

Home insurance terms and conditions

Property insurance 1/2020

Effective as of 1 July 2020

These home insurance terms and conditions (hereinafter referred to as terms and conditions) form part of the home insurance contract entered into between the Estonian Branch of Compensa Vienna Insurance Group, ADB, the brand of which in Estonia is Seesam (hereinafter referred to as Seesam), and the policyholder.

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PURPOSE OF INSURANCE

- 1 The purpose of the insurance contract is to indemnify direct damage arisen as a result of an insured event due to destruction of or damage to an insured object and separately specified expenses in accordance with the home insurance terms and conditions and the general terms and conditions of the contract.

PLACE OF INSURANCE

- 2 The place of insurance is a building, ancillary building, terraced house, semi-detached house, apartment and the storage room belonging to the apartment located at the address specified in the policy.

INSURED OBJECT

- 3 The policyholder can choose which object specified in the following clauses they want to insure.
- 4 An insured object is a building, facility, apartment, apartment ownership, household property, claim for rental expenses of temporary residence of an insured person, or a claim for loss of rental income as provided in the policy.
- 5 A **construction work** is a structure that is created as a result of human action and is attached to or supported by the ground underneath and whose purpose of use, aim, manner of use or durability make it distinguishable from other structures.
- 6 A **building** is a legal construction work permanently attached to the ground and having an interior space separated from the external environment by a roof and other parts of the building envelope.
- 7 A **residential building, ancillary building, sauna, terraced house and semi-detached house** may be insured as a **building**.
- 8 An **ancillary building** is a building not used for residential purposes (e.g. a shed, storehouse, livestock housing, barn, garage, garden house, playhouse).
- 9 A **sauna** located separately from the residential building is only insured if so specified in the policy.
- 10 The building insurance covers essential parts of the building, incl. the main structures, interior and exterior finishing, permanently attached bathroom and kitchen furniture (except for integrated household appliances), doors, windows as well as the heating, cooling, water, gas supply, sewerage, power supply and ventilation systems permanently locating in the building, and the connecting wires, pipes, channels and tanks. Radio and television antennae, lighting fixtures and parts of air-conditioning appliances installed on the exterior sides or the roof of the building are insured.
- 11 Heating, cooling, gas supply, water, sewerage and ventilation systems, air-conditioning, communications and security alarm systems as well as the power supply system located outside but permanently attached to the building or a part of the building are insured up to the boundary of the registered immovable.
- 12 The building insurance automatically covers to the value of up to 10,000 euros the following items located on the same registered immovable:
 - 12.1 facilities. A facility is a construction work which is permanently attached to the ground and is not a building (clause 7), e.g. a gazebo, car shelter, outdoor kitchen, well, fence, flagpole, outdoor lighting fixture, outdoor pool, wind power generator, bathing barrel, paved roads, ball game courts and playgrounds;
 - 12.2 ancillary buildings (clause 8) with a closed net area of up to 20 m². If a terrace or shelter has been built as an attachment to an ancillary building, the area under the construction work must be taken into account upon insuring;
 - 12.3 the heating fuel used for heating the insured building and located in the building.
- 13 If the building insurance cover option chosen for the policy is extended all-risk insurance, the restoration expenses of the landscaping of the yard land belonging to the residential building following an insured event are insured to the value of up to 6,000 euros.
- 14 The insurance of a **terraced house and a semi-detached house** covers the interior finishing and the essential parts of the building located within the boundaries of the terraced house or semi-detached house up to the interior finishing of the neighbouring housing section. The parts of the building (e.g. partition enclosures of terraces), utility, low-current and power supply systems designated for joint use and not located in the insured terraced

house or semi-detached house as well as ancillary buildings (clause 8) and facilities (clause 12.1) are insured to the extent that corresponds to the share of the area of the terraced house or semi-detached house in the total area of the building.

- 15 Unless otherwise specified in the policy, the building insurance does not cover the following:
 - 15.1 portable and/or integrated equipment (e.g. an electric cooker, refrigerator, washing machine, electric radiators), furniture, curtain rods and fittings, curtains, removable carpets and lighting fixtures (except for built-in lighting fixtures) as well as other household property;
 - 15.2 advertisements installed on the exterior side of the building or on the registered immovable;
 - 15.3 soil, plants, landscaping (except in the case specified in clause 13), garden sculptures;
 - 15.4 water (incl. water in the well, pipelines and pool), gas in the pipelines or equipment;
 - 15.5 ponds, wharves, moles, berths, other facilities built in water;
 - 15.6 removable and/or wheeled caravans, tents, inflatable structures, temporary facilities, greenhouses with film cover;
 - 15.7 solar panels that are separate from the building and located on the same registered immovable and that are to be or have been installed as well as the devices that belong thereto.
- 16 An **apartment** is delimited residential space that can be independently used as well as the parts thereof that can be altered without damaging common ownership or the rights of other apartment owners or without altering the external form of the building. The apartment insurance covers doors and windows as well as the finishing of balconies, recessed balconies or terraces of the apartment, floor, wall and ceiling covering materials, non-load-bearing partition walls, built-in furniture (incl. kitchen and bathroom furniture, permanently attached sliding doors), utility systems located in the apartment, permanently attached heating sources, parts of air-conditioning appliances of the apartment that are installed on the exterior side of the building.
- 17 The apartment insurance also covers the heating fuel used for heating only the insured apartment and located in a building on the same registered immovable as the apartment building.
- 18 The apartment insurance does not cover:
 - 18.1 structures that ensure the stability or safety of the building (load-bearing structures, foundation, roof, stairs);
 - 18.2 load-bearing and/or main structures (incl. hydroinsulation) of a balcony or a recessed balcony;
 - 18.3 parts of the building, systems or equipment designated for joint use by apartment owners (boiler room, utility system, lifts, interior finishing of the stair hall, exterior finishing of the building) and other items in the common ownership of apartment owners;
 - 18.4 portable and/or integrated equipment (e.g. an electric cooker, refrigerator, washing machine, electric radiator), furniture, curtain rods and fittings, curtains, removable carpets and lighting fixtures as well as other household property;
 - 18.5 water (including water in the well, pipelines and pool), gas in the pipelines or equipment.
- 19 **Apartment** ownership is the insured apartment (clause 16) and the pertaining parts of the building and appliances in the common ownership of apartment owners (clauses 18.1 to 18.3). The part in common ownership is insured to the extent that corresponds to the size of the insured apartment in the entire building.
 - 19.1 The apartment ownership insurance covers externally located utility systems (e.g. heating, cooling, water and gas supply, sewerage and ventilation systems as well as air conditioning, communications and security alarm systems) and the power supply system up to the boundary of the registered immovable. The utility and power supply system is insured to the extent that corresponds to the size of the insured apartment in the entire building.
- 20 The apartment and apartment ownership insurance covers the interior finishing of a storage room/cellar which is not directly connected with the insured apartment or apartment ownership, but is located in the same building and is in the sole use of the policyholder, the door of the storage room and shelves permanently installed in the storage room.
- 21 The appliances and items servicing the building or apartment (e.g. a boiler, heat pump, furnace, wood stove) are insured as sets of integrated items including all the essential parts of the appliances and items. The essential parts of the appliances and items are their parts that cannot be separated from the appliance without destroying, damaging or significantly amending the appliance or the item or the part being separated from them or without aggravating the purposeful use of the appliance or item or making it impossible.

