



# Private Property insurance terms and conditions „MAXI Policy“ No.5.6/6

## Section I. Property insurance

### 1. Terms and Definition

Terms and Definitions if not otherwise specified in these Terms and Conditions have the same meaning and explanation as in the General insurance terms and conditions of ADB "Gjensidige" Latvian Branch.

- 1.1. **Coverable Losses** – an amount of money payable for the Insurable Event or a compensation of expenses for services to be rendered in accordance with the Insurance Contract before deduction of the deductible.
- 1.2. **Insurance year** – a period of 12 months from the starting date of the insurance coverage period.
- 1.3. **Related Person** – employees, family members or persons of the Insured or the Policyholder with whom the Insured or the Policyholder has a common household or persons who have signed an agreement of lease, rent, lending, loan or any other type of agreement of the insured property or any part thereof with the Insured or the Policyholder that entitles to use the insured property, as well as the custodial services agreement. A person who uses the insured object with the permission of the Policyholder.
- 1.4. **Third party** – any natural person or legal entity except: Related persons, Policyholder and Insured.
- 1.5. **Family members** – a spouse, close relatives and in-laws up to the third level in regard to close relatives and the second level to in-laws, the members of foster families, guardians and wards.
- 1.6. **Coverage territory of the insurance contract** – for the property insurance – address specified in the insurance policy (or territory specified in Clause 3.2.5 of the Terms and Conditions), accident insurance – worldwide and General third party liability insurance of natural persons – the Baltic States.
- 1.7. **Permanently inhabited property** – building, construction, apartment, premises, which the Policyholder or the Insured uses for permanent residence (are not left without the physical supervision of the person for more than 30 consecutive days). The property shall not be deemed as permanently inhabited if it does not have the power supply connection or it is not equipped with a heating system in working condition.

### 2. Insurable objects

An Insurable Object is the property specified in the Insurance Policy. The following shall be deemed as an Insurable Object:

- 2.1. **A building** with the built-in communications, construction elements (heating boilers, electric systems, water supply and sewerage systems, built-in ventilation and dust exhauster systems) that form an integral part of the building, as well as finished repair and decoration works. Objects that have been fastened to the building: video surveillance equipment, TV antennas, sheds, sun-blinds, signboards, alarm systems, solar collectors and wind generators, in-built furniture, for the purpose of this Regulation shall be deemed as an integral part of the building. If a building is insured (both the residential building and auxiliary building), all the equipment ensuring the building with its basic functions – water, heat and electricity supply, is insured if they are connected with the building and are located on the territory of the building.
- 2.2. **Apartment** with its construction elements and interior decoration that is an integral part of the apartment (floors, walls, ceilings, windows, doors, sanitary equipment, electrical installation, fireplaces, balconies, terraces etc.). When insuring an apartment, its part of the legally binding common property is also insured. If the insured apartment is located in the attic – part of the roof that is constructively connected to the apartment is included.
- 2.3. **Interior decoration** – expenses for the repair works performed in the rented premises, decoration materials for walls, floors, windows and ceiling up to load bearing constructions, as well as for engineering lines, which do not damage the stability of the building/apartment and do not violate the rights of other owners of the building/apartments if they are reconstructed, changed or removed.

- 2.4. **Possessions** – furnishings of a building and apartment and household wares belonging to the Insured Person and persons sharing a household, or property accepted for storage, which are located inside the apartment, residential building, auxiliary buildings (cellars, sheds, storerooms etc.) of a private house (in all risks insurance also of the residential building), on the land/in a yard belonging to the property (if appropriate for usage outdoors), as well as, subject to provisions of 3.2.5 hereof, movable property, if it is designated for usage outside the immovable property.

### 3. Risks

The Insurance Contract is valid only for risks that are specifically noted in the Insurance Policy. If the risk is not noted in the Insurance Policy, it is not insured.

#### 3.1. Basic risks

##### 3.1.1. Fire:

- 3.1.1.1. fire – unforeseen and uncontrollable burning with open flames. Damage caused to the Insurable Object due to soot, smoke and fire fighting activities, if that has been caused by fire;
- 3.1.1.2. lightning stroke – direct effect of lighting on the insurable object;
- 3.1.1.3. explosion – instantaneous (explosive) chemical transformation of a substance or mixture that causes increased pressure (a shock wave). Explosion of a reservoir shall mean a sudden destructive expression of pressure force when the walls of the reservoir are destroyed to the extent that the pressure within and outside of the reservoir levels off. Sudden levelling of the pressure (implosion) due to low pressure shall not be deemed an explosion; Only the losses that have occurred due to the direct impact of explosion to the insurable object shall be reimbursed;
- 3.1.1.4. falling of a controllable aircraft, its parts or cargo carried by it on the insurable object.
- 3.1.2. **Natural disasters:**
  - 3.1.2.1. storm – wind with the speed above 15 m/s;
  - 3.1.2.2. flood – an overflowing of water on the territory that has run over the boundaries of reservoirs or natural water basins. Overflowing of the territories (places) of a periodical (seasonal) character and where it occurs more than once in 5 years shall not be deemed flood;
  - 3.1.2.3. hail – direct effect of precipitation in the form of hail stones on the insurable object;
  - 3.1.2.4. continuous snowing – a sudden increase of a snow layer by at least 100 mm in the period of 24 hours if the damages have occurred during snowing;
  - 3.1.2.5. earthquake of magnitude as of 4 on the Richter scale;
  - 3.1.2.6. falling of trees, masts and poles that has not been caused by human activities.

##### 3.1.3. Water leakage:

- 3.1.3.1. a sudden and unforeseen breach or fracture of pipelines, their facilities and equipment except the one caused by frost;
- 3.1.3.2. an action taken or failure to act by third parties which has caused fluid leakage or steam escape from internal communication systems of the building;
- 3.1.3.3. fluid leakage caused by automatic reaction of correctly operated fixed automatic fire extinguishing systems and equipment;
- 3.1.3.4. fluid leakage due to failure of pipelines which branch off the insured building to the main pipeline and supplies water, heating etc. to the insured building.
- 3.1.4. **Illegal activities of third persons:**
  - 3.1.4.1. burglary – a deliberate, illegal theft, damage or ruin of property if it is committed by third parties by means of illegal entering into locked premises with evident traces of a burglary. Fraud, appropriation, extortion of property shall not be deemed as a theft;
  - 3.1.4.2. robbery – an attack to the Insured that is connected with violence or threats of violence and that is dangerous to the life or health with an aim to obtain the insured property;
  - 3.1.4.3. malicious damage – a deliberate destruction or damage of the insured property;

