

"MTPL LEGAL ASSISTANCE" INSURANCE

Terms and Conditions No. 1



Approved by BTA Insurance Company SE Board Decision No. 92 of 11 September 2012

1. Insurance Coverage

1.1. MTPL legal assistance insurance coverage is only offered together with the BTA Compulsory civil liability insurance of motor vehicle owners contracts (hereinafter MTPL contract).

1.2. Pursuant to these Terms and Conditions the owner, holder or authorised driver of the motor vehicle specified in the MTPL contract is provided with legal assistance and indemnification for legal expenses, i.e. litigation expenses and expenses related to legal services (hereinafter the Legal Expenses):

1.2.1. to receive indemnification for the losses incurred due to the road traffic accident (hereinafter RTA) from the insurance company that has insured civil liability of the vehicle owner who has caused the RTA or from a vehicle insurance bureau of a respective country;

1.2.2. to receive the compensation for the losses incurred due to the road traffic accident from the responsible person when the losses are not indemnified in accordance with the regulatory enactments governing the compulsory civil liability insurance of motor vehicle owners or that exceed the liability limits prescribed by the aforementioned regulatory enactments;

1.2.3. to defend legal rights in the criminal proceedings initiated in relation to the RTA according to which the owner, holder or authorised driver of the vehicle claims the loss compensation pursuant to the regulatory enactments governing compulsory civil liability insurance of motor vehicle owners;

The insurance covers defence in criminal proceedings initiated in the Republic of Latvia, Republic of Lithuania and Republic of Estonia.

1.2.4. to receive defence of legal rights in administrative proceedings and administrative cases in relation to administrative violations regarding road traffic using the vehicle specified in the MTPL contract.

BTA will ensure defence of legal rights related to 1 administrative violation, if the MTPL contract is concluded for 3 months; 2 administrative violations, if the MTPL contract is concluded for 6 months; 3 administrative violations, if the MTPL contract is concluded for 9 months; and 4 administrative violations, if the MTPL contract is concluded for 12 months. The insurance coverage applies to administrative violations in road traffic committed during the validity period of the MTPL contract in the territory of the Republic of Latvia. The insurance coverage applies to administrative violations in road traffic committed during the validity period of the MTPL contract in the territory of the Republic of Latvia.

1.3. Pursuant to these Terms and Conditions passengers of the motor vehicle specified in the MTPL contract who are in the aforementioned vehicle during the RTA (in the event of death, the persons who are entitled to receive the insurance indemnity) are provided with the legal assistance and indemnification for Legal Expenses:

1.3.1. to receive indemnification for the losses incurred due to the RTA from the insurance company that has insured civil liability of the vehicle owner who has caused the RTA or from a vehicle insurance bureau of a respective country;

1.3.2. to receive compensation for the losses incurred due to the road traffic accident from the responsible person when the losses are not indemnified in accordance with the regulatory enactments governing the compulsory civil liability insurance of motor vehicle owners or that exceed the liability limits prescribed by the aforementioned regulatory enactments.

1.4. BTA ensures legal assistance and compensation of Legal Expenses to:

1.4.1. ensure compensation to the owner, holder, authorised driver or passenger of the motor vehicle specified in the MTPL contract for the damages incurred due to the RTA by considering a case in the out-of-court proceeding or initiating a civil action or administrative case or criminal proceedings;

1.4.2. defend or represent the owner, holder or authorised driver in the civil, criminal or administrative proceedings or in any action brought against the aforementioned persons if it is necessary to determine the liability of the motor vehicle owner, holder or authorised driver, or affects the right thereof to receive the indemnity in accordance with the regulatory enactments governing the compulsory civil liability insurance of motor vehicle owners or in accordance with the general loss compensation procedure;

1.4.3. ensure protection of the rights of the owner, holder or authorised driver of the motor vehicle specified in the MTPL contract at State authorities and court institutions to ensure protection of the aforementioned persons' legal interests as road traffic participants.

1.5. The insurance covers all RTA:

1.5.1. that occur during the validity period of the MTPL contract;

1.5.2. that occur in the countries of the European Economic Area, or, if when entering into the MTPL contract the owner, holder or authorised driver of the motor vehicle declares the countries where the vehicle is going to be used then the insurance coverage according to these Terms and Conditions will only be valid in those countries;

1.5.3. that are not caused by the authorised driver of the motor vehicle specified in the MTPL contract. The aforementioned provision does not apply in the events when there is a dispute regarding liability of the vehicle driver in causing the RTA and BTA believes that there is a possibility that the driver will not be found liable or co-liable.

2. Liability Limit

2.1. Liability limit for Legal Expenses (the total amount of the insurance indemnity to be paid out) is LVL 10 000 (ten thousand lats) for the entire insurance coverage period and for one event.

