

MOTOR OWNDAMAGE INSURANCE

Terms and Conditions Nr.017.3

APPROVED BY

BTA Baltic Insurance Company AAS

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1. WHO IS WHO AND WHAT IS WHAT

Policyholder (hereinafter: You) – a person who has applied to the Insurer to contract for insurance or to whom the Insurer has offered to enter into an insurance contract, or who has signed an insurance contract with the Insurer. Only the owner of the motor vehicle to be insured or a person who uses the motor vehicle under a financial leasing agreement or hire-purchase agreement may be a policyholder.

Insurer (hereinafter: We) – BTA Baltic Insurance Company AAS, Lithuanian Branch.

Legal operator of the motor vehicle – a person operating the motor vehicle on a legal basis, i.e., by the right of ownership, on the basis of a contract of lease and/or a contract of uncompensated use of a thing, etc.

Motor vehicle – a serially manufactured motor unit, which has a manufacturer's configuration, is registered in the statutory procedure, has a license number plate, and is designed for the transport of people and/or goods. This term also includes trailers, semi-trailers, tractors, self-propelled machinery and mobile installations.

Manufacturer's configuration – the configuration of a motor vehicle established by a manufacturer or its authorised representative upon putting the motor vehicle into circulation. A manufacturer's configuration is determined on the basis of vehicle body number which is verified by an authorised dealer.

Market value of the motor vehicle – an amount of money, including taxes applicable in the Republic of Lithuania for purchasing such goods, for which an equivalent motor vehicle could be purchased on the Lithuanian market under a direct commercial transaction entered between a person willing to sell and a person willing to buy the motor vehicle, when both parties to the transaction act in a business-like manner, voluntarily and are not conditioned by any other transactions and interests.

Traffic accident – a traffic incident involving at least one moving vehicle, which results in the insured motor vehicle being damaged or persons being injured.

Theft of the motor vehicle and its components – a theft of a motor vehicle and its components, which is established by the relevant law enforcement institutions and for which a pre-trial investigation procedure is initiated (pre-trial investigation is necessary only for theft of a motor vehicle), hereinafter understood as:

- secret or open stealing of a motor vehicle;
- secret or open stealing of the parts, components or units of a motor vehicle;

- robbery – misappropriation of an insured motor vehicle by employing or threatening immediate use of physical or mental violence or otherwise depriving the legal operator of the motor vehicle of an opportunity to resist.

Accessory equipment – any equipment stationary installed in the insured motor vehicle, which is not series equipment (not installed by the manufacturer). Accessory equipment includes, but is not limited to: non-detachable audio and video systems, navigation systems, light-fusion wheel rims, external boots, additional lamps, gas equipment, supplementary strut bars, and supplementary sills.

Misappropriation – the act of illegal use (even though for a short time) of entrusted or possessed property of another person when there are realistic chances of using or disposing of the property.

Technical failure – any sudden and unexpected mechanical or electrical failure of a motor vehicle making it impossible to continue driving due to putting other road users, insured persons or the motor vehicle at risk.

Loss – destruction, loss of or damage to property or death and related expenses (direct losses) suffered as a result of the insured event.

Vehicle fleet insurance contract – an insurance contract whereby two and more motor vehicles are covered.

Residual value – an amount of money for which a particular damaged/destroyed motor vehicle could be purchased under a direct commercial transaction entered between a person willing to sell and a person willing to buy the motor vehicle after its appropriate placing on the market, if both parties to the transaction act in a business-like manner, voluntarily and are not conditioned by any other transactions and interests.

2. FUNDAMENTAL CIRCUMSTANCES OF THE INSURANCE CONTRACT

- 2.1.** The insurance contract shall be signed on the basis of information provided by You on the circumstances likely to have substantial effects on the assessment of insurance risk. You shall be kept responsible for the correctness of the information.
- 2.2.** The following circumstances shall be considered fundamental:
 - 2.2.1.** true and correct information on a motor vehicle to be covered (model, brand, year of make, security equipment, other risk factors);
 - 2.2.2.** loss and damage records;
 - 2.2.3.** other circumstances stipulated in the Terms and Conditions or in the application to contract for insurance.
- 2.3.** The insurance contract shall be made on the basis of Your verbal application unless You provide it in writing.
- 2.4.** The following documents shall comprise the insurance contract: Insurance Terms and Conditions, policy, application to contract for insurance (if any), photo pictures, other submitted documents or annexes to the insurance contract.
- 2.5.** In case of any differences between individual insurance contract provisions and the provisions laid down in the Terms and Conditions herein, the individual insurance terms and conditions shall take precedence.

3. WHAT IS COVERED

- 3.1.** These Terms and Conditions shall serve as a basis for insuring motor vehicles that are registered with relevant authorities in the statutory procedure and issued permanent registration number plates of the Republic of Lithuania.
- 3.2.** In addition, the cover may apply to accessory equipment which is specifically indicated in the policy.

4. WHEN DO WE PAY INSURANCE BENEFIT

- 4.1.** The risk covered is any event occurring during the insurance period, involving any damage to and/or destruction of the insured motor vehicle caused by a sudden, unexpected, external mechanical force or fire/explosion, and also cases when the motor vehicle (or its part(s)) is/are stolen or robbed.

