

CROP INSURANCE

Terms and Conditions No.55

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GENERAL INSURANCE TERMS AND CONDITIONS

1. Definitions as used in the insurance contract

1.1. The Insurer – AAS BTA Baltic Insurance Company, represented by its Lithuanian Branch, hereinafter – BTA.

1.2. The Policyholder – a person who has applied to BTA to contract for insurance or to whom BTA has offered to enter into an insurance contract, or who has signed an insurance contract with BTA for own benefit or for benefit of other persons.

1.2.1. Persons related to the Policyholder and/or the Insured Person, who are also bound by the fulfilment of obligations established for the Policyholder:

Persons associated with the Policyholder and/or Insured Person to whom Policyholder's obligations are also binding:

- a) Persons living together with the Policyholder or the Insured Person;
- b) Persons responsible for insurance object pursuant to an agreement with the Policyholder or the Insured Person;
- c) Persons sharing insurance interests together with the Policyholder or the Insured Person, or other persons named in the insurance contract;

d) Persons related to the Policyholder or the Insured Persons under employment, service delivery or other legal relationships and bound to act in conformity with the safety requirements.

1.3. The Insured Person – a person whose interests shall be covered:

a) In case of property insurance – the owner of property covered by the insurance contract or other person named in writing in the contract;

b) In case of third party liability insurance – a person whose property interests arising from third party liability are covered;

c) In case of person's insurance – a natural person indicated in the insurance contract, whose health, life or physical condition is covered under the insurance contract.

1.4. The Beneficiary – a person named in the insurance contract or a person appointed by the Policyholder or, in cases stipulated in the insurance contract, by the Insured Person and entitled to receive insurance benefits.

1.5. Third party – in the case of civil liability insurance – a person who has suffered losses due to the Policyholder's or/and Insurer's acts or omissions and who is eligible to receive the insurance benefit in accordance with the terms and conditions of the insurance contract.

1.6. The parties to the insurance contract – the Policyholder and BTA.

1.7. Insurance object – property interests relating to human life and/or health, property or third party liability.

1.8. Application to contract for insurance – a document in the form established by BTA for the Policyholder to provide with information required for the entering into the insurance contract. The application shall not be required, if the Policyholder provides BTA with information which BTA considers sufficient to assess insurance risks. Acceptance of the application to contract for insurance does not obligate BTA to sign the insurance contract.

1.9. Insurance contract – an agreement between BTA and the Policyholder according to which the Policyholder undertakes to pay the insurance premium of the agreed by the time limit fixed in the insurance contract and to fulfil other obligations stipulated in the insurance contract, and BTA undertakes to pay the benefit upon occurrence of the insured event in accordance with the terms and conditions of the insurance contract.

1.10. Insurance policy – a document confirming the entering into insurance contract and covering the terms and conditions of the insurance contract agreed by BTA and the Policyholder.

1.11. Sum insured – a sum of money specified in the insurance contract or a sum of money calculated in the procedure described in the insurance contract which is the limit of indemnity (insurance benefit).

1.12. Underinsurance – cases when the established sum insured is less than the value of insurance. In such cases, upon occurrence of the event insured BTA shall indemnify a portion of the benefit in proportion to the ratio of the sum insured and the value of insurance.

1.13. Double insurance – cases when the Policyholder signs several insurance contracts with different insurance undertakings to cover the same risks. In such case, the Policyholder must notify BTA in writing of other insurance contract concluded by him and to specify the sums insured and other contractual terms and conditions. Otherwise, the Insurer, having paid the insurance benefit, shall become entitled to recover the respective part of the paid insurance benefit.

1.14. Additional insurance – cases when only a portion of the value of property or risk is insured. In such cases the Policyholder shall be entitled to enter into an additional insurance contract with the same or any other insurer. However, the total sum insured under all insurance agreements shall not exceed the value of insurance.

1.15. Deductible – a portion of insurance benefit stipulated in the insurance contract and not indemnified by BTA. The deductible shall be defined as a specific amount of money and/or as percentage unless the insurance policy specifies otherwise. Where the insurance contract provides for several types of deductible in respect of the same risk, the largest of them shall always apply.

1.16. Insurance premium – an amount of money set in the insurance contract which is payable by the Policyholder to BTA under the terms and conditions of the insurance contract for the insurance cover.

1.17. Event insured (risk covered) – incidents stipulated in the insurance contract upon occurrence of which BTA is obliged to pay the insurance benefit.

1.18. Non-insured event – an occurrence in respect of which BTA does not pay the insurance benefit.

1.19. Insurance risk – a probability for the event insured to occur in future beyond control of the Policyholder and/or Insured Person.

1.20. Insurance benefit – an amount of money payable upon occurrence of the event insured or delivery of services if so is stipulated in the insurance contract.

