



# FOREST INSURANCE

Terms and Conditions No. 08.M1  
Effective as of 11.04.2022

AAS "BTA Baltic Insurance Company", Sporta street 11, Riga, LV-1013, Latvia.  
Phone +371 26 12 12 12, website [bta.lv](http://bta.lv), e-pasts [bta@bta.lv](mailto:bta@bta.lv)

BTA and Policyholders enter into Forest Insurance Contracts in accordance with these Terms and Conditions.

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## 1. TERMS USED IN THE TERMS AND CONDITIONS

**Block Firebreak** – a trail, cleared of vegetation (not wider than five metres), indicating the outer boundary of forest blocks.

**BTA** – BTA Insurance Company AAS, the Insurer in terms of the Insurance Contract Law.

**Claim application** – a written application of specific form provided by BTA about the possible Insured Event.

**Damage** – losses that have occurred in a forest compartment of the Insured Forest Stand, if they have occurred as a result of the Insured Risks.

**Damage Intensity** – the volume of wood, expressed as a percentage, of the insured tree plant species per 1 ha.

**Deadwood** – wood, which has lost its growth ability, as a result of which the wood has begun to deteriorate, dead wood encompasses trees that are dry and upright, dried-out, uprooted or broken by windthrow, windsnap or snow break, cut down by beavers, as well as trees infested by the eight-toothed bark beetle.

**Deductible** – the amount of losses indicated in the Insurance Contract not reimbursed by BTA. Deductible may be defined as a fixed amount of money or percentage of the losses caused as a result of the occurrence of the insured event. When there are several types of deductibles specified in the Insurance Contract for one Insured Risk, the largest of them shall always be applied.

**Forest Inventory** – obtaining of information regarding a forest and adjacent marshes, forest infrastructure objects, overflowing clearings, marshes and glades that are part of the forest. Documentation of the obtained information with the State Forest Service.

**Forest Stand** – a forest of homogeneous forest growth conditions, tree species composition and age.

**Forest Stand Compartment** – a Forest Stand of equivalent Forest Inventory properties.

**Good Forestry Practice** – considered as good forestry practice- shall be well-groomed forests, where the volumes of deadwood does not exceed five cubic meters per hectare or the Forest Stand compartment does not contain any single stretch of land larger than 0.2 ha with no tree vegetation formation on it.

**Growth Ability** – damages, which have not resulted in a loss of the tree's ability to grow and the tree's growth ability is expected to improve compared to the condition at the time of establishing the damages, shall not be considered as tree damages for the purposes of these Terms and Conditions. Trees, the growth ability of which has not been fully or partially lost, shall be considered viable.

**Insurance Application** – a document or another information that the Policyholder submits to BTA to inform about Insurance Object, facts and circumstances necessary to assess the Insured Risk. If Insurance Application of a certain form, defined by BTA, has not been submitted, then the information provided in the Insurance Contract on the Insurance Object, the Policyholder and the Insured shall be considered to have been submitted by the Policyholder. Acceptance of the Insurance Application does not impose any duty on BTA to conclude the Insurance Contract.

**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 amount as specified in the Insurance Contract, as well as to meet other obligations under the Insurance Contract. BTA, in its turn, undertakes, in the event of the Insured Event, to pay the Insurance Indemnity pursuant to the provisions of the Insurance Contract. The Insurance Contract includes the following documents: these Terms and Conditions, Insurance Policy, Insurance Policy Annexes, amendments thereto, other agreements concluded between the Policyholder and BTA. 2/8

**Insurance Indemnity** – amount of money payable for the Insured Event or costs of services to be provided in line with the concluded Insurance Contract.

**Insurance Object** – Forest Stand, registered in the State Forest Register's information system for collecting, storing and updating information on forest and forestry activities carried out therein, adjacent marshes, forest infrastructure objects, overflowing clearings, marshes and glades.

**Insurance Period** – the period when the insurance is in effect.

**Insurance Policy** – a document that verifies conclusion of the Insurance Contract and includes Insurance Contract provisions that the Policyholder and BTA have agreed upon.

