



Balcia
I N S U R A N C E

PRIVATE PROPERTY INSURANCE
TERMS AND CONDITIONS NO. LT-007.01
VALID FROM 23/08/2021

ABOUT THE PRIVATE PROPERTY PRODUCT

Feel safe with Balcia PRIVATE PROPERTY Insurance!

We have created PRIVATE PROPERTY insurance to provide You with financial security and support for You and Your loved ones in the event of an unexpected damage to Your property, or other people's interests while using Your property or being outside Your property.

PRIVATE PROPERTY insurance is intended for Your immovable and moveable property. You can choose to insure your immovable, moveable property or both and to be really safe, also insure your liability.

Insurance Coverage:

What is insured?	Risks to be covered		
	Covered Accident examples	All risk cover	Named peril coverage
Private property insurance	Fire, Explosion, Bolt of lightning, Fall of manned aircraft its parts	+	+
	Storm, Hail, Snow impact, Snow impact, Earthquake, Flood – high water, Landfall, subsidence, Rainfall	+	+
	Leakage of liquid or steam	+	+
	Fall down of trees, poles pillars and their parts	+	+
	Risk of glass fracture	+	+
	Risk of illegal third-party actions, Damages, Burglary, Robbery, Impact of a land vehicle	+	+
	Any event that is not indicated as an exclusion in the terms and conditions, including	+	-
	<ul style="list-style-type: none"> Accidental damage to the Property of the dwelling resident 	+	-
	<ul style="list-style-type: none"> Children with ball damage TV 	+	-
	<ul style="list-style-type: none"> Dropping an object on the ceramic hob 	+	-
	<ul style="list-style-type: none"> Coincidentally, children overturn tablet 	+	-
	<ul style="list-style-type: none"> Dropping an object on a ground 	+	-

Insurance coverage:

Civil Liability insurance	Expenses to be covered	All risk cover	Named peril coverage
	Life or health of a third party Damages to property or a third party Litigation expenses Rescue expenses	Chosen additionally	

We will help You in emergency cases when need to react quickly to prevent more damages, providing you with the Home assistance!

Home Assistance	Expenses to be covered	All risk cover	Named peril coverage
	Phone consultations Key service Plumber services Carpenter services Security services Rescue and cleaning works services	Chosen additionally	

	Electrician services Fire and Security alarm failure repair service Removal of fallen trees	
--	---	--

There are always some additional expenses which may occur during an accident. We will cover these additional expenses which will help You to recover from the damages easier.

We will cover Free of charge such expenses and Objects:

Rental expenses of temporary home	up to 500 EUR per month, up to 12 months
Rescue and cleaning costs	up to 10% of Sum Insured for the building per one insured event.
Territory Improvement	up to 5% of Sum Insured for the buildings but not exceeding 5000 EUR per case.
Utility cost increase	up to 3000 EUR per case.
Cancelling or interrupting a trip	no under limit
Rain or melting snow	up to 3000 EUR per case.
Moveable property from the fenced territory	up to 3000 EUR per case.
Vehicles, Car accessories	up to 3000 EUR per case.
Guest items	up to 3000 EUR per case.

We made for You some special additional coverages that You can include in Your insurance policy to protect Your Private property even more!

Additional Payable Coverage what You can include:

Electricity risks, Rental expenses of temporary home, Damages caused by tenants, Movable property outside the Dwelling, Tombstone insurance.

What to do in case of an event?

Property Insurance

Notify Us, immediately, but to later than within 7 days in case of a loss, destruction or damage of Insured Object.

Civil liability insurance

Notify Us in within 3 days, about an event that may result in civil liability of the Insured.

Home Assistance

notify Us, immediately in case of a loss, destruction or damage of Insured Object when you need home assistance service.

Notify Us in writing about the damage and loss incurred in at least one of the following ways: by registered mail to Perkūnkiemio str. 5, LT-12129 Vilnius, by e-mail zalos@balcia.lt or by filling the claim online at www.balcia.lt.

If it is not possible to report the event in writing, it is mandatory to inform Us by phone 19001, calling from abroad +370 5 2119 119.

Be safe and healthy!

Balcia Insurance SE Lithuanian branch

CONTENT

ABOUT THE PRIVATE PROPERTY PRODUCT.....	2
I. DEFINITIONS.....	5
II PROPERTY INSURANCE.....	6
1. What Is Insured.....	6
2. Insurance Risks.....	7
3. Additionally Insured Objects, Expenses and Risks	7
4. What Is Not Insured.....	9
5. Safety requirements.....	10
III. CIVIL LIABILITY INSURANCE	10
1. What Is Insured	10
2. What Is Not Insured.....	11
IV HOME ASSISTANCE	12
1. What Is Insured	12
2. What Is Not Insured.....	13
3. Duties of the Insured and / or Relatives.....	13
4. Paying Insurance Indemnities.....	13
V. PROCEDURE OF PAYMENT OF INSURANCE INDEMNITIES	12
1. Upon Occurrence of an Insured Event.....	13
2. Determining Damage	14
3. Paying Insurance Indemnities.....	16
VI. PROCEDURE OF NON-PAYMENT OR REDUCTION OF INSURANCE INDEMNITIES	16
1. General Non-Insured Events.....	16
2. Reduction or Non-Payment of an Insurance Indemnity	17
VI. GENERAL PROVISIONS.....	17
1. Insurance Contract.....	17
2. Change in the Insurance Risk.....	18
3. Your Rights and Duties.....	19
4. Rights and Duties of the Beneficiary.....	19
5. Our Rights and Duties	19
6. Procedure of Calculation and Payment of Insurance Premiums.....	20
7. Sum Insured.....	20
8. Other Provisions.....	21
Annex No. 1.....	22

I. DEFINITIONS

1. **Insured** shall mean the person You indicated in the Insurance contract having an interest to be insured, and in favour of whom the insurance contract has been concluded.
2. **Relatives** shall mean the following persons:
 - 2.1. spouse or a cohabiting person sharing household;
 - 2.2. own or adopted children, grandchildren and their spouses or cohabitants;
 - 2.3. parents or adoptive parents, grandparents;
 - 2.4. siblings or adoptive siblings.
3. **Civil Liability** shall mean cases when during the insurance period faulty actions or omission of You and Your Relatives cause damage to another person, who is not the Insured, or such damage comes up as a consequence later.
4. **Policyholder or You** shall mean a natural or legal person, who applies to Us or our representative for conclusion of an insurance contract, or whom We offered to conclude an insurance contract, or who concluded an insurance contract with Us in accordance with these Terms and Conditions.
5. **Insurer or We** shall mean Balcia Insurance SE, acting through Balcia Insurance SE Lithuanian branch.
6. **Overinsurance** - case when the sum insured of the object is greater than the amount of money required for the renewal of the insured object. In the event of a loss, the amount of compensation will not exceed the amount of money necessary to settle the loss, but in case of complete destruction of the object, the compensation will not exceed the amount of money necessary for the restoration of the object.
7. **Insurance Coverage Territory** shall mean the geographical territory in which the insurance coverage is valid if an Insurance Risk occurs. The Insurance Coverage Territory shall be indicated in the Insurance Policy.
8. **Insurance Risk** shall mean a likely danger beyond the will of the Insured threatening financial interests of the Insured related to his/ her property or civil liability.
9. **Terms and Conditions** shall mean our prepared standard terms and conditions of the Insurance Contract that are available online at www.balcia.lt.
10. **Sum Insured** shall mean the sum of money specified in the Insurance Contract or the amount of money calculated in accordance with the procedure prescribed in the Insurance Contract, which the insurance indemnity amount cannot exceed. The Sum Insured shall be set separately for each Insured and each selected Insurance Risk.
11. **Insured Event** shall mean an event specified in the Insurance Contract upon occurrence of which We must pay the insurance indemnity. The Insured Events shall be deemed to be only such events which occur in the Insurance Coverage Territory specified in the Insurance Contract during the insurance coverage period.
12. **Extreme Sports or High-Risk Entertainment** shall mean extreme sports or leisure activities that are dangerous to health and life, and require special physical and mental abilities and preparation, using special equipment and / or performing various physical stunts, when the safety of athletes depends on their abilities and preparedness only in part - when the risk is affected by the environment in which the sport is played and / or natural forces necessary in the sport (wind, waves, snow, etc.); this includes mountaineering, wall climbing, shooting, sailing, mountain river rafting to overcome thresholds and other obstacles, windsurfing, surfing, bungee jumping, scuba diving, kite surfing, cycling, skateboarding tricks, parkouring, and the like.
13. **Deductible** shall mean the sum deducted from the each insurance indemnity payable by Insured. Given the chosen Insurance Risk, the Deductible shall be indicated in the Insurance Contract as a specific amount and/ or a percentage of the amount of the loss calculated according to these Terms and Conditions.
14. **Beneficiary** shall mean You or the Insured and, in the cases specified in the Insurance Contract, also the person appointed by the Insured who is entitled to the insurance indemnity.
15. **Intoxication** shall mean a condition when the Insured is intoxicated with alcohol, toxic, narcotic, psychotropic or other psychoactive substances, including potent drugs and drugs the use of which does not allow him/ her to engage in certain activities. For the purposes of these Terms and Conditions, a person will be considered clean when having tested him/ her, his/ her blood alcohol content does not exceed 0.4 per mile.
16. **Accident** – a sudden unexpected event beyond Your, Insured's or Relatives' will, which causes damage to the insured object.
17. **Non-Permanent dwelling** – immovable property where You or your Relatives live less than 9 months per year.
18. **Permanent dwelling** – immovable property where You or your Relatives live at least 9 months per year.
19. **Sports Competitions and Trainings** shall mean competitions and trainings organised by sports organisations, sports clubs, sports schools, sports centres, sports facilities, sport federations, associations and societies and other organisations and institutions engaged in physical education and sports activities having rights of a legal entity, which create conditions for practicing physical education and sports, preparing sportsmen, organising sports competitions and other physical education and sports events (hereinafter – Sports Organizations). Competitions shall be held according to the regulations which correspond to the rules of sports competitions. The regulations shall indicate organisers of competitions and the terms and conditions, procedure for holding competitions and safety instructions. Provisions of this clause shall not apply to sports activities that are not organized by Sports Organizations and are a form of leisure of the Insured.