- 22 **Household property** is the movable property located in the place of insurance and owned by the insured person or in their legal possession. This includes furniture (except for permanently attached kitchen and bathroom furniture that is insured with the construction work), household appliances, electrical home appliances, clothes, tableware, etc. The insured sum of household property is specified in the policy.
- 23 Unless otherwise specified in the insurance policy, the insurance covers:
- 23.1 art, collections, valuables and clocks – with a limit of indemnity of 4,000 euros. Valuables are jewels, precious metals and items made thereof, precious and semi-precious gemstones;
 - 23.2 land vehicles and watercraft not subject to registration, e.g. bicycles, self-balancing vehicles, electric bicycles, boats (of the total length of up to 2.5 metres), riding lawn mowers, robot lawn mowers and parts thereof – with a limit of indemnity of 4,000 euros;
 - 23.3 navigation equipment, a ski box, tyres and wheel rims of a motor vehicle that are temporarily removed from the motor vehicle and are located in the insured building or apartment – with a limit of indemnity of 4,000 euros;
 - 23.4 uninstalled building materials located in the insured building or apartment – with a limit of indemnity of 4,000 euros.
- 24 The insurance covers household property that is accompanying the policyholder or their family member permanently living with the policyholder in the place of insurance while they are outside of the place of insurance but within the borders of the Republic of Estonia – with a limit of indemnity of 1,000 euros. *For example, the policyholder goes to the gym in a sports club and leaves their belongings in the locker. The belongings are stolen from the locker.*
- 25 If the insurance cover option chosen for the policy is extended all-risk insurance, the insurance covers household property that is accompanying the policyholder or their family member permanently living with the policyholder in the place of insurance while they are outside of the place of insurance but within the borders of the European Union Member States, United Kingdom of Great Britain and Northern Ireland, Iceland, Norway and Liechtenstein – with a limit of indemnity of 2,000 euros.
- 26 If household property is insured, insurance cover to the value of 10% of the insured sum of household property also applies automatically to property in locked storage rooms (cellars) located in a locked building on the same immovable property as the insured residential building or in the same building as the apartment and in the sole use of the policyholder.
- 27 If the household property insurance cover option chosen for the policy is **extended all-risk insurance**, the insurance also covers:
- 27.1 in the case of theft of a passport, identity card or driving licence, the expenses of issue of a new document – to the value of up to 100 euros without applying a deductible;
 - 27.2 the expenses of the transactions unlawfully concluded or cash withdrawn from an ATM with a bank card stolen or robbed from the policyholder or their family member living with the policyholder in the place of insurance – to the value of up to 1,000 euros;
 - 27.3 cash stolen from the place of insurance – in an amount of up to 300 euros;
 - 27.4 upon loss of keys, the expenses of replacing the door lock – without applying a deductible;
 - 27.5 the restoration expenses of legal software that was destroyed as a result of an insured event – to the value of up to 500 euros. Documents certifying the acquisition of the destroyed software must be submitted to Seesam in order to receive the insurance indemnity;
 - 27.6 the expenses incurred on the veterinary care of pets (e.g. a cat, dog) as a result of the occurrence of an insured event – to the value of up to 300 euros. In such a case, the expenses incurred to buy medicinal products not registered in the Estonian register of veterinary medicinal products or while treating the pet without contacting a veterinarian are not indemnified.
- 28 Unless otherwise specified in the insurance contract, household property insurance does not cover the following:
- 28.1 the construction work and parts thereof;
 - 28.2 mobile phones, tablet computers, smart watches and other similar smart devices older than two years and desktop and laptop computers older than four years as well as parts thereof;
 - 28.3 agricultural products, foodstuff, alcohol, tobacco, animals, birds, fish;