5. WHEN ARE WE NOT LIABLE TO PAY INSURANCE BENEFIT

- 5.1.** Risks shall be deemed not covered if the legal operator of the motor vehicle:
 - 5.1.1.** uses alcohol, drugs or other intoxicating substances after the Traffic Accident until blood alcohol content is tested or the influence of drugs, or other intoxicating substances is determined;
 - 5.1.2.** avoids to undergo a test for determining the alcohol content in blood or the influence of drugs, or other intoxicating substances when the test was offered by a competent state authority or medical institution after the Traffic Accident until the circumstances of the Traffic Accident are established;
 - 5.1.3.** drives the motor vehicle or teaches another to drive and the breath or blood test of the driver or the person who is learning to drive shows the presence of alcohol, drugs, or other intoxicating substances;
 - 5.1.4.** drives the motor vehicle without the right to drive the motor vehicle of the particular category;
 - 5.1.5.** drives the motor vehicle with expired state technical check-up coupon on the date of the Traffic Accident and the reason of the Traffic Accident is a technical failure of the vehicle;
 - 5.1.6.** does not obey to police officer's (traffic controller's) requirement to stop, attempts to escape, is stopped forcibly or leaves the scene of the accident without permission;
 - 5.1.7.** uses the motor vehicle as an instrument of crime or suicide;

- 5.1.8.** uses the motor vehicle for purposes other than its direct designation or drives the motor vehicle with tires that do not meet the local normative legal requirements. This clause applies in case of Traffic Accident risk only;
- 5.1.9.** while driving the motor vehicle, is getting ready to participate or participates in high-speed events (e.g. sports competition, training), unless the insurance contract provides for otherwise;
- 5.1.10.** the motor vehicle is used for transportation and/or towing of another vehicle or is transported and/or towed in violation of the established requirements of the Rules of the Road;
- 5.1.11.** uses the motor vehicle in places not intended for road traffic (frozen water, forest, fields, grasslands, etc.);
- 5.1.12.** leaves the motor vehicle unattended, i.e., with windows, sunroof or roof opened, unlocked and/or without the alarm system being switched on or properly functioning;
- 5.1.13.** drives the motor vehicle in violation of the technical characteristics of the motor vehicle.
- 5.2.** The following cases shall be also considered exclusions (risks not covered):
 - 5.2.1.** the driver of a motor vehicle is younger or has fewer years of experience in driving than it is indicated in the insurance contract, except for the first incident occurring to a driver who is younger or has fewer years of driving experience than indicated in the insurance contract; in this case, the applicable unconditional deductible will be by EUR 500 higher than is set in the insurance contract;
 - 5.2.2.** the user of the motor vehicle, policyholder or insured person causes damage deliberately or conceals the causes, circumstances and consequences of the accident, submits incorrect or misleading information or otherwise illegally seeks insurance benefit or increase thereof, including cases when theft/misappropriation of the vehicle is staged by the owner of the vehicle or by other persons related to the owner;
 - 5.2.3.** the motor vehicle is used under conditions of increased risks unless this is agreed in the policy. The increased risk conditions shall be deemed to include:
 - 5.2.3.1.** lease/sublease of the motor vehicle;
 - 5.2.3.2.** using the motor vehicle for giving driving lessons;
 - 5.2.3.3.** using the motor vehicle for money collecting, security services, ambulance, police, fire fighting and other rapid response and operational activities;
 - 5.2.3.4.** using the motor vehicle as a taxi or for other passenger transportation services for remuneration;
 - 5.2.4.** the motor vehicle is lost, i.e. appropriated with Your knowledge and will or with the knowledge and will of Your authorised person or other persons who had the right to use the insured vehicle with the knowledge and will of the owner or legal operator of the motor vehicle, or appropriated fraudulently;
 - 5.2.5.** damage due to the reconstruction, ageing, corrosion, wear and tear of the motor vehicle;
 - 5.2.6.** damage caused by a technical failure of the motor vehicle;
 - 5.2.7.** damage caused to the engine or its components, heating or cooling equipment, or transmission; damage which occurs or increases due to the lack of lubricants or coolants, using wrong lubricants, coolants or fuel or insufficient circulation thereof;
 - 5.2.8.** damage to the interior of the motor vehicle or in-car parts which occurs or increases due to a passenger or animal/pet transported in the insured motor vehicle;
 - 5.2.9.** damage to the motor vehicle which occurs or increases due to running out of fuel;
 - 5.2.10.** damage as a result of theft, destruction of, or damage to the ignition keys, remote controller, accessory equipment and/or other parts of the motor vehicle, if the aforementioned equipment was not present in the insured motor vehicle upon occurrence of the accident;
 - 5.2.11.** the motor vehicle was stolen by using its original keys or anti-theft controller of the motor vehicle;
 - 5.2.12.** registration certificate, ignition keys and alarm system remote controllers of the motor vehicle were not submitted to Us right after the vehicle's theft, except for cases when the above-mentioned items disappeared during the robbery and this fact was confirmed by law enforcement authorities, or the vehicle registration certificate, keys and remote controllers were submitted to the police;
- 5.3.** We shall not pay any benefits where You, Beneficiary or other legal operator of the motor vehicle fail(s) to provide Us with all the documents required for the determination of causes of the potentially insured event and the amount of loss, as well as with statements/certificates issued by the police and other competent public authorities, if the accident should have been recorded in accordance with the actual circumstances of the event, these Terms and Conditions and/or statutory acts of the country where the accident occurred.
- 5.4.** We shall not pay any benefits for modifications, improvements, depreciation-caused repair of the motor vehicle, depreciation of its value, urgent delivery of spare parts, idle time of and fuel for the motor vehicle, also for income lost due to inability to operate the motor vehicle; costs of issue of independent assessors reports are not compensated either.
- 5.5.** Losses related to the elimination of factory or repair company defects shall not be compensated.

