

ACCIDENT INSURANCE TERMS AND CONDITIONS

No. LV-01/01-01
Valid from 01.01.2022

Feel safe with Balcia Insurance SE Accident Insurance!
We offer You extensive Accident Insurance protection to allow You to select the most suitable one for Your needs and situation.

If you have any questions, please contact Us:

§ 82222 § (+371) 206 82 222 *When calling from abroad*

Æ balcia@balcia.lv

Q www.balcia.lv

We will pay everything due from Us, all You need is to submit documents certifying expenses:

Æ atlidzibas@balcia.lv

Q www.balcia.lv

Stay safe!
Your Balcia

DEFINITIONS

Insurer or We – Balcia Insurance SE.

Insured Person or You – a person specified by the Policyholder in an Insurance Contract, who has an insurable interest and in whose interests the Insurance Contract has been entered into.

Policyholder – a person, who has entered into an Insurance Contract with Us.

Beneficiary – a person specified in an Insurance Contract and entitled to receive an Insurance Indemnity in cases determined in the Insurance Contract.

Sum Insured – the sum specified in an Insurance Contract or the sum calculated pursuant to the procedures laid down in the Insurance Contract, which cannot be exceeded by the sum of the Insurance Indemnity (incl. the total amount of several Insurance Indemnities). The Sum Insured shall be determined individually for each insured risk.

Accident – a sudden and unexpected event during the validity period of the Insurance Contract, which has occurred regardless of the person's will and has resulted in harm to the person's life or health.

Temporary Incapacity for Work – the condition when Your capacity to work, study or act has temporarily decreased due to an Accident, which is approved by a sick-leave certificate issued pursuant to the procedures laid down in the regulatory enactments of the Republic of Latvia.

Recurrent Fracture – a fracture of a bone that has not healed completely at the place of the previous fracture within 12 months.

Dangerous Professions – occupation related to a very high level of risk: fulfilling work duties at security services; serving in armed forces; working in the oil extraction and/or oil processing industry, at metal foundries, in ship repairing companies; bombing and/or mining works; underground and/or mining works; works at great heights (more than 5 metres); working as a maritime worker, stunt performer, tester, rescuer or diver.

Professional Sports Competitions and Trainings – engagement in a kind of sports, which is Your main occupation, incl. preparation for participation in sports competitions and participation therein.

Extreme Sports Activities – high-risk sports or alternative kinds of sports, sports activities characterised by high speed and high risk, such as: auto racing, boxing, parachuting, motorcycle sport, skijoring, bike trials, BMX, etc. If You are engaged in any special kind of sports and it is not listed herein, yet can be classified as a high-risk kind of sports, please consult Us before purchasing a policy. We will gladly explain and help You to choose the most suitable insurance.

ACCIDENT INSURANCE

1. What is Insured

If the risk specified in Your insurance policy occurs as a result of an Accident, We will pay an indemnity for the following:

- **Injury:** in accordance with Appendix No. 1. An Insurance Indemnity will be calculated by multiplying the Sum Insured determined for the Injury risk in the insurance policy by the percentage value for each Injury.
- **Medical Expenses:** observing the compensation principle, if You have incurred any justified medical expenses, which You received at a medical treatment institution registered with the Health Inspectorate of the Republic of Latvia, in connection with an Injury within two (2) years following the date of the Accident in the territory of the Republic of Latvia.
- **Hospital Costs:** every day spent at a 24/7 in-patient facility due to an Injury.
- **Daily Allowance:** inability to work, which has occurred as a result of an Injury (up to 120 days).
- **Disability:** if You are diagnosed with Disability as a result of an Injury no later than within one (1) year following the date of the Accident.