1.21. Insurance interest – the interest of the Insured not to incur losses upon occurrence of the insured risk.

1.22. Compensation principle – insurance principle, according to which insurance indemnity is calculated on the basis of the amount of loss sustained in an insured event.

1.23. A written document:

- a) A document executed in writing and containing all necessary particulars, including signature affixed in accordance with valid legislation of the Republic of Lithuania;
- b) transmitted by telegraph, facsimile or other telecommunications terminal equipment, provided that the protection of the text is ensured and it is possible to identify the signature, including an e-message.

2. Validity of insurance cover

2.1. A period of insurance means a period when insurance cover is in force.

2.2. The insurance cover shall come into force at 00:00 o'clock on the date indicated in the insurance contract, but not earlier than the premium or its first instalment is paid down, if:

2.2.1. the date of payment of the insurance premium or its first instalment is not indicated in the insurance contract;

2.2.2. the beginning of the insurance period coincides with the date of payment of the premium or its first instalment;

2.2.3. the time limit for paying the premium or its first instalment precedes the beginning of the insurance period.

2.3. Where the coming into force of the insurance cover is linked to the payment of the insurance premium or its first instalment, the insurance cover shall come into force on the next day at 00:00 following the receipt of payment, but not earlier than specified in the insurance contract.

2.4. The insurance benefit shall not be paid if the event occurs before the entry into force of the insurance cover.

2.5. Where the insurance contract stipulates that the premium should be paid after the first day of the insurance period, the cover shall come into force at 00:00 on the first day of the insurance period.

2.6. The insurance contract shall expire at 24:00 o'clock on the last day of the insurance period specified in the insurance contract unless terminated earlier for other reasons.

3. Policyholder's duty to disclose

3.1. Prior to signing the insurance contract, the Policyholder undertakes to provide BTA with true and complete information requested by BTA in relation to the insurance object and necessary for the assessment of insurance risks.

Where the Policyholder knowingly conceals information necessary for the assessment of the insurance risk or knowingly provides incorrect or incomplete information, BTA shall be entitled to claim nullification of the insurance contract and retain the paid down insurance premium.

3.2. When insurance contract regarding insurance of the same insurance object is concluded repeatedly immediately following the previous insurance contract and, the Policyholder or the Insured, when concluding the repeated insurance contract, do not specify that the information provided upon conclusion of the previous insurance contract has changed, BTA will assume that the previously provided information has not changed.

3.3. The Policyholder is required to promptly notify of any changes which occur during the period of validity of the insurance contract and which are likely to increase the insurance risk. The changes required to be disclosed include:

- a) significant changes relating to the insurance object;
- b) changes in the manner/ways of using the insurance object.
- c) other significant circumstances due to which the insurance risk increases.

3.4. Where information provided to BTA about the insurance object and risks covered changes and this results in insurance risk increase, as well as in case BTA is misled by minor misrepresentations of the Policyholder, BTA shall be entitled to offer the Policyholder, within a period of 1 month from the date of getting aware, to amend the terms and conditions of the insurance contract, including the amount of the insurance premium.

Where the Policyholder disagrees to the amendment of the terms and conditions of the insurance contract or fails to give any answer to BTA within 1 (one) month from the date of dispatch of the notice of the proposed amendments, BTA shall be entitled to terminate the insurance contract upon expiration of the time limit stipulated in this paragraph without any further notice.

Where BTA proves that, being aware of the risk increase, it would have not entered into the insurance contract, BTA shall be entitled to claim termination of the insurance contract within 2 (two) months from getting aware of the risk increase.

3.5. Violation of the Policyholder's duty to disclose information shall also incur other legal consequences entrenched in the legislation of the Republic of Lithuania.

4. Insurance premium and payment procedure

4.1. The Policyholder must pay insurance premium to BTA in the amount and by the time limit set in the insurance contract.

4.2. The premium shall be deemed paid:

4.2.1. if the insurance premium is paid by bank transfer – from the moment of receiving the relevant amount to the bank account of BTA or its authorized insurance intermediary.

4.2.2. if the insurance premium is paid using other payment methods – from the date specified in the particular document supporting the fact of payment. For obtaining the list of payment methods please visit internet website www.bta.lt, or call us by phone (8 5) 2600 600;

4.3. In case of failure to pay the premium by the time limit set in the insurance contract, the Policyholder shall pay BTA a default interest in the amount of 0.02% for each day overdue. However, the total amount of the penalty may not exceed 10 % (ten per cent) of the outstanding insurance premium amount. The above-indicated default interest shall not apply in the following cases:

a) the premium is paid as a lump sum;

b) in respect of the first payment, if the premium is paid in instalments.

4.4. Should the Policyholder fail to pay the premium or any part thereof by the deadline fixed in the insurance contract (with the exception of case when the coming into force of the insurance contract is linked to payment of the insurance premium or its part), BTA informs the Policyholder in writing that in the event of the failure to pay in the insurance premium or its part within 15 days of receipt of the notice, the insurance contract will be terminated.