- 5.6. Your failure to perform the duties set out in paragraphs 14.2, 14.5, and 14.6 shall result in reduction or non-payment of insurance benefit, if this non-performance had any effects on the determination of the fact and circumstances of the potential insured event and of the size of damage.
- 5.7. If the vehicle registration certificate, ignition keys, spare ignition keys, remote controllers of security systems, valuable things and/or detachable accessory equipment are left inside the vehicle, the benefit is reduced by up to 50%, provided this has contributed to the fact of the insured event or otherwise created conditions for damage to occur (it became easier to use the vehicle and more complicate to find it or disposal of the stolen vehicle became easier).
- 5.8. Insurance benefit may not be paid, if the duties set out in paragraph 14.3 of the Terms and Conditions are not fulfilled upon occurrence of a potentially insured event.

6. COVER OPTIONS

- 6.1. When contracting for insurance, You may choose one of the options below:
 - 6.1.1. Insurance neglecting the wear and tear of parts. When this option is chosen, for the purpose of loss assessment, the price of replaced parts shall be calculated at the market prices of new parts existing on the date of the event insured, without taking into account the rate of wear and tear of the replaced parts. In this case, repair is arranged at a repair company chosen by You;
 - 6.1.2. Insurance subject to the wear and tear of parts. When this option is chosen, for the purpose of loss assessment, the price of replaced parts shall be calculated at the market prices of non-original or used parts (that may not be higher than the price of new original parts), less the rate of wear and tear of the replaced parts. In this case, a repair company shall be chosen by Us.
 - 6.1.3. Insurance at the new value. When this option is chosen, the sum insured and the market value shall be deemed to be equal to the value of original sale of the motor vehicle, as confirmed by the selling company. The provision as to the market value of the motor vehicle shall apply only if the new motor vehicle is bought in the retail sector in Lithuania. Loss shall be assessed on the basis of the value of the motor vehicle on the date of contracting for insurance instead of the market value of the motor vehicle on the date of the event insured. The provisions of insurance neglecting the wear and tear of parts shall apply to this cover option.

7. COVERAGE TERRITORY

- 7.1. The insurance contract shall be valid in the territory indicated in the insurance policy.
- 7.2. When the policy stipulates that the coverage territory is Europe, the insurance contract shall be valid in the following countries: Ireland, Albania, Andorra, Austria, Belarus, Belgium, Bosnia-Herzegovina, Bulgaria, Czech, Denmark, Estonia, Greece, Iceland, Spain, Italy, the United Kingdom, Cyprus, Croatia, Latvia, Poland, Liechtenstein, Lithuania, Luxembourg, Malta, Macedonia, Moldova, Monaco, Norway, the Netherlands, Portugal, France, Rumania, Russia (only the European part up to the Ural Mountains), San Marino, Serbia and Montenegro, Slovakia, Slovenia, Finland, Sweden, Switzerland, Turkey (the European part only), Ukraine, Hungary, and Germany.

8. SUM INSURED

- 8.1. The sum insured shall be equal to the market value of a motor vehicle unless specified otherwise in the insurance contract. Where the value of the motor vehicle in the insurance contract exceeds or is below its determined value, the circumstances laid down in Articles 6.999 to 6.1001 of the Civil Code of the Republic of Lithuania arise. The sum insured for new, unused accessory equipment shall be determined according to the acquisition price indicated in the equipment purchase documents. If the accessory equipment is not new, the sum insured shall be its market value on the date of contracting for insurance.
- 8.2. Motor vehicles are insured on the basis of a restoration of limits provision, i.e. paying insurance benefits does not reduce Our liability which remains valid in respect of the total sum insured and is not reduced with the amounts of benefits paid down.

9. DEDUCTIBLE

- 9.1. Deductible shall not apply in the following cases:
 - 9.1.1. payment of insurance benefit entitles Us to recover the loss in full from an insurance undertaking registered in the Republic of Lithuania on the basis of Obligatory Motor Third Party Liability Insurance;
 - 9.1.2. an event insured occurs within the Republic of Lithuania on account of third party's (which caused the damage) fault, provided that perpetrators have been identified and found guilty by law enforcement institutions, and incriminating evidence is sufficient for Us to acquire the right to subrogation recovery;
 - 9.1.3. when an event insured occurs outside the Republic of Lithuania, deductible shall not apply to the insurance benefit payable by Us only if the perpetrator is a party to international motor third party liability insurance contract issued on behalf of the National Insurers' Bureau participating in the Green Card system whereby the damage caused by the event insured shall be fully compensated, provided that incriminating evidence is sufficient for Us to acquire the right to subrogation recovery.
- 9.2. Where both parties are to blame for the event insured, deductible shall apply pro rata to Your share of fault.

- 9.3.** If only vehicle windows, exterior mirrors or lamp glasses are damaged or destroyed during an event insured and repair is done in Lithuania by a glass repair shop recommended by Us, or by a warranty repair shop in case of "new value" insurance, insurance benefits shall not be reduced by deductible for cars and, once during the policy period, for any other motor vehicle.
- 9.4.** In case of theft of a motor vehicle and/or its individual parts, percentage deductible shall apply that cannot be less than unconditional deductible.