**Insurance Premium** – payment for Insurance, indicated in the Insurance Contract.

**Insured Event** – an event, related through causal relationship to the Insurance Risk, with Insurance Indemnity provided upon its occurrence, in compliance with the Insurance Contract.

**Insured Forest Stands** – the Forest Stands, registered in the State Forest Register's information system and specified in the Insurance Contract, where the insured tree species are located and where the Insurance Cover under the Insurance Contract is in effect.

**Insured Risk** – an event specified in the Insurance Contract, the occurrence of which is possible in the future beyond the will of the Insured.

**Insured** – the owner or lawful user of the Forest Stands specified in the Insurance Contract whose Forest Stands have been insured under the Insurance Contract.

**Mature Stand** – a stand, where the age of the dominant tree species corresponds to the felling age period or one age class over the felling age period. (Felling age period – the time interval of the age class, the lower limit of which is the felling age).

**Maturing Stand** – a stand, where the age of the dominant tree species is within the limits of one age class before the felling age.

**Overflowing Glade** – a tract of land where development of a Forest Stand is not possible due to recurrent formation of elevated ground surface water levels.

**Over-insurance** – a situation in Insurance against losses, where the Sum Insured under one or more than one Insurance Contracts with respect to the same Insured Risk exceeds the value of the Insurance Object. In such an event, the Insurance Indemnity is paid out in accordance with the compensation principle, i.e., not exceeding the amount of losses and reducing it by the amount of deductible.

**Partially Destroyed Forest Stand** – a Forest Stand compartment, in which the damage has been all-encompassing and affecting all the tree species, insured in the Insurance Contract against the Insurance Risks indicated therein, and the Damage Intensity is less than 70% of all tree species insured in the compartment.

**Policyholder** – person concluding insurance contract for the benefit of itself or another person.

**Retention Trees** – trees of the previous generation that are still able to grow, which have been retained for biodiversity purposes in the last clear-felling.

**Snow bend** – an irreversible bending of the trunk of a growing tree under a wet snow cover.

**Snow-break** – the breaking of the tree top or trunk of a tree in the Forest Stand under the impact of snow or ice build-up.

**State Forest Register's Information System** – national information system for collecting, storing and updating information on forest and forestry activities carried out therein, adjacent marshes, forest infrastructure objects, overflowing clearings, marshes and glades.

**Sum Insured** – limit of BTA's liability in pecuniary terms, defined in the Insurance Contract, or rules of the limit's calculation.

**Tree Species** – trees, which are grown and cared for and indicated in the Insurance Application.

**Under-insurance** – a situation in Insurance against losses, where the Sum Insured under one or more than one Insurance Contracts with respect to the same Insured Risk 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 the value of the Insurance Object just before the occurrence of the Insured Event.

**Unindemnifiable Loss Level** – the level of losses specified in the Insurance Contract, expressed as percentage of the damaged area of the insured Forest Stand Compartment, when BTA will not pay Insurance Indemnity. In cases, when the Uncompensated Loss Level is exceeded and Insurance indemnity is payable, its size shall be established by subtracting from its amount the deductible, when such is defined in the Insurance Contract.

**Young Stand** – a Forest Stand of coniferous trees, ashes, and oaks of up to 40 years of age, a Forest Stand of grey



alders of up to 10 years of age, Forest Stands of other tree species of up to 20 years of age.

## 2. INSURANCE OBJECT

### 2.1. Species of trees specified in the Insurance Contract – trees:

- 2.1.1. European spruce (*Picea abies*),
- 2.1.2. silver birch (*Betula pendula*),
- 2.1.3. Baltic pine (*Pinus sylvestris* L.),
- 2.1.4. common ash (*Fraxinus excelsior*),
- 2.1.5. common oak (*Quercus robur*),
- 2.1.6. common aspen (*Populus tremula*),
- 2.1.7. common alder (*Alnus glutinosa*),
- 2.1.8. grey alder (*Alnus incana*).

## 3. INSURANCE COVERAGE

### 3.1. The Insurance Object shall be insured against the risks defined below, if they are marked as insured in the Insurance Contract.

