BALTIJAS APDROŠINĀŠANAS NAMS

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TERMS AND CONDITIONS OF TRAVEL INSURANCE FOR PERSONS ENTERING THE REPUBLIC OF LATVIA NO. 43.01

1. TERMS AND DEFINITIONS

1.1. **Insurer** – insurance joint-stock company „Baltijas Apdrošināšanas Nams".

1.2. **Policy holder**– a legal entity or a private individual that concludes the Insurance contract in its/his/her own or another person's favour.

1.3. **Insured person** – the private individual stated in the Insurance contract who has an insurable interest and in whose favour the Insurance contract has been concluded.

1.4. **Insurance object** – the Insured person's health, life or physical condition.

1.5. **Insurance contract** – (hereinafter referred to as the "Contract") – an agreement between the Insurer and the Policy holder, according to which the Policy holder assumes the obligation to pay the Insurance premium in the manner, time and amount specified by the Contract, as well as to meet other obligations under the Contract, and the Insurer assumes the obligation to pay the Insurance indemnity to the person stated in the Contract upon the occurrence of the Insured event in compliance with the Contract.

1.6. **Insurance policy** – a written or an electronic document that certifies the conclusion of the Contract and contains the terms and conditions of the Contract, as well as all amendments and supplements to the Contract, as agreed between the Insurer and the Policy holder.

1.7. **Insurance application** – a document in the form specified by the Insurer, which the Policy holder submits to the Insurer to inform about the Insurance object, facts and conditions necessary to evaluate an insurable risk.

1.8. **Insurance period** – the validity period of the Contract specified in the Insurance policy.

1.9. **Insurance area** – the area where the Contract is valid.

1.10. **Insurance premium** – the insurance payment specified by the Contract.

1.11. **Insurance programme** – a total of insured risks and other provisions of the Contract, according to which the Contract is concluded and the Insurance indemnity is paid.

1.12. **Insured risk** – an event provided for by the Contract, which does not depend on the Insured person's will and is likely to occur in the future.

1.13. **Insurance coverage** – the total of the Insured risks referred to in the Contract.

1.14. **Insurable interest** – the interest not to suffer losses upon the occurrence of the Insured risk.

1.15. **Insured event** – an event that has a causal relationship with the Insured risk, upon the occurrence of which the Insurance indemnity is due to be paid in compliance with the Contract.

1.16. **Insurance indemnity** – the amount of money to be paid or services to be delivered upon the occurrence of the Insured event in compliance with the Contract. The Insurance indemnity for all the Insured events having occurred during the period of validity of the Contract may not exceed the Insurance amount specified by the Contract and losses caused as a result of the Insured event.

1.17. **Insurance amount** – the amount of money specified in the Contract for each Insurance programme, which is the maximum Insurance indemnity payable in compliance with the Contract.

1.18. **Insurance limit** – the amount of money specified in the Contract, which is the maximum Insurance indemnity payable for each Insured risk.

1.19. **Sublimit** – the amount of money specified in the Contract, which limits the maximum Insurance indemnity payable for one particular Insured event.

1.20. **Own risk** – the amount of money or percentage which is deducted from the Contract in cases specified in the Contract.

1.21. **Losses** – the direct losses incurred by the Policy holder in relation with the Insured event. Within the meaning of these Terms and conditions, losses do not include indirect losses, loss of profit, penalties and other similar payments and sanctions.

1.22. **Insurance indemnity request** – a document, the form and contents of which are set by the Insurer and which is completed and submitted to the Insurer to receive the Insurance indemnity in compliance with the Contract.

1.23. **Country of residence** – the country of the Insured person's citizenship or permanent residence or the country that has issued a permanent residence permit to the Insured person if this country is not the Republic of Latvia.

1.24. **Emergency medical aid** – medical aid, the failure to provide which endangers the Insured person's life or health.

1.25. **Sudden severe disease** – an unforeseeable disease which did not manifest itself before the Insurance period and due to which the Insured person needs Emergency medical aid.

1.26. **Exacerbation of a chronic illness** – appearance of symptoms that are typical of a chronic illness during the Insurance period, as a result of which the Insured person needs Emergency medical aid.

1.27. **Accident** – a sudden event that has occurred independently of the Insured person's will and in causal relationship with the impact of external forces during the period of validity of the Contract, as a result of which a damage has been caused to the Insured person's health or life, in consequence of which the Insured person needs Emergency medical aid.

1.28. **Hospitalization** – the admission of the Insured person to a hospital, if after an Accident, Sudden severe illness or Exacerbation of a chronic illness Emergency medical aid is necessary.

