

The Terms and Conditions of Motor Hull Insurance describe the extent of insurance protection, action to be taken in the case of an insured event and principles for indemnification.

Motor hull insurance provides insurance cover in case a land vehicle (hereinafter **vehicle)** is damaged, destroyed or lost due to an unexpected and unforeseen event. Such situations may include a traffic accident or other accident, vandalism, fire, natural disaster, vehicle theft, and damage caused by other events specified in these terms and conditions.

The parts of the insurance contract are the insurance policy (hereinafter **policy**) and these LHV Terms and Conditions of Motor Hull Insurance (hereinafter **Terms and Conditions**). The sum insured (maximum limit of indemnity) and the amount of deductible are indicated in the policy for the insured object.

Before concluding the insurance contract, the policyholder must make sure that the information specified in the policy is correct and that the scope of insurance cover is appropriate, and read through the Terms and Conditions.

The insurer is AS LHV Kindlustus (hereinafter **LHV**).

The policyholder is the person specified in the policy.

Contact details for the insurer

Customer support	**Claims adjustment**
Mon–Fri 9 am–5 pm	Mon–Fri 9 am–5 pm
699 9111	6801122
kindlustus@lhv.ee	kahjud@lhv.ee
lhv.ee	lhv.ee

Contents

Terms and definitions 3
Insured object 3
Insurance cover and plans 4
Additional coverage 5
Exclusions 9
Deductible 10
Territory 11
Action to be taken in case of an insured event 11
General principles of indemnification 11
Obligations of the policyholder 12
Obligations of LHV 13
Rights of LHV 14
Exemption from performance of insurance contract 14
Refund of indemnity 14
Validity, expiry and cancellation of insurance contract and withdrawal from insurance contract 15
Communication 16
Processing of personal data 17
Expiry of claims arising from insurance contract 17
Conflicts in the insurance contract documents 17
Applicable law and resolution of disputes 17

Terms and conditions of motor hull insurance

Valid from
16.01.2025

Terms and definitions

Policyholder is the individual listed on the policy and the owner of the insured object and all persons who legally possess or use the insured object are considered the equivalent of policyholder.

Deductible is the amount specified on the policy, which is to be borne by the policyholder in the case of an insured event.

Vehicle is a land vehicle.

Sum insured is the repurchase value of the insured vehicle or the amount specified on the policy. The sum insured for the vehicle does not decrease by the amount of the paid indemnity.

Repurchase value is the vehicle's market price in Estonia immediately prior to the insured event.

Limit of indemnity is the amount agreed in the policy or terms and conditions that is the maximum limit of disbursement of indemnity.

Insurance cover is LHV's obligation, as defined in the terms and conditions of insurance contract, to pay indemnity or perform the insurance contract in some other way in the case of an insured event.

Insurance period is the interval specified in the policy during which the damage caused as a consequence of an insurance event will be compensated.

Reasonable means what persons acting in good faith in the identical situation generally consider reasonable. In assessing reasonableness, LHV takes into account the nature and goal of insurance cover, standards and practice, as well as other circumstances.

Insured object

1. The insured object is a vehicle specified in the policy, which is in normal use and is at the same level of completeness as when it was initially sold first-hand, and the optional and special equipment installed on the vehicle after the first sale within the limit of indemnity specified in the policy:

- **optional equipment** (entertainment, multimedia, navigation, communication and lifestyle equipment, elements that modify the appearance and/or aerodynamics of the vehicle, alloy wheels, bumper guards and taxi equipment). Permanent wax, ceramic wax and protective film installed on the insurance vehicle are covered to the extent of the optional equipment sum insured;
- **special equipment** (child safety seats and infant carriers, roof box attached to vehicle, roof rack and bicycle holder). The limit of indemnity for optional and special equipment installed on the insurance vehicle after initial sale shall be specified in the policy.

If the policy includes a notation in this regard, the following can also be considered an insured object:

- **luggage** (personal belongings of the driver and passengers);
- **trailer** (a vehicle or machinery meant to be towed via coupling to the vehicle);
- **passenger life and health** (life and health of the vehicle driver and passengers pursuant to the scope of accident coverage specified in the Terms and Conditions);
- **pet** (a pet carried in the vehicle in conformity with the requirements);
- **extra set of tyres** (tyres kept in a closed and locked storage location).

1.1. By separate agreement, a vehicle not in normal use may also be the insured object.

1.2. The short-term hiring of a vehicle (hire out for up to three months), provision of taxi and ridesharing service with the vehicle, use of the vehicle for courier, driving school, security service, special-purpose and alarm vehicle and auto residence shall not be considered normal use.

1.3. In the case of a truck and trailer, a dump truck, refrigerated truck, logging truck and tanker truck, lift, crane and

vehicle adapted for transport of hazardous freight shall not be considered a vehicle in normal use.

1.4. In the case of a bus, a regularly scheduled city bus, commuter bus or vehicle meant for organizing international transport or chartered transport shall not be considered a vehicle in normal use.

2. The following shall not be considered an insured object or optional equipment of an insured object:

2.1. driver-assistance systems and vehicle control electronics not installed in the factory, unless a special agreement to that effect is specified in the policy;

2.2. the tools, spare parts and non-permanently installed equipment that did not come with the vehicle when initially sold first-hand, unless a special agreement to that effect is specified in the policy;

2.3. clothing, helmet and other similar equipment meant for use of the vehicle;

2.4. goods transported or stored with the vehicle, not including personal belongings for the purpose of luggage insurance coverage specified in the Terms and Conditions.

Insurance cover and plans

3. An **insured event under total risk insurance** is an unexpected and unforeseeable event befalling the insured object as a consequence of which the insured object is damaged, destroyed or lost due to the incidents listed in 3.1 to 3.4 of the Terms and Conditions and specified in the policy, taking into account the exclusions in clause 6 of the Terms and Conditions.