20. Third parties - all persons except You, Insured, Relatives, co-owners, tenants, persons to whom You entrusted with the safekeeping of the insured property, the care of it.

21. Total loss - situation where repair is not economically practicable, i.e. the repair costs exceed 75% of its replacement on the date of the Insured Event.

II PROPERTY INSURANCE

1. What Is Insured

1.1. Property insurance under these Terms and Conditions shall cover property interests related to Insured's and his Relatives sudden, unexpected loss, damage or destruction of the insurance object – legally acquired property, both – movable and immovable. In all cases, insured objects shall be clearly indicated following Your instructions, in the Insurance Policy.

1.2. Under these Terms and Conditions, We shall consider the following insurable objects as immovable property (also specifically referred to as the Insured **Dwelling**) if it is indicated in the insurance policy:

1.2.1. **Building** - a structure that is used for living and is permanently fixed to the land, including all its integral parts permanently attached thereto. Including small (up to 20 m²) common area terraces, balconies or outbuildings for the building of which there is no legally required official projects and permits.

1.2.2. **Apartment** - residential premises or the complex of premises of the apartment house separated from the other part of the building and marked in the building inventory plan, including all integral parts, which make boundaries of this apartment. Apartment insurance also includes:

1.2.2.1. insurance of common property share legally related thereto proportionally to the size of the Apartment,

1.2.2.2. Your storage space and/or garage located in the same building as the Apartment,

1.2.2.3. Your parking spot outside or inside the same building as the Apartment

1.2.3. **Auxiliary building** – a separate non-residential construction, which is not used, nor intended for living (e.g. a sauna, garage, cellar, cattle-shed, barn, shed);

1.2.4. **Territory Improvement** – a structure that is permanently fixed to the land plot on which the Insured Dwelling referred to in Article 1.2.1, 1.2.2 and 1.2.3 of these Terms and Conditions is located (e. g. barriers, walls, gates, fencing, sheds, elevated roads, access roads and pedestrian roads, stationary sprinkler systems, outdoor lightning, flag poles, advertising stands, playground equipment (including children's playhouse), dog aviary, wells, lawn, garden greenery, greenhouse not exceeding 20m²);

1.3. Buildings must be inventoried at the State Enterprise Register Center or not yet inventoried but built in accordance with design documents and comply with the construction norms of the Republic of Lithuania.

1.4. Under these Terms and Conditions, we shall consider the following objects, which can be insured, as **Movable property**:

1.4.1. Any legally acquired movable asset owned or managed by You, legal owner of the property and/or Your relatives which is located within Insurance Coverage Territory.

1.4.2. **The indemnity for movable property shall be limited up to 3000 EUR per one item;**

1.5. Under these Terms and Conditions, the indemnity of the specific items of Moveable property is limited as shown below:

1.5.1. Cash up to 1000 EUR. We will pay out indemnity in case of damage to or loss of cash kept in an Insured Dwelling;

1.5.2. Furs, fur and leather products, textiles, handicrafts, watches, paintings with a one-unit value up to 1500 EUR;

1.5.3. Documents, payment card which can be reconstructed on the basis of official records or other sources manuscripts up to 1000 EUR;

1.5.4. Property entrusted by the Insured's employer (such as a laptop, computer, its components, tablet, telephone) intended for use for work purposes up to 1000 EUR;

1.5.5. Registered weapons, their components and equipment up to 1000 EUR;

1.5.6. Jewellery, precious metals and articles made of them, precious and semiprecious stones up to 1000 EUR. Precious metals are all forms of gold, silver, platinum group metals (ruthenium rhodium, palladium, platinum, osmium and iridium): alloys, raw materials, semi-finished articles thereof, scrap and waste and chemical compounds;

1.5.7. antique items, prototypes and collections with a one-unit value up to 1000 EUR.

For the purpose of these Terms and Conditions, collections are considered several homogeneous items (e.g. stamps, postcards, calendars, labels, coins) grouped together having scientific, cultural historical or artistic value or that are gathered for non-commercial purposes;

For the purposes of these Terms and Conditions antique items are considered items made more than 50 years ago, counting from the day of concluding the insurance contract;

1.6. Under these Terms and Conditions, **we shall not insure** the following:

- 1.6.1. water or other liquids in pipes, pools or wells of the insurance object;
- 1.6.2. greenhouses which do not have a fixed foundation, or have a frame made of wood or plastic or covered with polyethylene film;
- 1.6.3. camper, caravan;
- 1.6.4. buildings and structures in disrepair or demolished, unfinished, as well as movable property located therein;
- 1.6.5. animals, fish, water bodies
- 1.6.6. land, water and air vehicles and their equipment (except motorized bicycles, rollers and wheelchairs till 25hp, boats up to 5 m long and boat engines up to 25 HP stored and locked in the Insured Dwelling);
- 1.6.7. construction materials and products, including not installed engineering communications;
- 1.6.8. ammunition, explosives, nuclear fuel, radioactive materials;
- 1.6.9. computer software, licenses, digitally preserved information, databases;
- 1.6.10. agricultural machinery, equipment, agricultural products and stocks;
- 1.6.11. any fuel other than heating fuel;
- 1.6.12. plans, files, drawings, gift vouchers, travel and others tickets;
- 1.6.13. food, drinks, narcotic and psychotropic substances, medicines, home care and hygiene products and items;
- 1.6.14. property that You received from other persons for sale, processing, repair, storage, etc.

2. Insurance Risks

2.1. All risks cover:

2.1.1. We will indemnify You for the losses resulting from sudden and unexpected physical damages or loss of the insured property, if occurred within Insurance Contract's Validity territory, taking into account the exclusions listed in the Section II (4) "What is not insured" of these Terms and Conditions and Section VI (1) "General Non-Insured Events" of these Terms and Conditions.

3. Additionally Insured Objects, Expenses and Risks

3.1. **Additional insured objects, expenses and risks** if indicated in the Insurance contract are:

3.1.1. Electricity risks.

We shall indemnify You or the Insured for the losses encountered due to damage to moveable property or the facilities contained in the Insured Dwelling that are powered by electric current, caused by:

- 3.1.1.1. emergency or unannounced power outage;
- 3.1.1.2. impact of electric current, including damages caused by overvoltage, overload or short circuit;
- 3.1.1.3. phenomena of lightning strike and deriving electrical and magnetic phenomena;
- 3.1.1.4. upon insuring this additional risk, Section II 4.1.30. of these Terms and Conditions is not valid.

Losses shall only be paid when they are clearly visible, burned out, broken fuses and / or other parts were exposed to fire, heat, which changed the shape, colour, visible charring, leaks, soot, melting.

3.1.2. Rental expenses of temporary home.

3.1.2.1. If upon occurrence of an insured event the Insured Dwelling is lost or damaged to the extent that dwelling therein is not possible, if such risk is indicated in the Insurance policy, We shall indemnify the Insured for the expenses which occurred due to rental of a temporary home, i.e. reasonable expenses that can be proven by documents, which are required to move to temporary home or hotel and rental payment for the rent of temporary home or hotel;

3.1.2.2. Rental expenses for temporary housing are compensated starting from the occurrence of the insured event until the Insured Dwelling is completely restored or until the insurance indemnity for the loss or destruction the mentioned Insured Dwelling is paid out by Us; however, the rental expenses shall be reimbursed for a period up to 12 rental months following the occurrence of the insured event;

3.1.2.3. The deductible for this risk shall not be applied;

3.1.2.4. This risk shall be included in the insurance coverage if needed with higher limit, then it is mentioned in Section II 3.3.1. of these Conditions.

3.1.3. Damages caused by tenants.

3.1.3.1. We shall pay the insurance indemnity for damage caused to the insured object due to malicious actions done by Your or Insured's tenants;

3.1.3.2. In case of an insured event, You have to provide Us with a written rental contract which had to be valid at the time of occurrence of insured event and inform police. This provision is essential, which means that We shall reject Your and/or Insured's claim for compensation if You do not provide Us with the requested information and documents.

3.1.4. Moveable property outside the Dwelling.

3.1.4.1. We shall pay the insurance indemnity for damages or loss of the Movable property located outside the object location caused by occurrence of the insured event;

3.1.4.2. The insurance coverage is valid within the entire territory of World, unless it is stipulated otherwise in the insurance contract.

