



## TERMS AND CONDITIONS OF APARTMENT BUILDING LIABILITY INSURANCE OF SALVA KINDLUSTUSE AS

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### 1. SCOPE

- 1.1 The Terms and Conditions of the Apartment Building Liability Insurance shall regulate the legal relationship between the Policyholder, the Insured Person and Salva Kindlustuse AS (hereinafter: Salva).
- 1.2 Only the parties to the insurance contract may file performance claims arising from the insurance contract against each other. The Injured Person shall have no right to file a potential claim for damages or any other claims arising from the insurance contract directly against Salva.
- 1.3 Apartment Building Liability Insurance is a type of voluntary liability insurance.
- 1.4 The General Terms and Conditions of Liability Insurance of Salva Kindlustuse AS shall be applied together with these Terms and Conditions.

### 2. PURPOSE OF INSURANCE CONTRACT

- 2.1 The purpose of the liability insurance of the apartment building's owner is to protect the Insured Person against any claims for damages filed by third persons, to the extent provided in these Insurance Terms and Conditions.

### 3. OPTIONS OF INSURANCE COVER

- 3.1 If an apartment association has been established in the apartment building, the insurance cover options available shall be liability insurance of the apartment association and/or extended liability insurance of the apartment association.

- 3.2 If an apartment association has not been established in the apartment building, the insurance cover options available shall be liability insurance of the construction's owner and/or extended liability insurance of the construction's owner.

- 3.3 The insurance cover option shall be specified on the insurance policy.

### 4. INSURED PERSON

- 4.1 In the case of both the liability insurance of the apartment association and the extended liability insurance of the apartment association, the Insured Person shall be the apartment association. The management board, administrator, building manager and persons used by the apartment association in the performance of its duties shall not be considered as Insured Persons and their liability shall not be insured under these Insurance Terms and Conditions.

- 4.2 In the case of both the liability insurance of the construction's owner and the extended liability insurance of the construction's owner, the Insured Person shall be the owner of the construction and the respective plot that are located at the address specified on the insurance policy.

### 5. MATERIAL PARTS OF THE IMMOVABLE PROPERTY FOR WHICH THE LIABILITY OF THE APARTMENT ASSOCIATION IS INSURED

- 5.1 The statutory liability of the apartment association shall be insured for the construction and the respective plot and plants that are located at the address specified on the insurance policy. In addition, the insurance cover shall include the liability of the apartment association for the structures that are located on the plot belonging to the construction specified on the insurance policy and are used by the members of the apartment association.

- 5.2 The liability insurance of the apartment association shall not extend to playgrounds or to technical networks or structures erected to a foreign plot on the basis of real rights, which are subject to a statutory tolerance obligation.

### 6. MATERIAL PARTS OF THE IMMOVABLE PROPERTY FOR WHICH THE LIABILITY OF THE CONSTRUCTION'S OWNER IS INSURED

- 6.1 If the construction that is located at the address specified on the insurance policy is under common ownership, the Policyholder may insure the liability of all co-owners of the building jointly or only in the part belonging to the Insured Person.

- 6.2 The statutory liability of the construction's owner shall be insured for the construction and the respective plot and plants that are located at the address specified on the insurance policy. In addition, the insurance cover shall

include the liability of the construction's owner for the structures that are located on the plot belonging to the construction specified on the insurance policy and are used by the construction's owner.

- 6.3 The liability insurance of the construction's owner shall not extend to playgrounds or to technical networks or structures erected to a foreign plot on the basis of real rights, which are subject to a statutory tolerance obligation.

## **7. GEOGRAPHICAL VALIDITY OF INSURANCE COVER AND APPLICABLE LAW**

- 7.1 The liability of the Insured Person shall be insured only in the Republic of Estonia.
- 7.2 The legal relationship between the parties to the insurance contract shall be subject to Estonian law.

