETE ACCOUNTING

57.9. damage incurred as a result of incomplete accounting;

LIQUIDATION OF THE COMPANY

57.10. expenses related to the liquidation of the company.

Sum insured and insurable value

58. The sum insured is the largest sum to be paid out specified in the policy, to the extent of which LHV indemnifies the damage caused as a result of an insured event.

59. The sum insured does not decrease upon payment of the insurance indemnity for an insured event under business interruption insurance.

60. The sum insured for the insured object is determined by the policyholder based on the insurable value and taking into account its possible change during the insurance period.

61. The insurable value is the maximum value of the insured object, i.e. the highest expected operating profit, fixed costs, rental or leasing income or other agreed expenses that would have been incurred during the liability period if the insured event had not occurred. The policyholder is obliged to provide the insurer with the correct insurable value.

Accounting obligation

62. The insured person has the obligation to carry out accounting in accordance with GAAP, the applicable Accounting Act, and other legal acts of the Republic of Estonia, and to ensure the preservation of accounting documents.

Additional costs to be indemnified

63. LHV will indemnify justified additional costs incurred to reduce and prevent the loss of economic activity if they have been previously agreed with LHV and reduce the amount of indemnification obligation by LHV. Justified additional costs are:
- 63.1. cost of renting a temporary replacement space;
 - 63.2. cost of moving to a temporary replacement space and back to the insured location;
 - 63.3. overtime pay.
64. The justified expenses specified in clause 63 of the terms and conditions will be indemnified by LHV to the maximum extent of the liability period and up to 10% of the sum insured related to the insured object related to the insured event, but not in the amount exceeding EUR 300,000. If the sum of the damage caused by business interruption insurance and the costs listed in clause 63 exceeds the sum insured of the insured object, LHV will indemnify these additional costs in the amount of up to EUR 10,000 per insured event.

Liability period

65. The liability period is the longest period specified in the policy, for which LHV pays benefit for business interruption.
66. The liability period begins at the moment of the insured event of property insurance and ends with the achievement of the economic situation in which the insured person would have been if the insured event had not occurred, but not longer than the period specified in the policy.

Principles of indemnification in business interruption insurance

67. In the event of an insured event, LHV will indemnify the damage incurred for the period of interruption of business activities, which begins at the moment of the insured event and ends with the achievement of the economic situation prior to the damage, i.e. the situation in which the insured person would have been if the insured event had not occurred, but not longer than for the liability period specified in the policy.
68. When calculating the amount of damage caused by the business interruption, LHV takes into account all circumstances that could have affected the results of the company if the insured event had not occurred (e.g. seasonality, market situation).
69. LHV calculates the insurance indemnity on the basis of properly formatted accounting documents, which are forecasts of the economic indicators of the insured person within the scope of the liability period and economic indicators of up to three (3) previous financial years. LHV will not indemnify the damage if the aforementioned documents are not submitted.
70. In the case of business interruption insurance indemnity, including indemnification for additional expenses incurred, the terms and conditions of underinsurance, overinsurance, and multiple insurance specified in clauses 79.1–79.3 of the Terms and Conditions will apply.
71. If LHV partially or fully refuses to indemnify property insurance damage, it has the right to refuse to pay the business interruption indemnity in the same proportion.
72. If the property insured by corporate insurance that caused the business interruption insured event is not restored, repurchased or reproduced, the liability period expires ahead of time at the moment that would have been spent on the restoration, re-acquisition or reproduction of the equivalent property according to an expert assessment.
73. If the economic activity described in the insurance contract is not continued after the insured event, the liability period expires before the due date at the moment when the property insured with corporate insurance that caused the business interruption insured event has been restored, repurchased or reproduced.
74. In addition, LHV will proceed from the general principles of indemnification set out in clauses 123–128 of the terms and conditions when indemnifying damage.

DEDUCTIBLE

75. The deductible is the sum or period shown in the insurance contract which is payable by the policyholder in the case of an insured event. LHV will deduct the deductible from the insurance indemnity to be paid out.
76. The deductible is applied separately for each insured event. Only a single, maximum deductible is applied to business interruption damage per insured event.
77. Temporal deductible, i.e. the waiting period, starts from the beginning of the liability period. If the business interruption period is within the waiting period, LHV will not indemnify the damage caused, except for the costs of reducing and preventing the damage described in clause 63 of the terms and conditions if they have been previously agreed with LHV.
78. If the period of business interruption is longer than the waiting period, LHV will indemnify the damage incurred, from which it deducts the deductible in the proportion of the ratio of the duration of the deductible to the duration of the entire business interruption period.
79. Unless otherwise agreed in the policy, the deductible for business interruption insurance is applied in addition to the deductibles for property insurance.

UNDERINSURANCE, OVERINSURANCE, AND MULTIPLE INSURANCE**Underinsurance**

- 79.1. If, at the time of the occurrence of the insured event, the sum insured specified in the policy is more than 15% less than the insurable value, LHV will be liable for the damage in proportion to the ratio of the sum insured to the insurable value. The same ratio is used to indemnify for additional costs.

Overinsurance

- 79.2. If the sum insured specified in the policy exceeds the insured value, it is overinsurance and LHV will indemnify the actual loss amount.

Multiple insurance

- 79.3. If the policyholder insures the same insurance risk with several insurers and the total amount of insurance indemnities paid by the insurers exceeds the amount of the loss or the sum insured exceeds the insurable value, the insurers will be jointly and severally liable. In the case of multiple insurance, the policyholder must immediately notify LHV.