#### 3.1.1. Fire risk – BTA indemnifies for the losses arising from the damage to the Insurance Object, when caused by:

- 3.1.1.1. Fire – fire ignition at places not meant for fire, also going beyond the place meant for fire and being able to spread by itself.
- 3.1.1.2. Bolt of lightning – direct impact of lightning on the Insurance Object causing damage or fire;
- 3.1.1.3. Drought – a fire caused by prolonged drought.

#### 3.1.2. Storm risk – BTA indemnifies for losses arising from the damages caused by wind to the Insurance Object, if the wind velocity over 18 m/s is registered and the conclusion is obvious that the damages to the trees are a result of the storm. If the wind speed cannot be determined in the effective area of the Insurance Contract, it shall be considered that storm has occurred, if the buildings, trees and objects adjacent to the effective area of the Insurance Contract that have been in a good condition prior to that, have been damaged by the wind. The Insured Risk has occurred if the Forest Stand has been completely or partially destroyed by direct impact of wind.

#### 3.1.3. Theft risk – BTA indemnifies for direct losses in the case of establishing a theft of growing trees in any of the insured Forest Stands.

#### 3.1.4. Wild animal risk – BTA indemnifies direct losses if Wild animal activity has been established which has resulted in damages to the trunk of a tree or to all of its tops. The Insured Risk has occurred, if the bark of the trees, directly affected by wild animals, has been peeled off of at least 20% of the total bark surface area for each tree individually, or the tree's trunk or all of its tops are completely damaged and turned into Deadwood.

#### 3.1.5. Snow-break risk – BTA indemnifies direct losses if, due to a prolonged snow build-up, a partial or complete split of the tree trunk has been established leading to the tree turning into Deadwood completely.

#### 3.1.6. Insect risk – BTA indemnifies for direct losses if Damages to the common spruce (*Picea abies*) caused by the eight-toothed bark beetle (*Ips typographus*) are detected, as a result of which the tree has lost its Growth Ability.

## 4. SUM INSURED

### 4.1. Sum Insured – the Sum Insured shall be set for each insured Forest Stand Compartment separately and indicated in the Insurance Contract.

### 4.2. Setting the Sum Insured – the Sum Insured is set by the Policyholder. When concluding the Insurance Contract, the Policyholder assumes full liability for setting the Sum Insured and its correspondence to the value of the Insurance Object. If, upon occurrence of an Insured Event the Sum Insured is established to differ from the value of the Insurance Object, then, calculating the amount of the Insurance Indemnity, the conditions regarding Under-insurance or Over-insurance shall be applied.

### 4.3. After the Insurance Indemnity payment, the Sum Insured for the respective Insured Forest Stand Compartment shall be reduced by the amount of the disbursed Insurance Indemnity.

## 5. EXCEPTIONS

### 5.1. An event shall not be recognized as an Insured Event and the following shall not be indemnified:

- 5.1.1. Losses incurred in the insured Forest Stand Compartment, where they do not exceed the Unindemnifiable Loss Level specified in the Insurance Contract.

