



# Terms and conditions of home insurance SEB-K100/2026

**Effective as of 31.03.2026**

This is an unofficial text. In case of the dispute the Estonian wording shall prevail.



## Table of contents

1.	Insured object .....	3
2.	Place of insurance .....	4
3.	Insured event .....	4
4.	Additional expenses to be indemnified.....	9
5.	Exclusions.....	9
6.	Obligations of Policyholder .....	10
7.	Safety requirements .....	11
8.	Insurance risk and increase of probability of insurance risk .....	12
9.	Obligations of PZU .....	12
10.	Sum insured and insurable value .....	13
11.	Underinsurance, overinsurance and multiple insurance.....	13
12.	Insurance indemnity and types of indemnification .....	13
13.	Deductible.....	14
14.	Indemnification procedure.....	14
15.	Release from obligation to perform insurance contract .....	15
16.	Refunding the insurance indemnity .....	15
17.	Insurance contract entered into for longer than 12 months.....	15
18.	PZU Koduabi (Home Assistance) .....	16

These terms and conditions of insurance (hereinafter also the Terms and Conditions) comprise a part of the insurance contract entered into with AB Lietuvos draudimas Estonian Branch (hereinafter referred to as PZU). The Terms and Conditions of Insurance are applied with the PZU General Terms and Conditions of Insurance Contracts. In any issues not regulated in the Insurance Terms and Conditions the parties to the insurance contract proceed from the Law of Obligations Act and other effective legislation.

## 1. Insured object

- 1.1.** Insured object means the property specified in an insurance contract. This can be a building, terraced house, semi-detached house, apartment, apartment ownership, civil engineering work and/or home contents.  
In addition to the insured object, the insurance can also cover the claims related to the insured person's liability, the expenses of renting a temporary place of residence and/or the damage caused by a tenant. The scope of the cover is stated in the insurance contract.
- 1.2.** The term **building** is defined according to the Building Code. A building is a construction work that has an interior space that is separated from the external environment by the roof and other parts of the building envelope. 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.
- 1.2.1.** The following is insured along with the building:
- a) the main structures of the building; interior and exterior finish; built-in kitchen, hallway, wardrobe and bathroom furniture; integrated kitchen appliances; sanitary ware; internal power, gas, heating, water supply, sewerage, ventilation, cooling, fire extinguishing, communications and alarm systems as well as other stationary construction elements supplementing the functions of the building;
  - b) the stationary external public utility lines of the building such as gas, oil, heating, water supply and sewerage pipelines and electrical wiring up to the border of the registered immovable or to the connection point, depending on which is closer to the building;
  - c) a solar power plant attached to the building with a maximum capacity of up to 15 kW, including the solar panels, inverter and electricity storage device if it is part of the power plant are also insured;
  - d) an electric car charging device which is attached to the building or located in the same territory as the building and is in the use of the policyholder or a person entitled under the policyholder;
  - e) the antennas, awnings, surveillance cameras, lamps, etc., installed on and permanently fixed to the external walls or roof of the building and any accessories of the building such as lamps, fence, gates, barriers, flagpoles, shelters, etc., small buildings of up to 20 m<sup>2</sup> in size and the material required for heating the building, which belong to the policyholder. The objects listed in this subarticle e) are insured to the extent of 10,000 euros in total.
- 1.3.** In the case of a **terraced house and semi-detached house**, the insured object is a residence that is structurally delimited and can be separately used as well as parts thereof, and parts of the building that are in common ownership. A part of the building in common ownership is an insured object to the extent corresponding to the size of the common ownership belonging to the policyholder.
- 1.3.1.** The objects specified in article 1.2.1 are also insured with the terraced house and the semi-detached house.
- 1.4.** In the case of an **apartment**, the insured object is a dwelling that is structurally delimited and can be separately used as well as parts thereof that can be altered without harming the parts of the building that are in the common ownership of the apartment owners. The interior finish, built-in kitchen, hallway, wardrobe and bathroom furniture, integrated kitchen appliances, floors, ceilings, non-load bearing partition walls, sanitary equipment, doors and windows, open and closed balconies, and the parts of the power, gas, heating, water supply, sewerage, ventilation, cooling, fire extinguishing, communications and alarm systems which only one apartment owner depends on are insured with the apartment. The electric car charging device or station, basement and storage space belonging to the apartment are also insured with the apartment.
- 1.5.** In the case of an **apartment ownership**, the insured object is a residence that is structurally delimited and can be separately used as well as parts thereof, and parts of the building that are in common ownership of the apartment owners. A part of the building in common ownership is an insured object to

- the extent corresponding to the size of the common ownership belonging to the policyholder. The basement and storage space belonging to the apartment are also insured with the apartment ownership.
- 1.5.1. The objects specified in article 1.2.1 are also insured with the apartment ownership.
- 1.6. The term **civil engineering work** is defined according to the Building Code. A civil engineering work is a structure that is not a building. For instance, lamps, fences, gates, barriers, flagpoles, shelters, terraces, outdoor pools with equipment, playgrounds, etc., are civil engineering works. Unless otherwise specified in the insurance contract, hydraulic constructions or port facilities (e.g. landing stage, breakwater, berth), windmills with masts, solar power plants (including solar panels and connected equipment) standing separately from the building, and the roads or pavements in the territory of the place of insurance are not considered insured civil engineering works.
- 1.7. **Home contents** mean the movable property belonging to or legally possessed by the policyholder specified in the insurance contract and/or their family member. The damage caused to movable property in legal possession is subject to indemnification only if it has not been indemnified by someone else or in any other manner. Unless otherwise specified in the insurance contract, valuables including objects of antique or artistic value as well as objects made of precious metals and materials are insured among home contents to the extent of 4,000 euros.
- 1.8. The spouse or partner living permanently with the policyholder in the place of insurance and their children, parents and dependants are considered the family members of the policyholder.
- 1.9. Unless otherwise specified in the insurance contract, cash, securities, bonds, documents, plans, drawings, archives, information or software contained in an information processing system or on data media; motor vehicles subject to registration or parts thereof, trailers of vehicles and towed equipment or parts thereof; agricultural machinery and their interchangeable towed devices; camper vans, saunas/hot tubs/summer cottages on trailers or parts thereof, aircraft and watercraft or parts thereof, explosives, samples, models, property used in economic activity, living beings, plants and greenery are not considered insured objects.

