

**GENERAL INSURANCE TERMS AND CONDITIONS**  
Effective from 1 October 2018

Adopted by Order No V-12/18 of 28 September 2018 of the CEO of  
Compensa Life Vienna Insurance Group SE, Lithuanian Branch

**1. CONCEPTS AND INTERPRETATION**

1.1. The concepts, starting with a capital letter, used in the contract as well as in the mutual notices or other relative documents shall have the meaning and shall be respectively interpreted, unless otherwise stated 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.

1.1.2. **General Insurance Terms and Conditions** shall mean the general part of the Insurance Rules, which determine the main principles of legal relationships between the Insurer and the Client, the general terms and conditions for all insurance contracts concluded by the Insurer 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 all Clients of the Insurer, wishing to conclude an insurance contract with the Insurer, if it is not stated otherwise. In the events provided for by the Contract, the General Insurance Terms and Conditions may also be applicable to the contracts concluded prior to the effective date of these General Insurance Terms and Conditions.

1.1.3. **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.

1.1.4. **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).

1.1.5. **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.

1.1.6. **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.

1.1.7. **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.

1.1.8. **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.

1.1.9. **Insurance Certificate (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.

1.1.10. **Insured Risk** shall mean a probability for occurrence of the Insurable Event and/or the amount of possible damages or injuries caused by this Insured Event.

1.1.11. **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. For Accumulative Insurance Products, 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 calculating 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.

1.1.12. **Insurance Rules** shall mean the General Insurance Terms and/or Conditions and/or Special Terms and Conditions, and/or the Pricelist.

1.1.13. **Insurable Event** shall mean an event stated in the specific Special Terms and Conditions and/or the Insurance Certificate (Policy), upon which occurrence the Insurer pays the Insurance Indemnity under procedure and within terms stated in the Contract. However, in any case, this means 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.

1.1.14. **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 documents, information and/or notices (which shall be understood as statements, applications or other form of expression of will) between the Insurer and the Policyholder.

1.1.15. **Fixed Sum Insured** shall mean the share of the Sum Insured, which is set at the discretion of the Insurer in Accumulative Insurance Products 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).

1.1.16. **Investment Insurance Contract** shall mean the Accumulative Insurance Product the accumulation of which is tied to the investment risk assumed by the Insured, while the calculation of the Accumulated Value depends on the results of the activity of the investment types chosen by the Insured and the variable price of investment units tied to these investment types.

1.1.17. **Investment Insurance Contract Administration Procedure** shall mean an administration procedure of investment insurance contracts determined by the Insurer.

1.1.18. **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.

1.1.19. **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 by the Insurer.

1.1.20. **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.

1.1.21. **Military Service** shall mean participation of the Insured in any international or other military or defence operations, exercises or missions.

1.1.22. **Accumulative Insurance Products** shall mean a life insurance contract that is concluded in accordance with the Special Terms and Conditions, the object insured of which is the property interest connected with capital accumulation.

1.1.23. **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.

1.1.24. **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.

1.1.25. **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 or paid as the Insurance Premium or the share thereof. Types of Charges: risk, management and Charges of additional services.

1.1.26. **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.

1.1.27. **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.

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

1.1.29. **Additional Insurance** 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.

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

1.1.31. **Engagement Dangerous Hobbies** shall mean one-time or regular participation in risky or aggravated risk sports or leisure events and/or activities and/or exercises and/or contests. These activities include, without limitation: 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.

1.1.32. **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.

1.1.33. **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.).

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

1.1.35. **Risk Insurance Product** shall mean a life insurance contract that is concluded in accordance with Special Terms and Conditions, the subject matter of insurance of which concerns the life and/or health of the Insured and is not related to capital accumulation (except for Additional Insurance)

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 Certificate (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 terms and conditions) with all their annexes and current or future amendments and supplements of the respective documents, 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**

Insurance object is the property interest, stated in the Special Terms and Conditions and related to the life 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 terms and conditions of the Contract, which depend on features of an insurance type or insurance product, are determined in the respective Special Terms and Conditions. The Insurance Certificate (Policy) specifies and approves the specific terms and conditions of the Contract, including, without limitation, Charges or the portion thereof, the Insurance Coverage, 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.

### **2.3. 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 Certificate (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.