3.1. **Traffic accident** for the purposes of the Terms and Conditions is damage or destruction as a consequence of an insurance event set forth in the Traffic Insurance Act in the course of which a collision with another vehicle occurred.

3.2. **Accident** is damage to or destruction of the insured object as a consequence of external mechanical force (including any traffic accident), natural disaster (including flood, hail), fire (including smoke, soot and fire-fighting operations) or explosion.

3.3. **Vandalism** is the deliberate damage of the object caused by a third party.

3.4. **Theft** is the loss of or damage to the insured object or parts thereof due to car theft, unauthorized taking of motor vehicle (UTMV), carjacking or attempt at the above.

4. The policyholder can choose between three motor hull insurance plans: Standard, Premium and ePremium.

PLANS	Standard	Premium	ePremium
Total risk insurance	✓	✓	✓
Roadside assistance	✓	✓	✓
Travel interruption cover	1000 €	1000 €	1000 €
New-value coverage	For an additional fee	1 year	1 year
Leasing value coverage	For an additional fee	50,000 €	50,000 €
Leasing payment coverage	For an additional fee	3000 €	3000 €
Acquisition value coverage	For an additional fee	50,000 €	50,000 €
Replacement trailer coverage	For an additional fee	1500 €	1500 €
Replacement car coverage	For an additional fee	30 days	30 days
Rental car coverage	✗	20,000 €	20,000 €
Mechanical failure coverage	✗	150,000 km and vehicles up to 7 years old	150,000 km and vehicles up to 7 years old
Car replacement expense	✗	5%	5%
Pet coverage	✗	2000 €	2000 €
Charging point coverage	✗	✗	2000 €

Additional coverages	Choose additional coverages
Luggage insurance coverage	2000 €
Travellers' accident coverage	10,000 €

Additional coverage

5. If the policy includes a corresponding notation, insurance coverage also applies to the following situations:

5.1. **Roadside assistance service** provides provision of immediate aid to passenger and freight vehicles with a registered mass of up to 3500 kg and motorcycles if due to an unexpected and unforeseeable event, it is not possible to use or continue driving the vehicle.

Example. Roadside assistance is provided if the vehicle unexpectedly has a flat tyre or the vehicle does not start on a cold winter day.

Roadside assistance is provided on the following conditions:

5.1.1. roadside assistance is available 24h and no deductible is charged for it;

5.1.2. roadside assistance is provided in territories specified in the policy;

5.1.3. if roadside assistance requires the vehicle to be towed, it will be towed to the location specified by the policyholder in the case of Estonia, and to the nearest storage and/or repair location in the case of other territories specified in the policy;

5.1.4. within Estonia, Latvia and Lithuania, passengers present in the vehicle (including the driver) shall, if necessary, be transported to their destination or home;

5.1.5. roadside assistance is provided solely if ordered via LHV's roadside assistance telephone line 680 1122.

5.2. **Use of a loaner vehicle** is allowed, in the case of an insured event subject to indemnification by LHV, for passenger and freight vehicles with a registered mass of up to 3500 kg if the use of the insured vehicle is not allowed or possible

as a consequence of the traffic accident, accident, vandalism, theft or technical malfunction specified in clause 5.7 of the Terms and Conditions (if the corresponding protection is listed in the policy):

Use of a loaner vehicle is possible on the following conditions:

5.2.1. up to two times during a current insurance period, but not for more than 30 days on the basis of a single insurance event;

5.2.2. the restoration of the vehicle lasts longer than one working day and the damage is greater than the deductible;

5.2.3. if the insured vehicle is a total loss, until LHV has made a decision on indemnification;

5.2.4. the loaner vehicle is issued to the policyholder by a partner designated by LHV at the appointed location and time within a reasonable amount of time after the occurrence of the insured event;

5.2.5. the policyholder shall enter into an agreement on use of loaner vehicle with the issuer of the loaner vehicle;

5.2.6. the policyholder shall return the loaner within 24 hours after receiving corresponding notice from LHV;

5.2.7. the loaner does not have to be the equivalent of the insured vehicle.

5.3. **Leasing value insurance** compensates the residual value under the vehicle's leasing agreement immediately prior to the insured event if the vehicle is considered a total loss or goes missing (including theft).

Leasing value insurance is valid on the following conditions:

5.3.1. the vehicle's residual value under the leasing agreement immediately prior to the total loss or going missing was higher than the market price of the vehicle immediately before the insured event.

Example. If the residual value of the vehicle under the leasing agreement is 30,000 euros, but the vehicle's market price was 25,000 euros before total loss, LHV shall not consider the lower market price and shall compensate the residual value under the leasing agreement of 30,000 euros;

5.3.2. the owner and lessor of the vehicle is a credit institution operating in Estonia, its branch or a leasing company operating as its subsidiary;

5.3.3. the leasing agreement residual value is construed solely as the value of the vehicle according to the leasing agreement schedule immediately prior to the insured event, not including any other monetary obligations the lessee may have to the lessor (such as indebtedness of leasing payments, interest, contractual penalty, expenses and fees related to the contract);

5.3.4. the vehicle has been in normal use throughout the insurance period;

5.3.5. no more than five years has elapsed since the initial registration of the vehicle;

5.3.6. the residual value of the vehicle under the leasing agreement is not more than 50,000 euros.

5.4. On the basis of **leasing value insurance,** leasing payments up to six months shall be compensated, not to exceed 3000 euros per insured event.

Leasing value insurance shall be valid on the following conditions:

5.4.1. the legal possessor of the vehicle and policyholder is receiving outpatient or inpatient medical care as a consequence of the insured event and has lacked capacity for work for more than two weeks;

5.4.2. the insured event (including traffic accident) is formalized in accordance with procedure set forth in legislation and the ambulance summoned to the scene documented the personal injury;

5.4.3. the owner and lessor of the vehicle is a credit institution operating in Estonia, its branch or a leasing company operating as its subsidiary;

5.4.4. the vehicle has been in normal use throughout the insurance period;

5.4.5. if the insured object is a total loss, LHV has the obligation to compensate leasing payments until the relevant decision on indemnification has been made;

5.4.6. only the leasing payment expense is compensated, not including the lessee's other potential financial obligations (such as insurance, default interest, penalties, contract fees).