3.1.4.3. The insurance coverage is valid only when the moveable property is under Your, Insured's or their Relatives supervision, or in closed premises, or places, or is left unattended in a public place, provided that it is locked with a special lock to a firmly installed safe construction.

3.1.5. Tombstone insurance.

3.1.5.1. Insurance coverage is valid for cemeteries rips which are built and placed for Your and/or Insured's Relatives. Cemetery is a place for graves, having its own identification number, firmly connected to the ground;

3.1.5.2. Tombstone insurance risk shall be valid within the territory of Republic of Lithuania;

3.1.5.3. Tombstone insurance is insured under the risks indicated in Annex No 1 of these Terms and Conditions;

3.2. Additionally Insured Risks sum insured is insured by limit.

3.3. Automatically additional insured expenses and Objects

In addition to the insured objects and risks, not exceeding the sums insured specified in the insurance policy, We will indemnify You for the following losses, which occurred as the consequences of the insured event:

3.3.1. **Rental expenses of temporary home:** if the Insured Dwelling is a Building or Apartment, in case of insured event, We shall indemnify for Your expenses which occurred due to Rental expenses of temporary home within the amount of 500 EUR per month, but not exceeding the maximum indemnity period of 12 month.

3.3.2. **Rescue and cleaning costs:** expenses needed to perform rescue and cleaning works of damaged Insured Dwelling. The insurance indemnity shall be limited to 10% of the Insured Dwelling sum insured per one insured event. We shall consider the following expenses as Rescue and cleaning costs:

3.3.2.1. All announced and proven expenses encountered by the Insured for immediate damage elimination, loss minimisation or rescue measures;

3.3.2.2. Expenses for collection of the remains and the cleaning works as well as collection and destruction of the damaged insured object, dismantling of equipment, breaking or removal of any parts of the building or widening of any apertures.

3.3.2.3. All reasonable expenses for transportation and storage of insured object when Insured Dwelling due to insured event becomes uninhabitable. These expenses have to be agreed will Us in advance.

3.3.3. **Territory Improvement:** if the insured Dwelling is a Building, in case of insured event, We shall indemnify for Your expenses which occurred due to its Territory improvement in the amount of up to 5% of Sum Insured for the building insurance indicated in the insurance policy, but not exceeding 5000 EUR per insured event.

3.3.4. **Utility cost increase:** We shall compensate Insured's increased expenses for electricity, water, heating and gas, but not more than 3000 EUR per insured event.

3.3.5. **Cancelling or interrupting a trip:** We shall indemnify the Insured's incurred expenses if due to insured event to Insured Dwelling, You and Your Relatives have to return immediately from already started trip or cancel Your upcoming (not later than 1 week until trip start day) trip. The insurance coverage shall apply only for holiday trip lasts at least 2 days and not longer than 21 days.

3.3.6. **Rain or melting snow.** We shall indemnify the Insured for the repair costs which occurred due to damages to Insured Dwelling because of a sudden and unexpected Rain or melting snow's impact, if such losses didn't occur in last 1 year, paying not more than 3000 EUR per case. Section I 4.1.18. of these Conditions does not apply for this risk.

3.3.7. **Moveable property from the fenced territory:** We shall indemnify the Insured for the loss due to theft of insured movable property which, because of its nature or usage purpose, can be stored outdoors. The indemnity shall not exceed 3000 EUR per insured event. The insurance coverage shall apply only if the property has been stolen from a fenced territory (surrounding the Dwelling - the area which is completely fenced with not lower than 1m fence).

3.3.8. **Car accessories:** We shall indemnify the Insured in case of incurred losses in Insured Dwelling for car accessories (like bicycle holder, child seats, luggage compartments), paying not more than 3000 EUR per Insured Event.

3.3.9. **Guest items:** We shall indemnify the Insured in case of incurred losses in insured address for Guest (person who is given hospitality) items, movable property, paying not more than 3000 EUR per Insured Event.

4. What Is Not Insured

- 4.1. The following events or expenses shall be considered as Non-Insured Events if directly or indirectly caused by:
- 4.1.1. the cases provided for in Section VI (1) and (2) of these Terms and Conditions;
 - 4.1.2. continued gradual processes (e.g. natural depreciation, corrosion, deterioration, oxidation, scale, putrefaction, mould formation, fungus damage, natural impact of humidity or light, changes in colour, odour, dust, waste, soot, dirt, changes in air temperature or humidity, desiccation, vaporization or evaporation, changes in the material structure or finishing);
 - 4.1.3. impact of vermin, rodents or other animals, if the insured event is not related to risk of fire or glass breakage damage;
 - 4.1.4. violation of insured object utilization requirements set forth in the Insured object's utilization instructions or regulatory enactments of the Republic of Lithuania using the insured object for unauthorized purposes or in an unauthorized way;
 - 4.1.5. repairs, renovation works of the insured object which require a construction permit in accordance with the regulatory enactments of the Republic of Lithuania;
 - 4.1.6. interruptions in water, gas, electricity, fuel or other energy resource supply, if such interruptions have not been caused due to the occurrence of Insured event unless such interruptions have caused damage or loss to the insured object;
 - 4.1.7. damage or loss done by computer files and software;
 - 4.1.8. impact of asbestos and its compounds;
 - 4.1.9. decisions of state and municipal authorities;
 - 4.1.10. expenses for the damages to insured object, compensation of which is the duty of the manufacturer or supplier in accordance with regulatory enactments or a contract (e.g., manufacturer's warranty);
 - 4.1.11. expenses for regular maintenance, repairs, cleaning, regular or extraordinary servicing of the insured object and equipment of its construction, including parts and replacement works of worn out parts;
 - 4.1.12. losses related to damage or loss of insured object caused without impact of external force of the moveable property if it's older than 10 years;
 - 4.1.13. indirect expenses, including, lost profit and income;
 - 4.1.14. Your or Insured's expenses related to expert examinations or any other inspection;
 - 4.1.15. overheating, melting, smoldering or scorching, when that has not occurred as a result of Fire risk;
 - 4.1.16. due to explosion of pyrotechnics, explosives or explosive materials;
 - 4.1.17. atmosphere fall-out (for example, water, hail, snow) penetration into the Dwelling the Insured object is stored, through the roof, windows, doors, building stitches, foundation, water-proof finish and other constructions, when not occurred as a result of insured risks;
 - 4.1.18. accidents, occlusions, freezing up or failure to drain liquid in pipes outside;
 - 4.1.19. damage caused due to leaving the moveable property, which is not meant to be kept outside, under the open sky;
 - 4.1.20. losses, if the You or the Insured fail to maintain roofs of the buildings/constructions in technical order by regularly cleaning the roofs from snow or ice and preventing accumulation of snow and/or ice;
 - 4.1.21. caused by waves in the result of tides and ebbs, as well as from expected flood – high water. In accordance with these Terms and Conditions an expected flood – high water is considered flood – high water has appeared at the location of the insured object more often than once in the last 10 years;
 - 4.1.22. payments to utility services, including expenses on electricity, gas, telecommunications;
 - 4.1.23. insured Dwelling foundation settling, building or insured Dwelling cracking, if the said processes has not been caused by occurrence of an insured risk or additional risks, which are indicated as insured in the concluded insurance contract and are not excluded there by;
 - 4.1.24. changes in the groundwater level or overflow in waste water collection systems, or roof waste-pipes;
 - 4.1.25. blasting or excavation, excavation work (during excavation, demolition, dismantling, construction or other works), ground displacement or vibration due to construction works;
 - 4.1.26. disappearance of insured items without theft or burglary;
 - 4.1.27. damages in electrical equipment due to electricity supply interruptions (accident or electricity supply interruptions), electrical contact, including damages caused due to overvoltage, overload, bad contact, damage of meters, regulators or safety equipment, short circuit or secondary effects of lightning and consequent electromagnetic fluctuations.

5. Safety requirements

5.1. During the entire validity period of the insurance contract You, the Insured, Relatives and any other authorized user (including their family members according to legislation of Republic of Lithuania) of the insured property are obliged to carefully manage and use the insured property in due manner, comply with the safety requirements set forth in regulatory enactments, safety enactments listed below and additional safety requirements set by Us:

Fire safety requirements

5.1.1. there are the following requirements as regards ensuring fire safety:

5.1.1.1. chimneys and flues shall be cleaned at least once a year;

5.1.1.2. only appropriately qualified persons are entitled to work with open fire and perform fire-hazardous work. When performing fire-hazardous work and working with tools causing sparks when using them, it shall be ensured that sparks do not come into contact with inflammable materials and substances. When working with an open fire or performing fire-hazardous work, inflammable substances at the work place shall be covered with fire-proof materials;

5.1.1.3. wiring works and electric equipment repairs may be carried out only by respectively qualified persons;

5.1.1.4. it is forbidden to leave a burning fireplace, convector, candles or other fire-hazardous sources without supervision or under supervision of minors;

5.1.1.5. it is forbidden to leave a burning stove, range, fireplace or furnace, except for central heating boilers, unattended.

Compliance with safety requirements

5.1.2. there are the following requirements as regards safety measures (locks, keys, alarm system):

5.1.2.1. when leaving the Insured Dwelling, windows, doors, manholes and other openings shall be closed or locked so that access to the Dwelling could not be gained without break-in, i.e. without damaging windows, doors, constructions, locks or fencing;

5.1.2.2. if an entrance key (-s) is lost or is illegally acquired by a third party, the lock shall be immediately changed;

5.1.2.3. if there is an alarm system, when leaving the Insured Dwelling, it shall be in working order and activated.