## **3. CLIENT IDENTIFICATION**

3.1. The Client or his/her representative shall submit to the Insurer the following 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. data and documents confirming the Client's:

3.1.1.1. personal identity if the Client is a natural person;

3.1.1.2. registration data and the right to enter into respective transactions with the Insurer if the Client is a legal entity;

3.1.1.3. authorizations and personal identity of the representative of a natural person or legal entity;

3.1.2. 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 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 of respective transactions, or commission of actions, etc.

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. INSURANCE CONTRACT CONCLUSION**

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

4.2. Submission of the Application shall not oblige the Insurer to conclude the Contract. The Insurer shall be entitled to refuse conclusion of the Contract without giving any reason.

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

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

4.5. Prior to entering into 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 Client or other data, important for assessment of the Insured Risk and the needs, requirements and possibilities of the Client to perform the obligations assumed under the Contract or the obligations subject to execution in accordance with the requirements of applicable law. The Client must

provide thorough, correct and full information requested by the Insurer.

4.6. After assessment of the submitted Application together with the related documents, the results of health inspection (provided that such inspection has been performed) and other information, the Insurer shall perform the risk assessment and satisfy the Application or submit the Offer, stating the terms and conditions under which he agrees to assume the Insured Risk and conclude the Contract. The Insurer, after assessing all the information submitted, may offer to the Policyholder to conclude the Contract under other terms and conditions than set out in the Application.

4.7. The Contract shall be deemed concluded and all its terms and conditions shall be deemed agreed and approved by the parties from the date of receipt of the first or full Insurance Premium and assignment of this Insurance Premium to the Contract.

4.8. Once the Contract comes into force, the Insurer shall issue to the Policyholder the Insurance Certificate (Policy).

4.9. 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. HEALTH EXAMINATION**

5.1. 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 or an Additional Insurance contract; during the investigation of the possible Insurable Event; when there are reasonable doubts with regard to the authenticity, validity, correctness or completeness of the information submitted by the Client; in the light of new circumstances or facts, related to the Insured health; or in other events when the Insurer needs additional information. 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.

5.2. If necessary, the Insurer is entitled to check health state or the medical records 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.

## **6. INSURANCE PREMIUMS**

6.1. The Insurance Premium shall be determined under agreement of the Policyholder and the Insurer unless Special Terms and Conditions provide for otherwise. The Insurance Premium shall be determined according to the requested value for accumulation (for Accumulative Insurance Products) and the selected Sum Insured. The Insurance Premium also depends on the Charges, assessment of the Insured Risk, selected Insurance Coverage, Insurance Period, and other terms and conditions of the Contract.

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

6.3. For the Risk Insurance Products, the Insurance Premiums shall be paid in accordance with the procedure and term stated in the Insurance Certificate (Policy). In case of Accumulative Insurance Products, the Policyholder, by paying higher or lower Insurance Premiums than set out in the Insurance Certificate (Policy) and within different that set out terms, may accumulate higher or lower Accumulated Value. In any case the Insurer shall be under the duty to secure that payable Insurance Premiums are sufficient for deduction of applicable Charges so that Insurance Coverage would not be suspended in accordance with the procedure provided for by the Contract.

6.4. During the Contract conclusion the Policyholder may select the initial Insurance Premium, which is payable only once together with the first periodic Insurance Premium.

6.5. The Insurance Premium shall be paid to the Insurer by a payment order or by any other cashless manner acceptable to the Insurer, in the currency of the Contract. If the Insurance Premium is paid in currency other than specified in the Contract, the Insurer shall have the right not to accept it or deduct from it the costs of currency exchange and relative expenses.

6.6. 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.

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

6.7.1. the day of placing the duly identified Insurance Premium to the Insurer's bank account;

6.7.2. 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.

6.8. In case of Accumulative Insurance Products, 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 (five) times, compared to the amount of the Insurance Premiums, set out in the Insurance Certificate (Policy). In other cases a prior consent of the Insurer shall be required for the respective change or an additional Insurance Premium, 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. The Insurer's consent may be given as a written notice or by assignment of the Insurance Premium to the Contract. The Insurer's consent is required for each individual respective amendment or an additional Insurance Premium, which means that any consent once given by the Insurer shall not mean that, in all occasions, the Insurer will give its further consent to acceptance of the Insurance Premium in excess of that stipulated in the Contract.

