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HEALTH CARE WORKERS (HEALTH CARE INSTITUTIONS) PROFESSIONAL INDEMNITY INSURANCE

Terms and Conditions No 025.1

Effective as of 23.11.2020

BTA and Policyholders enter into Construction and Installation Works Insurance Contracts in accordance with these Terms and Conditions.

CONTENTS

GENERAL REGULATIONS

1. DEFINITION OF AN INSURANCE CONTRACT

Application for conclusion of an insurance contract – a document in the form prescribed by Us, in which You provide the necessary information to conclude an insurance contract. The application may be not submitted if You provide Us with information that We consider sufficient to assess the insurance risk. Acceptance of an application for an insurance contract does not oblige Us to conclude an insurance contract.

Beneficiary – the person named in the insurance contract, or a person, specified by You and in contract-specified cases, a person appointed by the Insured who is entitled to receive the insurance benefit.

Compensation principle – an insurance principle whereby the insurance benefit is calculated on the basis of the amount of loss suffered as a result of the insured event.

Deductible – the part of the insurance benefit that is set out in the insurance contract and which We do not reimburse. The deductible is defined as a specific amount of money and/or a percentage of the loss, unless stated otherwise in the insurance policy. If an insurance contract contains several types of deductible for the same risk, the higher of the two will always apply.

Double insurance – where You enter into several insurance contracts for the same insurance risks with several or the same insurance company. In this case, You must notify Us in writing of the conclusion of the other insurance contract, specifying the sum insured and the other terms of the contract. Otherwise, We shall be entitled to recover the relevant part of the insurance benefit after having paid the insurance benefit.

Insurance benefit – a sum of money paid out in the event of an insured event or for services rendered, if provided for in the insurance contract.

Insurance contract – an agreement between Us and You, under which You undertake to pay the insurance premium of the agreed amount within the time limits set out in the insurance contract, to fulfil other obligations set out in the insurance contract, and We undertake to pay the insurance benefit to the person specified in the insurance contract in the event of an insured event, in accordance with the provisions of the insurance contract.

Insurance contract certificate (policy) – a document confirming the conclusion of the insurance contract and covering the terms and conditions of the insurance contract as agreed between Us and You.

Insurance premium – the amount of money specified in the insurance contract that You are obliged to pay Us for insurance cover under the terms of the insurance contract.

Insurance risk – the probability of an event occurring in the future that is possible and beyond Your and/or the Insured person's control.

Insured – the person whose property interests are insured:

- **a)** for property insurance, the owner of the insured property or the person named in writing in the contract;
- **b)** in the case of civil liability insurance, the person whose property interests arising out of civil liability are insured;
- **c)** in the case of personal insurance, the natural person named in the insurance contract whose health, life or physical condition is covered by the insurance contract.

Insured event – an occurrence specified in the insurance contract, in the event of which We are obliged to pay an insurance benefit.

Insured interest – the Insured's interest in not suffering a loss as a result of an insured event.

Insurer or We – BTA Baltic Insurance Company AAS branch in the Republic of Lithuania.

Non-insured event – is a case where We do not pay an insurance claim.

Object of insurance – is property interests relating to a person's life, health, property or civil liability.

Persons related to the Policyholder and/or the Insured, as well as persons who are obliged to fulfil the duties imposed on the Policyholder:

- **a)** persons who live together with the You or the Insured;
- **b)** the persons who are responsible for the insured object according to an agreement with You or the Insured;
- **c)** persons who have an insurable interest jointly with the You or the Insured, or other persons specified in the insurance contract;
- **d)** persons related to the You or the Insured person by employment, service or other legal relationship, that have a duty to act in accordance with the safety requirements.

Policyholder or You – a person who has applied to the insurer for the conclusion of an insurance contract or has been offered an insurance contract by the insurer or has concluded an insurance contract with the insurer. You can only be the owner or operator of the insured vehicle under a leasing (finance lease) or buy-out (operation) rent contract.

Sum insured – the amount of money specified in the insurance contract or calculated in accordance with the procedure laid down in the insurance contract, which may not exceed the benefit.