5. Contracting for insurance by means of telecommunication terminal equipment

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

5.2. When insurance contract is concluded by a Policyholder, who is a consumer, then such insurance contract shall be subject to the Guidelines for the composition of non-life insurance contracts, which are publicly available on BTA's website www.bta.lt. Guidelines for the composition of non-life insurance contracts, among other things, describes the procedure of exercising the withdrawal rights, i.e., the rights to withdraw from the concluded insurance contract.

Consumer is a natural person, concluding an insurance contract for a purpose unrelated to its business or professional activity.

6. Expiration and amendment of the insurance contract

6.1. The insurance contract shall expire at 24:00 on the last day of the insurance period unless otherwise agreed by the Policyholder and BTA.

6.2. The Policyholder shall be entitled to terminate the insurance contract at any time giving a 15 days' notice to BTA in writing. In this case, the insurance contract shall be deemed terminated as of the date indicated in the notice, but not earlier than on the 15th (fifteenth) day after receipt of the notice of termination.

Such being the case:

6.2.1. Where there was no payment of insurance benefit effected and no claims were lodged within the period of validity of the insurance contract, the Policyholder shall be repaid, within 15 (fifteen) calendar days from the receipt of the Policyholder's notice, the insurance premium, less costs of conclusion and performance of the insurance contract (30% of the sum to be repaid).

6.2.2. If during the period of validity of the insurance contract the insurance benefit was paid and/or reserved or claims were filed, within 20 (twenty) calendar days of receipt of the Policyholder's notice, BTA shall repay to the Policyholder the part of the premium which is equal to the difference between the unused portion of the premium for the remaining period of the contract and the insurance benefit paid, having deducted the costs of conclusion and performance of the insurance contract (30% of the repayable amount).

6.3. The terms and conditions of the insurance contract may be modified or amended only upon a written agreement between BTA and the Policyholder.

6.4. The insurance contract may be terminated on other grounds stipulated in the insurance legislation of the Republic of Lithuania governing legal relationships in insurance contracts.

7. General exclusion clause

7.1. Unless the insurance contract stipulates otherwise, BTA shall not pay insurance benefits for:

7.1.1. Terrorist acts (the acts involving the use of, or threatening to use, force or violence, committed by a group of persons acting independently or on behalf of any organization or government, committed for political, religious, ideological or ethnic ends for the purpose of putting in fear or exerting influence on the government, public or any section of the public); losses incurred in relation to the prevention of terrorist acts shall not be compensated either.

7.1.2. War, invasion, hostile acts of foreign countries or other operations attaining the same level, such as civil war (whether or not the war is declared), riots, strikes, rebels, commotions, revolution, military situations, marauding, vandalism, sabotage; strike, lockout, public disorder attaining the level of a coup or riot, seizure of property, nationalization, when this is caused or authorized, whether legally or not, by the public authorities; other political risks and any other losses or costs directly or indirectly sustained in relation to the prevention of such acts shall not be compensated either;

7.1.3. Direct or indirect nuclear explosion, nuclear power or impact of radioactive substances; direct or indirect radioactive contamination;

7.1.4. malicious acts by the Policyholder, Insured Person or Beneficiaries.

7.2. Irrespective of any terms of the concluded Insurance Contract, BTA has no obligation to provide insurance protection or perform any payments, or provide services, or provide benefits to persons or any third party insofar such insurance protection, payment, service, benefit and / or business or activity of the Policyholder, the Insured, the Beneficiary or a person claiming insurance indemnity, violates the enforceable sanctions, financial embargo and economic sanctions, laws and terms, which are directly to be enforced by BTA. The enforceable sanctions are national sanctions imposed by the Republic of Lithuania, European Union sanctions, United Nations Organization sanctions, United States of America sanctions and / or other sanctions, which are to be complied with and executed by BTA in accordance with regulatory enactments.

8. Insurer's obligations upon occurrence of the Insured Risk

8.1. In order to become eligible to the insurance benefit upon occurrence of a insured risk, the Policyholder or the Insured Person must:

8.1.1. immediately, but no later than within 3 (three) working days (unless specified otherwise in the special terms and conditions of the Regulations) notify BTA of the occurrence of a potential insured event in accordance with the procedure laid down in the special terms and conditions of the Regulations. If the Policyholder or the Insured Person notifies BTA of the occurrence of the insured risk with delay, the Policyholder or the Insured Person must prove that it was impossible to notify in good time;

8.1.2. To immediately report to competent authorities (e.g., medical establishments, the Fire and Rescue Department, the police, emergency services, etc.);

8.1.3. To follow all instructions given by BTA and to take all and any measures to mitigate the damage and prevent its occurrence or increase;

8.1.4. To make it available for BTA to inspect the scene of the event, to investigate it and examine witnesses so that BTA would be able to identify the causes and size of damages;

8.1.5. To provide with any information and documents requested by BTA, including commercial secrets, if any, known to the Policyholder or the Insured Person so that BTA would be able to identify the causes and size of damages;

8.1.6. Unless instructed by BTA otherwise, to preserve, where possible, the scene unchanged while waiting for BTA's representative. This paragraph shall not apply in as much as it is necessary to fulfil the requirements in paragraph 8.1.3 above.

