



General Terms and Conditions of Insurance

No. TG-20211
Level I

In force from December 15 2021

NB! This is an unofficial text. In case of discrepancies,
the Latvian wording shall prevail.



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1. Application of Insurance Terms and Conditions

1.1. An insurance agreement shall consist of an Insurance Application, if one is submitted, an Insurance Policy, the insurance terms and conditions specified in the Insurance Policy and other documents specified in the Insurance Policy. The Insurance Product Information Document is informative and shall not be considered an integral part of the insurance agreement.

1.2. All documents constituting an insurance agreement shall be interpreted as a whole. Any rights and obligations described in any of the documents constituting the insurance agreement shall be applied only in conjunction with the rights and obligations described in other documents of that insurance agreement.

1.3. Unless an insurance agreement specifies otherwise, insurance terms and conditions shall consist of the following documents:

1.3.1. These General Terms and Conditions of Insurance (Level I);

1.3.2. The terms and conditions for the relevant insurance product (Level II) as specified in the Insurance Policy;

1.3.3. Any special terms and conditions (Level III) specified in the Insurance Policy;

1.3.4. The special clauses specified in the Insurance Policy, if any.

1.4. In the event of contradictions among insurance agreement documents, priority shall be determined as follows:

1.4.1. Special clauses specified in the Insurance Policy, if any;

1.4.2. Special terms and conditions (Level III) specified in the Insurance Policy, if any;

1.4.3. Terms and Conditions for the relevant insurance product (Level II) as specified in the Insurance Policy;

1.4.4. These General Terms and Conditions of Insurance (Level I).

1.5. An insurance agreement shall be concluded in Latvian unless the Insurance Company and Policyholder have agreed in writing to conclude the insurance agreement in a different language. If an insurance agreement includes both Latvian and a foreign language, the Latvian text shall prevail in the case of contradiction.

2. Definitions of Terms used in the Terms and Conditions

2.1. **Insurance Company** – If P&C Insurance AS, registered in the Republic of Estonia Commercial Register under registration No. 10100168, registered office: Lõõtsa 8a, Tallinn, 11415, Estonia, represented by If P&C Insurance AS Latvijas filiāle registered in the Republic of Latvia Commercial Register under registration No. 40103201449.

2.2. **Policyholder** – the person concluding an insurance agreement in favour of themselves or another person.

2.3. **Insured Person** – the person specified in an Insurance Policy who has an insurable interest and on behalf of whom the insurance agreement is concluded:

2.3.1. **in the case of insurance against losses and damages** – the person indicated in the insurance agreement or the person to be determined in accordance with the insurance agreement who has suffered a loss or damage upon the occurrence of an insured event and who is to be paid an insurance indemnity,

2.3.2. **in the case of third-party liability insurance** – the person indicated in the insurance agreement or the person to be determined in accordance with the insurance agreement whose third-party liability is insured.

2.4. **Insurance Beneficiary** – the person specified in an Insurance Policy as the party entitled to receive the Insurance Indemnity or as the Insurance Beneficiary to whom the

Insurance Indemnity or part thereof is to be paid in cases specified in the insurance agreement in accordance with the terms and conditions of the relevant insurance product (Level II) or the special insurance terms and conditions (Level III).

2.5. **Third party in third-party liability insurance** – a third party that has suffered losses or damages and that is entitled to insurance indemnity in third-party liability insurance in accordance with the terms and conditions of the relevant insurance product (Level II) or the special insurance terms and conditions (Level III).

2.6. **Insurance Application** – a document or any other information which the Policyholder submits to the Insurance Company to inform it about the Insured Object and the facts and circumstances necessary for evaluating the Insured Risk, as well as to inform about the means of communication that the Policyholder or the Insured Person have chosen.

2.7. **Insurance Policy** – a document issued by the Insurance Company confirming conclusion of an insurance agreement.

2.8. **Insured Object** – the object specified in an Insurance Policy.

2.9. **Insurance Period** – the period for which the Insurance Premium is paid in accordance with the insurance agreement and for which the insurance is in effect.

2.10. **Insurance Premium** – the insurance payment specified in an Insurance Policy.

2.11. **Sum Insured** – the maximum amount of the Insurance Company's obligations expressed in monetary terms or the rules for the calculation thereof as provided in the Insurance Policy and/or the terms and conditions of insurance.

2.12. **Liability Limit** – the monetary amount of Insurance Indemnity in third-party liability insurance.

2.13. **Principle of Compensation** – the principle of insurance according to which the Insurance Indemnity is calculated, taking into account the amount of losses incurred as a result of the Insured Event.

2.14. **Underinsurance** – a case in which the Sum Insured is lower than the direct value of an Insured Object before an Insured Event occurs. Should the Insured Object be insured below its value, calculations of payable Insurance Indemnity shall factor in a reduction by a ratio of the Sum Insured to the value of the Insured Object directly before the Insured Event unless specified otherwise in the insurance product terms and conditions (Level II) the special terms and conditions (Level III) or the Insurance Policy.