- 5.1.2.** Losses caused to Forest Stands by beaver activity.
- 5.1.3.** Losses caused to Forest Stands by Snow bend.
- 5.1.4.** Losses caused by wild animal activity in a Mature Stand.
- 5.1.5.** Losses caused by snow-break or by wild animal activity, which has resulted in damaged tree branches but not the top of the tree.
- 5.1.6.** Losses related to theft, if it has been committed in a round timber upper stack or lower stack, as well as the theft of unstacked materials, located in a developed or partially developed Forest Stand or clearing.
- 5.1.7.** Losses incurred due to fraud or embezzlement.
- 5.1.8.** Losses caused by the activity of eight-toothed bark beetle in Forest Stand areas, where the dominant species is other than Spruce.
- 5.1.9.** Losses resulting from logging, or maintenance of Young Stands, or any other economic activity.
- 5.1.10.** Losses that have occurred in the case when a protected bird, animal, plant or insect is established in any of the insured Forest Stand Compartments, as a result of which a restriction of economic activity or a total prohibition of economic activity is imposed.
- 5.1.11.** Losses, if the value of the damaged Insured Forest Compartment does not exceed the Deductible specified in the Insurance Contract, then Insurance Indemnity shall not be paid.
- 5.2.** It shall not be regarded an insured event and no such expenses will be indemnified when incurred directly or indirectly in connection with:
  - 5.2.1.** Information technologies security incident – losses incurred as a result of an information technologies security incident that has occurred or is about to occur in the Cyberspace. Cyberspace is an interactive environment that includes users, networks, computing technology, software, processes, information in transit or storage, applications, services, and systems that can be connected directly or indirectly to the Internet, telecommunications and computer networks, and in which its users interact. Cyberspace has no physical borders. Information technologies are technologies, which, for accomplishing their tasks, perform electronic processing of information, to include its creation, deletion, storage, display or transmission. Information technologies security incident is a harmful event or offence as a result of which the integrity, accessibility or confidentiality of information technologies is jeopardized.
  - 5.2.2.** Expenses related to interruption of economic activity – losses, which are the Insured's loss of revenue, lost profits, running (current) expenses, work pay, tax and duty payments;
  - 5.2.3.** Hazardous substances – losses incurred due to explosive substances or mixtures, inflammable gaseous, liquid or solid substances, toxic substances, mutagenic substances, carcinogenous substances or persistent organic pollutants;
  - 5.2.4.** Tree damages – losses related to the effects of viruses, fungi, bacterial diseases or pests on trees, except for Damages caused by the eight-toothed bark beetle, if the Insect risk is insured.
  - 5.2.5.** Failure to comply with good forestry practice.
  - 5.2.6.** Weather – losses incurred due to unsuitable weather conditions, due to which logging in the Insured Forest Stand becomes complicated or infeasible.
  - 5.2.7.** Malicious intent – losses incurred as a result of malicious intent of the Policyholder, Insured, authorized user or their employees, i.e. intentional action to cause damage, or due to the level of fault that in terms of compensation of losses and other civil consequences is similar to malicious intent;
  - 5.2.8.** Penal sanctions – fines, contractual penalties, and similar payments, the duty of payment of which arises from regulatory enactments;
  - 5.2.9.** Terrorism – losses that have incurred in regard to any manifestation of terrorism, including but not limited to terror act (act that is manifested as the use of power and violence, or threats to apply it by any person or group of persons acting alone or in relation to any organisation or government or in the name of those, that is committed due to political, religious, ideological or ethnic reasons and that include an intent to impact government or cause danger to society or any part of it), as well as losses incurred in relation to preventive measures of terrorism act are not compensated;
  - 5.2.10.** Maintenance – expenses for regular maintenance of trees, taking care of regular or emergency needs of trees, as well as no expenses of the Policyholder or the Insured for consultations, expertise, experiments or any kind of checks shall be subject to compensation;
  - 5.2.11.** Water accumulation – losses related to improper operation of the Forest Stand drainage system or compaction of soil and branches as a result of formation of beaver dams;
  - 5.2.12.** Wind damages – wind damage that has occurred after logging (for example, logging has been performed, and the remaining stand as a result of it is not resistant to wind).

**5.2.13.** Environmental pollution – losses arising from observation, control, evaluation, inspection or aversion of environmental contamination or pollution, as well as pollution containing, cleaning, deactivating or environmental remediation works, including damage caused to ecology or biological diversity.

**5.2.14.** Losses caused by the falling of Retention Trees on the trees growing in the young stand, in which case the losses for the damaged trees shall not be compensated.

**5.3.** Losses incurred directly or indirectly due to:

**5.3.1.** declared emergency situation or state of exception, neither shall be reimbursed any losses or expenses that have arisen directly or indirectly in connection with any measures to eliminate the emergency situation or the state of exception;

**5.3.2.** epidemic or pandemic.

## **6. OBLIGATIONS UPON OCCURRENCE OF A POTENTIAL INSURED EVENT**

**6.1.** A precondition for insurance indemnity payment upon occurrence of a potential Insured Event, is the fulfilment of the obligations of the Policyholder or the beneficiary:

**6.1.1.** Upon occurrence of a potential Insured Event, immediately, as soon as possible, inform BTA of the occurred accident by means of the hotline +371 26121212 or resources specified in BTA website [www.bta.lv](http://www.bta.lv) and provide the information about the accident and follow the received instructions;