- 3.1.4.4. collision – any direct impact to the insured property caused by any type of a land vehicle, loading or unloading mechanisms due to the activities of or failure to act by third parties.
- 3.1.5. **Rescue and elimination expenses:**
- 3.1.5.1. all reasonable expenses in relation to the insurable event claimed and proved by the Insured for emergency elimination of damages and reduction of losses, and for rescue measures;
- 3.1.5.2. expenses of the Insured in relation to the Insurable Event for removal of ruins and cleaning works, and the removal and destruction of the damaged property, dismantling of equipment, breaking down of parts of buildings or enlarging openings.
- 3.2. **Additional risks:**
- 3.2.1. **electrical phenomena** - losses caused to the insured property as a result of such electrical phenomena as indirect lightning stroke, short circuit, overvoltage, overcurrent, and which have not caused the fire.
- 3.2.2. **losses caused by frost** - break or fracture of pipelines, their facilities and equipment caused by frost. Losses and damages shall not be indemnified if the building is not permanently inhabited;
- 3.2.3. **rental expenses** - rental expenses of equal replacement housing for the period of repairs of the damaged property if it is not suitable for living as a result of occurrence of the Insurable Event (for example, fully destroyed due to fire, explosion etc.) by covering rental expenses;
- 3.2.4. **theft of possessions from the yard of a private house** - theft of grass cutters, barbecue grill, trampoline, movable swimming pool, garden sprinklers, washing line, washing hung out for drying, garden furniture, children prams, wheelchairs, bicycles (if during the theft it was locked with respective security means to a fixed object) from the territory of the insured private house without traces of a burglary. Losses shall not be indemnified if the building is not permanently inhabited and the territory of the insured private house has not been fenced throughout its all perimeter;
- 3.2.5. **possessions outside the household** - for losses caused to the possessions which are designated for usage outside the immovable property and are situated outside the addresses specified in the Insurance Contract on the territory of Latvia:
- 3.2.5.1. due to hitting of a mean of transport;
- 3.2.5.2. due to the theft if such has occurred with obvious traces of burglary, and robbery outside the address specified in the Insurance Contract, under a condition that Police confirms the above mentioned fact and the specific property is under continuous physical supervision of the Insured and/or the persons with whom the Insured shares the household or in a locked, permanently inhabited premises or from an invisible part of a vehicle interior, luggage compartment. The insurance will also be valid in relation to a bicycle, if it has been registered at the Road Traffic Safety Directorate, that is left shortly unattended if during the theft it was locked with respective security means to a fixed object on condition that the police confirms the fact of theft.
- 3.2.5.3. Upon all risks insurance, losses mentioned in Clauses 3.2.5.1 and 3.2.5.2, as well as losses incurred due to Natural disasters (Clause 3.1.2 of the Terms and Conditions) and Fire (Clause 3.1.1 of the Terms and Conditions) are indemnified in all Baltic States.
- 3.2.6. **possessions accepted for storage** - the Insurer will reimburse losses caused to the possessions in holding, usage or storage of the Insured (or persons with whom the Insured shares the household) as a result of the occurrence on Insured risks. Losses shall not be reimbursed if upon the occurrence of the insured risk the possessions are located outside the address specified in the Insurance policy.
- 3.2.7. **breakage of ceramic items and glazing** - aquarium, sinks, water closet, bidet, bath, shower enclosure, breakage of kitchen ceramic cooking surface.
- 3.2.8. **MAXI Repairman** - the Insured and persons with whom the Insured shares the household may apply for MAXI Repairman services. The services, taking into consideration the limitations and exceptions specified in these Terms and Conditions, include the repair of the object damaged in the Insured event (including replacement of parts of the object) and measures/additional materials for the elimination of further consequences of the insured event in case of:
- 3.2.8.1. breakdown of a water pipeline (broken or damaged pipe joint, a pipe, a tap or another water supply equipment) inside the premises;
- 3.2.8.2. breakdown of a sewerage system (a pipe joint, a pipe) inside the premises;
- 3.2.8.3. breakdown of a heating system (a pipe, heating element, heating equipment) inside the premises;
- 3.2.8.4. breakage or blocking of an entrance door or a door lock of the house or apartment (a door lock is broken,
- 3.2.8.5. keys are lost, the entrance door has been locked and the keys are left inside);
- 3.2.8.6. the windows are broken out;
- 3.2.8.7. breakage of electrical installation of the house or apartment (flashing in a power socket, breakage of an electric fuse);
- 3.2.8.8. losses caused to a house or apartment by forces of nature (natural disaster blow off a roof coverage, damage other elements of a house or their parts);
- 3.2.8.9. a tree falls down and damage a house or an apartment;
- 3.2.8.10. a vehicle crashes into the insured house or apartment.
- 3.2.9. **additional expenses** - compensation of the required expenses to the Insured after occurrence of an Insurable Event:
- 3.2.9.1. emergency return from the travel;
- 3.2.9.2. moving to another temporary place of residence;
- 3.2.9.3. expenses related to renewal of personal identity documents and payment cards.
- 3.2.10. **psychological aid after a fire accident** - services of a psychologist, psychotherapist which are received within 6 months after the fire accident at a medical institution registered with the Health Inspectorate of the Republic of Latvia;
- 3.2.11. **damages to the commodities of the territory** - the Insurer will reimburse the losses related to the damages to/loss of commodities of the territory if they are located on the land attached to the insured building according to the land boundary plan. Commodities of the territory are the constructions permanently connected with the land and which are not buildings: fence, gates and their automatic system, boom barriers, lighting equipment, flag poles, benches, tables, children playgrounds, sprinklers, overground constructions of a well, surfacing of yards.
- 3.2.12. **damages to greenery** - expenses occurred in the result of a fire, theft or malicious damage in relation to the loss of plants, except loss of harvest, growing on the fenced territory or a building, if recovery of such plants in natural way is not possible. In case of the risk of fire the expenses shall be indemnified even if the territory has not been fenced.
- 3.2.13. **investments** - if the building is insured in its actual value and the Insured has made investments performing repair works at he insured property, the Insurer shall indemnify losses for such investments, not calculating the depreciation charges and not applying the underinsurance principle.
- 3.3. **All risks**
- 3.3.1. Losses/expenses reimbursed to the Insured subject to restrictions, limitations and exceptions defined herein, shall include:
- 3.3.1.1. any physical damage and loss of the Insurable Object due to sudden and unexpected event occurred during the Insurance Period specified in the Insurance Policy;
- 3.3.1.2. occurrence of basic and additional risks specified in these Terms and Conditions within the Insurance Period specified in the Insurance Policy.
- 3.3.2. In case of all risks insurance:
- 3.3.2.1. fracture of glazing of a building and apartment once during the insured year without applying the deductible;

- 3.3.2.2. losses incurred due to the leakage of water and snow into the premises through the constructions of the building are indemnified taking into consideration the limits defined in these Terms and Conditions;
- 3.3.2.3. Insuring the possessions, they are insured also in the auxiliary buildings of the apartment building (cellars, sheds, storerooms etc.).