10. INCREASE OR DECREASE IN INSURANCE RISK

- 10.1.** Cases of insurance risk increase include, but are not limited to:
- 10.1.1.** changes in the details indicated upon contracting for insurance;
 - 10.1.2.** failure in security devices (equipment) of the motor vehicle;
 - 10.1.3.** modification of technical or structural characteristics of the motor vehicle, as compared to those installed by the manufacturer of the motor vehicle;
 - 10.1.4.** deteriorated condition of the security system of the insured motor vehicle or other security-related conditions;
 - 10.1.5.** loss or disappearance of registration certificate, ignition keys or remote controllers of security systems of the insured motor vehicle;
 - 10.1.6.** re-registration or deregistration of the insured motor vehicle from a national vehicle register.
- 10.2.** If during the insurance period there appear material changes in the circumstances set forth in the insurance contract reducing or likely to reduce the insurance risk, You shall be entitled to request amendment of the terms and conditions of the insurance contract or reduction of the insurance premium on the basis of the risk decrease. If We disagree to amend the terms and conditions of the insurance contract or reduce the premium, You shall be entitled to apply to a court for termination or amendment of the terms and conditions of the insurance contract on the basis of substantial changes in the relevant circumstances.

11. HOW DO WE ASSESS LOSSES

- 11.1.** We calculate insurance benefits on the basis of the documents obtained from You and competent authorities that justify the fact of the event insured, explain the causes thereof and allow loss assessment. For the purpose of loss assessment, only the injuries suffered by the Insured Person during the event insured and the visible damage caused directly to the motor vehicle in direct relation to the event are taken into account.
- 11.2.** Loss/damage suffered in relation to the loss of the motor vehicle (accessory equipment) shall be equal to:
- 11.2.1.** the value of a new vehicle within the limit of the sum insured, reduced by the book value of the remains suitable for use and risk deductible, when the motor vehicle (accessory equipment) is covered using the insurance at the new value option (paragraph 6.1.3);
 - 11.2.2.** in other cases - the market value of the motor vehicle (accessory equipment) on the date of the event insured, reduced by the book value of the remains suitable for use and risk deductible.
- A motor vehicle (accessory equipment) shall be deemed a total loss if its repair is impossible in technical terms or the costs of repair exceed 75% of the market value of the motor vehicle (accessory equipment) on the date of the event insured, unless stipulated otherwise in the insurance contract.
- 11.3.** Loss/damage suffered in relation to theft of the motor vehicle (accessory equipment) shall be equal to:
- 11.3.1.** the value of a new vehicle (accessory equipment) within the limit of the sum insured, reduced by deductible if such is provided for in the insurance contract, when the motor vehicle (accessory equipment) is covered using the insurance at the new value option (paragraph 6.1.3);
 - 11.3.2.** in other cases - the market value of the motor vehicle or its components (accessory equipment) on the date of the event insured, but not exceeding the sum insured, reduced by deductible if such is provided for in the insurance contract.
- 11.4.** In case of vehicle damage, losses shall be assessed on the basis of actual repair costs which include the costs of repair works, painting works, and replaceable parts (components) that are necessary to restore the damaged motor vehicle or its parts/components to their market value existing before the event insured. Damage to the motor vehicle (accessory equipment) is not compensated on the basis of independent assessors' reports. When it is found that damaged parts are repairable and there's no need to replace them, the parts shall be repaired only.

11.5. The wear and tear of vehicle parts and accessory equipment shall be determined on the basis of the Table below or in accordance with the policy:

Vehicle age (years)	Wear and tear of vehicle parts by the types of motor vehicles				
	Accessory equipment	Cars (M1, N1 vehicles having a maximum mass not exceeding 3,500 kg)	Caravans, campers, motorcycles	Buses, trucks, trailers (semi-trailers), special-purpose vehicles and their trailers (semi-trailers), mopeds	Tractors and self-propelled vehicles
< 1	20	0	0	0	0
1	35	0	0	0	0
2	45	5	0	0	5
3	55	9	0	5	10
4	64	13	5	10	15
5	72	19	10	15	20
6	80	24	15	20	25
7	86	30	20	25	30
8	90	37	25	30	35
9	93	43	30	35	40
10	95	49	35	40	45
11	95	55	40	45	50
12	95	61	45	50	55
13	95	67	50	55	60
14	95	70	50	60	65
15	95	70	50	65	70
> 15	95	70	50	70	75

11.6. We guarantee a possibility to repair the damaged motor vehicle on an appropriate quality level in Our authorised repair shop in order to bring the vehicle to the condition it was right before the event insured. Where the motor vehicle is covered using the insurance neglecting wear and tear option, replacement of the damaged parts with new parts of the same type shall not be deemed improvement of the vehicle's condition.

11.7. When documentary proof of vehicle repair costs and payment thereof is not submitted, necessary repair costs shall be calculated free of VAT, in accordance with time rates recommended by the manufacturer that may not exceed the hourly rates of the repair shop recommended by Us, and at the prices that we indicate for the replaceable parts and/or components (for new non-original, used or, in the absence thereof on the market, for new original parts) that are consistent with the technological level of the damaged motor vehicle, taking into account the price that we would pay for the parts/components. Costs calculations made by other persons (independent assessors, repair shops not recommended by Us, etc.) may be used as a basis only if the repair shops recommended by Us refuse to repair the insured motor vehicle.

11.8. Where the motor vehicle is covered using the insurance neglecting wear and tear option, deductions shall not be made on account of wear and tear only if the documentary evidence of the acquisition of and payment for motor vehicle parts has been submitted.

11.9. It is up to Us to decide to compensate for the damage suffered in relation to the destruction or theft of a motor vehicle in a form of cash benefit or by giving into your ownership an equivalent vehicle which value cannot be lower than that of the destroyed or stolen motor vehicle on the date of the insured event.

11.10. If the motor vehicle is damaged, destroyed or stolen, vehicle repair costs related to any earlier insured/uninsured events shall be compensated only if there is documentary evidence confirming the fact of the repair and payment for it. Where the defects relating to the earlier insured event have been paid for, insurance benefit shall be reduced by the paid down amount of benefit (this applies only if documentary evidence confirming the fact of the repair and payment for it is not produced to Us).