Supplementary insurance – a type of insurance where only part of the value of the asset or the risk is insured. In this case, You have the right to conclude an additional insurance contract with the same or another insurance company. In this case, the sum insured under several insurance contracts cannot exceed the insurance value.

The parties to the insurance contract are You and Us.

Third party – in the case of civil liability insurance, a person who has suffered a loss as a result of the acts or omissions of You and/or the Insured, and who is entitled to an insurance benefit in accordance with the terms of the insurance contract.

Underinsurance – where the sum insured is less than the insured value. In this case, in the event of an insured event, We will pay a proportion of the claim that is proportional to the ratio of the sum insured to the insured value.

Written document:

- **a)** is a document in writing that contains all the necessary requisites, including a signature, in accordance with the legislation in force in the Republic of Lithuania;
- **b)** transmitted by other telecommunications terminal equipment, provided that the text is protected and the signature is identifiable, including an electronic message.

2. THE VALIDITY OF INSURANCE COVERAGE

2.1. The insurance period is the length of time during which the insurance cover is in force.

2.2. The insurance cover comes into force at 00:00 on the date specified in the insurance contract, but not before the payment of the premium or the first instalment thereof, provided that:

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

2.2.2. the start of the period of insurance coincides with the date of payment of the premium or the first instalment thereof;

2.2.3. the due date for payment of the premium or the first instalment is earlier than the start of the period of insurance.

2.3. In cases where the insurance cover is linked to the payment of the premium or the first instalment thereof, the insurance cover shall come into force at 00:00 hours on the day following the date of receipt of the money, but not earlier than specified in the insurance contract.

2.4. No insurance benefit is payable in the event of an insured event before the insurance cover takes effect.

2.5. If the insurance contract stipulates that the premium is due after the first day of the start of the insurance period, the insurance cover shall take effect at 00:00 on the first day of the start of the insurance period.

2.6. The insurance contract is valid until 24:00 on the last day of the insurance period stipulated in the insurance contract, unless the insurance contract expires earlier for other reasons.

3. YOUR DUTY TO DISCLOSE INFORMATION

3.1. Before signing the insurance contract, You undertake to provide Us with correct and complete information requested by Us, which is relevant to the subject matter of the insurance and is necessary to assess the insurance risk. If You deliberately fail to disclose information necessary for the assessment of the insurance risk, or deliberately provide false or incomplete information, We have the right to demand that the insurance contract be declared void. In this case, We will not refund the insurance premium.

3.2. If an insurance contract for the same subject matter is renewed immediately after the expiry of the previous contract and You or the Insured do not indicate that the information has changed since the conclusion of the previous insurance contract, We shall assume that the information provided previously has not changed.

3.3. During the term of the insurance contract, You are obliged to immediately notify in writing any changes during the term of the insurance contract which may increase the risk of insurance. Changes that should be notified include:

a) significant changes in the subject matter of the insurance;

b) changes in the ways in which the subject matter of the insurance is used;

c) other material circumstances that increase the risk.

3.4. If the information provided to Us about the object of insurance and the insured risks changes and this increases the insurance risk, as well as if We are misled due to an insignificant mistake by You, We shall have the right to propose to You, within one month from the date of becoming aware of it, to change the terms and conditions of the contract of insurance, including the amount of the insurance premium.

3.4.1. if You do not agree to change the terms and conditions of the insurance contract, or do not respond to Us within 1 month from the date of sending the notice of the proposed new terms and conditions, We have the right to terminate the insurance contract after the expiry of the period specified in this sentence without separate notice.

3.4.2. if We prove that we would not have concluded the insurance contract if we have been aware of the increased risk, We have the right to demand the cancellation of the insurance contract within 2 months of becoming aware of the increased risk.

3.5. A breach of Your duty to disclose information also entails other legal consequences, as provided for in the legislation of the Republic of Lithuania.

4. INSURANCE PREMIUM AND PAYMENT PROCEDURE

4.1. You must pay the insurance premium to Us in the amount and within the time limits specified in the insurance contract.

4.2. The insurance premium is considered paid:

4.2.1. if the premium is paid by bank transfer, from the date of receipt of the money in Our bank account or an authorised insurance intermediary;

4.2.2. if the premium is paid by other means of payment, from the date stated in the specific document evidencing the payment. For a list of payment methods, please visit Our website www.bta.lt or call (8 5) 2600 600.