- 28.4 cash (except to the value specified in clause 27.3), coins, stamps, bonds, securities, cheques, gift certificates, lottery tickets, documents (except to the value specified in clause 27.1), manuscripts, drawings, models, forms, databases, archives;
 - 28.5 information and software contained in an information processing system and on a data medium (except to the value specified in clause 27.5);
 - 28.6 removable and/or wheeled caravans, tents, inflatable structures, temporary facilities, greenhouses with film cover located outside the insured building, apartment or apartment ownership;
 - 28.7 explosives, objects not in compliance with security requirements or legislation;
 - 28.8 motor fuel, land vehicles that were or are subject to registration, their accessories and parts (incl. keys), except for the items specified in clause 23.3;
 - 28.9 watercraft and aircraft (incl. drones), their accessories and parts (incl. keys), except for the items specified in clause 23.2;
 - 28.10 assets used in the economic activities of the policyholder or their family member. For example: goods, product samples, semi-finished products, store equipment, production or service equipment.
- 29 **Rental expenses of temporary residence**
- 29.1 Rental expenses of temporary residence are insured if so specified in the policy.
 - 29.2 Rental expenses of temporary residence are indemnified if it is not possible to live in the insured residential building or apartment as a result of an insured event and it is necessary to rent new residential space. Seesam indemnifies reasonable and justified expenses previously agreed with Seesam and incurred to rent an equivalent replacement residential space and to move there. The expenses are indemnified to the value of the insured sum specified in the policy as of the moment of occurrence of an insured event until the restoration of the building or the apartment that constitutes the insured object, but for no longer than 12 months as of the occurrence of the insured event.
 - 29.3 The insurance cover does not extend to persons who use the insured building or apartment on the basis of a rental contract.
- 30 **Loss of rental income**
- 30.1 Loss of rental income is insured if so specified in the policy.
 - 30.2 The loss of rental income to the value of the insured sum specified in the policy for the building or apartment that constitutes an insured object, was rented out at the time of an insured event and has become uninhabitable as a result of the insured event is indemnified.
 - 30.3 The amount to be indemnified is the loss of rental income based on a rental contract entered into in writing, from the occurrence of the insured event until the restoration of the building or the apartment that constitutes an insured object, but for no longer than 12 months as of the occurrence of the insured event. Public utility charges, late interest or contractual penalties subject to payment or the expenses incurred to find a replacement residential space for the tenant are not indemnified.

INSURANCE COVER OPTIONS

The insurance cover options are:

- 31 **Fire and storm insurance**, in which case the damage caused due to the realisation of the risks of fire, explosion and storm damage is indemnified under the terms and conditions and to the extent specified in clauses 36 to 49 and 57 to 60.
- 32 **Comprehensive insurance**, in which case the damage caused due to the realisation of the risks of fire, explosion, storm damage, theft, robbery, vandalism and pipeline leakage is indemnified under the terms and conditions and to the extent specified in clauses 36 to 60.
- 33 **All-risk insurance**, in which case the damage caused due to the realisation of the risks of theft or robbery of an insured object as well as damage arisen from damage to or destruction of an insured object due to a sudden and unforeseen contact event is indemnified under the terms and conditions and to the extent specified in clauses 64 to 66.

- 34 **Extended all-risk insurance**, in which case the damage caused due to the realisation of the risks of theft or robbery of an insured object as well as damage arisen from damage to or destruction of an insured object due to a sudden and unforeseen contact event is indemnified under the terms and conditions and to the extent specified in clauses 27 and 64 to 66.
- 35 **The insurance cover option chosen by the policyholder is specified in the policy.**

INSURED EVENTS AND RESTRICTIONS

Fire

- 36 Damage caused by fire is indemnified. Fire is a damage caused by fire, smoke and soot spread outside a heating source prescribed therefor and by fire extinguishing.
- 37 Damage caused by lightning that struck an insured object directly and causes visible damages (destructions) or fire to the insured object is indemnified.
- 38 Damage caused as a result of short-circuit, overload or another electrical reason (insulation mistakes, insufficient contact) is not indemnified if no fire has broken out.
- 39 Damage caused by a power supply failure or power fluctuations (incl. excess voltage) that thunder involves is not indemnified if no fire has broken out.

Explosion

- 40 Damage resulting from an explosion is indemnified. Explosion is a shockwave occurring as a result of sudden release of a large amount of energy, which causes visible damages to an insured object.
- 41 Damage caused as a result of an explosion at warehouses where explosives are stored and as a result of professional blasting operations is not indemnified.
- 42 Damage is not indemnified if the explosion has occurred inside an appliance or item that services the insured building or apartment and the damages did not go out of the boundaries of the insured appliance or item (e.g. damage is not indemnified if an explosion occurs inside a heating appliance and only the heating appliance suffers damages).

Storm and hail

- 43 Damage caused by storm and hail that the storm involved and which has directly destroyed the insured building or facility is indemnified.
- 44 If the insured object is an apartment or apartment ownership, the damage is indemnified only if the storm has directly caused destructions to the building where the insured apartment or apartment ownership is located.
- 45 Storm damages to movable property located in a building or apartment are indemnified only if they have cause-and-effect relationship with the storm damages arisen to the insured building or apartment.
- 46 Damage caused by a rising water level (flood) is indemnified if the rise was caused by storm wind in the place of insurance.
- 47 A storm is deemed to be a gust of wind with a speed of at least 18 m/s according to the data of the meteorological observation station closest to the place of insurance.
- 48 If strong wind damages an insured object as a result of a smaller gust of wind than that specified in clause 47, the valid presumption is that damage to the insured object has cause-and-effect relationship with the insufficient building quality of the insured object or with the material fatigue or depreciation arisen over time.
- 49 The following is not indemnified:
- 49.1 damage caused by rainwater or snowmelt water penetrating the construction work through unclosed openings of the construction work or through envelopes of the construction work, except if the openings emerged as a result of the storm;
 - 49.2 damage caused by the weight or movement of ice or snow;
 - 49.3 damage caused by a failure of power supply or power fluctuations (incl. excess voltage) that storm involves.

