

Approved by BTA Insurance Company SE Board Decision No. 121 of 13 December 2011

1. Terms Used in the Insurance Contract

1.1. BTA – BTA Insurance Company SE, the Insurer in terms of the Insurance Contract Law.

1.2. Policyholder – an individual or a legal entity who has concluded an insurance contract for the benefit of himself or herself or another person.

1.3. Insured – an individual or a legal entity with an interest in the insurance and in favour of whom the insurance contract is concluded:

a) insurance against losses or damages – pursuant to the insurance contract, the owner or the insured real estate or moveable property or a person specified thereby in writing;

b) civil liability insurance – a person indicated in the insurance contract, whose civil liability is insured in accordance with the insurance contract;

c) insurance of persons – a person indicated in the insurance contract, whose life, health or physical condition is insured in accordance with the insurance contract.

1.4. Beneficiary – for the insurance of persons – a person indicated by the Insured, to whom the insurance indemnity is to be paid out upon the death of the Insured.

1.5. Third Party – for civil liability insurance, a person who incurs damages due to the activities or inactivity of the Insured and to whom the insurance indemnity is due pursuant to the provisions of the insurance contract.

1.6. Parties of the Insurance Contract – the Policyholder and BTA.

1.7. Insurance Object:

a) in insurance against losses and damages – the real estate or moveable property specified in the insurance contract;

b) in civil liability insurance – civil liability of the Insured;

c) in the insurance of persons – life, health or physical condition of the Insured.

1.8. Insurance Application – a BTA document of a certain form which the Policyholder submits to BTA in order to indicate the insurance object, facts and circumstances required for signing an insurance contract.

In particular types of insurance or cases, BTA may request the submission of a written insurance application, and in such cases, the information provided in the insurance contract on the insurance object, the Policyholder and the Insured is considered to have been submitted by the Policyholder.

Acceptance of the insurance application does not obligate BTA to conclude an insurance contract.

1.9. Insurance Contract – an agreement between BTA and the Policyholder according to which the Policyholder undertakes to pay the insurance premium in the manner, time and to the amount specified in the insurance contract, as well as to fulfil all other obligations under the insurance contract; in turn, BTA undertakes to pay the insurance indemnity to the person stated in the contract upon the occurrence of the insured event in compliance with the provisions of the insurance contract.

1.10. Insurance Policy – a document which verifies entering into an insurance contract and includes the terms and conditions of the insurance contract which the Policyholder and BTA have agreed upon.

1.11. Sum Insured – the amount indicated in the insurance contract, which is the maximum amount to be paid out as insurance indemnity upon occurrence of an insurable event. For civil liability insurance – the limit of liability.

1.12. Under-insurance – a situation in insurance against losses and damages where the sum insured is lower than the value of the insurance object. In such case, the insurance indemnity is calculated as the proportion between the sum insured and value of the insurance object just before the occurrence of the insurable event. A deductible is withheld from the indemnity to be paid out.

1.13. Over-insurance – a situation in insurance against losses and damages where the sum insured is higher than the value of the insurance object. In such an event, the insurance indemnity is paid out without exceeding the amount of losses and the deductible is withheld.

1.14. Deductible – the amount of losses indicated in the insurance contract not reimbursed by BTA. The deductible may be determined as a fixed amount or percentage of the losses caused upon occurrence of the insurable event. If there are several types of deductibles specified in the insurance contract for one insured risk, the largest of them shall be always applied.

1.15. Insurance Premium – the payment for the insurance specified in the insurance contract.

1.16. Insurable Event – an event related through causal relationship to the insurance risk, with insurance indemnity provided upon its future occurrence, in compliance with the terms and conditions of the insurance contract.

1.17. Insured Risk – an event stipulated in the insurance contract, the occurrence of which is possible in the future beyond the will of the Insured.

1.18. Insurance Indemnity – the amount to be paid for the insurable event or the services to be rendered in accordance with the concluded insurance contract.