An Insurance Indemnity will be calculated by multiplying the Sum Insured determined for the Disability Risk by the percentage value determined in the table below for the degree of functional impairment (Disability) determined for health disorders, which has been determined by the State Medical Commission for the Assessment of Health Condition and Working Ability of the Republic of Latvia:

Degree of Disability	Percentage value
Group I	100%
Group II	50%
Group III	25%

¾ If an Insurance Indemnity has already been paid for the same Accident, the Insurance Indemnity for the occurrence of the "Disability Risk" shall be reduced by the sum already paid for the "Injury Risk".

- **Death:** in the amount of the Sum Insured to the Beneficiary (or an heir in accordance with the regulatory enactments of the Republic of Latvia, if the Beneficiary is not specified in the Insurance Contract), if the death of the Insured Person occurred as a result of an Injury no later than within one (1) year of the date of the Accident.
- **Expenses for the Adaptation of a Dwelling,** which have occurred as a result of adapting Your place of residence, if Your movement is hindered and You have medium, significant, or serious movement impairments.

¾ Expenses for adapting a dwelling shall be covered, only if it is possible by observing the procedures laid down in the regulatory enactments of the Republic of Latvia. An Insurance Indemnity will be paid to the contractor that performs adaptation works.
- **Additional Expenses in Case of Temporary Incapacity for Work:** the following expenses, if Your movement is impaired due to an Injury in a way that the doctor has prescribed bed care for up to one (1) year following the date of the Accident:
 - > for necessary doctor's or nurse's services;
 - > for the cleaning of Your dwelling;
 - > for the purchase of food and other necessary items.
- **Employer's Financial Losses:** the following expenses incurred by Your employer, if You suffered an Injury during the fulfilment of Your work duties, which resulted in Death or Disability Risk, if it occurred no later than within one (1) year following the date of the Accident:
 - > legal representation costs in relations with state institutions;
 - > costs of hiring a new employee for the period not exceeding ninety (90) days following the occurrence of the Accident.
- **Consultations by Support Specialist:** costs of psychological, social or medical consultations to You or Your relative of the first degree of kinship within the period not exceeding ninety (90) days following the occurrence of an Accident.
- **Financial Losses in the Event of Cancellation of a Camp due to the Child's Injury:** if You have incurred losses when making payment for a camp, if Your child cannot visit it due to an Injury.
- **Family Leisure** expenses for ensuring Your wellbeing or the wellbeing of Your child after an Accident.
- **Critical Illness:** in the amount of an Insurance Indemnity, if You are diagnosed with one of the illnesses included on the List of Critical Illnesses (the List of Critical Illnesses can be found on Our website www.balcia.lv) for the first time within at least ninety (90) days following an Insurance Contract (or previous Insurance Contract, if entered into repeatedly) coming into force.

2. What is not Insured

We will not pay an Insurance Indemnity, if:

- You, the Policyholder or the Beneficiary have/has intentionally caused or promoted the occurrence of an Accident;
- an Accident has occurred due to chronic, inborn, degenerative or other illnesses, as well as inborn or obtained physical defects;

- an Accident has occurred due to a pathological or Recurrent Fracture, or tear of tendons;
- an Accident has occurred due to the hernias of intervertebral discs;
- while operating a vehicle, You violated regulations by driving through a railway crossing, You operated the vehicle without being in possession of a driving licence of the appropriate category, or are banned from driving and it is causally related to an Accident;
- an Accident has occurred as a result of infectious disease, except after a bite or sting by animals, ticks, or other insects;
- an Accident has occurred due to engagement in Dangerous Professions, unless the Insurance Policy stipulates otherwise;
- an Accident has occurred due to participation in Professional Sports Competitions or Trainings, unless otherwise stipulated in the Insurance Policy;
- an Accident has occurred due to engagement in Extreme Sports Activities, unless otherwise stipulated in the Insurance Policy;
- an Accident has occurred because of You being under the influence of alcohol, narcotic, psychotoxic or other inebriating substances and it is causally related to the occurred Insured Event, except where the concentration of alcohol in the organism does not exceed the set norm, with which it is allowed to operate a vehicle, and the concentration of alcohol is clearly determined in the documents certifying performed examinations.