Plumbing and pipes safety requirements

5.1.3. there are the following requirements as regards plumbing and pipes:

5.1.3.1. the water shall be drained from the water supply, heating and pumping system in the Insured Dwelling that is not heated during the heating season or where the air temperature is below 0 °C;

5.1.3.2. as regards pipes inside or outside the Insured Dwelling, in order to prevent bursting of pipes due to freezing, their technical mode usage standards shall be complied with in accordance with climatic conditions.

5.2. Operate the Insured property in accordance with the requirements of manufacturers, sellers or installers, warranty conditions, the General Fire Safety Rules.

Reducing possible insurance indemnity

5.3. In the event of failure to comply with the above-mentioned safety requirements which results in occurrence of an insured event, the insurance indemnity shall be reduced till 50%. If the safety requirements specified in this Section are not complied with due to malicious intent, the insurance indemnity is not paid out.

III. CIVIL LIABILITY INSURANCE

1. What Is Insured

1.1. We shall pay the indemnity to the third party to whose property, health or life You and Your Relatives caused damage in territory of Lithuania.

1.2. The following sudden and unexpected events during the validity period of the insurance contract shall be considered insured events:

1.2.1. damage caused due to the management of the Insured Dwelling indicated in the insurance policy and the operation of the movable property contained therein. The insurance cover is valid only for such housing, which is intended for the habitation of You and / or Your Relatives, and not for the performance of commercial or similar activities;

1.2.2. damage caused by the management of the following structures on the land plot owned or rented by You and / or relatives, where Dwelling specified in the insurance policy is: yard paths, wells, stairs, yard lots, outdoor lighting equipment, drainage, irrigation equipment, flagpole or holders, gazebos, car sheds, fences (including gates), greenhouses with concrete foundation, yard swings, outdoor playgrounds, swimming pools, ancillary structures (e.g. garage, sauna, firewood shed, outbuilding). The insurance coverage provided for in this clause shall not cover buildings that are on land plots managed by You and / or Your relatives and Third Parties under the right of partial ownership (e.g. structures in courtyards of multi-apartment buildings);

1.2.3. damage caused by conducted ordinary repair works on Dwelling owned by You and / or Your relatives and indicated in the insurance policy, the estimate of which does not exceed EUR 3 000, which do not require a construction permit and the aim of which is to renovate housing without renovation or major repairs. The applicable

insurance indemnity limit under this clause shall be 50% of the sum insured, but not more than EUR 3 000 for the entire validity period of the insurance contract;

1.2.4. damage done by pets which You and/ or Your relatives own (these include dogs, cats, bunnies, hamsters, guinea pigs, chinchillas, parrots, canaries). Insurance coverage shall not cover damage done by keeping animals other than those listed above, also fighting and dangerous dog breeds (i.e. breeds included in the list of fighting and dangerous dog breeds approved by Order of the Director of the State Food and Veterinary Service of the Republic of Lithuania or defined as fighting and / or dangerous dogs in other legislation), wild, agricultural or commercial animals or damage done by them;

1.2.5. damage done by driving and / or use of self - propelled machinery in a situation other than a traffic accident. Self - propelled machinery is mobile machinery which can move on its own and is intended for conducting works of maintenance and handling of the territory of the insured Dwelling indicated in the insurance policy;

1.2.6. damage done to housing rented for a temporary stay, for a vacation lasting no longer than 1 month in the territory specified in the insurance policy, even if the housing was not specified in the insurance policy; also civil liability arising out of the management of such housing. This condition shall only apply to housing that is intended for You and / or Your relatives to live in, and not for conducting commercial or similar activities. Insurance coverage for damage done to temporarily managed real estate itself shall only cover costs of repair and renovation of property that were incurred as a result of damage to or destruction of the property. We shall not indemnify damage to heating appliances, machines, boilers and hot water preparation devices of the temporarily managed housing, also gas and electrical appliances, and movable property inside and / or outside the housing.

1.2.7. damage caused by daily actions of the Insured as a natural person unrelated to the performance of his/ her work functions;

1.2.8. damage done during Insured's engagement in active leisure or amateur sports and / or while driving or using non-motorized and electric land and water vehicles (with the maximum possible speed of up to 25 km / h indicated in manufacturer's specification), i.e. while cycling, scooting, skiing or snowboarding, kayaking, horseback riding, etc., unless it is an extreme sport or high-risk entertainment;

1.3. The event is considered insured and the obligation for Us to pay the insurance benefit arises if all the following conditions are met:

1.3.1. We have been informed of a claim for indemnification of damage, or a claim for indemnification of damage was submitted to Us not later than within 3 (three) years from the date of the event;

1.3.2. You or Your Relatives are liable for damages under applicable legislation;

1.3.3. the event is not considered non-insured under these Terms and Conditions.

1.3.4. In case of an insured event, We shall indemnify the following type of losses up to the sum insured indicated in the insurance contract and sum insured of indemnities set for individual events (if any):

1.3.4.1. direct losses in relation to the damage to property or bodily injuries or death of the Third Parties;

1.3.4.2. loss of income which a Third Party would have received had there been no destruction, damage of property or health impairment (including death);

1.3.4.3. non-pecuniary damage set by court. The insurance benefit limit for non-pecuniary damage is 50% of the liability insurance limit set in the insurance policy, but not exceeding 5000 EUR for the entire validity period of the insurance contract.

2. What Is Not Insured

2.1. The following events shall be considered Non-Insured Events:

2.1.1. directly or indirectly caused by the cases provided for in Section VI (1) and (2) of these Terms and Conditions;

2.1.2. damages which You, the Insured or other persons with whom You and / or the Insured have share household, Relatives;

2.1.3. damage caused to a legal entity that is directly or indirectly controlled by You, the Insured or other persons with whom You and / or the Insured have share household, or their Relatives;

2.1.4. damage to property that has been temporarily entrusted to You and / or Your Relatives except for the cases provided for in clause 1.2.6;

2.1.5. damage done during Insured's preparation for and / or participation in professional sports trainings and competitions, engaging in extreme sports or high-risk entertainment;

2.1.6. damage done when engaging in various types of martial and self-defence arts, other martial and contact sports, including boxing, wrestling, karate, judo, etc.;

2.1.7. damage directly or indirectly caused by any land or water vehicles, including the operation, use or disposal of non-motorized vehicles, regardless of the place of occurrence, except for article 1.2.5 and 1.2.8. of this Section III in these Terms and Conditions;

2.1.8. damages done by a default on or improper discharge of obligations assumed under a contract or arising out of a contract in any way (e.g. debt transfer, suretyship, guarantee, in other cases), including liability and penalties for a default on or improper discharge of the contract;

- 2.1.9. any fines or other sanctions provided for in contracts or legislation;
- 2.1.10. damage which You and/ or Your family members are guilty of as owners or managers of Dwelling, if this Dwelling not been specified in the insurance policy;
- 2.1.11. damage caused by Your pet and/ or a pet of Your family members running out to the road, also damage caused by a loose dog and / or a dog which did not wear a muzzle;
- 2.1.12. damage or impairment of property due to a failure to maintain, depreciation or loss of marketability of a temporarily managed housing;
- 2.1.13. damage due to infectious, contagious diseases; mental reactions (affective state), mental trauma, mental illness or other mental disorder or disorder of consciousness, seizures of epilepsy or apoplexy, chronic neuro-logical disorders with manifestation of impaired coordination or muscle weakness;
- 2.1.14. damage due to air, water, land pollution or other harmful effects that caused a change in the natural state of air, water or ground;
- 2.1.15. damage caused by or in any way affected by the following substances (in any form, composition): asbestos, lead, polychlorinated biphenyls (PCBs), chlorohydrocarbons, urea formaldehyde, urea-formaldehyde foam (Urea Formaldehyde Foam (UFF), diethylbestrol (DES), tobacco and tobacco products, halons, chlorofluorocarbons (CFC's) or chlorinated hydrocarbons (CHC's) or genetically modified component (GMO), any protein or any product containing such a component or protein, use of chemical and biological agents for non-target purposes;
- 2.1.16. any damage done by hunting or shooting;
- 2.1.17. damage, loss, or destruction of any data carriers or information contained therein, cash, jewellery, precious stones, precious metals, art, antiques;
- 2.1.18. damage caused while serving a remand prison or imprisonment sentence.

IV. HOME ASSISTANCE

1. What Is Insured

1.1 We shall indemnify expenses and provide services which were encountered by You, the Insured or their Relatives, seeking to prevent from further damage or loss following the occurrence of the insured risk, if indicated in the insurance policy.

1.2 We or Our authorized partner shall provide with the following services:

1.2.1 **Phone consultations**

1.2.1.1 providing information regarding state, municipal emergency response teams;

1.2.1.2 consultation regarding how to act to limit the damages resulting from the accident and reduce further losses.

1.2.2 **Key service**

1.2.2.1 repair or replacement service of the door or gate lock of the Insured Dwelling or its territory fence, if the lock has been damaged as a result of burglary, attempted burglary or vandalism and the Dwelling or its territory cannot be locked due to the damage;

1.2.2.2 opening the locked door or gate lock of the Dwelling or its territory fence in cases when the lock cannot be opened due to lost, stolen or damaged keys and if there are no other functioning entrances to the Property or the territory.