1.19. Written Document:

a) a document drawn up in writing that contains all details, including a signature, provided for by the effective regulatory enactments of the Republic of Latvia;

b) an electronic document signed with a safe electronic signature.

2. The Insurance Period

2.1. An insurance period is the period of time when the insurance protection is in effect.

2.2. Within this Section the term 'insurance premium' shall denote:

2.2.1. an insurance premium, if the entire insurance premium is to be paid in one

instalment;

2.2.2. the first instalment of the insurance premium, if the insurance premium is to be paid in instalments.

2.3. Insurance protection takes effect at 00:00 on the first day of the insurance period indicated in the insurance contract, but no sooner than the insurance premium is paid in the event when:

2.3.1. the insurance premium payment date is not indicated in the insurance contract;

2.3.2. the first day of the insurance period is specified as the insurance premium date in the insurance contract;

2.3.3. the insurance premium payment date is set before the first day of the insurance period.

2.4. If it is determined in the insurance contract that the insurance premium is to be paid after the first day of the insurance period specified in the insurance contract, the insurance protection comes into force at 00:00 on the first day of the insurance period provided that the Policyholder pays the insurance premium within the time limits and in the amount specified in the insurance contract.

2.5. If the insurance premium is paid after the payment date indicated in the insurance contract, BTA is entitled to pay back the delayed insurance premium paid by the Policyholder within 10 (ten) calendar days or, if BTA does not know a way in which the Policyholder can receive the insurance premium, to request in writing that the Policyholder provide such information. In such an event, insurance protection is not valid.

2.6. If BTA does not pay back the insurance premium within the time period referred to in Article 2.5 of these Terms and Conditions or does not send the request referred to in Article 2.5 to the Policyholder, insurance protection is in force in accordance with the provisions of Articles 2.3 and 2.4 of these Terms and Conditions.

2.7. If the insurance premium is paid after the insurance premium payment date indicated in the insurance contract and the insured risk occurs before the insurance premium is paid, the insurance protection is not valid and BTA is obliged to notify the Policyholder of the invalidity of the insurance protection within 10 (ten) calendar days and pay back the delayed insurance premium.

2.8. The insurance contract is in force until 24:00 of the last day of the insurance period indicated in the insurance contract, unless, upon agreement of the Policyholder and BTA, it is terminated before its expiry or due to other reasons.

2.9. In the event that:

a) the Policyholder fails to pay the insurance premium within the period of time indicated in the insurance contract, which confirms that the Policyholder is not willing to enter into a contractual relationship with BTA;

b) the Policyholder notifies of the will thereof to terminate the insurance contract;

the insurance contract is terminated and BTA is entitled to request the Policyholder to compensate the expenses of BTA related to the conclusion of the insurance contract amounting to 25 % (twenty five per cent) of the insurance premium calculated in accordance with the respective insurance contract, unless stipulated otherwise by the parties.

3. Obligation of the Policyholder to Provide Information

3.1. Prior to signing the insurance contract, the Policyholder is obliged to provide BTA with genuine and complete information requested by BTA that is related to the insurance object and is necessary for BTA to evaluate the probability of the occurrence of the insured risk.

If the Policyholder fails to submit the information required for evaluating the probability of the occurrence of the insured risk, or provides false or incomplete information with malicious intent or at his or her fault which in terms of reimbursement for losses and other civil liability consequences is considered malicious intent, the insurance contract is considered invalid and BTA does not refund the paid insurance premium.

3.2. During the validity period of the insurance contract, the Policyholder shall inform BTA as soon as possible in writing of all changes and circumstances occurred during the validity period of the insurance period that may increase the probability of the occurrence of the insured risk and the amount of possible losses.

3.3. If BTA is misled due to insignificant oversight of the Policyholder, BTA is entitled to offer the Policyholder to make amendments to the insurance contract, including increasing the insurance premium, within 15 (fifteen) calendar days.

If the Policyholder declines the amendments to the insurance contract offered by BTA, or does not give any reply to BTA within the 15 (fifteen) day notification period, BTA is entitled to unilaterally terminate the insurance contract.