INSURANCE CONTRACT

3. Entering into the Contract

Upon entering into the Contract, You and the Policyholder shall certify the truthfulness of the information provided.

The Insurance Contract shall come into force once We agree on the Terms and Conditions of the Contract and payment is made in acceptance of Our quote.

As the date of expiry of an Insurance Contract that is in force approaches, We shall, if We receive the requisite consent, be entitled to draw up and issue a new Insurance Contract quote.

Payment for the new quote, if it is made pursuant to the procedures specified therein, will confirm entry into the Insurance Contract.

^{3/4} The said consent may be withdrawn at any time by giving Us prior notice of Your intention to do so.

4. Termination of the Contract

The Policyholder shall be entitled to terminate the Insurance Contract at any time by giving Us prior notice of Your intention to do so.

Regardless of the reason for the termination of the Insurance Contract, the Policyholder shall be obliged to ensure payment of the Insurance Premium for the insurance period until the date of termination of the Insurance Contract.

Upon terminating the Insurance Contract, unless regulatory enactments require otherwise, We will indemnify the non-used portion of the Insurance Premium to the Policyholder in proportion to the remaining insurance period.

INSURANCE INDEMNITY

5. If an Insured Event Has Occurred

When caring for Your health, please contact a medical treatment institution and contact Us as soon as possible. We will consult with You about what steps to take and agree on further actions.

Upon entering into the Insurance Contract, You shall authorise Us to investigate the circumstances of an Accident and determine an Insurance Indemnity by requesting and obtaining all necessary documents related to the Accident.

^{3/4} Provide Us with all the information about an Accident and associated expenses.

6. Reduction of an Insurance Indemnity

We are entitled to reduce the amount of an insurance indemnity, if:

- You or the Beneficiary have/has been indemnified in full or in part by the person responsible for causing losses or the compensation of expenses is due to You in accordance with the provisions of the Compulsory Civil Liability Insurance of Owners of Motor Vehicles Law of the Republic of Latvia;
- an insurance indemnity for one or several risks, which have occurred during the insurance period, has reached the Sum Insured determined for the particular risk.

7. Exceptions

We are entitled to deny the payment of an insurance indemnity, if:

- You, the Policyholder, or the Beneficiary have/has not reported an insured event in a timely manner, therefore meaning that We are unable to determine incurred expenses or losses;
- an Accident has occurred outside the Insurance Period;
- You, the Policyholder or the Beneficiary have/has intentionally provided Us with false information or documentation, significantly affecting the assessment of an insured risk or possible losses, or has unlawfully increased the amount of losses;
- You, the Policyholder or the Beneficiary have/has knowingly not satisfied the obligations specified in the Insurance Terms and Conditions.

8. Decision

A decision on the payment of an Insurance Indemnity will be taken and issued to You no later than seven (7) days following the day on which all documentation required for determining the causes, circumstances and consequences of an insured event and calculating the amount of the Insurance Indemnity have been received.

DISPUTE AND COMPLAINT EXAMINATION PROCEDURE

All disputes, which arise or might arise between Us and the Policyholder, or the Beneficiary, or You, shall be settled through negotiation. If it is not possible to settle a dispute through negotiation, You are entitled, for the purposes of protecting Your interests, to take your dispute to the Consumer Rights Protection Centre of the Republic of Latvia (www.ptac.gov.lv) or before a court in accordance with the regulatory enactments in force in the Republic of Latvia. Information about the complaints examination procedure can be found on Our website www.balcia.lv.