2.15. **Overinsurance** – a case in which the Sum Insured is higher than the direct value of an Insured Object before an Insured Event occurs. Should an Insured Object be insured in excess of its value, the payable Insurance Indemnity shall not exceed the extent of the loss unless specified otherwise in the insurance product terms and conditions (Level II), the special terms and conditions (Level III) or the Insurance Policy.

2.16. **Insured Risk** – an occurrence specified in an Insurance Policy that is independent of the will of the Insured Person and may take place in the future. For civil liability insurance, insured risk is specified in the terms and conditions for the relevant insurance product (Level II) or special terms and conditions (Level III).

2.17. **Territorial coverage** – the territory specified in an Insurance Policy within which the insurance has effect.

2.18. **Insured Event** – a sudden and unexpected occurrence that is causally linked to the Insured Risk that entails payment of Insurance Indemnity according to an insurance agreement.

2.19. **Insurance Indemnity** – the Sum Insured or part thereof paid for an Insured Event, or services provided in accordance with an insurance agreement.

2.20. **Deductible** – part of the losses specified in an Insurance Policy and/or in a terms and conditions of insurance (expressed either as a fixed amount of money or as a percentage or a number of days) that the Policyholder or Insured Person shall cover in the event of an Insured Event or which shall be deducted from the Insurance Indemnity amount paid.

2.21. **Processing of personal data** – any operation or set of operations that is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, viewing, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

2.22. **Terrorism** – the actions of any person or group(s) of persons including, but not limited to, the use of force, violence or threat thereof, whether they be the action on one's own behalf or in connection with or on behalf of an organisation/ organisations or government/governments which are performed for political, religious, ideological or similar purposes, including the goal of affecting any government and frightening the public or any part of the public.

2.23. **Means of Remote Communication** – telephone, internet, e-mail or other means of sending or retransmitting information which allows the concluding of an insurance agreement without the parties' personal presence.

3. Obligations of the Policyholder, Insured Person and Insurance Company upon concluding an Insurance Agreement

3.1. Upon concluding an insurance agreement, the Policyholder and the Insured Person shall be obliged to provide the Insurance Company with precise and sufficient (in terms of scope) information requested by the Insurance Company regarding the condition of the Insured Object and the circumstances that the Insurance Company needs to know in order to evaluate the possibility of the occurrence of the Insured Risk and the possible amount of losses for concluding the insurance agreement.

3.2. The Policyholder and the Insured Person are responsible for the veracity of the information provided.

3.3. If a renewed insurance agreement is concluded immediately after the previous insurance agreement and for the same Insured Object, and if the Policyholder, upon concluding the renewed insurance agreement, does not specify that the information about the Insured Object or information for the evaluation of the possibility of the occurrence of the Insured Risk and the possible amount of losses, which was provided upon conclusion of the initial insurance agreement, has changed significantly, the Insurance Company is entitled to assume that the information provided upon conclusion of the initial insurance agreement has not changed.

4. Conclusion and validity of an Insurance Agreement

4.1. An insurance agreement shall be concluded based on the Insurance Application submitted by the Policyholder and other information provided to the Insurance Company by the Policyholder.

4.2. The Insurance Policy may be certified on the part of the Insurance Company by the electronic seal of the Insurance Company or by the signature of a representative of the Insurance Company (including by an electronic signature).

4.3. The Policyholder shall confirm conclusion of an insurance agreement by signing it or making Insurance Premium payments within the term and in the amount specified in the Insurance Policy. Insurance protection shall apply only for the Insured Risks specified in the Insurance Policy.

4.4. Insurance protection shall come into force on the date and at the time specified in the Insurance Policy provided that the Insurance Premium payment (or the first payment in the event of paying the Insurance Premium in instalments) is made within the term and in the amount specified in the Insurance Policy.

4.5. The duties and obligations specified in an insurance agreement shall apply both to the Policyholder and to the Insured Person as well as to their employees or persons using the Insured Object or responsible for the Insured Object on the basis of an agreement or other legal relationship.

5. Insurance Premium

5.1. Should the Policyholder fail to pay the Insurance Premium or first instalment thereof by the date specified in the Insurance Policy, the insurance agreement shall be void from the moment of conclusion regardless of whether the Policyholder has received an invoice. No notification that an insurance agreement has not come into force will be sent.

5.2. Should the Insurance Premium or first instalment thereof be paid after the date specified in the Insurance Policy, provided that the Insured Risk has not taken effect, the Insurance Company may accept the delayed payment of the Insurance Premium or first instalment thereof. In such cases, the insurance agreement shall be deemed to have come into force on the effective date specified in the Insurance Policy. Should the Insurance Company refuse to accept delayed payment of the Insurance Premium or first instalment thereof, the Insurance Company shall, within 15 business days from receiving the Insurance Premium or first instalment thereof, return to the Policyholder the Insurance Premium or the part thereof that was paid or send the Policyholder a request to notify about the manner in which the Insurance Premium or first instalment thereof should be returned.