If BTA can prove that, in knowing the increased insured risk it would not have concluded the insurance contract, BTA is entitled to terminate the insurance contract by notifying the Policyholder thereof in writing.

3.4. If BTA is misled due to malicious intent or fault of the Policyholder, Insured, Beneficiary or a Third Party which in terms of reimbursement for losses and other civil liability consequences is considered malicious intent, BTA is entitled to send a written notification and terminate the insurance contract without refunding the paid insurance premium.

3.5. The Policyholder is obliged to notify BTA if, as regards insurance against losses and damages, the same insurance object is insured with several insurers against the same insured risks and the sum insured exceeds the value of the insurance object (over-insurance). In such a case the insurance indemnity to be paid out may not exceed the value of the insured object, besides each insurer shall pay the insurance indemnity in proportion with the sum insured indicated in the insurance contract concluded by them.

4. Insurance Premium and Payment Procedure

4.1. The Policyholder shall pay the insurance premium within the time limits and in the amount specified in the insurance contract.

4.2. If the insurance premium payment is not complete on the date specified in the insurance contract, BTA is entitled to terminate the insurance contract by notifying thereof in writing in advance.

Consequences of not paying the insurance premium, or the first instalment thereof, are specified in the Section 'Insurance Period' of these Terms and Conditions.

4.3. The insurance premium is considered paid:

4.3.1. if the insurance premium is paid in cash – at the moment the Policyholder pays the respective amount to the cash department of BTA;

4.3.2. if the insurance premium is paid by transfer – at the moment the Policyholder submits an order to a credit institution to transfer the respective amount to a BTA bank account;

4.3.3. if the insurance premium is paid to an insurance mediator authorised by BTA to collect insurance premiums – at the moment the Policyholder pays the respective amount to the cash department of the insurance mediator or gives an order to a credit institution to transfer the respective amount to the bank account of the insurance mediator.

4.4. If the Policyholder fails to pay the insurance premium within the time limit set forth in the insurance contract, the Policyholder shall pay BTA a penalty of 0.1 % (zero point one per cent) of the outstanding amount for each day of delay. However, the total amount of the penalty may not exceed 10 % (ten per cent) of the outstanding insurance premium amount.

BTA shall not apply the above-mentioned penalty in the following events:

- a) the insurance premium is to be paid in one instalment;
- b) the insurance premium is to be paid in instalments – for the first instalment.

5. Conclusion of Insurance Contracts by Means of Distance Communication

5.1. The Policyholder and BTA may conclude an insurance contract through the use of distance communication. Insurance contracts concluded in such a way shall be considered the contracts concluded by the Policyholder and BTA via post, Internet, e-mail, telephone or other means of information exchange.

5.2. If the insurance contract is concluded by means of distance communication:

a) the insurance contract takes effect on the next day after the insurance premium or the first part thereof set by BTA, if the insurance contract provides for paying the insurance premium in instalments, is paid in full;

b) by paying the insurance premium the Policyholder certifies that he or she agrees with all terms and conditions of the insurance contract of which BTA has informed;

c) the absence of a written insurance policy does not affect the validity of the insurance contract;

d) the Policyholder is entitled to request and BTA is obliged to submit to the Policyholder a written insurance policy within 5 (five) working days;

e) pursuant to the Republic of Latvia Cabinet Regulation No. 1037 of 21 December 2004 'Regulations regarding Distance Contracts for the Provision of Financial Services', the Policyholder may exercise the right of withdrawal, i.e. the right to withdraw from the concluded insurance contract, by submitting a written notification to BTA regarding withdrawal no later than within 14 (fourteen) calendar days after the insurance premium is paid.

The Policyholder may not exercise the right of withdrawal in regard to short-term insurance contracts, the term of which is less than 1 (one) month.