## 2. Place of insurance

- 2.1. A place of insurance is (are) building(s), interior space(s) and/or facility(ies) of the building located at the address specified in the insurance contract. The insurance contract is valid only with regard to an insured event that has occurred in the place of insurance specified in the insurance contract.
- 2.2. The insurance cover also applies to the home contents that constitute the insured object and are located in the garden of the policyholder's private house or terraced house at the address specified in the insurance contract if said home contents are meant for outdoor use. The insurance cover also applies to the home contents that constitute the insured object and are located in the locked basement or storage space belonging to the apartment that is used exclusively by the policyholder, or in an auxiliary building belonging to a private house or terraced house.
- 2.3. The insurance cover does not apply to home contents if they are kept in shared premises (e.g. stairwell, attic, shared basement or storage room, place of work), in an unattended public space (e.g. a public car park) or in another storage place used not only by the policyholder or a person treated as equivalent to the policyholder but also by other persons. As an exception, during daytime (07:00–23:00), loss or damage caused by theft of a bicycle, light personal mobility vehicle or pram located in an unattended public space (e.g. a school or shop car park), shared premises or another storage place is indemnified up to 1,000 euros, provided that the item was properly locked to a fixed object and a report of the theft or damage has been submitted to the police. Under this exception, only one item per insurance period is indemnified for theft or damage.
- 2.4. The home contents carried by the policyholder and/or their family members (e.g. in a car, at work, at school, on a holiday) are also insured outside the place of insurance specified in the insurance contract in the whole world to the extent of the sum insured of home contents specified in the insurance contract. Only the following listed items are deemed to be insured within the scope of the carried home contents: laptop and tablet, mobile phone, portable audio, video and photographic equipment, clothes and footwear, bags and suitcases, jewellery, glasses, watches, bicycles, prams, sports equipment, mobility equipment (e.g. smart balance scooter), fishing equipment and technical aids of disabled persons. Any damage caused to home contents that are subject to indemnification by another person or in another manner are not subject to indemnification.

## 3. Insured event

**3.1.** Insured event means an unexpected, sudden and unpredictable event in respect of the policyholder and the insured person, in the course of which the insured object is damaged, destroyed or lost at the place of insurance during the term of the insurance cover. The damage caused to the insured object at different times or by different events is regarded as different insured events. In the case of liability insurance cover, the damage caused to a third party will also be indemnified according to article 3.11. The insurer's indemnification obligation arises when an insured event takes place. The insurer's indemnification liability is limited to the insured events marked as selected on the policy.

**3.2.** Insured events include the following:

- a) fire;
- b) water accident;
- c) burglary;
- d) vandalism;
- e) storm;
- f) flood;
- g) penetration of rainwater through the structure;
- h) all-risk insured event;
- i) insured event of liability insurance.

**3.3. Fire**

3.3.1. In the event of fire, the damage caused to the insured object by the following is indemnified:

- a) fire, soot, smoke and fire extinguishing water;
- b) overvoltage caused by a lightning strike;
- c) explosion, including that of an explosive;
- d) crash of a piloted aircraft, its parts or its cargo.

3.3.2. Fire only means an open fire that started outside a designated fireplace or has spread from the designated place and is able to spread on its own.

3.3.3. Explosion means the momentary force generated by the expansion of gas or steam.

3.3.4. The medical expenses of the pet injured in a fire are reimbursed. Animals the keeping of which as pets is prohibited and animals used or exhibited in economic activities (e.g. farm, riding farm, zoo) are not deemed to be pets.

3.3.5. The restoration of landscaping destroyed by fire in an insured building or structure is indemnified for up to 3,000 euros.

3.3.6. The general exclusions of the insurance terms and conditions are given in article 5.

**3.4. Water accident**

3.4.1. In the event of water accident, the damage caused to the insured object by the following is indemnified:

- a) water, wastewater or other liquid or steam discharged as a result of a breakage from the internal water supply, sewerage, heating or cooling system of the building or parts thereof;
- b) water or wastewater discharged as a result of a breakage from the internal stormwater drainage pipes of the building or a part thereof;
- c) water discharged as a result of a breakage of household appliances permanently collected in the internal water supply and sewerage system of the building and parts thereof;
- d) water discharged from a fish tank.

3.4.2. The repair costs of the utility system and pipeline of the insured building that caused the water accident are also indemnified to the extent of 1,000 euros.

3.4.3. In the event of a water accident, the damage caused by the water flowing out of the piping as a result of the freezing of the internal water supply, sewerage or heating system or parts thereof and the costs specified in clause 3.4.2 will be indemnified if the freezing is caused by an internal failure of the heating device or the interruption of the power supply.

3.4.4. In the event of a water accident the following is not indemnified:

- a) the damage caused directly or indirectly by water or wastewater that entered the building through the sewerage system as a result of natural phenomena;
- b) the cost of the discharged water or other liquid.

3.4.5. The general exclusions of the insurance terms and conditions are given in article 5.

**3.5. Burglary**

3.5.1. In the event of burglary, the damage caused to the insured object by the following is indemnified:

- a) burglary or the theft of property by way of a break-in;
- b) robbery.

