

## GENERAL TERMS AND CONDITIONS OF THE INSURANCE CONTRACT No 06

This is the English translation of insurance terms and conditions and can be used for informational purposes only. In case of conclusion of insurance contract only insurance terms and conditions in Latvian are binding.



### 1. TERMS USED IN THE INSURANCE CONTRACT

- 1.1. Insurer – Insurance Joint Stock Company BALTA, unified registration number 40003049409, registered office address: Raunas iela 10, Riga, LV-1039.
- 1.2. Policyholder – a legal entity or private individual who enters into an insurance contract for the benefit of himself or herself or of another person.
- 1.3. Insurance contract – the agreement between the insurer and the policyholder under which the policyholder undertakes to pay the insurance premium in the manner, in terms and in the amount specified in the contract, as well as to fulfil other obligations specified in the contract and the insurer undertakes to pay the insurance indemnity in accordance with the insurance contract upon the occurrence of the insurable event, as well as to fulfil other contractual obligations.
- 1.4. Remote insurance contract – the insurance contract, concluded by the insurer and the policyholder not located in the same place but by using one or more means of distance communication during the conclusion of the contract. The confirmation of the conclusion of the remote insurance contract is the insurance policy in the form of an electronic printout
- 1.5. Insurance policy or policy – a written document or an electronic printout that confirms the conclusion of an insurance contract. One insurance policy may confirm the conclusion of several insurance contracts. Expiry or annulment of one insurance contract does not affect validity of other individual insurance contracts contained in the same policy.
- 1.6. Insurable Event – an event connected to the insured risk, whose future occurrence is covered under the insurance policy, in compliance with the terms and conditions of the insurance contract.
- 1.7. Insurance premium – the cost of the insurance specified in the insurance contract.
- 1.8. Insured risk – an event stipulated in the insurance contract, which is possible in the future and beyond the control of the policyholder.
- 1.9. Insurable interest – an interest in not incurring losses or damages to an insured object, when an insured event occurs.
- 1.10. Insurance indemnity – the amount of money paid in compensation for the insurable event or the cost of the provided services. Insurance indemnity is paid on the basis of the compensation principle, unless otherwise specified in the special insurance regulations or in the policy.
- 1.11. Insurance contract period – the period of time for which the insurance premium is paid under the insurance contract and in which the insurance is valid.
- 1.12. General terms and conditions of the insurance contract – the terms and conditions that form the basis of the insurance contract.
- 1.13. Special terms and conditions of the insurance contract – special terms and conditions of the insurance contract, which are designated and numbered in the policy and form an intergral part of the insurance contract.

### 2. STRUCTURE OF THE INSURANCE CONTRACT

- 2.1. The insurance contract consists of the insurance policy, these general terms and conditions, special terms and conditions (the

designation and number of which is specified in the insurance policy), annexes to the insurance policy and all amendments to the insurance contract which the insurer and the policyholder have agreed upon.

- 2.2. General terms and conditions of the insurance contract denote general terms and conditions of the insurance contract, the insurance contract conclusion and validity procedure, insurance premium payment procedure, legal consequences in the event of failure to pay the insurance premium, missing the payment deadline or paying an incomplete amount thereof, general obligations of the policyholder and the insured and legal consequences in the event of failure to fulfil these obligations, rights of the policyholder and the insured, procedure for early termination of the insurance contract, dispute settlement procedures, and other general terms and conditions.
- 2.3. Special terms and conditions of the insurance contract denote special terms and conditions of the insurance contract, insurance objects, insured risks, exceptions to the insured risks, liability of the insurer, special obligations of the policyholder and the insured and legal consequences of the failure to fulfil these obligations, the insurance claim submission procedure and the documents to be submitted to the insurer and the determination of the insurance indemnity amount and payment procedure thereof.
- 2.4. The following are specified in the insurance policy: place and date of the insurance contract conclusion, validity period of the insurance contract, the policyholder and the insured, the insurance premium and the payment term or terms thereof, if it is paid in several instalments, the insurance object, the sum insured or the liability limit in civil liability insurance, the list of insured risks, the deductible, and other terms and conditions of the insurance contract depending on the insurance type.
- 2.5. In the event of contradictions between the terms and conditions specified in the insurance policy and general or special terms and conditions of the insurance contract, the terms and conditions specified in the insurance policy shall be considered correct. If the general terms and conditions of the insurance contract are contrary to the special terms and conditions of the insurance contract, the special terms and conditions of the insurance contract shall be considered correct.

### 3. VALIDITY PERIOD OF THE INSURANCE CONTRACT AND THE VALIDITY THEREOF

- 3.1. The insurance contract validity period is one year, unless stipulated otherwise in the policy. The validity period of the insurance contract, the date of taking effect and the expiry date are specified in the policy.
- 3.2. The insurance contract is valid for the validity period indicated in the insurance policy.
- 3.3. The insurance contract takes effect on the day the insurance premium or the first part thereof is paid, unless stipulated otherwise in the insurance policy.
- 3.4. If it is stipulated in the insurance policy that the insurance premium or the first part thereof is to be paid after the insurance contract takes effect, the insurance contract takes effect from the date specified therein, provided that the insurance premium

or the first part thereof is paid in the terms specified in the insurance policy.

#### **4. TERRITORY OF VALIDITY FOR THE INSURANCE CONTRACT**

4.1. The territory of validity for the insurance contract is specified in the insurance policy and/or the special terms and conditions of the insurance contract.

#### **5. CONCLUSION OF THE INSURANCE CONTRACT**

5.1. The insurance contract can be concluded in person or remotely. If the contract is concluded remotely, it constitutes a remote insurance policy.

5.2. The insurer is entitled to offer the policyholder a new insurance contract by sending the policyholder a written insurance proposal, together with an invoice for payment of the insurance premium or a part thereof. If the insurer offers to sign a new insurance contract under terms and conditions that do not differ from the terms and conditions of a the valid insurance contract for another insurance object, the insurance contract terms and conditions will not be enclosed.