OTHER TERMS AND CONDITIONS

- Information on the processing of personal data carried out by Us is included in the Privacy Policy, which can be found on Our website www.balcia.lv.
- The rights and obligations, which are not stipulated in the Insurance Contract, and the regulation of legal relations arising from the Insurance Contract shall be subject to the regulatory enactments of the Republic of Latvia.
- In the event of any conflict between the Terms and Conditions of each type of insurance and the Terms and Conditions of an Insurance Policy, the Terms and Conditions of the Insurance Policy shall apply to the Insurance Contract.
- In the event of any conflict between the Latvian text of these Terms and Conditions and the translation of these Terms and Conditions in any foreign language, the Latvian text of these Terms and Conditions shall take precedence and be binding on the Parties.
- Supervision of the insurance market in the Republic of Latvia is conducted by the Financial and Capital Market Commission of the Republic of Latvia (address: Kungu iela 1, Riga, LV-1050, website: www.fktk.lv, e-mail address: fktk@fktk.lv).

APPENDIX NO. 1

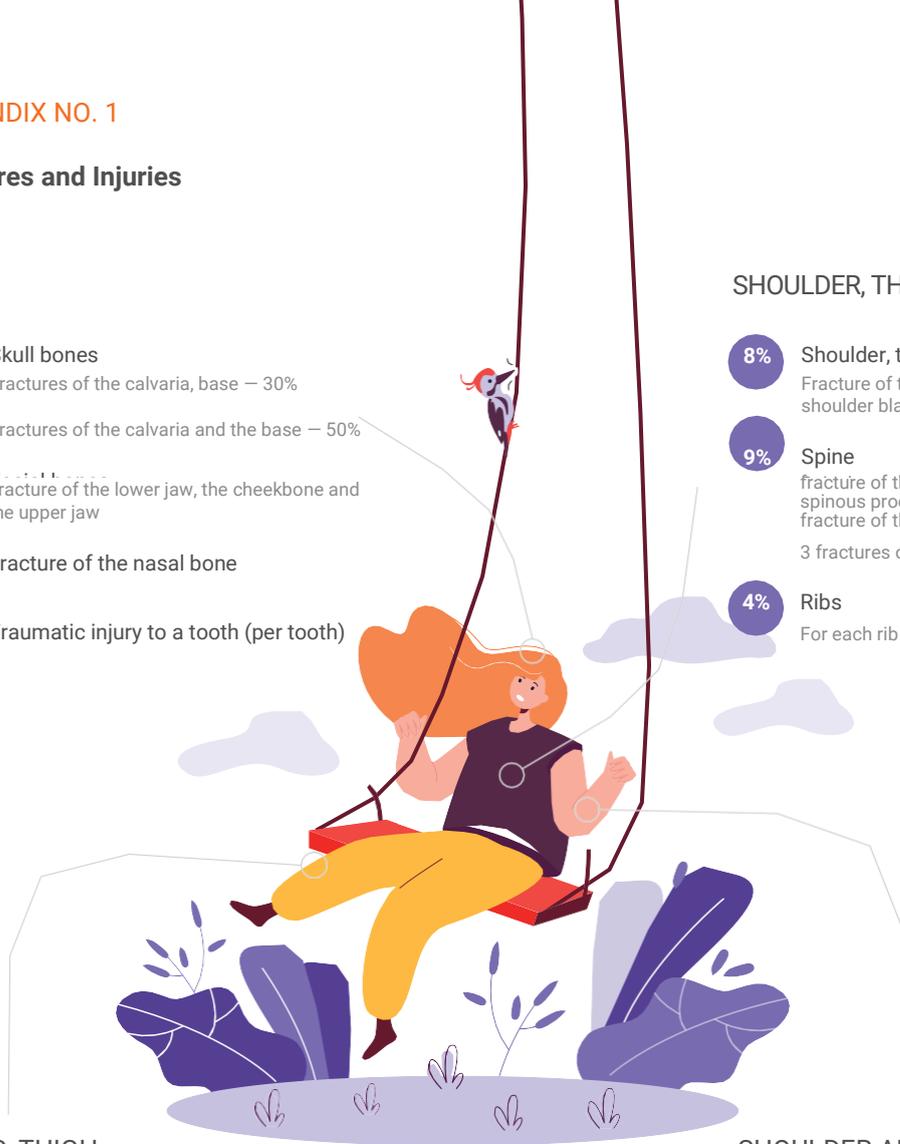
Fractures and Injuries

HEAD

- 30%** Skull bones
Fractures of the calvaria, base – 30%
- 50%** Fractures of the calvaria and the base – 50%
- 10%** Facial bones
Fracture of the lower jaw, the cheekbone and the upper jaw
- 5%** Fracture of the nasal bone
- 4%** Traumatic injury to a tooth (per tooth)

SHOULDER, THORAX

- 8%** Shoulder, thorax
Fracture of the sternum, the clavicle, the shoulder blade
- 9%** Spine
fracture of the transverse process or spinous process, arch, articular process, fracture of the tailbone and the sacrum
3 fractures or more – 25%
- 4%** Ribs
For each rib fracture



PELVIS, THIGH

- 25%** Pelvis, thigh
Fracture of pelvic bones, fracture of the hip bone head, the femoral neck, the thighbone
- 11%** Calf, foot
Fracture of a knee,
Fracture of a shinbone or calf bone, an ankle
Fracture of the base of a foot and a metatarsal bone
- 4%** Toes
Regardless of the number of fractured toes

SHOULDER AND ELBOW JOINT

- 12%** Shoulder and elbow joint
Fracture of arm bones
- 9%** Forearm, palm
Fractures of forearm bones, bones of the heel of the palm, fractures of metacarpal bones regardless of the number of fractured bones – 9%
