

Adopted by Order No. V-1/15 of the CEO of the Branch of 23 February 2015

## GENERAL INSURANCE TERMS AND CONDITIONS

Effective from 01 March 2015

### 1. CONCEPTS AND INTERPRETATION

1.1. The concepts, starting with a capital letter, used in the contract as well as in the mutual notices, sent by the parties during the Contract performance, shall have the meaning and/or specific content defined in the Contract and shall be respectively interpreted, unless otherwise stated in the Contract or the respective notices of the parties and/or the context expressly otherwise requires.

1.1.1. **Insured** shall mean a natural person, stated in the Contract, whose Insured Risk shall be insured and to whom the Insurer shall undertake to pay the Insurance Indemnity in case of an Insurable Event occurring in such person's life. Special terms and conditions or requirements for the Insured may be stated in the Special Terms and Conditions. In cases when the Policyholder and the Insured are different persons, the Insured or his/her legal representative shall personally sign an application to conclude the Contract or, on request of the Insurer, submit a separate written consent for the Contract conclusion, or other required data, information, consents, or proofs.

1.1.2. **Personal Data** shall mean the personal data and information of a Client available to the Insurer, irrespective of their form or content.

1.1.3. **Personal Data Handling** shall mean any action performed with Personal Data, irrespective of means or methods used for that: collection, recording, accumulation, storage, classification, grouping, consolidation, modification (supplement or correction), provision, announcement, access granting, transfer, use, logical and/or arithmetic operations, search, dissemination, destruction or other action or a set of actions.

1.1.4. **General Insurance Terms and Conditions** shall mean the present general insurance terms and conditions of the Insurer, which determine the main principles of legal relationships between the Insurer and the Client, the general terms and conditions for all insurance contracts and applicable for all

types of insurance offered by the Insurer unless the separate insurance rules or contracts stipulate otherwise. The General Insurance Terms and Conditions shall be applicable to the Contracts concluded starting from their effective date and, and upon a separate agreement of the Insurer and

the Policyholder – to the Contracts concluded prior to their effective date, and all Clients of the Insurer, wishing to conclude an insurance contract with the Insurer, if it is not stated otherwise.

1.1.5. **Policyholder** shall mean a natural person or legal entity, which concludes a Contract with the Insurer for his or other person's benefit. Special terms and conditions or requirements for the Policyholder may be stated in the Special Terms and Conditions.

1.1.6. **Insurer** shall mean Compensa Life Vienna Insurance Group SE, acting through Compensa Life Vienna Insurance Group SE Lithuanian Branch or its legal successor and/or acquirer of its rights and/or obligations (if applicable).

1.1.7. **Insurance Coverage** shall mean the obligation of the Insurer to pay the Insurance Indemnity to the Beneficiary under the terms and conditions and procedure stated in the Contract upon occurrence of the Insurable Event. Specific Insurance Coverage shall come into force on the first day 0.00 hour of the Insurance Period, but no earlier than on the next day from payment of the first or total Insurance Premium, and shall be valid until the last day 24.00 hour of the Insurance Period or termination or expiry of the Contract on other basis. Special terms and conditions or requirements for the Insurance Coverage may be stated in the Special Terms and Conditions.

1.1.8. **Insurance Indemnity** shall mean the amount of money payable by the Insurer under the Contract upon occurrence of the Insurable Event, the specific amount of which shall be calculated and paid in accordance with the procedure and time limits set by the General Insurance Terms and Conditions and Special Terms and Conditions and/or any other indemnity related to the Contract.

1.1.9. **Insurance Premium** shall mean the amount of money payable by the Policyholder to the Insurer under the Contract, the amount and payment term of which are determined in the Insurance Policy. The Insurer shall be entitled to determine minimum Insurance Premiums.

1.1.10. **Insurance Period** shall mean a period of time defined and stated in the Contract by a specific term, during which the Insurance Coverage is valid. Special terms and conditions or requirements for the Insurance Period may be stated in the Special Terms and Conditions.



1.1.11. **Insurance Policy** shall mean a document, confirming the Contract conclusion and its conditions and issued under procedure and terms stated by the Insurer during conclusion of the Contract and/or amendment of its conditions. Upon issuance of a new or subsequent Insurance Certificate (Policy), all prior Insurance Certificates (Policies) to the same Contract shall become invalid.

1.1.12. **Insured Risk** shall mean a probability for occurrence of the Insurable Event.

1.1.13. **Sum Insured** shall mean the maximum amount of money stated in the Insurance Policy, with which the property interests are insured and which the Insurer undertakes to pay upon occurrence of the Insurable Event. The Sum Insured shall mean the Fixed Amount Insured and/or the Accumulated Amount depending on the chosen option of the Sum Insured (option A or option B). Conditions or requirements to the Sum Insured and the procedure for deducting and paying the Sum Insured shall be set by Special Terms and Conditions. The Insurer shall be entitled to set both minimal and maximal Sums Insured.

1.1.14. **Insurance Rules** shall mean the General Insurance Terms and Conditions and/or Special Terms and Conditions, or individual terms of an insurance contract.

1.1.15. **Insurable Event** shall mean an event stated in the specific Special Terms and Conditions and/or the Insurance Policy, upon which occurrence the Insurer pays the Insurance Indemnity under procedure and within terms stated in the Contract, however, in any case, only the event, which has occurred after the effective moment of the Contract and during the validity term of the Insurance Coverage and which is not the Uninsurable Event according to the Contract can be recognized as the Insurable Event. The Insurable Event must be substantiated with proper evidence and documents of a form and content acceptable to the Insurer.

1.1.16. **E-Life** shall mean an electronic system, which procedure and conditions of use are determined by the Insurer and which is intended for exchange of information and/or notices (which shall be understood as statements, reports, applications, indications, inquiries or other form of expression of will) between the Insurer and the Policyholder. The Policyholder shall be identified in E-Life system and his/her identity is determined according to the recognition means, given

personally to him/her and/or by using other secure electronic channels.

1.1.17. **Fixed Sum Insured** shall mean the share of the Sum Insured, which is set at the discretion of the Insurer as a specific sum of money. The Fixed Sum Insured shall be applied for the calculation of the value of the Insurance Indemnity in the event of death of the Insured depending on the chosen option of the Sum Insured (option A or option B).

1.1.18. **Investment Insurance Contract Administration Procedure** shall mean an administration procedure of contracts of investment insurance types, determined by the Insurer and published on the Insurer's website and in Client Service Divisions. The Insurer shall be entitled to unilaterally amend the Investment Insurance Contract Administration Procedure under procedure stated therein and/or in the General Insurance Terms and Conditions.

1.1.19. **Surrender Value** shall mean a portion of the Accumulated Value, payable in case of the Contract termination or partial withdrawal of money or in other cases stated in the Special Terms and Conditions or the applicable law. The Surrender Value shall be calculated according to the Contract conditions and the respective actuarial rules.

1.1.20. **Special Personal Data** shall mean Personal Data, related to natural person's racial or ethnic origin, political, religious, and philosophical or other beliefs, membership in trade unions, health, sexual life, as well as information about person's previous conviction.

1.1.21. **Pricelist** shall mean the code or any part thereof of the Charges determined by the Insurer, other mandatory payments or financial conditions applicable to the services provided, types of insurance offered by the Insurer, stated in the Special Terms and Conditions and/or published on the Insurer's website and Client Service Divisions. The Insurer shall be entitled to unilaterally change the Pricelist under procedure laid down in the General Insurance Terms and Conditions.

1.1.22. **War and State of Emergency** shall mean war or actions similar to war in their nature, irrespective of their forms or the fact if the war has been officially declared or not, as well as military incursion or similar military actions, military government establishment, rebellion, mass riots, civil unrest, use of weapons, occupation, revolution, civil wars, uprisings, government upheaval, siege, declaration of martial law or the



state of emergency or any other events or circumstances, determining the state of emergency.

1.1.23. **Military Service** shall mean participation of the Insured in any international or other military or defence operations, exercises, missions, as well as preparation for them during compulsory military service, professional military service, cadet service, voluntary military service or other service of military draftees.

1.1.24. **Accumulation Period** shall mean a period stated in the Contract, during which the Policyholder shall pay the Insurance Premiums with the purpose to accumulate and/or invest the assets.

1.1.25. **Client** shall mean a natural person or legal entity or their representative, including the Policyholder, the Insured, the Beneficiary, which are using, have used the Insurer's services or expressed the respective interest or intention.

1.1.26. **Charges** shall mean the charges, determined by the Insurer and stated in the Contract and/or the Pricelist and related to the Contract conclusion, performance or termination, which the Policyholder undertakes to pay under procedure and within terms stated in the Contract. The Charges shall be deducted from the Accumulated Value. Types of Charges: risk, management and Charges of additional services.

