Gjensidige

LOAN PAYMENT INSURANCE

Gjensidige

Loan Payment insurance terms and conditions No. 068L

Contents

I.
General insurance conditions

APPROVED
ADB "Gjensidige" during the meeting of the Board 18 of December, 2019.
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1. Terms and definitions

1.1. The **Policyholder** is entitled to conclude insurance contract in regard to the financial interests of himself or of another person specified in the insurance policy if the terms and conditions of the type of the insurance do not specify otherwise. Such person becomes the insured. The terms and conditions of the insurance contract that apply to the policyholder also apply to the insured except for the obligation to pay insurance premium. The policyholder shall ensure that persons that become the insured according to the insurance contract are consent to this. The policyholder must inform the insured that their personal data is transmitted to the Insurer with the purpose to conclude the insurance contract and must familiarize the insured with the terms and conditions of insurance contract and with the ADB Gjensidige Principles of Personal Data Proccesing.

1.2. The **Insurer** is ADB Gjensidige.

ADB "Gjensidige" list of insurance products distributors is published on www.gjensidige.lt and/or www.lb.lt.

1.3. The **Insured Event** is an event, determined in the insurance agreement, alters the occurrence of which the insurer must pay the insurance premium.

1.4. The **Insurance Cover** is the obligation of the insurer to pay the insurance premium alters the occurrence of the insured event.

1.5. The **Insurance Premium** is the amount of money determined in the insurance contract, which the policyholder pays the insurer for the insurance cover, under the terms and conditions of the insurance contract.

1.6. The **Insurance Interest** are the losses which could have been incurred by the policyholder, the insured or the beneficiary in the case of the insured event taking place.

1.7. The **Insurance Benefit** is the amount of money, which alter the occurrence of the insured event must be paid by the insurer to the policy- holder or to any other person who is entitled to receive the insurance benefit, or any other form of the premium payment determined in the insurance contract.

1.8. The **Insurance Period** is the period of time from the beginning to the end of the insurance cover, which does not necessarily coincide with the term of the insurance contract. If the provisions of the insurance contract do not determine otherwise, it is understood that the insurance cover is valid only during the insurance period.

1.9. The **Term of the Insurance Contract** is the term of validity of the insurance contract determined in the policy, if the parties fulfil their contr-actual obligations in a proper and timely manner.

1.0. The **Certificate of Insurance (Policy)** is a document issued by the insurer which approves the conclusion of the insurance contract.

1.11. The **Insurance Risk** is the probable threat to the object insured.

1.12. The **Insurance Amount** is the amount of money determined in the insurance contract or calculated according to the procedure determined in the insurance contract, which must not be exceeded by the insurance benefit, except for in the cases determined in the insurance contract.

1.13. The **Insurance Contract** is a written agreement between the insured and the insurer, concluded according to the rules of the type of insu- rance. Under the insurance contract, the insured undertakes to pay the insurance premium, specified in the insurance contract. Under the insurance contract, the insurer is obliged to pay the insurance premium if the insured event occurs. The insurance contract consists of:

- the certificate of insurance (policy) and its annexes
- the rules of insurance and/or other insurance contract conditions on which the insured and the insurer have agreed in writing (individual conditions of the insurance contract)
- application to conclude the insurance contract, if any.

1.14. The Rules of the Insurance are the standard conditions of the insurance contract prepared by the insurer, which consists of:

- the general insurance conditions
- conditions of the type of insurance
- additional conditions of the type of insurance. Only those additional conditions of the type of insurance are applied which have been determi- ned in the certificate of insurance.

In case of a conflict between the general insurance conditions and the conditions of the type of insurance, the conditions of the type of insurance shall prevail. In case of a conflict between the additional conditions of the type of insurance and the general conditions or the conditions of the type of insurance, the additional conditions of the type of insurance shall prevail.

1.15. The **Insurance Value** is the value of the insured property or of the property risk.

1.16. **Deductible** is a fixed amount of money, the percentage or any other size determined in the insurance contract, by which the insurance premium is deducted if the insured event occurs (by this amount the insured participates in the compensation of losses itself).

1.17. **Unconditional Deductible** is the amount by which the insurer deducts the insurance benefit in case of each insured event. If the insurance contract does not determine otherwise, it is considered that the deductible is unconditional.

1.18. **Conditional Deductible** is the parts of the loss expressed as the amount of money paid by the insured, if the losses occurred do not exceed the size of deductible. If the loss exceeds the size of the conditional deductible, then the insurance benefit shall be paid without deduction of the deductible.

1.19. The **Beneficiary** is a person determined in the insurance contract, the person determined by the policyholder, or, for insurance contracts, the person determined by the insured, or any other person who is entitled to receive the insurance benefit.

1.20. **Non-insured Event** is an event determined in the insurance contract and/or the laws, alter the occurrence of which the insurer does not pay the insurance benefit.

2. Rights and obligations of the insurance contract parties before the conclusion of the contract and the procedure of the conclusion of the insurance contract

2.1. Before entering the insurance contract, the policyholder must:

2.1.1. At the request of the insurer or its representative, provide a written application to conclude the insurance contract and/or other documents

2.1.2. Provide the insurer with all known information and circumstances which could have a essential influence in determining the possibility of insured risk taking place and the size of the consequences of this event (insurance risk). Circumstances of which the policyholder must inform the insurer or its representative are the following:

a) information provided in the application to conclude the insurance contract (if the application has been filled out);
b) information which the insurer has requested in writing;
c) information which the insurer has requested during insurance contract conclusion on internet;
d) information which the insurer has requested during insurance contract conclusion by phone;
c) information about any other insurance contracts according to which the object will be insured against the same risks together with the contract which is to be concluded.
d) conditions of the type of insurance may determine other circumstances, which, in addition to the above, could have a great influence in determining the risk.

2.2. The policyholder and the insured are responsible for the completeness and accuracy of the information provided to the insurer or its representative.

2.3. Within the term of the insurance contract the insured and the policyholder must immediately correct any information submitted during the conclusion of the insurance contract that is found to be false or incorrect, and provide the insurer with correct information.