- 3.5.2. Break-in means entering a properly closed building or a room thereof at the place of insurance through a door, window, wall, roof, etc., using a forged key, picklock or another mechanical tool or an illegally obtained key for removing the barrier or lock that prevented entry into the location of the property.
- 3.5.3. Robbery means gaining possession of the insured object by using or directly threatening to use physical violence.
- 3.5.4. The costs of restoring the fencing structures or parts thereof or interior finish or home contents that were broken or damaged in the course of a break-in or robbery or attempted break-in or robbery are also indemnified.
- 3.5.5. The costs of replacement of locks and acquisition of new locks are also indemnified if the key or the lock code were removed from the possession of the policyholder or the person authorised by the latter in the course of a break-in or robbery. The costs of replacement of locks and acquisition of new locks are in such a case indemnified with the application of deductible.
- 3.5.6. Damage is not indemnified in the case of burglary if the home contents carried by the policyholder and/or the family members of the latter were left in a visible place in a vehicle.
- 3.5.7. The general exclusions of the insurance terms and conditions are given in article 5.
- 3.6. Vandalism**
- 3.6.1. In the event of vandalism, the damage caused to the insured object by the intentional spoilage or destruction of the property by a third party is indemnified.
- 3.6.2. The damage caused to the insured building by theft of its parts is also indemnified.
- 3.6.3. The damage caused by theft of home contents (including burglary) is not indemnified in the case of vandalism.
- 3.6.4. The general exclusions of the insurance terms and conditions are given in article 5.
- 3.7. Storm**
- 3.7.1. In the event of a storm, the damage caused to the insured object by the following is indemnified:
- a) storm;
  - b) a tree or another object that fell on the insured object as a result of a storm;
  - c) hail and ridged ice.
- 3.7.2. A storm means wind with a speed of at least 18 meters per second. If the speed of the wind cannot be determined, storm means wind that caused damage to structures or objects near the place of insurance that were in impeccable condition. Storm damage also means such damage to the insured object, which could be caused only by a storm.
- 3.7.3. Upon a storm, the following is not compensated for:
- a) damage caused directly or indirectly by a flood, including a flood caused by a storm;
  - b) damage caused by a fault in construction, material, design, installation, assembly or fabrication, unsuitable or defective material or product, or substandard work.
- 3.7.4. The general exclusions of the insurance terms and conditions are given in article 5.
- 3.8. Flood**
- 3.8.1. In the event of flood the damage caused to the insured object by the following is indemnified:
- a) storm;
  - b) precipitation;
  - c) flood of a body of water.
- 3.8.2. Flood only means a natural flood caused by a storm, precipitation (including melting snow) or the flooding of a body of water. A natural flood means an extraordinary rise in the water level resulting in unusual quantities of water that the ground and/or properly established drainage system (including drainage or sewerage system) cannot absorb.
- 3.8.3. The damage caused by the breakage of a dam or other protective structure in the event of a flood is not indemnified.
- 3.8.4. The general exclusions of the insurance terms and conditions are given in article 5.
- 3.9. Penetration of rainwater through the structure**
- 3.9.1. Damage caused by rainwater or meltwater that has penetrated the structure of the building is indemnified if there has been no water penetration in the insured building, terraced house or semi-detached house or apartment in the last five years.
- 3.9.2. Damage to interior finish or home contents due to water damage, i.e. damage to the material due to humidity, caused by the first-time passage of rain or meltwater is subject to indemnification.
- 3.9.3. The sum insured when damage caused by rainwater or meltwater that has penetrated the structure of the building is indemnified is 5,000 euros.
- 3.9.4. During the insurance period, one event of rainwater or meltwater penetration through the structure is indemnified for each insured building, terraced house or semi-detached house or apartment.

- 3.9.5. Damage caused by the obvious or known poor condition of the building or a part thereof or the failure to perform the duty of care (e.g. ignoring the need for renovation or non-application of primary measures for prevention of damage) is not subject to indemnification.
- 3.9.6. The general exclusions of the insurance terms and conditions are given in article 5.

### **3.10. All-risk**

- 3.10.1. The damage caused to the insured object by an unexpected, sudden and unforeseeable event, which has not been determined in articles 3.3 to 3.9, is indemnified in the case of all risk insurance.
- 3.10.2. In the case of all risks insurance events concerning computers (including desktop, laptop and tablet computers) and devices connected to computers or mobile phones, one insured event will be indemnified for each year of the insurance period.
- 3.10.3. The following is not indemnified in the case of all risks insurance:
- a) damage caused to home contents, sanitary ware and integrated kitchen equipment that are more than four years old due to their own internal electrical or mechanical failures or faults;
  - b) damage to building technical systems (such as a heat pump, boiler, water heater, ventilation unit, etc.) older than eight years, as well as to an electric vehicle charging device or station or a solar power plant, where the cause of the damage is interruptions, disturbances, or voltage fluctuations in the power supply, or internal electrical or mechanical failures or malfunctions of the insured item itself;
  - c) damage caused to lawn tractors and mowers, robot lawn mowers and other items in the course of their use, transport and/or operation;
  - d) damage caused by a fault in construction, material, design, installation, assembly or fabrication, unsuitable or defective material or product, or substandard work;
  - e) damage caused by construction, renovation, installation, maintenance or reconstruction works;
  - f) damage caused to the movable property outside a building or in an open building by wind, rain, snow, frost or other natural phenomenon, sand or dust, if said property is not meant for outdoor use;
  - g) damage caused by the insured object or part thereof being lost, left behind or stolen. Damage caused by the theft of garden and terrace furniture, a trampoline, radiator, smoke or barbecue oven grill and robot lawn mower is indemnified;
  - h) damage caused to sports equipment, fishing equipment and mobility equipment, including bicycles, scooters, smart balance scooters, children's electric cars, etc., in the course of their ordinary use;
  - i) damage caused to the insured object during the provision of temporary accommodation service. Temporary accommodation service is considered to be the use of the place of insurance on the basis of a contract of use with a term of up to 3 months;
  - j) damage caused to orthodontic appliances such as aligners, braces, retainers, etc;
  - k) damage caused upon breakage of glass surfaces due to thermal stresses.
- 3.10.4. The general exclusions of the insurance terms and conditions are given in article 5.

### **3.11. Liability insurance**

- 3.11.1. An insured event means any unexpected, sudden and unforeseeable unlawful damage caused to a third party resulting in the obligation of the policyholder and/or their family members to compensate for such damage pursuant to law. The spouse or partner living permanently with the policyholder in the place of insurance and their children and dependants are considered the family members of the policyholder.
- 3.11.2. The damage is indemnified if the policyholder and/or their family member is guilty of causing the damage and/or liable for causing the damage pursuant to law.
- 3.11.3. The insurance cover also extends to damage caused by pets for which the policyholder and/or their family member is liable pursuant to law. A pet is an animal kept or meant for keeping for personal entertainment or company. Animals the keeping of which as pets is prohibited and animals used or exhibited in economic activities (e.g. farm, riding farm, zoo) are not deemed to be pets.
- 3.11.4. In the case of a policyholder who is a legal entity the liability insurance cover only extends to liability arising from the ownership, possession or management of a building, part of a building, rooms in a building, registered immovable or civil engineering work.
- 3.11.5. The insurance contract applies to the insured event whereby the unlawful act that resulted in the insured event and caused damage to a third party took place in the territory of the Republic of Estonia.
- 3.11.6. Liability insurance cover in respect of the claims related to the ownership, possession or management of a building, part of a building, rooms in a building, registered immovable or civil engineering work is valid only in the places of insurance listed in the property insurance section of the same insurance contract.