Fracture of two forearm bones – 12%
- 4%** Fingers
Regardless of the number of fractured toes

Injuries

Brain concussion

- C** in the event of out-patient treatment – 3%
- C** in the event of in-patient treatment – 7%

Joint sprains, dislocations

- C** dislocation of the lower jaw, upper jaw, palm, foot, fingers – 2%
- C** dislocation of a knee joint, elbow joint, shoulder joint, tear of a shoulder capsule – 5%
- C** dislocation of a pelvic joint, dislocation of spinal vertebrae – 12%

Tear of ligaments and tendons, injuries of peripheral nerves

- C** tear of any ligaments, tendons, nerve damage – 3%
- C** damage to the meniscus with or without surgery – 3%
- C** damage to the Achilles tendon without surgery – 6%
- C** damage to the Achilles tendon, if surgery is carried out – 9%

Wounds, bruises

- C** contused, lacerated, sabre, incised, piercing wounds, extensive skin scratches, haematoma, animal bite wounds – 3%

Body burns

- C** and frostbite, which have caused tissue damage or scarring – 2%-30%

Injuries and fractures

- Bone fractures must be confirmed by a radiologist.
- If one Accident has resulted in a multiple fracture of one bone, it shall be deemed to be a single bone fracture.
- If one Accident has resulted in the fracture of two bones or several bones of the same body part, We will compensate for each of them, summing the indemnity determined herein for each fracture, but not exceeding the Sum Insured determined in the Policy for the Injury Risk.
- If one Accident has resulted in several injuries to one body part, We will compensate for the most serious injury;
- If one Accident has resulted in injuries to several body parts, We will compensate for each of them, summing the indemnity determined herein for each injury, but not exceeding the Sum Insured determined in the Insurance Policy for the Injury Risk.
- An indemnity for the traumatic injury of teeth and/or loss of teeth shall be paid only if there are also signs of injuries to the mouth and/or soft tissues of the face. An indemnity for the injury of teeth and/or loss of teeth shall be paid only once during the validity period of the Insurance Contract. Dental injuries, which have occurred as a result of biting (chewing) or any disease (e.g. bruxism), shall not be compensated.

