



Employer's liability insurance conditions

TVTÖ-20211



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Unofficial translation. In case of differences in interpretation of following document, the Estonian text will be regarded as the original.

Application of conditions

1. The employer's liability insurance covers within the scope of the contract liability of the employer in the case of accidents at work.
2. The employer's liability insurance does not cover liability due to occupational disease or an illness caused by work.
3. These insurance conditions are a part of the voluntary liability insurance contracts of If P&C Insurance AS (hereinafter referred to as "If") if so referred to.
4. The insurance contract consists of the policy, insurance conditions, and any other documents referred to in the Insurance Contract. The rights and obligations in various documents are applied together, without being mutually exclusive.
5. An exclusion of or limitation to the insurance conditions or any other provision of the insurance conditions is not applicable if a special agreement on an exclusion of, limitation to or provision of the insurance conditions has been indicated on the policy.
6. Any prior expressions of will, actions, or agreements by If and the policyholder is not considered as being part of the insurance contract.
7. In the case of any disputes arising, the Estonian version of the insurance contract prevails.

Policyholder

8. The policyholder is a person who has concluded the insurance contract (hereinafter referred to as the "Contract") with If.

Insured person

9. The insured person is the employer stated on the insurance policy. .

Temporary agency work

10. According to the present insurance conditions the liability of the insured as the user establishment of the temporary agency work regarding the persons working in the user establishment in terms of temporary agency work and their employer shall also be insured. The term "employer" used in the present insurance conditions shall also apply to the insured (user establishment) that is using the employees of another employer in terms of temporary agency work.
11. The civil liability of the temporary agency work employer (an employer who sends his employees to a user establishment in terms of temporary agency work) shall be insured with the special agreement indicated on the policy.

If the policyholder and the insured are not the same person

12. The policyholder is liable to ensure that the insured performs the terms and conditions of the insurance contract.
13. The policyholder explains to the insured the terms and conditions of the insurance contract, first and foremost the obligation to notify If and prevent as well as limit any damages.

Transfer of claims

14. Persons whose products or services are used by the insured, are considered insured only if they are indicated on the policy.
15. If a person whose products or services are used by the insured is not considered as insured, then in the event of payment of the indemnity, the right of claim of the insured against such person is transferred to If to the extent of the indemnity.
16. In the event of payment of the insurance indemnity the right of recourse of the insured against other solidary obligors is transferred to If to the extent of the indemnity.

Injured person

17. In the employer's liability insurance, the injured parties shall be the employees of the insured. In the case of the death of an employee of the insured, the injured party shall be also the persons who have covered the funeral costs of the deceased and the dependants of the deceased.

Employee

18. The following people shall be considered as employees:
- 18.1. People who work under the contract concluded with the insured or those in public service as well as members of the board of the insured and a procurator;
 - 18.2. People who are operating under the contract under the law of obligation (e.g. contract for services, authorisation agreement, agency contract, etc.) concluded with the insured on the condition that in accordance with the Social Tax Act the insured is obliged to pay social tax on wages paid under the abovementioned contract;
 - 18.3. People who work at the insured's premises as trainees;
 - 18.4. People who work at the insured's premises (for user establishment) in terms of temporary agency work.

Accident at work

19. Accident at work shall be the personal injury or death of an employee that occurred while performing work tasks given by the employer or during any other work performed with his/her consent, during the break that is considered in the working time or during any other time of operating in the interests of the employer.

Insurance event

20. The insurance event shall be an accident at work that occurred during the insurance period as a result of personal injury or material damage has been caused for the compensation of which the insured is liable according to applicable legal acts.
21. The sum insured, deductible, exclusions and other terms and conditions of the insurance contract are established according to the insurance period when the accident at work occurred.

Term for the submission of claims

22. If indemnifies the claims arising from the insurance event, which were filed to If:
- 22.1. during the customer relations period of the employer's liability insurance or
 - 22.2. within one year after the end of the customer relations period of the employer's liability insurance.
23. If and the policyholder may conclude a special agreement on the extended period for filing of claims.
24. If and the policyholder may conclude a retroactive agreement on insurance cover that is indicated on the policy. In such case the insurance is applicable for violations that occurred during the retroactive insurance cover period indicated on the policy, if neither the policyholder nor the insured were aware of a violation, claim or a circumstance on which a potential claim is based before concluding the special agreement.