If, on the 14th (fourteenth) day after signing the insurance contract BTA has not received the Policyholder's notification regarding withdrawal, it is considered that the right of withdrawal has not been exercised and the insurance contract is in force. If the insurance indemnity is paid out to the Policyholder during this period of 14 (fourteen) days after signing the insurance contract, or the insured risk, in regard to which a claim may be submitted to BTA regarding the possible insurable event, occurs during the said period, it is considered that the right of withdrawal has not been exercised and the insurance contract is in force;

f) if the Policyholder exercises the right of withdrawal no later than within 30 (thirty) calendar days after receiving the notification regarding withdrawal, BTA shall pay back to the Policyholder a part of the insurance premium amounting to the paid insurance premium minus the amount for the period during which the insurance contract was in force.

6. Insurance Contract Termination

6.1. An insurance contract expires at 24:00 on the last day of the insurance period, unless the Policyholder and BTA have agreed otherwise in the insurance contract.

6.2. The Policyholder is entitled to terminate the insurance contract at any time by submitting a written notification to BTA 15 (fifteen) calendar days in advance. In such a case, the insurance contract will be terminated on the day indicated in the notification, but no sooner than on the day the notification is received. In such a case:

6.2.1. if the insurance indemnity has not been paid out during the validity period of the insurance contract or no claim has been submitted, within 15 (fifteen) calendar days of receiving a notification of the Policyholder BTA refunds to the Policyholder the part of the paid insurance premium for each full calendar month remaining until the expiry of the insurance contract, deducting the BTA expenses related to the conclusion of the insurance contract amounting to 25 % (twenty five per cent) of the insurance premium specified in the insurance contract, unless stipulated otherwise by the parties;

6.2.2. if the insurance indemnity has been paid out during the validity period of the insurance contract or a claim has been submitted, within 15 (fifteen) calendar days of receiving a notification of the Policyholder BTA refunds to the Policyholder the difference between the insurance Premium paid to BTA which is equal to the full calendar months remaining until the expiry of the insurance contract and the amount of the paid out insurance indemnity, deducting the BTA expenses related to

the conclusion of the insurance contract amounting to 25 % (twenty five per cent) of the insurance premium specified in the insurance contract, unless stipulated otherwise by the parties.

6.3. BTA is entitled to send a written notification and terminate the insurance contract prior to its expiry without refunding the paid insurance premium to the Policyholder, if the Policyholder or the Insured with a malicious intent or at his or her fault, which in terms of reimbursement for losses and other civil liability consequences is considered malicious intent, carries out activities or fails to act, which increases the probability of the occurrence of the insured risk.

6.4. If the insured risk occurs due to malicious intent or the fault, which in terms of reimbursement for losses and other civil liability consequences is considered malicious intent, of the Policyholder, Insured or Beneficiary, the insurance contract is considered terminated from the moment the said facts are established. In such an event, BTA shall not refund the paid insurance premium.

6.5. BTA is entitled to terminate the insurance contract after paying out the insurance indemnity by sending a written notification to the Policyholder 15 (fifteen) calendar days in advance. In this event, if the insurance indemnity is less than the difference between the paid insurance premium and the part of the insurance premium for the expired period of the insurance contract, BTA shall refund the Policyholder part of the insurance premium, the amount of which is determined by deducting the insurance indemnity, the part of the insurance premium for the expired period of the insurance contract and BTA's expenses related to the conclusion of the insurance contract amounting to 25 % (twenty five per cent) of the insurance premium specified in the insurance contract, from the paid insurance premium, unless stipulated otherwise by the parties.

6.6. The insurance contract expires immediately when the owner of the movable property changes and in 1 (one) month when the owner of real estate changes. The said provision does not apply to the event when the tenant of the insurance object becomes the owner thereof.

6.7. An insurance contract may be also terminated prior to the expiry thereof in other cases set forth in the Republic of Latvia Law on Insurance Contracts.