8.1.7. if the insurance object cannot be preserved without changing its condition after the accident due to the fulfilment of the obligations referred to in Article 8.1.3 of these Terms and Conditions or other legal and justified reasons, to ensure that the pictures of the damaged insurance property are taken as soon as possible or the damaged insurance object is filmed so that its damages are registered and submit the pictures or the video recording to BTA by e-mail zalos@bta.lt or in another way approved by BTA.

8.2. Where the Policyholder, Insured Person or Beneficiary deliberately or by gross negligence fails to fulfil the obligations stipulated in the Regulations, BTA shall be entitled to reduce or disallow payment of the insurance benefit.

9. Insurance benefits

9.1. The insurance indemnity is paid down within 15 days after receipt of all information required for the establishment of the fact, circumstances and consequences of the event insured as well as for the identification of the amount of insurance benefit.

9.2. If theft or robbery of the insurance object has taken place, whereby the insurance indemnity is paid and then the insurance object is found, then BTA shall be entitled to request and be refunded the disbursed

insurance indemnity or to acquire the property rights to the insurance object. If BTA has made a decision not to keep the found insurance object, but the found insurance object is damaged, then, when refunding the received insurance indemnity to BTA, the Insured shall deduct the expenses necessary for the repair of the found damaged insurance object in the amount agreed upon with BTA.

9.3. If the event is the risk covered, but the Policyholder and BTA fail to agree as to the amount of benefit, on the Policyholder's request BTA pays down an amount equal to the benefit indisputable by the parties, if definite establishment of the amount of damage lasts for a period exceeding 3 months.

9.4. Where BTA delays payment of the benefit for its own fault, BTA shall pay a default interest in the amount of 0.02% of the outstanding benefit for each day overdue. However, the total amount of the penalty may not exceed 10 % (ten per cent) of the outstanding insurance indemnity amount.

9.5. For the purpose of paying insurance benefits, all insurance premiums (for a current insurance year), which are mature on the date of paying the benefit, shall be accounted. Pending premiums can be also accounted if so agreed by the Policyholder. If the insurance object is killed, destroyed or lost as a result of the event insured, all premiums pending in accordance with the insurance contract shall be deducted.

9.6. In case BTA is or will be unable to make a recourse claim by subrogation due to malicious intent or gross negligence of the The Insured person, BTA may opt for not paying the insurance indemnity in the amount for which a claim is not or will not be possible to be brought, or, if insurance indemnity has already been disbursed, demand its refund from the Insured.

9.7. At the request of the person entitled to claim insurance indemnity, BTA will enable this person to study the documents, based on which BTA had made the decision of insurance indemnity payment or rejection, or issue copies of the documents for a fee not exceeding the costs of producing the document copies.

BTA does not enable this person, entitled to claim insurance indemnity, to study the documents or issue copies of the documents, if:

- a) BTA has submitted documents to law enforcement institutions for criminal investigation of the insured risk occurrence circumstances;
- b) the documents contain a trade secret of another person, which the person entitled to claim insurance indemnity is not entitled to obtain;
- c) the documents contain a personal data, which the person entitled to claim insurance indemnity is not entitled to obtain.

10. Complaint Handling and Dispute Settlement Procedure

10.1. Procedure how BTA handles a complaint for being dissatisfied with insurance contract or insurance services submitted by the submitter of insurance application, the Policyholder, the Insured Person, the Beneficiary and another person entitled to claim insurance indemnity, is publicly available on BTA's website www.bta.lt.

10.2. Any disputes arising between the parties to the insurance contract shall be settled by way of negotiations. In case of failure to reach agreement by way of negotiations, all disputes arising from and in relation to the violation, termination or invalidity of from the insurance contract shall be settled in compliance with legal acts of the Republic of Lithuania before courts of the Republic of Lithuania according to the place of registered office of BTA Lithuanian branch.

11. Processing of Personal Data

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

The principles of processing of personal data conducted by BTA are published on BTA's privacy policy at www.bta.lt.

12. Subrogation and right of recourse

12.1. Upon disbursement of the insurance benefit, the Insurer shall acquire the right of claim to the amounts paid from the person responsible for the inflicted damage (subrogation or right of recourse). The Policyholder, the Insured Person or the Beneficiary must communicate to BTA all requested information necessary for the Insurer in order to be able to properly implement the right of claim transferred to him.