1.29. **Medical transportation costs** – the costs of transporting the Insured person to the nearest medical institution, where he/she receives Emergency medical aid.

1.30. **Repatriation** – transporting the Insured person or his/her mortal remnants to the Country of residence, as agreed with the Insurer. The Insurer pays the costs of Repatriation to the Residence country airport in case of transportation by air or to the Residence country border if another means of transportation is used.

1.31. **Sports activities associated with increased risk** – rowing, motorsports, baseball, yachting, martial arts, floorball, frisbee, football, handball, riding, carting, kiteboarding, pass hopping, marathon, diving up to 30 metres in depth, fencing, rugby, sandboarding, surfing, canoeing, softball, trekking, triathlon, water polo, waterskiing, track and field athletics, gymnastics, speed skating, biathlon, bobsleigh, figure skating, ski racing, hockey, mountain skiing, sledging,

field hockey, skeleton, slalom, snow biking, snowboarding, short trekking.

1.32. **Professional sports** – sporting aimed to achieve sport results by participating in contests or training, regardless of whether it is a source of income for the Insured person or not. Within the meaning of these Terms and conditions, Professional sport also means amateur sport.

2. GENERAL CONDITIONS

2.1. The Insurer and the Policy holder conclude the Contract in compliance with these Terms and conditions, law „On Insurance Contract" and other regulatory enactments valid in the Republic of Latvia.

2.2. The Insured person may be any person (foreign national) without restriction of age who enters the Republic of Latvia or other Schengen Treaty countries.

2.3. The duties and rights of the Insurer:

2.3.1. to explain to the Policy holder these Terms and conditions, according to which the Contract has been concluded, including the rights and obligations of the Policy holder and the Insured person;

2.3.2. to issue to the Policy holder the documents which certify the conclusion of the Contract in compliance with the procedure specified by law „On Insurance Contract";

2.3.3. to pay, upon the occurrence of an Insured event, an Insurance indemnity in manner, amount and time specified by the Insurance contract;

2.3.4. to review the information submitted about the Insured event, including medical records, to request additional documents and invite an expert, if necessary.

2.4. When concluding the Contract, the Policy holder has the duty:

2.4.1. to provide the Insurer with all the information requested, as well as to take into account that deliberate providing of false information or concealing significant information may be evaluated as bad faith or gross negligence and cause the Contract to be deemed null and void, its termination or refusal to pay Insurance indemnity except for situations when law „On Insurance Contract" or other regulatory enactments do not allow it (as significant shall be considered a factor that may affect the conclusion of the Contract or the evaluation of the insurable risk. If the Policy holder has doubts whether a factor is significant or not, the Insurer has to be consulted);

2.4.2. to inform the Insurer about other Insurance contracts which the Policy holder knows about and which apply to the same Insurance object, for which the Contract is concluded.

2.5. General obligations of the Policy holder and the Insurer:

2.5.1. to pay the Insurance premium in the time and amount specified by the Contract and stated in the Insurance policy;

2.5.2. to take, at their own expense, all necessary measures to prevent losses;

2.5.3. to take, after the occurrence of the Insured risk, all possible reasonable measures to reduce losses;

2.5.4. to meet the requirements of regulatory enactments of the Country of residence, as well as recommendations and requirements of the Insurer;

2.5.5. during the period of validity of the Contract, to inform the Insurer in writing about changes in the initial information, as soon as possible;

2.5.6. to consult the Insurer in all the situations when obligations under the Contract may be concerned.

2.6. Obligation of the Insured person upon the occurrence of an Insured event:

2.6.1. without delay, as soon as possible, but not later than within 30 (thirty) days upon the occurrence of a Sudden severe disease, Exacerbation of a chronic illness, Accident to submit to the Insurer an Insurance indemnity request, as well as originals of documents confirming losses and the fact of the Accident in order to determine the amount of Insurance indemnity;

2.6.2. to enable the Insurer's participation in the processes of establishing the losses and clarifying the essence, causes, type and amount of losses;

2.6.3. following the Insurer's request, to authorise the Insurer to obtain necessary documents and information (including sensitive data) and to represent the interests of the Insured person (the power of attorney shall be made in writing, with the right of transfer).

3. CONCLUSION, AMENDMENT AND TERMINATION OF INSURANCE CONTRACT

3.1. The Contract is concluded after the Insurer has received all necessary information and documents for the evaluation of risk.

3.2. The Contract may be concluded by the Insured person or in the latter's favour by the Policy holder.

3.3. The Insurer announces to the Policy holder the terms of the Contract, submits the Insurance policy and the Contract terms and conditions in accordance with the procedure prescribed by law „On Insurance Contract".