1.2.3 **Plumber services**

Stopping a leakage of liquid or steam as a result of a case of emergency in utility mains of the Insurance Object (sudden and unexpected rupture, fissure or clogging of utility mains, resulting in leakage of liquid or steam from them) and installing temporary solutions to restore the functionality of the Insurance Object's damaged utility mains.

1.2.4 **Carpenter services**

Preventing damages to the Property or its territory fence or installation of a temporary solution, to reduce further losses, when the Insurance Object has been damaged, for instance, a window glass is smashed, wind damaged roof cover, the fence or building's roof damaged as a result of a fallen tree, etc.

1.2.5 **Security services**

Physical security services, in case Property cannot be closed after an accident, to prevent third party access and if the Insured or the Authorized User cannot ensure supervision of the Property due to objective reasons.

1.2.6 **Rescue and cleaning works services**

Collection of spilled water or sewerage after leakage of the liquid resulting from rupture or clogging of the pipes, their fittings or equipment in the Insurance Object's utility mains.

1.2.7 **Electrician services**

Preventing damages to the Property, to reduce further losses, when the Insurance Object has damage to electrical installations (open spark in the electrical socket, broken electrical fuse).

1.2.8 **Fire and Security alarm failure repair service**

Repair service of Fire and Security alarm failure of the Insured Dwelling, to reduce further losses.

1.2.9 **Removal of fallen trees**

Expenses for wood cutting, removal from insurance place, cleaning (removal of wood debris) after fallen trees.

2. What Is Not Insured

2.1. The following events shall be considered Non-Insured Events:

2.2. Section II (4) Section VI (1) and (2):

2.2.1. to joint ownership property unless there is also a damage to the Insured Property;

2.2.2. if Our authorized partner cannot verify the identity of service recipient and the rights of the individual to receive the service;

2.2.3. if You, the Insured, the Relatives or any other authorized User of the insured object hamper the provision of the Home Assistance service;

2.2.4. if already received service has been provided not by Us nor Our authorized partner;

2.2.5. if water or sewerage leakage have occurred due to repairs of the equipment (boiler, household appliances, etc.).

3. Duties of the Insured and / or Relatives

3.1. **You, the Insured and / or Relatives shall be obliged:**

3.1.1. upon obtaining of an insurance policy, specify contact phone number, so that it could be used by Us and Our authorized partner to contact the Policyholder or the Insured;

3.1.2. in case of an insured event:

3.1.2.1. undertake all immediate measures in order, to prevent further damages

3.1.2.2. present an identity document upon request of the service provider

3.1.2.3. after receiving of the services, sign the document of the received services prepared by the service provider

3.1.2.4. as soon as possible make appropriate repair if the service provider has installed a temporary solution

3.1.3. perform all other obligations specified in these Private property insurance terms and conditions.

4. Paying Insurance Indemnities

4.1. We shall pay the insurance indemnity of the provided services directly to Our authorized partner.

4.2. Sum insured for Home Assistance service within the framework of the 24h is specified in Insurance contract. For materials sum insured is limited by 50 EUR. During the validity period of the insurance contract, we shall indemnify losses for not more than three insured events.

4.3. Deductible for this Home Assistance service is 0 EUR per case.

4.4. We will compensate to You for the fee paid from You own funds for Home Assistance services, which were provided by another provider than Our service provider - partner, only in the case, if Our service provider - partner will have informed, incl. by phone, that he is unable to provide the necessary service. Documents confirming the provision of a service shall be submitted to Us no later than within 2 weeks since the service provision day.

V. PROCEDURE OF PAYMENT OF INSURANCE INDEMNITIES

1. Upon Occurrence of an Insured Event

Upon occurrence of an Insured Event, You and/ or the Insured shall be obliged to:

1.1. take all reasonable and available measures in an effort to reduce possible damage;

1.2. Immediately not later than within 24 (twenty-four) hours, report the event to competent authorities (police, fire, emergency services, medical assistance, etc.);

1.3. in case of Property Insurance, You and/or Insured shall notify Us in writing immediately, not later than within 7 (seven) days in case of a loss, destruction or damage of insured property.

1.4. In case of Home Assistance notify Us immediately.

1.5. in case of Civil liability insurance You and/or Insured shall:

1.5.1. immediately, not later than within 30 (thirty) calendar days, notify Us in writing about the event that may be recognized as an Insured Event;

1.5.2. having received any claims of third parties, notify Us in writing within 3 business days, regardless of the fact that the event has already been reported;

1.6. provide Us with all the required documents and information necessary to establish the fact and circumstances of the insured event and to calculate the insurance indemnity amount;

- 1.6. if Third Parties applies to court for damage done, immediately notify Us in writing thereof, even if that insured event has already been reported;
- 1.7. if Third Parties file a lawsuit in court for indemnification damages, follow all of Our instructions in the court proceedings, and provide all requests, explanations and available evidence which We believe to be necessary;
- 1.8. at Our request, authorize Us to make statements on behalf of the Insured regarding the satisfaction or rejection of claims of Third Parties, including representation in court;
- 1.9. not to admit Your guilt in whole or in part and do not satisfy any Third Parties claims for indemnification of damages without Our consent;
- 1.10. in all cases, do not act against Our interests;
- 1.11. You have to provide us with all the information and documents specified in these Terms Conditions in writing in at least one of the following ways: by registered mail or by completing the report available online at www.balcia.lt. If You are unable report an event in writing, notify us by calling **19001** or **+370 5 2119 119**, if calling from abroad.

2. Determining Damage

- 2.1. Having received initial information, We shall start an investigation of an event which may be recognized as an Insured Event during which respective justice, law enforcement, circumstances and consequences of the event, shall be contacted. When recording circumstances of an event, We shall be entitled to take photos and make video (audio) recordings. We may hire various experts, specialists or researchers for the investigation of the Insured Event.
- 2.2. Our conclusions shall be binding unless they have been proven not to reflect the actual situation.
- 2.3. **For Property Insurance:**
 - 2.3.1. Before paying the insurance indemnity We will determine the value of Insured object which is done determining the lowest acquisition costs of the same type and similar quality object and/or the lowest costs required to restore the Insured object in the quality and to the extent it was just before the occurrence of an insured event.
 - 2.3.2. **The amount of the insurance indemnity for Dwelling insurance** is determined by defining the amount of losses to be compensated less the deductible specified in the insurance contract and taking into account the following:
 - 2.3.2.1. the amount required to restore the insurance object to the condition it was in before the occurrence of the insured event, including demolition, construction waste collection and storage expenses. Loss assessment is carried out in accordance with the actual renovation work estimate, costs and prices no later than 6 (six) months after the occurrence of the insurable event. Overtime hours, working hours on holidays and other similar expenses are not taken into consideration.
 - 2.3.2.2. the amount of actual losses to be compensated for Insured Dwelling of depreciation of more than 40% (forty percent) is set in the amount of insured object renovation expenses calculated in accordance with the procedure set forth in Article 2.3.2.1 of these Terms and Conditions less the depreciation amount;
 - 2.3.2.3. if it is not possible to determine the value of the insured object, actually compensated losses are calculated by determining the proportion of the lost elements of the Insured Dwelling and multiplying it by the sum insured.
 - 2.3.2.4. In case of Total loss of Insured object, when it is impossible to restore the Insured object or it is clear that the insured object will not be rebuilt, We may set the limit of insurance indemnity, based on the market value of an equal object as it was directly prior to insurable event.
 - 2.3.3. If the insured Dwelling is the joint ownership of several persons and is divided into actual shares, i.e. each of the persons owns certain share of property rights, the losses as regards damages or losses of the property of joint ownership are reimbursed in proportion to the joint ownership share owned by the Insured.
- Determining insurance indemnity in case of damage or loss of movable property**
 - 2.3.4. When paying out the insurance indemnity the value of the movable property is determined in accordance with the renovation cost that is equal to the lowest acquisition costs of the same type and similar quality movable property (including transportation, design and installation/assembly costs) or the lowest costs required to restore the insured movable property in the quality and to the extent it was just before the occurrence of the Insured event, unless it is stipulated otherwise in the insurance contract.
 - 2.3.5. The amount of the insurance indemnity for movable property insurance is determined in accordance with the following procedure:
 - 2.3.5.1. In case of Damages of the insured object, We shall indemnify the actual amount of losses determined the amount required to restore the object to the condition it was just before the Insured event.
 - 2.3.5.2. In case of Total loss, We are entitled to:
 - 2.3.5.3. Replace the lost Insured object with an equivalent object;
 - 2.3.5.4. Pay out the indemnity not exceeding the value of the object;
 - 2.3.5.5. Pay out the indemnity as a difference between the value of the object before and after the Insured event and, not collect the remains of the insured object.
 - 2.3.6. For insured object that is not older than 2 years (in case of Electrical appliance 1 year) renovation costs will be calculated without depreciation. Insured object that is older than 2 years (in case of Electrical appliance 1 year) renovation costs will be calculated by reducing amount of depreciation.