1.1.27. **Beneficiary** shall mean a natural person or legal entity, stated in the Contract or appointed by the Policyholder or, in cases stated in the Contract, by the Insured, which acquires the right to the Insurance Indemnity or part thereof upon occurrence of the Insurable Event under procedure and terms stated in the Contract. Special terms and conditions or requirements for the Beneficiary may be stated in the separate Special Terms and Conditions.

1.1.28. **Irrevocable Beneficiary** shall mean the Beneficiary, which cannot be unilaterally recalled or changed by the Policyholder without the consent of the Beneficiary himself or, in cases stated in the Contract, of the Insured.

1.1.29. **Uninsurable Event** shall mean an event or circumstances, stated in the Special Terms and Conditions and/or the Insurance Policy, upon which occurrence the Insurer shall not pay the Insurance Indemnity.

1.1.30. **Additional Insurances** shall mean an agreement on additional Insurance Coverage,

valid only with the main life insurance contract and which conditions are stated in the respective Special Terms and Conditions.

1.1.31. **Offer** shall mean the terms and conditions, under which the Insurer agrees to conclude the Contract.

1.1.32. **Engagement Dangerous Hobbies** shall mean one-time or regular participation in risky sports or leisure events and/or activities and/or contests (e.g. bungee-jumping; wrestling sports; alpine skiing; mountain climbing; paragliding; hang gliding; hot air ballooning; flying unlicensed air transport; skydiving; speleology; rafting; scuba diving; sailing, power kite sports, BMX and mountain bicycle sports; riding or ice gliding of constructions pulled by kites or sails; jet skiing; driving motor vehicles for competition, races or extreme driving sessions in specially-made and/or adapted routes, off-roads or participation in competitions, races or extreme driving sessions, and etc.).

1.1.33. **Application** shall mean an application of a form and content set out by the Insurer and duly filled in and signed by the Policyholder and the Insured to conclude and/or amend the Contract terms and conditions and the documents submitted together with it.

1.1.34. **Professional Sports** shall mean an individual or group participation in a national or international match, games, tournaments, workouts, etc. of any sport of professional nature, organised by the respective sport association, as well as in cases when the Insured received certain remuneration for being engaged in sports (e.g. a fee according to employment or civil contract, scholarship, daily allowance, etc.).

1.1.35. **Radiation** shall mean a radioactive radiation, pollution or poisoning (intoxication), nuclear reaction or nuclear energy impact, as well as unauthorised use of nuclear weapons.

1.1.36. **Special Terms and Conditions** shall mean the integral part of the Contract, which determines the rules, terms, conditions, and requirements of a specific type of insurance and/or the Additional Insurance offered by the Insurer.

1.1.37. **Accumulated Value** shall mean a monetary value of a specific Contract, which at a specific moment is calculated according to the Contract terms and conditions and the respective actuarial rules.



1.1.38. **Contract** shall mean an insurance contract, concluded between the Insurer and the Policyholder, according to which the Insurer undertakes to pay to the Policyholder or the Beneficiary the Insurance Indemnity upon occurrence of the Insurable Event for the fee and under procedure stated in the Contract. The Contract consists of the following integral parts: Insurance Policy, Special Terms and Conditions, General Insurance Terms and Conditions, Application accepted by the Insurer, Offer (if such is submitted in a written form), Pricelist, Investment Insurance Contract Administration Procedure, terms and conditions or requirements, stated in other documents related to the insurance contract or separately concluded by the parties (e.g. questionnaire surveys, individual or special terms and conditions) with all their annexes and current or future amendments and supplements of the respective documents or part thereof, including new versions.

1.2. Words in singular, given in the Contract text may have plural meaning and vice versa, if the context does not expressly requires otherwise.

1.3. Titles and subtitles in the Contract are used for convenience only and shall have no meaning for its interpretation.

1.4. References in the Contract to any contract or document shall also mean the references to their amendments, supplements or new version.

## **2. GENERAL PROVISIONS**

### **2.1. Insurance Object**

2.1.1. Insurance object is the property interest, stated in the specific Special Terms and Conditions and related to the lifespan and/or health of the Insured and/or capital accumulation.

### **2.2. Contract Terms and Conditions**

2.2.1. The General Insurance Terms and Conditions determine the general terms and conditions of the Contract. The special terms and conditions of the Contract, which depend on features of an insurance type, are determined in the respective Special Terms and Conditions. The Insurance Policy specified and approves the specific terms and conditions of the Contract, including, without limitation, the Insurance Coverage, insurance technical data or calculations, additional conditions or those agreed individually between the parties.

2.2.2. The General Insurance Terms and Conditions, the Special Terms and Conditions, the Pricelist, and the Investment Insurance Contract Administration Procedure are published on the Insurer's website and can be familiarized with at the Insurer's Client Service Divisions.

2.2.3. The Insurance Coverage under the Contract is valid in the Republic of Lithuania and outside its limits, if the Contract does not provide for otherwise.

2.2.4. Each condition of the Contract shall be separable and separate from each other and if it emerges at any time that any conditions are or become invalid, illegal or impracticable, this in no way shall affect and make invalid the remaining conditions of the Contract, and such improper conditions shall be immediately, under written agreement of the parties, changed into new conditions, closest in their meaning, objectives and content to the changed ones.

### **2.3. Contract Validity, Interpretation and Application**

2.3.1. The Contract shall come into force on the first day of the Insurance Period, but no later than on the next day after payment of the first or full Insurance Premium.

2.3.2. The Contract expires:

2.3.2.1. upon expiry of the Insurance Period stated in the Contract;

2.3.2.2. if the Insured, whose life is insured, dies during the Insurance Period;

2.3.2.3. upon payment of all Insurance Indemnities;

2.3.2.4. upon death of the Policyholder – natural person or the end of the Policyholder – legal entity, if there is no legal successor to their rights and obligations;

2.3.2.5. upon termination of the Contract under procedure and in cases laid down in the Contract or the applicable law;

2.3.2.6. in case of other basis for expiry of the obligations laid down by the applicable law.

2.3.3. In cases of existence of inconsistencies and/or contradictions among separate parts of the Contract, the Contract terms and conditions shall be determined and interpreted according to the rule, which grants the precedence to the terms



and conditions stated in the antecedent document against the stated in the subsequent document in the following order: Insurance Policy, Offer (if such is submitted in a written form), Application, Pricelist, Investment Insurance Contract Administration Procedure, Special Terms and Conditions, General Insurance Terms and Conditions.

2.3.4. If the Insurance Policy does not comply with the content of written Application of the Policyholder, and the Contract has been concluded by accepting the Application to conclude the Contract, the precedence shall be granted to the written Application of the Policyholder, if the Policyholder has not clearly expressed his consent regarding the amended and/or other terms and conditions of the Contract.

2.3.5. If the data and/or conditions in the Insurance Policy differ from the stated in the Insurer's Offer, the data and/or conditions in the Insurance Policy shall be deemed correct and accurate.

### **3. CLIENT IDENTIFICATION**

3.1. The Client or his/her representative shall submit the data and documents, required by the Insurer and having the form and content acceptable by the latter and conforming to the requirements of the applicable law, which confirm the Client's:

3.1.1. personal identity of a natural person or his/her representative;

3.1.2. registration data of a legal entity, documents, confirming legal entity's right to enter into respective transactions with the Insurer;

3.1.3. documents, confirming authorizations of representative of a natural person or legal entity and their identity documents;

3.1.4. other documents or data determined by the Insurer or the applicable law, related to the Contract conclusion, performance or termination and performance of requirements on money laundering and terrorism financing prevention and tax law.

3.2. In cases laid down by the Insurer and/or the Contract, the Client can be identified by secure, certified electronic channels, acceptable to the Insurer, E-Life, or by other electronic means acceptable to the Insurer.

3.3. The Insurer shall be entitled to require a natural person (including, without limitation, the Policyholder and the Insured) to personally conclude and/or sign the Contract or any document or transaction related to it.

3.4. The Insurer shall be entitled to not accept proxy document with no explicitly and unambiguously expressed proxy right or authorisations regarding conclusion, performance, etc. of respective transactions.

3.5. The Client undertakes to inform the Insurer on changes, invalidity of any identification and/or representation documents or expiry thereof on other basis within a reasonable term. Otherwise, the Insurer shall be entitled to refer to documents and data, submitted to him for such purpose at the latest.

### **4. PRE-CONTRACTUAL RELATIONS**

4.1. Prior to conclusion of the Contract, the Policyholder shall be entitled and is obliged to familiarize with the General Insurance Terms and Conditions, the Special Terms and Conditions, the Pricelist, the Investment Insurance Contract Administration Procedure (if applicable) and other terms and conditions, requirements, related to the Contract conclusion, performance and termination as well as with other significant information. The Policyholder, respectively, shall be entitled to receive all such above information from the Insurer.

4.2. The Policyholder shall provide to the Insurer thorough, accurate, full and correct information on the Insured health state, health examination results and other Insured Risk-related information.