11.11. We shall pay insurance benefit with value added tax (VAT) included only if the motor vehicle has been actually repaired and VAT for the repair services has been paid, provided that You are not entitled to VAT deduction in accordance with the statutory regulations valid in the Republic of Lithuania.

11.12. Where an event insured involves damage or totalling of the vehicle parts which were damaged prior to the event insured and no additional damage is caused, the damage shall be compensated at a 50% rate.

11.13. In case vehicle parts were stolen, the damage shall be compensated only if repair works have been done and documentary proof of repair costs and payment thereof has been provided to the insurer.

12. WHAT INCIDENTAL COSTS ARE COMPENSATED

The following incidental costs shall be compensated (included in the amount of loss):

- 12.1.** If the motor vehicle is damaged during an event insured (which is agreed in the insurance contract), the damage also includes the necessary expenses incurred in relation to removing the vehicle from the place of the accident (recovery of the rolled-over vehicle, loading the scrap (on)to another vehicle, etc.). BTA compensates only actually incurred and documentary proved expenses).
- 12.2.** If the motor vehicle is damaged during an event insured (which is agreed in the insurance contract) and needs to be transported thereafter due to technical failures of the vehicle, the compensable costs also include the necessary expenses incurred in relation to the rescue and transportation/towing of the motor vehicle to the nearest repair shop where the vehicle can be repaired minimally so that to be able to drive autonomously to the place of permanent residence of the legal operator of the vehicle. BTA compensates only actually incurred and documentary proved expenses that are necessary to rescue and transport/tow the vehicle to the nearest repair shop, but in any case no more than EUR 300 in the Republic of Lithuania and EUR 1,000 in foreign countries for motor vehicles having a maximum authorised mass not exceeding 3,500 kg, and max. EUR 450 in the Republic of Lithuania and max. EUR 3,000 in foreign countries for motor vehicles having a maximum authorised mass of over 3,500 kg;
- 12.3.** Where an event insured involves a combination of vehicles (a combination of two vehicles coupled together using the road at the moment of the occurrence of the event insured) of which only one suffers damage, rescue/transportation costs shall be compensated proportionally for the rescue/transportation of both motor vehicles in the combination of vehicles, subject to the deductible applicable to each of the vehicles insured by Us;
- 12.4.** Expenses in paragraphs 12.1 to 12.3 shall be compensated only if the motor vehicle is damaged during the event insured (which is agreed in the insurance contract) and the expenses are reasonable and necessary;
- 12.5.** Expenses incurred in relation to deliberate damage to the insured motor vehicle in order to rescue victims;
- 12.6.** Necessary costs for storage of the motor vehicle for a maximum period of three days (max. EUR 300 per event);
- 12.7.** Costs of repair abroad without a prior agreement with BTA, provided that they do not exceed EUR 1,000 on the date of payment in accordance with the official rate of exchange of the Bank of Lithuania on the date of the invoice and such repair is necessary to ensure road safety. The amount of loss is determined on the basis of submitted invoices specifying the works performed, materials used and parts replaced;
- 12.8.** Expenses (max. EUR 300 per event) related to damaged bicycles, bicycle carriers, skis and carrier racks, provided that the motor vehicle is also damaged or totalled as a result of the same event insured. The sum refers to all of the above-mentioned items;
- 12.9.** Expenses related to the theft of or damage to a child safety seat which was inside the vehicle insured by BTA. The maximum benefit payable for damage to or loss of the child safety seat is EUR 150 per insured event and in aggregate per policy period. The sum refers to all child safety seats in the motor vehicle;
- 12.10.** Expenses related to the theft or destruction of a registration plate number (max. EUR 30). Deductible shall not apply if only the registration plate number is damaged/stolen during the event insured;
- 12.11.** Expenses (max. EUR 300 per occurrence) related to making vehicle ignition keys, replacement of locks, programming of immobiliser card, alarm system remote controllers and/or security system, if the keys were stolen and the theft was reported to the police. No insurance benefit is payable if the ignition card, immobiliser card or alarm system remote controller was left inside the insured motor vehicle. Benefit shall be paid only if documentary evidence of actual costs is produced: documents confirming the acquisition of a thing or service after the event insured;
- 12.12.** Expenses related to damage to, destruction or theft of accessory equipment from the motor vehicle shall be covered once per policy period, even though the accessory equipment was not insured separately. The benefit depends on the loss incurred and cannot exceed EUR 600;
- 12.13.** If only one tyre is completely damaged during the event insured (irrespective of whether or not other parts of the vehicle are damaged), we shall compensate for two analogue tyres without any deductible. Where more tyres are damaged, we shall compensate for such a number of tyres that is necessary for two tyres of the same tread depth to be fitted on one axle. This provision applies only to cars having a maximum mass not exceeding 3,500 kg and registered as M1 or N1 category vehicles.

13. HOW DO WE PAY INSURANCE BENEFITS

- 13.1.** Insurance benefit shall be paid to the legal owner of the damaged/totalled motor vehicle – Beneficiary or a person indicated by him/her.
- 13.2.** Insurance benefit for vehicle parts which were damaged earlier and/or for their repair and/or for which payment was already made shall be paid next time only after Your submission of the documentary evidence of acquisition of the parts and/or their repair.
- 13.3.** We are not authorised to pay any benefit or disallow payment thereof until we have checked the fact of the event insured and verified all the information available to Us.