Customer relations period of the employer's liability insurance

25. The customer relations period consists of the consecutive insurance periods of If's employer's liability insurance, if the insured person has remained the same.
26. The customer relations period expires on the last day of the insurance period, unless a next insurance period for the employer's liability insurance period commences on the next day.

Insurance validity area

27. This insurance is valid if all the following conditions are fulfilled:
- 27.1. the work accident occurred at the insurance validity area and;
 - 27.2. the claim was filed under the laws the Republic of Estonia*;
 - 27.3. the claim is settled at the court of the Republic of Estonia.

*If the law of another country is applicable for the legal relationship between the employer and employee, the insurer, shall, however, have no obligation to indemnify more than the insured would have had to indemnify in the case of the same circumstances on the basis of Estonian legal acts.

28. The insurance validity area is the Republic of Estonia, unless indicated differently on the policy.

Personal injury and material damage

Personal injury

29. Personal injury are the following damages arising because of bodily harm, damages to the health or death caused to the injured party:
- 29.1. reasonable and necessary treatment and health care costs
 - 29.2. reasonable and necessary costs of technical aids necessary for managing;
 - 29.3. decreased income of the injured party because of incapacity for work;
 - 29.4. loss or decrease of maintenance support of a dependant;
 - 29.5. reasonable and necessary funeral expenses.

Property damage

30. Property damage are following damages caused because of destruction of or physical damages to the object that belongs to the injured party:
- 30.1. reasonable and necessary costs on repairing the object;
 - 30.1. reasonable and necessary costs on replacing the object with an equivalent object;
 - 30.1. decreasing of the usual value of the damaged object.

Expertise, legal assistance and legal costs

31. If indemnifies within the limits of the sum insured the reasonable expertise, legal assistance and legal costs if it is necessary for establishing the insured liability. If indemnifies such costs without the deductible even if the claim proves to be unfounded.
32. The expertise, legal assistance and legal costs must be previously aligned with If in writing or in a format that can be reproduced in writing.
33. If does not indemnify the expertise, legal assistance and legal costs if the event is not an insurance event or if the indemnification of damages is excluded with the terms and conditions of the insurance.

Examples. If does not indemnify legal assistance costs related to intentionally caused damages. If does not indemnify legal assistance costs that are related to claims for interest, claims for contractual penalty, claims for indemnity of damages caused in the state of intoxication etc.

34. If the damages subject to indemnification on the basis of the insurance contract are less than the deductible, If does not indemnify the expertise, legal assistance and legal costs.
35. If the sum of the expertise, legal assistance and legal costs and damages exceeds the sum insured, the indemnity is limited with the sum insured.

Example. The sum insured is 50,000 euros. The claim for indemnity is 40,000 euros. The legal assistance cost for the protection of the insured's interests is 15,000 euros. If compensates in total 50,000 euros for the claim for indemnity and legal assistance costs.

Settlement of a claim with an agreement

36. Should If consider that it is reasonable resolve a dispute by agreement, the insured is obliged to respond to If's proposal in writing within 5 days, unless a longer term is established by If.
37. If the insured fails to respond to If's proposal in due time or conclude an agreement, If does not indemnify expertise, legal assistance and legal costs or increase of damages caused after the term for responding to If's proposal or concluding the agreement has passed.

Exclusions

38. The general exclusions are applicable regardless of the fact if the circumstance in an exclusion is caused by the activities of the insured, activities of another person or an external circumstance.

Event is not an insurance event

39. If does not indemnify if an event is not an insurance event.
40. If does not indemnify if the damages do not meet the characteristics of indemnifiable damages.

Intentionally caused damages

41. If does not indemnify if the insured caused the damages intentionally or intentionally violated the contract, legal norm, instructions foreseen for the use for the object or safety requirements.

Occupational disease and an illness caused by work

42. If does not indemnify if damages have been caused due to occupational disease or an illness caused by work.

Known circumstances

43. If does not indemnify if the policyholder or insured was aware or should have been aware of a circumstance related to the claim for the indemnification of damages (e.g. violation of an obligation, occurrence of damages, claim etc.) before the conclusion of the insurance contract. This exclusion is applicable even if the policyholder had notified the circumstance to If.