## **8. INSURED EVENT UNDER THE LIABILITY INSURANCE OF THE APARTMENT ASSOCIATION**

- 8.1 Insured event under the liability insurance of the apartment association shall be the occurrence of damage to a third person during the insurance period, where the owners of the construction or the respective plot specified on the insurance policy are jointly and severally liable for causing the damage but the claim must be filed against the Insured Person (apartment association) pursuant to law.
- 8.2 A third person shall be any injured person who is not the owner of the construction or the plot that is located at the address specified in the insurance contract, owner's family member living with him/her in the same construction or a party to the insurance contract.
- 8.3 The owners of the construction and the respective plot specified on the insurance policy shall be the persons mentioned in the land register at the time of the damage, who own the construction and the respective plot that are located at the address specified on the policy. In the case of a construction that is under common ownership, all co-owners shall be the owners of the construction and the respective plot. In the case of a construction divided into apartment ownerships, all apartment owners shall be the owners of the construction.
- 8.4 One of the preconditions for the liability of the apartment association shall be the joint and several liability towards the Injured Person of the owners of the construction or the respective plot specified on the insurance policy, for which the owners of the construction and the respective plot are liable under the provisions of law regulating the liability of the construction's owner or the general composition of delict, and the Injured Person can file a claim for damages only against the apartment association.
- 8.5 The claim of the Injured Person must have become enforceable during the insurance period. In general, a claim for damages becomes enforceable when the damage occurs.

## **9. INSURED EVENT UNDER THE EXTENDED LIABILITY INSURANCE OF THE APARTMENT ASSOCIATION**

- 9.1 Insured event under the extended liability insurance of the apartment association shall be the damage caused during the insurance period by an object under common ownership that belongs to the construction located at the address specified in the insurance contract, where the apartment owners of the same construction can claim indemnification from the apartment association.
- 9.2 Injured Persons shall be all apartment owners of the apartment association, who can file a claim for damages against the apartment association on the basis of a transaction-like legal relationship.
- 9.3 One of the preconditions for the liability of the apartment association shall be a violation of the obligation to maintain the object under common ownership in good order, due to which the property or health of the apartment owner who is a member of the apartment association is damaged.
- 9.4 The claim of the Injured Person must have become enforceable during the insurance period. In general, a claim for damages becomes enforceable when the damage occurs.

## **10. INSURED EVENT UNDER THE LIABILITY INSURANCE OF THE CONSTRUCTION'S OWNER**

- 10.1 Insured event under the liability insurance of the construction's owner shall be the damage that has occurred during the insurance period outside the building located at the address specified on the insurance policy, where the Insured Person is liable for causing the damage as the owner of the construction or the respective plot pursuant to law.
- 10.2 If the insured construction and the respective plot are under common ownership and the Policyholder has only insured his/her share in the common ownership, the damage that occurred outside the building shall be indemnified proportionally to the size of the Insured Person's share in the common ownership.
- 10.3 The Insured Person must be mentioned in the land register as the owner of the construction at the time of the damage.
- 10.4 A construction shall be an object erected as a result of human activity and connected to or based on the ground, the purpose, objective, manner or duration of use of which enables it to be distinguished from other objects. A construction shall be a building or a structure. A building shall be a construction with internal space that is separated from the external environment by a roof and other external barriers. A structure shall be a construction that is not a building.
- 10.5 The liability of the construction's owner shall arise from the provisions of law regulating the liability of the construction's owner or the general composition of delict.
- 10.6 Any damage that occurs inside the building shall not be subject to indemnification.

- 10.7 In the case of a construction under common ownership, the other owners of the construction shall not be considered third persons. This is the case regardless of whether the Policyholder insured only his/her own liability or the liability of all the owners of the construction.