5.5. N**ew-value insurance** compensates the initial first-hand sale price of the vehicle on the basis of the purchase document if the vehicle is a total loss or goes missing (including car theft)**.**

Example. If a vehicle up to one year old is stolen, LHV shall compensate the original sale price regardless of the fact that the vehicle's actual price has dropped in the meantime.

New-value insurance shall be valid on the following conditions:

5.5.1. as of the occurrence of the insured event, no more than one year has elapsed since the initial registration of the vehicle;

5.5.2. since the initial sale, the vehicle has had a single owner, and in the case of a vehicle owned by the lessor, a single leasing customer;

5.5.3. the initial first-hand sale price substantiated on the basis of the vehicle's purchase document is higher than the vehicle's new replacement value immediately before the insured event;

5.5.4. the vehicle has been in normal use throughout the insurance period.

5.6. **Acquisition value insurance** compensates the acquisition cost of the vehicle pursuant to the purchase document in the case of the vehicle is a total loss or goes missing (including car theft).

Acquisition value insurance shall be valid on the following conditions:

5.6.1. as of the occurrence of the insured event, no more than 10 years has elapsed since the first registration of the vehicle;

5.6.2. the vehicle's acquisition price is not over 50,000 euros;

5.6.3. no more than 30 days elapsed from vehicle acquisition to conclusion of the insurance contract;

5.6.4. the insurance coverage is valid for six months starting from the conclusion of the insurance contract;

5.6.5. the vehicle has been in normal use throughout the insurance period.

5.7. **Mechanical failure insurance** covers expenses on repair and replacement caused by unexpected and unforeseeable failure of the vehicle's engine, transmission, brake and steering system and their control electronics and cooling systems.

Example. LHV shall compensate unexpected failures for engine CPU, water pump, starter and generator bearings. It does not include control arms, crankshaft pulley, clutch and other ordinary faults caused by wearing of spare parts.

Mechanical failure insurance shall be valid on the following conditions:

5.7.1. as of the occurrence of the insured event, no more than seven years has elapsed since the first registration of the vehicle;

5.7.2. the odometer reading of the vehicle at the time of the mechanical failure is not over 150,000 km;

5.7.3. the vehicle has undergone all of the regular maintenance and repair procedures performed by a competent maintenance and repair company at the right time pursuant to manufacturer instructions;

5.7.4. the vehicle has been in normal use throughout the insurance period;

5.7.5. the vehicle has not previously been declared a total loss;

5.7.6. the mechanical failure is not related to a fault in the engine power system (including turbo and displacement compressor, intercooler, high-pressure pump and battery, exhaust filter system (including catalytic converter), climate control system (including air conditioning), driver assistance system, indicators, suspension, wheel bearing, brake disc, brake pad or calliper. At the demand of LHV, the vehicle's technical condition and faultless operation of the vehicle must be proved by a representative of the relevant vehicle make or a repair company designated by LHV with an inspection report;

5.7.7. if after the diagnosis of the fault, it becomes evident that it was not an insured event under mechanical failure insurance, LHV shall compensate the justified expenses made to determine the cause and extent of the failure (dismantling, diagnostics, expert opinion etc.) but not the costs of the vehicle reassembly, spare parts needed to be replaced and additional repair works.

5.8. **Charging point coverage** compensates expenses related to damage, loss or destruction of charging point to a maximum of 2000 euros.

5.9. **Car replacement expenses coverage** compensates the costs of change or replacement of vehicle in the event of total loss of vehicle, adding 5% to the insurance indemnity.

5.10. **Replacement trailer insurance** covers damage caused to light trailers as a result of traffic accident, accident and vandalism as defined in the Terms and Conditions. The limit of indemnity on a replacement trailer insurance event is up to 1500 euros per insured event.

Replacement trailer losses shall be compensated on the following conditions:

5.10.1. the trailer was coupled to the insured vehicle at the time of the insured event;

5.10.2. at the time of the insured event, the coupled trailer met the requirements and restrictions established by the vehicle's manufacturer and was technically in order.

5.11. The replacement trailer indemnity shall be disbursed to the owner of the insured object.

5.12. **Luggage insurance** covers losses occurring in connection with damage to or destruction of the personal belongings (luggage) of the vehicle possessor and passengers in the insured vehicle as a consequence of a traffic accident,

other accident and vandalism as defined in the Terms and Conditions. The limit of indemnity for luggage insurance is 2000 euros per insured event.

Example. LHV shall compensate damage on the basis of luggage insurance if as a consequence of an accident, a suitcase, baby carriage or electric scooter in the trunk is damaged.

Luggage losses shall be compensated on the following conditions:

5.12.1. prior to the vehicle being left unattended, the luggage was stowed in a concealed position within the luggage compartment and/or place designated for that purpose (glove compartment);

5.12.2. if, besides luggage damage additional coverage, the replacement trailer additional coverage is also specified on the policy, then compensation will be provided for any luggage that was in the trailer and was damaged or destroyed as a result of the traffic accident, other accident and vandalism.
The following is not considered luggage:

5.12.3. antiques, money, securities, valuables, jewellery, documents (including photos, plans, drawings), electronic data media, photographic equipment, audio and video equipment, computers, smart devices (including phones) and tools.

5.13. **Passenger accident insurance** covers permanent incapacity for work or death of up to five passengers present in the vehicle (including the driver) if caused directly by bodily injury sustained as a consequence of an insured event. The limit of indemnity on passenger accident insurance is 10,000 euros per person and insured period.