2.4. If insurance contract is made for the benefit of third parties, on behalf of them and (or) if at the time of concluding the contract the insurer is given access to the personal data of third parties, the policyholder must ensure that those persons are properly informed about such transmission of personal data to the insurer.

2.5. If alter the conclusion of the insurance contract it is determined that the insured or the policyholder had the insurer or its representative provided the knowingly false information about the essential circumstances, then the insurer is entitled to request that the insurance contract is proclaimed as invalid, except for the cases, when the withheld circumstances are gone before the insured even or could not have any influence in the insured event.

2.6. If the insured or the policyholder had not provided information about the essential circumstances due to negligence, then the insurer must offer the insured to amend the insurance contract not later than within two months alter these circumstances became known. If the policy- holder refuses to do so or does not respond to the insurer's offer within one month, then the insurer is entitled to request the termination of the insurance contract.

2.7. If the policyholder has not provided information on essential circumstances due to negligence, then alter the occurrence of the insured event, the insurer must pay the part of the insurance benefit which would have been paid if the policyholder had fulfilled his/her obligation, in proportion to the ratio of the insurance premium and the insurance premium which would have been determined if the non-submitted infor- mation was known.

2.8. If the insurer, despite knowing about the circumstances which the policyholder did not inform about due to negligence, does not conclude the insurance contract, then the insurer is entitled to require the termination of the insurance contract within two months of the day when it was disclosed that the policyholder had not provided the information due to negligence. If the insured event occurs, then the insurer is entitled to refuse to pay the insurance benefit only if he/she proves that neither insurer would have concluded the insurance contract being aware of the circumstances which the policyholder did not provide due to negligence.

2.9. The right of the insurer to assess the insurance risk and to refuse to conclude an insurance contract.

2.9.1. Before the conclusion of the insurance contract the insurer is entitled, but not obliged to, inspect /assess the insured object and, if necessary, to appoint experts to assess the insurance risk at its own expense. The assessments performed by the insurer, any written reports and any opi- nions expressed verbally or in writing is considered only as the insurance risk assessment and may not be used by the policyholder to prove that the insurance object is safe, does not pose a risk to the environment, complies with laws or other legal acts, engineering, industry standards or other requirements.

2.9.2. In case the insured interest is related to the health of a natural person, the Insurer has the right to demand documents from the policyholder, specifying the policyholder's (insured person's) age, health condition, profession and other circumstances having effect on the insurance risk

2.9.3. The insurer is entitled to refuse to conclude the insurance contract without giving any reason.

2.9.4. The policyholder shall be informed that the insurer processes data of the insurance object when assessing insurance risk. Depending on the insurance object personal data can be obtained from entities such as the Real Property Register of the State Enterprise Centre of Registers, State Enterprise Regitra or the Motor Insurers'Bureau of the Republic of Lithuania. More information is provided in the Principles of Personal Data Processing that can be found on the website of the insurer www.gjensidige.lt.

2.10. The insurance contract may be concluded according to the rules of the type of insurance which are considered as the standard conditions of insurance or according to the written individual insurance contract conditions agreed between the insurer and the policy holder in advance.

2.11. Terms and conditions of the insurance are published on the website of the insurer www.gjensidige.lt. Also, its copy shall be presented to the policyholder upon concluding an insurance contract.

2.12. The rules of the type of insurance may determine other rights and obligations of the parties of the insurance contract before the conclusion of the contract, as well as the differing procedure of the insurance contract's conclusion.

3. Beginning of the insurance cover. Validity of the insurance contract. Conditions of amendment and termination of the insurance contract

3.1. The insurance contract is concluded for the term agreed between the parties and indicated in the certificate of insurance.

3.2 Whenever the insurance contract is concluded remotely, the moment the insurance contract comes into force is determined as 14 calendar days from the conclusion of the contract, with the exception of cases, whenever the policyholder specifies an earlier date. In cases, when the Policyholder specifies an earlier date of the contract's entry into legal force, the insurace coverage shall begin from the policyholder's specified date (prior to the expiry of the remotely contract withdrawal term at the request of the client) (point 3.6.4. of these General insurance conditions).

3.3 The insurance contract enters into force from the day determined in the certificate of insurance, at 00:00 h (Lithuanian time) if another time is not specified in the certificate, but not earlier than the first instalment of insurance premium or the insurance premium is paid in full, if the deferral period is not specified in the insurance contract:

a) if the insurance premium (or its first part, if paid in instalments) is paid before the term of validity of the insurance contract, then the insurance contract enters into force and the insurance cover is applied from the date of the contract;
b) if the insurance premium (or its first part, if paid in instalments) is paid before the term of validity of the insurance contract determined in the insurance contract and then delayed for less than 30 calendar days, then the insurance contract enters into force and the insurance cover is applied from 00:00 h of the day alter when the premium was paid. In such a situation, the term of the contract is not extended;
c) if the insurance premium (or its first part, if paid in instalments) is paid before the term of validity of the insurance contract determined in the insurance contract and then delayed for 30 calendar days or more, then the insurance contract does not enter into force, the insurance cover is not applied and the past due insurance premium paid is returned to the policyholder;
d) if only a part or the insurance premium (or the part of the first part, if paid in instalments) is paid, then the insurance contract does not enter info force and the insurer does not provide the insurance cover, if it is not expressly determined otherwise in the insurance contract.

3.4. If the insurance contract involves a deferral of the insurance premium (or its first part, if paid in instalments), then the entry into force of the insu- rance contract is not related to the payment of the premium and the insurance contract enters into

force and the insurance cover is applied from the date of the contract is signed. If the policyholder does not pay the deferred insurance premium (or its first part, if paid in instalments) by the time due, then the ordinary consequences determined in the points 4.5 - 4.6 of the General Insurance Conditions shall be applied.

3.5. The insurance cover is applied to all the insured events occurred within the term of validity of the insurance contract. If the insurance contract determines to apply the insurance cover to the insured events occurred before the entry into force of the insurance contract, then this condi- tion is valid, provided that the contractual parties did not know, dis not have or could not have known about the insured event occurred before the entry into force of the insurance contract.