7. General Exceptions

7.1. Unless the insurance contract stipulates otherwise, BTA shall not pay out the insurance indemnity if the occurrence of the insured risk is directly or indirectly caused by:

7.1.1. an act of terror (an act that is expressed as using power and violence, or threats to use them by any third party or group of persons who act in solitude or in relation to any organisation or government, or on behalf thereof, which are carried out due to political, religious, ideological or ethnic reasons and which include the intention of affecting the government or to put the public or any part of it in danger); the losses incurred due to the prevention measures against acts of terror are not compensated either;

7.1.2. war, invasion, a hostile act by a foreign country, military operations or operations considered as such (with or without declaring war); civil war, rioting, a strike, a revolt, disturbances, a revolution, riots by military or usurped authorities, a state of war or deprivations or looting related thereto, violence, vandalism, sabotage; a strike, lockout, public order disturbance to the extent considered as a revolt or riot; property confiscation, nationalisation, alienation, requisition, destruction or disposal, if it is caused or sanctioned legally or actually authorised by a state authority irrespective of whether it is legal or not; other political risks, as well as all other losses or expenses incurred directly or indirectly due to measures of prevention of the above-mentioned events are not compensated;

7.1.3. direct or indirect impact of nuclear explosion, nuclear energy or radioactive substances, direct or indirect radioactive pollution;

7.1.4. malicious intent or fault of the Policyholder, Insured, Beneficiary or a Third Party which in terms of reimbursement for losses and other civil liability consequences is considered malicious intent.

8. Measures to be Taken upon Occurrence of the Insured Risk

8.1. As a precondition for receiving the insurance indemnity, upon establishing the occurrence of the insured risk, the Policyholder and the Insured are obliged to:

8.1.1. immediately, as soon as possible, inform BTA thereof at a place and in a way and form determined by BTA. If the Policyholder or the Insured informs BTA of the occurrence of the insured risk later than within 3 (three) working days after the occurrence of the insured risk, the Policyholder or the Insured shall prove that it was not possible to inform sooner;

8.1.2. immediately inform the state authorities whose competence is to investigate a respective event or provide rescue services in the way and form determined by BTA (e.g. Fire Rescue Service, State Police, Road Police, etc.);

8.1.3. take all measures in order to prevent or reduce further damages, as well as comply with BTA instructions as regards reducing the damage caused by occurrence of the insured risk;

8.1.4. ensure the possibility for BTA to inspect the place of a possible insurable event, carry out examinations and interview witnesses so that BTA could determine the causes of the damage and the amount thereof;

8.1.5. submit a list of stolen, destroyed or damaged property, indicating the value and condition of the item just before the possible insurable event, as well as the extent to which the item has been damaged due to the possible insurable event;

8.1.6. submit all information and documents requested by BTA, including those containing commercial secrets, if they are available to the Policyholder or the Insured, so that BTA can determine the causes of the possible insurable event and the amount of damage;

8.1.7. to leave the scene untouched until a representative of BTA arrives and draws up an inspection report except for the event referred to in Clause 8.1.8 of these Terms and Conditions;

8.1.8. if the insurance object cannot be preserved without changing its condition after the accident due to the fulfilment of the obligations referred to in Clause 8.1.3 of these Terms and Conditions or other legal and justified reasons, to ensure that

the pictures of the damaged insurance property are taken as soon as possible or the damaged insurance object is filmed so that its damages are fixed and submit the pictures or the video tape to BTA by e-mail atlidziba@bta.lv or in another way approved by BTA.

8.2. If the Policyholder or the Insured with malicious intent or at his or her fault, which in terms of reimbursement for losses and other civil liability consequences is considered malicious intent, does not fulfil any of the obligations referred to this Section, BTA is entitled to refuse to pay out the insurance indemnity.

BTA may reduce the insurance indemnity, but by no more than 50 % (fifty per cent), if the Policyholder or the Insured does not fulfil any of the obligations referred to in this Section due to ordinary negligence.

