

TERMS AND CONDITIONS OF ACCIDENT INSURANCE FOR THE DRIVER CAUSING THE TRAFFIC ACCIDENT

TABLE OF CONTENTS

1.	CONCLUSION OF INSURANCE CONTRACT AND STANDARD TERMS AND CONDITIONS OF CONTRACT.....	1
2.	INSURED OBJECT.....	1
3.	INSURED PERSON.....	1
4.	INSURED EVENT.....	1
5.	TRAFFIC ACCIDENT.....	1
6.	GEOGRAPHICAL COVERAGE OF INSURANCE.....	1
7.	INDEMNIFICATION.....	1
8.	OBLIGATIONS OF THE INSURED PERSON WHEN DRIVING.....	3
9.	LIMITATION OF INDEMNIFICATION AND EXCLUSIONS.....	3
10.	SETTLEMENT OF DISPUTES.....	4
11.	OTHER PROVISIONS.....	4
ANNEX 1 – TABLE FOR DETERMINATION OF PERCENTAGE OF PERMANENT DISABILITY IN CASE OF ACCIDENT INSURANCE ...		5

1. CONCLUSION OF INSURANCE CONTRACT AND STANDARD TERMS AND CONDITIONS OF CONTRACT

- 1.1. Insurer shall issue an insurance policy, based on data received from Policyholder. If Policyholder pays the insurance premium in time, the insurance contract is considered to be concluded. Insurance cover is effective from the beginning of insurance period under the conditions specified by insurance policy, even if the insurance premium has not been paid yet because of a later payment deadline.
- 1.2. If Policyholder fails to pay the insurance premium, it is assumed that s/he did not wish to conclude the contract under the policy conditions and the contract has not been concluded. In this case there is no insurance cover.
- 1.3. In case of an insurance contract the following standard policy conditions shall be applied:
General Terms and Conditions of Insurance by Salva Kindlustuse AS (KÜ-03);
General Terms and Conditions of Accident Insurance for The Driver Causing The Traffic Accident ÖLK-12.03.
- 1.4. Insurance contract is only concluded if a motor TPL insurance policy in respect of the vehicle specified in the insurance contract has previously been issued by the Insurer or if the Insurer issues a motor TPL insurance policy together with the accident insurance policy (data regarding the conclusion of these insurance contracts may be presented in a single policy).

2. INSURED OBJECT

Insured object shall be life and health of the insured person.

3. INSURED PERSON

- 3.1. Insured person shall be the driver causing the traffic accident who legally drives the vehicle, in respect of which a motor TPL insurance policy has been issued by the Insurer.
- 3.2. Insured person shall not include a person who drives the vehicle illegally (e.g. who arbitrarily uses the vehicle or who drives a stolen or robbed vehicle).
- 3.3. Minor shall be an insured person who is under 18 (eighteen) years at the moment of traffic accident.

4. INSURED EVENT

- 4.1. Insured event in the meaning of these insurance terms and conditions shall be a permanent disability or death of insured person caused during the period of insurance by a traffic accident that was caused by a vehicle specified in the insurance contract, whereas the insured person herself/himself was driving the vehicle.
- 4.2. Insured event shall not include a traffic accident caused by a vehicle, in respect of which an accident insurance cover has been agreed, when the motor TPL insurance policy issued in respect of this vehicle by the Insurer has been prematurely terminated by the time of traffic accident or the motor TPL insurance contract concluded with the Insurer has ended.
- 4.3. Insured event shall not include the insured event covered by motor TPL insurance contract, where the insured person is the victim and his/her personal injury is compensated pursuant to the regulation on motor TPL insurance contract of the person who caused the traffic accident.

5. TRAFFIC ACCIDENT

- 5.1. Traffic accident in the meaning of these insurance terms and conditions shall be a situation where the insured person causes a loss with the insured vehicle when driving the vehicle, under the conditions that together constitute the insured event covered by a motor TPL insurance contract according to applicable law.
- 5.2. Traffic accident shall also include a collision of the vehicle covered by motor TPL insurance with any object or driving off the road with the vehicle (e.g. collision with an animal, tree, driving into the ditch, etc.), regardless of the existence of other road users, provided that this vehicle was driven by the insured person and the place of traffic accident does not exclude the event to be classified as motor TPL insurance event according to applicable law (e.g. traffic accident caused inside a building).