3.6. The end and termination of the insurance contract.

3.6.1. The term of the insurance contract expires at 24:00 h (Lithuanian time) on the day indicated in the contract (certificate) of insurance, if another time is not determined in the contract (certificate).

3.6.2. The insurance contract ends before the end term of validity:

a) if the insurer pays all the benefits determined in the insurance contract for all insurance contract period.;
b) if the policyholder (the legal entity) is liquidated and there is no assignee of its rights and obligations;
c) if the owner of the insured property changes, except for in cases when the contractual parties and the ;new owner agree in writing otherwise, or if the new owner becomes the policyholder himself (for example, the policyholder buys the property in leasing or otherwise). On the basis specified in this section the insurance contract is terminated the next working day after the policyholder is informed about the corresponding changes;
d) if there is another basis for the termination of the contract, determined by laws or by the insurance contract.

3.6.3. The insurance contract may be terminated before its expiry date, if alter the conclusion of the contract the possibility of the insured event or the insurance risk disappears due to circumstances unrelated to the insured event.

3.6.4. A policyholder who is a natural person and has made insurance contract for purposes that are not related to business, trade, craft, or profession remotely, only by the means of distance communications (on internet, by phone, by email), or in another way without physically meeting the insurer is entitled to withdraw from such insurance contract within 14 calendar days after concluding the contract, except:

a) insurance contracts with an insurance term shorter than one month;
b) Insurance contracts, which were fully executed by both parties according to a client request (i.e. the insurer provides the insurance coverage and the policyholder pays the insurance premium) before the expiry of 14 calendar days from the insurance contract issue day..

3.6.5. The insurance contract can be terminated in other cases and under procedures determined by the laws or the conditions of the insurance contract.

3.7. Settlement procedures upon termination of the insurance contract

3.7.1. If the insurance contract expires or is terminated before the insurance contract end date, then the insurer is entitled to part of the premium paid for the insurance contract's period of validity.

3.7.2. The remaining part of the insurance premium shall not be returned if the insurance contract has expired or is terminated according to points 3.6.2. a) and 5.2.2 of the General Insurance Contract Rules.

3.7.3. If the insurance contract expires or is terminated at the initiative of the policyholder, or according to points 3.6.2 b) – d), 5.1.2 or 3.7.4 b) of the General Insurance Contract Rules, then the insurer shall exclude from the amount returnable to the policyholder:

costs of the contract conclusion and execution (20% of the premium for the unused insurance term, which can be no longer than one year but not less than EUR 14). If it is impossible to calculate the costs of the insurance contract conclusion and execution from the policyholder's paid insurance premium part (insufficient amount of funds), then these costs must be borne by the policyholder.The fees to be paid or refunded are revised not sooner that the next day after the insurer is informed about the circumstances that form the basis for termination or end of the Insurance Contract.

3.7.4 If the policyholder withdraws from the insurance contract concluded via means of remote communications (point 3.6.4. of these General Insurance Contract Rules) during 14 calendar days from the conclusion of the insurance contract:

a) if the insurance coverage had not entered into validity - all of the paid insurance premium is returned without any deduction for administrative costs;
b) if the insurance coverage had entered into validity - the unused premium is refunded after deducting the part of the premium that corresponds to the period when the insurance coverage was valid..

3.7.5. If the policyholder had not paid all of the agreed insurance premiums before the termination/ expiration of the insurance contract, then at the termination or the expiration of the contract he/she must pay the part of the insurance premium for the insurance cover provided before the termination/ expiration.

3.7.6. The reimbursable insurance premium or its part shall be transferred to the bank account of the policyholder not later than 14 working days alter the receipt of the written policyholder's request but not earlier than the date of the termination of the insurance contract.

3.8. The Insurer is entitled to terminate insurance contract unilaterally and/or act in breach of the contract in regard to the relevant entity if it becomes apparent that the policyholder, the insured or the beneficiary is subject to economic or other international sanctions.

3.9. The insurance contract may be amended only with the written agreement being signed by the insurer and the policyholder.

4. Insurance premium and its payment

4.1. The amount of the insurance premium shall be calculated by the insurer, taking into account the information provided by the policyholder, the insured object, the amount of insurance, the risk of insurance, and other conditions determined in the insurance contract, as well as other relevant information.

4.2. The insurance premiums can be paid by bank transfer, cash, electronic banking or using the insurer's network of partners. The possibility to pay insurance premiums in cash or settle with payment card is made only in some intermediaries chosen by the insurer.The policyholder is responsible for ensuring that his insurance premium is paid in time to the insurer's account with the bank and that all documents required by the insurer for the identification of the payer and the insurance contract are recorded in the payment documents.

4.3. The effective payment date of the insurance premium is considered to be the date on which the insurance premium is entered in the account specified by the insurer or insurer authorized partner in the bank or paid in cash and satisfies the requirements of p. 4.2. of these General Insurance Contract Rules, otherwise, the date of identification of the insurance premium is authorized by the Insurer

4.4. Insurance payments for the Insured may be paid by other persons, without obtaining any rights to the insurance contract and paid insurance premiums.

4.5. If the insurance premium or part of it is not paid in a timely manner, then the insurer is entitled to add interest of 0.02% to the unpaid amount for each day that payment is delayed.

4.6. If the policyholder fails to pay the insurance premium in total or in part within the period determined by the insurance contract (except for cases when the entry into force of the insurance contract is related to the payment of part or all of the insurance premiums), then the insurer is obliged to inform the policyholder in writing stating that if he/she fails to pay the total amount of the insurance premium that is unpaid within 30 days alter the dispatch of the notification, then the insurance contract will be terminated. The insured and the insurer may be extended the specified term of payment. An extension by agreement of the parties is possible only if the month was specified in the date of the insurer's notice regarding the unpaid payment has not expired

4.7. In such a case, if the insurance premium was partly paid and after the termination of the contract for failure to pay the premiums, the amount returnable to the customer remains and is payable by excluding the amounts determined in the point 3.7.3 of these General Conditions of the Insurance Contracts.