Safety requirements

80. The policyholder and the persons equated with the policyholder are obliged to comply with the safety requirements specified in clauses 48–53 of these LHV corporate insurance terms and conditions.
81. LHV has the right to refuse indemnification or reduce the insurance indemnity if the policyholder or person equated with the policyholder has not complied with the safety requirements specified in clauses 48–53 of the LHV corporate insurance terms and conditions and as a result, damage occurred or there was a causal connection with the loss event.

General third party liability insurance

These terms and conditions of general third party liability insurance are part of the corporate property insurance contract concluded with LHV if the general third party liability insurance coverage has been selected in this insurance contract. In matters not regulated by the terms and conditions of general third party liability insurance, the special conditions specified in the policy, the terms and conditions of LHV corporate property insurance, the general part of the terms and conditions of LHV corporate insurance, the Law of Obligations Act, and other applicable legislation are followed.

Insurance territory

82. Insurance territory means the region specified in the insurance contract (e.g. an address or country) in which the insurance coverage is valid in the event of an insured event.

Policyholder and insured person

83. The policyholder is the person named in the policy who has concluded an insurance contract with LHV and who is obliged to pay the insurance premiums.
84. The insured person is the policyholder or the person named in the policy in respect of whom the liability is insured.
85. The policyholder is liable for explaining the terms and conditions of the insurance contract to the insured person and for complying with them.
86. The insurance contract extends to all natural persons working under the authority of and/or on behalf of the insured person in the course of their business activities in the performance of their duties (e.g. persons employed under an employment contract, agency workers, legal representatives).
87. The insurance contract does not cover legal persons who are used by the insured person in the performance of an obligation in the course of their business and for whose damage the insured person is liable in the same way as for damage caused by themselves (e.g. subcontractors).

Injured person

88. Injured person is a third party to whom the insured person has caused material damage and to whom the insured person is obliged to indemnify for damage. A third party is not a party to the insurance contract or a person belonging to the circle of insured persons.

Insured operation

89. Insured activity is the activity of the insured person specified in the insurance contract, in the course of which the insured person is obliged to indemnify for damage in relation to material damage that may occur to a third party. Insured operation may be:
- 89.1. ownership or possession of a registered immovable and a construction or part thereof located at the address specified in the insurance contract;
- 89.2. economic activity of the insured person specified in the insurance contract.

Insured object

90. The insured object is the pecuniary obligations arising out of the civil liability of the insured person (hereinafter **liability of the insured person**).

Insured event

91. An insured event is the sudden and unforeseeable occurrence of property damage to a third party by the insured person during the insurance period, as a result of which the insured person becomes liable to pay indemnity. The damage must be causally linked to the insured operation of the insured person and be the cause of the damage. The insurance contract does not extend to the contractual obligations of the insured person, unless the corresponding obligation to indemnify would arise even without the concluded contract.
92. An insured event is not covered by the exclusions listed in clause 95 of the terms and conditions.

93. Obligations to indemnify damage caused as a result of the same circumstance or event are considered to be one insured event that is subject to the sum insured specified in the policy or the agreed indemnity limit and one deductible. The time of occurrence of the insured event is considered to be the time of occurrence of the first damage (which led to the obligation to indemnify the damage), as a result of which the insured person became obliged to indemnify the damage.

Extra covers

94. The extra cover is valid only if it has been agreed upon separately and there is a note to that effect in the policy.

CONTRACTUAL LIABILITY

- 94.1. If contractual liability cover is included in the policy, the insurance contract extends to claims for damages arising from the insured person's breach of their contractual obligations. The damage caused must be causally related to the activities of the insured person established in the said policy, and that activity must be the cause of the occurrence of damage.
- 94.2. The insurance contract does not cover claims for damages arising from the contract if the underlying agreements impose on the insured person conditions for indemnification for damages which are stricter than the law and which restrict their rights (e.g. extension of the limitation period for claims, agreements extending the scope of damages, simplified proof, forms of fault or liability).
- 94.3. LHV will indemnify for damages resulting from the breach of a contractual obligation to the extent described in clause 108 of the terms and conditions.
- 94.4. The contract covering the liability under the insurance contract must be concluded between the parties in a format that can be reproduced in writing.

ACTIVITIES OF THE SUBCONTRACTOR

- 94.5. If subcontractor cover is included in the policy, the insurance contract extends to losses caused to third parties by a subcontractor used by the insured person in the course of their business if the loss or damage resulted from the insured operation included in the insurance contract and the insured person incurred an obligation to indemnify the third party.
- 94.6. LHV will indemnify for damages resulting from the activities of a subcontractor to the extent described in clause 108 of the terms and conditions.
- 94.7. If, according to the policy, there is additional cover for the activities of the subcontractor, LHV has the right, in the event of damage caused by these subcontractors, to file a claim for refund against the person who caused the damage and was used in the economic activity after the insurance indemnity has been paid out.

THIRD PARTY PROPERTY IN THE POSSESSION AND USE OF THE INSURED PERSON

- 94.8. If the insurance coverage of third party property in the possession of the insured person is indicated in the policy, the insurance contract extends to damage caused to the property of a third party in the possession of the insured person, including as a result of theft and robbery. Damage will not be indemnified if its occurrence was caused by the loss of property.
- 94.9. The insurance coverage for property belonging to a third party is valid for the insurance period to the extent of the indemnity limit specified in the policy, but not more than EUR 50,000.