5.3. If the policyholder pays the invoice referred to in Clause 4 of this section of the contract in due time:

5.3.1. the payment of the invoice issued by the insurer is considered the policyholder's agreement to conclude a new insurance contract, without additional terms and conditions, in accordance with the insurer's proposal;

5.3.2. the written insurance proposal submitted to the policyholder is considered an insurance policy and insurance object policy/policies, and confirmation of the conclusion of the new insurance contract;

5.3.3. the payment of the invoice issued by the insurer is considered the policyholder's confirmation that all information provided in the insurance application and the insurance policy is accurate;

5.3.4. the new insurance contract takes effect on the date specified in the written insurance proposal;

5.3.5. in addition to the obligatory parts specified in the new insurance policy, the policyholder's written application to conclude the new insurance contract also becomes an obligatory part of the new insurance contract. The policyholder is obliged to notify the insurer in writing of any changes to the insurance application.

5.4. The invoice referred to in Clause 5.2 of these terms and conditions is considered paid on the day the insurer receives the amount specified in the invoice, either in cash or in the designated bank account.

5.5. If the policyholder fails to pay the invoice referred to in Clause 5.2 of these terms and conditions by the date specified therein, the insurer's proposal becomes invalid on the next day following the payment date.

#### **6. INSURANCE PREMIUM PAYMENT PROCEDURE**

6.1. The policyholder is obliged to pay the insurance premium to the insurer in the terms specified in the insurance policy.

6.2. If the insurer does not receive the insurance premium (when the insurance premium is to be paid in one instalment) or the first part thereof (when the insurance premium is to be paid in several instalments) in the form specified in the insurance policy, the insurance contract does not take effect, in accordance with Clauses 6.3–6.5.

6.3. If the insurance premium or the first part thereof is paid after the payment date specified in the insurance policy, the insurer is entitled to pay back the paid insurance premium, or the first part thereof. In such an event the insurer is obliged to pay back the

paid insurance premium, or the first part thereof, within 15 days of receiving the insurance premium, or the first part thereof, or send the policyholder a request to notify the insurer of a method of paying back the insurance premium or the first part thereof.

6.4. If the insurer fails to pay back the insurance premium or the first part thereof in the form referred to in Clause 6.3 of these terms and conditions, or fails to send the policyholder the request referred to in Clause 6.3 of these terms and conditions, the insurance contract takes effect on the original date specified in the insurance policy.

6.5. If the insured risk has occurred and the insurance premium or the first part thereof has been paid after the payment date of the premium or payment of the first part thereof specified in the insurance contract and later than on the previous day before the occurrence of the insured risk, the insurance contract shall be deemed not to have entered into force, and the insurer is obliged to notify the policyholder on the invalidity of this contract and the repayment of the insurance premium paid or the first part thereof. In this case, the insurer is obliged to send to the policyholder the statement regarding the invalidity of the insurance contract and to repay the insurance premium or the first part thereof paid to it within 15 days after the delayed payment of the premium or the first part thereof, or to send to the policyholder the notice on the invalidity of the insurance contract, by asking to notify on the form in which the policyholder would like to receive repayment of the insurance premium or the first part thereof if the insurer does not know the way in which the policyholder can receive repayment of the insurance premium or the first part thereof. The insurer's obligation to repay insurance premium does not affect the invalidity of the insurance contract..

6.6. If the policyholder has not paid the current part of the insurance premium or has paid it incompletely, the insurer shall send the policyholder the notice about the delay in payment of the insurance premium by inviting to pay the delayed insurance premium in accordance with the terms of the insurance contract and indicating the term of payment of the insurance premium and the possible consequences of non-payment..

6.7. If the insurable event occurs in the period of payment of the current part of the insurance premium specified in the notice, the insurer shall pay the insurance indemnity if the current part of the insurance premium has been paid within the payment term and amount specified in the notice.

6.8. If the policyholder fails to pay the current part of the insurance premium in the payment date and amount specified in the notice, the insurance contract shall be considered as terminated as of the first day after the payment term of the current part of the insurance premium specified in the insurance contract.

6.9. If the insurance premium is paid by transfer, the payment date is considered the date the insurer receives the payment in the account specified by the insurer.

#### **7. GENERAL OBLIGATIONS AND RIGHTS OF THE POLICYHOLDER AND THE INSURED**

7.1. By signing the insurance contract, the policyholder and the insured are obliged:

7.1.1. prior to signing the insurance contract, to provide the insurer with all requested information that is required for risk assessment, and to ensure that the insurer, or a person assigned in the insurer's place, has the ability to inspect the insurance object; in the case of civil liability insurance – to carry out inspection in regard to the insured commercial activities performed, in terms of the special terms and conditions of the insurance contract, professional activity or managed property for risk assessment; the policyholder and the insured are