Acts against property

- 50 Damage caused by **theft**, i.e. deprivation of an insured object by a third party for the purposes of illegal appropriation thereof, is indemnified. Upon theft, the policyholder is required to make an application to the police in order to commence proceedings.
- 51 Damage caused by **robbery**, i.e. deprivation of an insured object by a third party for the purposes of illegal appropriation thereof if the deprivation has been committed using violence, i.e. physical harm, hitting, beating or other physical abuse that causes pain or by threatening to kill or cause physical harm, is indemnified.
- 52 Damage caused by intentional impairment or destruction of an insured object by a third party (vandalism) is indemnified.
- 53 Damage caused by deceit, fraud, appropriation or extortion is not indemnified.
- 54 Damage resulting from loss, disappearance or forgetting of an insured object is not indemnified.

Pipeline leakage

- 55 Damage caused by the following is indemnified:
- 55.1 liquid discharged as a result of a breakage of the water supply, heating or cooling system installed in the insured building or apartment or the rainwater pipeline in the building;
 - 55.2 water discharged as a result of a breakage of a household appliance (e.g. washing machine, boiler) that has a permanent connection to the water supply system in the insured building or apartment, or a breakage of the connecting pieces of such a household appliance;
 - 55.3 liquid discharged from the water supply, heating or cooling system of an apartment of a third party;
 - 55.4 effluent or wastewater discharged as a result of an accident (clogging) within the internal sewerage system.
- 56 The following is not indemnified:
- 56.1 damage caused by liquid that discharged through the building structures (e.g. wall, roof, open windows, balcony) or from the pipeline outside of the building;
 - 56.2 damage caused by overflow in the interior and exterior sewerage system (well or pipe) of the building in connection with rainfall, melting snow or other rise in the water level in the ground.
 - 56.3 damage caused by water vapour, condensed moisture or excessive moisture, except cases caused by the events listed in clauses 55.1 to 55.4;
 - 56.4 the expenses of repairing or reacquiring the household appliance, equipment or pipeline that caused the damage and the expenses incurred to search for the reasons for the damage;
 - 56.5 the cost of the discharged liquid, vapour, gas, etc.

GENERAL EXCLUSIONS OF FIRE AND STORM INSURANCE AND COMPREHENSIVE INSURANCE

- 57 Damage caused by or resulting in the following is not subject to indemnification:
- 57.1 normal wear and tear, soiling, spoilage, corrosion (incl. chemical, electrochemical and biochemical corrosion), material fatigue, rotting, fungal damage, dry rot, mould, condensed moisture, freezing, and other slowly occurring processes;
 - 57.2 poor-quality design, building, renovation, installation or maintenance work; use of defective, faulty or unsuitable materials;
 - 57.3 **Exception.** If a fire or pipeline leakage arises for the reasons specified in clause 57.2, the damage will be indemnified. The expenses of repairing or restoring the item that caused a fire or pipeline leakage are not indemnified. *For example: due to a defective or incorrectly installed chimney a fire occurs and the building is destroyed. The restoration of the chimney is not indemnified, but the restoration expenses of damages to other parts of the building are indemnified. A defective pipeline component breaks and water damages the interior finishing of the apartment. We indemnify the restoration expenses of the interior finishing, but do not indemnify the expenses of replacing or restoring the broken pipe;*
 - 57.4 sinking, cracking, swelling, shrinking, vibration or movement of the ground, the construction work or parts thereof;

- 58 The losses and damages that emerged prior to entry into the insurance contract or the emergence of which was obvious at the time of entry into the insurance contract are not subject to indemnification.
- 59 The damages or expenses of restoring or replacing faulty or defective items that are subject to compensation by the manufacturer, supplier, builder or contractor and for which the aforementioned person is liable on the basis of law or a contract, e.g. warranty, are not indemnified.
- 60 Damage subject to indemnification on the basis of compulsory insurance (e.g. motor third party liability insurance) is not indemnified. If the policyholder or beneficiary does not receive, within a reasonable period of time, insurance indemnity on the basis of a compulsory insurance contract in full or in part, Seesam will not apply the exclusion set out in this clause.

ALL-RISK INSURANCE AND EXTENDED ALL-RISK INSURANCE

- 61 An insured event of all-risk insurance is the damage to or destruction of an insured object due to a sudden and unforeseen contact event (clause 63), taking into account the exclusions and exceptions specified in clauses 64 to 66.
- 62 An insured event of extended all-risk insurance is the damage to or destruction of an insured object due to a sudden and unforeseen contact event (clause 63), taking into account the extensions of the insurance cover specified in clause 27 and the exclusions and exceptions specified in clauses 64 to 66.
- 63 A sudden and contact event is deemed to include, for example, a fire (clause 36), explosion (clause 40), theft (clause 50), robbery (clause 51), storm damage (clause 43), pipeline leakage (clause 55) and other sudden and unforeseen events in the course of which an insured object has become damaged or destroyed as a result of any contact event.