- 3.11.7. The insurance cover extends to claims filed against the insured person that have been reported to PZU within three years after the end of the insurance period, provided that the event giving rise to the claim occurred during the insurance period.
- 3.11.8. All of the claims arising from the same cause and/or event are deemed to be the same insured event. The time of occurrence of the first event is deemed to be the time of occurrence of the insured event.
- 3.11.9. Legal costs of liability insurance mean, for the purposes of these terms and conditions, the amount spent on legal assistance, expert analyses and judicial proceedings by the insured person upon processing claims. PZU indemnifies the legal costs if incurring them was necessary in order to object to the claim and protect the rights of the insured person. Only the legal expenses approved by PZU in advance are subject to indemnification.
- 3.11.10. The damage or costs, the cause or content is the following, are not indemnified in the case of liability insurance:
- a) damage related to the economic activities and/or manufacturer's liability or employer's liability of the policyholder and/or their family member;
  - b) loss of profit;
  - c) non-material damage;
  - d) a public promise to pay;
  - e) negotiorum gestio;
  - f) gross negligence or intent;
  - g) unjust enrichment;
  - h) risk liability and a major source of danger, such as a power-driven vehicle; a vehicle subject to the motor insurance obligation; watercraft or aircraft (boat, drone, etc.). Damage caused by a non-power driven and non-battery-powered land vehicle (e.g. a bicycle) and by an electric rideable with the engine power of up to 400W and not subject to the motor insurance obligation is indemnified;
  - i) an event that the policyholder and/or their family member was aware of before entering into the insurance contract;
  - j) participation in training or competition;
  - k) mutual claims of the policyholder, their family members and related persons;
  - l) employment or service relationship;
  - m) disputes under family law;
  - n) *Force majeure*;
  - o) pollution and other environmental damage;
  - p) fines, default interest and other sanctions added to the damage;
  - q) asbestos, diethylstilbestrol, dioxin, toxic mould, infectious disease (including AIDS) or infection;
  - r) explosives, weapons, radioactive substance;
  - s) contractual liability;
  - t) damaging, loss or destruction of third-party property given in the possession or deposit of the policyholder;
  - u) claims related to holes, cracks and gashes caused by natural wear or a construction fault;
  - v) compulsory insurance (including motor third party liability insurance and the liability arising from the Pollution Act, the Railways Act and the Liquid Fuel Act);
  - w) the visible or known poor condition of a building or a part thereof (e.g. leakage from a pipe that needs to be repaired) and disregard of the duty of care (e.g. ignoring the need for repairs or failure to take the primary measures for the prevention of damage).

### **3.12. Rent of temporary housing**

- 3.12.1. If the policyholder's permanent housing becomes inhabitable as a result of an insured event, the costs of finding and renting equivalent temporary housing and moving there and back are indemnified. Loss of rent is also indemnified if the insured residential premises had been given on rent, but became inhabitable as a result of the insured event. The costs of and income from rent are indemnified to the extent of 12 months, but not longer than until the restoration or replacement of the permanent housing. The costs of and income from rent of temporary housing indemnified without the application of deductible.
- 3.12.2. The utility payments, default interest and contractual penalties related to the temporary housing are not subject to indemnification.
- 3.12.3. The cost of finding a temporary housing, the cost of renting and the cost of moving back and forth are not indemnified to a person who uses a building or apartment insured under the insurance contract on the basis of a lease.

### **3.13. Damage caused by tenant**

- 3.13.1. If the tenant or a person living with the tenant has intentionally or through gross negligence damaged the interior finish of the insured object or the home contents, the damage caused will be indemnified up to the amount of the damage caused by the tenant as stated in the insurance contract.
- 3.13.2. Damage caused by the theft of property and the damage and costs referred to in point 5 are not covered.
- 3.13.3. The cost of redecoration resulting from reconditioning or normal use of the residence, as well as damage caused by carelessness or negligence other than gross negligence, are not covered.
- 3.13.4. The insurance cover is only valid for a long-term rental period, i.e. more than 30 days, and only if the lease is entered into in writing.
- 3.13.5. During the insurance period, one event of damage caused by the tenant intentionally or due to gross negligence is indemnified per each residence that constitutes the insured object.

## **4. Additional expenses to be indemnified**

- 4.1. In the case of home contents insurance and all risks insurance, the insurance cover extends to the damage caused to the policyholder and/or their family member by the theft or robbery of a bankcard in Estonia. The cash unlawfully withdrawn with the bankcard from an ATM and the damage caused by unlawful payments with the card are indemnified to the extent of 1,000 euros. The insurance cover applies to the aforementioned events that occurred within 48 hours of the theft or robbery. The damage caused by the data of the bankcard (copied PIN, data theft online, etc.) falling into the hands of another person is not indemnified. Any damage subject to indemnification by another person or in another manner (i.e. by the bank) is not subject to indemnification.
- 4.2. The cost of storing one's home contents on a contracted rental space while repairs are carried out due to an insured event will be indemnified up to the amount of 500 euros.
- 4.3. Additional reasonable and justified expenses for the purchase of essential goods shall be indemnified up to the amount of 1,000 euros if the policyholder's permanent residence specified in the insurance contract has become uninhabitable as a result of a fire.
- 4.4. In addition to the material damage caused by the insured event, the justified costs specified below are indemnified to the extent of up to 10% of the sum insured of the insured object, but for no more than 100,000 euros. The sum insured equals the reinstatement value of a structure, unless the sum insured of the structure has been agreed in the insurance contract. The costs in question shall also be compensated in cases where the total amount of material damage and listed costs exceeds the sum insured.
- 4.5. PZU indemnifies the following:
  - 4.5.1. costs of the prevention or decrease of damage occurred in case of an insured event, even if these have not produced the desired result;
  - 4.5.2. costs necessary for demolition and cleaning works and refuse collection performed as a consequence of an insured event;
  - 4.5.3. the costs caused by an insured event that arise from the requirements and precepts of state and local government agencies and agencies operating in their area of administration upon the restoration of the insured object.
- 4.6. PZU does not indemnify for the following:
  - 4.6.1. the costs that arose from the requirements and precepts of state and local government agencies and agencies operating in their area of administration before the insured event;
  - 4.6.2. costs of elimination of environmental contamination;
  - 4.6.3. costs of state or local government agencies, incl. the Rescue Board.
- 4.7. If it is necessary to open building structures and/or demolish interior finishes in order to determine the cause of the damage, PZU shall indemnify the cost of restoring the demolished interior finishes and closing the structures only if it becomes evident as a result of such demolition and/or opening that the damage was caused by an insured event. Prior approval from PZU must be obtained for the activities and costs required for demolishing interior finishes and/or opening structures.