3.4. The period of validity of the Contract, which is specified in the Insurance policy, is set by mutual agreement between the Insurer and the Policyholder.

3.5. The Contract comes into effect at 00:00 of the date specified in the Insurance policy and ends at 24:00 of the date specified in the Insurance policy according to the Latvian time, if not otherwise specified by the Contract.

3.6. The Contract is valid in the Republic of Latvia, Schengen Treaty countries (Austria, Belgium, Denmark, Finland, France, Germany, Italy, Greece, Luxembourg, Netherlands, Portugal, Spain, Sweden, Norway, Iceland, Czech Republic, Estonia, Lithuania, Malta, Poland, Slovenia, Slovakia, Hungary) and Switzerland.

3.7. The amount of the Insurance premium is determined by the Insurer, who agrees upon it with the Policy holder prior to the conclusion of the Contract.

3.8. The procedure of paying the Insurance premium is specified in the Insurance policy. The Policy holder has to pay the Insurance premium not later than the date stated in the Insurance policy.

3.9. If the Insurance premium is paid by bank transfer, as the date of payment is considered the date when the Insurer has received the payment to the bank account specified by the Insurer.

3.10. If the Policy holder has not paid the Insurance premium until the date specified in the Insurance policy, the Contract is invalid from the moment of conclusion.

3.11. If the Policy holder has paid the Insurance premium with delay, the Insurer acts in conformity with law „On Insurance Contract".

3.12. The procedures and cases of terminating, amending the Contract and recognizing it to be null and void, the procedure of calculating the Insurance premium, the cases in which the Insurance premium shall be refunded or not, as well as how administrative costs shall be deducted, is stipulated by law „On Insurance Contract".

3.13. Having learnt about the increase of the risk during the period of validity of the Contract, the Insurer has the right to amend the Contract or to terminate it according to the procedures prescribed by law „On Insurance Contract".

4. INSURED RISKS

4.1. Medical costs

4.1.1. Medical costs within the meaning of these Terms and conditions are unforeseeable costs that occurred due to providing Emergency medical aid in the territory of the Republic of Latvia during the validity period of the Contract and are

related to ill health, which aggravated as a result of consequences of a Sudden severe illness, Exacerbation of a chronic illness or an Accident.

4.1.2. The Insurer pays costs that are deemed motivated, are confirmed by documents and related to the use of medical technologies in out-patient medical institutions and hospitals, as prescribed by a certified medical person.

4.1.3. The Insurer pays the costs of emergency dentistry services, which have been provided to prevent acute toothache (starting the treatment of a tooth root with a temporary filling or tooth extraction) during the first visit to a dentist. The Insurer does not pay the following treatment.

4.2. Medical transportation costs

4.2.1. If a Sudden severe illness, Exacerbation of a chronic illness or an Accident has occurred in the Republic of Latvia and the Insured person has to be delivered to a medical institution, the Insurer pays the costs of transporting the Insured person to the nearest medical institution, in accordance with the medical assessment report of a certified medical person.

4.3. Repatriation costs

4.3.1. In case of a Sudden severe illness, Exacerbation of a chronic illness or an Accident, the Insurer pays the costs of transporting the Insured person back to his/her Country of residence, based on written recommendations of a medical person.

4.3.2. Only a medical person has the right to decide about the need and means of transportation.

4.3.3. In case of the Insured person's death, the Insurer pays the costs related to the delivery of the Insured person's mortal remnants to the airport of the Country of residence (in case of transportation by air) or to the border of the Country of residence (in case of another means of transportation).

5. DOCUMENTS NECESSARY TO RECEIVE INSURANCE INDEMNITY

5.1. In all cases the person reporting an Insured event has to present an identity document – passport.

5.2. The following documents are to be submitted for receiving an Insurance indemnity:

5.2.1. Insurance indemnity request;

5.2.2. originals of all receipts and bills containing the data of the service recipient (name, surname, birth data) and the service provider (name, registration number, bank requisites), precise name and amount of the service, service delivery beginning date and end date, as well as a detailed list of costs of the provided Emergency medical assistance;

5.2.3. a medical institution certificate stating the full diagnosis, used treatment and medical examination results;

5.2.4. a document issued at the Insurer's request certifying the cause and circumstances of the Insured person's death;

5.2.5. other documents requested by the Insurer, which are necessary to determine the basis for and the amount of the Insurance indemnity.

6. PROCEDURES FOR CALCULATING AND PAYING INSURANCE INDEMNITY

6.1. The Insurance indemnity is calculated, taking into account the principle of indemnity, i.e. the calculated Insurance indemnity cannot exceed provable losses incurred by the Insured person as a result of an Insured event.