EXCLUSIONS OF ALL-RISK INSURANCE AND EXTENDED ALL-RISK INSURANCE

- 64 **The following is not subject to indemnification:**
- 64.1 the losses and damages that emerged prior to entry into the insurance contract or the emergence of which was obvious at the time of entry into the insurance contract;
- 64.2 any damage caused by or resulting in normal wear and tear, soiling, spoilage, corrosion (incl. chemical, electrochemical and biochemical corrosion), scale, material fatigue, rotting, fungal damage, incl. dry rot, mould, condensed moisture, and other slowly occurring processes. *For example: A decayed fence falls down due to wind. A water pipe breaks due to rust. A decayed beam falls or breaks. Such damages are not subject to indemnification;*
- 64.3 damage caused to household appliances and equipment older than five years and to the utility system (e.g. heat pump, boiler, ventilation system, heating boiler) of the construction work, which is older than seven years, due to interruptions, disruptions or voltage fluctuations in power supply and internal or mechanical failures or disruptions of the insured object;
- 64.4 damage caused by poor-quality design, building, renovation, installation or maintenance work, use of defective or unsuitable materials;
- 64.5 **exception.** If a fire or pipeline leakage arises for the reasons specified in clause 64.4, the damage will be indemnified. The expenses of repairing or restoring the item that caused the fire or pipeline leakage are not indemnified. *For example: due to a defective or incorrectly installed chimney a fire occurs and the building is destroyed. The restoration of the chimney is not indemnified, but the restoration expenses of damages to other parts of the building are indemnified. A defective pipeline component breaks and the water discharged from the pipeline damages the interior finishing of the apartment. Seesam indemnifies the restoration expenses of the interior finishing, but does not indemnify the expenses that the replacement or restoration of the defective or faulty broken pipe involves;*
- 64.6 damage caused by or resulting in sinking, cracking, swelling, shrinking, freezing, vibration or movement of the ground or the construction work or parts thereof;
- 64.7 damage caused by precipitation or meltwater (snow, snowmelt water, rainwater, ice, icemelt water) penetrating through the structures of the building (roof, foundation, walls, balconies, windows, doors);

- 64.8 **exception:** Damages caused to the interior finishing for the reason specified in clause 64.7 are indemnified if the insurance cover of the building, apartment or apartment ownership chosen for the policy is extended all-risk insurance. The expenses of repairing or restoring the item (e.g. roof, wall) that caused the leakage are not indemnified.
- 64.9 any damage caused by a rising water level if it does not have cause-and-effect relationship with the strong wind (storm) or torrential rain that occurred in the place of insurance. *For example, damages arisen due to floods that occur every spring or damages related to the rise in the soil water level are not indemnified;*
- 64.10 damage caused by the weight or movement of ice or snow;
- 64.11 by way of **exception**, damage caused to an insured object by movement of ice or snow is indemnified if the insurance cover of the building, apartment or apartment ownership chosen for the policy is extended all-risk insurance;
- 64.12 damage caused by insects, rodents or birds; By way of **exception**, damage of window glasses broken as a result of the activities of birds or pets is indemnified.
- 64.13 damage caused due to chewing, tearing or scratching by pets. Also damage arisen as a result of excretions of pets;
- 64.14 the restoration costs of damages caused to an insured object by creditors, its former owners or possessors (incl. tenants, lessees);
- 64.15 damage caused by deceit, fraud, appropriation or extortion;
- 64.16 damage caused by loss, disappearance or forgetting of an insured object;
- 64.17 damage and expenses caused by conventional preservation, maintenance, upkeep, renewal or improvement of the insured object as well as the object of common ownership, replacement or repair of parts due to maintenance. *For example, damages and expenses arising in connection with replacing radiators, pipelines or windows;*
- 64.18 minor damages that do not hinder the purposeful use of an object. Seesam regards the following as minor damages: notches, dents, scratches, small cracks, changes of colour, usual soiling, tears, etc. *For example: The back of a chair causes scratches to wallpaper. A hammer falls on the floor and leaves a notch on the parquet. Wine leaves a stain on the carpet. Moving chairs results in scratches on the floor. The restoration expenses of the foregoing damages are not subject to indemnification;*
- 64.19 damage to sports equipment (bicycle, skis, surfing equipment, etc.) during ordinary use. *For example, skis break as a result of falling, bicycle tyres break in the course of ordinary road cycling;*
- 64.20 the cost of water, gas, etc., leaking from pipelines or equipment;
- 64.21 damage caused by non-purposeful use or non-standard storage of an insured object;
- 64.22 damage caused by professional blasting operations and as a result of an explosion at warehouses where explosives are stored;
- 64.23 the expenses of repairing or reacquiring the household appliance, equipment or pipeline that caused the damage;
- 64.24 damage caused to household property located outside of a building or in an open building by wind, rain, snow, frost or another natural phenomenon, sand or dust, provided that the said property is not meant to be used in outdoor conditions.
- 65 The damages or expenses of restoring or replacing faulty or defective items that are subject to compensation by the manufacturer, supplier, builder or contractor and for which the aforementioned person is liable on the basis of law or a contract, e.g. warranty, are not indemnified.
66. Damage subject to indemnification on the basis of compulsory insurance (e.g. motor third party liability insurance) is not indemnified. If the policyholder or beneficiary does not receive, within a reasonable period of time, insurance indemnity on the basis of a compulsory insurance contract in full or in part, Seesam will not apply the exclusion set out in this clause.