## **5. Exclusions**

The preclusions set out in this article are applied to all the insured events specified in the terms and conditions of insurance, except the events of liability insurance provided in article 3.11.

PZU does not indemnify for the damage or costs caused directly or indirectly by:

- 5.1. blasting or mining operations;

- 5.2. landslide and earthquake;
- 5.3. cybercrime or software error;
- 5.4. a defect, damage, or injury that existed before the start of the current insurance period; an internal fault; a hidden defect; gradual deterioration of the insured item's properties; wear and tear; aging; material fatigue; or changes in temperature, color, taste, smell, texture, or finishing properties;
- 5.5. decay, mold growth, corrosion, erosion, rust, rot, shrinkage, evaporation, loss of weight, moisture, dryness, spoilage, or any other similar process or phenomenon occurring over time;
- 5.6. deficiencies of aesthetic nature (e.g. scratches, dents, notches, stains, tears, changes in colour) that do not affect the use of the insured object for its intended purpose;
- 5.7. microorganisms (fungi, dry rot, etc.), plants, rodents, pests or insects;
- 5.8. chewing, tearing, scratching, pecking, etc. by animals, birds; excretion by an animal or bird. The breakage of a glass surface caused by a bird or animal striking the glass is indemnified;
- 5.9. subsidence, cracking, shrinkage or expansion of the building or part thereof (including utility system, pipes);
- 5.10. damage to or bursting of pipes due to flooding, except as defined in point 3.4.3. above;
- 5.11. the costs of maintenance of the insured object and costs of the spare parts replaced in the course of maintenance;
- 5.12. damage caused by contamination or pollution, e.g. with poison, soot, sediment, dust, etc., unless the contamination or pollution is caused by an event specified in clauses 3.3 to 3.8;
- 5.13. specific nature of the insured object;
- 5.14. the non-purposeful use of the insured object;
- 5.15. water or snow (including melting snow and ice) penetrating the building through its structures, excluding in the case specified in point 3.9.;
- 5.16. precipitation that penetrated the structure through unclosed openings or building structures, unless the openings emerged due to the circumstances listed in article 3.7.1;
- 5.17. movement or weight of ice and/or snow;
- 5.18. non-material damage, loss of profit;
- 5.19. Damage to be indemnified under the motor insurance or another compulsory insurance contract is not subject to indemnification.
- 5.20. Damage for which a third party is liable under a contract, including as a guarantor, is not subject to indemnification.

## 6. Obligations of Policyholder

- 6.1. The policyholder's family members, the persons who share the same household with the policyholder as well as the lawful possessors of the insured object or the persons who use the insured object with the consent of the owner or the lawful possessor (including tenants) are deemed to be persons entitled under the policyholder. The persons who are staying at the place of insurance to the knowledge of the policyholder irrespective of whether or not their presence at the place of insurance is lawful (a tenant does not move out after the expiry of the lease, the seller of the immovable does not leave by the due date, etc.) are also deemed to be persons entitled under the policyholder. The contractual obligations of the policyholder also apply to the persons entitled under the policyholder.
- 6.2. The policyholder must:
  - 6.2.1. follow the legislation effective in the Republic of Estonia, the user manuals of equipment manufacturers, the safety requirements set out in the insurance contract and the special and additional terms and conditions of the insurance contract;
  - 6.2.2. explain the obligations arising from the insurance contract to the persons equalised with the policyholder;
  - 6.2.3. allow the representative of PZU to examine the place of insurance, the objects to be insured and the documents required for entering into the insurance contract;
  - 6.2.4. submit full and correct information for the assessment of the insurance risks and upon entering into the insurance contract provide information about all of the significant circumstances known to the policyholder, which affect the decision of PZU to enter into the insurance contract or to do so on the agreed terms and conditions;
  - 6.2.5. immediately inform PZU about any increases in the probability of an insurance risk (e.g. if any changes take place in comparison with the situation specified in the insurance contract);
  - 6.2.6. make every effort to prevent an insured event and minimise any damage, avoid any increase in the probability of the insured risk and cause the persons who are deemed to be equal to the policyholder to do the same;

- 6.2.7. immediately inform about the emergence of multiple insurance;
- 6.2.8. immediately inform about the transfer of the insured object.
- 6.3.** Upon the occurrence of an insured event, the policyholder must:
  - 6.3.1. immediately take measures to save the insured object, prevent an increase in damage and reduce the damage;
  - 6.3.2. immediately inform the following about the event:
    - a) the police if the activity of a third party is suspected;
    - b) the local Rescue Board in the event of a fire or the explosion of an explosive;
    - c) the competent authority or person in all other cases.
  - 6.3.3. inform PZU about an insured event personally or through a representative as soon as possible after becoming aware of it, but not later than within five working days. If the exact time of the occurrence of the insured event cannot be determined, the insured event will be deemed to have occurred at the moment when the policyholder or the person entitled under the policyholder should have learned about it;
  - 6.3.4. where possible, keep the scene of the insured event intact until receiving instructions from PZU;
  - 6.3.5. follow the instructions received from PZU.
- 6.4.** The policyholder must present the damaged property in the state it is in after the insured event or its remains to PZU for inspection. The policyholder may not start restoring the damaged property or utilising the destroyed property without the consent of PZU.
- 6.5.** The policyholder must cooperate fully with the insurer and submit to PZU the entirety of the information available to the policyholder, which is necessary for determining the contractual obligations of PZU, incl. any and all documents regarding the causes and scale of the damage and authorise PZU to obtain the required information and documents.
- 6.6.** If a stolen or robbed insured object is returned or its location is determined, the policyholder must inform PZU about this immediately in writing or in a format that can be reproduced in writing.
- 6.7.** If a third party indemnifies the damage, the policyholder must immediately inform PZU about this.
- 6.8.** The above list of the policyholder's obligations is not exhaustive. The other obligations may be included in the other articles of these terms and conditions, the general terms and conditions of insurance contracts and in other documents of the insurance contract.