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

6.10. 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 (in case of Accumulative Insurance Products) 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 of the Insured or other documents, performing new health examination, performing new assessment of the Insured Risk. If the amount of the Insurance Premium changes due to the above said circumstances and the Policyholder has 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.

## **7. INSURED RISK**

7.1. 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.

7.2. 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 considered as 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, other circumstances and facts, about which the Insurer has requested information prior to concluding and/or amending the Contract and/or setting the terms and conditions thereof, etc.

7.3. If the Insured Risk increases, 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.

7.4. If the Policyholder fails to perform or improperly performs the obligations stated in clause 7.2, the Insurer shall be entitled to require termination of the Contract and indemnification for losses to extent they are not covered by the received Insurance Premiums.

## **8. BENEFICIARY**

8.1. 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.

8.2. 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 to 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.

8.3. The Beneficiary shall be appointed, changed or recalled in accordance with the procedure, terms and conditions and requirements set by applicable law.

8.4. If the Beneficiary is appointed, replaced or recalled in breach of terms and conditions and requirements set in the Contract or by applicable law, the appointment, replacement or recall of the Beneficiary shall be null and void.

8.5. The Beneficiary cannot be replaced by any other entity if the Beneficiary has already submitted to the Insurer a request for payment of the Insurance Indemnity or there are any other grounds provided for by applicable law.

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

9.1. The Policyholder, the Insured and/or the Beneficiary and/or the successors of their rights and obligations 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.

9.2. In the event of late submission of the Notice on the Insurable Event, 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. INVESTIGATION OF THE INSURABLE EVENT**

10.1. Upon receipt of the Notice on the possible Insurable Event, the Insurer shall carry out an investigation to determine the fact, causes, circumstances and consequences of the event and the amount of the Insurance Indemnity.

10.2. 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.

10.3. 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 for the Insurer, which would acknowledge the possible Insurable Event and the circumstances and consequences thereof, as indicated in Special Terms and Conditions or individually requested by the Insurer, and all other relative documents and information that have an effect on the assessment of the event or determination of the amount of the Insurance Indemnity.

10.4. If documents that are subject to submission under the Contract are issued in a foreign country and/or are executed in a foreign language, the Insurer shall be entitled to request the submission of the documents legalized in accordance with applicable requirements and/or the official translations of these documents.

10.5. Expenses incidental to the receipt, adoption, translation and submission of supporting documents shall be borne by a person claiming to the Insurance Indemnity.

10.6. During investigation, the Insurer may request other natural persons and legal entities, competent institutions or organizations to submit information, explanations, documents and etc.

10.7. 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 injure and/or either on payment or non-payment of the Insurance Indemnity, the calculation of the Insurance Indemnity.

10.8. If during the investigation of the possible Insurable Event or to justify the decision of the Insurer the Insurer requires additional knowledge or an expert opinion with regard to any circumstances, facts or the assessment thereof, it shall be entitled to receive consultations, conclusions or opinions of professionals and experts in the specific field of knowledge. The expenses incidental to the provision of such services shall be borne by the Insurer.

10.9. If any disputes regarding assessment or decision of the Insurer arise between the parties to the Contract, the Insurer and the Policyholder may agree upon investigation or assessment of the Insurable Event anew performed by an independent expert (experts). In this event, the independent experts may not be the persons whose participation could cause the conflict of interests. Each party shall in writing provide an independent expert (experts) with all facts, data and documents which may have any influence on fair and reasonable assessment of the health status of the Insured and/or other circumstances of the event and/or the extent of an injury. The experts must present their 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 and/or court for a resolution of the dispute in accordance with the procedure laid down in the applicable law.

## **11. INSURANCE INDEMNITY**

11.1. The Policyholder, the Insured, the Beneficiary and their inheritors and legal successors shall have the right to claim to payment of the Insurance Indemnity in the events and accordance with the procedure set forth in the Contract,

11.2. The Insurance Indemnity shall be paid according to the latest known to the Insurer assignment of the Beneficiary. If information regarding the appointment, replacement or recall of the Beneficiary is received by the Insurer after payment of the Insurance Indemnity, neither additional Insurance Indemnity shall be paid.

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

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

11.3.2. 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 are proportionally increased;

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

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

11.3.5. 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 at the end of the Insurance Period shall be paid to the Insured.