6. GEOGRAPHICAL COVERAGE OF INSURANCE

This insurance shall be valid in a country of the European Economic Agreement or in Swiss Confederation.

7. INDEMNIFICATION

7.1. Principal definitions

- 7.1.1. Sum insured shall be the amount of money specified in the insurance contract that is the maximum limit of an insurance benefit paid for any traffic accident occurring

during the period of insurance. Sum insured shall be specified on the insurance policy.

- 7.1.2. Indemnity limit shall be the amount specified in the insurance contract that is, for this type of indemnity, the aggregate maximum limit of insurance indemnities paid for all traffic accidents occurring during the period of insurance. Indemnity limit shall be specified on the insurance policy.
- 7.1.3. Permanent disability in the meaning of these insurance terms and conditions shall be any of the following losses that emerges within 1 (one) year after the traffic accident and that is medically proven:
 - 7.1.3.1. Partial or full loss of a part of body or its function;
 - 7.1.3.2. Partial or full loss of a sensory organ or its function.
- 7.1.4. Death event in the meaning of these insurance terms and conditions shall be a situation when death occurs within 1 (one) year after the traffic accident.
- 7.1.5. Medical adviser shall be the person who provides medical advice to the Insurer.
- 7.1.6. Active therapy is a evidence-based medical activity aimed at the treatment of an injury to an organ or a part of body that has been caused by traffic accident, creation of a condition as good as possible for recovery (including for rehabilitation that follows active therapy) or prevention of possible delayed health problems caused by the injury.
- 7.1.7. Rehabilitation is an evidence-based systematic activity that follows active therapy in order to decrease the functional impairment of an injured organ or part of body, and to adjust the person, so that he/she could cope better with his/her disability in daily life. Rehabilitation in the meaning of these insurance terms and conditions shall not include an activity that is performed after 1 (one) year has passed since the commencement of activity that is considered rehabilitation.

7.2. General

- 7.2.1. Insurance benefit shall be paid if the insured person is the person who caused the traffic accident and s/he as the person who caused the traffic accident would not be compensated for his/her personal injury pursuant to the regulation on motor TPL insurance contract of the other driver who participated in the traffic accident.
- 7.2.2. When several vehicles participate in a traffic accident and the insured person is partly responsible for the occurrence of the accident (traffic accident occurred because several drivers violated the traffic requirements), insurance benefit shall be paid to the insured person pursuant to the insurance contract.
- 7.2.3. Insurance benefit shall be paid in respect of a traffic accident that involved the insured person only if the traffic accident occurred as a consequence of driving the vehicle. Driving the vehicle shall be any activity of a person on the seat of a driver of motor vehicle, if the motor vehicle is in motion.
- 7.2.4. When it appears after the payment of insurance benefit that the insured person is a victim in this traffic accident and safeguards intended for victims that are provided by motor TPL insurance are applied to the insured person, the Insurer shall be entitled to reclaim the insurance indemnity that was paid under this contract.
- 7.2.5. Types of indemnity shall include permanent disability benefit and death benefit.

7.2.6. If a single traffic accident leads to a contractual entitlement to several different types of indemnity (permanent disability benefit, death benefit), the calculation of indemnity shall be based on the following principles:

- 7.2.6.1. Permanent disability benefit shall be the priority, followed by death benefit;
- 7.2.6.2. Death benefit shall be reduced by the permanent disability benefit that was previously paid for the same accident.