#### 4. Exceptions

- 4.1. The insurance shall not reimburse the losses as a result of:
  - 4.1.1. exposing the property to processing or other processes where fire or heat is used (for example: welding, soldering etc.);
  - 4.1.2. overheating, over firing, melting or smouldering if such has not been caused by the insured risks;
  - 4.1.3. explosion caused by guns and other devices where the energy of explosion is deliberately used;
  - 4.1.4. a blast caused by using substances and equipment the aim of which is to use explosion energy;
  - 4.1.5. water, hail or snow penetration into building or premises through windows, doors, roof, seams of building, foundations, external walls, drainage pipes and other construction elements of the building, and also from streets, pavements, squares and inner yards. In case of all risks insurance - water or snow penetration into building or premises through windows, doors, roof, seams of building, foundations, external walls, drainage pipes and other construction elements of the building, if the Insurer has paid indemnity for such losses to the insured object in previous 3 years, and also from streets, pavements, squares and inner yards;
  - 4.1.6. leaving the movable property in the open air unless it is required by the specific use of the property;
  - 4.1.7. rising of groundwater and sewage water level or overflowing of water collection and/or sewerage systems and roof drainage pipes;
  - 4.1.8. accumulation of condensate;
  - 4.1.9. leakage of water from engineering networks, except in cases caused by emergency situations;
  - 4.1.10. sudden leakages of cooling agents in refrigerators unless they have been caused by the Insured Risks;
  - 4.1.11. losses incurred in the event of overvoltage, if the insured equipment was connected to a temporary electricity supply device;
  - 4.1.12. if no measures have been taken against the entry of third parties into the insurable object (unlocked door, windows etc.);
  - 4.1.13. direct activities by such persons who have concluded rental, hire, lending or other type of contracts of the insurable object or a part thereof with the Insured or the Policyholder which grant the right to use the insurable object;
  - 4.1.14. war, invasion, external enemy activity, insurrection, revolution, uprising, military operation or illegally attained power, terrorist activity and property arrest performed by any state institution of the Republic of Latvia, and due to changes in administrative regulations and legal enactments;
  - 4.1.15. errors or damages caused by microprocessor equipment of any type (computer, technological devices, control systems etc.) and its software and by electric or electronic devices of any type and their insulators due to short circuit or other electric occurrence that has not caused fire. The exception stipulated in this Clause shall not be applicable if in compliance with these Terms and Conditions it is marked in the Insurance contract;
  - 4.1.16. malicious intent, gross negligence or criminal activity by the Insured and the Policyholder or the Related Persons;
  - 4.1.17. breach of normative regulations, construction standards, regulations on technical operation and fire safety and administrative decisions of the Republic of Latvia by the Insured and the Policyholder or the Related Persons;
  - 4.1.18. low-quality works or services performed by persons hired by the Insured, the Policyholder or the Related Persons;
  - 4.1.19. blasting sanctioned by the state or municipal governmental institutions or performed by the insured person;
  - 4.1.20. reconstruction, relocation or reorganisation of the insured property;
  - 4.1.21. depreciation, corrosion, wear and tear, testing of the property or due to similar processes;
  - 4.1.22. dry and wet rot, mould, fungi or bacteria, insects, worms, rodents or due to impact caused by other animals;
  - 4.1.23. as a result of nuclear explosion, radiation or radioactive pollution as well as environmental pollution and poisoning;
  - 4.1.24. serious breach of normative regulations, construction standards, regulations on technical operation and fire safety and administrative decisions of the Republic of Latvia during construction of the building (apartment) if the construction of the building (apartment) is performed by the Insured/Policyholder or it has been performed upon the order by the Insured/Policyholder or the real estate was purchased and the Insured/Policyholder has been aware of the violation.
- 4.2. The insurance shall not reimburse the losses incurred to the following objects:
  - 4.2.1. illegally built buildings or those being under construction, buildings and structures for the construction of which all the required permits and approvals set by the law and other regulations have not been obtained;
  - 4.2.2. buildings, constructions and structures being in an emergency state and the property therein. The property is deemed as being in an emergency state if its physical wear exceeds 70%;
  - 4.2.3. unattended buildings, constructions and structures and possessions therein;
  - 4.2.4. external pipelines that branch off the insured building to the main pipeline, if they do not belong to the Insured;
  - 4.2.5. indoor plants, forest, separately growing trees, hedgerows (except cases specified in Clauses 3.2.11 and 3.2.12), land, sowings, animals;
  - 4.2.6. cash, securities, documents (except of the documents defined in 3.2.9.3. hereof), deeds, designs, original drawings, models, archives;
  - 4.2.7. software, data, databases and data carrying media (except licensed software that is not OEM versions, but has been purchased and installed for the usage only on the computer that has been damaged or lost as a result of the Insurable event and it is not possible to restore this software);
  - 4.2.8. motor vehicles subject to registration;
  - 4.2.9. guest houses and bathhouses intended for public use.
- 4.3. The insurance shall not reimburse the losses incurred to the following objects, if no special indication has been entered in the Insurance Policy:
  - 4.3.1. berths;
  - 4.3.2. pools, sheds and safety walls. If the objects mentioned in this Clause form an integral part of a building or apartment, they are insured without a special remark in the Insurance contract;
  - 4.3.3. household premises, garage or underground parking connected to the apartment;
  - 4.3.4. registered weapons with a conditions that the legal enactments on possession of weapons are observed. The insurance coverage shall be valid within the address specified in the Insurance Policy;
  - 4.3.5. buildings with straw, reed, shingled roofs;
  - 4.3.6. buildings, apartments and premises, construction, reconstruction or rebuilding of which has not fully completed or construction works are still in process, for which it is required to obtain a construction permit;
  - 4.3.7. permanently unoccupied buildings and possessions therein;
  - 4.3.8. losses, caused to the insured object (real estate property) by the leaseholders/tenants. The exception stipulated in this Clause shall not be applicable in case of all risks insurance.

#### 5. Indemnity limits

In accordance with these Terms and Conditions the Insurer shall pay the Insurance Indemnity, not exceeding the indemnity limits within the insured year specified in Table No 1.

**Table No 1**

No	Expenses related to:	Indemnity limits in standard policy	Indemnity limits in all risks policy
1.	Losses caused by an earthquake	50 000 EUR	Sum Insured
2.	Rescue and elimination expenses	10% of the total Sum Insured	
3.	Damages or loss of possessions accepted for storage	500 EUR	1 000 EUR
4.	Losses caused by frost	3500 EUR	5000 EUR
5.	Losses caused by electrical phenomena	Specified in policy	
6.	Housing rental expenses	300 EUR per month, up to 6 months	450 EUR per month, up to 9 months
7.	Theft of possessions from the yard of a private house	1000 EUR	1000 EUR
8.	Damages or loss of possessions outside the housing	1000 EUR Latvia	1000 EUR Baltic States
9.	Damage or loss of mobile telephones and tablets	500 EUR	1000 EUR
10.	Damages or loss of bicycles	500 EUR	1000 EUR
11.	Breakage of ceramic or glass items	1000 EUR	Sum Insured
12.	Emergency return from the travel	400 EUR	400 EUR
13.	Moving to another temporary place of residence	300 EUR	300 EUR
14.	Renewal of personal documents	100 EUR	300 EUR
15.	Psychological aid after a fire accident	Not insured	300 EUR
16.	Damages to commodities of the territory	Not insured	5000 EUR
17.	Damages to greenery (if a private house is insured)	Not insured	3000 EUR
18.	Losses caused by leaseholders/ tenants	Not insured	5000 EUR
19.	Damages or loss of jewellery, wrist watch, bijouterie, precious metal items, gemstones, paintings, furriery items, icons, unique and particularly valuable or exclusive items, antiques (books, musical instruments, furniture, chinaware, etc. created before 1940 with high artistic value).	500 EUR	1 000 EUR
20.	Losses in the results of repair works carried out by neighbours	Not insured	5000 EUR
21.	Losses caused by performed repair works (for which no construction permit is required)	1 000 EUR	3 000 EUR