APPENDIX NO. 2

Critical Illnesses

No.	Name of a Critical Illness	Description of a Critical Illness	Terms and conditions necessary for the declaration of a Critical Illness as an Insured Event and for the payment of an Insurance Indemnity
1	Myocardial infarction	Is acute, irreversible damage to (necrosis of) the heart muscle tissues that has developed due to insufficient artery blood flow in a particular segment of the myocardium.	<ol style="list-style-type: none"> 1. New lesions typical of myocardial infarction found through electrocardiography; 2. Prolonged typical chest angina; 3. Increase in the blood serum activity of ferments is typical of myocardial infarction (LDH, CK, CK-MB, troponins T and I); 4. No Indemnity shall be paid for an acute myocardial infarction without increase in ST segment.
2	Cerebral infarction (stroke)	An acute cerebrovascular disorder, usually due to cerebral tissue infarction as a result of non-traumatic haemorrhage or blockage of arteries and causing fixed neurological deficit persisting longer than 24 hours.	<ol style="list-style-type: none"> 1. Where the fixed neurological deficit persists at least for 12 weeks following the cerebral infarction and this is confirmed by the physician-neurologist and a new computer tomography or magnetic resonance tomography. 2. Cerebral infarction as a result of external injuries (accident) shall be a Non-Insured Event. 3. Cerebral ischemic attacks persisting less than 24 hours.
3	Malignant tumour (cancer)	Malignant tumours (cancers) are a group of diseases, characterised by uncontrollable spread of genetically malignant cells and ability of such cells to damage surrounding tissues and spread into other parts of the body (metastasize).	<ol style="list-style-type: none"> 1. An Indemnity shall not be paid if the following was diagnosed: <ol style="list-style-type: none"> 1. An Indemnity shall not be paid if the following was diagnosed: <ol style="list-style-type: none"> 1.1. Any pre-malignant condition; 1.2. Cervical dysplasia, cervical intraepithelial neoplasia (any CIN stage); 1.3. Any non-invasive cancer (cancer in situ, in accordance with TNM Classification Tis); 1.4. Prostate cancer, stage I (in accordance with TNM Classification, T1 including T1a, T1b, T1c); 1.5. Urinary bladder, stage I (in accordance with TNM Classification, T0 or T1); 1.6. Papillary carcinoma, stage I (in accordance with TNM Classification T0 or T1); 1.7. Lymphogranulomatosis, stage I; 1.8. Skin cancer (except for malignant invasive melanoma from stage III in accordance with Clark classification); 1.9. Chronic lymphocyte leucoses; 1.10. The cancer diagnosis must be confirmed histologically and by an oncologist.
4	Chronic kidney deficiency	Chronic and irreversible functional kidney deficiency requiring regular haemodialysis is necessary	<ol style="list-style-type: none"> 1. Regular haemodialysis for a period of at least for 6 months or kidney transplantation surgery must be carried out. 2. The diagnosis and the necessity for dialysis must be confirmed by a nephrologist.
5	Multiple sclerosis of the central nervous system affecting the coating of nerve fibres	An autoimmune disease affecting the coating of nerve fibres	<ol style="list-style-type: none"> 1. Magnetic resonance imaging shows at least two lesions of demyelination. 2. An increase in IgG index and oligoclonal bands in the cerebrospinal fluid. 3. The diagnosis is to be confirmed by a neurologist.
6	Blindness	Full irreversible loss of sight due to an acute disease	<ol style="list-style-type: none"> 1. The diagnosis must be supported by objective tests (sciascopy, refractometry, spectral compensation, etc.). 2. Full irreversible loss of sight must be confirmed by an ophthalmologist three months from the detection of disease or trauma. 3. In the event of loss of sight in one eye, 50% of the Indemnity shall be paid out.
7	Deafness	Permanent and irreversible loss of hearing due to an acute disease.	<ol style="list-style-type: none"> 1. The deafness is confirmed by testing the auditory threshold of at least 90 db. 2. The diagnosis must be confirmed by an otorhinolaryngologist. 3. In the event of loss of hearing in one ear, 50% of the Indemnity shall be paid out.