4.3. If You fail to pay the insurance premium on the due date specified in the insurance contract, You shall pay to Us a late payment interest of 0.02% for each day of delay, but not more than 10% of the total unpaid insurance premium. We will not apply the above-mentioned interest in the following cases:

a) the premium is paid in one payment;

b) the premium is paid in instalments – for the first payment.

4.4. If the You fail to pay the insurance premium or any part thereof within the time limit specified in the insurance contract (except in the case when the entry into force of the insurance contract is linked to the payment of the premium or any part thereof, in which case the insurance contract shall not enter into force and shall be cancelled without a separate notification by the Insurer 10 days after the due date for payment of the premium), We shall inform the insured by a written document as provided for in the contract, that the insurance contract shall be cancelled in the event of Your failure to pay the premium or any part thereof within 30 days after the day on which the written document is dispatched.

5. CONCLUSION OF INSURANCE CONTRACTS VIA TELECOMMUNICATIONS EQUIPMENT

5.1. An insurance contract may be concluded by means of a telecommunications equipment, i.e. post, internet, e-mail, telephone and other means of information exchange.

5.2. Where an insurance contract is concluded by You, who is a consumer, the contract is subject to the Guidelines for the conclusion of non-life Insurance contracts, which are publicly available at www.bta.lt. The Guidelines on conclusion of non-life insurance contracts, among other things, provide for a right of withdrawal procedure, i.e. the right to withdraw from an insurance contract.

5.3. A consumer is a natural person who enters into an insurance contract for purposes other than business or professional activities.

6. TERMINATION AND AMENDMENT OF THE INSURANCE CONTRACT

6.1. The insurance contract ends at 24:00 on the last day of the insurance period, unless otherwise agreed between You and Us.

6.2. You have the right to cancel the insurance contract at any time by giving 15 days' written notice to Us. In this case, the insurance contract will be deemed to have been terminated on the date specified in the notice, but not earlier than the 15 days after receipt of the notice of termination. In this case:

6.2.1. if the insurance benefit has not been paid or no claim has been made during the period of validity of the insurance contract, within 20 calendar days after receipt of Your notification, We shall refund to You a part of the insurance premium by deducting the costs of concluding and executing the insurance contract (30 % of the amount to be refunded);

6.2.2. if an insurance benefit has been paid and/or reserved or claims have been made during the period of validity of the insurance contract, within 20 calendar days after receipt of Your notification, We shall refund a part of the premium equal to the difference between the unused part of the premium for the period of validity of the insurance contract and the insurance benefit paid, less the costs of conclusion and performance of the contract (30% of the amount to be refunded).

6.3. The terms and conditions of the insurance contract may be supplemented or amended only by written agreement between You and Us.

6.4. The insurance contract may also be terminated on other grounds provided for in the insurance legislation of the Republic of Lithuania regulating insurance contractual legal relations.

7. GENERAL CLAUSES

7.1. Unless otherwise stated in the insurance contract, We shall not pay any insurance benefit for:

7.1.1. acts of terrorism (acts consisting in the use or threatened use of force or violence by or on behalf of any third party acting alone or in an organized fashion with or for the benefit of any organisation or government, which are carried out for political, religious, ideological or ethnic reasons, and which have the intention of placing a government or society or part of it in danger); losses resulting from preventive action against acts of terrorism are not covered either;

7.1.2. war, invasion, hostile acts by a foreign power, military or equivalent operations, such as civil war (with or without a declaration of war), riot, strike, insurrection, rebellion, revolution, martial law, marauding, vandalism or sabotage; strike, lockout, disturbance of public order amounting to a coup d'état or riot, confiscation of property, nationalisation, if caused or sanctioned by a public authority, whether lawful or not; other political risks and any other loss or expense incurred directly or indirectly as a consequence of the prevention of such acts, shall not be reimbursed;

7.1.3. direct or indirect nuclear explosion, exposure to nuclear energy or radioactive preparations, direct or indirect radioactive contamination;

7.1.4. Yours, Insured person's or Beneficiary's deliberate acts.

7.2. BTA is not entitled to provide insurance and BTA is not obliged to pay the insurance indemnity or provide benefits in accordance with the insurance contract, as long as provision of such insurance, insurance indemnity disbursement or provision of benefits:

7.2.1. subjects BTA to sanctions, restrictions or limitations, established by the resolutions of the United Nations or trade or economic sanctions, regulatory enactments of the European Union, the Republic of Lithuania, the United Kingdom or the United States of America;

7.2.2. subjects a reinsurance company, the whom the insurance contract is submitted for reinsurance, to sanctions, restrictions or limitations, established in accordance with the regulatory enactments of the reinsurance company's state of registration.