5.3. Should the Insurance Premium or first instalment thereof be paid after the date specified in the Insurance Policy, provided that the Insured Risk takes effect before the date of the actual payment, the insurance agreement shall be void from the moment of conclusion.

5.4. Payment of an Insurance Premium or instalments thereof shall be made no later than the dates specified in the

Insurance Policy regardless of whether an invoice has been received. Insurance Premium payments shall be made in the currency of the Insurance Premium specified in the Insurance Policy or in a different currency as specified in the invoice.

5.5. An invoice for payment of the Insurance Premium shall be enclosed with an insurance agreement or sent separately. An invoice prepared electronically shall be valid without a signature. The parties to an insurance agreement may agree on a different procedure for sending invoices. Should an insurance agreement stipulate payment of the Insurance Premium in instalments, a separate invoice shall be issued for each instalment.

5.6. Should a given Insurance Premium instalment (apart from the first) not be paid within the term specified in the Insurance Policy, the Insurance Company shall send the Policyholder a written warning regarding incomplete payment of the Insurance Premium with an invitation to pay the relevant instalment of the Insurance Premium by the date specified in the warning. If the Insurance Premium is not paid within the term and in the amount specified in the warning, the insurance agreement shall be deemed terminated.

5.7. Should the Insurance Premium be paid via transfer, the date that the relevant funds are deposited into the current account of the Insurance Company or the insurance mediator authorised to collect insurance premiums on behalf of the Insurance Company and with whose mediation the relevant insurance agreement has been concluded shall be deemed the date of payment.

6. Notification procedure

6.1. If an insurance agreement or the applicable legislation specify the Policyholder's or the Insured Person's obligation to notify, the relevant notifications shall be submitted in

writing by sending it to the registered office of the Insurance Company's Latvian branch or the Insurance Company's official e-mail indicated on its website – www.if.lv.

6.2. The Insurance Company shall send the Insurance Policy, notifications and other documents related to an insurance agreement to the Policyholder's or the Insured Person's address.

6.3. The information mentioned in Clause 6.2 of these terms and conditions may be sent to the Policyholder's or the Insured Person's e-mail address if the person has indicated his/her e-mail address in the Insurance Application/ Insurance Policy or if the person has indicated it as his/her contact information in the authorised environment of the Insurance Company's website – www.if.lv. The Insurance Company may attach information regarding insurance terms

and conditions as well as other information specified in the laws and regulations to the e-mail as a link to the Insurance Company's website where this information is available while the Policyholder or the Insured Person needs this information.

6.4. If the Insurance Company, during the validity period of an insurance agreement, changes its legal status, name, contact telephone number, contact address, contact persons' details or other similar information necessary for the Policyholder's (Insured Person's) performance of contractual obligations, the Insurance Company shall immediately inform the Policyholder by publishing such information on its website and/or in the mass media

7. The Policyholder's and Insured Person's obligation to notify the Insurance Company

7.1. During the validity period of an insurance agreement, the Policyholder and the Insured Person shall be obliged to, immediately if possible, but no later than 5 days following the day that the Policyholder or the Insured Person becomes aware of and able to notify about such changes, inform the Insurance Company in writing if material changes to the Insured Object or factors affecting the Insured Risk have occurred during the Insurance Period.

7.2. For insurance of property or other material interests, material changes shall be deemed to include any changes to the information stated in the Insurance Application or the Insurance Policy regarding the Insured Object or its location.

7.3. The Policyholder and the Insured Person shall be obliged to, during the validity period of an insurance agreement, inform the Insurance Company about conclusion of other insurance agreements with regard to the Insured Object.

8. Increase of Insured Risk

8.1. The Policyholder and the Insured Person shall, during the validity period of an insurance agreement, avoid any action or inaction that would increase the Insured Risk and shall remedy factors that increase the risk, and, if necessary, undertake adequate measures to prevent the risk.

8.2. The Insurance Company shall be entitled to, by sending the Policyholder a notification 15 days in advance, terminate an insurance agreement before the term specified

in the Insurance Policy, provided that the possibility of the Insured Risk taking effect has increased considerably and the Insurance Company can prove that, had it known about such increase in risk, the Insurance Company would not have concluded the insurance agreement.

9. Change of Insured Object ownership

9.1. In the case of insurance against losses and damages, an insurance agreement shall be terminated without additional notification:

9.1.1. For movable property from the moment that its owner changes; or

9.1.2. For real property within one month from the moment that its owner changes.

10. Amendments to an Insurance Agreement

10.1. An insurance agreement may be amended with the Policyholder's and the Insurance Company's written agreement.

11. Premature termination of an Insurance Agreement and repayment of Insurance Premium

11.1. During the validity period of an insurance agreement, the parties to the insurance agreement may agree to terminate the insurance agreement before its expiration.