GROSS NEGLIGENCE

- 94.10. If cover for gross negligence is indicated in the policy, the insurance contract will extend to claims for which the underlying damage was caused by gross negligence on the part of the insured person.
- 94.11. The gross negligence insurance coverage does not apply to damage caused in a state of intoxication, meaning alcohol, drug or any other state of intoxication.
- 94.12. Damage caused as a result of gross negligence will be indemnified by LHV to the extent described in clause 108 of the terms and conditions.

Exclusions

95. These exclusions are applied to all insured events of liability insurance. If the damage has occurred due to the reasons described in the exclusions, it is not an insured event.

LHV will not indemnify claims for damage caused by the following circumstances:

DISHONESTY, INTENT, AND GROSS NEGLIGENCE

95.1. damage caused by circumstances or events of which the insured person was or should have been aware before entering into the insurance contract or which they caused unlawfully, intentionally or due to gross negligence. LHV will indemnify for damage caused as a result of gross negligence if the insurance coverage described in clauses 94.10–94.12 of the terms and conditions applies according to the policy;

INTOXICATION

95.2. damage caused by the insured person, their employee or servant, or the person for whom the insured person is liable, while intoxicated, that is to say, by drinking alcohol, drugs or any other form of intoxication;

NON-MATERIAL DAMAGE AND LOSS OF INCOME

95.3. damage caused by non-pecuniary (or moral) damage and loss of income, except for decrease in or loss of income related to damage to the health of a third party (for the purposes of the terms and conditions, the calculation of the decrease in income is considered to be the average income of a third party subject to social tax for the last 12 months) and any other loss that is not material damage, as described in clause 108 of the terms and conditions;

NON-CONTRACTUAL OBLIGATIONS

95.4. claim for damage based on public admission of a charge, misappropriation of property, *negotiorum gestio* or unjust enrichment;

PRODUCER'S AND EMPLOYER'S LIABILITY

95.5. damage caused by a defect in a product manufactured, sold or intermediated by the insured person (producer's liability insurance is necessary to protect against claims arising from a defect in the product), and damage caused to the product itself, which has been produced, sold or intermediated by the insured person, as well as damage caused by an accident at work or an occupational disease involving a person working for the insured person (employer's liability insurance is necessary to protect against claims arising from such damages);

PROFESSIONAL LIABILITY

95.6. damage caused by the provision of a professional service. A professional service is, for example, legal, medical, accountancy, supervision, and design services, as well as other professional advice, measurement and planning services, and services involving estimation and valuation. Professional liability insurance protects against claims arising from the provision of a professional service;

COMPULSORY INSURANCE

95.7. damage covered by compulsory insurance (including motor third party liability insurance);

PENSION INSURANCE OR OTHER SOCIAL SECURITY

95.8. damage covered by pension insurance or other social security schemes;

DAMAGE SUFFERED BY THE INSURED PERSON

95.9. damage caused to the insured person;

CLAIMS BETWEEN INSURED PERSONS AND CLAIMS OF PERSONS RELATED TO THE INSURED PERSON

95.10. claims between insured persons and between the policyholder and the insured person. Similarly, claims brought against the policyholder or the insured person directly or indirectly owned or controlled by the policyholder or the insured person (e.g. a subsidiary or affiliate), as well as by the policyholder or the insured person's legal or contractual representative, family member or immediate family member or person who/that owns the policyholder or the insured person (e.g. parent company or private owner) will be not indemnified;

THIRD PARTY PROPERTY IN THE POSSESSION AND USE OF THE INSURED PERSON

- 95.11. damage caused by the damaging or destruction (including loss, theft, robbery) of third party property (including documents, data media) in the possession, use, custody, treatment, repair or maintenance of the insured person. LHV will indemnify damage caused as a result of damage, destruction, theft, and robbery of property belonging to a third party in the possession of the insured person if the insurance coverage described in clauses 94.8–94.9 of the terms and conditions applies according to the policy;

DELIVERED SERVICE, WORK OR PRODUCT

- 95.12. damage that occurred after the delivery of a service, work or product by the insured person or if they are out of the control of the insured person;

SUBSTANDARD SERVICE

- 95.13. damage resulting from the insured person's failure to provide the service, improper performance or insufficient quality of service (e.g. expenses for reworking, repairing or replacing work performed in accordance with the requirements);

UNINSURED OPERATION

- 95.14. damage that does not result from an insured operation specified in the policy;

FINES AND SANCTIONS

- 95.15. public (e.g. financial penalty, penalty sum, periodic penalty payment, imprisonment) and private (e.g. preliminary deposit, fine for delay, contractual penalty, guarantee, interest) sanctions;

CONTRACTUAL LIABILITY

- 95.16. claims based on breach of contractual obligations and related liability, unless the policy provides for the insurance coverage described in clauses 94.1–94.4 of the terms and conditions;

CONFIDENTIAL INFORMATION

- 95.17. damage caused by the violation of personal rights or the disclosure or making available of any confidential information;

INTELLECTUAL PROPERTY

- 95.18. damage resulting from the infringement of intellectual property rights. Intellectual property rights are copyright and related rights and industrial property (e.g. trademarks, patents, industrial designs);

LACK OF PROFESSIONALISM

- 95.19. damage is caused by the lack or inadequacy of permits, qualifications or licences necessary for the activities of the insured person;

CONSTRUCTION AND REPAIR WORK

- 95.20. damage caused by construction, repair, renovation, demolition, fitting-out or alteration work. The insurance contract extends to these works only to the extent of the operations performed at the insured location for the purpose of daily maintenance;