11.4. 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.

11.5. If an event is acknowledged to the Uninsurable Event, the Insurer shall inform of such a decision and/or refusal to pay the Insurance Indemnity within 30 (thirty) days from the date of receipt of all information that has a significant effect on determination of the fact, circumstances and consequences of the event.

11.6. In case of Accumulative Insurance Products, when the Insurance Indemnity is to be paid after the expiry of the term set in the Contract, which means after the expiry of the Insurance Period, the Insurance Indemnity shall be paid no later than within 7 (seven) business days from the date of receipt of all documents indicated in respective Special Terms and Conditions. In case when respective documents, including a claim for payment of the Insurance Indemnity, are

submitted prior to the expiry of the term set in the Contract, the Insurance Indemnity shall be paid no later than within 7 (seven) business days from the expiry of the term set in the Contract.

11.7. In case of Accumulative Insurance Products, the Surrender Value shall be paid no later than within 30 (thirty) days from the Contract termination or 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.

11.8. 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, shall 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.

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

11.10. All Insurance Indemnities shall be taxed under procedure set out by the applicable law. The Insurer shall have the right to request for additional information so that such requirements would be duly implemented.

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

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

11.13. The Insurer shall be entitled to reduce the Insurance Indemnity or refuse to pay it in the following cases:

11.13.1. The Policyholder, the Insured or the Beneficiary has breached or improperly performed the obligations provided for by the Contract or applicable law, with regard to submission of a notice on the Insurable Event, provision of incorrect or insufficient information or documentation for the investigation of the Insurable Event;

11.13.2. 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

data or such person prevents or impedes investigation of the Insurable Event or receiving of necessary information;

11.13.3. The Policyholder and/or the Insured provided false, erroneous or knowingly misleading or incomplete information or documents or concealed important information that could have an effect on the provisions of the Contract, the decision of the Insurer to enter into or amend the Contract, assessment of the Insured Risk;

11.13.4. Information that is important for the assessment of the Insured Risk and/or the probability of occurrence of the Insurable Event was not disclosed to the Insurer or the Insurer was provided with incomplete or incorrect information important for the above purposes;

11.13.5. The Contract was used for unlawful purposes, including a commercial gain or fraud related to receipt of the Insurance Indemnity;

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

11.14. 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.

11.15. The Insurer shall be entitled to deduct from the payable Insurance Indemnity costs incidental to a payment order (e. g., currency exchange costs, payment order commissions and etc.)

## **12. OTHER PROVISIONS**

12.1. The Policyholder undertakes:

12.1.1. at any time during the term of validity of the Contract, immediately, within a reasonable period from the occurrence or identification of relative circumstances or facts, to notify to the Insurer changes in those details, facts or circumstances that have been provided to the Insurer when entering into and/or amending the Contract, including, without limitation: identification data (personal identity data, tax payer's data, registration or legal status data of a legal entity, information regarding a representative and his authorizations and etc.) and contact details (an address, a telephone number, an e-mail address);

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

12.1.3. if the Policyholder does not give his consent to delivery/receipt of notices via e-mail, 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 3 (three) months;

12.1.4. to duly and timely perform all other duties, provisions and requirements provided for by the Contract and applicable law.

12.2. The Insurer undertakes:

12.2.1. 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;

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

12.1.4. to duly and timely perform all other duties, terms and conditions and requirements provided for by the Contract or applicable law.

12.3. 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.

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

### **13.1. General Provisions**

13.1.1. The Contract terms and conditions 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 provide otherwise.

13.1.2. Prior to amendment of the Contract terms and conditions, the Insurer shall be entitled to request additional information on the Client, the health state of the Insured and etc.

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

13.2.1. 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.

13.2.2. 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.

13.2.3. If the Contract is amended upon the Policyholder's initiative, the Insurer shall be entitled to apply the Charges set out in the Pricelist.

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

13.3.1. The Insurer shall be entitled to amend the provisions of the Contract under the procedure provided for by the Contract and applicable law.