- responsible for the accuracy of the information provided to the insurer;
- 7.1.2. to inform the insurer of all factors that affect the probability of the occurrence of the insured risk; if the policyholder has doubts about a factor, the policyholder is obliged to consult with the insurer;
  - 7.1.3. the policyholder is obliged to inform a person insured under this policy that he or she is insured, and to inform him or her of the terms and conditions of this insurance contract;
  - 7.1.4. from the moment of submitting the insurance application to the insurer, until entering into this insurance contract, to not take any measures that increase the insured risk;
  - 7.1.5. the policyholder and the insured also have other obligations related to the conclusion of the insurance contract that are stipulated in the general terms and conditions of this insurance contract, special terms and conditions of the insurance contract, other annexes to the insurance contract, and public regulatory enactments effective in the Republic of Latvia.
- 7.2. Obligations of the policyholder and the insured during the validity period of the insurance contract:
- 7.2.1. to notify the insurer in writing of all circumstances known to the policyholder and the insured that could increase the probability of the occurrence of insured risks or the amount of potential losses;
  - 7.2.2. to immediately inform the insurer of any changes related to the insurance contract;
  - 7.2.3. to comply with and/or fulfil the insurer's instructions to minimise the probability of the risk occurrence, as agreed upon in writing by the insurer and the policyholder;
  - 7.2.4. to notify the insurer of other valid insurance contracts for the same insurance object entered into during the validity period, no later than within 3 (three) calendar days from the day the policyholder or the insured learns of the conclusion of another insurance contract;
  - 7.2.5. to notify the insurer in writing of the absence of the insured interest no later than within 1 (one) calendar month after the insured interest ceases;
  - 7.2.6. to not take any measures that increase the insured risk, without written agreement of the insurer;
  - 7.2.7. to notify the insurer in writing of the changes in the address and contact details no later than within 5 (five) business days;
  - 7.2.8. during the validity period of the insurance contract, the policyholder and the insured also have other obligations that are stipulated in the general terms and conditions of this insurance contract, special terms and conditions of the insurance contract, other annexes to the insurance contract and public regulatory enactments effective in the Republic of Latvia.
- 7.3. Obligations of the policyholder and the insured upon occurrence of the insured risk:
- 7.3.1. to immediately, as soon as possible, notify the insurer of any occurrence of an insured risk, and to take all measurable reasons to minimise the loss;
  - 7.3.2. to submit the insurance claim and provide accurate information about the insurable event; the insurance claim may be submitted in writing or any other way specified by the insurer, including, but not only, by calling the telephone number specified by the insurer, or by filling out and submitting the insurance claim form on the insurer's website or at any insurer's branch by filling out a written insurance claim form.
- 7.3.3. The insured is obliged to pay back the received insurance indemnity or the part thereof to the insurer:
    - 7.3.3.1. if after paying out the insurance indemnity, the facts are established confirming that the paid out insurance indemnity, or any part thereof, was not justified, or the indemnity disbursement does not comply with the terms and conditions of the insurance contract or requirements of the regulatory enactments;
    - 7.3.3.2. if the policyholder or the insured provide the insurer with false information about the insured object or the circumstances of the occurrence of the insured risk, due to malicious intent or gross negligence.
- 7.4. Consequences of failure to fulfil the obligations:
- 7.4.1. The insurer is entitled to not pay out the insurance indemnity, if the insured or the policyholder fails to fulfil any of the obligations set forth in this insurance contract due to malicious intent or gross negligence.
  - 7.4.2. The insurer is entitled to reduce the insurance indemnity up to 50%, if the insured or the policyholder fails to fulfil any of the obligations set forth in this insurance contract due to mild negligence.
- 7.5. Rights of the policyholder and the insured:
- 7.5.1. The policyholder is entitled:
    - 7.5.1.1. to receive clarifications from the insurer about this business when entering into the insurance contract;
    - 7.5.1.2. to request and receive a copy of the policy from the insurer, if the original policy is lost or destroyed;
    - 7.5.1.3. after submitting the insurance claim, to receive a written notification from the insurer on the decision made, in accordance with the procedure described in the insurance contract.
  - 7.5.2. The policyholder and the insured also have other rights that are stipulated in the general terms and conditions of this insurance contract, the special terms and conditions of the insurance contract, other annexes to the insurance contract, and public regulatory enactments effective in the Republic of Latvia.

## **8. EARLY TERMINATION OF THE INSURANCE CONTRACT**

- 8.1. The insurer is entitled to terminate the insurance contract in the following events:
- 8.1.1. the policyholder and/or the insured provides false information or refuses to provide the information requested by the insurer when concluding the insurance contract, during its validity period or after the occurrence of the insured risk including when submitting the insurance claim due to malicious intent or gross negligence;
  - 8.1.2. the insured and/or the policyholder carries out the activities or fails to act due to malicious intent or gross negligence which increases the insured risk;
  - 8.1.3. after the disbursement of the insurance indemnity;
  - 8.1.4. the insurance premium is not paid to the full extent;
  - 8.1.5. if sanctions, established by a member state of the United Nations, European Union, North Atlantic Treaty Organization (including the United States of America) or the Republic of Latvia, in accordance with the procedure prescribed by the regulatory enactments, are applied against the policyholder and/or the insured and/or beneficiary.
  - 8.1.6. in other events prescribed by the regulatory enactments effective in the Republic of Latvia.

