

# GENERAL TERMS AND CONDITIONS OF BROKERAGE CONTRACT



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The general terms and conditions of the brokerage contract are a document which determines the basis and procedure and general terms and conditions for the interaction between Cavitas dental insurance broker OÜ and the client. The objective of the general terms and conditions is to create a clear and reliable relationship between Cavitas dental insurance broker OÜ and the client. The general terms and conditions are an integral part of all services provided to the client by Cavitas dental insurance broker OÜ.

## 1. DEFINITIONS

- 1.1. The broker is Cavitas dental insurance broker OÜ (reg. no. 16501780), who is on the insurance distributors' list kept by the Estonian Financial Supervision Authority ([www.fi.ee](http://www.fi.ee)) and who distributes insurance for pecuniary consideration and on the basis of a brokerage contract. The registered address is Veskiposti 2-1002 Tallinn, e-mail: [info@cavitas.eu](mailto:info@cavitas.eu), website [www.cavitas.eu](http://www.cavitas.eu)
- 1.2. The client is any natural or legal person who is using or has expressed interest in using the services of the broker.
- 1.3. The policyholder is a person who enters into the insurance contract and who has the obligation to pay insurance premiums.
- 1.4. The insurer is a company (insurance company), the main and permanent activity of which is compensating for damages caused by an insured event or paying an agreed sum of money upon the occurrence of an insured event.
- 1.5. The parties are the broker and client referred to jointly.
- 1.6. A third person is any natural and legal person who is not a party in the meaning of the general terms and conditions.
- 1.7. The tender is an offer issued to the client by the broker for using brokerage services, incl. a comparative insurance tender.
- 1.8. A comparative insurance tender is an overview of insurance tenders of various insurance companies that conform to the client's interest in insurance, issued by the broker.
- 1.9. Payment is a payment made or compensation of fees to the broker for the insurance premium or brokerage fee or for the use of some other service.
- 1.10. Service is a service provided by the broker to the client.
- 1.11. The transaction relationship is a legal relationship incurred between the broker and the client when the client uses, has used or has expressed the desire to use the service.
- 1.12. The brokerage contract is a contract concluded between the broker and the client for the provision of insurance mediation pursuant to § 658 subsection (1) of the Law of Obligations Act.
- 1.13. The brokerage terms and conditions are the general terms and conditions of this brokerage contract which are an integral part of the brokerage contract for services and the brokerage contract.
- 1.14. The contract for services is another contract concluded between the broker and the client for services provided by the broker, concluded pursuant to § 619 subsection (1) of the Law of Obligations Act. The general terms and conditions together with the additional terms and conditions of the contract for services shall apply to contracts for services.
- 1.15. The administration of insurance contract is the helping of the client by the broker in the completion of the insurance contract, including the monitoring of the validity of the insurance contract, the payment of insurance premiums, the amendment and termination of insurance contract and the timely extension of the insurance contract.
- 1.16. The principles of processing client data is a document which regulates the processing of data concerning the client, including personal data, which have become known to the broker by the broker.
- 1.17. The procedure for reviewing and resolving client complaints is a document, the purpose of which is organising the reviewing and resolving of complaints filed by policyholders who are the clients of the broker.

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## 2. GENERAL PART

2.1. The general terms and conditions apply to all transaction relationships.

2.2. In addition to the general terms and conditions, transaction relationships are regulated by the law of the Republic of Estonia, contracts for services, contracts and principles of processing client data.

2.3. The general terms and conditions, terms and conditions of services and the principles of processing client data are available on the broker's website or on the website of the insurance product administered by the broker.

2.4. The general terms and conditions also apply to transaction relationships which were incurred before the entry into force of the general terms and conditions and valid on the day of entry into force.

2.5. If the general terms and conditions are in conflict with the terms and conditions of service, then the provisions of the terms and conditions of service apply.

If the general terms and conditions or the terms and conditions of service are in conflict with the contract, then the provisions of the contract apply.