ELECTRICITY, WATER, STEAM, AND GAS SUPPLY AND INTERNET CONNECTION

- 95.21. damage caused as a result of a disturbance, interruption or shortage of electricity, water, steam, gas or other energy source or internet connection;

HARDWARE, SOFTWARE, AND PROCESSORS

- 95.22. damage directly or indirectly related to any computer or server hardware, software or processors;

CYBERCRIME

- 95.23. damage caused by a computer crime, cybercrime or cyberattack;

DAMAGE TO THE ENVIRONMENT

- 95.24. damage resulting from regular pollution and contamination of the environment (including requirements under the Environmental Liability Directive and the law). With regard to damage to the environment, the insurance contract extends only to damage caused as a result of a sudden and unforeseeable event, whereas the difference between the release of contamination into the environment and its detection must not exceed 72 hours. LHV will indemnify

only for the costs of direct material damage and removal of environmental contamination. LHV will not indemnify personal injury caused by damage to the environment;

LONG-TERM ADVERSE EFFECT

- 95.25. damage caused by long-lasting factors, such as wear and tear, mould, mildew, wastewater, decay, corrosion, moisture, dust, noise, and light (excluding damage caused by a sudden and unforeseeable event such as a fire);

PRECIPITATION AND MELTWATER

- 95.26. damage caused by the intrusion of precipitation, including snow or meltwater, through the boundary structures of a construction (e.g. roof, walls or other building structures). As an exception, the first intrusion of water through the boundary structures of the construction, which is not caused by holes or structures that are partially or completely uncovered or temporarily covered by the construction work, a construction defect, natural wear and tear of the material, incompatibility or fatigue (e.g. cracks caused by weather, which were inherently foreseeable), will be indemnified at the insured location. The exception applies on the condition that no water has penetrated into the construction during the last three (3) years;

SUBSIDENCE AND MOVEMENT OF THE SOIL

- 95.27. damage caused by subsidence or movement of the earth's surface, including an earthquake, landslide, erosion and vibrations;

FORCE MAJEURE

- 95.28. force majeure involves circumstances beyond the control of the insured person. Among other things, the insurance contract does not cover losses caused by a natural disaster (natural phenomenon of exceptional nature), *coup d'état*, uprising, terrorism, revolution, state of emergency, civil disturbance, act of foreign enemy, strike, crime, expropriation of property, confiscation, nationalisation, and any other similar event;

EXPLOSIVES AND HANDLING OF WEAPONS

- 95.29. damage caused by any explosive (including blasting operations), articles containing explosives, pyrotechnic articles or weapons (including firearms, chemical and biological weapons, and electromagnetic weapons);

OTHER ENVIRONMENTAL AND HEALTH HAZARDS

- 95.30. damage caused by asbestos, tobacco or a tobacco product, toxic mould, medicines, any infections and infectious diseases (including AIDS, HIV, and hepatitis), dioxin, urea-formaldehyde, diethylstilbesterol, furan, genetically modified substance or organism, perfluorinated and polyfluorinated alkyl compounds, disease agents, pesticides, radioactive radiation, nuclear energy, magnetic, electrical or electromagnetic fields;

KNOWN POOR CONDITION OF THE CONSTRUCTION

- 95.31. damage caused by the demonstrably or knowingly poor condition of a construction, including a building, part of a building, structure or appliance, and due diligence (e.g. failure to comply with the need for repairs, failure to implement primary measures to prevent damage).

NON-ELIGIBLE OBJECTS AND FIELDS OF ACTIVITY

- 95.32. LHV will not indemnify claims related to the following objects and fields of activity:
- 95.32.1. management of landfills or waste treatment centres;
 - 95.32.2. non-land-based, i.e. offshore and hydraulic engineering works;
 - 95.32.3. blasting and ramming, underground and underwater works;
 - 95.32.4. owning, operating, managing or using a harbour, quay, vessel, airport, railway, and railway vehicle;
 - 95.32.5. constructing, repairing and maintaining aircraft and vessels;
 - 95.32.6. damage to aircraft and vessels;
 - 95.32.7. work on airport premises and in the air traffic control centre;
 - 95.32.8. operating and managing a water park, ski resort, and amusement park.

Validity of the insurance contract

96. The insurance contract is valid for the terms and conditions of insurance, the insurance period, and the insurance territory agreed in it. If the policy does not specify the insurance territory, the insurance contract is valid for insured events occurring in the Republic of Estonia.
97. The insurance contract is valid for claims made against the insured person within three (3) years after the end of the insurance period, with the act giving rise to the damage having occurred during the insurance period. The insured person is obliged to inform LHV of the claims made against them as soon as possible.
98. If the cover of the insurance contract extends outside the Republic of Estonia, the law is applied on the basis of the Private International Law Act. However, the insurance coverage does not apply to claims for damages that are governed by the law and jurisdiction of a state other than that indicated as the insurance territory.

Sum insured and indemnity limit

99. The sum insured is the amount specified in the policy, which is the largest payout amount of all insurance indemnities (including legal expenses) paid during the insurance period.
100. The indemnity limit is the maximum amount of insurance indemnity payable specified in the policy for the insurance period, insured event, legal expenses, type of damage or insurance risk. The indemnity limit is not added to the sum insured but is included in it.