7.3. An insured event will not be deemed to be an insured event and no compensation will be payable if the loss is directly or indirectly caused by:

7.3.1. legislation issued by the state;

7.3.2. a declared state of emergency or national emergency, and, moreover, no compensation will be granted for any loss directly or indirectly related to any measures taken to avoid the state of emergency or national emergency;

7.3.3. epidemics or pandemics.

8. YOUR OBLIGATIONS IN THE EVENT OF AN INSURED RISK

8.1. In order to be entitled to receive an insurance benefit in the event of an insured risk, You or the Insured person must:

8.1.1. inform Us immediately, but not later than within 3 working days (unless otherwise specified in the Special Conditions of these Regulations), of the occurrence of a potentially insurable event in accordance with the procedure set out in the Special conditions of these Rules. If the Policyholder or the Insured informs Us of the occurrence of the insured risk late, the Policyholder or the Insured must prove that it was not possible to inform Us in time;

8.1.2. immediately inform the competent authorities (e.g. medical facility, fire and rescue department, police, emergency services, etc.);

8.1.3. comply with all instructions given by Us and take all measures to minimise the damage and prevent it from occurring or increasing;

8.1.4. provide Us with the possibility to inspect the scene of the accident, investigate and interview witnesses so that We can determine the cause and amount of the loss;

8.1.5. provide all information and documents requested by Us, including trade secrets, if known to You or the Insured, to enable Us to determine the cause of the insured risk and the amount of the loss;

8.1.6. if possible, keep the scene intact until Our representative arrives, unless otherwise instructed by Us. This clause shall not apply to the extent necessary to meet the requirements of clause 8.1.3 of these General terms and conditions of insurance;

8.1.7. if the insured object cannot be preserved without altering its condition after the event due to the fulfilment of the requirements contained in clause 8.1.3 of the General insurance terms and conditions or for other legal and reasonable reasons, arrange for photographs of the damaged property to be taken as soon as possible or for the damaged insured object to be filmed in order to record the loss, and to send the photographs or the video to Us by e-mail: zalos@bta.lt or by any other means to be sent found appropriate by Us.

8.2. If You, the Insured or the Beneficiary intentionally or through gross negligence fails to fulfil the obligations set out in the Rules, We has the right to reduce or refuse to pay the insurance benefit.

9. INSURANCE BENEFIT

9.1. The insurance benefit shall be paid by Us no later than within 15 days from the date of receipt of all information relevant for determining the fact, circumstances and consequences of the insured event and the amount of the insurance benefit.

9.2. In the event of theft or robbery, where the insurance benefit has been paid and the insured object has subsequently been recovered, We have the right to demand reimbursement of the insurance benefit or assignment of the right of claim to the object of insurance. If We have decided not to keep the found object of insurance, but the found object is damaged, then You shall deduct from the insurance benefit received from Us, when returning it, the costs necessary to restore the object to its original condition, as agreed with Us.

9.3. If the event is insured and both You and Us disagree on the amount of the insurance benefit, We will pay, at your request, an amount equal to the indisputable insurance benefit of the parties, if the exact amount of the damage is delayed for more than 3 months.

9.4. If We delay the payment of the insurance benefit due to our own fault, We shall pay a late payment interest of 0.02% of the amount of the insurance benefit due for each day of delay, but not exceeding 10% of the insurance benefit not paid on time.

9.5. All premiums (for the current policy year) that are due on the date of payment of the insurance benefit are credited towards the payment of the insurance benefit. With Your consent, premiums the terms of which are not due may be credited. If the insured object dies, is lost or destroyed as a result of the insured event, any outstanding premiums under the contract are deducted when the insurance benefit is paid.