OBLIGATIONS OF POLICYHOLDER

INCREASE IN PROBABILITY OF INSURED RISK AND NOTIFICATION THEREOF

- 67 An increase in the probability of an insured risk is deemed to be an increase in the possibility of realisation of an insured event. Seesam regards the circumstances specified in clauses 69 and 70 as an increase in the probability of an insured risk.
- 68 Seesam must be notified of an increase in the probability of an insured risk immediately, but no later than within five working days of the increase in the probability of the insured risk.
- 69 Seesam must be notified of a change in the data that has taken place prior to the start or during the term of the insurance contract and that has been asked in the insurance application or otherwise upon entry into the insurance contract.
- 70 An increase in the probability of an insured risk is deemed to be the following:
- 70.1 transfer, change in the purpose of use, waiver of use of and renting out the insured building, apartment or apartment ownership;
 - 70.2 waiver of security systems or the insured building, apartment or apartment ownership or cessation of operation thereof;
 - 70.3 building work related to the insured building, apartment or apartment ownership (clause 70.3.1). Seesam must be notified of building work within a reasonable period of time prior to the beginning of the planned building work;
 - 70.3.1 Building work means erection, extension or reconstruction of a building or a change of utility systems thereof. Building work does not mean maintenance or redecoration of a building, e.g. paperhanging, painting or changing of flooring.
- 71 If the policyholder breaches the obligation specified in clause 68, Seesam will be released from its performance obligation if the insured event occurs more than one month after the time when Seesam should have received the notice.

PROHIBITION ON INCREASING PROBABILITY OF INSURED RISK

- 72 Increasing the probability of insured risk is deemed to be the breach of the obligations provided by the safety requirements of these terms and conditions as committed by the policyholder or persons that are regarded as being equivalent to the policyholder (hereinafter persons equivalent to the policyholder) in the Seesam's general terms and conditions of the contract.
- 73 The policyholder or persons equivalent to the policyholder (incl. lessees) may not breach the obligations specified in the safety requirements.
- 74 If the policyholder or persons equivalent to the policyholder (incl. lessees) breach the safety requirements and an insured event occurs due to the aforementioned breach, Seesam will be released from payment of the insurance indemnity to the extent in which the breach of the obligation contributed to the occurrence of the insured event.

SAFETY REQUIREMENTS

- 75 When possessing and using the insured property, in order to prevent the arrival of a harmful consequence in respect of an insured object, the policyholder and persons equivalent to the policyholder are required to:
- 75.1 perform a reasonable diligence obligation;
 - 75.2 act prudently and with normal diligence;
 - 75.3 observe legislation in force, instruction manuals of appliances and rules.
- 76 It is obligatory to apply measures to prevent fire when smoking, using an open flame, equipment and installations, and refrain from other activities that may cause a fire or explosion.
- 77 Burning waste and trash is only allowed in windless weather, under constant supervision and with a respective permit.

- 78 An open fire or gas flame may not be used to thaw frozen pipelines.
- 79 Matches and other means of ignition must be kept out of the reach of minors.
- 80 When leaving home, it must be made sure that the electric cooker, iron or other flammable home appliances are switched off. An electrical appliance not intended for constant operation may not be left unattended.
- 81 Burning candles, open fire or other sources of fire hazard may not be left unattended. Candles must be placed on a non-combustible surface, away from flammable materials.
- 82 Heating and electric systems must be designed, built, installed and taken into use according to requirements or, if no requirements exist, in a manner that ensures their safe use and maintenance. Upon installing and designing heating appliances, the ventilation ducts may not be used for conveying smoke.
- 83 Furnaces, fireplaces or wood stoves and their chimneys and flues must be cleaned at least once a year. Once every five years, the aforementioned parts of the building must be cleaned by a licensed chimneysweep who issues an instrument of chimney sweeping on the technical state and safety of the heating system.
- 84 Heaters with radiating or incandescent surfaces and without protective covers (e.g. fan heaters) may not be placed in dusty rooms and left unattended. When using a temporary heating appliance, the instruction manuals and the safety distances set out in the manual must be complied with.
- 85 It is forbidden to use flammable fluid for igniting the fire in the hearth of a furnace, fireplace or wood stove. When using a heating appliance, it is forbidden to use a type of fuel that is not suitable or adapted for that particular heating source.
- 86 It is forbidden to put unextinguished coal or bottom ash into a storage place for furnace residue, a flammable container and/or anywhere where it may damage the insured object should it ignite.
- 87 When using an electrical appliance, it is forbidden to:
- 87.1 install a temporary power cord (except during building or renovation work or for a temporary workplace);
 - 87.2 use an electrical appliance, cable or a power cord whose insulation is damaged or broken or that has any other defects that may cause a fire or explosion;
 - 87.3 keep any flammable materials or objects in or on the electric switchboard;
- 88 When performing work involving an open flame, the fire safety requirements established by legislation for work involving an open flame must be followed. Work involving an open flame is work involving heating a part or material, generation of sparks or using an open, i.e. out-of-furnace, fire.
- 89 Flammable material may be stored in a construction work in accordance with the requirements prescribed by the Fire Safety Act and the building design documentation. It is forbidden to store in a construction work flammable liquids and gas the container of which has signs of leakage.
- 90 To ensure safety, persons of respective competence must inspect gas installations and related utility systems with the frequency prescribed by the manufacturer or legislator.
- 91 When nobody is at home, the windows, doors and other openings of the insured object must be locked and closed in such a way that it is not possible to enter the insured building or apartment without breaking the shutter, the lock or another barrier blocking the entrance. Keys and other devices enabling entrance to the insured object may not be left in a visible or accessible place or handed over to third parties. If there is a reason to suspect that the key to the insured object has fallen into the possession of a third party, the lock or lock core must be changed.
- 92 If there is a security alarm system, it must be switched on when leaving home. The security alarm system should be checked, maintained, and, whenever necessary, also improved and updated regularly. The coverage area of the security sensors may not be obstructed by furniture, houseplants or other objects.
- 93 Property that has been taken along outside of the place of insurance must be under constant supervision or locked. *For example: items taken to the gym in a sports club must be left in the locker. A mobile phone and other household property carried by the policyholder or their family member may not be left unattended.*
- 94 Household property left in a locked motor vehicle must be placed in a non-visible place, such as the boot or the glove compartment. At night (from 23:00 to 06:00), one should move household property from the car into a locked building (except for common areas) or apartment.
- 95 Household property not meant to be permanently kept outside – such as lawn mowers, baby buggies, bicycles – should be placed into a locked building or, in the event of insuring an apartment, into a locked storeroom in the apartment building after use. *For example, household property may not be left in front of an apartment building or in a public corridor (stair hall).*