No	Expenses related to:	Indemnity limits in standard policy	Indemnity limits in all risks policy
22.	Losses caused by performed repair works (for which a construction permit is required)	1000 EUR	3000 EUR
23.	Possessions stored in auxiliary premises of apartment houses (if possession are insured)	Not insured	1% of the total Sum Insured of the possessions
24.	Accidental damage to mobile telephones, tablets, portable computers by the Policyholder or his/her related persons	Not insured	1 000 EUR
25.	Licensed software	Not insured	500 EUR
26.	Leakage of water and snow into the premises through the constructions of the building	Not insured	500 EUR
27.	Damaged to in-built furniture	1 500 EUR	3 000 EUR
28.	Investments	3 000 EUR	5 000 EUR
29.	Assistance of MAXI Repairman at home	Specified in policy	
30.	Common property shares of the apartment	5%	5%

## 6. Sum Insured

- 6.1. The Sum Insured shall be defined by the Policyholder and Insurer upon mutual agreement and based on the value of the property. The policyholder shall be responsible for the correspondence of the stated Sum Insured to the value of the property. In case the Sum Insured does not correspond to the value of the property, the conditions of underinsurance or overinsurance shall be applied upon occurrence of the Insurable Event.
- 6.2. Should the specific Insured object be renewed after the payment of insurance indemnity, it shall remain insured to the extent of the Sum Insured specified in the insurance policy (the total amount of the insurance indemnity payable for the Insured Object within the insurance contract may not exceed the Sum Insured of the Insured Object specified in the contract). The condition specified in this Clause shall not be valid in respect of the possessions that have been insured in compliance with Clause 6.4.1 of these Terms and Conditions and objects, for which the payable insurance indemnity limits have been stated in the Insurance contract (the Insurance contract for these objects shall remain valid until the end of the term specified in the Policy in the amount of the difference between the Sum Insured specified in the Insurance contract and the amount of the Indemnity paid).
- 6.3. The Sum Insured of buildings, apartments and expenses of the completed decoration repair works shall be set in the Insurance contract according to:
  - 6.3.1. the restoration value which includes restoration expenses required to carry out construction of a building or an apartment to an equal quality and scope as to the moment of concluding the Insurance contract.
  - 6.3.2. the actual value which is calculated by subtracting the depreciation from the restoration value. The Insurable Object is insured in its actual value, in case depreciation of buildings, apartments and/or completed decoration works is more than 40% or if the Policyholder wants to insure them object for its actual value.
- 6.4. Possessions may be insured:

- 6.4.1. in accordance with the list. By enclosing an attachment to the Insurance contract with a list of insurable possessions prepared by the Policyholder and specifying the Sum insured and value of each object (acquisition value (acquisition cost) or actual value of the object on the moment the Contract is being concluded);
- 6.4.2. specifying the total Sum insured of the possessions and total acquisition value (acquisition cost), taking into consideration the total area of habitable premises.
- 6.5. Unless these Terms and Conditions and/or the Insurance contract provide for otherwise, insuring the possessions according to the total area of habitable premises, each item the value of which exceeds EUR 3,000, shall be separately specified in the Insurance contract and if such an item is not specified in the Insurance contract, the maximum Sum Insured for such item shall be EUR 3000.

## 7. Obligations of the Insured after occurrence of the Insured Risk

### 7.1. Insurance claim

- 7.1.1. After the losses are incurred, the Policyholder/Insured shall immediately report to:
  - 7.1.1.1. the State Fire and Rescue Service in case of fire;
  - 7.1.1.2. the respective emergency service in case of explosion;
  - 7.1.1.3. the respective emergency service and/or the manager (owner) of the building in case of engineering network accident;
  - 7.1.1.4. the manager (owner) of the building and the Municipal Police in case of losses in the result of repair works carried out by neighbours;
  - 7.1.1.5. the manager (owner) of the building in case of water or snow penetration into premises through windows, doors, roof, seams of building, foundations, external walls, drainage pipes and other construction elements of the building.
  - 7.1.1.6. the Police in case of illegal activities of third parties;
  - 7.1.1.7. the Traffic Police in case of collision with a motor vehicle.
- 7.1.2. The Insured shall immediately, as soon as it becomes possible, inform the Insurer about the occurred event and shall take all possible and reasonable measures to reduce losses.
- 7.1.3. The Insured shall submit to the Insurer a special application form in writing (including filing in the application on the Insurer's website) within 3 (three) business days following the day when the event took place and shall agree with the Insurer on the time of an inspection of the place of accident. If due to objective reasons it is impossible to submit a written claim in person, then it shall be done by a representative or an authorised person of the Insured or the Policyholder.
- 7.1.4. In case the Policyholder/Insured makes a claim knowing that it is false and fraudulent, the Insurance contract shall be deemed null and void, and any claim in relation to this Contract shall be refused.

### 7.2. Proof of loss

- 7.2.1. After the occurred event, until the Insurer has carried out an inspection of the damaged or destroyed object, no elimination of damages or moving, removal or restoration of the object and its parts is allowed without a written consent of the Insurer. It is allowed to take only immediate measures to eliminate any further losses and prevent accidents.
- 7.2.2. After submission of the claim the Policyholder shall ensure the possibility for the Insurer's representative to perform an inspection of the place of accident and the damaged property, and shall ensure a possibility to carry out investigation to detect causes and extent of any loss.
- 7.2.3. After inspection of the place of accident the Insurer's representative shall draw up an inspection report on the detected damages and shall provide instructions the execution of which shall be compulsory for the Insured. Restoration of the object, moving or removal of any parts thereof shall not be allowed without a written consent of the Insurer.
- 7.2.4. In case the Insurer fails to perform an inspection and/or does not contact the Policyholder/the Insured within 3 working days following the day when the claim was submitted, the Policyholder/the Insured shall be entitled to commence elimination of damages and repairs.

- 7.2.5. The Policyholder/Insured shall have the obligation to submit all the information and documents requested by the Insurer justifying the loss and provide all the information and explanations on the circumstances of the accident.
- 7.2.6. If the Insured is entitled to claim compensation of rental expenses of housing, the Insured shall submit to the Insurer the rental agreement and documents certifying rental payments during the period of elimination of the damages.
- 7.2.7. Upon the Insurer's request a list of the damaged, stolen or destroyed items shall be provided. The date of purchase, acquisition value, description and condition of the item before the occurrence of the Insurable Event shall be included in the list. The Insurer shall be entitled to request documents certifying the purchase of items.
- 7.3. **Consequences of default of obligations by the Policyholder**
- 7.3.1. The Insurer shall be entitled to refuse the payment of the Insurance Indemnity if the Policyholder or the Insured:
  - 7.3.1.1. fails to fulfil any of the obligations referred to in Clause 7.1.1.–7.1.3., 7.2.1. - 7.2.3., 7.2.5. - 7.2.7. of the Terms and Conditions;
  - 7.3.1.2. fails to show the remains of the damaged objects, except the cases when they are fully destroyed, except the situations specified in Clause 6.2.4;
  - 7.3.1.3. fails to submit to the Police a list of the stolen or robbed items, or if the Police does not confirm the theft or robbery of particular items.
  - 7.3.1.4. in other cases referred to in these Terms and Conditions.