2.6. The broker has the right to amend the terms and conditions of brokerage unilaterally by informing the client of this or disclosing this information on its website at least 1 (one) month in advance. The client has the right to cancel the brokerage contract by the entry into force of the amendments at the latest if the client disagrees with the changes. The client shall send a notice regarding the cancellation to the broker to the address provided in the terms and conditions of brokerage at least 7 (seven) days in advance in writing or in another agreed manner.

2.7. The words in singular shall have the meaning of plural and vice versa in the general terms and conditions if this is required by context.

2.8. Interaction between parties shall take place in Estonian or in any other language upon the agreement of the parties.

## 3. EXPLANATIONS OF BROKER BEFORE CONCLUDING THE BROKERAGE CONTRACT

3.1. Information preceding the brokerage contract

3.1.1. Cavitas dental insurance broker OÜ is an insurance brokerage company which is entered into the list of insurance brokers of the Financial Supervision Authority ([www.fi.ee](http://www.fi.ee)) and which engages, for pecuniary consideration and based on a brokerage contract, in insurance distribution with the purpose to recommend and intermediate the client insurance contract based on independent analysis that meets the client's insurance interests and requirements the best.

3.1.2. Insurance distribution means advising on, proposing, preparing, and entering into insurance contracts, and assisting in the administration and performance of such contracts. Insurance distribution also includes the provision of information concerning one or more insurance contracts in accordance with the criteria selected by clients through a website, application or other such environment, and the compilation of an insurance service ranking list, including price and service comparison, and providing information on price discounts, while the client is able to directly or indirectly enter into an insurance contract using a website, application or other such environment as a result of the aforesaid process.

3.1.3. The broker acts as the representative of the client in the relationship of the client and the insurance company and only cooperates with insurance companies in mediating insurance contracts to the extent necessary to request insurance tenders, concluding of an insurance contract and helping the client in the case of damages.

3.1.4. As a general rule, the brokerage fee of the broker is a percentage of the insurance payment or a fixed rate. The broker may receive a commission fee from the policyholder as well as from the insurance company which pays the commission fee

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for the policyholder, as well as in combination of both above methods. The broker shall always disclose to the client the amount of commission fee it receives, the person paying the commission fee, and the principles of calculating the commission fee pursuant to the insurance contract. The broker also has the right to require a brokerage fee for additional services.

3.1.5. The liability insurer of the broker is Lloyd's Insurance Company S.A. (100%) c.c. 0682.594.839, Lloyd's, Bastion Tower, Place du Champs de Mars 5, Brussels, 1050 Belgium.

3.1.6. Complaints shall be resolved pursuant to the procedure for reviewing and settling the client complaints of the broker which have been published on the website administered by the broker. It is also possible to file a complaint regarding the activities of the broker with the Consumer Complaint Committee of the Estonian Consumer Protection Board (the terms and conditions for an appeal are disclosed at [www.tarbijakaitseamet.ee](http://www.tarbijakaitseamet.ee)), with the Financial Supervision Authority ([www.fi.ee](http://www.fi.ee)) or with a court ([www.kohus.ee](http://www.kohus.ee)).

3.1.7 The broker may disclose the information provided in points 3.1.1-3.1.6 to the policyholder orally, on the website or later send it via a durable medium together with the general terms and conditions of the brokerage contract and/or the tender.

3.1.8. Upon becoming acquainted with the information listed in clauses 3.1.1.-3.1.7., the client understands that the broker processes their personal data, including sensitive personal data, and gives their consent to the processing of personal data. The broker processes the personal data in order to provide the customer with the insurance broker service, conduct insurance analyses and risk assessments, consult the client on insurance-related matters, including on the occurrence of damage, and deal with organizing the performance of the insurance contract.

## 3.2. BROKERAGE CONTRACT

3.2.1. The brokerage contract is declared to be concluded when the client has expressed the desire to use the service to the broker and the broker has agreed to provide the service.

3.2.2. The expression of the client's desire may be provided in writing or orally or via a durable medium in some other way and it may also be expressed with the agreement with the insurance tender, the payment of the first payment connected with the broker's tender or with another confirmation by the client. The agreement of the broker may be providing an insurance tender to the client or other act or confirmation.