4.3. The Insurer undertakes:

4.3.1. to familiarize the Policyholder with the General Insurance Terms and Conditions, the Special Terms and Conditions, the Pricelist, the Investment Insurance Contract Administration Procedure (if applicable) and other terms and conditions, requirements, related to the Contract conclusion, performance and termination as well as with other significant information;

4.3.2. to provide to the Policyholder the Contract-related consultations;

4.3.3. to provide to the Policyholder in writing the essential information, which the Insurer is obliged to provide to the Policyholder under the applicable law.





4.4. The Insurer shall be entitled to refuse to conclude insurance contract without stating any reasons.

## **5. INSURANCE CONTRACT CONCLUSION**

5.1. The Policyholder may conclude the Contract regarding his own or other person's property interests.

5.2. Prior to conclusion of the Contract with the Insurer, the Client's need for the respective transaction shall be ascertained and determined.

5.3. The Client, wishing to conclude the Contract with the Insurer, shall be familiarized with the General Insurance Terms and Conditions, the Special Terms and Conditions, the Pricelist, the Investment Insurance Contract Administration Procedure (if applicable) and shall receive their copy, as well as he shall be given all the essential information, related to conclusion and performance of the respective Contract (including, without limitation, information on the Insurer, law, applicable to the Contract, Insurance Premiums, Insurance Indemnities, procedures of their calculation and payment, possible cases of increase of the Insured Risk, applicable Charges, taxing procedure of insurance contract determined by the applicable law and applied by the state, basis, procedure and consequences of the Contract termination, etc.) and other information, determined by the applicable law and which must be provided to the Policyholder.

5.4. The Contract shall be concluded by acceptance of the Insurer of the Policyholder's Application, submitted to the Insurer or by acceptance of the Policyholder of the Insurer's Offer to conclude the Contract under the terms and provisions indicated therein.

5.5. In any case, the Policyholder and the Insured (if different than the Policyholder), or legal representative of the Insured, if due to the age the Insured is not capable of the same, shall properly fill in the Application of a form set out by the Insurer, the questionnaire survey, health survey and other related documents, necessary for assessment of the Insured Risk, and submit them to the Insurer.

5.6. Submission of the Application shall not oblige the Insurer to conclude the Contract.

5.7. The Application shall be valid for 30 (thirty) days from the date of its writing.

5.8. The Insurer's Offer shall be valid for 30 (thirty) days from the date of its issue, unless the Offer provides for otherwise.

5.9. Upon submission of the Application to conclude the Contract and/or during the Contract validity the Insurer shall be entitled to ask for additional information about the Insured health state, financial state of the Policyholder and the Insured or other data, important for assessment of the Insured Risk and possibilities of the Policyholder and/or the Insured to perform the obligations assumed under the Contract or the obligations subject to execution in accordance with the requirements of applicable law. The Policyholder and the Insured must provide thorough, correct and full information requested by the Insurer.

5.10. After assessment of the submitted Application together with the related documents, the results of health inspection and other information, the Insurer shall perform the risk assessment and submit the Offer, stating the terms and conditions under which he agrees to assume the Insured Risk and conclude the Contract. The Insurer, having regard to the Insured Risk, expenses of the Contract conclusion and performance, may offer to the Policyholder to conclude the contract under other terms and conditions than set out in the Application (by determining lower Sum Insured, higher Insurance Premium, by shortening Insurance Period, offering other type of insurance, and etc.).

5.11. Upon receipt of the Insurer's Offer, if acceptable, the Policyholder shall pay the first or full Insurance Premium and the Contract shall be deemed concluded and all its terms and conditions shall be deemed agreed and approved by the parties from the first day of receipt of the Insurance Premium, which is set out under procedure laid down in clause 7.7. of the present General Insurance Terms and Conditions.

5.12. The Insurer shall issue to the Policyholder the Insurance Policy within ten business days from receipt of the first of full Insurance Premium.

5.13. The Policyholder shall inform the Insured and the Beneficiary on the concluded and/or amended Contract and duly familiarize them with its terms and conditions, as well as ensure and guarantee that the Insured or the Beneficiary would duly and timely perform all terms and conditions and requirements of the Contract.

5.14. In case of loss of the Insurance Policy, the Insurer, upon the Policyholder's request, shall



issue to him a counterpart of the Insurance Policy, after payment of the respective fee set out in the Pricelist.

## **6. HEALTH EXAMINATION**

6.1. The Insurer shall be entitled to require health examination of the Insured at a medical institution acceptable to the Insurer and indicated by him and/or conclusion of a respective medical expert when concluding the Contract, increasing the Sum Insured, prolonging the Insurance Period, concluding Additional Insurance contract, in the light of new circumstances or facts, related to the Insured health, in cases when there is no possibility to accurately determine the health disorder suffered during the Insurable Event according to the available data or in other cases. The Insurer shall pay such expenses of health examination of the Insured, if such examination is required by the Insurer prior to conclusion of the Contract and the Special Terms and Conditions do not state otherwise.

6.2. The Insurer is entitled to check health state of the Insured by submitting respective inquiries to medical institutions prior to conclusion of the Contract and during its entire validity term, e.g. during investigation of the Insurable Event, amendment of the Contract terms and conditions, etc. If the Insurer fails to receive the requested information on health state, the Policyholder or the Insured must themselves submit the respective data and/or documents to the Insurer.

## **7. INSURANCE PREMIUMS**

7.1. The Insurance Premium shall be determined under agreement of the Policyholder and the Insurer. The Insurance Premium shall be determined according to the requested value for accumulation and the selected Sum Insured. The Insurance Premium depends on the Charges, assessment of the Insured Risk of the Insured, selected Insurance Coverage, Insurance Period, etc.

7.2. The Insurance Premium can be paid as a single premium or periodical: once per year, once per half-year, once per quarter, each month, under agreement with the Insurer.

7.3. The Policyholder, by paying higher or lower Insurance Premiums than set out in the Insurance Policy and within different that set out terms, may accumulate higher or lower Accumulated Value.

7.4. During the Contract conclusion the Policyholder may select the initial Insurance

Premium, which is payable only once together with the first periodic Insurance Premium.

7.5. The Insurance Premium shall be paid to the Insurer by conclusion of direct debit agreement or a similar contract, submission of a separate consent to assets writing-off in method of direct debit or multiple/standing payment order, by payment order or other method acceptable to the Insurer.

7.6. When paying the Insurance Premium the Contract number must be indicated, in case of the first Insurance Premium – number of Offer or other details requested by the Insurer in order to duly determine the Insurance Premium and its assignment to the specific Contract. The Policyholder shall be liable for payment of the Insurance Premium according to the Contract terms and conditions. If the Insurer cannot determine the Contract, for which the Insurance Premium is paid, it shall be deemed that the Insurance Premium has not been paid until the Insurer determines the Contract, according to which the Insurance Premium has been paid.

7.7. The payment date of the Insurance Premium shall be:

7.7.1. the day of writing-off of the duly identified Insurance Premium from the Policyholder's bank account, if premium is written-off under the Insurer's request from the Policyholder's bank account (direct debit, multiple/standing payment order, and etc.);

7.7.2. the day when the Insurer has determined the Contract, according to which unduly identified Insurance Premium has been paid, and assigned it to the respective Contract;

7.7.3. the day of inclusion of duly identified Insurance Premium into the Insurer's bank account, when paying by all other methods acceptable to the Insurer.

7.8. The Policyholder shall be entitled to freely change amount of the Insurance Premiums or periodicity of their payment, if the annual amount of the Insurance Premiums increases by no more than 5 times, compared to the amount of the Insurance Premiums, set out in the Insurance Policy. In other cases a prior consent of the Insurer shall be required for the respective change and the Insurer shall be entitled to not accept the Insurance Premium that does not comply with the terms and conditions stated in this clause.



7.9. Other persons may pay the Insurance Premiums for the Policyholder, without acquiring any rights to the Contract or the paid Insurance Premiums.

7.10. If the first Insurance Premium is received after expiry of the Offer validity term, the Insurer shall be entitled to unilaterally and respectively change the beginning of the Insurance Coverage term, amount of Risk Fees, amount of the Insurance Premium and/or the forecasted amount of the Accumulated Value and/or other terms and conditions of the Contract, related to the delayed receipt of the Insurance Premium, notifying the Policyholder about such amendments and, if needed, to require submitting a new health survey or other documents, performing new health examination, performing new assessment of the Insured Risk. If the amount of the Insurance Premium would change due to the above said circumstances and the Policyholder would have to pay an additional amount of the Insurance Premium, indicated by the Insurer, it shall be deemed that the Contract is concluded from the day of receipt of such additional Insurance Premium. If the Policyholder fails to pay the additional Insurance Premium within 30 (thirty) calendar days from the day of sending the Insurer's notice, the initial paid Insurance Premium shall be returned to the Policyholder and it shall be deemed that the Contract has not been concluded.