9.6. In the event that We are unable to recover the paid-out benefit by way of recourse due to the Insured Person's wilful act or gross negligence, We may not pay the benefit to the extent that no claim can be made or, if the benefit has already been paid out, may claim reimbursement of the benefit from You.

9.7. In accordance with the request of the person entitled to claim the insurance benefit, We shall give such person access to the documents in Our possession on the basis of which We have decided to pay or refuse to pay the insurance benefit.

9.8. We shall not give the person entitled to claim the insurance benefit access to the documents in its possession and shall not provide a copy of the documents if:

a) We have submitted documents to the law enforcement authorities to investigate the circumstances of the insured risk;

b) the documents contain trade secrets of another person, which the person entitled to claim the insurance benefit is not entitled to receive;

c) the documents contain personal data that the person entitled to claim the insurance benefit is not entitled to receive.

10. COMPLAINTS AND DISPUTE RESOLUTION PROCEDURES

10.1. Our complaints examination procedure for dissatisfaction with an insurance contract or insurance services provided by a person applying for an insurance contract, You, the Insured, the Beneficiary or any other person entitled to claim an insurance benefit is publicly available at www.bta.lt.

10.2. All disputes arising between the parties to the insurance contract shall be settled by negotiation. If no amicable settlement is reached, all disputes arising out of the insurance contract and relating to the breach, termination or invalidity of the insurance contract shall be settled in the courts of the Republic of Lithuania in accordance with the legislation of the Republic of Lithuania, according to the address of the registered office of the BTA branch in Lithuania.

11. PROCESSING OF PERSONAL DATA

11.1. As a processor of personal data, BTA processes the data of natural persons in accordance with the requirements for processing personal data as defined in Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46 / EC (General Data Protection Regulation), as well as requirements of other legal acts.

11.2. The principles for processing personal data and BTA's privacy policy are available at www.bta.lt.

12. SUBROGATION AND RIGHT OF RECOURSE CLAIM

12.1. The Insurer who has paid out the insurance benefit is entitled to claim the sums paid from the person liable for the damage (subrogation or right of recourse claim). You, Insured or Beneficiary must provide Us with all the information requested by Us in order to enable the Us to properly exercise the right of claim assigned to it.

13. CONFIDENTIALITY

13.1. The Parties undertake not to disclose to third parties any confidential information obtained on the basis of insurance contractual or pre-contractual legal relations, nor to use such information in a manner which would be prejudicial to the interests of the other party to the insurance contract. We have the right to provide all necessary information to independent experts and reinsurers obtained on the basis of insurance contractual or pre-contractual relationships, as well as to store such information in Our data bases. This obligation does not apply where the parties are obliged to provide information to the competent state authorities in accordance with the requirements of the legislation of the Republic of Lithuania.

14. OTHER CONDITIONS

14.1. Any notice which You or Us are required to give to each other must be given within the time limits set out in these Rules by one of the following methods:

14.1.1. by providing it to You, at the addresses specified in the policy or other written documents or in the parties' notices of change of address;

14.1.2. by registered mail;

14.1.3. by e-mail, where the Parties have provided for this method of communication in the contract, or by expressing their consent to the exchange of information in this way by means of an affirmative act.

14.2. We have the right to transfer its rights and obligations under the insurance contract to another Insurer or Insurers in accordance with the procedure established by legislation. If the You object to the transfer of rights and obligations under the insurance contract, the Policyholder has the right to cancel the insurance contract in accordance with the procedure laid down in the contract within one month of the transfer of rights and obligations. In this case, You shall be reimbursed the premiums paid for the remaining period of the insurance contract.

14.3. Contractual insurance legal relations are governed by the Laws of the Republic of Lithuania.

14.4. The insurance contract is concluded on the basis of these General conditions and Special conditions. If the special and/or individual conditions of insurance specified in the contract (policy) and these General terms and conditions of insurance differ, the special and/or individual conditions of insurance shall prevail.

14.5. You, the Insured, the Beneficiary and other persons who acquire rights on the basis of the insurance contract shall comply with the obligations set out in these Rules.

14.6. These Rules shall enter into force on the date of their approval by the Board of BTA, unless the BTA Board has specified a different effective date.