2.3.7. Amount of depreciation, set for the movable property, which is not insured in accordance with the replacement value principle, is determined in the amount, provided below for 1 (one) year:

Groups of movable property	%
Furniture and interior decoration (including built-in furniture, carpets, curtains, work instruments, work tables)	5
Sports and recreational equipment (including bicycles, exercise equipment, skis, musical instruments, fishing equipment)	10
Electrical appliances	15
Shoes and clothes (including furs, glasses, watches);	20
Computers and their components (including printers, scanners, computer audio equipment, external memory blocks, modems)	20
Other moveable belongings, not included in the listed groups	10

Upon determining insurance indemnity for the movable property depreciation of more than 70% (seventy) is not applied, if the moveable property is in operating order and is being used daily.

2.3.8. The amount of actual losses determined by Us for the damage or loss of the Insured object or a part thereof that was built from materials which at the moment of calculating the loss are not available on the market or use of which pursuant to the effective regulatory enactments is forbidden (e.g., slate with admixture of asbestos) is equal to the minimum amount required to restore the damages or lost insurance object or a part thereof using materials equivalent to the damages or lost material in terms of construction characteristics and shape.

2.3.9. If We make a decision to reimburse the Insured for the losses caused due to the insured event by covering the movable property repair costs and the Insured refuses to receive repair services at the service centre offered by Us or to replace the lost or damaged movable property with the equivalent, We shall be entitled to pay out the insurance indemnity in the amount of movable property repair or replacement costs it would have cost Us to buy it.

2.3.10. At Our own discretion We will pay the indemnity:

2.3.10.1. By paying the calculated loss amount in Beneficiary's bank account;

2.3.10.2. By paying for repair services of the damaged Insured object;

2.3.10.3. Replacing the insurance object with another object in kind.

2.3.11. We are entitled to choose the provider of repairs of the Insured object. Upon written consent from Us, You can choose a different provider. If You do the repairs at the provider of repairs of Your choice, and the calculated costs of repairs exceed the costs offered by the provider of repairs of Our choice, then We are entitled to determine the indemnity based on the cheapest offer of the provider of repairs.

2.3.12. When determining the insurance indemnity, the construction organisation related costs are included in the insurance indemnity, including taxes, which are applied to the renovation works on the insurance object, only in cases, if We receive evidence of that the Insured had incurred such expenses;

2.3.13. If the damage to one or several insured objects is caused by continuous Forces of Nature disasters, lasting withing 72 (seventy two) hours without interruptions, then We shall apply one the highest deductible in regards of incurred insured risk, which is provided in the insurance contract.

2.3.14. If the damage to more than one insured object is caused by one insured event, We shall apply one the highest deductible, which is provided in the insurance contract.

2.3.15. The deductible shall not be applied in those cases, when the damage is caused under the motor third party liability insurance, when the liable person is identified, his/her liability is proven, and We have a clear right to recourse the paid amounts from the insurance company, which insured the mentioned person's civil liability.

2.3.16. For Smart Devices - mobile phones, laptops and tablets, smart bracelets and other devices of a similar nature, in case of All risk coverage when damage was made by You, Insured or Relatives shall be applied 150 EUR deductible if the higher deductible is not indicated in the insurance policy.

3. Paying Insurance Indemnities

3.1. We shall pay an Insurance Indemnity or the first instalment thereof not later than within 30 days from the date of receipt of all documents relevant for determining the reasons, circumstances and consequences of the Insured Event, and calculating the Insurance Indemnity amount.

3.2. In case of an Insured Event, if determination and approval of the Insurance Indemnity amount takes longer than 3 (three) months, We shall pay the sum equal to the Insurance Indemnity amount undisputed by the parties at Your request.

3.3. Having determined in case of an insured event that the respective property interests of the Insured have been covered under more than one insurance contract (e.g. in more than one insurance company), an insurance indemnity payable under the insurance contract shall be reduced in proportion to the ratio of sums insured under such

insurance contracts. The amount of insurance indemnities under all insurance contracts may not exceed the loss incurred by the Insured and the insurance value.

3.4. In all cases, when paying an Insurance Indemnity, We shall not exceed the Sum Insured provided for in the Insurance Contract.

VI. PROCEDURE OF NON-PAYMENT OR REDUCTION OF INSURANCE INDEMNITIES

1. General Non-Insured Events

1.1. Regardless of the chosen scope of insurance coverage or the Insurance Risk, we shall not indemnify losses incurred due to the following events:

1.1.1. occurring due to or resulting from war, invasion, hostile acts by a foreign state, military operations or operations equivalent to them such as civil war (whether the war has or has not been declared), riot, strike, rebellion, insurrection, revolution, declared state of emergency, marauding, vandalism, sabotage, strike, lockout, public order disturbances to the extent considered as a revolt or riot, property confiscation, nationalization, if it is caused or sanctioned by national authorities whether lawfully or not; other political risks and all other losses or costs incurred directly or indirectly due to prevention of such actions, shall not be indemnified either;

1.1.2. occurring due to or resulting from a direct or indirect impact of nuclear explosion, nuclear energy or radioactive substances, direct or indirect radioactive pollution and any radiation (electromagnetic, heat, light etc.) and use of chemical, biological substances for other than their intended purpose;

1.1.3. occurring due to or resulting from terrorist acts which shall be perceived as different actions when any person or a group of persons acting in solitude or for the benefit of any organization or government uses power or threatens to use it for political, economic, religious, ideological or similar purposes with a view to affecting the government or intimidating the society or a part thereof; and all other losses or costs directly or indirectly incurred due to prevention of such actions shall not be indemnified either;

1.1.4. occurring due to intentional or illegal actions of You, Relatives, the Insured or the Beneficiary;

1.1.5. which occurred outside of the period of validity of the Insurance Contract and/or outside the Insurance Coverage Territory, or during the period of suspension of insurance coverage or when insurance coverage was not applicable;

1.1.6. where the Insured consumed alcohol or other toxic substances during or after the event which can be recognized as an insured event, or the moment of occurrence of damage till examination by a physician, or avoided an alcohol or intoxication test, if it caused or increased the insured event;

1.1.7. when damage has arisen as a result of an order or decision of public authorities (confiscation, seizure, destruction, expropriation, detention etc.);

1.1.8. during any kind of commercial activity (except rent of premises for private needs);

1.1.9. which occurred due to force majeure circumstances provided for in legal acts of the Republic of Lithuania;

1.1.10. Contamination due to a Communicable Disease does not constitute physical damage and is therefore not covered under this insurance agreement.

2. Reduction or Non-Payment of an Insurance Indemnity

2.1. In case of an Insured Event, We shall be entitled to reduce the Insurance Indemnity amount by:

2.1.1. 50%, if You, The Insured or the Beneficiary have failed to report the Insured Event to competent authorities and institutions in a timely manner and in the result the loss amount increased;

2.1.2. 50%, if You, the Insured or the Beneficiary have deliberately failed to comply with all or a part of obligations or Our legally justified requirements.

2.1.3. If You, the Insured or the Beneficiary have received full or partial indemnification of losses from another person, the Indemnity amount shall be reduced by the amount received from the other person.

2.2. In case of an Insured Event, We shall be entitled to refuse to pay the Insurance Indemnity if:

2.2.1. You, the Insured or the Beneficiary have failed to report to Us the suffered Insured Event in a timely manner, and therefore We are unable to determine the exact amount of losses incurred;

2.2.2. the incurred losses were a consequence of a non-insured event;

2.2.3. You, the Insured or the Beneficiary or Your representatives intentionally provided Us with false information or documents having a substantial impact on the assessment of the Insurance Risk and/or possible losses, or unlawfully increased the amount of the loss. In case of such suspicions, We shall be entitled to refer to the

responsible pre-trial investigation institutions with a view to establishing features and the fact of a possible criminal act;

2.2.4. the payment of an Insurance Indemnity would violate trade, economic or other sanctions or embargoes imposed by the Republic of Lithuania, the EU or international organizations, as well as other national or international legal acts regulating Our activities;

2.2.5. You, the Insured or the Beneficiary have defaulted on duties indicated in the Insurance Terms and Conditions intentionally;

2.2.6. the Insurance Contract or relevant legal acts lay down other conditions for refusing to pay an Insurance Indemnity;

2.3. If having paid out an Insurance Indemnity or a part thereof it turns out that the Indemnity should not have paid or it should have been paid in a lower amount, the Insurance Indemnity or the overpaid amount shall be refunded to Us at Our written request, within 30 (thirty) calendar days from Our request, except for the cases provided for by laws.

VII. GENERAL PROVISIONS

1. Insurance Contract

1.1. Concluding an Insurance Contract

1.1.1. The Insurance Contract is a complex agreement consisting of the aforementioned Insurance Policy, Your application (We may ask You to submit it in writing), these Terms and Conditions and other annexes and conditions, which We will agree on. If the individual insurance conditions laid down in the Insurance Policy and the conditions established in these Terms and Conditions differ, Policy shall prevail.

1.1.2. An Insurance Contract shall be concluded at the free will of Your and Our, so both You and We shall have the right to refuse to conclude an Insurance Contract without specifying any reasons therefor.

1.1.3. An insurance contract shall be concluded at Your verbal or written request, in which You will provide Us with the information necessary to assess the insurance risk.

1.1.4. You shall be responsible for the accuracy of the data provided in the request, as well as for the accuracy of the data indicated in the insurance policy and annexes thereto.