**6.1.2.** 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.);

**6.1.3.** Upon occurrence of a Forest Stand accident, to immediately, as soon as possible, carry out the activities in accordance with the effective regulatory enactments;

**6.1.4.** Immediately, upon BTA's request, to submit a definite form written statement regarding the occurrence of the potential Insured Event providing possibly complete and detailed information about the accident. Also, upon BTA's request, to resubmit a previously given information about the potential Insured Event by phone, at BTA's website, by e-mail or by means of other distance communication, also in writing, i.e., in paper form and signed with own hand, or as an electronic document, signed by a secure electronic signature;

**6.1.5.** To submit all documents and information requested by BTA that are required to understand the accident circumstances or to determine the loss amount.

## **7. INSURANCE INDEMNITY**

**7.1.** If, upon occurrence of an Insured Event as a result of Storm, Snow-break, Insect, Fire or Wild animal risk, the value before the Damage occurrence of the Insured Forest Stand Compartment damaged as a result of the Insured Event is indemnified, a loss assessment expert appointed by BTA shall determine the amount of Damage caused to the Insured Forest Stands, taking into account the Unindemnifiable Loss Level and not exceeding the Indemnity Level specified in the Insurance Contract.

**7.2.** The Insurance Indemnity in the case of Theft:

**7.2.1.** is calculated in the amount of per cent of the Sum Insured of the affected Insured Forest Stand, considering what is the percentage of the Insured trees damaged or perished as a result of the Insured Risk occurrence, considering the Unindemnifiable Loss Level specified in the Insurance Contract and subtracting the Deductible, and not exceeding sublimit, when such has been established;

**7.2.2.** when conducting the loss estimate, the following shall be deducted from this amount: the value of timber growth unearned, funds saved by the Insured for the Insured tree maintenance, care, regular or emergency needs, logging; care of young stands, their planting or sowing; storage, sales of planting and/or timber material, etc.

**7.3.** If in case of Storm and/or Snow-break, Insect, Fire, Wild animal risk occurrence has resulted in Damage to trees, then Insurance Indemnity is calculated by applying the following rules:

**7.3.1.** If the Insured Event occurs in a Young Stand, then:

**7.3.1.1.** Insurance Indemnity shall be 50% of the value of the part, affected by the Storm, of the insured Forest Stand Compartment;

**7.3.1.2.** Insurance Indemnity shall be 30% of the value of the part, affected by the Snow-break, of the insured Forest Stand Compartment;

**7.3.1.3.** Insurance Indemnity shall be 20% of the value of the part, affected by Insects, of the insured Forest Stand Compartment;

**7.3.1.4.** Insurance Indemnity shall be 100% of the value of the part, affected by the Fire, of the insured Forest Stand Compartment;

**7.3.1.5.** Insurance Indemnity shall be 20% of the value of the part, affected by Wild animals, of the insured Forest Stand Compartment;

**7.3.2.** If the Insured Event occurs in a Maturing Stand, then:

**7.3.2.1.** Insurance Indemnity shall be 50% of the value of the part, affected by the Storm, of the insured Forest Stand Compartment; 6/8

**7.3.2.2.** Insurance Indemnity shall be 30% of the value of the part, affected by the Snow-break, of the insured Forest Stand Compartment;

**7.3.2.3.** Insurance Indemnity shall be 20% of the value of the part, affected by Insects, of the insured Forest Stand Compartment;

**7.3.2.4.** Insurance Indemnity shall be 40% of the value of the part, affected by the Fire, of the insured Forest Stand Compartment;

**7.3.2.5.** Insurance Indemnity shall be 10% of the value of the part, affected by Wild animals, of the insured Forest Stand Compartment;

**7.3.3.** If the Insured Event occurs in a Mature Stand, then:

**7.3.3.1.** Insurance Indemnity shall be 50% of the value of the part, affected by the Storm, of the insured Forest Stand Compartment;

**7.3.3.2.** Insurance Indemnity shall be 30% of the value of the part, affected by the Snow-break, of the insured Forest Stand Compartment;

**7.3.3.3.** Insurance Indemnity shall be 20% of the value of the part, affected by Insects, of the insured Forest Stand Compartment;

**7.3.3.4.** Insurance Indemnity shall be 40% of the value of the part, affected by the Fire, of the insured Forest Stand Compartment;

**7.4.** If the value of the part of the Forest Stand Compartment affected by Storm, Snow-break, Insect, Fire or Wild animal risk is lower than the Unindemnifiable Loss Level specified in the Insurance Contract for the Insured Forest Stand Compartment, the Insurance Indemnity shall not be paid.