13. Confidentiality

13.1. The parties undertake not to disclose any confidential information received on the basis of contractual or pre-contractual legal relationships to any third parties, and not to use such information in the manner which would infringe the interests of the other party to the insurance contract. BTA shall have the right to provide to independent experts and reinsurers all necessary information received on the basis of the contractual or pre-contractual relationships, and to store such information in BTA's databases. This duty shall not apply when the parties must disclose the information to competent public authorities in compliance with requirements of legal acts of the Republic of Lithuania.

14. Miscellaneous

14.1. Any notice to be communicated by the Policyholder or BTA to each other shall be delivered by the time limits set in the Regulations using one of the below specified methods:

14.1.1. delivering to the Policyholder to the addresses specified in the insurance policy or other written documents or in the notifications of the parties on the change of addresses of their registered offices;

14.1.2. sending as a postal item by registered mail;

14.1.3. sending by e-mail, when this method of notification is provided for by the parties in the contract or when they express their consent to exchange the information in this manner by actions

14.2. BTA is entitled to cede its rights and obligations to other insurance undertakings in the statutory procedure. If the Policyholder disagrees with the Insurer's intention to transfer its rights and obligations under the insurance contract, the Policyholder is entitled to terminate the insurance contract within one month from the cession of the rights and obligations. In this case the Policyholder shall be refunded the paid in premiums for the remaining period of the insurance contract validity.

14.3. Contractual insurance relations shall be governed by the law of the Republic of Lithuania.

14.4. The insurance contract shall be signed on the basis of the general and special terms and conditions. In case of any differences between the special and/or individual insurance terms and conditions, as stipulated in the insurance contract (policy), and the General terms and conditions herein, the special and/or individual insurance terms and conditions shall take precedence.

14.5. The Policyholder, Insured Person, Beneficiary and other persons acquiring any rights on the basis of the insurance contract are required to fulfil the obligations stipulated in the Regulations.

14.6. The Regulations are effective from the date of being approved by the BTA board unless it provides for another date for the Regulations to come into effect.

14.7. In case of any differences or discrepancies between the languages, the wording in the Lithuanian language shall override.

14.8. The Regulations are available on BTA's web site at <http://www.bta.lt>.

SPECIAL CONDITIONS

1. Terms used in the insurance contract

Reseeding – means a repeated seeding of cultivated crops in wintering period in the field or its parts damaged by the same or different crop variety when the estimated number of healthy crops per 1 m² is smaller than minimum and their continued production is economically inappropriate.

BBCH – means the code consisting of numbers from 00 to 99 indicating the phenological growth and development stage of the cultivated crop.

Requirements of Good Agricultural Practices – means the requirements, suggestions and recommendations, generally accepted rules established by laws and regulations to be observed by the Policyholder and his related persons when producing cultivated crops.

Lodging – means damage to stems of cultivated crops caused by a storm and rainfall bending or breaking them and displacing from vertical to horizontal position.

Non-compensable amount of losses – means the amount indicated in the insurance contract as a percentage of the sum insured of the insured field within the limits of which losses of the insured event are not compensated. When the non-compensable amount of losses is exceeded and the insurance benefit is disbursed its rate shall be determined by applying a deductible if it was agreed between the parties and specified in the insurance contract.

Crops – means cultivated plants sown or planted by agricultural operators, appropriately maintained, grown until they mature for realisation and harvested from the field, such as crops for human consumption and fodder crops (e.g., cereals, vegetables, seasoning plants, etc.), technical (e.g., oilseed crops, etc.), decorative and medical plants.

Wintering period – means the period of time during which the insurance cover applies only to winter crops against insurance risks. This period begins on 1 November of the sowing year and ends on 1 May of the harvesting year.

2. Essential circumstances of the insurance contract

2.1. The insurance contract shall be concluded in observance of all available information supplied by the Policyholder and his related persons about the circumstances that can have an essential impact for the assessment of the insurance risk.

2.2. The essential circumstances shall be realistic and correct information on:

2.2.1. Produced cultivated crops requested to be insured (e.g., the crop species and the name of a variety, sowing time, declared crop areas, land plot plan, average annual production value in tonnes for the period of the last three years, value per hectare in euro, crop protection, fertilisation, rotation plans, etc.);

2.2.2. History of losses and claims;

2.2.3. Other circumstances described in these Regulations, set forth in the application for concluding the insurance contract or indicated in the insurance policy or its annexes.

2.3. The insurance contract shall be concluded on the basis of these Regulations. If special and/or individual conditions of insurance indicated in the insurance contract (insurance policy) and in these Regulations differ, the special and/or individual conditions of insurance shall prevail.