## **8. INSURED RISK**

8.1. The Insurer, when assessing the Insured Risk, shall be entitled to consider the age, health state, the specificity of occupation, hobbies, leisure time of the Insured and other criteria, having significance to the Insured Risk.

8.2. The Policyholder and the Insured shall immediately inform the Insurer about any circumstances or facts that may influence the increase of the Insured Risk. The circumstances or facts, increasing the Insured Risk, shall be deemed all circumstances, which can increase probability of occurrence of the Insurable Event or amount of possible damage, except for changes of age or health state. Such circumstances and facts shall include, inter alia, change of occupation, area of activity, hobbies, nature of work, sports activity, circumstances and facts, about which the Insurer has requested information prior to concluding and/or amending the Contract or setting the terms and conditions thereof, etc.

8.3. If the Insured Risk increases or circumstances that were not disclosed to the Insurer prior to entering into the Contract are revealed, the Insurer shall be entitled to require amendment of the Contract terms and conditions and/or increase of the risk Charges. If the Policyholder fails to respond to the submitted offer of the Insurer within 2 (two) calendar months or does not agree with the offered amendment of the Contract terms and conditions and/or increase of the risk Charges, the Insurer shall be entitled to terminate the Contract.

8.4. If the Policyholder fails to perform or improperly performs the obligations stated in clause 8.2, the Insurer shall be entitled to require termination of the Contract and compensation of losses in as much as they are not covered by the received Insurance Premiums.

8.5. The Insured Risk can be fully or partially reinsured under procedure set out by the Insurer.

8.6. The Insurer shall be entitled to change the amount of the risk Charges applicable under the Contract, if the Insured Risk increased upon change in mortality rate according to the changed mortality table. Possible increase in risk Charges shall be discussed with the Policyholder individually, prior to conclusion of the Contract, and the Policyholder shall confirm in writing that he has familiarized with it and expresses his agreement with it in writing.

## **9. BENEFICIARY**

9.1. It shall be deemed that the Contract is concluded for the benefit of the Insured, if no other Beneficiary is set out in the Contract.

9.2. Prior to conclusion of the Contract or later, however, in any case prior to occurrence of the Insurable Event, the Policyholder can assign one or more Beneficiaries, granting them rights into the Insurance Indemnity or part thereof in case of occurrence of the Insurable Event stated in the Contract, by informing the Insurer in writing respectively.

9.3. It shall be deemed that the Beneficiary is assigned, changed or recalled, if prior to the Insurable Event the Insurer receives written notice from the Policyholder about the Beneficiary's appointment, change or recalling and upon fulfilment of the terms and conditions and requirements, stated in clauses 9.4, 9.5, 9.7 and 9.8 of the present General Insurance Terms and Conditions. If the Beneficiary is appointed, changed or recalled without keeping to the terms





and conditions, set out in the present General Terms and Conditions or the applicable law, such appointment, change or recalling of the Beneficiary shall be invalid.

9.4. Upon appointment or change of the Beneficiary, which is not the Insured, a prior written consent of the Insured shall be required, except for cases, when all the below stated terms and conditions are present:

- the Insured has not attained the age of 18;
- the appointed Beneficiary is close relative of the Insured;
- the Beneficiary is appointed in case of survival of the Insured until expiry of the Insurance Period stated in the Contract.

9.5. If the Insured has not attained the age of 18, he is acknowledged incapable or his capability is limited, the Contract can be concluded only for the benefit of the Insured, except for cases stated in clause 9.4 of the General Insurance Terms and Conditions.

9.6. The Policyholder may assign several Beneficiaries, indicating the part of the Insurance Indemnity each of them is entitled to receive. If the Policyholder has assigned several Beneficiaries without indicating the part of the Insurance Indemnity each of them is entitled to, the Insurance Indemnity shall be paid to them in equal parts.

9.7. During the Contract validity the Policyholder shall be entitled to change the Beneficiary stated in the Contract or to recall the same, except for exceptions laid down in the Contract and applicable law, by informing the Insurer in writing thereof. If the Beneficiary has been appointed under the consent of the Insured, the Beneficiary can be changed only upon agreement of the Insured.

9.8. The Policyholder shall be entitled to appoint Irrevocable Beneficiary by informing the Insurer in writing thereof. Further, the Policyholder shall inform in writing a person about his appointment as the Irrevocable Beneficiary. The Irrevocable Beneficiary can be changed or recalled only upon his written consent.

9.9. If the Policyholder has indicated in his testament, that the Insurance Indemnity is inherited after his death, such indication of the Policyholder shall be equated to appointment or change of the Beneficiary only if the Policyholder

has informed or after the death of the Policyholder his inheritors have informed the Insurer in writing thereof and the terms and conditions and requirements stated in clauses 9.4, 9.5, 9.7 and 9.8 of the present General Insurance Terms and Conditions have been implemented.

9.10. The Contract may set out cases and procedure, when the Insured is entitled to appoint, change and recall the Beneficiary, however, in any case the terms and conditions and requirements applicable to appointment of the Beneficiary and set out in the present General Insurance Terms and Conditions must be maintained.

## **10. NOTIFICATION ON THE INSURABLE EVENT**

10.1. The Policyholder, the Insured and/or the Beneficiary and/or their legal successors shall notify the Insurer in writing about the Insurable Event immediately after they find out about it, but in any case no later than within 30 (thirty) calendar days.

10.2. If the Policyholder, the Insured or the Beneficiary and/or their legal successors fail to perform or improperly perform the obligations stated in clause 10.1 of the present General Insurance Terms and Conditions, the Insurer shall be entitled to refuse paying the Insurance Indemnity or reduce it, considering the fact if the Policyholder or the Beneficiary and/or their legal successors respectively have failed to perform their duty intentionally or due to negligence, except for cases when it is proved that the Insurer has found out about the Insurable Event on time or when such failure to notify about the Insurable Event does not have any effect on the Insurer's obligation to pay the Insurance Indemnity.

10.3. Together with the notice on the Insurable Event, the Insurer must be presented with the documents of a form and content acceptable to the Insurer and indicated in the Special Terms and Conditions and/or other documents required by the Insurer, necessary for payment of the Insurance Indemnity and confirming the fact, circumstances, causes and consequences of the Insurable Event.

## **11. INSURANCE INDEMNITY**

11.1. In addition to the below stated provisions and requirements, the Special Terms and Conditions set out the additional terms and conditions and requirements for procedure of determination of amount of the payable Insurance Indemnity and its payment.



11.2. The Policyholder, the Insurer, the Beneficiary and their inheritors shall be entitled to require the payment of the Insurance Indemnity in cases and under procedure stated in the Contract. The Insurance Indemnity shall be paid according to the latest assignment of the Beneficiary known to the Insurer. If information regarding the assignment, replacement, or recalling of the Beneficiary is submitted to the Insurer after the date when the Insurance Indemnity was paid, any other additional Insurance Indemnities shall be paid.

11.3. The Policyholder, the Insured, the Beneficiary shall cooperate with the Insurer in investigation of circumstances of the event, which can be acknowledged as the Insurable Event and guarantee that the Insurer could legally familiarise with the entire event-related information. A person claiming to the Insurance Indemnity shall submit to the Insurer documents indicated in Special Terms and Conditions, the form and wording of which is acceptable by the Insurer, which would acknowledge the possible Insurable Event and the circumstances and consequences thereof, and all other available documents and information regarding the circumstances and consequences of the possible Insurable Event which is required to determine the amount of the Insurance Indemnity. The expenses related to the receipt of supporting documentation shall be due to a person claiming to the Insurance Indemnity.

11.4. Upon receipt of the initial information on the possible Insurable Event, the Insurer shall perform investigation of the Insurable Event during which the requests to provide information, explanations, copies of documents, etc. may be sent to other enterprises, establishments, institutions or organizations. Upon receiving all required information, data, documents or other proofs, the Insurer shall value the circumstances of the event, the compliance thereof with the requirements of the Contract and shall make a decision on the qualification of the event, the amount and nature of an injury and/or either on payment or non-payment of the Insurance Indemnity.

11.5. If any disputes regarding assessment of the Insurer arise between the parties to the Contract, the Insurer and the Policyholder may agree upon investigation of the Insurable Event performed by an independent expert (experts). The independent experts may not be the persons who are dependent on one of the parties through labour relations or otherwise as well as the persons who are the competitors and/or partners of any party.

Each party shall provide an independent expert (experts) with all facts and documents which may have any influence on fair and reasonable assessment of the health status and/or other circumstances of the event. The experts must present the findings to both parties at the same time. Either party shall be entitled to disagree with the finding of the independent experts and apply to competent institutions or court for a resolution of the dispute in accordance with the procedure laid down in the applicable law.