5. The rights and obligations of the policyholder and the insurer during the contract period

5.1. The policyholder rights:

5.1.1. In the case of the insured event, the policyholder is entitled to require the insurer to pay the insurance benefit in accordance with the laws and/or the terms of the insurance contract.

5.1.2. The policyholder is entitled to terminate the insurance contract by informing the insurer in writing not later than 15 days before the intended termination day. The request to terminate the insurance contract must be signed by the policyholder or his/her authorised representative. The procedure for submitting the request is described in Article 10 of these General Insurance Conditions (Procedure of presenting information to the other party to the contract).

5.1.3. According to the laws, the policyholder and/or his/her authorized representative is entitled to receive information about the examination of the insured event.

5.1.4. The policyholder is entitled to require amendments of the insurance contract or to reduce the insurance oremium, if the insurance risk is reduced.If the insurer does not agree to amend the insurance contract or to reduce the insurance premium, then the policyholder is entitled to apply to the Court due to the termination of the insurance contract or modification, in the case of material change of the circumstances or to terminate the insurance contract according to the order, specified in the law on insurance.

5.2. The insurer rights:

5.2.1. If the insurance risk increases or in cases of material changes in the circumstances of the insurance contract, the insurer is entitled to request to change the conditions of the insurance contract and/or to recalculate the insurance premium. If the policyholder does not agree to amend the insurance contract or to increase the insurance premiumf, then the insurer is entitled to apply to court due to the termination of the insurance con- tract or modification, in case of a material change to the circumstances. If the policyholder does not inform the insurer about the increase of the insurance risk or the material change to the circumstances, then the insurer is entitled to request termination of the insurance contract and compensation for damages, if they are not covered by the premiums

received. However, the insurer is not entitled to request the termination of the insurance contract if the circumstances which could have affected the increase of the insurance risk had disappeared.

The cases of the insurance risk increase are determined in the conditions of the type of insurance, additional conditions and other documents making the insurance contract.

5.2.2. The insurer is entitled to terminate the insurance contract by a written notification sent to the policyholder seven days before the intended termination, if:

a) the policyholder or the insured have failed to comply with the security requirements and have not eliminated the shortcomings indicated by the insurer before the conclusion of the contract or during the period in which the contract is valid, as it is regarded as a material breach of the insurance contract;
b) the policyholder or the insured has caused the damage intentionally;
c) alter the occurrence of the insured event, the policyholder or the insured has provided the insurer with false or incomplete information important in determining the amount of the insurance benefit, or has tried to receive the insurance benefit by illegal means.

5.2.3. To inform the policyholder of the ending insurance contract when he has properly fulfilled his obligation to provide relevant and right contact details.

5.2.4. The rights of the insurer when the policyholder does not pay the insurance premum are determined in points 4.5 - 4.6 of these General Conditions of the Insurance Contracts.

5.3. The policyholder duties:

5.3.1. To pay the insurance premiums within the terms determined in the insurance contract. In the payment order, to record all requisites required by the insurer in the payment documents in order to identify the payer and the insurance contract.

5.3.2. To perform the instructions of the insurer, in order to reduce the risk and comply with the security measures imposed by the conditions of the type of insurance, additional conditions and the insurance contract, also, shall comply with the instructions of the insurer given during the period of insurance validity;

5.3.3. To inform the insurer immediately about the increased risk or other cases when the circumstances determined by the insurance contract change radically. The increase in risk and other cases, due to which the circumstances determined by the insurance contract change radically, are determined in the conditions of the type of insurance, additional conditions and the insurance contract.

5.3.4 In the case of the policyholder and the insured person or the beneficiary do not match, the policyholder is obliged to inform the insured person and/or the beneficiary regarding the concluded insurance contract, familiarize them with the insurance contract conditions and condition changes.

5.3.5. In the case of the insured event or in circumstances under which there is a real risk of the insured event occurring, the policyholder must register in insurer webpage www.gjensidige.lt or inform the insurer by e-mail zalos@gjensidige.lt or info@gjensidige.lt and comply with the obligations determined in the conditions of the type of insurance, additional conditions or the insurance contract, also, after registering the event shall follow the instructions given by the insurer;

5.3.6. If alter the payment of the insurance benefit it is revealed that according to the conditions of the insurance contract the insurance benefit should not have been paid or it should have been lower, then at the request of the insurer, the policyholder must return the paid benefits or a part thereof within 30 calendar days, except for cases determined by the laws. The same obligation applies to the insured or the beneficiary.

5.4. The insurer duties:

5.4.1. To pay the insurance benefits as determined by the rules and the laws.

5.4.2. To change the conditions of the insurance contract and to re-calculate the insurance premium, if within the validity of the agreement the conditions have changed essentially and the insurance risk has been reduced.

5.4.3. The insurer must return the paid insurance premium for the remaining period for which the contract is valid to the policyholder if the insurance contract has been terminated due to the fact that the possibility of the insured event has disappeared or the insurance risk has disappeared due to the circumstances not related to the insured event (e.g. that the insured object was damaged for reasons unrelated to the insured event and so on).

5.5. The conditions of the type of insurance, additional conditions and the insurance contract may determine other rights and obligations of the contractual parties.

6. Procedure for payment of the insurance benefit

6.1. Insurance benefits are paid for the insured events determined by the conditions of the type of insurance, as limited by the insurance contract.

6.2. The policyholder, the insured and/or the aggrieved third person must provide the insurer with all the necessary documents and information about the reasons and consequences of the event which can be identified as insured event necessary for calculation of the insurance benefit. It covers documents and information confirming the presence of the insured event, responsible persons,,the scope of the damage and so on.

6.3. The insurance benefit payment terms:

6.3.1. The insurer is not entitled to pay or refuse to pay the insurance benefit without ascertaining the veracity of the occurrence of the insured event;

6.3.2. If the insurance benefit has not been paid, the insurer is obliged to inform the policyholder (beneficiary or an aggrieved third person) comprehensively and in writing each 30 days from the receipt of the message regarding the insured event. The insurer is obliged to inform the above-mentioned regarding the course of the insured event investigation, with the exception of cases, whenever there are documents or information missing and not provided by the policyholder (beneficiary or aggrieved third person) and the policyholder (beneficiary or aggrieved third person) is already informaed regarding the documents and information, which this person is obliged to provide during the course of the investigation of the insured event.