2.4. During the insurance contract validity period, the Policyholder and his related persons must immediately report all changes in the essential circumstances which were specified when concluding the insurance contract, including the changes that occur during validity of the insurance contract and can impact an increase in the insurance risk – increase the likelihood of occurrence of the insured event or potential loss, or increase the insurance risk – apply for amendment to the terms and conditions of the insurance contract and adjustment of the insurance premium because of the reduced risk. The changes in the insurance risk shall include:

2.4.1. Growing crop species in the crop area other than indicated in the report on cultivated crop areas.

2.4.2. The changeover from traditional type of farming to organic farming and vice versa.

2.4.3. Increase of agricultural areas of insured crops during the insurance contract validity period, when such areas were not indicated in the statement of declared crop areas intended to be insured.

3. Insurance object

3.1. Insurance object – means a respective crop species of the cultivated group indicated in the insurance contract. The Policyholder and his related persons may insure the crops of one species selectively from the cultivated crop group, except for oilseed crop – the latter shall be insured together with another crop. The insurable cultivated crop groups include:

3.1.1. Cereals – winter and summer wheat, winter and summer triticale, winter and summer rye, winter and summer barley, oats.

3.1.2. Oilseed crops – winter and summer rapeseed, winter and summer colza seed.

3.1.3. Other crops – other crops indicated in the insurance contract may also be insured by a separate agreement of BTA and the Policyholder.

3.2. The insurance cover shall apply to land areas indicated in the insurance contract and sown or planted by the Policyholder and his related persons with the prohibited crop variety when such land areas have the registration number according to which they can be located and are declared with the National Paying Agency.

4. Insurance cover

4.1. Crops shall be insured against a sudden and unexpected damage, destruction or loss arising from the below specified insured events. BTA shall indemnify losses in respect of risks indicated in the insurance policy:

4.1.1. Hail – means a short-term fall of ice particles usually characteristic of a warm season. The insurance cover shall apply during the growing season of the cultivated crop.

4.1.2. Rainfall – means an atmospheric precipitation in the form of water drops at a rate of fall exceeding 15 mm/ 15 min, or exceeding 50 mm/ 24 hours. The insurance cover shall apply until BBCH 89 development stage of the cultivated crop.

4.1.3. Storm – means a strong wind of not less than 17 m/s speed. The insurance cover shall apply until BBCH 89 development stage of the cultivated crop.

4.1.4. Wild animals and birds – means damage made by wild animals and birds to healthy crops during wintering period when sown winter crops or their parts are tramped, scraped out, broken or damaged in a similar manner. The insurance cover shall apply until BBCH 89 development stage of the cultivated crop.

4.1.5. Fire – means damage to mature cultivated crops by fire–flames at the time of harvesting when flames from agricultural machinery which gets broken and catches fire spread to the insured field.

4.1.6. Lightning – means damage to cultivated crops caused by fire which breaks out and spontaneously

spreads in the insured field as a result of a direct strike of lightning in the insured location. The insurance cover shall apply after BBCH 29 development stage of the cultivated crop.

4.1.7. Harvest theft – means a theft of harvested crop from the insured field during its harvesting period when the Policyholder can provide evidence of unlawful acts of third parties.

4.1.8. Winterkill – means damage to cultivated crops during wintering period when sown winter crops or their parts are destroyed by frost or cold, suffocate under the ice crust or get rotted under snow cover. The insurance cover shall apply until BBCH 29 development stage of the cultivated crop.

4.2. Liability of the Insurer shall cease in respect of all risks when the insured cultivated crops are harvested, regardless any harvesting problems that may occur at that time (e.g., no possibility to access the fields due to continuous rain) or at the usual harvesting time in that location in observance of requirements of Good Agricultural Practices.

5. Non-insured events

5.1. Unless the insurance contract provides otherwise, BTA shall not disburse the insurance benefit in the cases of occurrences indicated in Chapter 7 of the General Part of the Regulations and shall not indemnify the below specified losses:

5.1.1. When the Policyholder and his related persons fail to follow requirements of Good Agricultural Practices or to apply them correctly, i.e. when they make essential technological mistakes of the cultivated crop production when selecting plant protection products and fertilisers, their rates for planned yield, mixtures and application time, agricultural machinery and methods for land cultivation, crop sowing, etc.

5.1.2. Water accumulation on soil surface of the insured field due to poor maintenance of irrigation system or a dam created by beavers.

5.1.3. Expenses for regular plant protection, i.e. ensuring usual and unexpected needs of plants, including consultations, monitoring, experiments or other testing related to crop production performed by the Policyholder and his related persons.

5.1.4. Losses related to the environmental pollution monitoring, control, impact assessment, prevention, collection, treatment, decontamination or liquidation of pollutants, including damage to ecology and biodiversity.

5.1.5. Damage to insured cultivated crops caused by lodging identified before BBCH 58 and after BBCH 83 development stage of crops, except for pulses and oilseed crops to which the insurance cover against lodging during their growing season does not apply.