7.3. Permanent disability benefit

- 7.3.1. Permanent disability benefit shall be paid under the insurance contract if the traffic accident leads to permanent disability of the insured person. A person shall be entitled to permanent disability benefit when the disability has lasted for at least 1 (one) year.
- 7.3.2. The existence and level of permanent disability in the meaning of insurance contract, which was caused by traffic accident, shall be determined within 1 (one) year after the traffic accident, based on the insured person's health status at that moment.
- 7.3.3. Permanent disability shall be determined in comparison with the health status of a healthy person at the same age, taking into account only the severity and nature of the disability and not the individual characteristics of the insured person, such as his/her way of life, profession or hobbies. Loss of capacity for work or loss of income shall not be considered for the determination of disability.
- 7.3.4. Permanent disability shall be determined based on medical documents.
- 7.3.5. Permanent disability benefit shall be paid as a percentage of the agreed liability limit for permanent disability. The percentage of permanent disability shall be determined according to the Table for Determination of Percentage of Permanent Disability in Annex 1 that was in effect at the time the insurance contract was concluded.
- 7.3.6. If functional impairments caused by traffic accident bear the characteristics of several subsections of the Table for Determination of Percentage of Permanent Disability provided in Annex 1 of these insurance terms and conditions, the percentage of permanent disability shall be determined on the basis of the subsection, which describes the damage (bodily injury) that is the main cause for functional impairments.
- 7.3.7. Permanent disability benefit shall be a lump-sum payment for a single traffic accident.
- 7.3.8. If active therapy or rehabilitation of the insured person has not been terminated in 1 (one) year after the traffic accident, the Insurer shall be entitled to adopt a decision whether the permanent disability benefit is paid or not, after the termination of rehabilitation but not later than in 2 (two) years after the traffic accident.
- 7.3.9. The degree of permanent disability established by the Social Insurance Board (SIB) or another national medical committee shall not be binding for the Insurer in the determination of permanent disability.
- 7.3.10. Permanent disability benefit shall not be paid, if:
 - 7.3.10.1. The first application for permanent disability benefit is not submitted in 13 (thirteen) months after the traffic accident, except for cases provided in point 7.3.8;
 - 7.3.10.2. The insured person dies because of this traffic accident in 1 (one) year after the occurrence of traffic accident.

7.4. Death benefit

- 7.4.1. Successor(s) of the insured person or another person entitled to the benefit shall be entitled to death benefit if the insured person dies because of the traffic accident in 1 (one) year after the occurrence of traffic accident.
- 7.4.2. Death benefit shall be the sum insured for death specified in the insurance contract.
- 7.4.3. Benefit shall not be paid if the insured person dies after 1 (one) year from the occurrence of traffic accident.

7.5. Actions in case of traffic accident

- 7.5.1. In addition to requirements provided by legislation, in order to receive the insurance benefit the insured person shall take the following actions in case of traffic accident:
 - 7.5.1.1. Consult a doctor as soon as possible;
 - 7.5.1.2. Follow the doctor's prescriptions;
 - 7.5.1.3. Allow the Insurer's medical adviser to perform his/her medical examination, if necessary;
 - 7.5.1.4. Notify the police of the occurrence of traffic accident.
- 7.5.2. In order to receive the insurance benefit, the insured person or his/her representative shall take the following actions:
 - 7.5.2.1. Inform the Insurer immediately, but not later than within 3 (three) working days, of the traffic accident, the preliminary diagnosis and the relevant medical institution;
 - 7.5.2.2. Provide immediately any relevant additional information requested by the Insurer.
- 7.5.3. The Insurer or the Insurer's medical adviser shall have access to information related to the traffic accident, including on the prior health status of the insured person. In case of an insured event the insured person or his/her legal representative shall agree to the processing of the above-mentioned information by Insurer and/or Insurer's medical adviser.
- 7.5.4. If the insured person or the Policyholder fails to perform the obligations listed in point 7.5 and this violation affects the determination of the Insurer's obligation to pay the insurance benefit or the amount of insurance benefit, the Insurer shall be entitled to refuse the indemnification or reduce the amount of benefit.