Compensation for passenger accident coverage shall take place if all of the following conditions are met:

5.13.1. the incapacity for work has persisted for at least one year;

5.13.2. 30% or greater capacity for work was lost as determined and designated in accordance with legal acts;

5.13.3. a decision of the competent agency has been submitted to LHV concerning the permanent loss of capacity for work and the extent thereof;

5.13.4. in the event of a death, a death certificate stating the cause of death and a succession certificate have been submitted to LHV allowing the identification of entitled heirs for obtaining the insurance compensation;

5.13.5. the passenger accident event insurance coverage is valid also if the driver of the insured vehicle did not cause the traffic accident and the damage to the vehicle is compensated by the responsible party's insurer.

5.14. The compensation for passenger accident insurance shall be paid to the insured and, in the event of a death, to the insured person's successors.

5.15. The amount of the passenger accident insurance indemnity shall be calculated as a percentage of the accident insurance limit of indemnity corresponding to the extent of the permanent disability as determined by the competent authority. In the event of the death of the insured person, the sum insured for accident insurance shall be paid out in full.

5.16. **Pet insurance** covers damage caused as a consequence of injury to or death of up to two pets in the insured vehicle if caused directly by an insured event. The limit of indemnity for pet insurance is 2000 euros per insurance period.

Compensation of losses related to pets shall be made if all of the following conditions are met:

5.16.1. the pet is travelling in the vehicle in the intended manner and place;

5.16.2. the pet or pet transport equipment (including cage) is secured by the intended security equipment.

5.17. In the event of a death of an insured pet due to insured event, the pet insurance sum insured shall be paid in full.

5.18. The pet insurance indemnity shall be paid to the owner of the insured pet.

5.19. **Travel interruption insurance** covers the following reasonable expenses caused by travel interruption occurring due to an insured event and necessary for continuing the travel, up to the amount of 1000 euros.

Example. If while en route from Estonia to Germany in an insured vehicle, a stone flies up and strikes the windscreen, preventing the journey from being continued and the Polish garage can replace the glass only the next day, LHV compensates the policyholder for expenses on travel from the accident location to the nearest place of lodging and for lodging expenses and the policyholder can continue their travels the next day.

The following are covered in the case of a travel interruption insured event:

5.19.1. when outside Estonia, Latvia and Lithuania, expenses on travelling to the nearest place of lodging if return home or onward travel to the destination is not possible;

5.19.2. when outside Estonia, Latvia and Lithuania, lodging expenses at the nearest reasonable place of lodging if there is more than 100 km to go until the travel destination..

5.20. **Rental car insurance** covers claims brought by a rental company against the policyholder arising from traffic accident, accident or vandalism as defined in the Terms and Conditions involving a vehicle rented by the policyholder. The limit of indemnity for rental car insurance is 20,000 euros per insurance period.

Insurance events under rental car insurance shall be compensated on the following conditions:

5.20.1. the vehicle specified in the policy and constituting the insured object did not take part in road traffic during the rental period.

Example. Losses incurred due to traffic accident while travelling in a rental car will be compensated if the insured vehicle specified in the policy was at home at that time;

5.20.2. rental car insurance is valid on the territory specified in the policy, excluding Estonia, Latvia and Lithuania;

5.20.3. the vehicle being rented may be a passenger or freight vehicle (up to 3500 kg);

5.20.4. in the case of damage occurring with a rented vehicle, the conditions and special conditions listed in the policy shall be applied;

5.20.5. in the case of damage occurring with a rented vehicle, the deductible listed in the policy shall be applied;

5.20.6. the rented vehicle has been in normal use throughout the insurance period;

5.20.7. only expenses incurred to the rented vehicle during the insured event shall be compensated, not including optional equipment or other claims against the policyholder (such as insurance, late interest, contractual penalties, contract fees).

Exclusions

6. LHV shall not indemnify claims for damage indirectly or directly caused by the following events, causes or consequences:

6.1. damage caused by an event that cannot be deemed an insured event;

6.2. damage caused by an event that occurred outside the insurance territory or insurance period specified in the policy;

6.3. damage caused by off-road use of the vehicle, i.e., outside a facility open to land vehicle traffic (airfield, mine, road construction area etc) or outside another area intended by the land owner for land vehicle traffic (landscape, shoreline area, water, marshy area, ice road not open for traffic, or ice etc);

6.4. damage that cannot be deemed natural wear and tear on the insured object, including small scratches and chips on the paint coat and vehicle hull, superficial scratches, pits and signs of wear on glass and vehicle's passenger compartment, or wear of consumables (e.g. oils, lubricants, brake pads);

Example. Scratches caused to the windscreen by non-use of wiper fluid when activating the windshield wipers are not compensated;

6.5. damage caused by an animal left in the insured vehicle;

6.6. damage caused through the insured vehicle competing in an event or training;

6.7. damage caused by excess load being placed on or the incorrect means of use being applied during use of the insured vehicle or equipment thereof;

6.8. fuel that leaked out of or was stolen from the insured vehicle;

6.9. damage caused by water penetrating the insured vehicle, vehicle engine or fuel system due to the vehicle being driven through water;

6.10. damage caused by incorrect modification (including chip tuning) of the insured vehicle or parts thereof, wear, parts proving substandard (including warranty repair), corrosion, etching, freezing, moisture (including compromising of hermetic seals), deficient or improper maintenance, deficient repair and/or handling.

Example. Damage caused by water penetrating through the windscreen into the passenger compartment due to defective sealing of the glass after windscreen replacement shall not be compensated;

6.11. damage caused through UTMV of the insured vehicle or theft of its parts and/or luggage at a time when the compliant anti-theft devices were not installed in the vehicle or if they were not switched on or in working order prior to the theft or UTMV, or if the vehicle's key (including key fob) was left in the vehicle;

6.12. damage caused through UTMV of the insured vehicle or theft of its parts and/or luggage if the vehicle's possessor failed to report the theft to the police as required;

6.13. losses caused due to the insured vehicle's technical condition failing to meet the requirements specified in the insurance contract and/or legal acts;

6.14. damage caused by improper level of oil, coolant, brake fluid and clutch fluid and the wrong or substandard fuel (including LNG);

6.15. damage caused by an overload caused while charging an insured electric vehicle (including plug-in hybrid) in a manner that is incorrect or not compliant with manufacturer requirements or through use of a noncompliant charging technique.