- 13.4.** Insurance benefit shall be paid within fifteen days after receipt of all information relevant to the establishment of the fact, circumstances and consequences of the event insured, as well as to the calculation of the amount of benefit. The payment of the insurance benefit may be postponed until the amount of loss is justified.
- 13.5.** In the event of legal proceedings, administrative or pre-trial investigations having been initiated against You or the Insured Person entitled to compensation, and the outcome of such proceedings/investigations is relevant to the case administered by Us, the payment of the insurance benefit may be postponed until the legal proceedings, administrative or pre-trial investigations are over.

14. MUTUAL RIGHTS AND OBLIGATIONS OF THE PARTIES TO INSURANCE CONTRACT

- 14.1.** Our obligations are as follow:
- 14.1.1.** not to disclose any information, as received in relation to the performance of insurance activities, about You, Insured Person or Beneficiary, with the exception of cases provided for by law;
 - 14.1.2.** upon occurrence of an event insured, to pay insurance benefits by the time limits and under the terms and conditions set out in these Terms and Conditions.
- 14.2.** Your contractual obligations performance of which is prerequisite to the payment of insurance benefits are as follow:
- 14.2.1.** to give a prompt notice to Us on the loss and/or disappearance of the remote controllers of security systems and/or ignition keys. In this case, the cover provided by the insurance contract against theft shall be suspended until You replace the ignition lock(s) and/or alarm system and give Us a written notice to this effect;
 - 14.2.2.** to replace or repair broken or disabled alarm system and other security devices and give Us a written notice to this effect;
 - 14.2.3.** to notify Us in writing immediately, but no later than in 3 working days, of any modifications and improvements made to the motor vehicle and/or its accessory equipment;
- 14.3.** Where an insured event occurs as a result of damage to, destruction or loss of the motor vehicle, competent authorities must be immediately informed (police in case of theft, fire-fighting service in case of fire, emergency services in case of communication breakdown, police or emergency services in case of explosion, police in case of traffic accident) when so is required by the Road Traffic Rules. When the Road Traffic Rules do not require calling the police, parties involved in the traffic accident must fill out an accident report or fulfil other legal requirements of the country where the traffic accident occurs.
- 14.4.** For the purpose of paying insurance benefits, we are entitled to offset the mature portions of the insurance premium. If the benefit in the amount of the residual value of the motor vehicle is paid for the irreparably damaged/totaled vehicle, We are entitled to offset the full premium for the policy period.
- 14.5.** Upon occurrence of a potentially insured event, the fulfilment of the obligations set out in the valid statutory regulations, including those listed below, by the Legal Operator of the motor vehicle shall be prerequisite to the payment of insurance benefit. In compliance with the regulations, it is Your obligation to:
- 14.5.1.** ensure vehicle's safety if the vehicle stays in Your possession or in the possession of the legal operator of the motor vehicle after the accident until the vehicle is delivered for repair or transferred to Us;
 - 14.5.2.** notify Us in the event of the theft of the vehicle of the potential insured event as soon as practicable, but no later than in 1 working day, and write a detailed report on the event in 3 working days. In the event of damage or totalling (destruction) of the vehicle, notify Us of the potential insured event as soon as practicable, but no later than in 3 working days, and write a detailed report on the event in 3 working days if so is requested by Us. If the legal operator of the motor vehicle notifies Us in writing of the potential insured event later than by the time-limit set out in the Terms and Conditions (the period starts running from the date of the event), the legal operator of the vehicle is obliged to prove s/he had no possibility to report the event earlier due to objective reasons. The period of notice starts running from the moment You (or Your representative) became or should have become aware of the potential insured event;
 - 14.5.3.** allow Our representative to inspect the motor vehicle within a reasonable time after the potential insured event;
 - 14.5.4.** in the event of the theft of the vehicle, provide Us, as soon as practicable, but no later than in 3 working days, with keys, alarm system remote controllers and registration certificate of the vehicle unless You have handed the same to the police;
 - 14.5.5.** in the event of the theft or robbery of the insured vehicle, You are obliged to take all possible steps to cause initiation of criminal proceedings in the country where the potential insured event occurs regarding the theft of the insured motor vehicle or robbery of the motor vehicle or its parts (components), and also seek that the stolen vehicle is given into internal search without any delay.
- 14.6.** After repair of the motor vehicle, You are obliged to forward Us the vehicle parts damaged during the risk covered and replaced thereafter, if so is requested by Us.

- 14.7.** Where the stolen motor vehicle is found after We have paid the insurance benefit, You may, subject to agreement between the parties, either repay the granted benefit or hand the motor vehicle over to Us in accordance with the prescribed procedure.
- 14.8.** Where it turns out that insurance benefit should have not been paid under the terms and conditions of insurance, You are required to refund the illegally obtained benefit to Us within 10 calendar days of the receipt of Our claim.
- 14.9.** Information on the potential insured event may also be provided by a person authorised by You or Your family member, but You shall be nonetheless kept responsible for the correctness of information on the potential insured event.
- 14.10.** You are obliged to allow Us to conduct the investigation the findings of which are necessary for verifying the fact and circumstances of the event insured and/or for the justification of the damage caused by the event, and also to provide Us with all the information necessary for the investigation and documents requested by Us.
- 14.11.** You are obliged to assist Us in exercising the right of recourse and disclose all relevant information known to You about the person who caused the damage.