11.6. Upon occurrence of the Insurable Event, the Insurer shall pay the Insurance Indemnity:

11.6.1. To the Beneficiary or Beneficiaries in parts or in proportion set out in the Contract;

11.6.2. If the Insured and the single assigned Beneficiary dies on the same day or the single assigned Beneficiary dies earlier than the Insured provided that a new Beneficiary is not assigned, the Insurance Indemnity shall be paid to inheritors of the Insured. If the Insured and one of several assigned Beneficiaries dies on the same day or any one of several assigned Beneficiaries dies earlier than the Insured, provided that a new Beneficiary is not assigned instead of him, the Insurance Indemnity shall be allocated to remaining Beneficiaries so that the shares of the Insurance Indemnity due to them is proportionally increased;

11.6.3. If after the Insurable Event the Beneficiary - natural person - has died without receiving the Insurance Indemnity belonging to him, the Insurance Indemnity shall be paid to inheritors of the Beneficiary;

11.6.4. If after the Insurable Event the Beneficiary – legal entity – ceases to exist (e. g., is liquidated) and has not received the Insurance Indemnity belonging to him and there is no legal successor, the Insurance Indemnity shall be paid to inheritors of the Insured;

11.6.5. If the Beneficiary is not appointed, the Insurance Indemnity payable in case of death of the Insured shall be paid to inheritors of the Insured and in case of survival of the Insured the Insurance Indemnity, payable in the end of the Insurance Period shall be paid to the Insured.

11.7. The Insurance Indemnity shall be paid no later than within 30 (thirty) days from the date of receipt of all the information and/or documents of a form and content acceptable to and requested by the Insurer and significant for determination of the fact and circumstances and consequences of



the Insurable Event and the amount of the Insurance Indemnity.

11.8. The Surrender Value shall be paid no later than within 30 (thirty) days from the Contract termination or no later than within 30 (thirty) days from the moment of the Policyholder's application regarding partial withdrawal of the Accumulated Value and submission of all the documents requested by the Insurer, the form and wording of which is acceptable to the Insurer.

11.9. If an event is the Insurable Event and the Policyholder and the Insurer fail to agree on amount of the Insurance Indemnity, the Insurer, upon request of the Policyholder, may pay the amount, equal to the amount of the Insurance Indemnity, not disputed by the parties, if determination of accurate amount of the Insurance Indemnity lasts longer than 3 months.

11.10. Subject to an agreement of the Parties the Insurance Indemnity can be paid in parts or under a separate written agreement.

11.11. All Insurance Indemnities shall be taxed under procedure set out by the applicable law.

11.12. In case of refusal to pay or reduction of the Insurance Indemnity, the Insurer shall be obliged to prove the circumstances, releasing him from payment of the Insurance Indemnity or granting him the right to reduce it and to provide a person, claiming the Insurance Indemnity, with thorough and motivated explanations on reasons of such decision.

11.13. If the Insurance Indemnity is not paid within 30 (thirty) days from the day of receipt of notice on the Insurable Event, the Insurer undertakes to thoroughly and in writing inform a person, claiming the Insurance Indemnity about the course of investigation of the Insurable Event.

11.14. The Insurer shall be entitled to refuse to pay the Insurance Indemnity or suspend it, if any international sanctions are applied to the assets receiver and/or in case of reasonable suspicions regarding money laundering and/or terrorism financing.

11.15. The Insurance Indemnity receiver shall immediately return to the Insurer any requested and unreasonably paid Insurance Indemnities.

11.16. The Insurance Indemnity shall not be paid in regard to the Uninsurable Events, set out in the Special Terms and Conditions.

11.17. Subject to the procedure laid down in the Contract and/or the applicable law, the Insurer shall be entitled to reduce the Insurance Indemnity or refuse to pay it in the following cases:

11.17.1. The Policyholder, the Insured or the Beneficiary has breached or improperly performed the obligations stated in chapter 10 of the present General Insurance Terms and Conditions, including, without limitation, improper and not conforming to the Contract terms and conditions notice on the Insurable Event, provision of incorrect or insufficient information or documentation;

11.17.2. The Policyholder or the Insured breaches or improperly performs the obligations of notification under clause 8.2 or 12.1.1 of the present General Insurance Terms and Conditions and has failed to notify the Insurer on significant circumstances that exert influence on the Insurance Risk or provided incorrect or incomplete information that could have influence on the provisions of the Contract, the decision of the Insurer to enter into or amend the Contract, and etc.;

11.17.3. it is impossible to determine the Insurable Event's date, circumstances and/or consequences according to the data or documentation submitted by a person, claiming the Insurance Indemnity or there are essential contradictions in the submitted documentation or data or such person prevents or impedes investigation of the Insurable Event or receiving of necessary information;

11.17.4. in other cases and procedure set out in the Contract and/or applicable law.

11.18. The Insurer shall be entitled to request from a person claiming to the Insurance Indemnity to open in his name a bank account in a bank or any other crediting institution operating in the Republic of Lithuania to which the Insurance Indemnity could be transferred.

11.19. All the charges applied to the transfer of the Insurance Indemnity shall be due to a recipient of funds.

## **12. OTHER RIGHTS AND OBLIGATIONS OF THE INSURER AND THE CLIENT**

### **12.1. Client's Obligations of Notification**

12.1.1. The Policyholder and the Insured, when concluding the Contract, increasing the Insurance Premium, prolonging the Insurance Period or upon



request of the Insurer, undertakes to notify the Insurer on all circumstances or facts, significant to the Contract conclusion or terms and conditions thereof. Such circumstances and facts shall include, inter alia, change of occupation, area of activity, hobbies, nature of work, sports activity and the circumstances and facts, on which the Insurer has requested information prior to concluding and/or amending the Contract or setting the provisions thereof, etc.

12.1.2. At any time during validity term of the Contract the Policyholder and the Insured shall immediately, but in any case no later than within 14 (fourteen) calendar days from occurrence or emerging of the respective circumstances or facts, notify the Insurer on the following:

12.1.2.1. changes in such data, facts or circumstances, which have been provided to the Insurer during conclusion and/or amendment of the Contract, including, without limitation: identification data (personal identification data, legal entity's registration or legal status data, information on a representative and his authorizations, and etc.) and contact data (address, phone or fax number, e-mail address);

12.1.2.2. circumstances or facts, set out in clause 8.2 of the General Insurance Terms and Conditions and/or requested in writing by the Insurer, which increase the Insured Risk.

## **12.2. Insurer's Obligations of Notification**

12.2.1. During the Contract validity the Insurer undertakes to submit the below indicated data or reports and notify the Policyholder within the below indicated terms and procedure in writing or other procedure of notice delivery set out in the Contract:

12.2.1.1. immediately within a reasonable term – about any change in the Insurer's name, legal form or registered office address;

12.2.1.2. immediately within a reasonable term, unless other clauses of the Contract set out otherwise – about change in other material information or data, set out in the Contract or the applicable law;

12.2.2. once per year – a report on the Accumulated Value, amount of the Insurer's profit part for the Policyholder (Additional Interest, if applicable), amount of the Surrender Value and/or other information set out in the Contract or the applicable law.

## **12.3. Consequences of Improper Performance or Failure to Perform the Obligation to Disclose Information**

12.3.1. If it is determined after conclusion of the Contract that the Policyholder/the Insured has provided the Insurer with knowingly false information on the circumstances, which may affect the probability of the Insurable Event, the Insurer shall be entitled to require to acknowledge the Contract as invalid, except for cases, when the circumstances, which the Policyholder/the Insured has withhold, disappeared before the Insurable Event or did not affect the Insurable Event.

12.3.2. If it is determined after conclusion of the Contract that the Policyholder/the Insured has failed to provide all the available, true and complete information on the circumstances, which may affect the probability of the Insurable Event due to negligence, the Insurer shall offer the Policyholder to amend the contract no later than within two months from finding out about such circumstances. If the Policyholder refuses to do the same and/or fails to respond to the submitted offer within two months, the Insurer shall be entitled to unilaterally terminate the Contract.

12.3.3. If the Insurer, knowing the circumstances, about which the Policyholder/the Insured has failed to inform due to negligence, would not have concluded the Contract, then he shall be entitled to require terminating the Contract within two months from finding out that the Policyholder/the Insured due to negligence has failed to provide all the available information on the circumstances, which may affect the probability of the Insurable Event.

12.3.4. If the Policyholder/the Insured due to negligence has failed to provide complete available information on the circumstances, which may affect the probability of the Insurable Event, then, upon occurrence of the Insurable Event, the Insurer shall pay a portion of the Insurance Indemnity, which would have been paid to the Policyholder/the Insured upon provision of complete available information on the circumstances, which may affect the probability of the Insurable Event, in proportion to the ratio of the contracted Insurance Premium and the Insurance Premium, which would have been set to the Policyholder, if he would have provided the full available information on the circumstances, which may affect the probability of the Insurable Event.