**7.5.** If, as a result of the theft risks, the trees stolen in the forest stand area are indemnified, deducting the level of Irreparable Losses specified in the Insurance Contract and deducting the Deductible and not exceeding the sub-limit, in any.

**7.6.** BTA is entitled to deduct the unpaid insurance premium from the calculated Insurance Indemnity.

**8. INSURANCE CONTRACT CONCLUSION AND TAKING EFFECT**

**8.1.** The Insurance Contract is concluded based on an Insurance Offer prepared by BTA for the Policyholder, and the parties agree upon acceptable Insurance Contract provisions.

**8.2.** The Insurance Offer is prepared based on Insurance Application.

**8.3.** When the Insurance Contract is concluded, BTA issues to the Policyholder an Insurance Policy that confirms conclusion of the Insurance Contract.

**8.4.** Amendments to the concluded Insurance Contract shall be processed in the form of an annex to the Insurance Policy.

**8.5.** The insurance provided by the Insurance Contract shall take effect as of 00:00 of the first day of the Insurance Period specified in the Insurance Contract. but not earlier than the moment when the first instalment of the Insurance Premium is paid (if the Insurance Contract provides payment of Insurance Premium by instalments), in cases when:

**8.5.1.** the Insurance Contract provides that the first day of the Insurance Period is the day when the Insurance Premium is paid;

**8.5.2.** the Insurance Premium payment day is set prior to the first day of the Insurance Period in the Insurance Contract.

**8.6.** If the Insurance Contract provides that the Insurance Premium or the first instalment of the Insurance premium (if the Insurance Contract provides payment of the Insurance Premium by instalments) have to be paid after the first day of the Insurance Period specified in the Insurance Contract, the insurance becomes effective at 00:00 of the first day of the Insurance Period provided that the Policyholder has paid the Insurance Premium or its first instalment within the term and in the amount provided in the Insurance Contract.

**8.7.** If the Insurance Premium or its first instalment has been paid after the payment term prescribed in the Insurance Contract, BTA is entitled to repay the delayed Insurance Premium to the Policyholder within 10 working days, or, if BTA is not aware of the way how the Policyholder can receive the Insurance Premium, BTA can request such information. In this case Insurance shall not have taken effect.

**8.8.** If BTA, within the term provided in Article 8.7 of these Terms and Conditions, does not refund the Insurance Premium or its first instalment, or if BTA does not send the request referred to in Article 8.7 to the



Policyholder, the insurance is effective in line with the provisions of Articles 8.5 and 8.6 of these Terms and Conditions.

**8.9.** If the Insurance Premium or its first instalment is paid after the term provided in the Insurance Contract and a potential Insured Event has occurred until the payment of the Insurance Premium, Insurance shall not have taken effect. In this case, BTA is obliged to notify the Policyholder about the invalidity of insurance within 10 working days and refund the Insurance Premium paid with delay to the Policyholder.

**8.10.** Insurance is effective until 24:00 of the last day of the Insurance Period specified in the Insurance Contract, if the Policyholder and BTA have agreed or due to other reasons the Insurance Contract has not been terminated prematurely.

## **9. CONCLUSION OF INSURANCE CONTRACT BY MEANS OF DISTANCE COMMUNICATION**

**9.1.** Insurance Contract can be concluded by means of distance communication, i.e., by means of post, internet, electronic mail, telephone or other means of information exchange.

**9.2.** When the Insurance Contract is concluded by a Policyholder, who is a consumer, then such Insurance Contract shall be subject to the Distance Contract Terms, which are publicly available on BTA's website [www.bta.lv](http://www.bta.lv). Distance Contract Terms, inter alia, describes the procedure of exercising the withdrawal rights, i.e., the rights to withdraw from the concluded Insurance Contract, including available application form, which can be used for exercising the withdrawal rights.