15. INSURANCE CONTRACT TERMINATION, AMENDMENT, EXPIRATION PROCEDURE AND TIME LIMITS

- 15.1.** Where the insurance contract is entered for a period shorter than a month, You have the right to terminate the insurance contract after giving at least a three working days' notice to us in writing before the intended date of termination of the insurance contract.
- 15.2.** Where the owner of the motor vehicle changes, the insurance cover remains valid only until the midnight (24:00 o'clock) of the next working day and expires thereafter.
- 15.3.** The insurance contract shall expire when We pay down insurance benefit for the stolen or totalled motor vehicle.
- 15.4.** Insurance of accessory equipment and accident insurance for drivers/passengers shall terminate or expire concurrently with the disappearance of the motor vehicle insurance risk.
- 15.5.** If, during the contract period, the insurance cover under the Vehicle Fleet Insurance Contract is terminated in respect of more than 20% of vehicles insured during the insurance contract, the policyholder shall be obliged to cover the costs of conclusion and performance of the insurance contract in the amount of 30% of the insurance premium due for the period remaining until expiration of the contract, but min. EUR 100 in respect of each motor vehicle. If deduction of these costs is impossible, it is the policyholder's obligation to cover the costs. Insured motor vehicles in respect of which insurance cover is terminated due to the change of owners or disappearance of the insurance risk (the vehicle is totalled, lost, etc.) shall not be included in the number of motor vehicles in respect of which the insurance cover is terminated.

DRIVER AND PASSENGER ACCIDENT INSURANCE

1. WHO IS WHO AND WHAT IS WHAT

- 1.1.** Accident – a sudden and unexpected event occurring beyond the Insured Person’s control causing damage to the life, health or physical condition of the Insured Person as a result of the Traffic Accident involving the motor vehicle indicated in the insurance contract.
- 1.2.** Insured Persons – the driver and the passengers present in the insured motor vehicle during the Accident.
- 1.3.** Trauma – an injury suffered as a result of the Accident and listed in Table “Determination of insurance benefits payable under driver and passenger accident insurance”.

2. INSURANCE OBJECT

- 2.1.** Insurance object is the property interest related to the Trauma or death of the Insured Person caused by the Accident.

3. WHEN DO WE PAY INSURANCE BENEFIT

- 3.1.** The event insured is an Accident which occurs during validity of the insurance contract. Insurance benefit shall be paid down if, as a result of the Accident, the Insured Person:
 - 3.1.1.** dies within 1 (one) year after the Accident;
 - 3.1.2.** suffers one or several traumas.

4. WHEN ARE WE NOT LIABLE TO PAY INSURANCE BENEFIT

- 4.1.** The following risks shall not be covered:
 - 4.1.1.** Trauma of the Insured Person, if s/he does not apply to a medical establishment within 72 hours after the Traffic Accident;
 - 4.1.2.** Exacerbations, pathological conditions, mental reactions related to the Traffic Incident;
 - 4.1.3.** Bodily injuries not listed in Table “Determination of insurance benefits payable under driver and passenger accident insurance” or Insured Person’s death for reasons unrelated to the risk covered;
 - 4.1.4.** Insured Person’s Trauma or death when there is no damage caused to the motor vehicle;
 - 4.1.5.** Accidents occurring during Insured Person’s service at any military unit or performance of the official duties as a police officer, security officer, rescuer or first aid officer;
 - 4.1.6.** Accidents occurring where there are more passengers in the motor vehicle than allowed by the manufacturer or technical documentation of the vehicle;
 - 4.1.7.** Accidents occurring while the Insured Person is deliberately engaged in criminal activities incurring criminal liability;
 - 4.1.8.** Accidents occurring as a result of the Insured Person’s actions aimed at causing damage to his/her health, physical condition or life;
 - 4.1.9.** Accidents occurring when the Insured Person, while driving the vehicle, is under the influence of non-prescribed medicines, alcohol, narcotic or psychotropic substances, provided that the mentioned substances have been found present in the Insured Person’s body;
 - 4.1.10.** Accidents occurring when the motor vehicle is used for driving lessons, sports competitions or training, experimental driving or endurance race unless otherwise stipulated in the policy;
 - 4.1.11.** Accidents, when the police or other public law enforcement officers have not been immediately called to the scene in accordance with the legal requirements valid in the country where the Accident occurs;
 - 4.1.12.** Repeated bone fractures occurring after a repeated Trauma as a result of incomplete union of the bone in the location of the earlier fracture, or pathological bone fracture caused by changes in the bone structure without a mechanical external impact;
 - 4.1.13.** Damage to the Insured Person’s life, health or physical condition caused during a surgery or its consequences.
- 4.2.** We shall not pay any insurance benefit to the Insured Person who is the driver of a motor vehicle in the following cases:
 - 4.2.1.** Upon occurrence of the Accident, the Insured Person is using alcohol, narcotic or other psychotropic substances before being tested for the alcohol blood content or the presence of narcotic or psychotropic substances, or before being exempt from such tests/analyses in accordance with the valid statutory regulations, and this is stated by competent authorities;
 - 4.2.2.** The Insured Person avoids taking a medical test for measuring the amount of alcohol content or the influence of narcotic or other psychotropic substances, when such test is recommended by a competent public or medical institution in relation to the Traffic Accident;
 - 4.2.3.** The Insured Person is driving the motor vehicle without holding a proper driving license for the motor vehicle of a certain category;
 - 4.2.4.** The Accident occurs due to epileptic seizure, loss of consciousness, post-psychotraumatic emotional disorders, affective state or chronic neurological diseases causing coordination disorders or muscle weakness (including but not limited to Parkinson’s disease, myopathy, disseminated (multiple)

sclerosis);

- 4.2.5.** Cases listed in paragraphs 5.1.1 through 5.1.13 of Motor Own Damage Insurance Terms and Conditions No 17.3

5. HOW DO WE ASSESS LOSSES

5.1. We shall pay insurance benefits as follows:

- 5.1.1.** In case of Insured Person’s death – 100% (hundred percent) of the sum insured indicated in the policy;
- 5.1.2.** In case of Traumas, insurance benefit shall be calculated as a percentage of the sum insured indicated in the policy in accordance with the Table “Determination of insurance benefits payable under driver and passenger accident insurance”.
- 5.1.3.** Insurance benefits in aggregate per policy period may not exceed the sum insured irrespective of the number of occurrences.