6.3.3. If due to the event which can be acknowledged as the insured event the policyholder, insured person or beneficiary is subject to a civil case, criminal proceedings, legal proceedings, pre-trial or other mandatory government institution investigation, then the insurer is entitled to postpone the payment of the insurance benefit until the end of pre-trial or other mandatory government institution investigation and/or enforcement of the court decision, suspension or termination of the case.

6.3.4. If the insurance benefit has not been paid to the policyholder, the insured, the beneficiary or any other third person within 30 days of notification of the insured event, then the insurer must comprehensively and in writing inform the policyholder (the beneficiary) about the examination of the insured event.

6.3.5. If it is determined that the insured event did occur, and the insurer and the policyholder are unable to reach an agreement on the amount of the insurance benefit, then at the request of the policyholder, the insurer must pay the amount equal to the contractual non-disputable insurance benefit, provided that the determination of the amount of the damage exceeds more than 3 months.

6.4. The insurance benefit is paid to the bank account of the policyholder (the beneficiary) or a person authorised in writing. If the insured is a minor, then the insurance benefits shall be paid:

6.4.1. to his personal bank account, if the minor has it and its number is provided to the insurer;

6.4.2. if a minor under fourteen years old does not have a personal bank account, insurance indemnity shall be paid to the bank account of one of his parents or guardians upon receival of a request of one of the parents or guardians and written agreement of the other parent or guardian;

6.4.3. if a minor between fourteen and eighteen years old does not have a personal bank account, insurance indemnity shall be paid to the bank account of one of his parents or guardians upon receival of a written agreement of the minor.

6.5. When the insurer pays the insurance benefit to the policyholder who is entitled to recover taxes due to the insurance object's recovery to the previous state, then it reduces the insurance benefit by the amount of the taxes returnable. In such a situation, when calculating the insurance benefit, the amount of the taxes is deducted first of all, and then the deductibles.

6.6. Exemption from paying the insurance benefit:

6.6.1. The insurer is exempt from obligations to pay the insurance benefit if the insured event occurred due to the intent of the policyholder, the insured or the beneficiary, with the exception of cases, specified by legal acts.

6.6.2. The insurance benefit shall not be paid if the requirement to pay is based on fraud, i.e. the policyholder or related persons, the insured or the beneficiary tried to mislead the insurer by falsifying the facts, presenting false information or unduly increasing the amount of loss.

6.6.3. Legal acts might specify other cases of exemption form paying the insurance benefit.

6.7. The insurer is entitled to reduce the insurance benefit if the policyholder and/or the insured, and/or the beneficiary:

6.7.1. Does not adequately inform the insurer and/or presents incorrect or incomplete information about the insured event.

6.7.2. Dues not take measures to prevent damage or decrease its extent.

6.7.3. Fails to comply with the conditions of the insurance agreement or reasonable requirements of the insurer related to decreasing the insurance risk.

6.7.4. Does not provide the insurer with the possibility of assessing the extent of and reason for the damage.

6.7.5. Does not take measures which would enable the damage compensation by the person who has provoked it or acts in such a manner that the insurer is not able to implement its right of requirement (subrogation).

6.8. The insurer must prove the circumstances which exempt it from paying the insurance benefit or allow reducing it.

6.9. If the insurer decides to refuse to pay the insurance benefit or a part thereof, if must assess the fault of the policyholder, and/or other persons identified in Article 6.6.2 the importance of the infringement, the relation between the breach and the consequences, as well as the amount of damage caused due to the infringement.

6.10. If alter the payment of the insurance benefit it is revealed that according to the conditions of the insurance contract the insurance benefits should not have been paid or it should have been lower, then at the request of the insurer, the policyholder must return the paid benefit or a part thereof within 30 calendar days, except for in cases where the law determines otherwise.

6.11. Crediting of the insurance premium:

6.11.1. The insurer has the right but is not obliged to deduct the unpaid insurance premium, with overdue payment terms, as well as other sums with overdue payment terms according to any tipe of insurance contract.. If the deduction is not applied, the policyholder's obligation to pay the specified insurance premiums and other arrears remains valid.

6.11.2. If the insurance contract expires after the payment of the insurance benefit, then the insurance benefit covers all unpaid insurance premiums, according to the insurance contract.

6.12. The insurer will not compensate for damages and will not provide insurance cover if the United Nations, Europe Union applies trade, economic or other sanctions, prohibitions or restrictions to the providing of insurance cover or claims payment, as well as if other laws, instructions and regulations are applied to the insurer.

7. Obligation to protect the information

7.1. The insurer is not entitled to disclose the information obtained in the performance of the insurance activities regarding the policyholder, the insured or the beneficiary, their health status, financial situation, as well as other information, specified in the insurance contract, except for in cases where the law determines otherwise. The insurer violating this obligation is obliged to compensate the policyholder, insured person or the beneficiary all of the property and non-property losses.

7.2. Information about the policyholder, the insured or the beneficiary obtained in the performance of the insurance activities can be disclosed:

7.2.1. to courts, law enforcement agencies, supervising and other institutions in cases determined by the laws;

7.2.2. to courts and supervising institution examining the disputes between the policyholder (applicant) and the insurer;

7.2.3. to reinsurers, companies of the insurer's shareholders;

7.2.4. to experts, representatives, consultants and other subjects providing services to the insurer;

7.2.5. to arbitral tribunals examining disputes between the policyholder and the insurer, or an authorised representative or agent of the insurer;

7.2.6. at the policyholder's consent or request.

7.2.7 in other circumstances, specified by legal acts, whenever the insurer has the obligation to disclose information.

7.3. A transmission of insurance contract or personal data of other parties involved in particular case shall not be considered as disclosure of confidential information or secrecy of personal data in the cases specified in this section. In certain cases, the insurer shall provide only information that is necessary to achieve the specific purpose.