7.6. Application for insurance benefit

- 7.6.1. In order to apply for permanent disability benefit, the person entitled to insurance benefit shall present to the Insurer the following documents in 13 (thirteen) months at the latest after the occurrence of traffic accident:
 - 7.6.1.1. Written application on the form provided by the Insurer;
 - 7.6.1.2. Doctor's decision on the nature and duration of the functional impairment;
 - 7.6.1.3. Documents regarding the decision of the National Social Insurance Board or another national medical committee, together with additional documents, that formed the basis for the decision;
 - 7.6.1.4. Report on occupational accident in case of occupational accident;
 - 7.6.1.5. Confirmation from the police regarding the occurrence and circumstances of traffic accident.
- 7.6.2. In order to apply for death benefit, the person entitled to insurance benefit shall present the following documents to

the Insurer in 3 (three) months from the death of the insured person:

- 7.6.2.1. Written explanation on the circumstances of traffic accident;
- 7.6.2.2. Written application on the form provided by the Insurer;
- 7.6.2.3. Notarial copy of death certificate of the insured person, the second part of the completed medical death notice;
- 7.6.2.4. Document attesting the right of succession;
- 7.6.2.5. Report on occupational accident in case of occupational accident;
- 7.6.2.6. Confirmation from the police regarding the occurrence and circumstances of traffic accident.
- 7.6.3. If circumstances of the traffic accident must be clarified or if the proceeding of succession issues is on-going, these documents shall be submitted as soon as possible after the stipulated period.
- 7.6.4. If the person entitled to insurance benefit fails to perform the obligations listed in point 7.5 and this violation affects the determination of the Insurer's obligation to pay the insurance benefit or the amount of insurance benefit, the Insurer shall be entitled to refuse the indemnification or reduce the amount of benefit.

7.7. Payment of insurance benefit

- 7.7.1. In case of death event, the insurance benefit shall be paid in 30 (thirty) days after the submission of all required certificates, documents and the application; after this deadline, the decision whether the insurance benefit is reduced or the indemnification is refused shall be presented.
- 7.7.2. If the compensation obligation of the Insurer depends on circumstances established in a civil, criminal, administrative or misdemeanour proceeding, the period stipulated in point 7.7.1 shall be extended by the period of such proceeding.
- 7.7.3. Costs related to obtaining the necessary documents for the application of insurance benefit shall be covered by the Policyholder, the insured person or his/her legal representative.
- 7.7.4. The Insurer shall cover all expenses of additional medical expert assessments that are required by the Insurer.

8. OBLIGATIONS OF THE INSURED PERSON WHEN DRIVING

The insured person is required to be diligent in driving a vehicle and follow the legislation providing the requirements that apply for the participation in traffic with a vehicle. Legal consequences of the violation of traffic requirements on the payment of insurance benefit are provided in point 9 of these insurance terms and conditions.

9. LIMITATION OF INDEMNIFICATION AND EXCLUSIONS

- 9.1. Insured event in the meaning of these insurance terms and conditions shall not include the following:
 - 9.1.1. Traffic accident occurring prior to the commencement or after the end of insurance cover or during a period when insurance cover was ineffective;
 - 9.1.2. Causing bodily injury or death of the insured person as a consequence of operating a vehicle, where such an action is

not considered to be driving in the meaning of these insurance terms and conditions;