1.1.5. Having made a decision to conclude an Insurance Contract, both You and We shall be mutually honest – in order to properly identify Your needs and assess Your Insurance risk, We must receive from You all correct information known to You and/or requested by Us, which is important both for concluding and executing the Insurance contract. Should You improperly discharge this obligation, We shall have the right to declare the concluded Insurance Contract invalid.

1.1.6. An Insurance Contract may be concluded in one of the following ways:

1.1.6.1. by signing the Insurance Contract (by a hand-written or electronic signature);

1.1.6.2. by Us signing an Insurance Contract and You executing the payment of the Insurance premium or its first instalment (if We agree on setting out the Premium in instalments).

1.2. Validity of the Insurance Contract

1.2.1. The period of validity of the Insurance Contract shall be specified in the Insurance Policy.

1.2.2. If entry into force of insurance coverage is associated with payment of insurance premium or its first instalment, insurance coverage shall take effect when the insurance premium or first instalment is credited to Our bank account.

1.2.3. Insurance coverage shall only be valid for events that happen in the insurance territory specified in these Terms and Conditions.

1.2.4. Insurance contract may be supplemented or amended by a mutual written agreement of You and Us.

1.3. Expiry of the Insurance Contract

1.3.1. The Insurance Contract shall terminate:

1.3.1.1. upon the expiry of the Insurance Contract.

1.3.1.2. after We have paid out all the insurance indemnities provided for in the Insurance Contract, even if the Insurance Contract has not yet expired;

1.3.1.3. in case of Your liquidation as a legal entity, in the absence of successors to Your rights and duties. In such a case, the Insurance Contract shall be deemed to have expired from the first day of the period for which insurance premiums have not been paid;

1.3.1.4. on Your own initiative, by giving a written notice to Us. The Insurance Contract shall be deemed terminated on the date indicated in the notice. In this case (when calculating the amount to be refunded, We shall treat each started day as a full day):

1.3.1.4.1. if the Insurance Indemnity has not been paid out or no claims have been filed during the period of validity of the Insurance Contract, We shall refund the unused part of the insurance premium within 20 (twenty) calendar days from the date of receipt of Your notice;

1.3.1.4.2. If the Insurance Indemnity has been paid and / or reserved, or claims have been filed during the validity period of the Insurance Contract, We shall refund to You the part of the insurance premium equal to the difference between the unused part of the insurance premium and the paid indemnity within 20 (twenty) calendar days from the date of receipt of Your notice.

1.3.1.5. on Our initiative, in accordance with the procedure established by legislation, if You commit a material violation of the contract (for example, have been late to pay the insurance premium, intentionally refused to disclose information relevant to the risk assessment, etc.).

1.3.1.6. If all insurance indemnities are paid out by the Property insurance, even though there are still sums insured under additional risks.

1.3.1.7. on other grounds established by laws.

1.3.2. Regardless of the grounds of termination of the Insurance Contract, You shall have the duty to pay the insurance premium for the insurance coverage period till the termination/ expiry of the Insurance Contract.

2. Change in the Insurance Risk

2.1. You shall immediately, but not later than within 3 (three) business days, notify us in writing about the increase in risk, e.g. a change in the circumstances and exceptions discussed in the insurance policy.

2.2. Upon an increase in the insurance risk, We shall have the right to amend the terms and conditions of the insurance contract and request to pay an additional insurance premium. If You do not agree with the amended terms and conditions, or fail to express Your opinion within the set time limit from the day of sending a notice on new conditions of the insurance contract, We shall acquire the right to terminate the insurance contract upon the expiry of the time limit specified in this clause without any separate notice.

2.3. A failure to notify Us of an increase in the insurance risk shall be a material breach of the terms and Conditions of the insurance contract and shall form a reason for Us to terminate the insurance contract, also to re-fuse to pay an insurance indemnity upon an occurrence of an event.

2.4. The following circumstances are considered to be an increase in insurance risk:

2.4.1. using insured property for commercial activities;

2.4.2. carrying out welding, soldering, brazing, cutting, grinding, drilling and burning or melting metals or other substances such as glass during which the temperature more than 100 °C;

2.4.3. storage of explosive, flammable substances about which We were not informed at the contract conclusion time;

2.4.4. permanently inhabited building becomes non-permanently inhabited;

2.4.5. Insured property transferred to third parties on a loan, rental, lease or other basis

2.4.6. extensive renovation works that can not be defined as ordinary repair works in insured Dwelling;

2.4.7. purpose of using the property has changed with a view that the level of risk has increased;

2.4.8. Other circumstances specified in policy which could increase the level of insurance risk.

2.5. If the Insurance risk decreases, You shall have right to request to amend the terms and Conditions of the Insurance Contract and to reduce the insurance premium.

2.6. If We, having been aware of the increased risk, had not concluded the Insurance Contract, We shall acquire the right to demand termination of the Insurance contract.

3. Your Rights and Duties

3.1. You have the rights to:

3.1.1. get an insurance offer that best suits Your interests and needs;

3.1.2. get familiar with the Terms and Conditions and the insurance product information document, and to receive a copy thereof before concluding an Insurance Contract;

3.1.3. conclude an Insurance Contract in one of the ways offered in these Terms and Conditions convenient to You;

3.1.4. offer or amend, supplement and/or terminate the Insurance Contract in accordance with the procedure established by legislation and/or the Terms and Conditions;

3.1.5. request to pay an insurance indemnity in case of an insured even, if a written consent of the Beneficiary specified in the Insurance Contract has been obtained;

3.1.6. receive information on the progress of an investigation of an Insured Event without violating the applicable legal acts;

3.1.7. disagree with the assignment of Our rights and obligations arising out of the Insurance Contract to another (other) insurance company (-ies). In such a case, You shall have the right to terminate the Insurance Contract within 1 month from becoming aware of such an assignment of rights and obligations. In such a case, You shall be refunded by insurance premiums paid by You for the remaining term of the Insurance Contract.

3.2. You shall be obliged to:

3.2.1. submit to Us Your written application for conclusion of the Insurance Contract;

- 3.2.2. before concluding the Insurance Contract, provide Us with correct information on all the circumstances that may have a material impact on the assessment of the Insurance risk which You are aware of, or which We request. This can be done by completing Our questionnaire, notifying Us verbally or in writing and furnishing documents;
- 3.2.3. during the validity period of the Insurance Contract, to immediately, but not later than within 3 business days, notify Us of any changes in the circumstances that may affect the occurrence of an Insured event and/or damage, the amount of losses and a change in the Insurance risk;
- 3.2.4. notify Us of all the insurance contracts concerning the same risks concluded with other insurance companies (including their terms and conditions). The Insured shall also be subject to this requirement;
- 3.2.5. pay the insurance premium within the time limits set in the Insurance Policy;
- 3.2.6. notify Us of a change in the contact details (address, telephone number, e-mail address) in writing not later than within 3 business days;
- 3.2.7. cooperate with Us in Our exercise of the right of recourse against the person responsible for the Insured Event.

4. Rights and Duties of the Beneficiary

4.1. The Beneficiary shall have the right to:

- 4.1.1. receive an insurance indemnity;
- 4.1.2. receive information on the progress of investigation of an Insured Event and other related information.

4.2. Beneficiary shall be obliged to:

- 4.2.1. furnish Us with all the available documents and/or known information on the circumstances and consequences of the Insured Event.

5. Our Rights and Duties

5.1. We shall have the right to:

- 5.1.1. request and receive all information and documents necessary for risk assessment from You, the Insured and/ or the Beneficiary;
- 5.1.2. in case of a change in the Insurance Risk, to amend conditions of the Insurance Contract and to request to pay an additional insurance premium or to terminate the Insurance Contract with You in accordance with the procedure prescribed by legal acts;
- 5.1.3. if the Insurance Contract is concluded through Your representative, familiarize him/ her, rather than You directly, with the Terms and Conditions and submit a copy thereof. This will be considered as duly fulfilled duty of Ours to disclose the terms and conditions of the Insurance Contract to You;
- 5.1.4. refuse to conclude the Insurance Contract without giving the reasons therefor;
- 5.1.5. refuse to pay the Insurance Indemnity or to reduce its amount, if You or the Insured (if he/ she was aware of the conclusion of the Insurance Contract on his/ her behalf) intentionally:
 - 5.1.5.1. failed to notify Us of the occurrence of the Insured Event within the time limits specified in the Terms and Conditions and this affected the increase in damage or the determination of circumstances and/ or consequences of the event;
 - 5.1.5.2. failed to take action that may reduce or eliminate the damage done;
 - 5.1.5.3. failed to follow Our other legitimate instructions;
- 5.1.6. assign our rights and obligations arising from the Insurance Contract to another insurance company (-ies) in accordance with the procedure established by legal acts. You shall be informed of such an intention at least 2 (two) months in advance and in at least two national newspapers;
- 5.1.7. for the purpose of providing the insurance services to you, without prejudice to Your interests, disclose confidential information to independent and Our hired experts, reinsurance companies, Our legal representatives and advisers, companies related to Us, courts and arbitration, the Beneficiary and in other cases prescribed by laws.

5.2. We shall be obliged to:

- 5.2.1. pay insurance indemnities in case of the occurrence of an Insured Event in accordance with the procedure and within the time limits established by legal acts and these Terms and Conditions;
- 5.2.2. process Your personal data, personal data of the Insured, the Beneficiary and other persons related to the Insurance Contract in strict compliance with provisions of legal acts;
- 5.2.3. notify You and the Beneficiary of the progress of the Insured Event in accordance with the procedure established by legal acts.