- 96 Garden furniture, grills, barbecue stoves and trampolines must be stored inside (e.g. in a shed or another closed ancillary building) when the season is over (from October to April).
- 97 Roofs, rainwater, wastewater and water piping systems must be maintained and checked regularly.
- 98 Pipelines must be protected against freezing. In a building that is not heated or not lived in during the heating period, the water supply and heating systems must be emptied of water.
- 99 Household property and equipment that services the building (e.g. heating boilers, heat pumps, gas appliances, hot water boilers) must be used and preserved adhering to the user and maintenance manual provided by the manufacturer, seller or importer of the item.
- 100 In the winter period, it is necessary to clear snow and ice from the roofs of insured buildings (incl. ancillary buildings) and get rid of icicles hanging from the eaves.

POLICYHOLDER'S BURDEN OF PROOF

- 101 In order to receive insurance indemnity, the policyholder is required to prove the occurrence of an insured event, the occurrence of damage, the reason for the occurrence of damage and the extent of damage.
- 102 If the policyholder breaches their burden of proof, Seesam has no obligation to pay insurance indemnity

PRINCIPLES OF INDEMNIFICATION OF DAMAGE

- 103 The purpose of indemnification of damage is the restoration of the situation prior to the insured event, under the terms and conditions and to the extent provided by the insurance contract, taking into account the condition of the insured object prior to the loss event.
- 104 **Insurance indemnity** is the amount of money paid in order to indemnify the damage caused as a result of an insured event, in accordance with the insurance contract. Payment of the insurance indemnity does not reduce the insured sum for the insurance period.
- 105 **Limit of indemnity** is the upper limit of indemnification agreed with respect to the insured object or insured risk and specified in the policy, for which under-insurance does not apply, i.e. damage is indemnified up to the limit of indemnity.
- 106 **Method of indemnification** is payment of a monetary indemnity to the policyholder or beneficiary.
- 107 The parties have the right to agree on a different method of indemnification.

Deductible

- 108 Deductible means the share of damage that is borne by the policyholder themselves and has been specified in the insurance contract. The policyholder has a deductible in respect of any insured event. The amount of the deductible is specified in the policy. Deductible is deducted from the amount of damage subject to indemnification on the basis of the insurance contract. Upon concurrent application of several deductibles, only the largest deductible is deducted from the indemnity.
- 109 In the case of a loss event of all-risk insurance that has occurred to computers and computer equipment, mobile phones, tablet computers, smart watches and other smart devices, the double rate of the deductible set out in the policy is applied.
- 110 When indemnifying for damage caused as a result of building work, the triple rate of the deductible set out in the policy is applied, but no less than €600.
- 111 Deductible is not applied:
 - 111.1 to damage caused by theft if the thieves entered the building or apartment by breaking open or picking the safety lock and there are clear traces of damaging the lock;
 - 111.2 to the smashed glass surfaces of exit doors, windows, or balcony railing of the construction work damaged as a result of an insured event if only the glass surface is damaged and there is no other damage;
 - 111.3 if a key of an insured object has left the possession of the policyholder or persons equivalent to the policyholder as a result of theft or robbery and it is necessary to change the locks or install a new lock system for the insured object in order to prevent further damage;

- 111.4 if more than 50% of the insured building, apartment, apartment ownership or facility is destroyed as a result of an insured event.

General principles of indemnification

- 112 Seesam indemnifies damage on the basis of the insurance contract being guided by the following general principles of indemnification, regardless of the insurance cover option chosen.
- 113 In the case of an insured event, reasonable expenses borne by the policyholder in order to prevent additional damage, reduce the amount of damage or prevent it are indemnified if they have been agreed with Seesam in advance.
- 114 In the case of an insured event, expenses connected with establishing whether damage was inflicted or with determining its amount are indemnified if they have been agreed with Seesam in advance.
- 115 On the basis of the insurance contract, the expenses incurred by the policyholder as a result of hiring additional experts not agreed with Seesam in advance are not indemnified.
- 116 The age of an insured object (e.g. mobile phone, computer, household appliances, equipment, incl. solar panels and parts thereof, servicing the building) is calculated as of the purchase date when initially bought as (a) brand new one(s). If it is impossible to establish the purchase date, the age is calculated based on the release date of a specific model.
- 117 The share of the cost of restoration of the building, apartment, facility or household property that increased due to circumstances arising from the policyholder (i.e. the policyholder's choices or actions) is not indemnified.
- 118 If the policyholder has provided incorrect data when entering into the insurance contract, based on which a smaller insurance premium was calculated, the damage will be indemnified according to the ratio of the insurance premium calculated on the basis of correct data to the insurance premium calculated on the basis of incorrect data.
- 119 On the basis of the insurance contract, damage is not indemnified if the insured object was so damaged prior to an insured event that it would have required repair or replacement regardless of the damage caused by the insured event. If that is the case, Seesam does not consider the damage to be caused by the insured event.
- 120 On the basis of the insurance contract, the reduction of the value of an object or its emotional value is not indemnified. The reduction of the value of an object is the situation where the value of the insured object remains lower after repairing thereof compared to the value prior to the insured event. Emotional value of an object is the value attributable to the object that arises from emotional attitude towards the object, e.g. an object may be connected with memories, due to which a very high price is determined for it.
- 121 In the event of multiple insurance, the insurers are jointly liable as debtors. Multiple insurance is when the policyholder insures the same insurance risk at several different insurers, and the total amount of insurance indemnities payable by the insurers would exceed the amount of the damage, or if the insured sums together would exceed the insurable value.