11.2. The Policyholder may unilaterally terminate an insurance agreement before the Insurance Period expiration term by submitting an application to the Insurance Company at least 15 days before the desired insurance agreement termination date.

11.3. The Insurance Company may unilaterally terminate an insurance agreement before the Insurance Period expiration term specified in the Insurance Policy by sending the Policyholder a notification 15 (fifteen) days in advance if:

11.3.1. The likelihood of the Insured Risk has increased considerably and the Insurance Company can prove that it would not have concluded the insurance agreement had it been aware of this increase in risk;

11.3.2. Insurance Indemnity has been paid, and the insurance agreement is terminated in accordance with Section 36, Paragraph two of the Law on Insurance Agreements;

11.3.3. The Policyholder or the Insured Person has, in concluding the insurance agreement, provided incomplete or inaccurate data regarding the risk factors through minor negligence (Section 1646 of the Civil Law of the Republic of Latvia), and the parties to the insurance agreement have not agreed on amendments to the insurance agreement;

11.3.4. In other cases stipulated in the applicable legislation of the Republic of Latvia.

11.4. An insurance agreement shall be terminated if:

11.4.1. The Insurance Company has completely fulfilled its obligations, unless an insurance agreement specifies otherwise;

11.4.2. The Policyholder (an individual) and the Insurance Beneficiary have died and no heirs have applied;

11.4.3. The Policyholder (a legal person) and the Insurance Beneficiary have been liquidated and have no legal successor;

11.4.4. In other cases stipulated in the Law on Insurance Agreements and other applicable laws and regulations of the Republic of Latvia.

11.5. If the Insured Risk occurs due to the malicious intent of the Policyholder, the Insured Person or the Insurance Beneficiary, the insurance agreement shall be deemed terminated from the moment when the Insured Risk has occurred. In such cases, the Insurance Company shall not reimburse the Insurance Premium paid. If several Policyholders or Insurance Beneficiaries have been indicated

in the insurance agreement, the insurance agreement remains in force regarding the other Policyholders and Insurance Beneficiaries who are not at fault for the occurrence of the Insured Risk, provided that it is possible for the insurance agreement to remain in force.

11.6. An insurance agreement shall be deemed void from the moment of conclusion, with repayment of the Insurance Premium and withholding of 15% of the Insurance Premium to cover administrative costs related to concluding the insurance agreement:

11.6.1. If the insurance agreement is concluded without insured interest; or

11.6.2. If, at the moment the insurance agreement comes into force, the probability of the occurrence of Insured Risk has disappeared or the Insured Risk has already occurred.

11.7. The insurance agreement shall be deemed void from the moment of conclusion and the Insurance Premium shall not be repaid:

11.7.1. If the Policyholder's or Insured Person's malicious intent (Section 1641 of the Civil Law of the Republic of Latvia) or gross negligence (Section 1645 of the Civil Law of the Republic of Latvia) has led to the Insurance Company being misguided regarding the circumstances that it should have known before assessing the likelihood of occurrence of the Insured Risk;

11.7.2. If the insurance agreement has been concluded without an insurable interest due to the Policyholder's or Insured Person's malicious intent or gross negligence;

11.7.3. If, at the moment the insurance agreement comes into force, there is no likelihood of the Insured Risk occurring or the Insured Risk has already occurred and the insurance agreement has been concluded with the Policyholder's or Insured Person's malicious intent or gross negligence;

11.7.4. In the case of Overinsurance, if the insurance agreement has been concluded with the Policyholder's or Insured Person's malicious intent or gross negligence.

11.8. If an insurance agreement is terminated before the Insurance Period expiration term, the Insurance Company shall reimburse the part of the Insurance Premium applicable to the remainder of the Insurance Period and the remaining insurance obligations, withholding 15% of the Insurance Premium for the remainder of the Insurance Period to cover administrative costs related to concluding the insurance agreement.

11.9. The Insurance Premium shall not be returned if, after the Insurance Risk has occurred, an Insurance Indemnity Application has been submitted, or the expected or paid

Insurance Indemnity exceeds the Insurance Premium paid by the Policyholder. If the expected or paid Insurance Indemnity be lower than the difference between the paid part of the Insurance Premium and the Insurance Premium for the Insurance Period used, the Insurance Company shall reimburse the Policyholder for a part of the Insurance Premium, the amount of which is determined by taking the entire Insurance Premium value and subtracting:

11.9.1. Expected or paid Insurance Indemnity;

11.9.2. The part of the Insurance Premium for the used part of the Insurance Period; and

11.9.3. Administrative costs related to the conclusion of the insurance agreement at 15% of the Insurance Premium for the remaining Insurance Period.

12. International sanctions

12.1. Insured Risks that are contradictory or incompatible with the trade restrictions, bans or other kinds of sanctions set by the United Nations, the European Union, the United Kingdom of Great Britain and Northern Ireland or the United States of America shall be excluded from insurance protection from the moment that the relevant trade restrictions, bans or other kinds of sanctions are applied.