3.2.3. The brokerage contract is concluded between parties for an unspecified term unless the client expresses the desire for a brokerage contract to be concluded separately for the mediation of each insurance contract.

3.2.4. Documents of the brokerage contract are statements, agreements and notices of parties, questionnaires on the interests of the client, terms and conditions of brokerage, and other documents, invoices and letters. An insurance tender prepared by the broker is also a document of the brokerage contract.

3.2.5. The broker may use the help of another insurance broker or third person to perform the expression of desire or order of the client.

3.2.6. The broker shall operate exclusively in the interests of the client in performing the brokerage contract, even when the broker has cooperation contracts with insurance companies to perform the insurable interest of the client.

## 3.3. CLIENT'S AUTHORISATION

3.3.1. The client provides the broker with the following authority when concluding a brokerage contract:

a. requesting insurance tenders from insurance companies for the client and negotiating in the client's name over insurance terms and conditions, insured amounts, insurance payments, insurance coverage, etc.;

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b. at the client's request, concluding and amending, extending and terminating the insurance contract mediated by the broker, submitting declarations of intention connected to this and requiring that the insurance payment be returned to the bank account of the broker;

c. represents the client in communication with insurers, incl. receipt from insurers and forwarding to the client messages and information materials related to performance of the insurance contract;

d. withdrawing from the insurance contract concluded with the mediation of the broker if the client has not paid the commission fee of the broker or insurance payment provided in the insurance contract;

e. representing the client in the case of a loss event;

f. the broker has the right to require a written power of attorney from the client;

g. the broker has the right to use the help of another insurance broker for the best performance of the client's insurable interest, by delegating this authority.

3.3.2. The client's authority for the broker is valid until the expiry of the brokerage contract or until it is withdrawn by the client.

3.3.3. The client confirms that it has insurable interest, for which it grants the broker the authority to find the best insurance tender. The client sustains all losses incurred from its lack of legal basis for concluding the brokerage or insurance contract or granting the corresponding authority to the broker.

3.3.4. The client confirms that it has not granted an authority to another broker at the time of granting the authority to the broker for the same insurable interest.

3.3.5. The client confirms to be aware that if the broker pays the insurance payment for the client, the broker incurs the right of recourse of the insurance payment against the client.

3.3.6. The client has the right to withdraw from the brokerage contract within 14 (fourteen) days from its conclusion.

3.3.7. A Party has the right to cancel the brokerage contract with a notice of 7 (seven) days if the other party is in violation of the contract and does not cease the violation immediately at the request of the other party.

## 4. PROVISION OF INSURANCE BROKERAGE SERVICE

4.1. Determination of the client's interests

4.1.1. The broker determines the insurable interest of the client to perform the client's order, storing the information on the client's insurable interest and requirements in durable medium (e.g. on the insurance tender, in an expression of desire submitted by e-mail or via web environment, etc.).

4.1.2. The client undertakes to disclose all circumstances which the broker requests to determine insurable interests, as well as circumstances which are generally expected to influence insurable interest.

4.1.3. If the client's insurable interest lies in unit-linked life insurance, the broker assesses the suitability for the client of this type of contract and its underlying assets and submits to the client information concerning the nature of the assets underlying the insurance contract and risk related to such assets. Doing the above, the broker will not put emphasis on gains achieved by concluding the contract without referring to relevant simultaneous risks.

4.1.4. If the client's insurable interest is concluding a contract for a funded pension pursuant to procedure provided in § 50 of the Funded Pensions Act, the broker informs the client every time before concluding a contract regarding the information provided in § 50 of the Funded Pensions Act.

4.1.5. In general, the broker submits at least 3 insurance tenders to the client for performing the client's insurable interest and provides these to the client as a comparative insurance tender. The broker may submit fewer insurance tenders if the client has instructed the broker

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accordingly if it arises from the nature of insured risk or an analysis conducted by the broker, indicating that due to the nature of the client's insured interest, it is not possible to provide a comparative tender of at least 3 insurance companies.

4.1.6. If the client has not sufficiently explained its insured interest and demands, the broker may submit a comparative tender which in the opinion of the broker conforms to the client's insured interest the most and proposes to the client to specify the client's insured interest and demands.