## **7. Safety requirements**

- 7.1.** The policyholder and persons equal to the policyholder are obliged to follow the safety requirements that arise from the legislation in force in the Republic of Estonia, user manuals of equipment manufacturers and the insurance contract.
- 7.2.** An automatic fire detection system must be in working order, switched on 24 hours a day and designed, installed and regularly maintained in accordance with applicable laws.
- 7.3.** All of the doors, windows, hatches and other openings of the building or room of the place of insurance must be closed and locked in such a manner that the obstacle or lock that obstructs access to the location of the property cannot be removed and the place of insurance cannot be entered without a forged key, picklock or any other mechanical tool or an unlawfully obtained key. Keys and access codes must be used in such a manner that they will not end up in the possession of third parties. The policyholder must replace the lock or code immediately if the key or code is lost or falls into unlawful possession.
- 7.4.** The automatic security alarm system must be in working order and regularly maintained; in the event of a threat it must engage and ensure the communication of the alarm. Upon leaving the building or room, the automatic security alarm system must be activated. The codes of the security alarm system may not end up in the possession of third parties and the keypad of the security alarm system must therefore be installed in such a manner that third parties cannot see the code being entered.
- 7.5.** The water supply, sewerage, heating and cooling systems of the building must be regularly maintained and protected against freezing. Protection means constant control of the temperature adequacy in the building or parts of it and ensuring an internal temperature that prevents the systems from freezing even in the event of an unexpected drop in the external temperature. The water supply, sewerage, heating and cooling systems located in buildings without adequate heating or parts of buildings in a period outside use and/or in a cold season must be closed, emptied and kept empty.
- 7.6.** All doors, windows, shutters, and other openings of the building or premises at the insured location must be closed in such a way that precipitation cannot enter through the aforementioned openings, and to prevent damage resulting from differences between indoor and outdoor temperatures.
- 7.7.** In the event of construction and/or repair works at the insured location, the policyholder is obliged to comply with the requirements arising from the Building Act, as well as, where a homeowners' association

exists, the requirements established by the association, and other basic construction practices. In addition, the policyholder must follow the instructions for use provided by the manufacturers of the equipment and substances used during construction and/or repair works. Before drilling, sawing, cutting, or performing any similar activity, it must be ensured that there is no concealed electrical wiring, piping, or other part of the building's technical systems at the work location.

- 7.8. Waterproofing must be installed in spaces below ground level and a backflow valve must be installed at the openings of the sewerage systems to prevent sewage from entering the building.
- 7.9. The battery of an electric car or forklift, or its cells, or storage devices not intended for the utility system of the construction work, may not be installed in the building or connected to the utility system of the construction work.

## **8. Insurance risk and increase of probability of insurance risk**

- 8.1. Insured risk is the risk against which the insurance policy is taken.
- 8.2. The policyholder must immediately notify PZU of any increase in the likelihood of materialisation of an insured risk, unless such increase is caused by a commonly known factor that does not affect the insured risk of only this policyholder.
- 8.3. After entering into the insurance contract, the policyholder may not increase the probability of the insured risk or permit persons for whom they are responsible to do so without the consent of PZU.
- 8.4. If the policyholder breaches the obligation to notify of risk-related circumstances or the obligation to prevent an increase of the risk, PZU will be released from the obligation to perform the insurance contract, if the insured event occurs later than one month after the moment when PZU should have received a notice, except if it knew or should have known about the possibility of an increase in the insured risk at the moment when it should have received the notice.
- 8.5. A circumstance that increases the possibility of occurrence of an insured event (e.g. construction or renovation works) or the damage caused is considered a circumstance increasing the insured risk. The policyholder may not increase the insurance risk without the consent of PZU.
- 8.6. In addition to the example given in article 8.5, the circumstances about which PZU requests information from the policyholder before entering into the insurance contract are primarily deemed to be the significant circumstances that increase insurance risk. Failure to comply with a special condition, supplementary condition, safety requirement or agreement pertaining to the insured risk specified in the insurance contract is also a significant circumstance influencing the insured risk.
- 8.7. PZU has the right to inspect the insured object during the insurance period and in the case of increased insured risk, demand that the policyholder apply additional security measures and/or increase the insurance premium. The above does not preclude PZU's right to cancel the insurance contract.
- 8.8. In addition to the provisions of these Terms and Conditions, the parties proceed from the regulation concerning the increase in the probability of insurance risk set out in the General Terms and Conditions of Insurance Contracts of PZU in the performance of the insurance contract.

## **9. Obligations of PZU**

PZU is obliged to:

- 9.1. introduce to the policyholder the documents relating to the insurance contract before signing the insurance contract;
- 9.2. keep confidential the data that have become known to it in connection with the insurance contract;
- 9.3. initiate the loss adjustment process immediately after receiving a loss notice from the policyholder and identify the scale of the damage to be indemnified;
- 9.4. register a loss notice and introduce the procedure for solving insured events and indemnifying damage to the policyholder;
- 9.5. inform the policyholder of the documents required for determining the cause and size of the damage sustained as a result of an insured event as soon as possible;
- 9.6. make a decision on the indemnification of damage or refusal to indemnify not later than within 10 working days as of receipt of all the required documents and identification of the scale and the circumstances of occurrence of damage. If misdemeanour proceedings have been initiated, PZU has the right to postpone making the decision for as long as the judgment made about the person as a result of the misdemeanour proceedings (judgment made by a court or a body conducting extrajudicial proceedings) or the decision to terminate the misdemeanour proceedings enters into force.

- 9.7. If PZU amends the standard terms and conditions and/or the insurance premium during the term of the insurance contract, the amendment is explained to the policyholder when it is sent to them.

