

# Motor third party liability insurance

## Insurance product information document

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This information document provides an overview of motor third party liability insurance. It does not reflect the insurance contract terms and conditions that are based on your insurance interest and requirements. The terms and conditions of the contract can be found in other documents, such as the proposal, policy conditions and the insurance policy.

### What is this type of insurance?

Motor third party liability insurance insures the liability of the possessor of the insured vehicle for damage caused to a third party with the vehicle. In other words, the insurer indemnifies the damage inflicted on the victim with the vehicle instead of the person who caused the damage. The terms and conditions of the contract are largely governed by the Motor Insurance Act.



#### What is insured?

- ✓ The insurance covers
  - ✓ liability for damage caused due to an insured event caused by the vehicle specified in the policy; and
  - ✓ the medical treatment costs of the driver who caused the damage.
- ✓ Traffic accidents are the most common insured events.
- ✓ The sum insured per an insured event taking place in Estonia is 1,300,000 euros in the case of property damage and 6,450,000 euros in the case of personal injury.



#### What is not insured?

- ✗ The insurance does not extend to the vehicle specified in the policy. In order to insure it, you must enter into a voluntary vehicle insurance contract.
- ✗ The insurer indemnifies the damage caused to the victim but submits a recourse claim against the person who caused the damage, for instance, when:
  - ✗ the damage was caused intentionally;
  - ✗ the person who caused the damage was intoxicated while driving the vehicle.



#### Are there any restrictions on cover?

- ! The cover restrictions are laid down by the Motor Insurance Act. For instance, the insurance does not cover:
  - ! the cost of the replacement car rented for the period during which the damaged car is being repaired;
  - ! damage caused by destruction of money or works of art; and
  - ! damage inflicted upon oneself.



#### Where am I insured?

- ✓ The insurance applies in countries in the European Economic Area, in the Swiss Confederation and in other countries specified on the green card.



#### What are my obligations?

- The policyholder's main obligation is to pay the insurance premium.
- The insurer must be notified of risk situations and changes thereto, incl. changes to the use of the vehicle.
- The policyholder must follow traffic rules and behave reasonably and
- immediately notify the insurer of traffic accidents and follow their instructions.
- The vehicle that was damaged in the traffic accident and other property must be kept in the state they were after the incident until the insurer provides further instructions.
- The insurer must be immediately notified of any changes in the ownership of the vehicle or user responsible thereof.



#### When and how do I pay?

The insurance premium and payment deadline are specified in the policy. The premium is usually paid by bank transfer on the basis of an invoice.

If the contract becomes effective after the payment of the premium, the payment deadline is specified in the proposal.



#### When does the cover start and end?

The insurance cover starts and the insurance contract becomes effective on the commencement date of the insurance period and ends upon its expiry.

It may also end before the expiry of the insurance period specified in the contract. For instance, the insurer may terminate the contract if the insurance premium is left unpaid. The insurance contract ends automatically if the vehicle is removed from the traffic register.

Automatically renewed contracts are renewed for the next insurance period unless you express your objection within two business days of the end of the insurance period or enter into a contract with another insurance company.



### **How do I cancel the contract?**

In order to terminate the contract, you must submit a respective application to the insurer.

In general, the contract can only be terminated prematurely upon mutual agreement between the policyholder and the insurer. The contract can be terminated extraordinarily with good reason, for example, if the vehicle gets stolen or the contract under which you used the vehicle expires.