Example. No compensation for losses caused by driving on electric vehicle until battery was depleted if the vehicle manufacturer stated that the complete depletion of battery could lead to limp mode or problems with the flow of current;

6.16. damage caused solely to tyres or shock absorbers (other than damage caused as a result of vandalism) if no other indemnifiable damage was caused to the chassis (including wheels);

6.17. damage caused to tyres that were at or beyond the wear limit;

6.18. damage caused only to vehicle lights and side mirrors (including cracks and/or chemical reaction) unless caused by traffic accident, accident or vandalism as defined in the Terms and Conditions.

Example. Microcracks developing in the vehicle's lights caused by washing the vehicle with a chemical shall not be compensated;

6.19. damage caused by the policyholder being dispossessed of the insured vehicle through fraud or extortion, as well as damage caused to the vehicle during such an incident;

6.20. damage caused by the theft or parts removed or dismantled from the insured vehicle by the policyholder or with the policyholder's knowledge, except for tyres associated with the vehicle that were kept in a closed and locked storage place;

6.21. damage caused by the driver of the insured vehicle being intoxicated by alcohol, or under the influence of drugs or psychotropic substances at the time of a traffic accident;

6.22. damage caused by the driver of the insured vehicle who refused to take a sobriety test immediately after damage occurred, or used alcohol, drugs or psychotropic substances after the damage occurred;

6.23. damage if the person driving the insured vehicle lacked, at the time of the traffic accident, a license to operate the vehicle of the respective category;

6.24. damage caused to a light trailer prior to the time when it was coupled to the insured vehicle and/or after it was decoupled from it;

6.25. damage caused by theft, UTMV or carjacking of light trailer, including of luggage in the light trailer;

6.26. damage which the insured vehicle's owner learned of only upon the return of possession of the vehicle to the owner and the precise circumstances of which are unknown to LHV;

6.27. damage caused by the participation of an insured truck or trailer in loading and/or hoisting operations (loading or unloading goods or freight), unless the policy includes a notation to that effect;

6.28. damage caused by the seizure, confiscation or other similar incident involving the insured object;

6.29. damage caused in connection with war, civil war, invasion, terrorism, cyber attack, mass unrest, revolution, coup, strike, confiscation, seizure or lockout or nuclear energy.

Deductible

7. Deductible is specified in the insurance policy and is the amount which is to be borne by the policyholder. The deductible can be either a percentage of the amount of loss or a fixed monetary amount under the following conditions.

7.1. The deductible is reduced by 50% in the event of the first loss, if no insured events have occurred to the same insured object at LHV during two consecutive one-year insurance periods.

7.2. If more than two insured events occur to the same insured object in one insurance period, double deductible shall be applied starting from the third insured event.

7.3. If the deductible for car theft is indicated in the policy as a percentage, the amount of the deductible shall be the corresponding percentage of the amount of damage, but not less than the main deductible indicated in the policy.

7.4. Damage caused as a result of different events is considered to be separate insured events and a separate deductible is applied for each insured event.

7.5. If the insured vehicle is repaired or restored outside Estonia, Latvia and Lithuania, LHV may apply a double deductible.

7.6. Deductible for losses caused by collision with an animal or a bird shall be noted on the policy. The policyholder is obliged to prove that they hit an animal or bird and the incident must be registered on the basis of legal acts in force. If the policyholder has video footage showing that they attempted to avoid the collision with the animal or bird, no deductible shall be charged.

7.7. The deductible for glass damage is indicated in the policy. If the glass of the insured vehicle is repaired, no deductible shall be applied, except in the case of sunroof and glass roof, in the event of which the main deductible is applied.

7.8. The costs of replacement or restoration of the keys due to loss or theft of the keys of the insured vehicle shall be indemnified without deductible.

Territory

8. The insurance territory is indicated in the policy and LHV has the obligation to indemnify only for an insured event occurring in the insurance territory specified in the policy.

Action to be taken in case of an insured event

9. In the event of an insured event, the policyholder must:

9.1. document the traffic accident in relation to the insured vehicle and report it in accordance with legal acts;

9.2. immediately report car theft, carjacking, vandalism, fire and other unlawful incident in relation to the insured vehicle or parts thereof to the police or the emergency response centre;

9.3. document the case in such a way that LHV retains the right of recourse against the person who caused the damage if the insured vehicle has been damaged by a third party (e.g. loading operations) or a pedestrian (including roller skater) or objects or substances have fallen or been strewn on the insured vehicle. If necessary, the police must be called to the scene;

9.4. notify the police or the Environmental Board of collision with an animal;

9.5. notify LHV of the insured event immediately, but not later than within five working days after the occurrence of the insured event or becoming aware of it. If it is not possible to determine the exact time of the insured event, it shall be considered to be the time when the policyholder should have become aware of the insured event;

9.6. submit the damaged insured vehicle or its remnants to LHV for inspection in the condition it was in after the insured event. The policyholder may not, without the prior consent of LHV, start restoring or disposing of the insured vehicle;

9.7. submit to LHV the information and documents in the possession of the policyholder regarding the causes and the amount of the damage, including data from GPS device and video recording device installed in the insured vehicle;

9.8. submit the tachograph and its data within two working days after the relevant request of LHV, if the insured vehicle is subject to a tachograph obligation;

9.9. submit to LHV immediately all keys and registration documents of the vehicle in case of car theft, UTMV or carjacking of the insured vehicle;

9.10. prove the occurrence of the insured event or circumstances related thereto;

9.11. notify LHV in a form that can be reproduced in writing of the indemnification of damage by a third party, the withdrawal of the submitted claim, or if the insured object that was stolen, taken without authorization or carjacked has been found or returned to the policyholder.