5.1.6. Damage caused by winterkilling or wild animals and birds identified for winter crops after BBCH 29 development stage.

5.1.7. Losses caused by explosive substances or their mixtures, flammable gases, liquid or solid, toxic, mutagenic, carcinogenic substances or persistent organic pollutants that have a negative impact on the crop yield.

5.1.8. Losses arising from an electronic information security incident which occurs or can occur in electronic medium. Electronic medium – means interactive environment including: users, networks, information technologies, software, processes, transferred or stored information, mobile apps, services and systems that can be directly or indirectly connected to the internet, telecommunications and computer networks where their users interact and which has no physical limits. Information technologies – means technologies of electronic processing of assigned tasks, their design, deletion, storage, broadcast or transmission. Electronic information security incident – means a dangerous incident or an offence endangering the integrity, availability and confidentiality of information technologies.

5.1.9. Indirect expenses incurred by the Policyholder and his related persons from agricultural activities, i.e. lower profit, lost income, running costs of operations, wages, taxes and liabilities mandatory under laws of the Republic of Lithuania, and monetary obligations.

5.1.10. Crop losses caused by viruses, fungi, bacteria, including damages caused by diseases and pests.

5.1.11. Losses caused by dishonesty or personal benefit generated on behalf of the Policyholder or his related persons arising from, or attributable to, unfair or false acts or omissions.

5.1.12. Adverse weather conditions that prevent from harvesting the insured cultivated crop (there is no possibility to enter the fields).

6. Sum insured

6.1. The sum insured is the largest amount of money which may be disbursed by BTA when an insured event occurs.

6.2. A separate sum insured shall be calculated for each field under a certain variety of crops and shall be indicated in the insurance contract.

6.3. The sum insured shall be determined by agreement of the parties and indicated in the insurance contract. By concluding the insurance contract the Policyholder and his related persons assume full liability for the conformity of the sum insured to the value of the insurance object. If upon occurrence of the insured event it is established that the sum insured differs from the value of the insurance object, the

amount of the insurance benefit shall be calculated to take account of the existing under-insurance or over-insurance.

6.4. The sum insured shall be calculated taking account of the value of each insured field. The value of each insured field shall be obtained multiplying the the respective crop species area in hectares by the value of one hectare. The value of one hectare of the insured field shall be calculated multiplying the expected harvest in tonnes of the respective crop species by the purchase price of the crop.

6.5. Where, during the insurance period, several damages occur in the insured field, the sum insured for such field shall be reduced by the amounts that were already disbursed, i.e. when the Insurer disburses the insurance benefit, the sum insured of the insured field shall be reduced by the amount of the disbursed insurance benefit (the sum insured shall not revolve).

6.6. The Insurer shall have the right to examine and check crop condition – assess the development stage, preparedness of winter crop for wintering period. Where crop areas or crops do not conform to the terms and conditions of the insurance contract the Insurer shall have the right to exclude separate crop areas or their parts from the insurance contract refunding the insurance premium for such areas.

7. Payment of the insurance benefit

7.1. Where, upon occurrence of the insured event due to winterkilling, hail, rainfall or exposure to wild animals or birds until BBCH 29 development stage of winter crops, the Policyholder and his related persons, acting in observance of requirements of Good Agricultural Practices and on the basis of less than minimum number of crops per 1 m², decide to replant the insured field or its parts, BTA shall indemnify losses taking account of the following conditions:

7.1.1. The resulting harvest losses shall not be indemnified, but the costs of reseeding shall be compensated, i.e. the fixed amount of compensation to cover expenses of the claim event necessary for repeated soil tillage or management of the insured field and its parts, soil preparation for production of the same or different crop variety. The insurance benefit shall be calculated taking account of the non-compensable amount of losses and the fixed amount of compensation (for reseeding) indicated in the insurance contract.

7.1.2. The decision of the Policyholder and his related persons to replant the insured field (i.e. as a result of damage caused by winterkilling or wild animals or birds) because of the reduced crop number in the field. The Insurer shall assess such reduction as the insured event (if it is established that damage occurred after BBCH 29 development stage the event shall be qualified as a non-insured event), register the event and permit the reseeding of the damaged crop if the estimated number of healthy crops is smaller than indicated in the insurance regulations. When the permission approved by the Insurer for management or repeated tillage of the field is obtained, from that day the insurance cover shall no longer apply to the field or its part against the insured risks – the affected field or its part shall be removed from the provided list of fields in the insurance contract even if the Policyholder ceases maintenance and management of the field.