12.3.5. If the Policyholder/the Insured has failed to perform his obligation to disclose information due to negligence, upon occurrence of the Insurable



Event the Insurer shall be entitled to refuse to pay the Insurance Indemnity only after proving that none of the Insurers, knowing the circumstances, which the Policyholder/the Insured has failed to indicate due to negligence, would have concluded the Contract.

12.3.6. The Insurer, when implementing his rights, cannot invoke the fact that the Policyholder has failed to perform the obligation to disclose information due to negligence, if more than 10 years have passed from conclusion of the Contract.

## **12.4. Other Rights and Obligations**

12.4.1. The Policyholder undertakes:

12.4.1.1. to thoroughly familiarize with the Contract terms and conditions and present the same to the Insured and the Beneficiary for familiarization;

12.4.1.2. to pay the Insurance Premiums under the procedure set out in the Contract;

12.4.1.3. to indicate to the Insurer in writing a person, residing in the Republic of Lithuania and duly authorized to receive notices intended for the Policyholder from the Insurer, if the Policyholder leaves abroad for longer than three months;

12.4.1.4. subject to the procedure set out in the Contract, to submit to the Insurer all documents or data, related to the possible Insurable Event;

12.4.1.5. to duly and timely perform all other duties, provisions and requirements of the Contract and applicable law.

12.4.2. The Policyholder shall be entitled to receive all and any information from the Insurer, related to his Contract, and to duly use other rights laid down in the Contract and the applicable law.

12.4.3. The Insurer undertakes:

12.4.3.1. to issue to the Policyholder copies of the requested documents, if after conclusion of the Contract the Policyholder refers to the Insurer with the application to issue copies of the Contract or related documents, upon payment of applicable Charges by the Policyholder, set out in the Pricelist;

12.4.3.2. not to disclose information on the Policyholder's material status, health state of the Insured, Client's Personal Data or other information, received during performance of the

Contract, except for the exceptions laid down in the Contract and the applicable law;

12.4.3.3. upon occurrence of the Insurable Event, to pay the Insurance Indemnities under procedure and within terms set out in the Contract;

12.4.3.4. to investigate the circumstances, necessary for determination of the fact, consequences of the Insurable Event and amount of the Insurance Indemnity, by putting all necessary efforts.

12.4.4. The Insurer shall be entitled to determine a minimum Insurance Premium, minimum and/or maximum Sums Insured, the longest and the shortest Insurance Period in the Special Terms and Conditions, the Pricelist, the Investment Insurance Contract Administration Procedure and/or under separate decision of the Insurer. The Insurer shall have other rights set out in the Contract and/or applicable law.

## **13. AMENDMENT OF INSURANCE CONTRACT**

### **13.1. General Provisions**

13.1.1. The Contract terms and conclusions can be amended or supplemented only under a separate written agreement of the Policyholder and the Insurer, unless other clauses of the Contract or the applicable law set out for otherwise.

13.1.2. Prior to amendment of the Contract terms and conditions, the Insurer shall be entitled to request additional information on the health state of the Insured, other information related to the Insurance Risk and/or the health examination of the Insured.

13.1.3. The Policyholder shall notify the Insurer in writing about the requested amendment of the Contract terms and conditions no later than 30 (thirty) days prior to the effective date of the requested amendment. Unless the Contract sets out otherwise amendments to the Contract shall come into force on the first day of the month following the month during which the request to amend the provisions of the Contract was received and accepted, with the exception of events when such an amendment according to its nature comes into force from the date of its receipt or the parties agree on otherwise.

13.1.4. If the Contract is amended upon the Policyholder's initiative, the Insurer shall be entitled to apply the Charges set out in the Pricelist and applicable in a specific case.





### **13.2. Contract Amendments upon Initiative of the Policyholder**

13.2.1. The Policyholder shall be entitled to change the Insured with another only upon receipt of written consent of the Insurer.

13.2.2. The Policyholder shall be entitled to change the Beneficiary under procedure and terms and conditions set out in the Contract informing the Insurer in writing thereof. If the Beneficiary has been appointed under the consent of the Insured, then the Beneficiary can be amended only upon the consent of the Insured. The Beneficiary cannot be changed with other person, if he has claimed the Insurance Indemnity from the Insurer or other grounds laid down in the applicable law exist.

### **13.3. Contract Amendments upon Initiative of the Insurer**

13.3.1. The Insurer shall be entitled to unilaterally amend and/or supplement the Special Terms and Conditions, and/or the General Insurance Terms and Conditions, and/or the Pricelist, and/or the Investment Insurance Contract Administration Procedure., Such an amendment shall be valid in regard to insurance contracts concluded on their basis as well, if:

13.3.1.1. Interests of the Policyholder, the Insured, the Beneficiary are not breached and their status does not worsen due to that; or

13.3.1.2. respective amendments and/or supplements are performed due to legal regulation and/or requirements set out by supervisory or other competent institution or body; or

13.3.1.3. amendments and/or supplements are necessary due to objective reasons of financial market and/or other economic reasons, not depending on the Insurer's will (e.g. hyperinflation, changed official consumer price index); or

13.3.1.4. amendments or supplements are performed due to introduction of new products of the Insurer.

13.3.2. The Insurer shall publicly inform on the future amendments and/or supplements of the Special Terms and Conditions, the General Insurance Terms and Conditions, the Pricelist and/or the Investment Insurance Contract Administration Procedure on his website, in the Insurer's Client Service Divisions and/or at the Insurer's choice – mass media, and upon sending the respective notice to the Policyholder in writing and/or via E-Life system under procedure of notice

delivery and receipt set out in the present General Insurance Terms and Conditions.

13.3.3. The above mentioned amendments and/or supplements shall come into force after the term indicated in the respective notice, which in any case cannot be shorter than one calendar month from the date of notice sending or publishing.

13.3.4. In cases when any amendments or supplements of the Special Terms and Conditions, the General Insurance Terms and Conditions, the Pricelist and/or the Investment Insurance Contract Administration Procedure are made due to introduction of new products of the Insurer or due to them the Policyholder's status improves, the terms of notification set out in clause 13.3.3 hereof shall not be applicable and the respective amendments shall come into force from the date of their public announcement (on the Insurer's website, E-Life system, in the Insurer's Client Service Divisions or at the Insurer's choice – via mass media), unless their later effective date is set out.

13.3.5. In case any amendments or supplements of the Special Terms and Conditions, the General Insurance Terms and Conditions, the Pricelist and/or the Investment Insurance Contract Administration Procedure are not acceptable to the Policyholder, the Policyholder shall be entitled to argue them by submitting a respective written notice not later than 7 (seven) calendar days prior to the effective date of the planned amendments or supplements and by indicating the justified reasons of his objection. If the Insurer does not receive any objections of the Policyholder regarding the above mentioned amendments or supplements within the set out terms, it shall be deemed that the Policyholder has agreed to and does not object the respective amendments or supplements.

13.3.6. In case the Policyholder makes any objections regarding the future amendments or supplements of the Special Terms and Conditions, the General Insurance Terms and Conditions, the Pricelist and/or the Investment Insurance Contract Administration Procedure, the Insurer undertakes to discuss them and to settle the arising dispute in goodwill. If the parties fail to reach an agreement, the Policyholder shall be entitled to terminate the Contract by submitting the respective written request to the Insurer prior to the effective date of the respective amendments or supplements. In such case the Surrender Value shall be paid to the Policyholder. If the Policyholder fails to use the right granted to him to terminate the Contract, it shall be deemed that the Policyholder has agreed



to and does not object the respective amendments or supplements.

#### **14. SUSPENSION AND RENEWAL OF INSURANCE COVERAGE**

14.1. When the Accumulated Value under the Contract becomes lower than the amount of Charges (i.e. sum of management Charges and risk Charges, which the Insurer deducts from the Accumulated Value on the last day of each month), which should be deducted from the Accumulated Value within the next two months, the Insurer shall send a notice to the Policyholder under procedure of notice delivery and receipt set out in the present General Insurance Terms and Conditions and require to cover the debt. The Policyholder shall pay no less than two monthly Insurance Premiums or no less than one full Insurance Premium unless the Contract sets out other periodicity for the payment of the Insurance Premiums. The amount of the Insurance Premiums, payable by the Policyholder shall be determined in each case individually and depends from the Insurance Coverage selected in the Contract and other Contract terms and conditions. The Policyholder shall pay all Insurance Premiums, set out in the Contract but failed to pay, if the Contract is valid for the first calendar year.

14.2. If the Policyholder fails to pay Insurance Premiums foreseen in clause 14.1 of these General Terms and Conditions within 30 (thirty) days after receiving a respective notice according to the procedure and time limits established by the General Insurance Terms and Conditions or pays only the portion thereof, the Insurance Coverage shall be postponed and resumed only after effecting the payment of the aforementioned Insurance Premiums.

14.3. If the Insurable Event occurs during suspension of the Insurance Coverage, the Insurer shall not pay the Insurance Indemnity.