Legal expenses

101. Legal expenses, court and expert assessment, and extrajudicial legal expenses incurred in rejecting and processing claims for damages against the insured person will be indemnified. LHV will also indemnify legal expenses if the claim against the insured person later turns out to be unfounded.
102. Only legal expenses previously agreed with LHV will be indemnified.
103. LHV will not indemnify legal expenses if indemnification for damage is excluded by the terms and conditions.
104. The insured person is obliged to reimburse LHV for legal expenses if the court orders a third party to reimburse legal expenses in favour of the insured person.
105. LHV will be released from its further obligation to indemnify legal expenses if, during the proceedings for damage, it becomes clear that the cause of the damage is the exclusion specified in the terms and conditions. LHV will be released from its obligation to perform at the moment when it became aware of the exclusion applicable to the loss event.

Insurance indemnity and damage to be indemnified

INSURANCE INDEMNITY

106. The insurance indemnity is a sum that is paid out to indemnify for material damage caused as a result of an insured event and necessary legal expenses.
107. On the basis of the general third party liability insurance coverage, LHV will indemnify material damage caused to a third party by the insured person in the course of the insured operation specified in the policy, as well as the legal expenses incurred by the insured person in order to repel claims against them.

Material damage to be indemnified

108. LHV will indemnify the following material damage:
- 108.1. damage to property, i.e., the cost of repairing or replacing the object with an equivalent as a result of damage to or destruction of an object belonging to the injured person. If it is not possible to repair the object or acquire a new equivalent object, LHV will indemnify the value of the object;
- 108.2. personal injury, i.e., expenses incurred as a result of damage to health, bodily injury or the causing of death to an injured person;
- 108.3. material damage which is not damage to property or personal injury but is a direct consequence of such damage. LHV will indemnify up to 20% of the total personal injury and/or damage to property for other proprietary damage

suffered by the injured person (e.g. the cost of filing a claim for compensation) that is directly related to damage to property and/or personal injury.

Non-eligible damage

109. LHV will not indemnify the following:
- 109.1. non-material, or moral damage, which includes in particular the physical and mental pain and suffering of the injured person;
 - 109.2. loss of income other than loss or reduction of income related to the person's health.

Principles of indemnification in liability insurance

- 110. If more than one person makes a claim against the insured person in respect of the same insured event and the total amount of the claims exceeds the sum insured stated in the policy, LHV will indemnify the claims on a pro rata basis, based on the amount of the claims up to the sum insured stated in the policy (provided that the claims are made in time and LHV has not already indemnified other claims).
- 111. If the insured person is jointly and severally liable with other persons for damage caused to a third party (solidary liability), LHV determines the insurance indemnity on the basis of the share of the insured person's liability distribution in the relationship between joint and several debtors.
- 112. When indemnifying damage, LHV proceeds from the legislation in force at the time of the insured event, the terms and conditions of the insurance contract, the sum insured specified in the policy, the indemnity limit, and the deductible.
- 113. The sum insured applicable to the insurance period and the indemnity limits are reduced equally by the insurance indemnity paid out under the insurance contract and by the legal expenses. An additional contract can be concluded to restore the amount of the sum insured and the indemnity limit.
- 114. If the policyholder insures the same insured risk with several insurers and the total amount of insurance indemnities paid by the insurers exceeds the amount of the damage or the sum insured exceeds the insurable value, the insurers are jointly and severally liable (multiple insurance).
- 115. In addition, LHV will proceed from the general principles of indemnification set out in clauses 123–128 of the terms and conditions when indemnifying damage.

DEDUCTIBLE

- 116. The deductible is the sum shown in the insurance contract which is payable by the policyholder in the case of an insured event. In the event of an insured event involving general third party liability insurance, LHV will indemnify the injured person for the damage and the policyholder pays LHV the amount of the deductible.
- 117. The deductible for claims arising from the same event or cause will be calculated only in the case of the first insurance indemnity payable. If the damage has occurred as a result of several insured events, the deductible is applied separately for each insured event.
- 118. No deductible is applied to legal expenses unless otherwise agreed in the policy.

Safety requirements

- 119. The policyholder and the persons equated with the policyholder are obliged to comply with the safety requirements specified in clauses 48 to 53 of the terms and conditions.
- 120. LHV has the right to refuse indemnification or reduce the insurance indemnity if the policyholder or the persons equated with the policyholder has/have not complied with the safety requirements specified in clauses 48–53 of the terms and conditions and as a result, damage occurred or there was a causal connection with the loss event.
- 121. In the case of compliance with safety requirements, insured persons are considered to be the person equated with the policyholder, and in the case of general third party liability insurance, also persons used in economic activities (e.g. subcontractors).

General contractual terms and conditions

The general contractual terms and conditions shall apply to all types of insurance specified in the terms and conditions.

Conduct in the case of a loss event

122. In the event of a loss event, the policyholder must:
 - 122.1. take measures to prevent or reduce further damage;
 - 122.2. call 112 immediately if someone's life, health, property or environment is in danger or if there is reason to believe that something dangerous is about to happen, and in other instances call the relevant competent authorities or persons;
 - 122.3. notify LHV of the loss event immediately, but no later than within seven (7) days after the occurrence of the loss event or becoming aware of it;
 - 122.4. submit to LHV any claim for damages submitted to them in the case of general third party liability insurance, as well as notify LHV of the commencement of any legal or other proceedings that may give rise to liability of the insured person and of any circumstance that may result in the occurrence of an insured event immediately, but no later than five (5) days from the time the insured person became aware of the circumstance or the submission of the claim. The insured person may not give any consents or promises related to indemnification for damage before having coordinated them with LHV;
 - 122.5. inform LHV, in the case of general third party liability insurance, in a format that can be reproduced in writing at the earliest opportunity of any claim for compensation by a third party or if the third party waives the claim for damages;
 - 122.6. follow the instructions given by LHV and, if possible, keep the location of the insured event untouched until further notice from LHV;
 - 122.7. submit the damaged object or its remnants to LHV or a person designated by LHV for inspection after the insured event. It is forbidden to start restoring a damaged object or disposing of a destroyed object without the consent of LHV;
 - 122.8. provide LHV with the necessary information about the circumstances of the loss event and the possible perpetrator of the loss, and allow LHV access to the damaged object;
 - 122.9. take into account that, in order to establish the circumstances of the loss event, LHV may, *inter alia*, require the policyholder to submit:
 - 122.9.1. the documents proving the expenses incurred due to the loss event;
 - 122.9.2. a certificate issued by the police in the case of property damage;
 - 122.9.3. a certificate issued by the Rescue Board in case of fire;
 - 122.9.4. the explanations about the loss event.