12.2. The Insurance Company shall be entitled to unilaterally terminate an insurance agreement by giving the

11.10. If the Policyholder, being a consumer, has concluded an insurance agreement (which is an initial insurance agreement) using a Means of Remote Communication and the term of the Insurance Period is no less than one month, and if no Insured Event has occurred, the Policyholder may exercise the right of withdrawal, i.e. withdraw from the concluded insurance agreement within 14 days following its conclusion, by submitting a withdrawal to the Insurance Company, signed electronically or by hand. The Insurance Company shall, within no more than 30 days after receiving the withdrawal, repay the part of the Insurance Premium (which is determined by deducting from the paid Insurance premium the part of the Insurance Premium for the used Insurance Period, as well as expenses of the Insurance Company related to the conclusion of the insurance agreement in the amount of 15% of the Insurance Premium for the remainder of the Insurance Period) to the Policyholder's current account from which the Insurance Premium payment was made.

Policyholder written notice if the sanctions of the authorised institutions of the United Nations, the European Union, the United Kingdom of Great Britain and Northern Ireland or the United States of America which are introduced during the validity period of the insurance agreement directly or indirectly prevent the Insurance Company from executing such an insurance agreement. Such written notice of terminating the insurance agreement shall come into force on the 15th day following the moment that the Insurance Company sends such a notification to the Policyholder.

13. Exceptions

13.1. The Insurance Company shall not compensate losses if they are related to or if they have occurred directly or indirectly:

13.1.1. as a result of Terrorism, strikes, lockouts, war, invasion, or warlike activities (irrespective of whether war has been declared or not), civil war, civil unrest, insurrection, riot, resistance movements, revolution, military or other coup, establishment of curfew or siege, or other events followed by a siege or the establishment of a curfew;

13.1.2. as a result of a nuclear explosion, nuclear energy, radiation, radioactive contamination, ionising radiation;

13.1.3. as a result of expropriation for the needs of the state or local government, as a result of destruction of property, if authorized by public authorities, or as a result of confiscation;

13.1.4. as a result of the adoption of legislation or the adoption of a state or local government decision;

13.1.5. as a result of infectious diseases, epidemics, pandemics, infectious agents (pathogenic micro-organisms, bacteria, viruses, fungi, protozoa, parts of micro-organisms and other biological agents, whether living or not and

regardless of the mode of transmission), or as a result of any actual or alleged fear or threat of disease. Losses within the meaning of this clause include, but are not limited to, the following losses: the costs of cleaning, disinfection, collection, removal, containment, control or testing in relation to an infectious disease, its causes or the Insured Object.

13.2. Notwithstanding the Clause 13.1.5. of these terms and conditions, the Insurance Company however shall compensate the losses if the physical damage to the Insured Object was indirectly caused or influenced or the indemnifiable losses were indirectly increased by an infectious disease or its causes, and such physical damage to the Insured Object occurred as a result of the Insured risk, and occurred losses are losses that would be indemnified in accordance with the rules and exceptions included in the terms and conditions of the insurance product (Level II), special terms and conditions (Level III) or the Insurance Policy. For the purposes of this Clause, "physical damage" means physical damage to a tangible property as a result of external force, but does not include contamination, disruption, impossibility or prohibition of use or access caused by actual, potential or threatened exposure to an infectious disease or its agents.

13.3. The Clause 13.1.5. of these terms and conditions do not apply to the third-party liability insurance, but the Insurance Company shall not compensate losses if they are related to or if they have occurred directly or indirectly:

13.3.1. as a result of any virus (including unknown viruses, mutations or variations of any virus) or as a result of any disease caused by such a virus, or as a result of any actual or alleged fear or threat of virus;

13.3.2. as a result of any action or failure to act, or error in controlling, preventing, suppressing the spread of any virus (including unknown viruses, mutations or variations of any

virus) or in any way responding to such actual or alleged fear or threat of virus.

13.4. For the pet and livestock insurance, in case the insured animal becomes ill with an infectious disease, the exclusion set forth in the Clause 13.1.5. of these terms and conditions shall apply in conjunction with the Insured Risks and exceptions (cases when the Insurance Company does not compensate losses) set forth in the terms and conditions of the insurance product (Level II), in the special terms and conditions (Level III) or in the Insurance Policy. However, in any case, the Insurance Company shall not compensate losses incurred as a result of an epizootic (mass infectious disease of animals).