4.1.7. The client must review the insurance tender to verify that the broker has understood their insured interest correctly and provided factually correct information in the tender. The client must inform the broker of incorrect information via durable medium.

4.1.8. If the insurance tenders which conform to the client's insured interest are similar in the insurance coverage offered and the client has not clearly disclosed

their most important insured interest, the broker and the client shall be guided by the presumption that the most important insured interest is the lowest insurance payment.

4.1.9. The broker shall provide the suggestion for the insurance contract which most suits the insured interest of the client on the insurance tender, and reason this to the client. If the broker does not provide another reason, then the broker is recommending the given tender because this tender conforms to the insured interest and requirements of the client the most in the broker's opinion.

4.1.10. If the client does not indicate their choice but requests the insurance contract, it is declared that the client agrees with the broker's recommendation and desires to conclude an insurance contract on its basis.

4.1.11. The broker explains in the insurance tender the client the terms and conditions of the insurance contract to be concluded, including the size of the insurance premium,

the manner for the payment of the insurance premium and the restrictions and preclusions related to the contract.

4.2 Insurance contract administration and fees

4.2.1. The client confirms their agreement with the insurance tender in writing or via durable medium or by making the first payment. By agreeing with the insurance tender, the client also agrees with the reasoning submitted for the recommendation of the insurance contract.

4.2.2. The broker explains that before forwarding the insurance policy or insurance certificate to the client, the broker may forward the invoice of the insurance payment or first instalment of the insurance payment to the client and require its payment, unless provided otherwise by the law.

4.2.3. The broker explains that the broker is entitled to collect and pay insurance premiums to the insurer in the name of the client. The broker may use duly authorised employees or service providers for the collection of insurance premiums.

4.2.4. The broker explains that a payment is declared paid if it is paid at least in the amount indicated on the invoice; if the invoice is paid in an insufficient amount then the payment is not declared paid and the broker shall return the paid amount. The payment of the first insurance payment shall generally be one of the conditions of the entry into force of the insurance contract.

4.2.5. The broker explains to the client that they receive a commission fee from the insurer, which pays a commission fee for the client in the service relationship, or from the client, or both options simultaneously. The broker generally discloses the specific amount of commission fee, incl. the amount of commission fee received from the insurer, in the information list for providing information prior to entering into the brokerage contract, insurance tender or in another document separately for each insurance contract.

4.2.6. The broker explains to the client that the broker is the client's representative and the fact that the broker has a cooperation agreement with

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insurance companies for performing the client's insurable interests does not entail a conflict of interest for the broker as respective contractual relationships are necessary for the broker in order to prepare an insurance tender for the client that meets the client's insurable interest. The fact that an insurance company may pay the broker a commission fee does not make the broker the representative of the insurance company as pursuant to the brokerage

contract between the client and the broker the insurance company will pay the commission fee for the policyholder.

4.2.7. If the broker incurs additional costs from the mediation of insurance contracts in the interests of the client (e.g. the arrangement of the performance of insurance contracts, the administration and management of insurance documents, the drafting of additional documents and copies, insurance assistance, etc.) the client undertakes to pay the broker a brokerage fee based on the price list.

4.2.8. If the insurer or policyholder cancels the contract the commission fee of the broker and the proportional amount of the brokerage fee already paid for the insurance period shall not be returned.

4.2.9. The broker explains to the client that in the event of an insured event the broker is obliged to notify the insurance company thereof and the damage will be compensated in accordance with the terms and conditions of the insurance contract the most essential terms and conditions of which will be introduced to the client by the broker in the insurance tender.

4.2.10. The broker advises the client in other matters related to the insurance contract, including in the event where the client does not have immediate interest in receiving an insurance tender but initially wishes to receive counselling from the client (e.g. risk mapping).

The payment for the counselling laid down in the present clause will be agreed upon by the broker and the client in a separate agreement.