13.3.2. 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 amendments and supplements shall be valid in regard to insurance contracts concluded on their basis as well, if:

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

13.3.2.2. respective amendments and/or supplements are performed according to the requirements or recommendations set out by legal regulation and/or supervisory or other competent institution or body; or

13.3.2.3. amendments and/or supplements are necessary due to objective reasons of financial market and/or other economic reasons (e.g. hyperinflation, changed official consumer price index); or

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

13.3.3. The Insurer shall publicly inform on the future amendments and/or supplements of the Insurance Rules, 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.

13.3.4. The above mentioned amendments and/or supplements shall come into force after the expiry of the term indicated in the respective notice, which in any case cannot be shorter than 1 (one) calendar month from the date of notice sending or publishing.

13.3.5. In cases when any amendments or supplements of the Insurance Rules, 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 13.3.4 hereof shall not be applicable and the respective amendments shall come into force from the date of their public announcement unless their later effective date is set out.

13.3.6. In case any amendments or supplements of the Insurance Rules, 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.

13.3.7. In case the Policyholder makes any objections regarding the future amendments or supplements of the Insurance Rules, 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. General provisions**

14.1.1. Insurance Coverage under the Contract may be suspended under the procedure and provisions set out in the Contract.

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

14.1.3. If the suspension of the Insurance Coverage resulting from the failure to pay the Insurance Indemnity lasts over 6 (six) months, the Insurer shall be entitled to unilaterally terminate the Contract by giving to the Policyholder a written notice on the Contract terminated.

### **14.2. Suspension of Insurance Coverage in case of Accumulative Insurance Products**

14.2.1. In case of Accumulative Insurance Products, when the Accumulated Value under the Contract becomes lower than the amount of Charges, which should be deducted from the Accumulated Value within the next 2 (two) months, the Insurer shall send a notice to the Policyholder and require to cover the debt. 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. Therefore this amount should be individually conciliated with the Insurer. In any case, the Policyholder shall pay at least 2 (two) monthly Insurance Premiums or at least 1 (one) full Insurance Premium unless the Contract provides for other periodicity for payment of Insurance Premiums. 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.

14.2.2. If the Policyholder fails to conciliate and to pay Insurance Premiums foreseen in clause 14.2.1 of these General Terms and Conditions within 30 (thirty) days after receiving a respective notice or pays only the portion thereof, the Insurance Coverage shall be postponed and resumed only after effecting the payment of the aforementioned Insurance Premiums.

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

### **14.3. Suspension of Insurance Coverage in case of Risk Insurance Products**

14.3.1. In case of Risk Insurance Products, if the Policyholder fails to pay any Insurance Premium or any portion thereof within the term set out in the Contract, the Insurer shall notify this to the Policyholder by a written notice or in any other manner for the delivery of notices, indicating that if the Policyholder fails to pay the Insurance Premium or the portion thereof, Insurance Coverage under the Contract will be suspended and will be only resumed after payment by the Policyholder of all Insurance Premiums payable under the Contract.

## **15. 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.

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 in writing to unilaterally terminate the Contract, the term of validity of which is at least 6 (six) months, 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 (termination of the Contract on preferential terms). 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 material breach of the Contract terms and conditions by the Insurer (after determination of his fault), the paid Insurance Premiums shall be refunded and the Insurance Indemnities payable under the Contract shall be paid to the Policyholder.

15.2.4. If the Contract is terminated upon initiative of the Policyholder without the Insurer's fault, in case of Accumulative Insurance Products, the Surrender Value shall be paid out to the Policyholder, and, in case of Risk Insurance Products, the indemnities provided for by respective Special Terms and Conditions shall be paid 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 indicated below:

15.3.1.1. during conclusion or validity of the Contract, the Policyholder and/or the Insured breached or unduly discharged the duty set by applicable law to disclose complete, full, correct and detailed information regarding circumstances that have an effect on assessment of the Insured Risk, the probability of occurrence of the Insurable Event or its possible consequences, and the terms and conditions of the Contract ;

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

15.3.1.3. the Policyholder and/or the Insured fails to perform or improperly performs other obligations (duties) 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 (unless this notice indicates other effective date) cancel the Contract in the case of the following material breaches of the Contract:

15.3.2.1. under the grounds and procedure set out in clause 14.1.3 of the General Insurance Terms and Conditions;

15.3.2.2. the Policyholder does not respond to the delivered offer to amend the terms and conditions of the Contract or refuses to do this as provided by the procedure set out by applicable law or the Contract ;

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), in case of Accumulative Insurance Products, the Surrender Value shall be paid to the Policyholder, and in case of Risk Insurance Products, the indemnities provided for by Special Terms and Conditions 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 shall be entitled to transfer the contractual rights and obligations to other insurer or insurers upon receipt of a permit from a competent supervisory institution under procedure laid down by the applicable law.