8.3. If the insurance contract provides for obligations of the Policyholder, the fulfilment of which is a precondition for paying out the insurance indemnity, this precondition shall be only considered met provided that a respective obligation is fulfilled by the Insured and the following persons:

- a) persons who have common household with the Policyholder or the Insured;
- b) persons who are responsible for the insurance object upon agreement with the Policyholder or the Insured;
- c) persons who own the insurance object together with the Policyholder or the Insured or who jointly manage or use the insurance object together with the Policyholder or the Insured, or other persons specified in the insurance contract;
- d) persons who are obliged to comply with safety regulations in accordance with a legal employment relationship, rendering of services or any other relationship with the Policyholder or the Insured.

8.4. Instructions on the activities to be carried out by the Policyholder and the Insured upon occurrence of an insurable event may be received by calling the BTA Client Support Line at (+371) 26121212. Accurate fulfilment of these instructions is a precondition for receiving an insurance indemnity.

9. Insurance Indemnity

9.1. Within 10 (ten) working days of receiving all the documents necessary for determining all causes of the possible insurable event and the amount of losses, BTA shall make a decision regarding payment of the insurance indemnity or declining it and within 10 (ten) calendar days of taking the decision shall send a respective written notification to the Insured.

If BTA makes a decision to refuse to pay out the insurance indemnity, BTA shall also send a notification to the Policyholder, except for the events when BTA and the Insured agree that the Insured informs the Policyholder of the BTA decision to not pay out the insurance indemnity.

9.2. BTA shall pay out the insurance indemnity within 14 (fourteen) calendar days from the date of the decision made to pay the insurance indemnity.

9.3. If theft or robbery of the insurance object has taken place, whereby the insurance indemnity is paid and then the insurance object is found, at the discretion of BTA it shall have rights to request and recover the paid insurance indemnity or to obtain the property rights to the insurance object. If BTA makes a decision not to keep the found insurance object, but the found insurance object is damaged, when paying back the received insurance indemnity to BTA, the Insured shall deduct the expenses necessary for the repair of the found damaged insurance object agreed upon with BTA.

9.4. If there is a dispute regarding the amount of the insurance indemnity to be paid out, BTA may pay out the part of the insurance indemnity regarding which there is no dispute.

9.5. BTA is entitled:

- 9.5.1. to pay the insurance indemnity in cash;
- 9.5.2. to carry out the repair of the damaged insurance object;
- 9.5.3. if BTA acknowledges the insurance object as lost, at its own discretion BTA shall:

- a) replace the damaged insurance object with an equivalent object and collect the remains of the insurance object;
- b) pay out the insurance indemnity amounting to the value of the insurance object and collect the remains of the insurance object;
- c) pay out the insurance indemnity as a difference between the value of the insurance object before and after the insurable event and not collect the remains of the insurance object.

9.6. If payment of the insurance indemnity is delayed due to the fault of BTA, BTA shall pay a penalty of 0.1 % (zero point one per cent) of the outstanding insurance indemnity amount for each day of delay; however, the total amount of the penalty may not exceed 10 % (ten per cent) of the outstanding insurance indemnity amount.

10. Dispute Settlement Procedure

10.1. All disputes arising between the parties of the insurance contract shall be settled by means of negotiations. If mutual agreement cannot be reached, any dispute, disagreement or claim ensuing from the insurance contract that is related to it or its violation, termination or invalidity shall be finally resolved in a court of the Republic of Latvia in accordance with the procedure set forth in the effective regulatory enactments of the Republic of Latvia, unless another dispute settlement procedure is stipulated by BTA and the Policyholder in the insurance contract.

10.2. The Insured, in favour of whom the Policyholder has concluded the insurance contract, is also considered a party of the insurance contract unless the parties have agreed differently when concluding the insurance contract or if BTA has not received written objections by the Insured within 2 (two) business days of the conclusion of the insurance contract; thereby all terms and conditions of the respective insurance contract shall be binding on the Insured.

10.3. The Policyholder and the Insured are not entitled to assign any of their claim rights ensuing from the insurance contract to third parties, including already existing or possible claim rights.