8. Transfer of rights and obligations under the insurance contract

8.1. The insurer is entitled to transfer its contractual rights and obligations to other insurers according to the laws. However, in case the Insurer plans to transfer his rights and obligations arising from the insurance contract, he undertakes to inform according to the order, specified in laws.

8.2. The policyholder is not entitled to transfer his/her contractual rights without the written consent of the insurer.

9. Settlement procedure for disputes arising between the policyholder and the insurer

9.1. Complaints about the activities of the insurer or insurance distributor can be provided by ADB "Gjensidige" by email info@gjensidige.lt or directly to Insurer address Žalgirio str. 90, Vilnius.

9.2. Extensive details regarding the complaint and dispute settlement procedure, including the activities of the distributor of insurance products, are specified on the insurer's internet page www.gjensidige.lt.

9.3. Disputes arising from the insurance contract shall be resolved by negotiations. If the parties fail to reach an agreement, then the dispute shall be settled in a non-judicial manner in the Bank of Lithuania (Totoriu str. 4, LT-01103, Vilnius, more information – www.lb.lt) or in responsible court of the Republic of Lithuania.

9.4. The insurance contract is governed by the laws of the Republic of Lithuania, if not agreed otherwise in the insurance contract (individual insurance contract or insurance certificate).

10. Provision of information to the other party

10.1. Any notice of one contractual party to the other party (including insured person and beneficiary) must be submitted in writing.

10.2. Notices sent by e-mail or by letter or delivered by by using the services of a courier to the address (email address) indicated in the insurance contract , or uploaded in Insurer self-service portal is considered as delivered properly.

10.3. It is considered that the date of presenting the notice is:

10.3.1. the next working day alter the notification was sent, if sent by e-mail.

10.3.2. if sent by post:

a) if sent by ordinary post, the notice shall be deemed duly served within a reasonable term alter its dispatch

b) the day of receipt (the date of receipt of the notification is determined according to the official post stamp placed by the postal authorities entitled to do so), if it was sent by registered mail

c) the date on which the notice was served to the policyholder, if it was sent via a courier.

10.3.3. the next working day after submitting the notification if it done on the self-service website of the insurer.

10.4. Contractual parties must inform each other about changes of address or other contact data in 15 days period from the change of such data.

11. Protection of personal data

11.1. The insurer in performance of the contract acts as a controller of the data and processes personal data in accordance to the General Data Protection Regulation (hereinafter referred to as GDPR), the Law on Legal Protection of Personal Data of the Republic of Lithuania and other legal acts that regulate protection of personal data.

11.2. The Insurer shall process personal data only for predefined purposes to be able to conclude and perform insurance contract and to carry out actions related to it: to identify the party of the insurance contract, to acquire information about the property insured, to assess and control insurance risk, to prepare insurance proposal and draw insurance contract, to assess the extent of the damage, to administer insurable events, as well as operations of insurance premiums andinsurance indemnities (including invoicing and debt recovery), to contact the policyholder in regard to the performance of the contract or to remind about the ending insurance contract.

11.3. The insurer in compliance to the legal acts applicable is entitled to process personal data not only of the policyholder but also of other parties involved. Depending on the specifics of insurance product and particular situation the insurer processes personal data of beneficiaries, insured, payer and other persons involved in performance of insurance contract.

11.4. As a controller of the data, the insurer is entitled to use service of data administrators that process personal data on behalf of the insurer.

11.5. The insurer shall process personal data only when: processing is necessary for the conclusion of an insurance contract and/or performance of an insurance contract that has already been concluded; the insurer must process personal data as he is obligated so by legal acts; approval to process personal data is granted; personal data has to be processed for legal interests of the insurer or a third party.

11.6. Persons whose personal data is processed by the insurer (hereinafter referred to as Data Entities) have following rights: to familiarize with the personal data processed by the insurer; to request to correct their data that is incorrect or inaccurate; to erase personal data that is processed illegally; to request the insurer to restrict the processing of the personal data; to request the insurer to transmit the data processed; to object to the processing of personal data; to cancel direct marketing authorizations at any time; to submit a claim to the supervisory authority.

11.7. The insurer shall review the request of Data Entity and give a response within one month from the receival of the request. This period may be prolonged by two more months in regard to complexity and number of requests.

11.8. Detailed information on how the insurer processes personal data and on procedures for the exercise of rights of Data Entities is provided in the Principles of Personal Data Processing on Insurer's website www.gjensidige.lt.

11.9. Insurer is publishing detailed information about principles of personal data processing on the website www.gjensidige.lt

II.
Loan Payment insurance

APPROVED
ADB "Gjensidige" during the meeting of the Board 19 of March, 2021.
Entered into force on 5 of April, 2021.

1. Definitions used

The capitalized terms, which are not defined in these Loan Payment insurance conditions (hereinafter referred to as **Conditions**), are defined in General insurance conditions. Other terms and definitions used in the Conditions have the following meaning:

1.1. **You**, or **Policyholder**, or **Insured person** - a natural person specified in the Insurance policy whose financial interests are insured by the Insurance contract.

1.2. **We**, or **Insurer** - ADB "Gjensidige", registration code 110057869.

1.3. **Insurance contract** - a written agreement between the Policyholder and the Insurer, concluded according to these Conditions. The Insurance contract consists of:

1.3.1. the Insurance policy (certificate) and its annexes

1.3.2. these Conditions (Loan Payment insurance)

1.3.3. the General insurance conditions.

1.4. **Financial institution** - Luminor Bank AS Lithuanian Branch, registration code 304870069.

1.5. **Deductible period** - the period during which the Insured event must continue in order to the Insurance indemnity to be paid, which is calculated from the first day after the end of this period.

1.6. **Initial waiting period** - the period, specified in the Insurance policy, from the day of concluding the Insurance contract, during which the event occurred is not considered an Insured event.

1.7. **Financial obligation agreement** - a credit agreement (except the credit related with the credit card) concluded between the Financial institution and the Policyholder.

1.8. **Financial obligation** - a sum of money which the Policyholder is obliged to repay to the Financial institution according to the Financial obligation agreement.