Intoxication

44. If does not indemnify if the person who caused the damages was in the state of alcoholic, narcotic, toxic etc. intoxication during the causing of the damages.

Illegal activity

45. If does not indemnify, if a claim arises from activities for which the insured, its employee or a person whose services the insured used for the respective activities did not have the qualifications, training, licence, registration, activity permit, driver's licence required with legal acts.

Compulsory insurance

46. If does not indemnify damages that are subject to indemnification under a compulsory insurance.

47. If does not indemnify recourses of motor third party liability insurance.

Non-patrimonial damage

48. If does not indemnify non-patrimonial damages.

Loss of profit

49. If does not indemnify loss of profit, except loss or decrease of income or support considered as personal injury set out in Article 29.

Public law sanctions, including fines

50. If does not indemnify damages arising from public sanctions (financial penalty, financial fine, penalty payment, imprisonment arrest etc.) imposed on the insured.

Increased responsibility arising from the contract

51. If does not indemnify if a claim is based on agreement establishing conditions for indemnification of damages that are stricter than those established in the law, e.g. surrendering of the right to file objections, simplified proof, extension of the limitation period, establishing the extent of damages, format of guilt or liability etc.

Contractual penalties, fines for delay, interests

52. If does not indemnify contractual penalties, fines for delay or interests

Expired claims

53. If does not indemnify if a claim filed against the insured has expired.

Asbestos or tobacco

54. If does not indemnify personal injury caused as a result of health hazardous characteristics of asbestos or tobacco.

Chemicals

55. If does not indemnify damages caused by growth stimulator DES (diethylstilbestrol), urea formaldehyde (UF) or dioxin.

Lack of health insurance cover

56. If the injured party was not covered by health insurance due to the insured's failure to fulfil obligations (unpaid social tax, data of the employee not submitted to the Health Insurance Fund, etc.), the insurer shall not indemnify damages and expenses in the amount of medical aid or indemnity which would have been received in accordance with the Health Insurance Act.

Employee's motor vehicle

57. If does not indemnify damages to the motor vehicle owned or possessed by employee.

Other exclusions

58. If does not indemnify if the damages were caused:

58.1. in relation to war, civil war, revolution or mass disorder;

58.2. as a result of nuclear energy, including nuclear weapon or nuclear fuel or radioactivity;

58.3. as a result of using or handling chemical weapons, biological weapons, bio-chemical weapons or electro-magnetic weapons;

58.4. directly or indirectly by terrorism or measures applied for preventing it, e.g. stopping or redirecting traffic, additional control, restrictions applied to transport of objects etc.;

58.5. directly or indirectly by illegal blocking of information systems or hindering work of such systems;

58.6. by an electro-magnetic field, including electro-magnetic field of mobile communication devices;

58.7. by any infectious disease, including AIDS, HI virus or hepatitis;

58.8. in relation to a strike or lock-out.

Viruses

59. Notwithstanding any provision to the contrary, this insurance does not cover claims originating from or relating to:

59.1. any actual, alleged, fear or threat of virus, including but not limited to diseases arising out of any type of virus as well as unknown viruses and any mutation or variation of virus and/or

59.2. any action taken or failure to take action in controlling, preventing, suppressing the spread of or in any way responding to such actual, alleged, fear or threat of virus.

Restrictions arising from international sanctions

60. All risks with which the insurance is in conflict or with which it comes into conflict in terms of restrictions, bans, or sanctions imposed by the United Nations, European Union, United Kingdom of Great Britain and Northern Ireland or the United States of America, are excluded from the insurance cover starting from the day upon which the restrictions, bans, or sanctions become applicable to the corresponding insurance contract.
61. In cases in which the sanctions that have been imposed by the United Nations, the European Union, United Kingdom of Great Britain and Northern Ireland or the United States of America directly or indirectly restrict the provision of the insurance service based on the respective insurance contract, If has the right to cancel the insurance contract by sending a written notice to the policyholder. The contract is considered as having been cancelled after fourteen days have passed from the day upon which the cancellation notice was received by the policyholder. In the case of any interruption in communications, it is considered that the cancellation notice was delivered after the notice was sent out or attempts were made to send out the notice.