General principles for indemnification

123. In the event of an insured event, LHV will indemnify the direct and reasonable costs of restoring or replacing the insured object and other costs specified in the terms and conditions, less the deductible specified in the insurance contract.
124. LHV will make a decision on indemnification for damage within 10 working days of receiving all the necessary information about the loss event and the amount of damage. If, for reasons beyond LHV's control, LHV is unable to determine the full amount of the damage, LHV will first indemnify the part of the damage to the extent of which the amount of the damage is clear in the case of an insured event. LHV may extend the deadline for making a decision on indemnification for damage for good reason.
125. In the case of indemnification for damage, LHV has the right to demand the transfer of the right of ownership of the damaged insured object or its remnants to LHV. If the policyholder wishes to leave the damaged insured object in their ownership, LHV will reduce the insurance indemnity by the market value of the object after the insured event.
126. LHV will not indemnify the part of taxes (such as VAT) that are refundable on the basis of law.

127. If LHV pays out the insurance indemnity in cash, the person entitled to receive the insurance indemnity is obliged to submit the bank account number and the name of the account holder to LHV.
128. Regardless of the recipient of the insurance indemnity and the payment deadline, LHV has the right to withhold from the insurance indemnity the insurance premiums not paid for the insurance period.

LHV right of subrogation

129. The right of claim belonging to the policyholder, the insured person or the beneficiary against the person liable for the damage, including the person used in the insured person's economic activity (e.g. a subcontractor), will be transferred to LHV in the amount of the indemnified sum upon payment of the insurance indemnity.
130. If the policyholder, insured person or beneficiary waives their claim against the person responsible for the damage, LHV will be released from the obligation to perform to the extent that LHV could have demanded indemnification for the damage from the person liable for the damage.

Obligations of the policyholder

131. The policyholder is obliged to:
 - 131.1. pay insurance premiums in the agreed amount and manner;
 - 131.2. notify LHV of the loss event as soon as possible, but no later than within seven (7) days after it occurred or they became aware of it;
 - 131.3. provide LHV with complete and correct information for the purpose of assessing the insurance risk and to inform LHV, when concluding the insurance contract, of all material circumstances of which it is aware that affect or may affect the decision to conclude the insurance contract on the agreed terms and conditions;
 - 131.4. notify LHV of the occurrence of multiple insurance;
 - 131.5. inform LHV, at the earliest opportunity, that the information provided to LHV turned out to be incorrect or incomplete;
 - 131.6. allow the representative of LHV to inspect the insured location, the insured object and the documents and information necessary for the conclusion of the insurance contract;
 - 131.7. explain to all the persons equated with the policyholder the obligations and requirements arising from the insurance contract. Breach of obligations by such persons will be treated as a breach of the contract by the policyholder;
 - 131.8. notify LHV immediately of an increase in the insurance risk, the transfer of the insured object or the occurrence of circumstances that significantly affect the business (e.g. expansion of production activities, addition of hazardous activities to the insured location). An increase in the insurance risk is considered to be a situation where the circumstances affecting the insurance risk, about which LHV has requested information when concluding the insurance contract, have changed and, as a result, the likelihood of an insured event occurring has increased;
 - 131.9. make every effort to prevent an insured event and minimise the damage;
 - 131.10. avoid a possible increase in the insurance risk;
 - 131.11. submit a signed application to the police to initiate proceedings in the case of a vandalism, burglary or robbery loss event;
 - 131.12. surrender the stolen or robbed object to LHV upon its return after LHV has paid the insurance indemnity for it, or return to LHV the benefit paid for the returned object;
 - 131.13. return the insurance indemnity paid to LHV in the event that, after LHV has indemnified the damage, circumstances precluding indemnification arise or the damage is indemnified by a third party;
 - 131.14. allow LHV to identify the circumstances related to the insured event in order to identify the cause, amount, and persons liable for the damage and, if necessary, to involve experts and/or to authorise LHV to obtain information to determine the circumstances of the insured event. If the policyholder fails to fulfil this obligation, due to which LHV is unable to determine actual damage or other significant circumstances, LHV will be released from the obligation to perform the insurance contract;
 - 131.15. organise their accounting on the basis of the legislation of the Republic of Estonia and the current standards.