General principles of indemnification

10. In the case of an insured event, LHV shall indemnify the direct and justified costs of restoration or replacement of the insured object and other expenses provided in the insurance contract either as monetary compensation or by restoring the insured object to its pre-insured-event condition or replacing the damaged object with an equivalent one, based on the following.

10.1. The method of compensation is decided by LHV.

10.2. The insurance benefits are determined by subtracting the deductible, unpaid insurance premiums that have become collectible, indemnity reductions and the proportion of taxes refunded on the basis of law (e.g. VAT) from the amount to be indemnified.

10.3. If the vehicle is a total loss or was stolen, LHV has the right to reduce the insurance indemnity paid by the insurance premiums to be paid by the end of the current insurance period and not paid by the time of the indemnity decision, regardless of whether the insurance premium payment date has arrived and to whom the insurance indemnity is paid.

10.4. Reimbursement of the costs of restoring the insured vehicle is subject to the following conditions.

10.4.1. The justified costs of restoring the insured vehicle due to the insured event shall be indemnified.

10.4.2. The costs of restoration of the insured vehicle shall be reimbursed if the restoration of the vehicle is economically and technically justified.

10.4.3. The costs of restoration of the insured vehicle shall be indemnified, after the restoration of the vehicle to the condition it was in prior to the insured event, on the basis of documents certifying the costs of restoration.

10.4.4. It is allowed upon restoration of the insured vehicle to use parts and spare parts with a degree of wear corresponding to the age and technical condition of the vehicle.

10.4.5. LHV is not responsible for the method of restoration of the insured vehicle or for the quality of the restoration, unless the restoration is performed by a partner designated by LHV.

10.4.6. If the policyholder applies for financial compensation but does not submit expense documents confirming the restoration of the insured vehicle, the amount of loss shall be deemed to be 65% of the cost of the restoration accepted by LHV.

10.4.7. If the policyholder wishes to receive the compensation in monetary form, LHV consent is required. In such a case, the amount of compensation is the calculated restoration value, less VAT. If the policyholder demonstrates within 12 Months of receiving the financial compensation that it has used it for restoring the insured vehicle, LHV shall also disburse the VAT portion.

10.5. Reimbursement of the costs of repurchase of the insured vehicle is subject to the following conditions.

10.5.1. In the event of total loss, car theft, UTMV or carjacking of the insured vehicle, the justified cost of repurchasing the vehicle shall be indemnified based on the market price of the vehicle in Estonia immediately before the insured event.

10.5.2. A total loss is considered to be a situation where the cost of repairing the insured vehicle is more than 70% of the market value of the vehicle at the time of the insured event.

10.5.3. If the policy so indicates, in addition to the provisions of clause 10.5.1 of the Terms and Conditions, any costs of replacement or replacement of the insured vehicle shall be indemnified, adding 5% of the market value of the vehicle to the insurance indemnity. This amount shall be paid to the policyholder. The foregoing shall not apply if the damage is compensated on the basis of the as-new value or acquisition value specified in the Terms and Conditions.

10.5.4. Unless otherwise agreed between LHV and the owner of the vehicle, the ownership of the insured object shall be transferred to LHV from the moment of delivery of the object. If the vehicle owner wishes to keep the vehicle that was damaged due to the insured event in his or her own possession, the insurance indemnity shall be reduced by the post-insured-event value of the respective vehicle (incl. additional indemnity specified in clause 10.5.3 of the Terms and Conditions). The damaged vehicle must be handed over to LHV on the territory of Estonia.

10.6. In addition to the costs of restoring or repurchasing the insured vehicle, the costs of lifting the vehicle on to the road that prove necessary and justified due to the insured event and the costs of transporting the vehicle to the nearest or LHV-designated repair or storage facility shall be indemnified in the amount of 500 euros. In the case of a truck, bus and trailer, the costs of lifting the vehicle on to the road and transporting will be reimbursed in the amount of 2000 euros.

10.7. If the insured object and the risk that may apply is insured with several insurers at the same time, then LHV shall indemnify the incurred damage jointly and severally with other responsible insurers.

Obligations of the policyholder

11. The policyholder is obliged to:

11.1. pay insurance premiums in the agreed amount and according to the agreed procedure;

11.2. notify LHV of the insured event immediately, but not later than within five days after the occurrence of the insured event or becoming aware of the event.

11.3. provide LHV with complete and correct information for the assessment of the insurance risk and, upon concluding the insurance contract, notify LHV of all significant circumstances known to it that affect or may affect the decision to enter into the insurance contract on the agreed terms, inter alia to notify LHV of the proper area of use of the insured object;

11.4. notify LHV as soon as possible if the information submitted to LHV becomes or turns out to be false or incomplete;

11.5. use the insured vehicle carefully and in accordance with the instructions and/or restrictions set out by the manufacturer, the traffic regulations and the Road Traffic Act;

11.6. explain the obligations arising from the insurance contract to the person in whose possession or use the policyholder assigns the insured vehicle;

11.7. notify LHV before concluding the insurance contract or during the term of the insurance contract, if the policyholder or a person equivalent to him or her is shown as listed or becomes listed as a person subject to international financial sanctions;

11.8. enable LHV's representative to examine the condition and documents of the insured vehicle;

11.9. when leaving the insured vehicle, close its doors, windows and hatches, and in the case of a convertible, also the roof; and lock the vehicle and apply anti-theft devices (including alarm system and immobilizer);

11.10. keep the keys and registration documents of the insured vehicle in such a way that they cannot be taken by a third party without removing an obstacle or using threat of violence. The keys of the insured vehicle must not be kept in the vehicle;

11.11. if the keys to the insured vehicle were stolen, including by force or threat of force, or lost, immediately replace all locks and recode or replace the vehicle's electronic anti-theft devices. Until the locks are replaced or recoded or the anti-theft devices are replaced, the policyholder must take additional measures to prevent car theft or UTMV of the insured vehicle, e.g. keep the vehicle only in a locked garage or in a closed and guarded area;