## **11. INSURED EVENT UNDER THE EXTENDED LIABILITY INSURANCE OF THE CONSTRUCTION'S OWNER**

- 11.1 Insured event under the extended liability insurance of the construction's owner shall be the occurrence of damage during the insurance period to another co-owner of the construction inside a building that is located at the address specified on the insurance policy, where the Insured Person is liable for causing the damage pursuant to law or a contract between the co-owners.
- 11.2 Any damage that occurs outside the building shall not be subject to indemnification.
- 11.3 If the Insured Person's liability for the damages caused to another co-owner arises from a contract, that contract must have been concluded at least before the event causing the damage.
- 11.4 If a claim for damages has been filed against the Insured Person pursuant to a contract, the amount of the Insured Person's claim against the Insurer may not be higher than the amount that the Injured Person could claim from the Insured Person pursuant to law. The part of the damage that cannot be claimed from the Insured Person pursuant to law, or the part that exceeds the amount of damage subject to indemnification pursuant to law, shall be borne by the Insured Person.

## **12. GENERAL PROVISIONS**

- 12.1 The principles provided below in points 13 to 15 shall be applied to both options of insurance cover.

## **13. DAMAGE**

- 13.1 Only property damage and personal injury shall be subject to indemnification under the insurance contract.
- 13.2 Any damage that the Injured Person cannot claim from the Insured Person pursuant to law, the articles of association of the apartment association or the contract concluded between the owners of the building shall not be subject to indemnification. Also, any damage or expenses that the Insured Person cannot claim from Salva pursuant to the insurance contract shall not be indemnified. If the articles of association of the apartment association or the contract concluded between the co-owners of the building include more harmful conditions for the occurrence of liability or indemnification than the statutory regulation, the part exceeding the statutory regulation on the occurrence of liability or the amount of damage shall not be indemnified under the insurance contract.
- 13.3 Contrary to point 20.2.20 of the General Terms and Conditions of the Liability Insurance of Salva Kindlustuse AS, the owner of a damaged apartment or a damaged vehicle shall be indemnified for the property damage within the amount of the cost of renting a temporary

dwelling or a temporary vehicle during the repair of the apartment or the vehicle.

## **14. EXCLUSIONS**

- 14.1 Unless otherwise agreed in the insurance contract, the following property damage or personal injury shall not be indemnified:
- 14.1.1 For which the management board, administrator or building manager of the apartment association is liable. If the administrator has insured the liability of the apartment association, there shall be no right of recourse against the administrator upon the occurrence of the insured event;
- 14.1.2 That is caused to objects under common ownership belonging to the insured construction or the respective plot;
- 14.1.3 That is caused by a person for whom the Insured Person is liable pursuant to law in the same way as for the damage caused by himself/herself;
- 14.1.4 That is caused to the owner of the property rented, leased or used by the construction's owner (this exclusion shall not apply for the extended liability insurance of the apartment association);
- 14.1.5 That is caused by a defective product;
- 14.1.6 That is caused by condensate, rain or melt water, including flooding;
- 14.1.7 That is resulting from fluctuations in the voltage or poor-quality electricity supply;
- 14.1.8 That is caused by objects left outside the building or stored by the apartment owners;
- 14.1.9 That is caused by a broken pipeline that is older than 35 years;
- 14.1.10 That is caused by wrongful actions of a member of the apartment association, his/her family member, tenant or a third person;
- 14.1.11 That is caused by a blockage of the pipeline;
- 14.1.12 That is caused by a leak in the pipeline during the pressurization of water pipes;
- 14.1.13 That occurs to the property of apartment owners or co-owners (except in the case of extended liability insurance of the apartment association or the construction's owner);
- 14.1.14 That is caused by a construction that is in danger of collapsing, a construction being erected or a construction that does not have a permit for use;
- 14.1.15 That is caused by long-term deterioration of the construction.
- 14.2 The legal terms used in the exclusions section and not defined in these Insurance Terms and Conditions shall be interpreted on the basis of the meaning given to them by law.

## **15. SUM INSURED**

- 15.1 The sum insured shall be valid for the liability of the apartment association related to the construction that is located at the address specified on the insurance policy or to all buildings that are under the responsibility of the insured apartment association.
- 15.2 The sum insured of the construction's owner shall be valid for the liability related to the construction that is located at the address specified on the insurance policy or to all insured constructions.