- 8.2. The insurance contract is terminated by sending the policyholder a notification, unless another insurance contract termination procedure is prescribed by the regulatory enactments of the Republic of Latvia. The insurance contract is terminated 15 (fifteen) days after sending the notification.
- 8.3. The insurance contract may be also terminated prior to its expiry, upon agreement of the policyholder and the insurer.
- 8.4. Upon termination of the insurance contract, the insurer shall repay to the policyholder a part of the insurance premium, the amount of which is determined by deducting the part of the insurance premium for the duration of the insurance contract when the insurance contract was valid and the insurer's expenses in the amount of 15 percent from the remaining insurance premium, but not more than from one year insurance premium, and deducting the amount of insurance indemnity paid. However, the insurance premium will not be repaid if the policyholder or the insured person has committed or acted in bad faith or has committed gross negligence, which increases the risk of occurrence of the insured risk, or the insured risk arises due to the bad intention of the policyholder or the insurer, as well as the premium will not be repaid in the other cases specified in the regulatory enactments of the Republic of Latvia.
- 8.5. Upon agreement of the insurer and the policyholder, the part of the insurance premium to be repaid may be transferred for the payment of another insurance policy. In such a case, when calculating the part of the insurance premium in accordance with the terms and conditions of this Article, the insurer's expenses related to the conclusion of the insurance policy are not deducted, provided that no insurance indemnity has been paid out during the validity period of the insurance contract.
- 8.6. If the insurance contract is an initial contract regarding the provision of financial services between the insurer and the policyholder, and it is a remote insurance contract, the policyholder is entitled to use the right of refusal and withdraw from this insurance contract within 14 (fourteen) days of the conclusion of this insurance contract, by giving the insurer a written notice taking into account the term of refusal referred to in this Clause. This deadline is considered missed and the insurance contract remains in effect if the insurer does not receive the policyholder's written refusal by the 14th (fourteenth) calendar day following the conclusion of the insurance contract. The right of refusal cannot be used for travel insurance contracts or similar short-term insurance contracts with a validity term of less than one month.
- 8.7. If the policyholder uses the right of refusal to unilaterally withdraw from the insurance contract in accordance with the terms and conditions of Clause 8.6 of these terms and conditions;
- 8.7.1. the full insurance contract becomes invalid for the full insurance object on the day the policyholder's notification of the refusal is sent;
- 8.7.2. the insurer pays the policyholder a part of the insurance premium, calculated in proportion to the actual validity period of the insurance contract and the validity period of the insurance contract specified in the insurance contract.
- 8.8. The policyholder is not entitled to use the right of refusal referred to in clause 8.6 of these terms and conditions, if the insurance contract is executed to the full extent upon clear request of the policyholder or the insured before the policyholder uses the right of refusal.
- sanction procedure are relevant for the decision of the insurer, the insurer shall take a decision on the payment of insurance indemnity within 30 days from the day when the final judgment was received. The insurer shall inform the policyholder, the insured person, the beneficiary or a third party accordingly on such decision-making procedure.
- 9.2. By paying out the insurance indemnity, the insurer takes over the claim rights of the insured against the party responsible for the caused losses in the amount of the paid insurance indemnity.
- 9.3. The insurer does not have the right of subrogation against children, parents or spouse of the insured. However, the insurer has the right of subrogation against any person if the losses have caused by malicious intent or gross negligence of this person.
- 9.4. The insurer will examine complaints of the policyholder, the insured or other person, and will give a reply within 20 days of receiving the complaint or claim. If the reply cannot be provided within the specified period due to objective reasons, the insurer shall provide information on the need for the extension and indicate a reasonable term when the reply will be provided.
- 9.5. The insurer shall not be deemed to provide cover and the Insurer shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that the Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union or United States of America.
- 9.6. Unless the insurance contract states otherwise, the Insurer shall not pay the insurance indemnity if the occurrence of the insured risk has been caused by force majeure circumstances, including, but not limited to: natural disasters and calamities, pandemic, epidemic, strikes, amendments and supplements to the binding legal acts or the adoption and/or coming into force of any new such legal acts, including an emergency state announced in accordance with the procedure prescribed by the regulatory enactments.
- 9.7. The insurer, as data controller, shall process personal data (including personal data of special categories and personal identification (classification) codes) with the aim to ensure the execution of the insurance contract and the observance of the legitimate interests of the insurer or a third party. More details on the processing of personal data can be found on the insurer's website [www.balta.lv](http://www.balta.lv) in the section on data processing, at the insurer's customer service centres or by writing to the email address [manidati@balta.lv](mailto:manidati@balta.lv).
- 9.8. Activities of the insurer are supervised by the Financial and Capital Market Commission (Kungu iela 1, Riga, LV-1050, Latvia).
- 9.9. The policyholder must submit all notification and submission related to the insurance contract in a form and method where the insurer is able identify the submitter of the notification or the submission.
- 9.10. The insurer will submit all notifications and information to the policyholder or the insured by sending them to the last known mailing address specified by the policyholder or the insured. All notifications are considered received on the 5th (fifth) day after submitting the material at the post office also in the event if the policyholder or the insured have changed their address without notifying the insurer on it. If the policyholder or the insured informs the insurer of the changes in e-mail address and telephone number, the insurer is entitled to send notifications to the e-mail address and telephone number specified by the policyholder. The policyholder and the insured are notified herein that e-mail not always is considered a safe way of exchange of information, and agrees to not bring any objections towards the insurer in relation to the delivery of information (including data and other confidential information of the policyholder or the

## 9. OTHER TERMS AND CONDITIONS

- 9.1. If a criminal procedure or administrative procedure is initiated or an administrative sanction has been initiated in relation with the event occurred and the clarification of the circumstances in the criminal procedure, administrative procedure or administrative

insured) by e-mail. The policyholder, the insured or other person entitled to claim insurance indemnification, by informing the insurer, can choose to receive notices and information in writing.

- 9.11. During the validity period of the insurance contract, the insurer will communicate with the insured and the policyholder in Latvian, and reply to all requests of the insured and the policyholder expressed in Latvian, English or Russian languages.
- 9.12. The relationships of the insurance contract are governed by regulatory enactments of the Republic of Latvia.
- 9.13. The individual – the policyholder, the insured or the third person is entitled to submit the complaint to the ombudsman of the Latvian Insurers Association. The procedure according to which the ombudsman of the Latvian Insurers Association examines the claims of the insurers' customers (regulation) can be found on website [www.laa.lv](http://www.laa.lv).
- 9.14. All disputes related to the insurance contract are settled by means of negotiations. If an agreement cannot be reached, the dispute will be resolved by court of the Republic of Latvia, pursuant to procedures prescribed by the regulatory enactments of the Republic of Latvia.

## FOREIGNERS TRAVEL INSURANCE TERMS AND CONDITIONS

This is the English translation of insurance terms and conditions and can be used for informational purposes only. In case of conclusion of insurance contract only insurance terms and conditions in Latvian are binding.

### I Definitions

**The insurer** - IJSC BALTA.

**The policyholder** – a natural or legal person who is concluding an Insurance Contract in favor of the Insured.

**The insured** – a natural person who has an insurable interest and to the benefit of whom the Insurance Contract is signed, regarding which a particular reference has been made in the Insurance policy.

**Home country** - the country which is the country of nationality, the permanent place of residence of the Insured, or a country which has issued a residence permit or temporary residence permit to the Insured unless it is the Republic of Latvia.