1.9. **Previous medical condition** - an illness (including chronic), trauma or symptom of which the Policyholder was or should have been aware at the time of concluding the Insurance contract or for which the Policyholder has applied or planned to consult a doctor.

1.10. **Permanent residence** - a country where the Policyholder is constantly living or lives most of the time, and where he/she pays the compulsory health insurance payments.

1.11. **Employment** - a relationship arising between the Policyholder and his/her employer based on a labor contract (as well as work as career, political (personal) trust, statutory or civil servants etc., except for the provision of services under service, copyright or similar contract) of at least 13 months (fixed–term employment contract) or for an indefinite period, when the Policyholder works at least 16 (sixteen) hours a week and receives a salary or similar remuneration. Employment includes civil service in these Conditions.

1.12. **Monthly insurance indemnity** - the amount of money specified in the Insurance policy that corresponds to the benefit paid by the Insurer for one full month in case of an Insured event.

1.13. **Pandemic** - an outbreak of a rapidly spreading contagious disease that is dangerous to health or life in several countries or continents and has been confirmed by the World Health Organization.

1.14. **Epidemic** - an outbreak of contagious disease in a country or region that spreads extensively and quickly, which calls for infection control measures to be applied extensively and has been confirmed by the country`s or region`s authority.

2. What is insured?

2.1. The insurance object is the financial interests of the Policyholder related to following risks:

2.1.1. Loss of income due to incapacity for work, as specified by Section 3 of the Conditions;

2.1.2. Loss of income due to unemployment, as specified by Section 4 of the Conditions.

INSURED RISKS

3. Incapacity for work

3.1. An **Insured event** is considered the loss of income of the Policyholder as a result of sickness during

the period of the sick leave validity, if the sick leave has been issued due to acute illness or bodily injury, excluding the Non-insured events, and sick leave is confirmed by a document issued and/or prolonged by a social institution or medical practitioner, proving the incapacity of the Policyholder to work for a period which is longer than Deductable period.

3.2. Non-insured events:

3.2.1. For Previous medical condition;

3.2.2. For events when Policyholder is not sick himself/herself (for example, takes care of a sick relative), unless the Policyholder is caring for a sick child up to 18 years old.

3.2.3. Pregnancy or childbirth, except pregnancy complications;

3.2.4. Quarantine, self-isolation;

3.2.5. In cases of Pandemic, Epidemic, except flu epidemic;

3.2.6. For events related to treatment not appointed by the doctors and/or treatment not recognized by the official medicine or treatment via non-traditional (unrecognized by official medicine) methods;

3.2.7. For events related to plastic-aesthetic surgical operations and prosthetics (including tooth, eye or joint prosthesis), as well as treatment of its complications, excluding cases related to the bodily injury (trauma) which happened during the insurance period;

3.2.8. For events for which are not approved by the medical documentation and/or diagnostic tests during the insurance period;

3.2.9. For events related to the activity of the Policyholder, which has been assessed as having elements of a deliberate crime or a criminal offense by the investigating authorities or the court;

3.2.10. For events associated with Human Immunodeficiency Virus (HIV, including AIDS), as well as any other mutational variation or changes;

3.2.11. For events directly caused by alcohol, drugs or other prohibited substances consumption.

4. Unemployment

4.1. An **Insured event** unemployment by the Policyholder due to:

4.1.1. Termination of employment contract by mutual agreement of the parties, unless initiated by the employee;

4.1.2. At the initiative of the employer without fault of employee.

4.2. Non-insured events:

4.2.1. The Policyholder becomes unemployed or becomes aware about forthcoming unemployment before the Insurance cover entered into force or during the Initial waiting period;

4.2.2. If the Policyholder and the employer were related, i.e. were close relatives (parents, children, adopted parents and children, guardians (caretakers) and the ones being guarded (taken care of), brothers, sisters, grandparents, grandchildren, stepsons and stepdaughters, daughters-in-law, sons-in-law, spouses, unmarried partners), or the Policyholder is self-employed;

4.2.3. Policyholder is using his acquired right for an early (preliminary/advance) retirement (age) pension, or using his acquired right for state pension according to the order specified by legal acts;

4.2.4. If the Employment contract is terminated due to the fault of the employee or at employee's request.

4.2.5. If the Policyholder becomes unemployed at the end of an employment contract, the expiry date of which has been set in advance (fixed-term employment contract);

4.2.6. The Policyholder's Permanent residence and the main workplace is not in Lithuania;

4.2.7. If the Policyholder becomes unemployed during the probationary period, upon termination of the seasonal employment contract, termination of the agreement for additional work or dismissed from a secondary position;

4.2.8. The Policyholder does not acquire the status of an unemployed person, which is determined by a state institution (does not register with the labor exchange as a job seeker and is ready to accept an offer of employment or training).

4.3. Regarding the career, political (personal) trust, statutory civil servants 4.1.1, 4.1.2, 4.2.4, 4.2.5., 4.2.7 apply by the analogy.

5. Target market

5.1. A natural person can request to insure his/her financial interests under these Conditions only if the following are met:

5.1.1. Permanent residence and the main workplace of the Policyholder is in Lithuania;

5.1.2. On the day when Insurance cover, begins, the Policyholder will have a valid Financial obligation agreement and not less than 12 (twelve) months will remain until the end of the Financial obligation agreement;

5.1.3. The Policyholder is at least 18 (eighteen) years old until the age where he/she uses his/her right to old-age pension, including where he/she uses the right to an early pension before the age of old-age pension.

5.2. The Insurer has a right to refuse concluding the Insurance contract without indicating the reasons notwithstanding the fact that a person meets the criteria mentioned in clause 5.1 of the Conditions.

6. Sum insured

6.1. The Sum insured is specified in the Insurance policy.

6.2. he Sum insured is the maximum amount payable for insured events that occurred during the Insurance period. The Sum insured may be limited with the limit described in the clause 10.7.

6.3. The Sum insured will decrease by the amount of the paid insurance benefit.

7. Conclusion of the insurance contract. Beginning of the insurance cover. Validity of the insurance contract. Conditions of amendent and termination of the insurance contract

7.1. The Insurance contract is concluded for 12 (twelve) months.

7.2. Insurance cover comes into force from the day determined in the Insurance policy, but not earlier than the first instalment of Insurance premium is paid.