11.12. when working as a professional driver, abide by legal acts on working and rest time concerning the activity of professional drivers and the European Agreement concerning the Working Time of Crews of Vehicles Engaged in International Road Transport (AETR Agreement);

11.13. install and, if necessary, secure loads (including luggage, sports equipment and other personal items) in such a way that the load does not break free or move during normal traffic (including sudden braking, sudden turn);

11.14. notify LHV as soon as possible of a possible increase in the insurance risk and the occurrence of multiple insurance with several insurers. Material circumstances that increase the insurance risk are considered to be, in particular, the transfer of the vehicle, deletion of the vehicle from the traffic register, change in the manner in which the vehicle is used, failure of vehicle locking systems, failure of anti-theft devices, loss of keys and loss of vehicle registration documents or parts thereof;

11.15. do everything possible to prevent an insured event and reduce possible damage, to avoid the possible increase of the insured risk and not to allow the persons who use the insured vehicle to increase the insured risk;

11.16. enable LHV to investigate the circumstances of the insured event in order to identify the amount of the loss and the persons responsible for the loss and, if necessary, to involve experts in establishing the circumstances of the insured event;

11.17. comply with any additional instructions given by LHV to reduce the insurance risk;

11.18. if a stolen or carjacked vehicle is returned after LHV paid the insurance indemnity for it, return to LHV the insurance indemnity paid for the vehicle or hand over the returned vehicle to LHV.

Obligations of LHV

12. LHV is obliged to:

12.1. introduce the documents related to the insurance contract to the policyholder before concluding the insurance contract and keep secret the information which has become known to LHV in connection with the insurance contract;

12.2. issue to the policyholder a replacement policy, as well as copies of the policyholder's statements of intent submitted in a form 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 activities are not in conflict with legal acts;

12.3. examine the claim submitted by the policyholder and the claim documents;

12.4. give instructions as regards inspecting the damaged vehicle in a repair company as soon as possible, but not later than within five working days of the receipt of the notice of loss;

12.5. make a decision to indemnify or refuse to do so within ten working days of receiving the information necessary to clarify the circumstances of the insured event and its extent. In the case of car theft, UTMV or carjacking of the insured vehicle, LHV has the right to postpone the decision until the receipt of the decision on closing or ending the criminal case opened concerning the incident or the culprit is formally accused;

12.6. after receiving a notice of loss, to inform the policyholder which documents must be submitted to LHV in order to determine the cause and amount of the loss;

12.7. indemnify the damage caused due to the insured event or pay the agreed monetary amount or the insurance indemnity in one instalment or in parts, or perform the insurance contract in another agreed manner. LHV must pay the insurance indemnity within a reasonable term after the completion of the claim adjustment operations and the indemnification decision. If LHV delays the performance of a monetary obligation, it is obliged to pay late interest at the rate provided in the Law of Obligations Act.

Rights of LHV

13. LHV has the right to submit additional requirements in order to reduce the insurance risk. Additional requirements become part of the insurance contract, unless the policyholder submits an application for withdrawal from the insurance contract within ten working days after receipt of the respective requirements.

14. During the insurance period, LHV has the right to inspect the insured object and, in the event of increased insurance risk, demand that the policyholder implements additional security measures and/or increases the insurance premium.

15. In the event of an increase in the insurance risk, LHV has the right to demand from the policyholder the difference between the insurance premium to be paid on the basis of the actual insurance risk and that specified in the policy.

16. If the insurance contract is entered into for a period longer than one year, LHV has the right to change the terms and/or the insurance premium, but not in regard to the first one-year insurance period of the insurance contract.

17. LHV has the right to refuse to pay the insurance indemnity if the payee is subject to the relevant international financial sanction established by the Government of the Republic of Estonia, the UN, EU, UK or US.

Exemption from performance of insurance contract

18. LHV has the right to deny or reduce the indemnity if:

18.1. the policyholder has intentionally submitted false data or misleading information to LHV or failed to submit significant information concerning the material circumstances of the insurance contract or insured event;

18.2. the policyholder has intentionally or due to gross negligence breached at least one obligation agreed in the insurance contract and this has an effect on the occurrence or amount or determination of the extent of the loss;

18.3. the policyholder has violated the obligation to notify of changes in significant risk circumstances;

18.4. the person driving the insured vehicle intentionally ignored the stop signal given by a person exercising traffic supervision described in the Road Traffic Act;

18.5. the person driving the insured vehicle significantly exceeded the permitted driving speed or violated other traffic rules established for road traffic to a significant extent and the violation has an effect on the occurrence or amount of damage;

18.6. the person who drove the insured vehicle left the scene of the insured event, failing to register it correctly in accordance with clause 9 of the Terms and Conditions;

18.7. the person driving the insured vehicle violated the legal acts on working and rest time governing the activities of a professional driver or the European Agreement concerning the Working Time of Crews of Vehicles Engaged in International Road Transport (AETR Agreement) prior to the insured event or failed to provide information to verify compliance;

18.8. the policyholder caused the damage intentionally;

18.9. the passengers (including the driver of the vehicle) and/or pet in the insured vehicle were not properly secured with safety equipment and this has a causal connection with the occurrence of the damage (passenger or pet insured event);

18.10. the policyholder used the vehicle to abet the commission of a crime or attempted crime;

18.11. the policyholder has not paid the insurance premium by the prescribed deadline or by an additional deadline and the insured event occurs after the expiry of the additional deadline, unless the failure to make the payment was due to a circumstance beyond the control of the policyholder;

18.12. the event is one where resulting damage is not compensated on the basis of the Terms and Conditions.

Refund of indemnity

19. The policyholder and/or the beneficiary is obliged to return the insurance indemnity to LHV as soon as possible if:

19.1. circumstances that exclude compensation emerge after the compensation of damage or if the damage has been compensated by a third party;

19.2. the policyholder or beneficiary regains possession of a stolen or carjacked insured object. LHV must be notified immediately, and if LHV has already indemnified the value of the insured object, the insurance indemnity paid must be returned to LHV or the possession and right of ownership of the received object must be returned to LHV.