**Sum insured** – the amount indicated in the Insurance Contract for which each insurable interest of the Insured is insured and for which the Insurer shall pay an Insurance Indemnity in the case of an insured event.

**Insurance premium** – a payment specified in the Insurance Contract to be made by the Policyholder to the Insurer for insurance.

**Insurance indemnity** – the sum insured, a part thereof, or another amount payable in the case of an insured event or for the payment of services pursuant to the Insurance Contract.

**Insurance policy** – a document certifying the fact that the Policyholder and the Insurer have concluded the Insurance Contract.

**Insurance contract** – the Insurance Policy shall serve as confirmation of the signing of the contract, including the terms and conditions of the Insurance Contract as well as all amendments to this Insurance Contract.

**Insured event** – an event causally related to the Risk insured, the occurrence of which shall provide for payment of the Insurance Indemnity in accordance with the Insurance Contract.

**Risk insured** – an event provided for by the Insurance Policy and which does not depend on the will of the Insured, the occurrence of which is possible in the future.

**Deductible** – a part of the Insurance Indemnity, expressed as cash which shall be deducted from the Insurance Indemnity in the case of an insured event and which shall not be compensated by the Insurer.

**Emergency Medical Aid** – medical aid, the failure to provide which would endanger the life of the Insured.

**Sudden illness** – a previously non-existing, unforeseen and, prior to the period of insurance, non-occurring illness due to which the Insured requires Emergency Medical Aid.

**Chronic disease flare-up** – the occurrence of symptoms peculiar to a chronic disease or rapid deterioration during the period of insurance, as a result of which the Insured requires Emergency Medical Aid.

**Accident** – a sudden event that is beyond the control of the Insured, occurring in causal relation with external forces during the validity period of the Insurance Contract, resulting in damage being caused to the life or health of the Insured, as a result of which the Insured requires Emergency Medical Aid.

### II General Conditions

#### 1. Entry into the Insurance Contract and the Validity Period of the Contract

1.1. The Insurance Contract shall be valid in the Republic of Latvia and other Member States of the Schengen Area (Austria, Belgium, Denmark, Finland, France, Germany, Italy, Greece,

Luxembourg, Netherlands, Portugal, Spain, Sweden, Norway, Island, Czech Republic, Estonia, Lithuania, Malta, Poland, Slovenia, Slovakia, Hungary, and Switzerland).

1.2. The validity period of the Insurance Contract, as specified in the Insurance Policy, shall be determined upon mutual agreement between the Insurer and the Policyholder.

1.3. The Insurance Contract shall become effective on the commencement date specified in the Insurance Policy, Latvian time, provided that the Policyholder has paid the Insurance premium by the date indicated in the Policy.

1.4. In cases where the possibility of the occurrence of the Risk insured or the Insurable interest does not exist or the Risk insured has already occurred on the date when the Insurance Contract comes into force, the Insurance Contract shall be deemed void from the moment it was signed.

#### 2. Risks Insured

2.1. In accordance with the Insurance Contract, the following Risks insured, as determined in Section III of the insurance conditions and marked in the policy, shall be insured:

2.1.1. Medical and repatriation expenses:

2.1.1.1. Medical expenses for emergency treatment;

2.1.1.2. Medical transportation costs;

2.1.1.3. Dentistry;

2.1.1.4. Repatriation in case of illness;

2.1.1.5. Repatriation in case of death.

#### 3. Sum Insured and Limits

3.1. The Sum insured is provided for each Risk insured individually and as the total Sum insured per period and for one Insured person. The Total Sum insured for one Insured person during the Period of Insurance shall be EUR 45 000. The following limits shall be determined for each Risk insured:

3.1.1. the maximum expense for Emergency Medical Aid shall be EUR 30 000 during the Period of Insurance;

3.1.2. the maximum expense for dental assistance of EUR 100 during the Period of Insurance;

3.1.3. the maximum expense for medical transportation shall be EUR 5 000 during the Period of Insurance;

3.1.4. the maximum expense for transportation or repatriation to the home country in the case of a serious illness shall be EUR 5 000 during the Period of Insurance;

3.1.5. the maximum expense for transportation or repatriation to the home country in the case of death shall be EUR 5 000;

3.1.6. the Total maximum expense for one Insured event specified in Paragraph 3.1.1., 3.1.2. and 3.1.3. of these Conditions shall be EUR 750;

3.1.7. a deductible of EUR 50 for one Insured event shall be deducted from the Insurance Indemnity for the expenses specified in Paragraph 3.1.1., 3.1.2. and 3.1.3. of these Conditions.

3.2. The Total Insurance Indemnity payable to one person for one or several Insured events occurring during the validity period of the Insurance Contract shall not exceed the Sum Insured for a particular Risk insured and the total Sum insured for one person of EUR 45 000. After payment of the Insurance Indemnity the Contract shall remain in force in the amount of the difference between the initial Sum Insured for the particular Risk insured and the disbursed Insurance Indemnity.

#### 4. Rights and Obligations of the Insurer

Upon concluding the Insurance Contract, the Policyholder shall authorize the Insurer, on his/her behalf and on behalf of the

## FOREIGNERS TRAVEL INSURANCE TERMS AND CONDITIONS

This is the English translation of insurance terms and conditions and can be used for informational purposes only. In case of conclusion of insurance contract only insurance terms and conditions in Latvian are binding.

Insured persons, as the manager of the personal data processing system and personal data operator, to process the data of the Policyholder as well as the data of the Insured and sensitive personal data, and personal identity (classification) codes with the purpose of ensuring the fulfilment of the contract, becoming familiar with the submitted information, including medical documentation, in case of the need to request additional documents and involve expert commission, the Insured shall also agree with the expert-examination performed by a doctor-expert chosen by the Insurer in order to examine a health condition as a result of an Insured event. The Insurer shall be entitled to provide the information obtained during the course of insurance regarding the Insured and/or the Policyholder in relation with the Insurance Contract conclusion and the fulfilment thereof to those companies included in the group of the Insurer's parent company. If the Policyholder and the Insured is not one and the same person, the Policyholder shall confirm that he/she has received, and will present in the case that is needed, the written permission of the Insured regarding the processing of personal data as specified by these Terms and Conditions

4.1. Upon the occurrence of an Insured event, the Insurer shall be entitled to request additional documentation which is required for the evaluation of the Risk insured and the assessment of losses caused by it.