6.2. After the Insurance indemnity is paid, the Contract remains in force and the Insurance amount and the Limit for the specific risk specified in the Contract is reduced by the Insurance indemnity amount paid.

6.3. Pursuant to the requirements of law „On Insurance Contract", the Insurer takes the decision to pay or to refuse to pay the Insurance indemnity within 1 (one) month upon receiving all necessary documents. The Insurance indemnity is paid within 10 (ten) working days upon taking the decision.

6.4. If the Insurer fails to meet the time limit set for taking the decision stated in paragraph 6.3 hereof for objective reasons, the Insurer may extend it up to 6 (six) months from the day of receiving an application about any of the Insured risks, by notifying in writing the person entitled to receive the Insurance indemnity.

6.5. Prior to paying the Insurance indemnity, the Own risk is deducted from the Insurance indemnity amount. The Insurer and the Insured person may agree on another procedure for paying the Own risk.

6.6. Prior to paying the Insurance indemnity, the Insurer has the right to request a medical examination of the Insured person in the medical institution specified by the Insurer, but in case of the Insured person's death – an autopsy.

6.7. If the Insurance indemnity is paid to a person authorised by the Insurer, a power of attorney certified by notary is to be presented to receive the Insurance indemnity.

6.8. If the Insured has insured the same risks in other insurance companies, the payment of the Insurance indemnity is divided in proportion to insurance amounts between all the insurers, so that the total indemnity does not exceed the losses incurred by the Insured person.

7. INSURER'S RIGHT TO REFUSE TO PAY INSURANCE INDEMNITY

7.1. Pursuant to the requirements of law „On Insurance Contract", the Insurer has the right to refuse to pay the Insurance indemnity:

7.1.1. if the Policy holder and/or the Insured person acted in bad faith or committed gross negligence;

7.1.2. if the Policy holder and/or the Insured person provided false information;

7.1.3. if the Policy holder and/or the Insured person failed to meet their obligations specified in paragraphs 2.5 and 2.6 hereof;

7.1.4. if necessary documents have not been submitted as required hereby;

7.1.5. if in relation to the occurrence of the Insured event the Policy holder and/or the Insured Person provided false information or forged documents, as well as furthered the occurrence of the Insured event or increased the amount of losses;

7.1.6. if the Insured person acted contrary to the recommendations of a medical person;

7.1.7. if losses have been indemnified by a third person.

8. RIGHT OF RECOURSE

8.1. After the payment of the Insured indemnity, the Insurer takes over from the Insured person the right of claim (recourse) against the person responsible for causing losses, within the limits of the Insurance indemnity.

8.2. The Insured person has the duty to hand over all documents and perform all necessary activities for the Insurer to be able to use the right of recourse.

8.3. If, when signing the Contract, the Insurer had been provided with misleading or false information (including concealed information) concerning the evaluation of insurable risks and the Insurer has paid the Insurance indemnity, the Insurer has the right, after paying the Insurance indemnity, to ask that the person having provided misleading or false information should refund the Insured indemnity paid. The person referred to in the first sentence of this paragraph has the duty to refund the Insurance indemnity within 10 (ten) days from the moment of receiving the Insurer's request.

9. SPECIAL PROVISIONS AND EXCEPTIONS

9.1. The Insurer does not pay Insurance indemnity for costs if:

9.0.1. medical assistance or consultation is not related to the Emergency medical aid;

9.0.2. the Insured person has been in a drunken state or under the impact of narcotic, psychotropic substances or it has been

established that the Insured person had taken medicines not prescribed by a doctor, which furthered the occurrence of the Insured risk or losses resulting from the occurrence of the Insured risk;

9.0.3. these costs are related to scheduled dentistry – medical consultations, treatment or dental prosthetics, implantology, X-ray pictures, medicines and therapeutic appliances used in the process of treatment, oral hygiene, treatment of periodontium diseases;

9.0.4. these costs result from the treatment of psychosomatic, mental illnesses and their consequences (attacks, hysterias, acute stress reactions etc.);

9.0.5. these costs result from the treatment of inherited anomalies or those having developed prior to the Contract conclusion;

9.0.6. these costs are related to the treatment of venereal, sexually transmitted diseases, AIDS, as well as all diseases provoked by HIV;

9.0.7. these costs are related to cosmetic and plastic surgery operations, organ transplantation operations;

9.0.8. these costs result from any kind of prosthetics;

9.0.9. these costs result from the purchase or repair of therapeutic appliances (glasses, hearing device etc.);

9.0.10. these costs result from the treatment in sanatoriums or specialized rehabilitation institutions;