## 8. Calculation of Losses and Insurance Indemnity

- 8.1. The losses, unless otherwise stated in these Terms and Conditions, are fixed in the amount which is equal to the difference between the value of the insured item right before and after the Insurable Event.
- 8.2. The Insurer shall have the right to determine the calculation method of losses according to costs estimate of renovation and repairs that has been made according to the effectual legal enactments of the Republic of Latvia or in accordance with the value ratio of certain constructive elements of the damaged object to the Sum Insured of the respective object. Complete loss of the Insured Object shall be deemed the event when damages exceed 70% of the object value at the moment of occurrence of the damage.
- 8.3. If the building, apartment and/or completed decoration repair works have been insured for its restoration value, the Coverable Losses shall be the least restoration expenses required for repair of buildings or an apartment to return the property to the state it had before the insured event.
- 8.4. In case the Sum Insured of a specific object is less than its restoration value, the Coverable Losses shall be calculated to an equal proportion of the loss as between the Sum Insured and this value.
- 8.5. If in case of complete loss of a building/apartment it is not renovated, the loss shall be calculated in the amount of the market value of the building but not exceeding the renovation costs of the building. If building/apartment is being renovated, after commencement of renovation works, revaluation of the assessed losses shall be carried out according to the volume of renovation works completed, and the difference of indemnity shall be paid to the Insured.
- 8.6. Losses for the damage or loss of the apartment's common property shall be reimbursed in proportion to the common property share owned by the Insured in accordance with the submitted documents justifying the extent of the loss.
- 8.7. In case of complete loss of possessions:
  - 8.7.1. If they are insured in its acquisition value (acquisition cost of the possessions):
    - 8.7.1.1. and it has not been acquired more than two years ago (for personal hygiene items and cosmetic products not more than one year ago), the insurance indemnity is shall be calculated from the acquisition value of the item, not deducting the depreciation;

- 8.7.1.2. if possessions have been acquired more than two years ago (for personal hygiene items and cosmetic products more than a year ago) the insurance indemnity shall be calculated from the acquisition value of the item, deducting the depreciation starting from the third year (starting from the second year for hygiene items and cosmetic products) which shall be calculated based on the annual depreciation rates specified in Table No 2.
- 8.7.2. If it has been insured in its actual value, the insurance indemnity shall be calculated from the acquisition value of the item, without deducting depreciation.

**Table 2**

No	Group of possessions	Annual depreciation rate
1.	Furniture, interior accessories, books	5%
2.	Carpets, home textile, household objects (saucepans, frying pans, etc.), musical instruments, mechanical sewing machines, knitting machines, furriery items	10%
3.	Household appliances, gardening equipment, garden furniture, lighting equipment	15%
4.	Electronic equipment (video, photographic, audio, TV, etc.), sports inventory (incl. bicycles, children prams, boats)	20%
5.	Computer hardware and its accessories, electrical tools (borers, saws, planers, etc.)	25%
6.	Clothing, foot wear, bed linen, accessories, glasses	40%
7.	Mobile telephones, tablets	100%
8.	Personal hygiene items, cosmetic products	100%
9.	Other groups of possessions	20 %

- 8.8. For any possessions, if such item is in usable condition and is being used on a daily basis, the maximum depreciation may not exceed 70%.
- 8.9. When calculating the Coverable Losses, the value of the usable salvage shall be also taken into account.
- 8.10. Insurance Indemnity shall be calculated by deducting the Deductible of the Policyholder specified in the Policy from the Coverable Losses (the Deductible shall not be deducted if the Insurable Object is damaged as a result of a road traffic accident caused by third party that is reported in a respective decision of the Road Traffic Police or in the agreed statement).
- 8.11. As per the choice of the Insured, the Insurance Indemnity payout may be as:
- 8.11.1. payment in cash in order to compensate losses incurred to the Insured as a result of an Insurable Event. In this case only the direct expenses are reimbursed (not including taxes, extra expenses, profit, etc.). The Insured shall be entitled to request the amount of the paid taxes and extra expenses if he/she has submitted the documents verifying these expenses to the Insurer;
- 8.11.2. measures aimed at repair and restoration of the lost and/or damaged insurance object;
- 8.11.3. replacement of the lost or damaged property with an equivalent one.
- 8.11.4. the total amount of Insurance Indemnities payable (as per the Insurance contract) may not exceed the total Sum Insured specified in the Insurance contract.

## Section II. General third party liability insurance of natural persons

### 9. Additional Terms and Definition

- 9.1. **Insurable Object** is the third party liability of the Insured for losses caused to any third person throughout the period of validity of the Policy as a result of the activity or inactivity of the Insured.
- 9.2. **Third Party** is any natural person or legal entity (except the Policyholder, the Insured or a Related Person) who has suffered personal injury and/or material damage as a result of an Insurable Event and who is entitled to receive an Insurance Indemnity according to these Terms and Conditions.
- 9.3. **Losses** is harm caused to the health, life or property of the Third Party, the amount of which shall be determined on the basis of a mutual agreement between the Third Party and the Insurer, an expert opinion or a court decision.
- 9.4. **Liability Limit** – an amount of money specified in the policy in connection with any one Insurable Event and aggregated amount throughout the validity of the Policy, within the limits of which the Insurer shall be liable for indemnification of losses.
- 9.5. **Claim** – a written application of the Third Party to the Insurer for indemnification of losses.
- 9.6. **Insurance claim** is a written application of a certain form submitted by the Insured to the Insurer.
- 9.7. **Insurance indemnity** is an amount of money payable by the Insurer to the Third Party in order to compensate losses and settle the claims or complaints brought against the Insured.
- 9.8. **Insured** – a person whose third party liability is insured and who is specified in the Insurance Policy as the Insured. Without any remark in the Insurance contract, the Insured are also persons who live or reside in the insured real estate property based on legal grounds and with the consent of the Insured: Family members of the Insured (spouse or a person with whom the Insured shares common household, adult children and parents) and persons of whom the Insured bears civil liability (underage children of the Insured, mentally challenged persons, for whom the Insured bears liability, other underage children under temporary supervision of the Insured).
- 9.9. **Retroactive Period** – a period of consecutive insurance contracts, concluded without breaks, during which, in compliance with the provisions of these Terms and Conditions losses caused by the insured risk, which occurred within the retroactive period and prior to the validity of this Insurance contract, shall be covered to third parties, if none of the parties of the Insurance Contract were aware of its occurrence on the moment this Insurance Contract is being concluded.