4.2. The Insurer shall have the obligation, upon the occurrence of an Insured event, to make Insurance Indemnity payments pursuant to the Risks insured specified by the policy when the Insured event has occurred during the validity period and within the territory covered by the Insurance Contract in accordance with the Insurance Contract.

4.3. In the case that when concluding the Insurance Contract the Policyholder or the Insured provides false information to the Insurer or refuses to provide the information requested by the Insurer due to evil intent or gross negligence on their part during the validity period of the contract or after the occurrence of a loss, the Insurer shall be entitled to refuse to pay the Insurance Indemnity and terminate the Insurance Contract.

4.4. The Insurer shall be entitled to refuse to pay the Insurance Indemnity in cases where the losses or expenses have occurred due to the evil intent, gross negligence or criminal activities of the Insured or the Policyholder.

4.5. The Insurer shall be entitled to decrease the Insurance Indemnity by up to 50 per cent in cases where the Insured has due to light negligence:

4.5.1. failed to promptly notify the Insurer as soon as possible regarding the occurrence of the Risk insured and/or

4.5.2. failed to perform all possible reasonable measures in order to minimize losses, and/ or

4.5.3. objected to the Insurer's requirement to establish and assess the amount of losses, the circumstances of the occurrence thereof, or

4.5.4. has failed to submit all the documents available to the Insured to the Insurer characterizing the occurrence of the Risk insured and the losses caused by it, or

4.5.5. has failed to submit to the Insurer other information which was at his/her disposal which was requested by the Insurer.

4.6. In the case of the death of the Insured, the Insurer, in accordance with the effective legislation, shall be entitled to request an autopsy and decrease the amount of the Insurance Indemnity or refuse to pay the Insurance Indemnity in the case of the refusal to perform it.

### 5. Obligations of the Policyholder

5.1. To provide to the Insurer precise and true information

which is important for the assessment of the possibility of the occurrence of the Risk insured and the evaluation of the Risk insured upon concluding the Insurance Contract, as well as during the validity period of the Insurance Contract.

5.2. To notify the Insurer regarding other Insurance Contracts which are in force and which are known to him/her in relation to the Risks insured, in accordance with this Insurance Contract.

5.3. To inform the Insured that he/she is insured and to provide him/her with the terms and conditions of the Insurance Contract. Otherwise, the Policyholder shall be responsible for any consequences arising due to their failure to inform and shall cover the expenses arising to the Insurer as a result of the ignorance of the Insured persons.

5.4. To pay the Insurance premium to the Insurer within the deadlines and in accordance with the procedure specified by the Insurance Contract.

5.5. Other obligations of the Policyholder provided by this Insurance Contract.

### 6. Obligations of the Insured

6.1. To provide to the Insurer precise and true information which is important for the assessment of the possibility of the occurrence of the Risk insured and the evaluation of the Risk insured upon concluding the Insurance Contract, as well as during the validity period of the Insurance Contract.

6.2. Upon the occurrence of an Insured event, to perform all possible reasonable measures in order to minimize the amount of loss as much as possible and escape from large expenses.

6.3. Upon the occurrence of a sudden case of illness or accident, when the Insured requires Emergency Medical Aid, his/her duty shall be to promptly, however not later than within 24 hours, turn to a qualified practitioner and receive the required medical assistance.

6.4. Promptly, as soon as possible, to notify the Insurer or a representative thereof regarding the occurrence of the Risk insured.

6.5. As soon as possible, however not later than within 30 days after the expiry of the policy, to notify the Insurer regarding the expenses and/or losses paid by the Insured him/herself which have occurred as a result of the occurrence of the Risk insured, as well as to submit documents to the Insurer certifying the occurrence of the Risk insured, the circumstances thereof, the amount of loss and other documents requested by the Insurer.

### III Risks Insured

#### MEDICAL AND REPATRIATION EXPENSES

##### 7. Medical expenses for emergency treatment

7.1. For the purpose of the given Terms and Conditions, medical expenses shall mean unforeseen medical expenses occurring in the territory of the Republic of Latvia or other Member States of the Schengen Area in relation to the Emergency Medical Aid due to an acute, life-threatening deterioration in health condition as a result of a sudden illness, an acute condition of a chronic disease or an accident.

7.2. The Insurer shall cover reasonable medical expenses proved by documents regarding the receipt of Emergency Medical Aid in order to eliminate a life-threatening critical condition in the facility nearest to the scene of the accident or where the sudden illness occurs, depending on the nature of the illness.

7.3. The Insurer shall cover expenses for emergency dental treatment which was provided in order to minimize acute

## FOREIGNERS TRAVEL INSURANCE TERMS AND CONDITIONS

This is the English translation of insurance terms and conditions and can be used for informational purposes only. In case of conclusion of insurance contract only insurance terms and conditions in Latvian are binding.

toothache (the commencement of treatment of the tooth root by placing a temporary filling or a tooth extraction) during the first visit. The Insurer shall not cover further treatment.

### 8. Medical transportation costs

8.1. In the case that it is necessary to deliver the Insured to a medical institution in order to provide Emergency Medical Aid due to an acute, life-threatening worsening of a health condition or as a result of an accident, the Insurer shall cover expenses for the transportation of the Insured by emergency medical service transport to the nearest medical institution in accordance with the medical opinion provided by a medical practitioner.

### 9. Repatriation expenses

9.1. For the purpose of the given Terms and Conditions, repatriation expenses shall include unforeseen transportation expenses incurred as a result of the worsening of an acute, life-threatening health condition or an accident and due to which the transportation of the Insured or the remains of the Insured to his or her home country is required.