Table “Determination of insurance benefits payable under driver and passenger accident insurance”

Consequences of the Accident		Payable benefit (% of the sum insured)
1.	Central and peripheral nervous system:	
1.1.	Cerebral or spinal cord concussion or contusion	5
1.2.	Paralysis of one side of the body (hemiplegia), paralysis of the lower extremities (paraplegia)	50
1.3.	Paralysis of the upper and lower extremities (tetraplegia), decortication (brain death)	100
2.	Visual organs	
2.1.	Total loss of vision (unaided)	70
2.2.	Unilateral total loss of vision (unaided)	40
3.	Auricular organs	
3.1.	Irrecoverable loss of hearing in both ears	40
3.2.	Unilateral loss of hearing	15
3.3.	Pinna injury (total or partial loss)	8
4.	Traumatic injuries of teeth and jaw	
4.1.	Dislocation of the jaw	3
4.2.	Loss of 1 healthy tooth	3
4.3.	Loss of 2-4 healthy teeth	5
4.4.	Loss of 5 and more healthy teeth	10
5.	Respiratory system	
5.1.	Damage to lungs causing removal of a part of one lung	25
5.2.	Damage to lungs causing removal of the entire lung	40
5.3.	Loss of voice	20
6.	Abdominal and pelvic injuries	
6.1.	Loss of stomach, intestine, pancreas, spleen, one kidney or their functions (min. 50%)	25
6.2.	Partial unilateral or bilateral nephrectomy	15
6.3.	Bilateral nephrectomy	40
6.4.	Unilateral removal of ovary, Fallopian tube, testicle; hysterectomy in women over 40	15
6.5.	Bilateral removal of ovaries, Fallopian tubes, testicles; hysterectomy in women under 40; penis removal in men	30
7.	Fractures	
7.1.	Fracture of facial bones (excl. nasal bones)	5
7.2.	Cranial cavity fracture	10
7.3.	Skull base fracture	15
7.4.	Vertebral (body, arches) fractures, 1-2	15
7.5.	Vertebral (body, arches) fractures, 3 and more	30
7.6.	Sternum fracture, fracture of 2 and more rib bones	4
7.7.	Fracture of 1 extremity bone	5
7.8.	Fracture of 2 extremity bones, incl. humerus	10
7.9.	Fracture of 3 extremity bones, incl. femur	15
7.10.	Fracture of fingers, toes, nasal bones	2
7.11.	Fracture of hand and foot bones	4
7.12.	Fracture of pelvic bones (os ilium, os pubis, os ischii, os coxae), incl. pubic symphysis separation	5

7.13.	Sacral and acetabular fractures	10
8.	Loss of extremities or irreversible disorder of extremity function	
8.1.	Loss of arm at the shoulder joint	70
8.2.	Loss of arm above hand	60
8.3.	Loss of hand	50
8.4.	Loss of hand finger(s) (below nail phalange, excl. thumb)	10
8.5.	Loss of leg above the knee joint	70
8.6.	Loss of leg above the tarsal joint	60
8.7.	Loss of foot	45
8.8.	Loss of toe(s) (below nail phalange, excl. thumb)	5
9.	Soft tissues	
9.1.	Facial disfigurement: severe deformation, unusual pigment formations; disfiguring scars	30

- 5.2.** The Insured Person shall be paid down insurance benefit as follows:
- 5.2.1.** 50% (fifty percent) of the sum insured, as calculated in accordance with Table "Determination of insurance benefits payable under driver and passenger accident insurance", shall be paid in case of increased-risk bone fracture, i.e., fracture of the bone in a previously traumatised joint (sprain of the ligaments around a joint, rupture of a joint capsule, joint dislocation, "usual" dislocation), also because of an external force impact on the bone with abnormal bone structure.
 - 5.2.2.** In case of multiple Traumas, insurance benefit shall be the sum of percentages shown in Table "Determination of insurance benefits payable under driver and passenger accident insurance". However:
 - 5.2.2.1.** the aggregate benefit for injuries of one and same part of a body shall not exceed the amount of benefit payable for the loss of this part of the body;
 - 5.2.2.2.** in case of multiple fractures of one bone, insurance benefit shall be paid as for one fracture;
 - 5.2.2.3.** bone splits shall be understood as bone fractures.
- 5.3.** In case of Insured Person's death, We shall pay the benefit to a person qualified as an heir of the Insured Person in accordance with the valid laws. The benefit in the event of the Insured Person's death may also be paid to the beneficiary if the Insured Person has given a prior written consent.
- 5.4.** Insurance benefit payable in respect of one or several accidents shall not exceed 100% of the sum insured.
- 5.5.** In cases when an organ, its part or function is lost as a result of the Accident, but a part or function of the organ had been already lost by the Insured Person prior to the accident, the insurance benefit payable shall be reduced pro rata a benefit due under these Terms and Conditions in respect of previous loss of the organ, its part or function.
- 5.6.** Loss of function shall be established minimum 9 months and maximum 12 months after the event insured, except the loss of function raises no doubts and is confirmed by a medical statement.