

Employer's liability insurance

Insurance service information document

AS LHV Kindlustus, registered in the Republic of Estonia



The information document provides a general overview of the employer's liability insurance. This document does not reflect the terms and conditions of the insurance contract based on your insurable interest and requirements. The terms and conditions of the contract are set out in other documents, such as offer, terms and conditions of insurance and policy.

What type of insurance is it?

Employer's liability insurance is an insurance targeted at companies. The aim of employer's liability insurance is to provide cover for the employer if an accident at work occurs or an occupational disease is diagnosed, and the employer is liable to pay compensation. Employer's liability insurance is a voluntary type of liability insurance.



What is insured?

- ✓ **Insured object** means material obligations (hereinafter 'liability') arising from the liability of the insured person.
- ✓ **Insured event** means an accident at work and/or a diagnosed occupational disease suffered by an employee during the period of insurance, as a result of which the insured person as the employer has a legal obligation to pay compensation.
- ✓ **Compensation** will be paid for material damage and legal expenses incurred in defending and processing claims.

Material damage means:

- damage to property, i.e. the cost of repairing or replacing an item belonging to an employee with an equivalent as a result of its damage or destruction;
- personal injury, i.e. expenses incurred as a result of damage to the health of an employee, personal injury or death;
- other property damage which is not personal injury or damage to property but is a direct consequence of the said damage. LHV will compensate up to 20% of the total personal injury and/or damage to property for any other property damage suffered by the injured party that is directly related to the damage to property and/or personal injury caused.

Legal expenses include:

- extrajudicial legal costs;
- court costs;
- expert costs.

- ✓ **The sum insured and the insurance deductible** are indicated on the policy. The sum insured is reduced by the insurance indemnity paid on the basis of the insurance contract.



What is not insured?

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- ✗ liability arising from a profession requiring compulsory liability insurance (e.g. notary, enforcement agent, auditor);
- ✗ liability arising from providing a professional service (e.g. health professional, accountant, architect);
- ✗ risks related to general or product liability.



Are there any restrictions on insurance cover?

For example, insurance cover does not apply to the following:

- ! a loss resulting from a work-caused illness diagnosed in the employee;
- ! non-material (moral) damage;
- ! a loss caused intentionally;
- ! force majeure (e.g. natural disaster) damage;
- ! damage caused by the crime;
- ! damage caused by intoxication;
- ! a loss that the policyholder was aware of before concluding the insurance contract;
- ! absence or inadequacy of the authorisations, qualifications or licences required for the activities of the insured person and/or their employee.



Where am I insured?

- ✓ Insurance cover is valid in the Republic of Estonia.
- ✓ At the policyholder's request, it is possible to extend insurance cover to employees' assignments abroad. In the event of the employee's assignment abroad, the insurer's liability is limited to the extent and under the conditions established by the legislation of the Republic of Estonia.



What are my obligations?

- Provide LHV with complete and truthful information in order to take out insurance.
- Pay insurance premiums on the deadline and in the amount stated on the policy.
- Explain to all persons who are equivalent to you as a policyholder the rights and obligations arising from the insurance contract.
- Notify LHV as soon as the data you provided when you concluded the insurance contract and your risk situation change.
- Avoid increasing the insurance risk and do not allow it to be increased by other persons equal to the policyholder.
- Do everything you can to prevent an insured event and minimise potential damage.
- Notify LHV immediately of the filing of a claim for damages or of the circumstances that may result in an insured event.
- Provide LHV with complete and truthful information about the event of damage.
- Allow LHV to investigate the circumstances of the insured event.



When do I pay and how?

The insurance premium must be paid in the amount and by the due date indicated on the policy by bank transfer on the basis of an invoice.

If the contract is deemed to have been concluded upon payment, the offer will specify the period within which the payment is due.



When does the insurance cover start and end?

The insurance cover starts and the insurance contract enters into force on the starting date of the insurance period. The insurance cover ends on the expiry date of the period of insurance indicated in the policy.

Insurance cover may also terminate before the end of the insurance period specified in the contract. For example, an insurance provider may terminate a contract if the policyholder has not paid the insurance premium.



How can I terminate my insurance contract?

If you have concluded an insurance contract by means of communication, you have the right to withdraw from the contract within 14 days of concluding it. To do this, submit an application to the LHV's e-mail address kindlustus@lhv.ee. If you withdraw from the insurance contract, LHV will refund the premium you have paid. If LHV has provided you with immediate insurance cover, you have no right of withdrawal.

By agreement between the parties, the insurance contract may be terminated at any time before the end of the insurance period. To do so, send an application to the LHV's e-mail address kindlustus@lhv.ee, indicating the name and the current account number of the beneficiary of the paid insurance premium.

If you have not indicated the expiry date of the insurance contract on the application, LHV will terminate the contract the day after receipt of the application.

If the insurance contract is cancelled during the insurance period, LHV will refund the premium paid to you for the part corresponding to the period during which the insurance cover was not in force.

The insurance contract cannot be terminated retroactively.