14. Obligations of the Policyholder and the Insured Person upon occurrence of the Insured Risk

14.1. The obligations of the Policyholder and the Insured Person upon occurrence of the Insured Risk shall be:

14.1.1. To act in accordance with the procedures stipulated in the applicable legislation and, depending on the nature of the accident, to immediately notify the police, State Fire and Rescue Service, or another institution performing the necessary recovery works or investigating the circumstances of the accident;

14.1.2. To apply every effort to reduce potential losses and avoid additional losses as well as to participate, if necessary, in immediately determining the circumstances of and reasons for the accident occurring;

14.1.3. To photograph the site and consequences of the accident as soon as possible;

14.1.4. To protect the rights of the Insurance Company, including, but not limited to, aiding in determining the guilty (responsible) persons, the names, addresses of witnesses of the accident and other data about these persons;

14.1.5. To immediately, if and as soon as possible, but no later than 3 business days from the moment that this becomes possible, notify the Insurance Company about the occurrence of the Insured Risk, and submit a written Insurance Indemnity Application with a detailed description of the accident. A written Insurance Indemnity Application may be submitted in person at the Insurance Company's office, filled out on the Insurance Company's website, or sent to a fax number or e-mail address specified in the Insurance Policy. Should submission of a written Insurance Indemnity application in person prove impossible for objective reasons, it shall be performed by an authorised representative of the Policyholder or the Insured Person;

14.1.6. To make no changes to the damaged object or site of occurrence which might affect the possibility of determining the reason for or the amount of the damages without the consent of the Insurance Company until submission of a written Insurance Indemnity Application, as well as for 3 business days following its submission to the Insurance

Company, unless this is strictly necessary to reduce losses or is in the interest of the Insurance Company. The Insurance Company shall be entitled to determine a longer term during which no changes may be made;

14.1.7. To ensure representatives of the Insurance Company the opportunity to view the occurrence site and perform inspections to determine the reason for and extent of the losses if the Insurance Company deems this necessary;

14.1.8. To submit a written confirmation of the extent of the losses, providing other information and the evidence necessary to determine whether Insured Risk has manifested and the extent of the losses, and the documents to confirm the right of the person requesting Insurance Indemnity to receive such;

14.1.9. To undertake all urgent expenses in connection with the manifestation of the Insured Risk and activities that would prevent further losses or damage to the Insured Object.

14.2. The Policyholder, the Insured Person and the Insurance Beneficiary cannot object to the Insurance Company's request to identify and evaluate the amount of losses and damages and the conditions in which they have arisen, as well as against the request to submit to the Insurance Company all documents at their disposal that characterise the occurrence of the Insured Risk and the resulting losses and damages, including the documents that contain personal health data and commercial secret. The Policyholder, the Insured Person and the Insurance Beneficiary must also provide other information at their disposal that is related to the occurrence of the Insured Risk and that the Insurance Company has requested, as well as fulfil other obligations set forth in the Insurance Agreement.

14.3. The Policyholder, the Insured Person and the Insurance Beneficiary are responsible for the accuracy of the information they each have provided to the Insurance Company, and neither of them is entitled to benefit from the fact that others have submitted incomplete information or submitted false or misleading information.

15. Insurance Indemnity

15.1. The Insurance Company shall decide whether an accident that has occurred qualifies as an Insured Event, and to make full or partial payment of Insurance Indemnity or refuse to pay the Insurance Indemnity within 10 business days from the moment that all the documents necessary for reviewing the Insurance Indemnity Request (written Insurance Indemnity application, confirmation from the relevant government institutions, documents and references confirming the extent of losses, authorisations etc.) are received.

15.2. If the Insurance Company decides to refuse payment of the Insurance Indemnity, it shall inform the Policyholder, the Insured Person, or the Insurance Beneficiary within 10 days following the date that the decision is made.

15.3. The inspection, expert opinion, repair company appointment or other activities performed by the Insurance Company shall not be deemed proof that the Insurance Company has made a decision to pay Insurance Indemnity.

15.4. In the case of insurance against losses and damages, before payment of the Insurance Indemnity, the useful remains of the damaged Insured Object (or else the replacement Insured Object) shall be transferred into the ownership of the Insurance Company by the signing of a delivery and acceptance deed. The Insurance Company shall also be transferred the right of claim to the Insured Object which has illegally left the possession of the authorised person. Should the owner of the Insured Object refuse this or to perform activities related to the transfer of ownership or claim rights to the Insured Object, the Insurance Company shall be entitled to suspend payment of the Insurance Indemnity or reduce the amount of Insurance Indemnity by the value of the useful remains of the aforementioned Insured Object.

15.5. If a third party fully or partly compensates the losses due to the occurrence of the Insured Risk to the Policyholder, the Policyholder, the Insured Person or the Insurance Beneficiary shall be obliged to notify the Insurance Company. The Insurance Company shall not pay the Insurance Indemnity if losses have been compensated in full. If losses have been compensated partly, the Insurance Company shall pay the difference between the calculated Insurance Premium amount and the amount of money or value of the object already provided by the third party.