9.1.1. The Insurer shall indemnify expenses, aligned in writing with the Insurer in advance, for:

9.1.1.1. the transportation of the Insured to their home country, on the basis of written recommendations provided by the medical practitioner;

9.1.1.2. the transportation of the remains of the Insured to an airport in his or her home country (by flight) or to the border of his or her home country (by any other means of transport).

### 10. Exclusions

10.1. The Insurer shall not indemnify losses arising as a result of:

10.1.1. war activities, invasion, foreign enemy activities (with or without an announcement of war), rebellion, civil war, military or usurped power, mass riots, terrorism, strike, revolution, riot, demonstration;

10.1.2. ionizing radiation, radioactive pollution;

10.1.3. the evil intent, gross negligence or criminal activities of the Insured, the Policyholder or other persons interested in receipt of the Insurance Indemnity; the intentional activities of the Insured, the suicide or attempted suicide of the Insured; the illegal activities of the Insured; the failure of the Insured to comply with precautions and the failure to perform all necessary measures in order to prevent and minimize loss; the improper activity of the Insured in circumstances of increased risk and traumatism and by exposure him/herself to external danger or injuries, except for in the case of saving a human life;

10.1.4. circumstances which the parties were neither able to predict nor prevent as a result of reasonable behavior and for which they are not responsible.

10.2. The Insurer shall not indemnify losses:

10.2.1. which have occurred as a result of the occurrence of pandemics confirmed by the World Health Organization (epidemic - new cases of an infectious disease in a given region which significantly exceed the average level. If the epidemic of infectious disease spreads across several countries, continents or even worldwide – then this is a pandemic);

10.2.2. due to medical treatment and/or repatriation in the case of failure to comply with the requirements set by the World Health Organization for travelers concerning vaccination and prevention (<http://www.sva.lv/>, <http://www.who.int/>), recommendations of the Ministry of Foreign Affairs of the

Republic of Latvia, when visiting regions affected by dangerous infections (<http://www.mfa.gov.lv/>);

10.2.3. when there is no visa or permanent residence permit, or temporary residence permit issued and in force for the Insured at the moment of the Insured event;

10.2.4. which are provided to be covered by any kind of mandatory insurance pursuant to the effective laws and regulations.

10.3. Events, as a result of which the Insured has suffered loss or expenses have been incurred to the Insured shall not be deemed as Insured event when:

10.3.1. the Insured is under the influence of alcoholic, narcotic, psychotropic or other intoxicating substances;

10.3.2. the Insured is lawfully arrested or held in custody;

10.3.3. the Insured has been involved or participated in the operations or trainings of active military service;

10.3.4. when flying with an aircraft other than by an aircraft owned by a licensed airline which is registered as a passenger's mean of transport on a particular route;

10.3.5. when travelling by motorcycles, quads, jet-skies, karts, mountain bikes;

10.3.6. when navigating other than as a passenger on a ship which is registered as a passenger ship on a particular route, including sailing;

10.3.7. when participating in sports competitions and trainings, including using motor, water or air transport;

10.3.8. when engaged in rock climbing, mountaineering, mountain climbing (at a height above 2500 meters), skydiving, bungee jumping, flying with a delta-glider, paragliding, sail plane, scuba diving, speleology, parkour, freestyle, short track, ski jumping from a springboard, skeleton, bobsleigh, luge, snowboard, ice hockey, slalom, mountain skiing, skijoring, baseball, rugby, wrestling sports, horse riding, surfing, rowing, windsurfing and other extreme sports regardless of whether they are performed on an individual basis or as an organized activity, training, competition or any other way of spending leisure time.

10.4. The Insurer shall not indemnify losses:

10.4.1. if the Insured has failed to save and is not able to submit paid receipts and other documents certifying the event and the amount of loss;

10.4.2. if the Insured has failed to apply for Insurance Indemnity for expenses covered by the Insured him/herself within the time period of 30 days after the expiry date of the policy.

10.4.3. for anonymously performed medical treatment, services of non-traditional medicine, services which were provided inconsistently with the laws and regulations of the country where the service was received;

10.4.4. if the Insured has failed to comply with the instructions of a medical practitioner;

10.4.5. for medical support in relation to disease (including chronic disease) the Insured became ill or which has started prior to commencement of the validity of the Insurance Contract (regardless of whether it was diagnosed and treated or not), diagnostics and medical treatment, except for Emergency Medical Aid for saving the life of the Insured;

10.4.6. for medical aid which is not Emergency Medical Aid for saving life or provided after the prevention of the acute health condition and life-threatening condition as well as which has not been documentarily prescribed by a doctor or without medical indications;

10.4.7. for the medical treatment of chronic diseases, except for in cases where it was the first Emergency Medical Aid during the validity period of the policy;

10.4.8. for repeated visits to medical institutions due to one and the same illness or injury, for which the new medical treatment



## FOREIGNERS TRAVEL INSURANCE TERMS AND CONDITIONS

This is the English translation of insurance terms and conditions and can be used for informational purposes only. In case of conclusion of insurance contract only insurance terms and conditions in Latvian are binding.

or changed treatment has not been applied, or for visits in relation to the control of examination results;

10.4.9. for diseases or health conditions which were caused by a positive HIV test or acquired immunodeficiency syndrome (AIDS);

10.4.10. for medical aid in relation to congenital, hereditary anomalies and oncologic diseases that afflict the Insured prior to the Insurance Contract regardless of the state of the disease;

10.4.11. pregnancy, the termination thereof, childbirth, complications thereof and postnatal care;

10.4.12. for scheduled dentistry - dental filling, root canal filling, tooth crown/ corner restoration, dentures, including inlays and onlays, dental hygiene, orthodontics and the treatment of periodontitis, orthography etc.;