### 10. Liability of the Insurer

- 10.1. The Insurer undertakes to indemnify to the Third Parties:
- 10.1.1. all amounts of money for which the Insured bears civil liability and which are payable to a Third Party in order to compensate the losses incurred:
- 10.1.1.1. for bodily injuries (including illness and death) caused to any Third Party;
- 10.1.1.2. for physical damage or loss of the Third Party's property;
- 10.1.1.3. costs for settling a claim or complaint not exceeding 10% of the liability limit including legal costs related to the claim against the Insured if the Insurer has accepted in writing legal proceedings before their commencement, even in the event when the court finds the claim to be unjustified.
- 10.2. Risks listed in these Terms and Conditions shall be insured only if they are specified and noted in the Insurance Policy.
- 10.3. In accordance with these Terms and Conditions the following risks can be insured:
- 10.3.1. **liability of an owner or a tenant** - for land, buildings or premises (the insurance coverage is valid only at the address of the insured object specified in the Insurance contract);
- 10.3.2. **General Third Party Liability:**
- 10.3.2.1. person's liability while performing daily activities;

- 10.3.2.2. liability of a pedestrian or a cyclist;
- 10.3.2.3. liability in relation to sports activities except auto-racing and motorsport as well as professional sports;
- 10.3.2.4. liability of owners of such vehicles or other self-propelled machinery which is not subject to registration according to the procedure stipulated in the legislation of the Republic of Latvia (including vehicles that operate using electricity or other energy sources or which are operated by the body power of a human, gravitation or non-renewable autonomous electrical power source) (if a vehicle or machinery was driven by the Insured);
- 10.3.2.5. if a loss is caused by a person for which the Insured bears civil liability;
- 10.3.2.6. if a loss is caused by a pet for which the Insured bears civil liability.
- 10.4. Insurance is valid solely with regard to losses which the third party liability is provided for in compliance with the effectual legislation of the Republic of Latvia.

## 11. Exceptions

The Insurer shall not indemnify the following losses:

- 11.1. losses caused by an event before the effectual date of the Policy, except the losses the reason of which was an event in a retroactive period;
- 11.2. claims for bodily injuries, illness or death of the Insured;
- 11.3. losses caused to property:
  - 11.3.1. owned by the Insured or Related Person;
  - 11.3.2. which the Insured/Related Person works with or which is at his/her disposal, under his/her supervision or control, or which the Insured/Related Person has taken over, rented, taken for sale, etc.
- 11.4. the damage has occurred as a result of force majeure circumstances, including natural disasters;
- 11.5. losses caused by any motor vehicle (or its trailer) intended for the use in the road traffic, or which needs compulsory insurance in compliance with the regulations governing the road traffic if such vehicle belongs to the Insured, or the Insured has rented, leased or driven it. The exception specified herein shall not be applied for insurable events when the losses are caused by the driver of the vehicle or its passenger opening the doors of a standing vehicle and such an event may not be considered as a road traffic accident.
- 11.6. losses caused by:
  - 11.6.1. any ship or water transport vehicle or aircraft owned by the Insured, or the Insured has rented, leased or steered it;
  - 11.6.2. loading into or unloading from any such water transport vehicle or aircraft;
- 11.7. losses as a result of professional activity – professional liability;
- 11.8. losses caused by the Insured while doing any kind of business, working in any profession or holding any positions in a public organization, or doing any paid work;
- 11.9. unearned profit;
- 11.10. losses caused by goods manufactured or delivered or services rendered by the Insured or on behalf of it, expenses for discovery and elimination of the said imperfections of goods, loss of profit as a result of the said imperfections (liability for production);
- 11.11. losses caused due to malicious intent, gross negligence or criminal activity by the Insured;
- 11.12. losses caused by spreading of contagious diseases;
- 11.13. losses caused due to malicious intent or gross negligence by the victim herself/himself;
- 11.14. liability which the Insured has undertaken under the Contract, except cases when such liability would have been enforced also without the said Contract, as well as claims regarding delayed fulfilment and compensation of default of contractual obligations;
- 11.15. claims regarding penalty, tax or other payments of any kind;
- 11.16. losses caused by environmental pollution or poisoning, i.e. pollution of air, water or soil;
- 11.17. losses incurred during hunting;
- 11.18. losses caused by ionizing radiation or radioactive poisoning;
- 11.19. losses caused as a result of asbestosis or any other related disease (including cancer) originating from the presence or use of asbestos, asbestos products or products containing asbestos;

- 11.20. losses if the application or documents certifying occurrence of the Insurable Event, its consequences and amount of losses have been submitted later than 3 (three) years from the moment of occurrence of the Insured Risk.
- 11.21. losses related to moral damage;
- 11.22. losses caused by construction/repair work if a construction permit is required for the performance of such works;
- 11.23. losses related to the loss of cash;
- 11.24. Losses to the real estate property caused by cracks.

## 12. Amount of the Insurance Indemnity

- 12.1. **Liability Limits**
  - 12.1.1. The liability limit specified in the Insurance Contract is the limit of the Insurer's liability for each single Insurable Event and also altogether throughout the validity of the Insurance Contract.
  - 12.1.2. Each single Insurable Event shall be deemed to be all losses arising from a continuous or recurrent effect of the same cause, and they shall be deemed as occurred during the validity of the Contract when the first loss was incurred.
- 12.2. Amount of the Insurance Indemnity
  - 12.2.1. The Insurer shall pay the Insurance Indemnity in the amount corresponding to the actual losses caused to the Third Party in terms of money including court and expert as well as other costs necessary for settlement of the claim or complaint less Deductible of the Insured:
    - 12.2.1.1. in case of a personal harm, Insurance Indemnity shall be paid in the amount and in accordance with the procedure stipulated in the laws and regulations of the Republic of Latvia, unless it is covered by any other type of compulsory insurance;
    - 12.2.1.2. in case of material losses, Insurance Indemnity shall be paid in the amount of actual value of the damaged or lost objects – the Indemnity shall be calculated to the extent which corresponds to the difference between the value of the lost object directly prior and after the Insurable Event;
  - 12.3. In the event when losses are incurred to several Third Parties and the actual amount of loss exceeds the liability limit specified in the Policy, the Insurance Indemnity shall be calculated for each Third Party proportionally to the extent of losses incurred thereof so that the total payable Indemnity does not exceed the liability limit specified in the Policy.

## 13. Obligations of the Parties after occurrence of the Insured Risk

- 13.1. The Insured shall have the obligation to inform the Insurer in writing about:
  - 13.1.1. any claim made or complaint brought against him/her in the court in connection with personal or material damages caused to the Third Parties;
  - 13.1.2. events which could be a potential reason for raising a claim or complaint against the Insured in connection with losses recoverable under this Policy.
- 13.2. When required, the Policyholder or the Insured shall authorize the Insurer for obtaining all necessary documents or copies thereof as well as for representing the Policyholder's or the Insured person's interests in the court or other institutions. All documents, any claim, summons, subpoena or notice of trial received in connection with the particular event shall be delivered to the Insurer immediately upon the receipt thereof.
- 13.3. Neither the Policyholder nor the Insured or any other person on their behalf shall be entitled to express their readiness to accept their fault or effect any payments whatsoever without a written consent of the Insurer. According to these Terms and Conditions the Policyholder or the Insured shall assign to the Insurer the right to consider and settle on their behalf any claim or complaint notwithstanding the stage or instance of consideration thereof, as well as to bring the claim or represent the Policyholder's or Insured's interests in the court. The Insurer shall have a free choice in the selection of the form and strategy of the claim settlement and it shall be an obligation of the Policyholder or Insured to provide the Insurer with all required information or assistance in the settlement of the case.