6. Procedure of Calculation and Payment of Insurance Premiums

- 6.1. We shall calculate the sum of the insurance premium, the payment of which is one of Your key obligations, according to the information provided by You, including the Sum Insured, the selected Insurance Risks, insurance territory and other important information.

6.2. You shall pay the total insurance premium amount at the moment of conclusion of the Insurance Contract, however, we may agree on the payment of the insurance premium in instalments. In such a case, the sums and the terms of their payment shall be specified in the Insurance Policy.

6.3. The insurance premium or its instalment shall be considered paid after making a transfer to the bank account of Ours or Our representative (for instance, insurance intermediary). The date of crediting funds in Our or Our representative bank account shall be deemed to be the date of payment of the insurance premium.

6.4. The payment of the total insurance premium amount or its instalment in full shall be considered as proper discharge of Your duty to pay the insurance premium.

6.5. If You fail to pay the insurance premium within 30 days from the date of sending Our call for payment to You, the Insurance Contract shall terminate on the grounds referred to in clause Section VI (1.3.1.5.) hereof. If we hire for debt recovery persons engaged in the provision of such services, You shall cover expenses which we incur as a result.

6.6. In case of a change in the Insurance Risk, we shall have the right to recalculate the insurance premium amount.

7. Sum Insured

7.1 The Insurance object can be insured in accordance with limit, meaning that We will compensate all losses resulting from Insured event by not exceeding the sum insured – limit set forth in the insurance contract. In such case the underinsurance principle is not applied.

7.2 After paying out the insurance indemnity the sum insured is reduced by the amount paid, however You have the right to request to increase the sum insured paying an additional premium if it is required by Us.

7.2.1 The amount of all insurance indemnities payable during the Insurance Contract cannot exceed 100% of the Sum Insured for insured property indicated in the Insurance Policy.

7.3 Property insurance:

7.3.1 Sum insured is determined by You. When concluding the insurance contract, the Policyholder assumes full liability for determining the sum insured and conformity thereof with the value of the insurance object. If, upon occurrence of an insurable event, it is established that the sum insured differs from the value of the insurance object, when calculating the amount of the insurance indemnity, conditions regarding under-insurance or overinsurance are applied.

7.3.2 In case of under-insurance event, when the sum insured is at least 15% (fifteen) lower than the value of the insurance object, is established, the amount of the losses to be compensated is multiplied by the proportion between the sum insured and this value, unless limit applies

7.3.3 Additional expenses that You indicate in the insurance policy shall not reduce the sum insured provided for the insurance object, if the insured property will be restored, except in cases of total loss or other provisions of these Terms and Conditions, insurance policy and its annexes.

7.4. Home Assistance

7.4.1. The Insurance cover is insured in accordance with the limit,

7.4.2. The Indemnity limit is determined during the validity period of the insurance contract.

8. Other Provisions

8.1. We and You (Parties) shall not be entitled to disclose confidential information of the other Party received in the course of provision of insurance services (including information received before conclusion of the Insurance Contract) to third parties without a prior written consent of the other Party, except for the cases set out in legal acts and these Terms and Conditions.

8.2. The Insurance Contract and any legal relationship arising out of the this Contract shall be governed by law of the Republic of Lithuania.

8.3. In the event of a dispute, we shall resolve it in good faith. In case of a failure to reach an agreement, the dispute may be referred to courts in accordance with the procedure established by legal acts of the Republic of Lithuania. If You are a natural person, You may also refer the dispute for resolution to the institution supervising Our activities - the Financial Market Supervisory Authority of the Bank of Lithuania, www.lb.lt.

8.4. In order for communication between us to run smoothly, We shall send notifications to each other in writing:

8.4.1. by post;

8.4.2. e-mail / on the self-service portal, indicating this in the Insurance Policy or the self-service;

8.4.3. by other means that we agree on.

8.5. Mutual notifications shall be deemed to have been duly served within a reasonable time after they were sent in an agreed manner.

Annex No. 1

Named Peril Cover

1. We shall pay the Insurance Indemnity if the insured object is damaged due to one of the following causes:

1.1. Fire risk:

1.2.1 Fire - unexpected and uncontrolled burning with an open flame that started from the places not meant or meant for fire and continued spreading further including impact of the fire smoke, soot and fire extinguishing equipment (water, foam, etc.).

1.2.2 Explosion - gas or steam outburst based on a sudden force expression. Occurrence of a container (e.g. boiler, pipe) explosion is considered happened if its walls are broken to the extent that suddenly pressure between inside and outside of the container is the same.

1.2.3 Bolt of lightning (also ball lightning) – direct impact of lightning on the insurance object causing damage or fire.

1.2.4 Fall of a manned aircraft, its parts or cargo – direct fall of the manned aircraft or drone, its parts or cargo on the insurance object.

1.2. Forces of Nature:

1.2.1. Storm – wind with at least wind force 7 (seven) Beaufort or 17 m/s (seventeen). We shall cover the losses for damage to the Insured object due to the storm by downfall of trees, poles, building constructions and other items are also indemnified. If the wind speed cannot be estimated at the location of the insured object, it is considered that the storm took place if the wind has caused damage to buildings and objects near the insurance object that were in excellent condition.

1.2.2. Hail – atmosphere precipitation in a form of ice pellets.

1.2.3. Snow impact, meaning losses as regards damage to the object by snow impact on the building roofing or constructions, provided that the sheet of snow has been caused by continuous, heavy snow and the damage to roofing, 20 cm in 12 hours or less. Insurance coverage does not apply to losses due to long-term effects of snow pressure when the snow accumulates to the specified level the thickness of the snow cover and is not cleanable for more than 48 hours or constructions.

1.2.4. Earthquake

We shall indemnify for losses as regards damage to movable property or Dwelling if it is caused by an earthquake, i.e. sudden release of energy in the Earth's crust that creates seismic waves with magnitude of at least 4 (four) by Richter scale or 5 (five) by the international macro seismic intensity scale MSK-64.

1.2.5. Flood – high water

We shall compensate the losses for the damage to movable property or Insured Dwelling if it is caused by a certain territory being sudden and unforeseen flooded with water run over the open watercourses or reservoirs, broken through barricades, dams or banks.

1.2.6. Landfall, subsidence

We shall indemnify for losses as regards damage to movable property or Dwelling if it is caused by motion of the Earth's crust in horizontal or vertical plane that is not related to seismic activities.

1.2.7. Rainfall

Means short-term heavy rainfall of 15 mm or more in 6 hours or less precipitation.

For insured risks: Storm, Hail, Snow impact, Flood – high water, Rainfall quantitative parameters at insured territory is based on measurements made by the meteorological service in that or the nearest region and / or the fact that the listed natural forces in that region have caused similar damage to buildings in good condition or others similar items of the same resistance.

1.3. Leakage of liquid or steam

We shall indemnify for losses for the damage of insured movable property or Dwelling if it is caused by:

1.3.1. an accident in communication systems inside the building (e.g. water supply, sewerage, heating, waste water, ventilation, conditioning and fire extinguishing system pipes, sanitary ware or household devices), i.e. their sudden and unexpected break, fracture or blocking resulting in leakage of liquid or steam;

1.3.2. freezing up of pipes inside the building resulting in pipe fracture;

1.3.3. activity or failure to act by third parties causing leakage of liquids or steam from internal communication systems;

1.3.4. leakage of liquid due to automatic reaction of stationary automatic fire-extinguishing systems and devices (e.g. sprinklers);

1.3.5. Damage caused by aquarium water in the event of aquarium breakage or decomposition

1.4. Fall down of trees, poles pillars and their parts

We shall indemnify for losses as regards sudden and unexpected physical damage to the insured object caused by free falling down of trees, poles, pillars or their parts near the insurance object that has not been caused by human activities, physical depreciation (deterioration) or long-term degradation processes (e.g. corrosion, decomposition, putrefaction processes). Also We shall indemnify losses, if damage of trees, poles or pillars has occurred due to continuous degradation processes, if it was undetectable by external visual observations.

1.5. Risk of glass fracture

Fractured or broken glazing of the insured object, caused by any reasons. The risk of glass fracture occurs, if due to the insurable event the only damage to the insured object is fractured or broken glazing.

1.6. Risk of illegal third-party actions

We shall pay the Insurance Indemnity in the event of illegal activities of third parties, resulting in:

1.6.1. **Damages** – illegal activities or failure to act by third parties, due to which the Insured object gets damaged, becomes partially or completely useless or not valuable, and it is not related to Fire Risk, Risk of Robbery or Burglary.

1.6.2. **Burglary** - secret or exposed theft of the Insured object if it is committed by third parties illegally:

1.6.3. by entering closed premises with evident burglary signs – by breaking, mechanically damaging obstacles or breaking the locks installed to restrict unauthorized access to the premises;

1.6.4. by breaking, mechanically damaging or unlocking safety locks, of which the insured object is attached to a stationary object, connected to the ground or a building.

1.6.5. **Robbery** – stealing of the Insured object if it is related to violence or threat of violence to You or the Insured.

1.6.6. **Impact of a land vehicle** – damage to the insurance object due to direct mechanical impact of a land vehicle, including railway transport, on the insurance object.