10.4.13. for diagnostics and the treatment of sexually-transmitted diseases, plastic surgery, medical expert-examination, damage to health arising as a result of alcoholism, drug addiction, substance dependence or the use of toxic substances, diagnostics and treatment thereof;

10.4.14. damage to health due to psychiatric disorders or mental illness, epilepsy or other disorders of the consciousness of the Insured, the treatment of any psychiatric, psychotherapeutic and sexual diseases, cardiovascular surgery, vision correction, neurosurgical and reconstructive surgeries; tissue and organ transplants, prosthetics, pathological bone fractures or due to injuries which occurred in the past; rehabilitation, repairs or replacement of broken prosthesis; for technical and medical aids, medicine, medical and homoeopathic products, mechanic equipment, medical goods; glasses, lenses, hearing aids; doctor's fees;

10.4.15. for any repatriation costs that are not aligned with the Insurer or which exceed the minimum requirements in order to ensure the transportation of the Insurer or his/her remains to the home country as well as arising due to the health disorders referred to in the given exclusions of these Terms and Conditions;

10.4.16. for expenses in relation to the circumstances of increased comfort.

### IV Insurance Indemnity

#### 11. Payment of Insurance Indemnity

11.1. Upon the occurrence of an Insured event, the Insured or a representative thereof shall initially cover the services received by his or her personal resources.

11.2. The Insurer shall pay the Insurance Indemnity to the Insured, a person authorized by them or any other person authorized to receive the Insurance Indemnity.

11.3. The decision regarding the payment of the Insurance Indemnity or the refusal to pay the Insurance Indemnity shall be taken within 30 days after the day of receipt of all the documents requested by the Insurer.

11.4. Under an agreement made between the parties, the Insurer may pay a part of the Insurance Indemnity to such extent which is not disputed by any of the parties prior to the complete calculation of the Insurance Indemnity.

11.5. If the Insured person has insured one and the same risks with other insurance companies, the payment of the Insurance Indemnity shall be divided proportionally to the Sum Insured between all insurers such a way that the total indemnity shall not exceed the loss of the Insured.

#### 12. Documents Required for Receipt of the Insurance Indemnity

12.1. In order to receive the Insurance Indemnity the Insured person or a representative thereof shall have the obligation to submit the following documents to the Insurer:

12.1.1. an application for the payment of the Insurance Indemnity regarding the occurred Insured event;

12.1.2. upon the request of the Insurer – a visa or residence permit;

12.1.3. originals of all the receipts or invoices indicating the recipient of the service (name, surname, date of birth) and the service provider (name, registration number, bank details), the precise name and amount of the service, the start and end dates of the service;

12.1.4. a statement issued by a medical institution confirming the accident or illness, with the full diagnosis shown, the treatment applied, the results of examinations certifying the diagnosis and other medical treatment services received in relation to the Insured event, and in the case of repatriation – a doctor's opinion regarding medically reasonable and necessary repatriation;

12.1.5. a document certifying the right of the beneficiary to receive the Insurance Indemnity - birth certificate, passport, a notarized power of attorney, a decision taken by an orphan's court or a parish court.

### V Other Conditions

#### 13. Termination of the Insurance Contract

13.1. The Insurer shall be entitled to unilaterally terminate the operation of the Insurance Contract without the mediation of a court in the following cases:

13.1.1. when the insurance expenses have occurred as a result of the evil intent or gross negligence of the Policyholder or the Insured, or other persons interested in the receipt of the Insurance Indemnity;

13.1.2. when the Policyholder or the Insured, upon concluding the Insurance Contract or during the validity period thereof, has provided false information to the Insurer due to evil intent or gross negligence or refuses to provide the information required to the Insurer;

13.1.3. the Policyholder as a legal person has been liquidated and has no legal possessor;

13.1.4. in other cases set forth in the laws and regulations of the Republic of Latvia.

13.2. The validity of the Insurance Contract in the above mentioned cases shall be terminated by sending a written notification to the Policyholder at the address specified in the Insurance Policy unless another procedure for the termination of the Insurance Contract is provided for by the legislation of the Republic of Latvia. The Insurance Contract shall be terminated after 15 days, counting from the day of the sending of the written notification.

13.3. Upon the payment of the Insurance Indemnity for the death of the Insured, the validity of the Insurance Contract in relation to the Insured shall cease.

13.4. Upon mutual agreement between the Policyholder and the Insurer, the Insurance Contract may be terminated early.

13.5. In the case that the operation of the Insurance Contract is terminated under Paragraph 13.1.1, 13.1.2, 13.1.3 or 13.1.4, then the part of the Insurance premium shall not be paid back.

## **FOREIGNERS TRAVEL INSURANCE TERMS AND CONDITIONS**

This is the English translation of insurance terms and conditions and can be used for informational purposes only. In case of conclusion of insurance contract only insurance terms and conditions in Latvian are binding.

---

### **14. Subrogation Claim, the Applicable Law, Procedure for Dispute Settlement and Other Conditions**

14.1. The Insurer, when paying the Insurance Indemnity, shall undertake the right to demand of the Insured against the person responsible for the loss and expenses caused to the amount of the Insurance Indemnity paid. The Insurer shall not be entitled to turn a subrogation claim against the children, parents or spouse of the Insured unless the losses are caused or expenses have occurred due to the evil intent or gross negligence of such person.

14.2. The legal provisions of the Republic of Latvia shall be applied for the regulation of relations arising from this Insurance Contract - Law on Insurance Contracts, Civil Law of the Republic of Latvia and other legislation of the Republic of Latvia.

14.3. The Insurer shall review complaints and statements of claim of the Policyholder or the Insured which are submitted in writing, and shall provide a written reply within 30 (thirty) calendar days from the day of the receipt of a complaint or statement of claim.

14.4. All disputes arising in relation to the Insurance Contract shall be settled by negotiations. In the case that the parties fail to reach an agreement, the dispute shall be settled by a court of the Republic of Latvia in accordance with the procedure stipulated by legislation of the Republic of Latvia.