14.7. In case of conflicts or inconsistencies between languages, the Lithuanian text takes precedence.

14.8. These rules are published on the BTA website at http://www.bta.lt.

14.9. Consumer disputes with the insurer shall be examined by the Supervisory Authority of the Bank of Lithuania, Žalgirio str. 90, LT-09128, Vilnius, website: www.lb.lt.

SPECIAL TERMS AND CONDITIONS

1. EXPLANATIONS OF THE TERMS USED IN THE REGULATIONS

Insurance Contract - A professional liability insurance contract for medical personnel (healthcare institutions) concluded between BTA and the Policyholder on the basis of these Regulations. The insurance certificate/policy confirms that the contract was concluded. The agreements, annexes and amendments between the parties shall form an integral part of the Professional Civil Liability Insurance Contract for Medical Personnel (Healthcare Institutions).

Policyholder - Natural and legal persons of the Republic of Lithuania and foreign countries, accredited for personal health care activities, permanently or temporarily residing and/or operating in the Republic of Lithuania.

Insured - Staff of establishments and institutions accredited for personal health care, pharmacies, or natural persons entitled to provide these services, on whose behalf, under the terms of the following rules, an insurance contract has been concluded with BTA.

Third Parties - Persons not specified in the insurance contract but entitled to the insurance benefit under the conditions set out in the Regulations. The term "Third Party" shall include the patient.

Patient - A person who uses the services provided by healthcare institutions, whether healthy or sick.

Errors by medical personnel (healthcare institutions) - It is a violation of the requirements laid down in the Republic of Lithuania Law on the Health System, in the resolutions of the competent authorities, in other legal acts, or in the official instructions provided for by health care institutions.

Compromise Agreement - A written agreement between the Policyholder, the Insurer and third parties who have made claims for compensation for losses resulting from an insured event.

Retroactive period - The period defined in the Insurance Contract as the period prior to the effective date of the contract during which insurance cover applies in respect of those events caused by the actions or inaction of the Policyholder which give rise to the Policyholder's liability and which occur during this period, provided that the third party claim is made during the period of validity of the insurance cover or the extended period for making a claim.

Extension of the claim period - A period of time after the expiry or termination of the insurance contract, as defined in the insurance contract, during which BTA shall provide cover for the claims made.

2. SUBJECT MATTER OF THE INSURANCE

2.1. The subject matter of the insurance is the civil liability of the Policyholder/Insured towards third parties (patients) for damage caused to their health (life) as a result of the direct culpable acts (other than intentional acts) of the Policyholder/Insured during the course of medical practice.

2.2. In medical practice, the following shall be considered to be direct acts of the Policyholder/Insured:

2.2.1. Therapeutic manipulations (manual therapeutic procedures), therapeutic and diagnostic procedures, surgical interventions carried out by the Policyholder/Insured;

2.2.2. Prescriptions (in writing) by the Policyholder/Insured for the patient (for tests or treatment procedures), for the administration of medicines;

2.2.3. Instructions given by the Policyholder/Insured, as recorded in the medical records, to the doctor on duty, auxiliary or attendant medical personnel;

2.2.4. preparation, dispensing, dosing, signature compliance.

3. INSURED EVENT

3.1. An insured event is the submission of a claim for compensation to the Policyholder or to BTA for damage caused to a Third party/patient as a result of improper professional services provided and/or rendered by the Policyholder as relates to medical personnel (healthcare institutions), provided that the claim meets all of the following conditions:

3.1.1. in the form of a written claim or an action;

3.1.2. made during the term of the insurance contract or within the extended claim period set by the parties;

3.1.3. for damage arising during the term of the insurance contract or within the time limit fixed by the parties, in respect of professional services of medical professionals (healthcare institutions) provided and/or rendered inappropriately by the Policyholder;

3.1.4. brought in respect of professional services provided and/or rendered by the Policyholder during the period of validity of the insurance contract by medical personnel (health care institutions);

3.1.5. brought in respect of professional services provided and/or rendered in the territory of the Republic of Lithuania by medical personnel (health care institutions), if the extension of the territory is not covered by the insurance contract;

3.1.6. The Policyholder is liable for the damage in accordance with the applicable law.

3.2. A single insured event is defined as an occurrence arising from the same cause, notwithstanding the fact that several claims may be brought by injured third parties (patients). If the time of the damage cannot be determined, the damage is deemed to have occurred when the Policyholder has been paid for the services rendered.