No.	Name of a Critical Illness	Description of a Critical Illness	Terms and conditions necessary for the declaration of a Critical Illness as an Insured Event and for the payment of an Insurance Indemnity
8	Loss of speech	Total loss of the ability to speak as a result of traumatic lesion or disease.	<ol style="list-style-type: none"> 1. Where the speech is lost due to surgical and pharmaceutical treatment of a disease. 2. The diagnosis must be confirmed by an otorhinolaryngologist. In certain cases, loss of speech may be temporary. 3. If full loss of speech persists for a period of 6 months from the date of diagnosis.
9	Alzheimer's disease before age of 60	Decline in cognitive function, passivity in daily activities, changes in behaviour, neuropsychiatric symptoms	<ol style="list-style-type: none"> 1. An Indemnity shall be paid where all of the following conditions are satisfied: <ol style="list-style-type: none"> 1.1. the illness has been diagnosed before the person in question turned 60; 1.2. It was confirmed by typical neuropsychological and neural imaging data (e.g. computed tomography, magnetic resonance imaging); 1.3. loss of intellectual abilities has been diagnosed, manifesting by disorders of memory and cognitive function, which lead to a significant impairment of mental and social function; 1.4. personality has changed; 1.5. slowly progressing illness and steady deterioration of cognitive function; 1.6. consciousness has not been impaired; 1.7. the Insured Person requires constant care 24/7. 2. The diagnosis of the illness and the need for care shall be determined and confirmed by a neurologist. An Indemnity shall not be paid if other forms of dementia are diagnosed due to brain, systemic, or mental illnesses. 3. The condition shall be confirmed by medical documents and persist for at least 3 months.
10	Parkinson's disease before the age of 60	Evident symptoms of involuntary hand tremors, muscle rigidity, and slowness of body movements	<ol style="list-style-type: none"> 1. An Indemnity shall be paid where all of the following conditions are satisfied: <ol style="list-style-type: none"> 1.1. at least two of the following clinical signs must have been diagnosed: muscle stiffness (rigidity); tremor; bradykinesia (significantly slowed movements, sluggishness of physical and mental response); 1.2. complete inability to do at least 3 of the following 6 daily activities without assistance for at least three (3) consecutive months: wash up or use other means to wash up; dress, undress, button up, and unbutton clothes; feed oneself; maintain adequate personal hygiene when using the toilet or otherwise control bladder and bowel function; move from room to room on the same floor; get up / get out of bed to a chair or a wheelchair and back. 2. If the above-listed clinical signs changed due to implantation of a brain neurostimulator, this shall be considered an Insured Event regardless of daily abilities. 3. An Indemnity shall not be paid in the following cases: <ol style="list-style-type: none"> 3.1. diagnosis of secondary Parkinson's disease (including drug- or toxin-induced Parkinson's); 3.2. diagnosis of sudden tremors; 3.3. diagnosis of Parkinson's along with other neurodegenerative diseases.
11	Addison's disease	A decrease in the level of cortisol and an increase in the level of adrenocorticotrophic hormone (AKT H) in the blood	<ol style="list-style-type: none"> 1. Adrenocortical insufficiency due to damage to both adrenals resulting in partial or full disappearance of adrenal hormone function. 2. The disease must be diagnosed by an endocrinologist in accordance with the disease diagnostics criteria valid on the date of the diagnosis. 3. The Insured Person is to be treated with hormones for at least 3 months and such treatment is continued.
12	Systemic lupus erythematosus	Chronic inflammatory autoimmune disease where the immune system starts to destroy (affect) healthy tissues of the body.	<ol style="list-style-type: none"> 1. The diagnosis must be confirmed by a rheumatologist; 2. The blood test (carried out serologic testing) shows antibodies to native RNP or antibodies to Sm antigen or Lupus cells.