Indemnification for damages caused to building or apartment

- 122 If the interior finishing of a building or apartment damages due to an insured event, the reasonable expenses of repairing the damages caused will be indemnified.
- 123 The repairing expenses incurred as a result of damages caused to the interior finishing of a building or apartment are indemnified on the basis of their reinstatement value.
- 124 Reinstatement value is the restoration cost of a building or the interior finishing of an apartment in the place of insurance into the condition prior to the insured event, primarily taking into account the size and level of finishing of the building or apartment prior to the insured event.
- 125 Reasonable and justified expenses necessary for the renovation of the internal finishing of a building or apartment are indemnified in two parts (clauses 127 to 129) on the basis of calculations agreed with Seesam.
- 126 In order to receive insurance indemnity for restoration expenses, the policyholder must actually restore the damaged insured object within one year of the time the first part of the insurance indemnity was received (clause 127).
- 127 Seesam pays the first part of the insurance indemnity to an extent of 70% of the cost of restoration of the damaged insured object, taking into account possible reductions of the insurance indemnity as well as the deductible.

- 128 Seesam indemnifies the remaining part of the restoration cost if the policyholder proves that they have used the first part of the insurance indemnity for restoring the damaged insured object within one year of the receipt thereof. To certify the restoration expenses, the policyholder must submit to Seesam the receipts and invoices to be checked.
- 129 If the policyholder does not restore the damaged insured object within one year to an extent of 70% of the restoration cost of the construction work, Seesam will not indemnify the part of the reinstatement value that exceeds 70%.
- 130 The following types of expenses are regarded as reasonable and justified restoration expenses:
- 130.1 expenses required for demolition work of the building or apartment damaged due to an insured event and for removing trash arising therefrom;
 - 130.2 expenses arising from the requirements established by legislation (e.g. requirements arising from fire safety and building standards) to the extent of no more than 10% of the restoration cost of the damaged insured object, but no more than 10,000 euros;
 - 130.3 expenses related to preparing a proper design, carrying out construction supervision arising from legislation and obtaining permits from various authorities, except for the expenses incurred in relation to the interior design.
- 131 In the case of an insured event, expenses that were incurred as a result of relocation or assembly of household property required for carrying out repairs of the building, apartment or parts thereof (e.g. permanently attached furniture) damaged due to an insured event, are indemnified to the extent of no more than 10% of the value of the repairs of the damaged insured object.
- 132 Expenses related to unifying the building or apartment restored as a result of an insured event with the undamaged part of the building or apartment are not indemnified. *For example: differences in the shades of colour in the case of the new and old paint, differences in ceramic tile patterns, differences in the texture of the material, etc.*
- 133 The part of VAT to be returned to the policyholder pursuant to the Value Added Tax Act, loss of profit, non-proprietary damage and purely economic loss, contractual penalties, interest and late interest are not regarded as damage.

Indemnification of damages to household property

- 134 If household property is damaged or destroyed due to an insured event, either the expenses of repairing thereof, or the reacquisition or actual value of a brand new or equivalent object is/are indemnified.
- 135 If it is technically possible and economically feasible to repair household property, the amount of damage will be equal to the amount of the repairing expenses.
- 136 If it is technically not possible and economically not feasible to repair household property, Seesam will consider the object to be destroyed and indemnify for the damage in accordance with clauses 136 to 143.
- 137 **The reacquisition value of a brand new object** is the acquisition cost of an equivalent brand new object in place of the insured household property. If brand new items of the same object are no longer sold, the insurance indemnity will be calculated on the basis of objects whose functionality is equivalent to that of the destroyed objects. If equivalent objects are no longer sold, the insurance indemnity will be calculated on the basis of objects that are as similar as possible to the destroyed objects.
- 138 **The reacquisition value of an equivalent second-hand object** is the acquisition cost of an equivalent second-hand object in place of the insured household property. If items of the same object are no longer sold on the secondary market, the insurance indemnity will be calculated on the basis of objects whose functionality is equivalent to that of the destroyed objects. If equivalent objects are no longer sold, the insurance indemnity will be calculated on the basis of objects that are as similar as possible to the destroyed objects.
- 139 The following is indemnified in the reacquisition value of an equivalent second-hand object:
- 139.1 damage to power-driven land vehicles and watercraft not subject to registration as well as parts thereof;
 - 139.2 damage to second-hand objects acquired.
- 140 **The actual value** is the local average sales price of the insured object prior to an insured event.
- 141 Damage to art, collections, clocks and valuables is indemnified in the actual value.
- 142 **Exception.** Damage to computers and computer equipment, mobile phones, tablet computers, smart watches and other similar smart devices older than 12 months is indemnified by deducting the reduction of indemnity at the rate of 25% a year from the reacquisition value of a brand new object (clause 137).

- 143 Household property not specified in clauses 139, 141 and 142 is indemnified in the reacquisition value of a brand new object.
- 144 If Seesam indemnifies the acquisition costs of a brand new or equivalent object, the right of ownership of the destroyed or damaged object will transfer to Seesam and the policyholder must deliver the destroyed object to Seesam. If the policyholder breaches this obligation, Seesam may reduce the insurance indemnity by the value of the destroyed object.
- 145 If the policyholder reacquires a lost insured object either in full or in part after the insurance indemnity has been paid, they must immediately deliver it to Seesam or return the respective part of the insurance indemnity.