3.3. If the damage to the injured third party resulting from the services rendered by the Policyholder inadequately has increased after the injured third party has made a claim to the Policyholder or to BTA which meets the criteria set out in Clause 3.1 of the Regulations, the subsequent submission of a claim for compensation for increased damage, even if the claim is submitted after the expiration of the time limit set out in Clause 3.1.2 of the Regulations, but not later than 3 years after the occurrence of the damage, shall constitute an insured event.

4. NON-INSURED EVENTS

4.1. An insured event is not considered an insured event and insurance cover is not applicable when:

4.1.1. the personal healthcare institution/company or pharmacy has infringed: requirements of institutions/companies, pharmaceutical licensing requirements or the requirements of its own statutes; the scope of pharmacy accreditation of the institution/company.

4.1.2. medical personnel of a personal health care institution (establishment), pharmacy or licensed persons for independent medical practice, infringed:

4.1.2.1. professional job descriptions for personal health care professionals;

4.1.2.2. the requirements of the methodology for the manufacture, dispensing and signing of medicinal products;

4.1.2.3. Intentional acts by the Insured and acts that are punishable by criminal law.

4.2. Unless otherwise specified and/or provided for in the insurance contract, non-contractual events include the following cases:

4.2.1. claims arising from the Insured's activities (services, advice, treatment, etc.) not regulated by the normative acts of the Republic of Lithuania or the Code of Professional Conduct, and any claims related thereto;

4.2.2. claims against the liability of the Insured if it failed to correspond to professional liability and was recorded separately in the Insured's agreements with third parties;

4.2.3. claims for damages suffered by the patient as a result of lawful acts of the Insured which the patient, knowing the high degree of risk, has agreed to in writing in advance;

4.2.4. claims made because the patient did not follow the medical provider's instructions during treatment, refused to have surgery, take prescribed medicines, undergo certain procedures, etc.;

4.2.5. claims of negligent maintenance and recording of medical records, which led to inadequate treatment;

4.2.6. claims for non-pecuniary damage, patient goodwill, honour and dignity;

4.2.7. claims for actions not directly related to medical services;

4.2.8. claims for loss of income during treatment: temporary incapacity for work: claims for care; during treatment missing items;

4.2.9. claims regarding actions against third parties awarded to the patient;

4.2.10. genetic interventions, fertility treatments, sterilisation (except where vitally necessary), artificial insemination, termination of pregnancy (except where vitally necessary), etc.);

4.2.11. direct or indirect exposure to radiation or other atomic energy;

4.2.12. plastic/aesthetic operations, unless the latter were necessary in order to remedy congenital defects or defects caused by an accident;

4.2.13. bodily injury (including mental trauma) resulting from or in any way related to human T-lymphotropic virus I, human T-lymphotropic virus II, human immunodeficiency virus, hepatitis virus;

4.2.14. taking of medicines used for weight loss;

4.2.15. non-traditional medicine, folk medicine and non-medical ways of recovering health;

4.2.16. indirect acts of the Insured in medical practice (mistakes by the laboratory, nurses, other personnel, etc.);

4.2.17. an act caused by a collective decision (ex consilio) without the person responsible being identified;

4.2.18. damage caused while the Insured was under the influence of alcohol, drugs or other toxic substances;

4.2.19. the use of blood stocks (sale, storage, transport, etc.), unless it is used

4.2.20. only during operations performed by the Insured.

4.3. No insurance benefit shall be payable for losses which have been or are to be reimbursed by the State Social Insurance Fund or sickness funds. There is no reimbursement of recourse claims by the State Social Insurance and sickness insurance funds.

5. SUM INSURED

5.1. The sum insured is determined by agreement between BTA and the Policyholder and is specified in the professional civil liability insurance certificate for medical personnel (healthcare institutions) issued by BTA.