Obligations of LHV

132. LHV is obliged to:
- 132.1. indemnify the damage incurred in the event of an insured event, including the necessary expenses incurred by the policyholder to determine the damage in accordance with the terms and conditions. LHV will indemnify the costs of hiring an expert and adviser if the policyholder has agreed these costs with LHV in advance;
 - 132.2. familiarise the policyholder with the documents related to the insurance contract prior to the conclusion of the insurance contract and to keep confidential the information disclosed to LHV in connection with the insurance contract;
 - 132.3. issue to the policyholder a replacement policy, copies of the policyholder's declarations of intent submitted in a format that can be reproduced in writing, and data and copies of documents that affect the policyholder's rights or obligations arising from the insurance contract, if such activity does not conflict with legislation;
 - 132.4. start handling the insured event immediately after receiving the notice of loss, and determine the amount of indemnifiable loss;
 - 132.5. inform the policyholder, upon receipt of the notice of loss or damage, of the documents that the policyholder must submit to LHV to establish the cause and amount of the loss or damage;
 - 132.6. make a decision on compensation for damage or refusal to do so no later than within 10 working days after the receipt of all required documents and determination of the amount of damage and the circumstances of its occurrence;
 - 132.7. pay the insurance indemnity within a reasonable period of time, but not later than two (2) weeks after the completion of the claims handling procedures and the decision on indemnification, unless otherwise agreed. If LHV delays with the performance of a financial obligation, it is required to pay default interest at the rate provided in the Law of Obligations Act;
 - 132.8. indemnify the policyholder to the agreed extent for the costs related to the prevention or reduction of the damage suffered by the policyholder, which the policyholder considered necessary, even if covering them did not bring the desired result. LHV must indemnify the policyholder for the costs incurred on the basis of its instructions to the agreed extent even if they, together with another indemnity, exceed the sum insured specified in the policy;
 - 132.9. refuse to pay the insurance indemnity if the payee is subject to a corresponding restrictive international financial sanction established on the basis of resolutions of the United Nations or the relevant legislation of the European Union or the Republic of Estonia.

Release from performing the insurance contract

133. LHV has the right to refuse indemnification or reduce the insurance indemnity if:
- 133.1. the policyholder or a person equated with the policyholder has caused damage intentionally, through gross negligence or in a state of alcohol or drug intoxication, and the relevant condition is causally related to the loss event;
 - 133.2. the policyholder or a person equated with the policyholder has caused an insured event by committing, aiding or abetting the crime;
 - 133.3. the policyholder has intentionally provided LHV with false or misleading information or has failed to provide important information concerning material facts of the insurance contract or the loss event;
 - 133.4. the policyholder fails to pay the premium by the due date or by an additional deadline and the insured event occurs after the expiry of the additional deadline, unless the policyholder's failure to pay is due to circumstances beyond their control;
 - 133.5. the policyholder has failed to comply with safety requirements or other obligations under the terms and conditions or the law, and such conduct has a causal link with the occurrence or increase of the loss;
 - 133.6. the policyholder has violated the insurance contract and the breach has an impact on the occurrence of the damage, its amount or the determination of the circumstances of the loss event. LHV has the right to reclaim the insurance indemnity paid out in part or in full if LHV became aware of the breach of the insurance contract only after indemnification of the damage;

- 133.7. the insured person waives their claim or right of claim against the person who caused the damage or if the exercise of LHV's right of subrogation proves impossible due to the fault of the insured person (e.g. exceeding the time limit for filing a claim, failure to submit the necessary documents);
- 133.8. the insured person indemnifies a third party for damage or recognises a claim for damages brought by a third party in a situation where the liability or extent of liability of the insured person is not clear;
- 133.9. it is not possible to establish the circumstances and amount of the loss event;
- 133.10. the payee is subject to an international financial sanction imposed by the Republic of Estonia, the European Union, the United Nations, the United Kingdom of Great Britain and Northern Ireland, or the United States of America.

Conclusion, entry into force, and validity of the insurance contract

- 134. LHV issues a policy based on the data provided by the policyholder. By entering into an insurance contract, the policyholder confirms the correctness and completeness of all the submitted data.
- 135. An insurance contract will be deemed to have been concluded if at least one of the following conditions is met:
 - 135.1. the policyholder has paid the insurance premium or the first instalment to LHV by the deadline specified in the policy;
 - 135.2. the policyholder has signed the policy in writing;
 - 135.3. the policyholder has emailed LHV its consent to the insurance offer made by LHV.
- 136. The insurance contract is concluded for a fixed term.
- 137. The insurance contract enters into force upon receipt of the insurance premium or the first instalment, but not before the start date of the insurance period specified in the policy. The insurance contract is valid until the end date of the insurance period specified in the policy.
- 138. The insurance coverage is not valid before the insurance contract enters into force.
- 139. The insurance coverage is not valid from the date on which it is in conflict with, or has become incompatible with, international restrictions, prohibitions or sanctions imposed on the policyholder, insured person or beneficiary by the United Nations, the European Union, the United Kingdom of Great Britain and Northern Ireland or the United States of America.

Amendment and renewal of the insurance contract

- 140. In order to amend the insurance contract, the policyholder will turn to LHV by submitting a declaration of intent to LHV in a format that can be reproduced in writing. The insurance contract has been amended if LHV has issued an amended policy to the policyholder. If the amendment to the insurance contract involves an additional insurance premium, the amendment to the insurance contract will enter into force upon payment of the additional insurance premium, but not before the start date of the amendment of the insurance contract indicated in the policy with the amendment.
- 141. LHV has the right to forward to the policyholder the insurance offer for the next insurance period before the end of the valid insurance period.

Termination and cancellation of the insurance contract and withdrawal from the insurance contract

TERMINATION OF THE INSURANCE CONTRACT

- 142. The insurance contract is terminated:
 - 142.1. at the end of the insurance period;
 - 142.2. upon cancellation of the insurance contract;
 - 142.3. upon withdrawal from the insurance contract;
 - 142.4. by agreement between the policyholder and LHV;
 - 142.5. on other grounds provided for by legislation.