14.4. All Charges applicable under the Contract, except for the risk Charges shall be deducted from the Accumulated Value during suspension of the Insurance Coverage.

14.5. If suspension of the Insurance Coverage due to failure to pay the Insurance Premium last for longer than 6 months, the Insurer shall be entitled to unilaterally terminate the Contract by submitting a respective, effective immediately written notice.

#### **15. INSURANCE CONTRACT TERMINATION**

##### **15.1. Procedure of Contract Termination**

15.1.1. The Contract may be terminated upon a separate written agreement of the parties, written request of the Policyholder, court judgment or the Insurer's notice in cases and under procedure laid down in the Contract and/or the applicable law.

15.1.2. When terminating the Contract, the Insurer shall be entitled to apply the Charges set out in the Pricelist and applicable in a specific case.

15.1.3. The Insurer shall be entitled to inform the Irrevocable Beneficiary, if such is appointed, about termination of the Contract.

##### **15.2. Contract Termination upon Initiative of the Policyholder**

15.2.1. The Policyholder – natural person – shall be entitled to terminate the Contract in writing upon his own initiative by notifying this to, the Insurer within 30 (thirty) calendar days from the moment, when he has been informed about the concluded Contract. In such case the paid Insurance Premium shall be refunded to the Policyholder.

15.2.2. The Policyholder shall be entitled to terminate the Contract at any time during the Contract validity term, informing the Insurer thereof in writing no later than 30 (thirty) days prior to the planned date of the Contract termination. The Insurer shall terminate the Contract no later than within 30 (thirty) days from the day of receipt of the Policyholder's respective notice.

15.2.3. When the Contract is terminated upon request of the Policyholder due to breach of the Contract terms and conditions by the Insurer (after determination of his fault), the paid Insurance Premiums and the Insurance Indemnities set out in the Contract shall be returned to the Policyholder.

15.2.4. If the Contract is terminated upon initiative of the Policyholder without the Insurer's fault, the Surrender Value shall be paid out to the Policyholder.

##### **15.3. Contract Termination upon Initiative of the Insurer**

15.3.1. The Insurer shall be entitled to unilaterally and in extrajudicial procedure terminate the Contract with the respective written notice, delivered 30 (thirty) calendar days prior to the planned date of the Contract termination in case of the material breaches of the Contract laid down in the applicable law or indicated below:



15.3.1.1. the Policyholder and/or the Insured has provided false, misleading or knowingly incorrect information or documents or concealed other important information for assessment of the Insured Risk during conclusion or validity of the Contract;

15.3.1.2. the Policyholder refuses to provide information or documents, necessary for his identification or fails to perform other lawful and reasonable demands required for the implementation of the obligations determined by the applicable law to the Insurer regarding money laundering and terrorism financing prevention;

15.3.1.3. the Policyholder and/or the Insured fails to perform or improperly performs all other obligations set out in the Contract and upon request of the Insurer fails to remedy such situation within reasonable term set out by the Insurer, which in any case cannot be shorter than 14 (fourteen) calendar days;

15.3.1.4. if either the Contract or applicable law provide for other grounds for the cancellation of the Contract.

15.3.2. the Insurer shall be entitled to unilaterally, without recourse to court, by a written notice with immediate effect cancel the Contract in the case of the material breaches foreseen by applicable law or the following material breaches of the Contract:

15.3.2.1. under the grounds and procedure set out in clause 14.5 of the General Insurance Terms and Conditions;

15.3.2.2. under the grounds and procedure set out in clauses 8.3 and 12.3.2 of the General Insurance Terms and Conditions;

15.3.2.3. if the Insurer has reasonable suspicions regarding the Client's involvement in money laundering or terrorism financing;

15.3.2.4. there are other grounds for the Contract termination laid down in the Contract or the applicable law.

15.3.3. When the Contract is terminated upon request of the Insurer due to breach of the Contract terms and conditions by the Policyholder (after determination of his fault), the Surrender Value shall be paid to the Policyholder.

## **15.4. Contract Termination upon Agreement of the Parties**

15.4.1. The Insurer and the Policyholder may agree under a separate written agreement on other conditions and procedure of the Contract termination.

## **16. TRANSFER OF CONTRACTUAL RIGHTS AND OBLIGATIONS**

### **16.1. Transfer of the Insurer's Contractual Rights and Obligations**

16.1.1. The Insurer, upon informing the Policyholder prior to 2 (two) months, shall be entitled to transfer the contractual rights and obligations to other insurer(s) upon receipt of permit from a competent supervisory institution under procedure laid down by the applicable law.

16.1.2. The Insurer shall be entitled to inform the Policyholder in writing (by mail and/or via E-Life system) or via mass media (in two daily papers issued within the territory of the Republic of Lithuania).

16.1.3. The Policyholder shall be entitled to make to the Insurer a written objection regarding the planned transfer of the Insurer's contractual rights and obligations no later than within 30 (thirty) days from receipt of the respective notice on the Insurer's intentions under procedure and within the terms of notice delivery and receipt set out in the present General Insurance Terms and Conditions.

16.1.4. If the Policyholder makes objections regarding the planned transfer of the Insurer's contractual rights and obligations, the Contract shall be deemed terminated from the day of receipt of the letter stating objection at the Insurer's office. In such case the Surrender Value shall be paid to the Policyholder.

### **16.2. Transfer of the Policyholder's Contractual Rights and Obligations**

16.2.1. The Policyholder shall be entitled to transfer his contractual rights and/or obligations to other persons upon receipt of consent of the Irrevocable Beneficiary (if applicable) and upon informing the Insurer with prior written notice under procedure laid down by the applicable law.

16.2.2. If the Policyholder transfers his rights arising out of the Contract, any appointment of the Beneficiary, except for the Irrevocable Beneficiary, shall become invalid.



16.2.3. Legal successor under the Contract shall familiarize with the Contract terms and conditions and submit and/or sign any documents requested by the Insurer.

16.2.4. In case of the Policyholder's death, if he is a natural person, or liquidation, if it is a legal entity, the rights and obligations related to the Contract shall be assigned to the respective legal successor, inheritor of such person or entity. If there is no legal successor, inheritor or if the respective legal successors have refused to take over the contractual rights and obligations, they may be transferred to the Insured, if he or his legal representative has made a respective request.

16.2.5. In case of reorganization of the Policyholder – a legal entity, the rights and obligations related to the Contract may be transferred to its legal successor.

## **17. PLEDGE OF PROPERTY RIGHTS ARISING OUT OF THE CONTRACT**

17.1. The Policyholder, in order to ensure the performance of his liability, may pledge the below indicated property rights, arising out of the Contract and related to the capital accumulation: the right to the Insurance Indemnity and the right to the Surrender Value. The Policyholder may pledge the right to the Surrender Value only under a prior written consent of the Irrevocable Beneficiary.

17.2. The Beneficiary may pledge the right to the Insurance Indemnity only upon occurrence of the Insurable Event.

17.3. The Insurer must be in advance informed in writing about pledge of the property rights arising out of the Contract.

17.4. The pledgee's claim may be satisfied from the Insurance Indemnity only upon occurrence of the Insurable Event. The Insurer shall satisfy the pledgee's claim from the Insurance Indemnity only after expiry of the term of payment of the Insurance Indemnity, set out in clause 11.7 of the present General Insurance Terms and Conditions.

17.5. The pledgee shall have a priority right against the Beneficiary, except for the Irrevocable Beneficiary, to satisfy his claim. If the Irrevocable Beneficiary is appointed after the pledge of the property rights arising out of the Contract, the pledgee shall have a priority right against the Irrevocable Beneficiary to satisfy his claim.

17.6. Upon satisfaction of the pledgee's claim by the Insurer, the Surrender Value shall be reduced by the part, amounting to the part of the pledgee's claims satisfied by the Insurer.

17.7. If there are several pledgees, the pledgee, about which the Insurer has been informed earlier, shall have a priority right against the pledgee, about which the Insurer has been informed later, if the latter fails to prove that the property rights have not been pledged to him earlier.

## **18. PERSONAL DATA**

18.1. When entering into or fulfilling the Contract, the Insurer shall be entitled to handle the personal data of the Insured, the Beneficiary and the payer of Insurance Premiums without receiving their consent, exclusive of Special Personal Data.

18.2. The Client, by signing the Application and/or submitting a separate written consent respectively (if applicable), shall grant the right to the Insurer to carry out and perform the Client's Personal Data Handling, including the Special Personal Data, and to transfer such data to any third persons under procedure laid down in the Contract and the applicable law;

18.3. The Policyholder, when appointing a person as a Beneficiary under the Contract, undertakes to obtain the consent of the Beneficiary regarding the Personal Data Handling and shall be liable against the Beneficiary regarding transfer of his Personal Data.