- 13.4. If it is impossible to reach an agreement with the claimant as to the amount of losses the Insurer shall be entitled to request for the engagement of an independent expert. The expert's costs shall be attributed to the losses and indemnified within the limit of liability specified in the Policy.
- 13.5. Insurance Indemnity shall be paid to the Third Party entitled to indemnity payment, or another payout procedure may be set upon agreement by the parties.  
In order to receive an Insurance Indemnity, the application for the insurance indemnity shall be filed with the Insurer at the first opportunity but no later than within 3 (three) business days after the moment of occurrence of the Insured Risk.

### Section III. Accident insurance

#### 14. Additional Terms and Definition

- 14.1. Insured – person specified in the insurance policy. Without any remark in the Insurance policy, the Insured are also the spouse and dependant minors of the Insured if they have a common household with the Insured. A person who at the moment of concluding the Contract is under the age of 1 (one) year or older than 79 (seventy nine) years shall not be deemed as the Insured.
- 14.2. Insurable Object – life, health or physical condition of the Insured, as well as other insurable risks that are directly related to causing unexpected expenses to the Insured in case of an Accident.
- 14.3. Accident – harm caused to the Insured person's health or life (trauma, disability or death) as a result of external factors beyond the Insured person's control.
- 14.4. Insured Risk – an event specified in the Insurance Contract that is beyond control of the Insured and is likely to occur in the future. The Insurance Coverage is valid only with regard to the risks listed in the Insurance Policy.
- 14.5. Insurance Indemnity Calculation Tables – tables enclosed as Appendix to these Terms and Conditions: Table C and Table E, which shall be used to determine the amount of an Insurance Indemnity. The Insurance Indemnity Calculation Tables are available on the Insurer's website [www.gjensidige.lv](http://www.gjensidige.lv) or at any Customer Service Centre of the Insurer.
- 14.6. Insurance period - term specified in the the Insurance Contract; The Parties shall determine the term of validity based on the time zone of the Republic of Latvia.
- 14.7. Sum Insured – an amount of money specified in the Insurance Policy that is the maximum amount of the insurance liabilities. The Sum Insured is specified in the Policy for each selected insurable risk for which the Insurance Contract has been concluded.
- 14.8. Beneficiary – lawful heirs of the Insured who have the right of inheritance approved according to the procedure stipulated in the laws and regulations, unless another beneficiary is specified in the Insurance Policy.
- 14.9. Bone Fracture of an Increased Risk – a bone fracture that has occurred as a result of an impact of an external force on the background of a changed bone structure and/or damaged joints (stretched tendons, sprained joint, capsular disruption).
- 14.10. Pathologic Fracture – a bone fracture caused by a prior disease or occurred without an impact of external factors.
- 14.11. Sport – types of physical activities carried out by the Insured individually or as an organized participation in a team and aimed at maintenance or improvement of physical capabilities and skills and/or participation in competitions.

#### 15. Insured Risk

- 15.1. Risks listed in these Terms and Conditions shall be insured only if they are specified and noted in the Insurance Policy.
- 15.2. In accordance with these Terms and Conditions the following risks can be insured:
- 15.2.1. Death;
- 15.2.2. Disability - according to the nature of injuries and amount of Insurance Indemnity specified in Table C.

- 15.2.3. Trauma - according to the nature of injuries and amount of Insurance Indemnity specified in Table E and G;
- 15.3. **The risk "Death"**
- 15.3.1. The risk "Death" is harm caused to the Insured person's health as a result of an Accident that has caused death of the Insured.
- 15.3.2. The Insurer shall pay an Insurance Indemnity to the Beneficiary if as a result of an Accident that has happened during the Insurance Period, the Insured dies within 1 calendar year from the Accident.
- 15.3.3. Insurance Indemnity shall be paid in the amount of the Sum Insured as specified in the Insurance Policy, deducting the sum of all the Insurance Indemnities paid under this Insurance Contract.
- 15.3.4. Insurance Indemnity shall be paid to legal heirs of the Insured according to the procedure stipulated in the laws and regulations of the Republic of Latvia unless otherwise specified in the Insurance Contract.
- 15.4. **The risk "Disability"**
- 15.4.1. The risk "Disability" is harm caused to the Insured person's health as a result of an Accident that has caused disability of the Insured.
- 15.4.2. The Insurer shall pay an Insurance Indemnity for the risk "Disability" if it is acquired as a result of an Accident that has happened during the Insurance Period.
- 15.4.3. The Insurer shall calculate the Insurance Indemnity for the risk "Disability" according to the Insurance Indemnity Calculation Table (Table C) specified in the Insurance Policy.
- 15.4.4. If several injuries resulting from the same Accident are established, the Insurer shall pay an Insurance Indemnity only for one injury that is the most severe as per the Insurance Indemnity Calculation Table (Table C).
- 15.5. **The risk "Trauma"**
- 15.5.1. The risk "Trauma" is harm caused to the Insured person's health as a result of an Accident that has happened during the Insurance Period and has been medically confirmed immediately after the Accident but no later than within 48 hours from the day of the Accident.
- 15.5.2. The Insurer shall calculate the Insurance Indemnity for the risk "Trauma" according to the Insurance Indemnity Calculation Tables (Table E and Table G) specified in the Insurance Policy.
- 15.5.3. If several injuries resulting from the same Accident are established, the Insurer shall pay an Insurance Indemnity only for one injury that is the most severe as per the Insurance Indemnity Calculation Tables (Table E and Table G).
- 15.5.4. If a Bone Fracture of an Increased Risk is established, an Insurance Indemnity shall be paid in the amount of 50% of the Insurance Indemnity specified in the Insurance Indemnity Calculation Tables (Table E).
- 15.5.5. If the Insurance Indemnity for a trauma has already been paid according to any of the Insurance Indemnity Calculation Tables (Table E and Table G) but direct and more severe consequences are established within six months from the day of occurrence of the Accident corresponding to an injury specified in the Insurance Indemnity Calculation Tables (Table E and Table G), upon paying Insurance Indemnity for such related consequences, the amount of initially paid Insurance Indemnity for the trauma shall be deducted thereof.