11. Processing of Personal Data

11.1. By concluding the insurance contract, the Policyholder confirms that he or she allows BTA, as the manager of the system, personal data recipient and personal data operator, as well as personal data operator registered in accordance with the procedure set forth in regulatory enactments of the Republic of Latvia, to process the data of the Policyholder, and also guarantees that he or she has the consent of the Insured for BTA or personal data operator registered in accordance with the procedure set forth in regulatory enactments of the Republic of Latvia to process the data of the Insured, including sensitive personal data and personal identification (classification) codes in accordance with the Personal Data Protection Law and other effective regulatory enactments of the Republic of Latvia for risk appraisal, insurance indemnity adjustment and insurance contract administration. In addition, the Policyholder certifies that he or she allows BTA to receive information from national registers containing personal data, information on the Policyholder, if such information is necessary for BTA. The Policyholder also guarantees that he or she has the consent of the Insured to carry out said activities. The confirmation referred to in this Clause is also valid to all individuals who enter into insurance contracts on behalf of a legal entity.

12. Right of Recourse

12.1. If BTA has paid out the insurance indemnity, BTA gains the right of recourse to request a third party that is to blame for the damages to pay a compensation amounting to the paid out insurance indemnity.

12.2. If the Insured does not inform BTA in writing of another procedure, then also in the events where the insurance indemnity paid out by BTA covers only part of the losses of the Insured, BTA may exercise its right of recourse irrespective of whether or not the Insured exercises his or her right to pursue a claim against the guilty party. BTA and the Policyholder or the Insured may agree in writing upon cooperation in loss recovery, including on bringing a joint action and sustaining it.

13. Confidentiality

13.1. The parties undertake not to disclose confidential information received within the framework of the insurance contract on the parties of the insurance contract or third parties, as well as not to use it against the interests of other parties of the insurance contract, except for in the events set forth in the effective regulatory enactments of the Republic of Latvia. BTA is entitled to provide experts and reinsurers with information related to the insurance contract, as well as to keep it in BTA databases.

14. Other Terms and Conditions

14.1. Unless the Policyholder has indicated otherwise when signing the insurance contract, the Policyholder agrees that BTA shall send him or her insurance offers:

- a) to renew already concluded insurance contracts;
 - b) to conclude other insurance contracts irrespective of the type of insurance.
- 14.2. The Contractual relationships ensuing from the insurance contracts are governed by regulatory enactments of the Republic of Latvia.

14.3. These Terms and Conditions are applied to those insurance contracts in which a respective remark is made.

The Policyholder, the Insured, the Beneficiary and the Third Party are entitled, at their own discretion, to refer to these Terms and Conditions even if the insurance contract does not include a respective remark on applying these Terms and Conditions. In such cases, these Terms and Conditions shall be binding on BTA.

14.4. The fact that, upon mutual agreement, the parties refer to these Terms and Conditions when signing the insurance contract, or that the Policyholder, the Insured, the Beneficiary and the Third Party refer to these Terms and Conditions in the event that the insurance contract does not include a remark on the application of these Terms and Conditions, certifies the agreement of the parties on applying effective regulatory enactments of the Republic of Latvia to govern the contractual relationship ensuing from the insurance contract.

14.5. In the event of any contradiction between these Terms and Conditions and the terms and conditions of a respective type of insurance, the terms and conditions of the respective type of insurance shall be binding on the parties.

In case of any contradiction between the terms and conditions of a respective type of insurance and terms and conditions of the insurance contract, the terms and conditions of the insurance contract shall be binding on the parties.

14.6. If there is any contradiction between the text of these Terms and Conditions in Latvian and the translation thereof in any other foreign language, the text of these Terms and Conditions in Latvian shall prevail and be binding on the parties.

14.7. If there is any contradiction between the text of the terms and conditions of a respective type of insurance in Latvian and the translation thereof in any other foreign language, the text of the terms and conditions of a respective type of insurance in Latvian shall prevail and be binding on the parties.

14.8. These Terms and Conditions shall take effect from the moment they are approved by the BTA Board.

14.9. These Terms and Conditions are published on the BTA web site <http://www.bta.lv>.

In effect as of 13 December 2011.