16.1.2. In the events provided for by applicable law, the Insurer shall publish information regarding intentions to transfer rights and obligations under the Contract at least in 2 (two) national newspapers and provide the Policyholder at least



2 (two) month period, during which the Policyholder would have the right to make to the Insurer objections with regard to respective intentions.

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 under his Contract within the time limits set in a respective notice.

16.1.4. If the Policyholder makes objections regarding the planned transfer of contractual rights and obligations under the Contract, the Policyholder shall have the right to terminate the Contract under the procedure and terms and conditions provided for in clause 15.2.2 and 15.2.4 of the General Insurance Terms and Conditions within 1 (one) month from the date of transfer of rights and obligations.

## **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.

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

17.1. In case of the Accumulate Insurance Product, the Policyholder, in order to secure the performance of his liability, may pledge the below indicated property rights arising out of the

Contract: 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 the Contract.

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.

## **18. NOTICES**

18.1. All notices, applications or any other expression of will between the Insurer and the Client shall be executed in writing, in a manner equivalent to a written form or in any other manner conciliated by the parties and shall be delivered personally under signature, by regular mail, as a SMS message, via the E-Life system or by e-mail according to the respective contact details indicated in the Contract or the latest contact details delivered to the other party for such a purpose.

18.2. The Client's notices to the Insurer shall be sent according to the Insurer's contact details and shall be deemed to be received upon their actual receipt. The Insurer's agents shall not be entitled to accept any notices on behalf of the Insurer. The Insurer shall have the right to establish the personal identification procedure intended for delivery and receipt of notices depending on their nature.

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

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

18.3.2. on the day of sending a SMS message, via the E-Life system or by e-mail. If a SMS message, an E-Life message or an e-mail message is sent on a day off or after working hours, the day of its receipt shall be deemed to be the next business day;

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

18.4. 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 latest contact details provided by a party.

18.5. 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 to be received on the date of their publishing.

18.6. 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 manner 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 manner 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.

## **19. CONFIDENTIALITY**

19.1. The Contract terms and conditions and all the information received by the parties during performance of the Contract shall be deemed to

be confidential and not publicly announced to any third parties 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:

19.1.1. to persons who lodged legitimate claims under the Contract;

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

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

19.1.4. to attorneys at law, who provide legal services, related to the Contract, to any of the Parties;

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

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

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

19.1.8. to a re-insurer if the Insured Risk is subject to re-insurance under the Contract;

19.1.9. to competent public authorities, including courts, law enforcement authorities, the State Tax Inspectorate and etc.;

19.1.10. in other mandatory events provided for by the Contract and/or applicable law.

## **20. LIABILITY**

20.1. 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.

20.2. 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.

20.3. For delayed performance of the contractual monetary liabilities, the Insurer undertakes to pay to the Policyholder the delay interest amounting to

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

## **21. APPLICABLE LAW, PROCEDURE OF DISPUTE SETTLEMENT**

21.1. The law of the Republic of Lithuania shall apply to the Contract, its conclusion and interpretation.

21.2. All and any disputes, disagreements or claims between the Insurer the Client, arising out of or related to the Contract shall be settled in a way of negotiations and in accordance with the procedure for examination and management of complaints established by the Insurer and published on its website.

21.3. on request of a concerned party, disputes may be resolved in accordance with the procedure of amicable consideration and settlement of disputes established by applicable law. The Bank of Lithuania was provided with a competence to solve disputes between customers and financial market players arising out of provision of financial services, in accordance with the procedure prescribed by the Bank of Lithuania. For more information see:  
[http://www.lb.lt/gincu\\_nagrinejimas](http://www.lb.lt/gincu_nagrinejimas). The address of the Supervision service of the Bank of Lithuania: Žirmūnų St. 151, LT-09128 Vilnius, Lithuania.

21.4. In any case, if the parties fail to agree, such disputes shall be settled in competent court under procedure laid down by the legislation of the Republic of Lithuania.