- 9.1.3. Motor races or testing, where the insured person participates as a driver;
- 9.1.4. Going in for auto sport and motor sport by the insured person;
- 9.1.5. Traffic accident caused by a driver who illegally uses the vehicle (such a person is not considered to be the insured person);
- 9.1.6. Miscarriage and childbirth, and the resulting complications;
- 9.1.7. Disease of the insured person, except if the disease was directly caused by traffic accident;
- 9.1.8. Injuries to the teeth or dentures of the injured person;
- 9.1.9. Emergence of mental disorder, unless this mental disorder resulted from traumatic injury of cerebrum that was caused by traffic accident;
- 9.1.10. Conscious endangering of life or health, self-mutilation, suicide or suicide attempt by the insured person.
- 9.2. The Insurer shall be entitled to refuse the indemnification in full, if:
 - 9.2.1. Driver was in a state of intoxication during the traffic accident. State of intoxication shall mean any health status caused by the use of alcohol, narcotic drugs or psychotropic substances, where this health status is expressed in disturbed or altered bodily or mental functions and reactions. Intoxication shall also include the refusal to establish the intoxication and acquiring the state of intoxication after causing a traffic accident;
 - 9.2.2. The occurrence of traffic accident was affected by the driver who was ill or exhausted or under the influence of drugs affecting the reaction rate or in any other health status that hinders the safe driving;
 - 9.2.3. The insured person had no right to drive the vehicle during the traffic accident or this right was stopped, suspended or revoked;
 - 9.2.4. The driver exceeded the maximum allowed speed limit immediately before the occurrence of traffic accident, if it could reasonably be expected when assessing the merits of the case that this violation affected the occurrence of traffic accident;
 - 9.2.5. Traffic accident occurs during the rest time of the driver, where the driver violates the driving and rest time

registration by driving a vehicle. In case of traffic accident that was caused by motor vehicle equipped with tachograph, one of the preconditions for indemnification is the submission of record sheet to the Insurer. Also in case where the record sheet reveals that the insured person failed to comply with the mandatory driving and rest time registration;

- 9.2.6. Traffic accident was caused with a vehicle, which roadworthiness did not comply with the applicable requirements, if it could reasonably be expected when assessing the merits of the case that this violation affected the occurrence of traffic accident.
- 9.3. The Insurer shall be entitled to reduce the insurance benefit to be paid or to refuse the indemnification in full, if:
 - 9.3.1. Traffic accident caused injury to the insured person's part of body or sensory organ, which function was already damaged before the occurrence of traffic accident;
 - 9.3.2. The insured person's recovery is delayed due to illness or injury that was not caused by the insured event.

10. SETTLEMENT OF DISPUTES

- 10.1. All contractual disputes shall be settled according to these insurance terms and conditions and the legislation of the Republic of Estonia.
- 10.2. If these insurance terms and conditions have been translated into another language, the interpretation in case of disputes shall be based on the Estonian version.
- 10.3. In order to settle an insurance dispute out of court, the case may be referred to the conciliation body at the Estonian Insurance Association. If an agreement cannot be reached, the dispute shall be settled in Harju County Court (Harju Maakohus).
- 10.4. The Financial Supervision Authority supervises the compliance of the Insurers with legislation. The Financial Supervision Authority does not settle any contractual disputes between Insurers and Policyholders/Insured persons.

11. OTHER PROVISIONS

The Insurer shall be entitled to abstain from the conclusion of insurance contract without providing any explanations.