4.2.11. For the amendment of the insurance contract and the extraordinary termination thereof, the client will submit an application on a durable medium to the broker. As a representative of the client, the broker will forward the respective application to the insurance company and the insurance contract will be amended or terminated with the consent of the insurance company or according to law. The broker is entitled to the extraordinary termination of the insurance contract even without the explicit application of the client if it arises from the terms and conditions of the brokerage contract or the client's authority.

4.2.12. If the client wishes to receive the documents related to the brokerage contract and insurance contract on paper by mail, the client has to compensate the ordinary mailing costs at the broker's request, which will be added to the invoice as a separate entry.

## 5. COMPLAINTS AND DISPUTES

5.1. The client is entitled to submit a complaint pursuant to the procedure for reviewing and settling the client complaints of the broker, which have been published on the website administered by the broker.

5.2. The client has the right to apply with a conciliation body for resolving disputes arising with the insurer ([www.eksl.ee](http://www.eksl.ee)) or with the consumer complaints committee of the Consumer Protection Board ([www.tarbijakaitseamet.ee](http://www.tarbijakaitseamet.ee)).

5.3. The client has the right to file an appeal with the court within 1 (one) year from the rendering of a judgment of complete or partial refusal of the insurance company to compensate for damages. The action must be filed with the court of the location of the insurance company or its branch or the court of the location of occurrence of the loss event. The client can also file an action with the court to determine the amount of loss in pre-trial taking of evidence without filing an action.

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5.4. Any issues not regulated in these general terms and conditions of the brokerage contract will be governed by Estonian law.

## 6. CONFIDENTIALITY OF DATA AND PROCESSING CLIENT DATA

6.1. The broker undertakes to keep in confidentiality all information of the client which is treated as confidential in legislation.

6.2. The objectives of processing data concerning the client which has become known to the broker, incl. sensitive personal data, the composition of data, and instances and terms and conditions of disclosing the data are provided in the principles of processing client data and in the terms and conditions connected with the specific service.

6.3. The principles of processing client data are an integral part of the general terms and conditions and thereby also of the transaction relationship.

## 7. EXCHANGE OF INFORMATION

7.1. The broker shall forward information to the client via the website administered by the broker, through means of mass communication or with another previously agreed method.

7.2. The broker shall forward personal messages connected with the transaction relationships to the client through means of communication. Depending on the content of the message the broker will select a means that is, based on the broker's opinion, the most reasonable and ensures that the client receives the information.

7.3. If the client has provided their contact information to the broker (e.g. postal address, e-mail address, number of means of communication), they have also agreed that the broker can forward information concerning the brokerage contract, the general terms and conditions of the brokerage contract and the principles of processing client data, and information from a third person, incl. advertisements, and personal notices regarding the transaction relationship.

7.4. Interactions of the broker with the client consisting of news, articles and newsletters forwarded by the broker shall not be treated as the

broker providing suggestions for concluding any transactions unless the broker and client have agreed on it separately.

7.5. If the client forwards notices or applications to the broker orally or by telephone, then the broker has the right to record and store these and reproduce them if necessary.

7.6. If the client has not received a notice from the broker, the receipt of which they can presume or the receipt of which was agreed with the broker, the client must notify the broker of this immediately after the term in which it was reasonable to expect the arrival of the notice in question.

7.7. The client undertakes to inform the broker of all information and circumstances which have changed in documents or information provided to the broker and have an impact on fulfilling the transaction relationship.

7.8. If the client has not performed the duty of notification provided in points 7.6 and 7.7, then the broker has the right to presume that the information possessed by the broker is correct.

## 8. LIABILITY

8.1. The broker and the client shall perform their duties arising from the contract properly and reasonably in good faith, in conformity with necessary due diligence, customs and practice.

8.2. The broker is not responsible for damages caused by failures of the information system if the failure did not last longer than 48 hours.

8.3. The broker is not responsible for covert losses caused to the client (e.g. loss of profit).

8.4. The broker is not responsible for damages caused by force majeure, a third party who is independent of the broker's activities, or an event which the broker could not be reasonably presumed to preclude.

8.5. In reviewing a claim for compensation for damages, the parties are guided by the principle that if the broker has performed sufficient due diligence with the client, then the broker is only liable upon the existence of guilt.