Sending notifications

62. The policyholder shall send notices to If by post, e-mail or via If's e-office. The policyholder has the right to request a copy of the policy and the declaration of intent made by him in writing or in a form that enables written reproduction.
63. If will send all notices to the policyholder, the insured party or beneficiary via email, normal postal services, or by text message. If uses the postal address or e-mail address or telephone number indicated on the policy or the person's homepage or otherwise notified to If.
64. If will consider as the sender of the email any person from whose email address the message has been sent if this address is indicated in the documents contained within the insurance contract, or where such an email address is shown on the website of the individual in question, or which has been provided to If in any other manner.

If's obligation to notify the policyholder

65. In circumstances in which If changes its name or legal format, or its address, or the address of its insurance supervisory body during the insurance period, If will provide notification to the policyholder via If's own website or via the mass media.

The policyholder's obligation to notify If

66. Upon establishing the terms and conditions of the insurance contract (including insurance premiums, special conditions etc.), If relies on the data submitted by the policyholder and/or their representative, e.g. insurance broker.
67. Should the data submitted to If prove to be incorrect or deficient or if the circumstances related to the insurance object have changed significantly, the policyholder shall notify If thereof without delay.

Example. If shall be notified if the number of employees has increased.

68. The policyholder shall notify If promptly of any increase in risk.
69. If has the right to rely on the data submitted on the insurance object, risk circumstances and insurance interest when concluding any insurance contracts in the future.
70. If has the right to check application of safety requirements and other circumstances related to the insured risks during the validity of the insurance contract and/or during handling an insurance event, and request data regarding the circumstances from the policyholder and insured.
71. The policyholder shall notify If promptly of any filing of claims and any circumstances that may be the basis for a claim. Such circumstances are for example, violation of an obligation, causing of damages, a client's claim, initiation of judicial proceedings or extra-judicial proceedings etc.

Cancellation of the insurance contract

72. Both the policyholder and If may cancel the insurance contract within three months from the day when the policyholder notified If of a circumstance underlying the potential claim. The cancellation is notified 31 days in advance.

Activities in case of damages occurred

73. The policyholder must register work accident in accordance with the procedure prescribed by the legislation.
74. In case of damage occurred, the policyholder is required to provide If with correct and full information regarding the circumstances of the occurred damage, extent of the loss and potential responsible persons.

75. The policyholder allows If inspecting of the site of the event and the damaged property as well as questioning the persons for whom the policyholder is responsible.
76. The policyholder submits to If documents, written explanations, respond to If's questions, participate in the inspection of the site of the event or damaged property by If's request.
77. The policyholder shall not recognize or fulfil a claim covered with the insurance without the prior consent from If, unless provided differently by the law.
78. In the event a claim, complaint, action is filed against the policyholder, the policyholder uses duly the necessary legal remedies, including submit a response, challenge, complaint, claim etc., which is required on the basis of the law or contract for the protection of the rights of the policyholder. The aforesaid does aligned with If prior to performing the respective activity.

Indemnity

79. Indemnity is the part of the damages and expertise, legal assistance and legal costs, which are indemnified by If within the limits of the sum insured. If does not indemnify damages to the extent of the deductible.
 80. If an indemnity limit per an insurance event, a type of damages or expenses etc. is foreseen in the insurance contract, the maximum indemnity does the respective indemnity limit, which does not exceed the sum insured.
 81. The sum insured and indemnity limits are decreased by each indemnity.
- Examples.** The sum insured is 100,000 euros, the indemnity limit for the insurance event is 30,000 euros. Damages caused as a result of an insurance event are 60,000 euros, If indemnifies 30,000 euros. The sum insured is decreased to (100,000 – 30,000) 70,000 euros. As a result of the next insurance event, damages are caused in the sum of 75,000 euros. If indemnifies 30,000 euros. The sum insured is decreased to (70,000 – 30,000) 40,000 euros.
82. If several insurance events are caused by one and the same event, one deductible shall apply for all insurance events caused by the same event.
 83. In case If pays the indemnity as periodical payments (e.g. support), the insured shall pay the first periodical payments to the extent of the deductible and thereafter If shall continue the payment of periodical payments.
 84. If has the right to withheld from the indemnity all premiums not paid for the insurance period irrespective of the fact if the payment date has arrived. If has such right even if the person receiving the indemnity is not the policyholder.
 85. If the insured legal entity is dissolved without a successor, If's obligation to indemnify shall also cease.
 86. The person entitled to the indemnity is obliged to notify the bank account number to If.