3. Rights and Obligations of the Parties

3.1. The owner, holder, authorised driver or passenger of the motor vehicle specified in the MTPL contract (hereinafter the Insured) is obliged to call the BTA Client Support hotline at (+371) 26121212 immediately, or as soon as possible, and notify BTA of the RTA and any other event specified in these Terms and Conditions that is or could be a reason in the future to bring an action against the Insured or the reason for the Insured to bring an action against a third party, as well as to submit all information and documents possessed by the Insured in relation to the event to BTA or a person specified by BTA, including to submit to BTA claims and statements received from third parties.

3.2. No later than within 30 (thirty) days after the receipt of the notification referred to in Article 3.1 and all required document makes one of the following decisions:

3.2.1. to provide legal assistance and compensate Legal Expenses;

3.2.2. if BTA reasonably believes that there is not much hope to protect the legal interests of the Insured successfully, or it looks deliberately created or does not correspond to the planned perspective, BTA does not provide legal assistance and does not compensate Legal Expenses.

3.3. If prior to receiving the BTA decision in accordance with the procedure set forth in Article 3.1, the Insured takes measures to protect his or her legal interests, and therefore he or she incurs Legal Expenses, BTA indemnifies for the measures taken by the Insured only if the decision referred to in Article 3.2.1 is adopted and only for the expenses and to the extent to which it would have indemnified in accordance with the terms and conditions if the decision to compensate Legal Expenses had been made prior to incurring the expenses.

3.4. If, after the BTA decision referred to in Article 3.2.2 of these Terms and Conditions is made, the Insured takes measures to protect his or her legal interests and succeeds, BTA will indemnify the justified reasonable Legal Expenses.

3.5. BTA is entitled to determine the action plan for the protection of legal interests of the Insured and the Insured is entitled to reject such plan only by written agreement of BTA.

3.6. The Insured is entitled to choose the lawyer or another person with corresponding qualification (hereinafter the lawyer) who can defend and represent interests of the Insured in civil, criminal or administrative proceedings or without participation in such proceedings.

3.7. BTA chooses the lawyer if it is requested by the Insured or if the Insured does not appoint a lawyer and BTA considers it necessary to immediately engage a lawyer. BTA is not responsible for the lawyer's actions.

3.8. The Insured must provide BTA, the authorised person of BTA or the lawyer with complete and true information on the RTA and any event that is or could be a reason in the future to bring an action against the Insured or the reason for the Insured to bring an action against a third party and submit all proof and information, as well as required documents. If the Insured fails to fulfil the aforementioned obligation, BTA does not compensate Legal Expenses.

3.9. The Insured is obliged to give BTA or authorised persons thereof the authorities required to protect the legal interest of the Insured and represent the Insured.

4. Insurance Indemnity

4.1. BTA pays out the insurance indemnity amounting to the actual amount of Legal Expenses in monetary terms, not exceeding the liability limit, in addition:

4.1.1. for legal expenses – not exceeding the amount prescribed by Cabinet Regulation No. 1068 of 22 December 2008, Regulations Regarding the Scope and Procedures for Payment of State Ensured Legal Aid, Reimbursable Expenses and the Procedures for Payment thereof or regulations replacing them and other effective regulatory enactments of the Republic of Latvia, except in the event BTA agrees upon another amount prior to the receipt legal expenses;

4.1.2. for litigation expenses in the amount prescribed by regulatory enactments;

4.1.3. arbitration court fees that are no more than one-and-a-half times the fee to be paid at the State court of first instance by jurisdiction;

4.1.4. the compensation for remuneration for out-of-court dispute settlement amounts to eight-hour fees not exceeding LVL 13.50 (thirteen lats and fifty santims) for one hour or the equivalent amount in another currency in accordance with the exchange rate of the Bank of Latvia.

4.2. If, after BTA pays out the insurance indemnity and compensates the Legal Expenses, the court sentences the other party involved in the litigation to pay the court expenses and the matter settlement expenses in favour of the Insured, the Insured is obliged to pay back the share of the insurance indemnity paid by BTA totalling the amount adjudicated by the court judgement in favour of the Insured.

5. Exceptions

5.1. The insurance does not apply to:

5.1.1. any kind of penalties or similar sanctions imposed on the owner, authorised driver or passenger of the motor vehicle specified in the MTPL contract;

5.1.2. any claim or dispute between BTA and the owner, holder, authorised driver or passenger of the motor vehicle specified in the MTPL contract.

6. Other Terms and Conditions

6.1. Upon termination of the MTPL contract this insurance also is terminated.

6.2. These Terms and Conditions apply to insurance contracts signed starting from 1 September 2012, unless the parties agree otherwise in the insurance contract.