9.0.11. these costs result from an attempt to subject oneself to an illness or unmotivated risk (suicide or its attempt, damage to health related to the Insured person's deliberate action), except the case when the life of another person is being saved;

9.0.12. these costs result from the Insured person having suffered in a road accident, when the car was driven by the Insured person having no driver's licence or being under the impact of alcoholic beverages (above 0.5 per thousand), narcotic, psychotropic substances, as well as when the Insured person went in a car driven by a person having no driver's licence or being under the impact of alcoholic beverages (above 0.5 per thousand), narcotic, psychotropic substances and the Insured person was aware of it;

9.0.13. these costs result from the Insured person going for car racing, motosports, sky-jumping, mountaineering, free-riding (trackless mountain skiing), diving to the depth of more than 30 metres and other sport activities not specified in paragraph 1.31.

9.0.14. these costs result from the Insured person having flown in an aircraft of any type, which does not belong to an airline company or is not registered as a means of passenger transportation for flights on a certain route;

9.0.15. these costs result from the Insured person having driven a motorbike or a quadracycle with the engine volume exceeding 125 (one hundred twenty-five) cm^3;

9.0.16. these costs result from the Insured person having committed or tried to commit a criminal deed or an administrative violation, as perpetrator or accomplice;

9.0.17. these costs result from moral damage;

9.0.18. these costs result from the Insured person being involved in any kind of military service;

9.0.19. these costs are related to damage caused to health or life, which was incurred as a result of force majeure conditions, which the parties could not foresee, prevent and for which they cannot be held responsible (warfare, mass disorders, natural disasters etc.).

9.1. Unless the Insurance policy specifies otherwise, the Insurer does not pay the Insurance indemnity for costs if:

9.1.1. these costs result from the Insured person having performed physical wage work;

9.1.2. these costs result from the Insured person having been engaged in professional sports or sport activities associated with increased risk.

9.2. The Insurer does not pay the Insurance indemnity, if after the conclusion of the Contract the Insured person has not received a visa or a residence permit.

10. FINAL PROVISIONS

10.1. The Policy holder and the Insured person have to fulfil their obligations to the Insurer without reminder, to the full extent and within the time limits set by the Contract.

10.2. The Insured person has no right, without the Insurer's consent, to cede or to transfer in any other way its claim against the Insurer under the Contract to any other third person, including the Policy holder.

10.3. Any kind of correspondence between the Insurer, the Policy holder and the Insured person, including statements and reminders, shall be made in writing, by sending a corresponding document to the address stated in the Insurance policy of the Insurance indemnity request.

10.4. The Insured person and the Policy holder agree to their personal data, including sensitive data, being collected, registered, entered in the Insurer's data base, stored, put in order, used and deleted from the data base. The Insurer undertakes to submit, transfer and disclose the data of the Policy holder and the Insured person only in the cases specified by regulatory enactments of the Republic of Latvia. The Insurer undertakes to use the data of the Policy holder and the Insured person only within the limits of the legal relations provided for by the Contract, including in the process of damage settlement.

10.5. If the liabilities resulting from the Contract are not fulfilled, i.e. payments of the Insurance premium and/or of the Own risk, as well as other payments under the Contract are delayed, the Insurer has the right to transfer the monitoring of payments delayed by the Policy holder and the Insured person and their collection to other persons, including the transfer of the necessary information about the Policy holder's and/or the Insured person's requisites and/or personal data.

10.6. If not otherwise stipulated by the Policy holder when concluding the Contract, the Policy holder agrees that the Insurer will send and/or inform about insurance offers regarding both the extension of the Contract concluded and the conclusion of other Insurance contracts, regardless of the type of insurance.

11. PROCEDURES OF SOLVING DISPUTES AND APPLICABLE REGULATORY ENACTMENTS

11.1. If the Policy holder, the Insured person and/or a third person disputes the fulfilment of the Insurer's obligations arising out of the Contract, they shall submit a written complaint to the Insurer.

11.2. All disputes that may arise in relation with the fulfilment of the Contract shall be solved by the Insurer, the Policy holder, the Insured person and the third person by means of negotiations. If the Insurer, the Policy holder, the Insured person and the third person cannot solve disputes by means of negotiations, any dispute, difference in opinions or requirement arising out of the Contract and related to its violation, termination or effect is solved by a Republic of Latvia court, according to the procedure specified in regulatory enactments of the Republic of Latvia.

11.3. All legal relations which arise out of the Contract and are not regulated by these Terms and conditions, the Insurance policy and its annexes, shall be discussed in compliance with the Republic of Latvia regulatory enactments, including special law „On Insurance Contract", and the Republic of Latvia Civil law, to the extent not limited by the special law.