ANNEX 1 – TABLE FOR DETERMINATION OF PERCENTAGE OF PERMANENT DISABILITY IN CASE OF ACCIDENT INSURANCE

Disability of a hand and arm	Percentage of indemnity limit for permanent disability	
	Primary	Secondary
Full loss of the 4th or 5th finger	7	3
Full loss of the 3rd finger	10	8
Full loss of the 2nd finger	15	10
Loss of 2 phalanges of the 2nd finger	10	8
Loss of distal phalange of the 2nd, 3rd, 4th or 5th finger	5	3
Full loss of the thumb	20	15
Ankylosis of the main joint of thumb	15	10
Full loss of distal phalange of thumb or ankylosis of DIP joint	10	5
Loss of all fingers or a hand	60	50
Ankylosis of wrist joint in favorable position	20	15
Ankylosis of wrist joint in unfavorable position	30	25
Amputation of arm in the section of forearm	60	60
Amputation of arm in the section of upper arm or elbow	70	70
Amputation of arm from shoulder	80	80
Ankylosis of shoulder in favorable position	30	20
Ankylosis of shoulder in unfavorable position	40	30
Ankylosis of elbow in favorable position	40	35
Ankylosis of elbow in unfavorable position	25	20
Non-healing fracture of humerus or malunion that paralyzes the upper arm function	50	40
Non-healing bone fracture of forearm or malunion that paralyzes the forearm function	40	30
Injury to the upper arm plexus that totally paralyzes the arm function	65	55
Injury to the upper arm plexus that partly paralyzes the arm function	20	15
Total cut of n. radialis, paralysis of posterior lateral muscles of forearm	40	35
Total cut of n. medianus, paralysis of anterior muscles of forearm	45	35
Total cut of n. ulnaris	7	3
<i>* Injury to peripheral nerves is determined by EMG test</i>		
Disability of foot and leg		
Amputation of leg from hip joint	70	
Amputation of leg in the section of thigh	60	
Amputation of leg from knee joint	50	
Amputation of leg in the section of lower leg (also from ankle joint)	45	
Amputation of foot in the section of tarsals	35	
Amputation of foot in the section of metatarsals	30	
Amputation of all toes from the main joint	25	
Amputation of big toe from the main joint	10	
Amputation of a toe (apart from big toe) from the main joint	3	
Ankylosis of hip joint	40	
Ankylosis of knee joint	30	
Ankylosis of ankle joint	25	
Ankle mobility up to 15 degrees	10	
Shallow heel after the fracture of calcaneus	10	
Non-healing defective fracture of femur or malunion that does not allow to put the body weight on the leg	60	
Condition following the fracture of patella, due to which the knee motion is less than 15 degrees	20	
Shortening of the leg by up to 3 cm due to trauma	10	
Shortening of the leg by more than 3 cm due to trauma	20	
Total paralysis of lower limb due to nerve injury	30	
Shortening of the leg by more than 5 cm due to trauma	60	
Total cut of n. femoralis, paralysis of anterior muscles of thigh	20	
Total cut of n. ischiadicus, paralysis of posterior muscles of thigh	30	
Total cut of n. tibialis, paralysis of posterior muscles of lower leg	20	
Total cut of n. peroneus, paralysis of anterior muscles of lower leg	15	
<i>* Injury to peripheral nerves is determined by EMG test</i>		

Disability of gastro-intestinal tract		
Loss of mandibular		100
Amputation of up to ½ of the tongue		15
Amputation of more than ½ of the tongue		30
Esophageal constriction (only liquid food can pass)		40
Esophageal obstruction (gastrostomy for feeding)		60
Bowel injury requiring a permanent stoma		70
Short bowel syndrome resulting from trauma		85
Loss of at least ½ of liver tissue resulting from liver injury		15
Loss of spleen		8
Gland insufficiency resulting from trauma of pancreas (Type 1 diabetes)		75
Disability of respiratory organs		
Loss of a lung that causes respiratory failure		35
Partial loss of a lung that causes respiratory failure		20
Laryngeal or tracheal constriction that requires repeated examinations and manipulations each year		20
Disability of excretory and reproductive organs		
Removal of a kidney		10
Kidney failure requiring renal replacement therapy		75
Urinary tract obstruction requiring permanent stoma		70
Urinary tract contraction requiring frequent visits to a specialist and special procedures		25
Urinary incontinence caused by trauma, requiring continuous use of toiletries		45
Decrease of bladder volume by more than 2/3		10
Loss of penis and testicles		50
Loss of uterus under 40 years of age		50
Loss of all fallopian tubes and ovaries		30
Loss of both testicles or partial loss of penis		30
Disability of cervical spine		
Cervical spine immobilization due to trauma or the stabilization of bone fracture		25
Disability of nervous system		
Appalic state		100
The following conditions caused by brain or spinal cord injury:		
monoparesis	up to 65	55
hemiparesis, paraparesis	up to 100	
tetraparesis	100	
paralysis of cranial nerve	10	
<i>* The extent and depth of paralysis are estimated on the basis of SSS scale and EMG test acknowledged by neurologists</i>		
Disability of vision		
Paralysis of accommodation of an eye		15
Diplopia		10
Hemianopsia at least 50%		10
Total unrecoverable loss of vision from one eye		50
Disability of hearing		
Total deafness in one ear		30
Total deafness in both ears		50
Loss of external ear		10
Craniofacial injury that leaves a lasting external defect		15