Validity, expiry and cancellation of insurance contract and withdrawal from insurance contract

20. The insurance contract shall enter into force and insurance coverage shall begin on the beginning date of the insurance period specified in the policy and shall end on the end date of the insurance period specific on the policy.

21. A fixed-term insurance contract shall expire at the end of the insurance period.

22. A revolving insurance contract shall remain in force until cancelled and the policyholder shall be sent a new policy 45 days before the end of the insurance period.

23. The insurance contract shall expire:

23.1. upon expiry of the insurance period;

23.2. upon cancellation of insurance contract;

23.3. upon withdrawal from insurance contract;

23.4. by agreement between the policyholder and LHV;

23.5. on other grounds provided for by legal acts.

24. The parties are entitled to cancel a revolving insurance contract under ordinary procedure by the end of the current insurance period, with at least 30 days advance notice.

25. LHV has the right to cancel the insurance contract in accordance with the cancellation terms prescribed by legal acts, if:

25.1. the policyholder has failed to perform the insurance contract, among other things, not paying the insurance premium by the deadline or additional deadline;

25.2. the policyholder has intentionally submitted false information to LHV regarding the circumstances of the insurance contract and / or the insured event;

25.3. an insured event has occurred and LHV has made a decision on indemnification or refusal to indemnify the damage;

25.4. the insurance risk has increased, including if the insurance risk has increased independently of the policyholder and the policyholder does not agree to amend the insurance contract retroactively starting from the increase of the insurance risk;

25.5. the insured object has been transferred;

25.6. other grounds for cancellation of the insurance contract provided by legislation become apparent.

26. LHV has the right to withdraw from the insurance contract if upon entering into the insurance contract, the policyholder failed to notify LHV of significant circumstances affecting the insurance risk and/or has knowingly submitted false information (including deliberately avoiding reporting a material circumstance). LHV may withdraw from the insurance contract within one month after LHV became aware or should have become aware of the policyholder's failure to perform the notification obligation.

27. If the policyholder has not paid the first insurance premium within 14 days after concluding the insurance contract, LHV may withdraw from the insurance contract until the payment is made. If the paid insurance premium (including an instalment thereof) is less than the amount payable specified in the policy, the insurance premium shall be deemed not to have been paid. LHV shall be presumed to have withdrawn from the insurance contract if it does not file an action for the collection of the insurance premium within three months as of the premium becoming collectible.

28. If the insurance contract is entered into through telecommunications, the policyholder has the right to withdraw from the insurance contract within 14 days as of the conclusion of the insurance contract. The policyholder must submit a written application to LHV regarding the withdrawal in a form that can be reproduced in writing. Upon withdrawal, LHV returns the paid insurance premium. If LHV has provided the policyholder with immediate insurance coverage, the policyholder has no right of withdrawal.

29. If the insurance contract is entered into for longer than one year, the policyholder has the right to withdraw from the insurance contract within 14 days as of the conclusion of the insurance contract. The policyholder must submit a written application to LHV regarding the withdrawal in a form that can be reproduced in writing. Upon withdrawal, LHV returns the paid insurance premium. If LHV has provided the policyholder with immediate insurance coverage, the policyholder has no right of withdrawal.

30. If an insured event has occurred and LHV has made the decision to compensate or deny compensation for losses, the parties shall be entitled to extraordinarily cancel the insurance contract at the first opportunity.

31. If the insurance contract has been cancelled or a party has withdrawn from it, the parties to the insurance contract shall no longer be bound by the obligations arising from the contract as of the termination of the insurance contract.

The rights and obligations of the parties, including the policyholder's obligation to pay insurance premiums to LHV, remain valid until the termination of the insurance contract.

32. If the insured object has been destroyed as a consequence of an insured event or the insurance indemnity has been disbursed in full during the insurance period, LHV shall be entitled to the insurance premium for the current insurance period.

Communication

33. All notices necessary for the performance of the insurance contract shall be delivered in a form that can be reproduced in writing.

Processing of personal data

34. LHV is entitled to process personal data related to the insurance contract on the basis of LHV's Principles of Processing Customer Data and to disclose information related to the insurance contract to a third party whose right to receive information arises from LHV's Principles of Processing Customer Data.

35. LHV has the right to preserve recordings obtained by telecommunication or other means in connection with the performance of the insurance contract and, if necessary, use them to prove the declarations of intent submitted by the policyholder.

Expiry of claims arising from insurance contract

36. The limitation period for claims arising from the insurance contract is three years. The limitation period shall run from the end of the calendar year in which the claim becomes collectible.

Conflicts in the insurance contract documents

37. If there are any inconsistencies in the documents of the insurance contract, the interpretation shall be based on the presumption that the special terms and conditions of the insurance contract specified in the policy take precedence over these terms and conditions.

38. If the terms and conditions have been translated into a foreign language, their interpretation shall, in case of a dispute, always be guided by the Estonian-language terms and conditions.

Applicable law and resolution of disputes

39. If the policyholder does not agree with an LHV decision or wishes additional explanation, they may contact LHV by email at kahjud@lhv.ee and at the mailing address Tartu mnt 2, 10145 Tallinn.

40. The extrajudicial processor of insurance disputes is the conciliatory body for insurance disputes operating at the Estonian Insurance Association, email address lepitus@eksl.ee and mailing address Mustamäe tee 46, 10621 Tallinn, and the Consumer Protection and Technical Regulatory Authority, email address info@ttja.ee and mailing address Endla 10a, 10122 Tallinn.

41. Oversight of LHV as the insurer is conducted by the Financial Inspectorate, email address info@fi.ee and mailing address Sakala 4, Tallinn.

42. The insurance contract is governed by Estonian law and disputes arising from the insurance contract shall be adjudicated by Harju County Court.