15.6. Should, after payment of the Insurance Indemnity, the Insured Person or the Insurance Beneficiary reclaim the Insured Object or receive compensation of losses incurred as a result of manifestation of the Insured Risk from a third party, the Policyholder, the Insured Person or the Insurance Beneficiary shall be obliged to immediately notify the Insurance Company. Within 30 days following the date that the Insured Object is reclaimed or the compensation of losses is received, the Insured Person or the Insurance Beneficiary shall return to the Insured Company all of the Insurance Indemnity received – or part thereof if not all losses incurred

as a result of the Insured Event are covered by reclaiming the Insured Object or the third party's compensation.

15.7. Should fulfilment of the Insurance Company's obligations or the extent thereof depend on circumstances that are established in the course of legal proceedings for a civil, criminal or administrative case, or as a result of a case regarding an administrative violation (offence), the Insurance Company shall be entitled to decide to pay or refuse to pay Insurance Indemnity after the decision of the official of the court or other government or municipal institution that ultimately decides (or closes) the relevant case comes into force.

15.8. The Insured Person and the Insurance Beneficiary shall not be entitled to cede the right to claim Insurance Indemnity from the Insurance Company without the Insurance Company's written consent.

15.9. Should payment of Insurance Indemnity be delayed through the fault of the Insurance Company, the Insurance Company shall pay the late interest specified in the laws and regulations of the Republic of Latvia, but no more than 0.1% of the Insurance Indemnity amount due per day of delay not to exceed 10% of the Insurance Indemnity amount due.

15.10. Insurance Indemnity shall be calculated by subtracting the Deductible specified in the Insurance Policy from the part of the losses which the Insurance Company must compensate in accordance with the insurance agreement.

15.11. Should there be a dispute regarding the amount of Insurance Indemnity, the Insurance Company shall in any event pay the part of Insurance Indemnity which the Insurance Company believes justified and proven in accordance with the documents submitted.

15.12. If the Policyholder fails to have paid the entire Insurance Premium before the Insurance Indemnity payment is made, the Insurance Company shall be entitled to request the payment of the remaining part of the Insurance Premium or to withhold it from the Insurance Indemnity to be paid regardless of whether the Insurance Premium payment deadline has been reached.

15.13. The Insurance Company shall be entitled to reduce the amount of Insurance Indemnity by no more than 50% if the Policyholder, Insured Person, their employee or person using the insured property with the permission of the Policyholder or Insured Person on the basis of an agreement or other legal relationship, by acting with ordinary negligence, fails to submit information at their disposal to the Insurance Company according to the latter's written request which might allow the Insurance Company to verify the occurrence of the Insured Risk as well as the extent of losses, or in any other way obstructs the Insurance Company's effort to establish and evaluate the extent of losses.

15.14. Should the Insurance Company discover circumstances that increase the likelihood of the Insured Risk's occurrence only after the risk has manifested, which the Policyholder or the Insured Person should have communicated, and the reason for not communicating such is minor negligence of the Policyholder or the Insured Person, the Insurance Company may reduce the amount of Insurance Indemnity in proportion to the difference between the Insurance Premium paid and the Insurance Premium which the Policyholder should have paid had the Policyholder or the Insured Person duly communicated the circumstances at hand.

15.15. The Insurance Company shall be entitled to decline payment of the Insurance Indemnity if:

15.15.1. The Policyholder, Insured Person, their employee or the person using the Insured Object with the consent of the Policyholder or the Insured Person on the basis of an agreement or other legal relationship:

15.15.1.1. Violates the obligations entailed in the insurance agreement through malicious intent or gross negligence, provided that this violation has causally affected the occurrence of losses or the amount thereof;

15.15.1.2. Has knowingly submitted false information concerning the occurrence of the Insured Risk;

15.15.1.3. By acting with malicious intent or gross negligence, fails to submit information at their disposal to the Insurance Company according to its written request which might allow the Insurance Company to verify the occurrence of the Insured Risk as well as the extent of losses, or in any other way compromises the Insurance Company's effort to ascertain and assess the extent of losses;

15.15.2. The Insurance Company, after the occurrence of an Insured Event, discovers considerable circumstances which increase the risk and about which the Policyholder or the Insured Person should have notified the Insurance Company, and the reason for such failure to notify is the Policyholder's or the Insured person's malicious intent or gross negligence.

15.16. When deciding whether to refuse to pay the Insurance Indemnity or to reduce it, the acts or omissions of the persons sharing the same household with the Insured Person or of the authorised users of the Insurance Object are equal to the acts or omissions of the Insured Person.

16. Multiple Insurance

16.1. If one and the same Insured Object is insured with several insurance Companies, each insurance company shall compensate losses in proportion to the Sum Insured specified

in its insurance agreement with the Policyholder. The total amount of Insurance Indemnity shall not exceed the amount of losses caused by an Insured Event.

17. Confidentiality

17.1. The Insurance Company, Policyholder and Insured Person shall ensure confidentiality of the information obtained during the validity period of the insurance agreement, the other party to the insurance agreement or third party about whom information becomes known in connection with the conclusion or execution of the insurance agreement.