7.1.3. No deductible shall apply to the calculation of the insurance benefit.

7.1.4. The minimum number of healthy crops per 1 m² in spring, when the growing season of crops begins is smaller than:

7.1.4.1. Winter rape seed – 10 crops;

7.1.4.2. Winter colza seed – 20 crops;

7.1.4.3. Winter wheat – 100 crops;

7.1.4.4. Winter rye – 80 crops;

7.1.4.5. Winter wheat – 100 crops;

7.1.4.6. Winter triticale – 100 crops.

7.2. When the insured event caused by hail, rainfall, storm, illegal acts of third parties, lightning or fire risks occurs after BBCH 29 development stage of cultivated winter crops, the insurance benefit shall be calculated applying the following loss assessment methods:

7.2.1. The expert appointed by BTA determines the loss amount of the insured crops in percent for each affected field separately.

7.2.2. The insurance benefit shall be calculated as a percentage of the sum insured of the affected field or its part, taking account of the non-compensable loss amount fixed in the insurance contract and applying the deductible, however, without exceeding the maximum benefit limit if it was agreed between the parties.

7.2.3. The loss rate of yield of the insured cultivated crops in the affected field or its part shall be calculated by deducting the costs saved by the Policyholder and his related persons from the lost yield value – the result of reduced crops areas (yield) – for satisfying everyday or exclusive needs of crops, their further maintenance, harvesting, warehousing, sales, etc.

7.3. When yield losses are caused by lodging of cereals (bending of stems) the sole reason for which was a rainfall and storm, the yield loss value shall not be indemnified, but the fixed loss compensation amount shall be disbursed. The insurance benefit shall be calculated in observance of the following conditions:

7.3.1. Loss indemnification amount makes up 15% of the insured field area affected by the insured event of lodging for cultivated crops of BBCH 59 – BBCH 83 development stage.

7.3.2. No deductible shall apply to the calculation of the insurance benefit.

7.4. If the affected area is smaller than the non-compensable amount of losses specified in the insurance contract for insured fields the insurance benefit shall not be disbursed. The non-compensable amount of losses shall be assessed in all instances regardless of the time when the insured event is identified during the growing season of the cultivated crop.

7.5. A decision on the division of the field and determination of the number of healthy crops shall be taken by the expert appointed by the Insurer; the expert retains the right to separate the fields affected by damage and to apply individual damages to the parts of the field.

7.6. When the insured event occurs, crops at the insured location have to be assessed according to the following indications of damage:

7.6.1. In the event of hail – crops are crushed, bent, broken, destroyed, torn, cereal seeds or siliques of oilseed crops are splintered – where such damages are characteristic solely of a hail.

7.6.2. In the event of rainfall – crops are broken, split, torn, washed out, damaged, or pulled out – where such damages are characteristic solely of rainfall, and in the case of cereal and oilseed crop – sprouting of seeds due to erosion arising from a rainfall. It is also assessed whether there is no crust formation on the soil surface preventing seed germination.

7.6.3. In the event of storm – crops are damaged, pulled out, bent, broken or twisted off, torn, snowed in, or blown over – where such damages are characteristic solely of a storm.

7.6.4. Where, at the insured location, there is no possibility to identify quantitative parameters of hail, rainfall, storm and other risks listed in these Regulations, the measurements carried out by the meteorological service in the same or nearest region and/or the facts similar losses caused by the aforementioned natural forces in the same region or in the vicinity of the insured location in other areas of production of cultivated crops of good condition shall be considered.

8. Grounds for reducing the insurance benefit

8.1. BTA shall have the right to reduce the insurance benefit or to refuse its payment in the following cases:

8.1.1. The Policyholder and his related persons supplied misleading information about the circumstances of the insured event that had an impact on determining of the causes of the accident and the amount of loss.

8.1.2. Upon occurrence of the accident which may be qualified as the insured event it transpires that when concluding the insurance contract the essential information about the insurance object was not provided or that the information provided was wrong or no information about the change in circumstances and/or increased risk has been provided (Chapter 2 of the Special Conditions).

8.1.3. The Policyholder and his related persons supplied not all documents requested by BTA for determining the causes of the insured event and the amount of loss.

8.1.4. The Policyholder and his related persons failed to report the event in a timely manner to competent authorities (fire service, police, etc.).

8.1.5. The loss occurred because the Policyholder and his related persons deliberately did not take available reasonable measures to preclude or minimise damages.

8.1.6. The loss occurred because the Policyholder and his related persons were under the influence of alcohol or narcotic or psychotropic substances.

8.1.7. The Policyholder and his related persons failed to report the event in writing to BTA within the time limits specified in these Regulations.

8.1.8. Losses arise for the same recurrent reason when BTA had instructed in writing to take particular measures to minimise the likelihood of the event.

8.1.9. In other cases established by legal acts of the Republic of Lithuania.

8.2. BTA shall take a decision to refuse or reduce the insurance benefit taking account of the fault of the Policyholder and/or his related persons, the extent of infringements of the insurance contract and its causal link with the event or amount of damage.