18.4. The Insurer shall be entitled to perform the actions of the Personal Data Handling, as many times and under the procedure, set out by the Contract and in as much as it is necessary for implementation of the requirements of the Contract and/or the applicable law, for the purposes indicated below:

18.4.1. discussing possibilities or offering to conclude the Contract (including, without limitation, assessment of the Client's need, assessment of the Insured Risk, assessment of the Client's financial possibilities to perform the Contract, etc.);

18.4.2. performing investigations of the Insurable Events, determining the amount of the Insurance Indemnity, etc.;

18.4.3. carrying out statistical researches, analysis or drafting and submitting reports;



18.4.4. performing prevention measures of money laundering and terrorism financing;

18.4.5. defending the breached rights of any of the parties or settling any disputes;

18.4.6. administering or otherwise implementing the Contracts and related documents and/or performing other pre-contractual or contractual obligations;

18.4.7. performing the duties and requirements set out by supervisory or other competent state authorities and/or the applicable law.

18.5. The Insurer undertakes to take any organisational, physical and technical measures in order to ensure protection of the Client's Personal Data.

18.6. The Client shall be entitled not to agree with his Personal Data Handling, however, in such case the Insurer shall be entitled not to conclude and/or terminate the Contract.

18.7. The Client shall be entitled to apply to the Insurer in writing and identifying his person in order the Insurer would provide thorough information on his handled Personal Data, as well as to inform the Insurer to correct any incorrect, not thorough or inaccurate Personal Data or require the Insurer to destroy his Personal Data or suspend illegal actions of the Personal Data Handling, except for storage.

18.8. The Insurer shall have the right to supplement his handled Personal Data with the data from public registers or databases or other sources allowable by the applicable law.

## **19. MONEY LAUNDERING AND TERRORISM FINANCING PREVENTION AND THE IMPLEMENTATION OF OTHER REQUIREMENTS OF APPLICABLE LAW**

19.1. To exercise the duties established by applicable law and related to money laundering and terrorism financing prevention and/or tax law, the Insurer shall be entitled:

19.1.1. during conclusion or performance of the Contract, to require the Policyholder to submit data and/or documents, necessary in the Insurer's opinion, related to the Policyholder's identification, activities or business, specific transactions and persons, related to them;

19.1.2. to refuse to perform any instruction, order or operation;

19.1.3. to unilaterally terminate the Contract with the immediately effective notice and without a prior notification in case of reasonable suspicion of the Insurer regarding money laundering and/or terrorism financing;

19.1.4. to take any reasonable and legal means in order to duly implement the duties set out by the applicable law and use the respective rights.

## **20. NOTICES**

20.1. All notices, directions, applications, requests, confirmations, information provision or any other expression of will between the Insurer and the Client shall be in written or, if allowable under the Contract terms and conditions, in electronic form and shall be delivered personally under signature or via courier or sent by mail, facsimile connection, E-Life system or e-mail (if allowable under the Contract terms and conditions or if sender can be identified) to the respective legal addresses, indicated in the Contract and provided to the other party for such purpose at the latest.

20.2. The Client's notices to the Insurer shall be sent to the Insurer's address and shall be deemed received upon their actual receipt. The Insurer's agents shall not be entitled to accept any notices on behalf of the Insurer.

20.3. Any written notice of the Insurer to the Client shall be deemed received, respective notification obligation of the party shall be deemed fulfilled and counting of the related terms shall be started under the below indicated order and terms:

20.3.1. on the 5<sup>th</sup> (fifth) calendar day after its sending by registered mail;

20.3.2. on the day of sending by facsimile connection, E-Life system or e-mail after completion of transfer. If a fax, E-Life message or e-mail is sent on a non-working day or after working hours in the receiver's residential or business place, the day of its receipt shall be deemed the next business day in such place;

20.3.3. when delivering personally under signature or via courier – on the day when the receiver receives the notice delivered to him and signs that he has received it.

20.4. A party shall not be entitled to make any claims regarding not receiving any notices or that the actions of the other party do not comply with the Contract terms and conditions, if the notice





has been sent according to the last known address or fax number of the party.

20.5. All directions, applications, requests, confirmations, information provision and any other expression of will of the contractual parties, submitted by one contractual party to the other party using E-Life system or other electronic channel acceptable to the Insurer, if it can identify the sender and is certified as a safe means of electronic communication or if it is set out in a separate agreement of the parties, shall have the same legal power as the will of the contractual parties, expressed in the personally signed paper document and shall be the allowable evidence at court.

20.6. In cases and under procedure laid down in the Contract and/or the applicable law or in other exceptional cases the Insurer shall be entitled to provide notices or essential information to the Clients publicly: in the Insurer's Client Service Divisions, on the Insurer's website and/or via mass media. In such cases the notices shall be deemed received on the date of their publishing.

20.7. All and any documents of the Client, requiring signature shall be personally signed in the presence of the Insurer or his representative or notarized by Notary Public or in other method acceptable to the Insurer, identifying personal identity and signature authenticity. In case of any doubts, the Client shall confirm the Client's will, identity, document date and/or signature authenticity in the method requested by the Insurer and acceptable to him. The Insurer shall be entitled to refrain from performance of any actions or suspend the performance of his contractual obligations until removal of the above said doubts and receipt of the required confirmations.

## **21. CONFIDENTIALITY**

21.1. The Contract terms and conditions and all the information received by the parties during performance of the Contract shall be deemed confidential and not publicly announced to any third persons without prior written consent of the concerned contractual party, except for disclosure of the respective information to the extent required provided that the further protection of respective information is maintained in accordance with the requirements of the Contract and good practice:

21.1.1. in mandatory cases set out in the Contract and/or laid down by the applicable law;

21.1.2. when such information is public (except for cases, when it has become public due to the breach of the Contract);

21.1.3. to persons, providing audit services and performing the audit of the party's activities or financial statements under the Contract;

21.1.4. to attorneys at law, who provide legal services, related to the Contract conclusion and/or performance, to any of the Parties;

21.1.5. to shareholders/stakeholders of the party and/or parent and/or subsidiary companies;

21.1.6. to expected legal successor or property acquirer of the parties;

21.1.7. to persons, who provide services to the Insurer, related to the Contract conclusion, performance, accounting, administration or storage.

## **22. LIABILITY**

### **22.1. Liability of the Parties**

22.1.1. The parties undertake to perform all obligations set out in the Contract in a due and timely manner, in good will and cooperation, carefully and according to the established good practice.

22.1.2. In cases when the Client fails to duly or timely perform the obligations of notification or provision of any information, data or notices, set out in the Contract, the Insurer shall be entitled to invoke the last data provided to him as the correct, real and valid data and shall not be liable for any losses incurred by the Client and/or any third persons in this regard except for cases, when such losses have been incurred as a result of the Insurer's intent or gross negligence.

22.1.3. Upon the Insurer's request and under procedure and within terms set out by him the Client shall compensate all losses of the Insurer, incurred due to provision of knowingly incorrect or false information, related to the Contract conclusion or performance, or failure to notify about the change of information or data, as set out in the Contract.

22.1.4. The Insurer shall not be liable for any losses, incurred due to the Contract termination on the grounds set out in the Contract or the applicable law.

22.1.5. The Insurer undertakes to pay to the Policyholder the delay interest amounting to



0.02% for delayed performance of the contractual monetary liabilities for each delayed day from the outstanding amount until due performance of monetary liabilities.

## **22.2. Force Majeure**

22.2.1. None of the contractual parties shall be liable for partial or full failure to perform the assumed obligations, if such failure to perform is caused by force majeure, i.e. events, which such party could not control or reasonable foreseen during conclusion of the Contract and could not prevent the occurrence of such events or their consequences.

22.2.2. A contractual party, which cannot perform the obligations assumed under the Contract due to force majeure, shall immediately inform the other party in writing thereof.

22.2.3. Upon occurrence of force majeure, performance of the obligations of the parties shall be postponed for the period determined by the parties, without granting the right to the parties to terminate or cancel the Contract.

22.2.4. If force majeure shall last for longer than three months, any of the contractual parties shall be entitled to terminate the Contract upon written notification of the other party.

## **23. APPLICABLE LAW, JURISDICTION, PROCEDURE OF DISPUTE SETTLEMENT**

23.1. The law of the Republic of Lithuania shall apply for the Contract, its conclusion and interpretation.

23.2. All and any disputes, disagreements or claims of the Insurer and the Policyholder, the Insured, the Beneficiary, the Client, arising out of or related to the Contract shall be settled in negotiations. Upon request of the concerned party, disputes may also be settled under extrajudicial procedure of dispute hearing and settlement, set out by the Insurer and/or the applicable law. In any case, if the parties fail to agree, such disputes shall be settled at a competent court under procedure laid down by the legislation of the Republic of Lithuania.

## **24. FINAL PROVISIONS**

24.1. The place of fulfilment of liability shall be the Insurer's Client Service Divisions in Lithuania.