## **10. Sum insured and insurable value**

- 10.1. Sum insured means the maximum amount payable per insured event. If the total amount of the material damage and the costs listed in article 4.4 still exceeds the sum insured, the costs listed in article 4.4 are indemnified for in addition to the sum insured, and the limits set out in article 4.3 are thereby also taken into account. The sum insured does not decrease when the insurance indemnity is paid out.
- 10.2. Insured value is the value of the insurable interest upon the occurrence of an insured event. The policyholder must inform PZU about the correct insurable value.
- 10.3. The insurable value of a structure means the reinstatement value or the cost of restoration of a similar new structure. If the sum insured of a structure has not been agreed in the insurance contract, the sum insured will be equal to the reinstatement value of the structure.
- 10.4. The insurable value of home contents means the reacquisition value or the cost of reacquisition of equivalent property (having similar technical qualities).  
The insurable value of objects of art, collections, antiquities, computers (including desktop, laptop and tablet computers) older than two years and equipment connected to computers, mobile phones, portable audio, video and photographic equipment is their market value or the cost of reacquisition of equivalent property (having the same technical qualities). The age of a device is calculated from the day it was purchased in brand new condition. In the case of insured events of fire, water accident, burglary, vandalism, storm and flood, any computers (incl. desktop, laptop and tablet computers) that are more than two years old and the devices connected to computers, mobile phones, portable audio, video and photographic equipment are subject to indemnification to the extent of their reacquisition value.
- 10.5. In respect of liability insurance risks, the sum insured is the maximum limit of all indemnities, incl. legal costs.

## **11. Underinsurance, overinsurance and multiple insurance**

- 11.1. Underinsurance means a situation where the sum insured of the insured object is lower than its insurable value. The terms and conditions concerning underinsurance are not applied in PZU's home insurance product.
- 11.2. Overinsurance means a situation where the sum insured is higher than the insurable value of the insured object. Overinsurance is identified separately for each insured object.
- 11.3. Multiple insurance means a situation where the insured object has been partially or fully insured against the same insured risk by the same insurer or multiple insurers and the total amount of the indemnities payable by the insurers would exceed the amount of damage or the total sums insured would exceed the insurable value. In the case of multiple insurance, the insurers are liable as solidary debtors.

## **12. Insurance indemnity and types of indemnification**

- 12.1. Insurance indemnity means the sum of money that is paid out as compensation for the material damage suffered as a result of an insured event and for the costs agreed in the insurance contract.
- 12.2. The maximum insurance indemnity per insured event is limited to the sum insured. If the total amount of the material damage and the costs listed in article 4.4 exceeds the sum insured, the costs listed in article 4.4 are indemnified for in addition to the sum insured, and the limits set out in article 4.3 are thereby also taken into account.
- 12.3. The types of indemnification include monetary indemnity and indemnification for the costs of restoration of the damaged object, including repair and renovation or replacement of the insured object with an equivalent one. The type of indemnification is determined by PZU.
- 12.4. PZU has no obligation to indemnify the damage if the insured person has come to an agreement with the claimant or indemnified the claim or a part thereof before the actual scale of the damage has been proven and/or the insured person's indemnification obligation is debatable. Neither is PZU obliged to settle the claim if the insured person waives their claim against a third party, provided that the indemnity could have been claimed from the third party if the insured person had not waived their claim.

### 13. Deductible

- 13.1.** Deductible means the part of the damage subject to indemnification specified in the insurance contract that must be paid by the policyholder in the case of each insured event. The sum of deductible is always paid by the policyholder and not indemnified by PZU. The deductible will be deducted last from the damage to be compensated. If the loss is greater than the sum insured, the deductible is deducted from the sum insured.
- 13.2.** The deductible is not applied in the case of an insured event of fire or storm if the building, part of the building or apartment that is the object of insurance was destroyed to the extent of more than 50%.
- 13.3.** The deductible is not applied to legal costs in the case of liability insurance.
- 13.4.** The deductible is not applied in the case of an insured event in which only the glass surface of the building, part of the building or apartment used for residential purposes was broken and no other damage occurred.
- 13.5.** The triple rate of the deductible specified in the policy, but not less than 400 euros, is applied upon the indemnification of damage in the case of an insured event of water accident or fire caused by construction and renovation works.
- 13.6.** The deductible applied in the case of all-risk insurance events concerning computers (including desktop, laptop and tablet computers) and devices connected to computers and mobile phones is noted in the policy. The main deductible specified in the insurance contract is applied if the main deductible specified in the insurance contract is higher than the scale of the deductible specified above. The number of insured events for which PZU will indemnify for damage caused to the equipment referred to in this clause is specified in the policy.
- 13.7.** If an insured event has caused damage to the floor, furniture, ceramic sanitary ware or tile, glass surface or leather item and it can be restored by spot repairs, PZU may offer the possibility of restoring the item by spot repairs without applying the deductible. In this way, it is possible to indemnify up to 3 insured events during an insurance period without applying a deductible. If the policyholder does not want spot repairs, but a replacement of the damaged object with a new one, the deductible is applied when the damage is indemnified.

### 14. Indemnification procedure

- 14.1.** Upon the occurrence of an insured event PZU indemnifies the material damage and the costs agreed in the insurance contract. The insurable value of the insured object, which was damaged, destroyed or lost as a result of the insured event, immediately before the occurrence of the insured event is used as the basis for calculating the insurance indemnity.
- 14.2.** The sum insured consists of the sum required for the restoration or reacquisition of the insured object that was damaged, destroyed or lost as a result of an insured event and for indemnification for the costs specified in point 4.4, and the limits established in point 4.3 will thereby be taken into account.
- 14.3.** For the restoration of a building insured under the policy or for interior finishing repairs, PZU will issue a letter of guarantee to the construction or repair company performing the work. If the policyholder wishes to receive monetary compensation for the restoration of the insured building or for interior finishing repairs, and PZU agrees, then 70% of the restoration/repair cost will first be paid based on a restoration estimate approved by PZU, taking into account the deductible and any possible reductions in compensation arising from the insurance contract. The remaining part of the restoration/repair cost will be paid by PZU after the policyholder has demonstrated, with photos, receipts, invoices, payment orders, or other similar documents, that the initially paid amount has been used to restore/repair the consequences of the insured event and that the restoration work has been carried out in the scope specified in the initial offer or estimate. The claim for reimbursement of the remaining part may be submitted within two years from the initial payment.
- 14.4.** The age of home contents, including technical equipment, is determined on the basis of the purchase documents or, in their absence, the date of manufacture, which can be identified by the serial number of the device, or the date of manufacture of a particular model.
- 14.5.** If the insured object is solar panels installed on a building or apartment and they have been destroyed as a result of the insured event referred to in points 3.3.–3.8, PZU will compensate for the loss of sales revenue caused by the destruction of the panels, based on the average amount of energy sold to the public electricity network through the connection point and the sales price during the previous 12

calendar months. The indemnity is paid for the period during which the solar panels are replaced, but for no more than six (6) months.