7.3. Insurance cover and Insurance period, apart from any other basis specified in the General insurance conditions and the Conditions, and unless it is specified otherwise in the Insurance contract, ends:

7.3.1. In case of the Policyholder's death;

7.3.2. With the receipt of the right for a retirement (age) pension by the Policyholder;

7.4. To conclude the Insurance contract, the Policyholder must provide information about the Financial obligation: the contract number, its type, the monthly amount of the credit installment, the end date.

7.5. Separate Insurance contract shall be concluded in relation to each Financial obligation agreement.

7.6. Prior expiration of the Insurance contract term (as defined in the Insurance policy), the Insurer will have a right to send (submit) to the Policyholder a proposal to conclude Insurance contract for the subsequent Insurance period, indicating the terms and conditions of the Insurance contract and the information on how the Policyholder may accept the offer to agree on the insurance offer for the new period.

7.7. Only in the case it is indicated in the Insurance policy, the Insurance contract may be with automatic renewal option. In such case the Insurer shall deliver the draft of new Insurance policy and related documents to the Policyholder not later than 45 days before the expiry of the Insurance contract. Sums insured, Insurance premium, other insurance conditions may change. The Policyholder has the right to refuse automatic renewal of the Insurance Contract by notifying the Insurer at any time before the expiry of the valid Insurance Contract. Policyholder may opt-out from automatic renewal or refuse to renew the Insurance contract according to the received draft of new Insurance policy by notifying the Insurer via Insurer`s self-service portal, or via phone 1626. The Insurer has the right to refuse to renew the Insurance contract by notifying the Policyholder in writing not later than 1 month before the expiry of the Insurance Contract.

7.8. Notification on the Insured event does not relieve the Policyholder from payment of Insurance premiums as foreseen in the Insurance contract.

8. Deductable and initial waiting periods

8.1. The duration of Initial waiting period is specified in the Insurance policy. A sickness or unemployment during the Initial waiting period is not considered an Insured event.

8.2. The Initial waiting period does not apply to a renewed Insurance cover (if the same Policyholder, after the end of one Insurance policy, without a time gap concluded another Insurance contract based on these Insurance conditions, and the Financial obligation agreement remains the same).

8.3. The Deductible period is applicable for the Insurance cover and is specified in the Insurance policy.

9. Event notification

9.1. The Policyholder is obliged to inform the Insurer on the event, which can be assessed as an Insured event, not later than in 60 (sixty) calendar days from the day of the event, with the exception of cases, whenever it is impossible to do so because of a serious illness (sickness), then it should be reported immediately after the end of the sick leave period.

9.2. While addressing the Insurer regarding the payment of the Insurance indemnity the following documents should be provided:

9.2.1. Event notification and request to pay the Insurance indemnity;

9.2.2. Documents confirming the status of Financial obligation agreement (for example, copy from Financial institution self-service);

9.2.3. If requested by the Insurer – other information and documents necessary to confirm the fact of the Insured event or to establish the circumstances of the event.

9.2.4. In case of sickness:

9.2.4.1. copy of medical documents (certificates, extracts) of medical institutions specifying the patient's name, ID, date of treatment, description and duration of treatment; diagnosis, anamnesis;

9.2.4.2. a document that confirms sick leave and its period;

9.2.5. In case of unemployment:

9.2.5.1. documents confirming the start of the employment contract (copy of the employment contract without disclosing confidential information) and confirming

of termination (which must indicate the date of termination of the employment contract and the reasons for termination of the employment contract, e.g. employment contract, employer's order, certificate from Sodra or employer, etc.).

9.2.5.2. unemployed person's certificate or a reminder to the job seeker supporting the fact that the Policyholder is unemployed;

9.2.5.3. during the period of payments of the Insurance indemnity, a confirmation (sent from the Policyholder's e-mail address) that the Policyholder is still unemployed;

10. Insurance indemnity payout

10.1. In the case on an Insured event, the Insurance indemnity is paid every month during the period of Insured event but not longer than 11 (eleven) months.

10.2. Insurance indemnity is paid to the Policyholder by the bank transfer.

10.3. The Insurance indemnity is paid once a month if the Policyholder has provided us the documents confirming the fact that he/she is unemployed, or he/she has sick leave. The Insurance indemnity is paid within 30 (thirty) days from the end of the Deductible period or from the last payment date.

10.4. The amount of the Insurance indemnity f or the previous calendar month is calculated as follows: the amount of Monthly insurance indemnity is multiplied by the ratio between the calendar days when the Policyholder was unemployed / on sick leave and the number of calendar days in the previous calendar month.

$$P = \frac{U}{D} \times Mb, \text{ where}$$

P – *the amount of Insurance indemnity for the previous calendar month,*
Mb – *the amount of Monthly insurance indemnity,*
D – *calendar days in the previous calendar month;*
U – *calendar days when the Policyholder was unemployed/on sick leave*

10.5. The calculated Insurance Indemnity is rounded to the nearest cent.

10.6. If the both insured risks occur the Insurance indemnity is paid for the first occurred risk.

10.7. The maximum amount of all Insurance indemnity for one Insured event is 20 000 EUR, regardless of the number of Insurance contracts concluded with the Insurer according to these Conditions.

10.8. The Insurance indemnity is no longer paid:

10.8.1. if Insurer paid the full Sum insured specified in the Insurance policy or maximum sums for the same Policyholder for several Insurance contracts as foreseen in clause 10.7. of the Conditions;

10.8.2. sick leave of the Policyholder has ended (closed);

10.8.3. the Policyholder becomes employed;

10.8.4. Policyholder has rejected a job offer that matches his/her education, skills, and abilities without good reason.

10.9. if the Policyholder has become employed during the current month, the Insurance indemnity is calculated only for the days when the Policyholder was unemployed.

10.10. if the Policyholder uses the right to a retirement pension or an early retirement pension during the current month, the Insurance indemnity is calculated only for the days before the right to the pension has been used.

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