Consumer is a natural person, concluding Insurance Contract for a purpose unrelated to its business or professional activity.

## **10. SUBROGATION RIGHTS**

**10.1.** If BTA has paid out Insurance Indemnity, BTA obtains subrogation rights to request compensation in the amount of the paid Insurance Indemnity from the person from whom, pursuant to the laws and regulations, contract or any other agreement, the Insurer may request compensation of losses in full or in part.

**10.2.** If the Insured has not informed BTA in writing about any other procedure, then, also in cases when Insurance Indemnity disbursed by BTA covers only part of loss of the Insured, BTA is entitled to exercise its subrogation rights regardless of whether the Insured does or does not exercise its rights to bring a claim against the guilty person. BTA and the Policyholder or the Insured may agree in writing upon cooperation in recovery of losses, including bringing the case before the court and pursuing it together.

## **11. PERSONAL DATA PROCESSING**

**11.1.** BTA, as the personal data controller, processes personal data of natural persons in compliance with personal data processing requirements defined in the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) and other regulatory enactments.

**11.2.** Principles of personal data processing performed by BTA are published on BTA website [www.bta.lv](http://www.bta.lv).

## **12. OTHER PROVISIONS**

**12.1.** In the event of discrepancies and contradictions between the documents of the Insurance Contract, the following hierarchy shall be observed and they shall be applied in the following order:

**12.1.1.** Annexes to the Insurance Policy (if any) that amend the provisions of the Insurance Contract, in a succession depending on the date of becoming effective from the latest ones to the oldest ones;

**12.1.2.** Insurance Policy;

**12.1.3.** these Insurance Terms and Conditions.

**12.2.** Procedure how BTA handles a complaint for being dissatisfied with insurance contract or insurance services submitted by the submitter of insurance application, the Policyholder, the beneficiary, a third party in liability insurance, and another person entitled to claim insurance indemnity, is publicly available on BTA's website [www.bta.lv](http://www.bta.lv).

**12.3.** The parties undertake not to disclose provisions of the Insurance Contract and information received within the framework of the Insurance Contract about the parties to the Insurance Contract or third parties, as well as not to use this information opposite to the interests of the parties to the Insurance Contract. The Information received under the Insurance Contract can be transferred to other persons in the cases prescribed 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, persons engaged by BTA for Insurance Contract performance, as well as to store it in BTA databases.

**12.4.** All disputes arising between the parties to the Insurance Contract shall be settled by means of negotiation. 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 BTA and the Policyholder have agreed upon another dispute settlement procedure in the Insurance Contract.

- 12.5.** 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.
- 12.6.** Notifications, requests and information related to the Insurance Contract, BTA, as well as the Policyholder and the Insured shall provide in writing or upon the use of durable medium or means of distant communication, upon the use of which the parties have agreed in the Insurance Contract.
- 12.7.** Upon request by the Policyholder, the Insured or another person, entitled to claim the Insurance Indemnity, BTA shall provide the claimant with its notifications, requests and the information, provided upon the use of website, durable medium or any other means of distant communication, in writing and free of charge.
- 12.8.** The contractual relationships under the insurance contracts are governed by regulatory enactments of the Republic of Latvia.
- 12.9.** BTA is not entitled to provide insurance and BTA is not obliged to pay the Insurance Indemnity or provide benefits in accordance with the Insurance Contract, as long as provision of such insurance, Insurance Indemnity disbursement or provision of benefits:
  - 12.9.1.** subjects BTA to sanctions, restrictions or limitations, established by the resolutions of the United Nations or trade or economic sanctions, regulatory enactments of the European Union, the Republic of Latvia or the United States of America (upon condition that it does not violate any regulations or regulatory enactments, applicable to BTA);
  - 12.9.2.** subjects a reinsurance company, the whom the insurance contract is submitted for reinsurance, to sanctions, restrictions or limitations, established in accordance with the regulatory enactments of the reinsurance company's state of registration.
- 12.10.** These Terms and Conditions are published at BTA website: [www.bta.lv](http://www.bta.lv).