- 14.6.** PZU indemnifies the amount of damage without applying the conditions concerning underinsurance.
- 14.7.** In the case of overinsurance, PZU indemnifies the amount of damage up to the insurable value.
- 14.8.** The amount of damage is indemnified to the beneficiary, except for liability insurance where the damage is indemnified to the policyholder or, with the consent of the latter, to the person who suffered the damage. If no beneficiary is specified in the insurance contract, the policyholder is deemed to be the beneficiary.
- 14.9.** PZU has the right to set-off the obligations assumed under the insurance contract and the parts of the insurance premium payable until the end of the insurance period pursuant to the insurance contract.
- 14.10.** If the policyholder or beneficiary regains possession of stolen or robbed property after the insurance indemnity has been paid out, the property must be handed over to PZU or the insurance indemnity must be repaid.
- 14.11.** The policyholder must repay the insurance indemnity to PZU if any circumstances precluding indemnification have become evident after the damage was indemnified for or if a third party has indemnified for the damage pursuant to the procedure provided by law.
- 14.12.** Any disputes arising from insurance contracts will be resolved pursuant to the procedure set out in the General Terms and Conditions of Insurance Contracts.
- 14.13.** All of the insured person's rights of claim against third parties will transfer to the insurer after the damage has been indemnified for.
- 14.14.** If PZU indemnifies the acquisition costs of a brand new or equivalent object, the right of ownership of the destroyed or damaged object will transfer to PZU and the policyholder must deliver the destroyed object to PZU. If the policyholder does not deliver the object, PZU reduces the insurance indemnity by the value of the destroyed object.

## **15. Release from obligation to perform insurance contract**

PZU is released from the obligation to perform the insurance contract in part or in full if:

- 15.1.** the policyholder or a person entitled under the policyholder has breached at least one of the obligations set out in article 6 or 7 and there is a causal link between the failure to perform said obligations and the occurrence of the insured event and/or the damage that emerged as a result thereof;
- 15.2.** the insured event has occurred due to the gross negligence or intent on the part of the policyholder, a person entitled under the policyholder or the beneficiary;
- 15.3.** the insured event was caused by the activity of the policyholder or a person entitled under the policyholder under the influence of alcohol, drugs or other psychotropic substances;
- 15.4.** upon the entry into the insurance contract the policyholder or the beneficiary has submitted false data about important risk factors (e.g. previous damage, the type, status and function of the building, etc.) or the circumstances of the occurrence of damage and/or the scale of the damage.

## **16. Refunding the insurance indemnity**

- 16.1.** The policyholder must repay the insurance indemnity to PZU if any circumstances precluding indemnification have become evident after the damage was indemnified for or if a third party has indemnified for the damage pursuant to the procedure provided by law.

## **17. Insurance contract entered into for longer than 12 months**

- 17.1.** If an insurance contract is entered into for longer than 12 months, PZU has the right to amend the standard terms and conditions and/or the insurance premium of the insurance contract, but not with regard to the first 12 months of the insurance contract.
- 17.2.** If an insurance contract is entered into for a period longer than 12 months, the policyholder may withdraw from the contract within 14 days after entering into the contract. Sending a withdrawal application within the deadline is sufficient for adherence to the deadline. The term will not start before PZU has informed the policyholder of the right of withdrawal and the policyholder has confirmed receipt of the information with their signature. If the policyholder is not informed of the right of withdrawal, the right of withdrawal will end after one month has passed from the payment of the first insurance premium.

- 17.3.** If an insurance contract is amended during its term of validity, PZU will send the new policy and amended contract documents to the policyholder and the old policy will become invalid as of the issue of the new policy.
- 17.4.** Upon amendment of a contract, the amended contract documents shall be made available in PZU's self-service environment, with the policyholder being notified thereof, or the amended contract documents shall be sent to the email address provided to PZU or, if none is available, to the postal address communicated to PZU, at least 14 days before the amendments enter into force. The amendment may not be retroactive. Making the documents available in PZU's self-service environment or sending them to the указан email or postal address shall be deemed as delivery.
- 17.5.** If the policyholder does not consent to the amendment of the insurance contract, the policyholder may terminate the insurance contract within 14 days of entry into force of the amendments. Sending an application within the deadline is sufficient for adherence to the deadline. The term will not start before PZU has informed the policyholder of the right of withdrawal and the policyholder has confirmed receipt of the information with their signature. If the policyholder is not informed of the right of cancellation, the right of cancellation will expire within one month of payment of the insurance premium of the month following the amendment's entry into force.

### **18. PZU Koduabi (Home Assistance)**

- 18.1.** PZU Koduabi (Home Assistance) provides 24-hour first aid in the case of unexpected, sudden and unforeseeable accidents at home. All of the first services listed below are free of charge for the home insurance clients of PZU.
- 18.2.** Koduabi provides the following services:
- a) counselling on how to behave in the case of an unexpected, sudden and unforeseeable accident and prevent greater damage if possible;
  - b) arrival of the emergency service provider at the scene of the event;
  - c) if necessary, the place of insurance is physically guarded until the openings caused as a result of the insured event are temporarily closed, but for no longer than 12 hours;
  - d) after the occurrence of the insured event, the structure that is the insured object will be temporarily repaired, covered or strengthened with temporary means in order to protect the property from the impact of external factors or an increase in damage;
  - e) Koduabi helps to eliminate the accident in the case of a water accident and flood. Thawing frozen pipes or elimination of blockages is not an insured event under water accident cover;
  - f) Koduabi helps to repair or change the lock in the case of burglary or vandalism;
  - g) Koduabi will repair or change the lock if the lock was broken or the keys were stolen as a result of an insured event.
- 18.3.** The Koduabi service only applies to the insured event with regard to which the insurance contract was entered into. The respective insurance cover, which is the precondition to the provision of the Koduabi service, must be chosen in the insurance contract.
- 18.4.** The Koduabi service only applies in the case of an unexpected, sudden and unforeseeable accident that occurred at the place of insurance.
- 18.5.** Koduabi only indemnifies the reasonable and justified costs that help reduce the scale of the damage immediately after the insured event and restrict the further spread of the damage.
- 18.6.** The Koduabi service is not provided if the policyholder has not taken any measures to prevent recurring damage (e.g. the policyholder does not replace a broken pipe, door lock, etc.).
- 18.7.** The PZU Koduabi assistance service is only valid if ordered by calling the contact number of PZU. The Koduabi service is not subject to indemnification if it was ordered in any other manner.