Violation of the insurance contract

87. In cases in which If delays in indemnification, If pays a fine for such a delay under the requirements of the Law of Obligations Act.
88. If the policyholder has intentionally or due to gross negligence violated an obligation, e.g. safety requirements, which were obligatory to be observed before the event that caused the damages, If has the right to decrease the indemnity or refuse payment thereof.
89. If the policyholder intentionally violated an obligation that was obligatory to be observed after the event that caused the damages, If has the right to decrease the indemnity or refuse payment thereof.
90. If the policyholder, due to gross negligence, violated an obligation that was obligatory to be observed after the event that caused the damages, If has the right to decrease the indemnity or refuse payment thereof, if the violation influenced the amount of If's indemnification obligation or hindered establishing thereof.

If's right of recourse

91. In case of payment of the indemnity, the right of claim for the indemnification of damages against the person liable for the damages, which belongs to the insured is transferred to If to the extent of the indemnified sum.
92. If is not required to pay indemnity before the insured has signed the document verifying the transfer of the right of recourse.
93. If the insured surrenders their claim against the person who is responsible for the damages or the right that secures that claim, If is released from the obligation to indemnify to the extent, to which If could have claimed indemnity on the basis of such claim or right.
94. If does not file recourses against the employees of the insured.
95. The policyholder shall assist If in submitting the recourse, e.g. send data, documents etc. necessary for executing the right of recourse. If the policyholder violates the above obligation, If is not obliged to indemnify until the abovementioned obligation is fulfilled.

Conclusion of the insurance contract. Policy

96. Upon the conclusion of the contract, the policyholder must notify If of all circumstances that may have an influence on the terms and conditions of the insurance contract or If's decision to conclude the contract. Upon the conclusion of the insurance contract, If relies on the data and insurance interest disclosed by the policyholder.
97. A policy issued by If is an offer for insurance contract.
98. The policyholder agrees with the insurance contract by paying the first premium during the term indicated on the policy or by signing the policy if the signature of the policyholder is foreseen on the blank of the policy.
99. If the signature of the policyholder is not foreseen on the blank of the policy, the policyholder is not required to sign the policy, payment of the first premium is considered sufficient for agreeing to the insurance contract.
100. The specific terms and conditions for the conclusion and entry into force of the insurance contract are indicated on the policy.

Amendment of the insurance contract

101. If the policyholder wishes to amend the insurance contract, they must contact If by telephone, email, via If's e-office or turn to an If office. The insurance contract has been amended if If issues the amended policy or a notice regarding the amendment of the insurance contract.
102. If due to an amendment an additional premium becomes payable, the amendment applies if the payment has been made. The amendment does not apply if the payment has not been made in due time.

Expiry and termination of the insurance contract

103. The insurance contract will expire on the last day of the insurance period. If and the policyholder conclude a separate insurance contract for each insurance period.
104. The insurance contract can be terminated in cases that have been set out in the law or within the insurance contract.
105. If the policyholder wishes to terminate the insurance contract, they must contact If by mail, e-mail or via If's e-office, or contact an If office. With the consent of If, the policyholder may communicate their wish to cancel the contract via telephone.

Settlement of disputes

106. The policyholder has the right to file a complaint against the insurer to the Financial Supervision Authority to Sakala 4 15030 Tallinn. Any disputes related to the contract shall first and foremost be settled by way of negotiations. For pre-trial settlement of a dispute, an application may be filed to the insurance conciliation body (telephone 667 1800; e-mail lepitus@lkf.ee; postal address Mustamäe tee 46, Tallinn 10612), where the conciliation procedure is free of charge. The rules of procedure of the conciliation body are available at www.eksl.ee. A claim arising from an insurance contract must first be submitted to If (via the e-office or by regular mail to Lõõtsa 8a 11415 Tallinn or by e-mail to info@if.ee) If no agreement is reached, the dispute is settled in court.