#### 16. Insurable Event

- 16.1. An incident shall be deemed as an Insurable Event if such has occurred during the period of validity of the Insurance Contract and its consequences have manifested no later than within six months after expiry of the respective Insurance Contract.
- 16.2. The Insurable Event as a result of which payout of the Insurance Indemnity is provided for shall be deemed events caused by:
- 16.2.1. traumas with subsequent disorders of anatomical wholeness of tissues and physiologic dysfunctions;
- 16.2.2. herb or chemical poisoning except foodborne intoxications,
- 16.2.3. alcohol or other substance intoxication and usage of narcotic drugs without a doctor's prescription;
- 16.2.4. burns, frostbites, lightning or current impact;
- 16.2.5. weapon related injuries if such effect is not connected with illegal activity by the Insured;

- 16.2.6. accidental ingestion of foreign bodies in respiratory or gastrointestinal tract (for the risk of "Death");
- 16.2.7. drowning (for the risk of "Death");
- 16.2.8. anaphylactic shock (for the risk of "Death");
- 16.2.9. overcooling of body (for the risk of "Death");
- 16.2.10. tick-borne encephalitis, Lyme disease;

## 17. Exceptions

- 17.1. Incidents shall not be deemed as Insurable Events if they are caused by:
  - 17.1.1. the Insured being under alcohol, drug or psychotropic substance intoxication;
  - 17.1.2. mental disorders, loss of memory, epilepsy or other cramp attacks, stroke, cerebral contusion, cardiac infarction, diabetes mellitus or other illnesses;
  - 17.1.3. global natural catastrophes and natural disasters.
  - 17.1.4. a suicide or an attempt to commit a suicide;
  - 17.1.5. a nuclear accident, nuclear or other explosion and/or radioactive irradiation;
  - 17.1.6. war (both, declared and undeclared), revolutions, mass riots, sabotage, and terror acts;
  - 17.1.7. disability, the existence of which was concealed while concluding the Insurance Contract;
  - 17.1.8. an epidemic, pandemic;
  - 17.1.9. participation of the Insured Person in sports activities and/or competitions, unless it is specified in the special provisions;
  - 17.1.10. performing of any action if such action is related to an increased risk of accidents, whereof the Insurer has not been duly informed;
  - 17.1.11. disregard of a doctor's recommendations and/or instructions related to work, rest and treatment;
  - 17.1.12. tick-borne encephalitis if no preventive vaccination was done within the required timeframe and according to the set procedure;
  - 17.1.13. alternative treatment methods;
  - 17.1.14. health damage due to which the Insured is considered to be disabled;
  - 17.1.15. insect bites;
  - 17.1.16. abdominal and lower abdominal wall hernia caused as a result of lifting heavy objects;
  - 17.1.17. intervertebral disk damages;
  - 17.1.18. pathologic fractures;
  - 17.1.19. recurrent bone fractures if they have occurred while the previous fracture has not been healed yet.
- 17.2. Incidents shall not be deemed as Insurable Events if they had happened while the Insured:
  - 17.2.1. was taking an illegal action regardless of his/her mental, psychic or other health condition;
  - 17.2.2. is lawfully arrested or is in custody;
  - 17.2.3. has failed to comply with the statutory regulations or rules, road traffic regulations etc. which are in force in the territory covered by the Contract, including, driving a car without the driver's licence of a relevant category.
- 17.3. Incidents shall not be deemed as Insurable Events if the Insured:
  - 17.3.1. was driving or was a passenger on a motorbike with engine power above 60 kW, or a motor scooter;
  - 17.3.2. was flying with any aircraft except as a passenger in an airplane that belongs to an airline company and is registered as a passenger transportation vehicle for a definite route;
  - 17.3.3. was sailing except as a passenger in a ship that is registered as a passenger transportation vehicle for a definite route;
  - 17.3.4. was participating in trainings, competitions or test drives with road motor vehicles, watercrafts or aircrafts in the capacity of a driver/pilot or a passenger;
  - 17.3.5. was serving in the armed forces (including combatant service in the Home Guard);
  - 17.3.6. was participating in military operations or trainings.
- 17.4. Insurance shall not cover expenses for:
  - 17.4.1. an Accident caused by any kind of radiation unless it is specified in the special provisions of the Contract;
  - 17.4.2. pathologic fractures;
  - 17.4.3. Damage that does not correspond to the Insured risk or is not mentioned in the insurance Indemnity calculation tables (does not correspond to the nature of the specified injuries);
  - 17.4.4. losses indemnified according to other types of insurance.

## 18. Obligations of the Policyholder

- 18.1. The Policyholder shall have an obligation to inform the Insured that he/she is insured, and about the Insurance terms and conditions, as well as to ensure the fulfilment of contractual obligations of the Insurance contract by the Insured.
- 18.2. Upon concluding the Insurance contract, the Policyholder and the Insured shall have an obligation to provide all information requested by the Insurer about the circumstances which are significant for conclusion of the Insurance contract.
- 18.3. The Policyholder shall have an obligation to familiarize him/herself and the Insured with the Accident Insurance Indemnity Calculation Tables which constitutes an integral part of these Terms and Conditions.

## 19. Obligations of the Parties after occurrence of the Insured Risk

- 19.1. After occurrence of an Insurable Event the Insured shall take all possible measures to get proper emergency assistance and certificated medical aid as soon as possible.
- 19.2. The Policyholder or the Insured/his/her representative shall immediately at the first opportunity inform the Insurer regarding the occurrence of any Insurable Event but no later than within 30 (thirty) days after occurrence of the Insurable Event.
- 19.3. The Insurer shall be entitled to carry out medical examination of the Insured by engaging the necessary experts at its own expense with a purpose to determine the harm caused to health of the Insured as a result of occurrence of the Insurable Event.
- 19.4. If the Insured (his/her representative) disagrees with the conclusions of the experts engaged by the Insurer, he/she shall be entitled to engage independent experts at his/her own expense.
- 19.5. The Policyholder, the Insured, as well as legal heirs of the Insured shall have an obligation to prove the fact and consequences of an accident, as well as to provide all information and documents requested by the Insurer verifying occurrence of the accident.
- 19.6. The Insurer shall be entitled to request originals of all documents related to the occurrence of the specific risk insured.

## 20. Amount and Receipt of the Insurance Indemnity

- 20.1. The Insurer shall calculate the Insurance indemnity according to the extent specified in the Insurance Indemnity Calculation Tables.
- 20.2. Insurance indemnity shall be paid to the Insured but in case of death of the Insured it shall be paid to legal heirs of the Insured in accordance with the procedure and terms stipulated in the legislation of the Republic of Latvia.

## Section IV The Insurer's Rights to Refuse and Reduce the Insurance Indemnity

### 21. The Insurer shall be entitled to refuse payment of the Insurance Indemnity:

- 21.1. if the Policyholder (or the Insured) fails to fulfil any of the obligations provided under these Terms and Conditions with a malicious intent or due to gross negligence;
- 21.2. if upon conclusion of the Insurance contract, during its validity period or after incurring losses the Policyholder, the Insured, the owner or the user of the Insurable Object, with a malicious intent or due to gross negligence, provides false information or refuses to submit the information requested by the Insurer; In such case the Insurer shall be entitled to terminate the Insurance contract;
- 21.3. if the Insured, the Beneficiary or the Policyholder has provided incomplete or false information about the Insurable Event or its circumstances;
- 21.5. in other cases referred to in these Terms and Conditions.
- 22. The Insurer shall be entitled to reduce the Insurance Indemnity by up to 50% if the Policyholder or the Insured has failed to fulfil any of the obligations provided under these Terms and Conditions due to minor negligence.