17.2. Within the scope of the applicable legislation, the Insurance Company ensures the confidentiality of

the personal data and uses appropriate technical and organisational measures to protect the personal data from unauthorised access and unlawful processing or disclosure and against accidental loss, alteration or destruction.

17.3. The Insurance Company is not obliged to present documents or hand out copies thereof if these documents contain the commercial secret of another person or personal data that the person requesting these documents is not entitled to obtain.

18. Processing of personal data

18.1. The Insurance Company processes personal data in accordance with the legislation of the Republic of Latvia, the applicable regulations of the European Union as well as the Privacy Protection Rules that are available on website – www.if.lv.

18.2. The Insurance Company processes the data of the Policyholder, Insured Person, Insurance Beneficiary or third parties in order to:

18.2.1. evaluate the Insured Risk, prepare and send an individual insurance offer, including a repeated offer after the

end of the anticipated Insurance Period, and to conclude an insurance agreement;

18.2.2. make a decision regarding an Insurance Indemnity case;

18.2.3. contact the Policyholder, the Insured Person, the Insurance Beneficiary or third party, including in order to send the notifications and decisions set forth by the legislation;

18.2.4. ensure the administration of the Insurance agreement;

18.2.5. provide personal data to the government and municipal institutions and third parties in the cases and scope and according to the procedure stipulated in the legislation of the Republic of Latvia;

18.2.6. transfer information to the Insurance Beneficiary in the amount needed to realize the lawful interest of the Insurance Beneficiary.

18.3. To conclude an insurance agreement and to calculate the Insurance Premium, as well as to make a decision regarding

an Insurance Indemnity case, the Insurance Company is entitled to perform automatic decision making, including by profiling. In this case, the person can express his/her opinion or contest the decision to the Insurance Company.

18.4. The Insurance Company processes and stores the personal data for as long as it is necessary to achieve the respective purpose.

19. Succession of the right of claim

19.1. Upon paying the Insurance Indemnity to the Insured Person or the Insurance Beneficiary the Insurance Company shall obtain the right of subrogation against the person responsible for the losses in the amount of indemnity paid.

19.2. In the case of civil liability insurance, the Insurance Company shall be entitled to take recourse against the Insured Person if the Insurance Company has paid the Insurance Indemnity to a third party and the Insured Risk has occurred through the Insured Person's malicious intent, as well as in cases where the right of recourse is specified in the Insurance Policy.

19.3. Should the Policyholder, the Insured Person or the Insurance Beneficiary recall their claim against a third party or waive their right to enforce such a claim, the Insurance Company shall be relieved of its contractual obligations for the Insurance Indemnity amount that it could have recovered based on such a claim or such rights.

19.4. The Policyholder, the Insured Person and the Insurance Beneficiary shall be obliged to aid the Insurance Company in filing claims against the party liable for losses to provide the Insurance Company with data, documents, explanations and other materials necessary for the Insurance Company to exercise such a recourse or subrogation rights.

20. Applicable legislation and dispute resolution

20.1. The legislation of the Republic of Latvia shall be applicable for governing the contractual relations arising from the insurance agreement.

20.2. All notifications, applications, claims and requests in connection with the insurance agreement, the occurrence of an Insured Risk and indemnity of losses shall be submitted in writing.

20.3. The Insurance Company shall review the complaints of the Policyholder or the Insured Person that are submitted in writing and provide a written response within 20 days following the date of receiving the relevant complaint.

20.4. Disputes concerning the insurance agreement shall be resolved by means of negotiation between the Insurance Company, the Policyholder and the Insured Person.

20.5. If the Policyholder, the Insured Person or the Insurance Beneficiary who is deemed a consumer is not satisfied with the Insurance Company's response to a complaint, the Policyholder, the Insured Person or the Insurance Beneficiary are entitled to submit an application to the following extrajudicial authorities:

20.5.1. regarding the Insurance Company's decision to pay or refuse the Insurance Indemnity – to the ombudsman of the

Latvian Insurers Association. The types of insurance cases that can be brought before the ombudsman are indicated on the website of the Latvian Insurers Association:

<http://www.laa.lv/klientiem/ombuds/>. This decision of the ombudsman of the Latvian Insurers Association is recommendatory to the Insurance Company;

20.5.2. regarding possible violations of consumer's rights other than those that may be brought before the ombudsman – to the Consumer Rights Protection Centre (website: www.ptac.gov.lv);

20.5.3. a consumer who has concluded an insurance agreement online may use the ODR (Online Dispute Resolution) platform <http://ec.europa.eu/odr> for submitting an application.

20.6. The disputes that cannot be solved in extrajudicial authorities, or about which an agreement cannot be reached between the Insurance Company, the Policyholder, the Insured Person or the Insurance Beneficiary, are adjudicated in a court of the Republic of Latvia in accordance with the applicable legislation of the Republic of Latvia.

20.7. Supervision of the insurance market in the Republic of Latvia is carried out by the Finance and Capital Market Commission (website: www.fktk.lv).