CANCELLATION OF THE INSURANCE CONTRACT

143. LHV has the right to cancel the insurance contract, observing the deadlines for cancellation provided by legislation if:
- 143.1. the policyholder has failed to comply with the insurance contract, including failure to pay the premium by the due date or by an additional deadline;
 - 143.2. the policyholder has intentionally provided LHV with false information about the insurance contract and/or the circumstances of the insured event;
 - 143.3. an insured event has occurred and LHV has made a decision on indemnification or non-indemnification;
 - 143.4. the insured risk has increased, including where the insured risk has increased independently of the policyholder, and the policyholder does not agree to amend the insurance contract retroactively from the increase in the insured risk;
 - 143.5. the insured object has been transferred;
 - 143.6. international restrictions, prohibitions or sanctions have been imposed by the United Nations, the European Union, the United Kingdom of Great Britain and Northern Ireland, or the United States of America against the policyholder, insured person or beneficiary;
 - 143.7. other grounds for cancellation of the insurance contract established in the legislation emerge.

WITHDRAWAL FROM THE INSURANCE CONTRACT

144. LHV has the right to withdraw from the insurance contract if the policyholder has not notified LHV of significant circumstances affecting the insurance risk when concluding the insurance contract and/or has knowingly submitted false information, including intentionally avoiding reporting a material fact. LHV may withdraw from the insurance contract within one month after it became aware, or should have become aware, of the policyholder's failure to comply with the notification obligation.
145. If the policyholder has not paid the first insurance premium within 14 days after the conclusion of the insurance contract, LHV may withdraw from the insurance contract until the payment is made. If the insurance premium paid, including the instalment, is less than the amount due specified in the policy, the insurance premium will be deemed not to have been paid. LHV will be deemed to have withdrawn from the insurance contract if they do not bring an action to recover the premium within three (3) months of the date on which the premium became due.
146. If the insurance contract has been concluded for a period of more than one (1) year, the policyholder has the right to withdraw from it within 14 days of the conclusion of the insurance contract. The policyholder must submit an application to LHV concerning withdrawal in a format that can be reproduced in writing. In the case of withdrawal, LHV will refund the premium paid. If LHV has provided immediate insurance coverage to the policyholder, the policyholder has no right of withdrawal.
147. If the insurance contract has been cancelled or withdrawn, the parties to the insurance contract will no longer have the obligations arising from the contract as of the termination of the insurance contract. As an exception, if the insured object has been destroyed as a result of an insured event or the insurance indemnity has been paid out during the insurance period to the full extent of the sum insured, LHV has the right to receive insurance premiums for the current insurance period. Other rights and obligations of the parties are valid until the termination of the insurance contract.

Communication of notices

148. All notices necessary for the performance of the insurance contract will be given in a format that can be reproduced in writing.
149. The policyholder will forward all notices necessary for the performance of the insurance contract to LHV to the email or postal address specified in the policy.
150. LHV will forward all notices necessary for the performance of the insurance contract to the policyholder, the insured person or the beneficiary to the email, postal address or mobile phone number specified in the policy.
151. Notices, policies, and other documents related to the insurance contract sent in the manner described in clauses 149–150 of the terms and conditions will be deemed to have been served.

152. LHV publishes general notices on its website at www.lhv.ee or through the media.

Processing of personal data

153. LHV is entitled to process personal data relating to an insurance contract on the basis of the LHV Customer Data Processing Principles and to disclose information relating to an insurance contract to third parties who are entitled to receive the information on the basis of the LHV Customer Data Processing Principles.
154. LHV has the right to store recordings obtained by communication and other means in connection with the performance of the insurance contract and, if necessary, to use them to prove the declarations of intent submitted by the policyholder.

Limitation of claims under insurance contracts

155. The limitation period for claims under an insurance contract is three (3) years. The limitation period runs from the end of the calendar year in which the claim becomes due.
156. If the policyholder has submitted a claim for indemnification for damage to LHV and LHV has notified the policyholder in writing of the non-indemnification of the damage or reduction of the indemnity, LHV will be released from the obligation to perform if the policyholder does not file an action for forcing the performance of the obligation within one (1) year from the receipt of the response on the rejection of the claim. LHV will not be released from the obligation to perform if it does not inform the policyholder in its response of the legal consequences of the expiry of the one-year term.

Inconsistencies in the documents of the insurance contract

157. If there are inconsistencies in the documents of the insurance contract, the interpretation is based on the assumption that the special conditions specified in the policy take precedence over the terms and conditions of insurance.
158. If the terms and conditions have been translated into a foreign language, then in the event of a dispute, their interpretation will always be guided by the terms and conditions in Estonian.

Applicable law and settlement of disputes

159. If the policyholder does not agree with LHV's decision or wishes for additional explanations, they may contact LHV by sending an e-mail to kindlustus@lhv.ee and a letter to Tartu mnt 2, 10145 Tallinn.
160. The extra-judicial body of insurance disputes is the insurance dispute conciliation body operating at the Estonian Insurance Association, email address lepitus@eksl.ee and postal address Mustamäe tee 46, 10621, Tallinn.
161. The legislation of the Republic of Estonia applies to the insurance contract, and disputes arising from the insurance contract will be resolved in Harju District Court.
162. LHV as the insurer is supervised by Finantsinspektsioon (Estonian Financial Supervision and Resolution Authority), email address info@fi.ee and postal address Sakala 4, 15030 Tallinn.