5.2. The insurance contract may also contain a sum insured per insured event.

6. DEDUCTIBLE

6.1. In the insurance contract, BTA and the Policyholder may also agree on a deductible, which may be either conditional or unconditional. Un-conditional deductible means the amount by which BTA reduces the insurance benefit for each insured event.

6.2. In an insurance contract, the deductible can be applied for each insured event or for the total duration of the insurance contract.

7. INSURANCE PREMIUM

7.1. The amount of the insurance premium shall be determined by agreement between BTA and the Policyholder. The amount of the premium and the terms of payment are specified in the insurance certificate.

7.2. The premium may be a lump sum or paid in instalments, as agreed between the parties.

8. CONCLUSION AND ENTRY INTO FORCE OF THE INSURANCE CONTRACT

8.1. An insurance contract is concluded in writing, and the conclusion of the insurance contract is evidenced by an insurance certificate/policy.

8.2. The Policyholder must submit a written request when intending to conclude an insurance contract, if required by BTA. When the Policyholder submits a written application for the conclusion of an insurance contract, the application becomes an integral part of the insurance contract upon conclusion of the insurance contract.

8.3. At the time of conclusion of the insurance contract, the Policyholder must provide information known to them about circumstances which may have a material impact on the probability of the occurrence of an insured event and the amount of the potential loss (insurance risk), if these circumstances are not and must not be known to BTA, which BTA asks to be specified in a written request or which BTA makes a written enquiry about, as well as, at BTA's request, to provide the available documents relevant for the assessment of the insurance risk and the conclusion of an insurance contract.

8.4. If the Policyholder fails to fulfil the obligation set out in Clause 8.3 of the Regulations and BTA, knowing this, still concludes the insurance contract, BTA cannot rely on the fact that the obligation referred to in Clause 8.3 of the Regulations has not been fulfilled.

9. THE TERM OF THE INSURANCE CONTRACT

9.1. The Insurance Contract, unless otherwise agreed between the Policyholder and BTA, is concluded for a period of one year.

9.2. The start and end of the term of the insurance contract (calendar date), as well as the extended claim or retroactive periods set by the parties, are specified in the insurance certificate.

10. INCREASES AND DECREASES IN INSURANCE RISK

10.1. The insurance risk increases or decreases when, during the term of the insurance contract, there is a change in circumstances directly related to the increase or decrease in the risk of an insured event and if BTA has indicated it in the insurance contract as having an impact on the increase or decrease of the insurance risk.

10.2. If the insurance risk increases after the conclusion of the insurance contract, the Policyholder must notify BTA in writing of the increase in the insurance risk immediately, but at the latest within 3 working days from the time when they became or should have become aware of it. In the event of an increase in insurance risk, BTA shall have the right to demand payment of an additional premium

10.3. If, during the term of the insurance contract, it becomes apparent that the insurance risk has diminished, the Policyholder shall have the right to claim reduction in the insurance premium.

11. OBLIGATIONS OF THE POLICYHOLDER AND BTA IN THE CASE OF AN INSURED EVENT

11.1. The Policyholder must notify BTA in writing without delay, but not later than within 5 working days, of any claim for compensation, provided that the claim complies with the conditions set out in Clause 3.1 of the Regulations.

11.2. In the case of an insured event, the Policyholder Person must take all reasonable measures available to them to mitigate any damage, in accordance with BTA's instructions, if such instructions are given to the Policyholder.

11.3. The Policyholder shall not be entitled to partially or fully accept or settle a claim for compensation without the written consent of BTA.

11.4. BTA is obliged to reimburse the policyholder, in accordance with the procedure laid down in Section 16 of the Regulations, for the necessary expenses incurred in the performance of the obligation set out in Clause 11.2 of the Regulations.

11.5. The Policyholder who is subject to an action for damages in court must inform the Insurer thereof without delay, but at the latest within 3 working days from the date of receipt of the notice to file a statement of defence to the action brought.

11.6. BTA shall have the right to require the Policyholder to authorise persons appointed by BTA to represent the Policyholder's interests in court within 5 working days of the notification of the action by the Policyholder. If the interests of the Policyholder are represented in court by persons appointed by BTA, BTA shall be obliged to reimburse to the Policyholder the costs of litigation incurred and awarded against the Policyholder, as well as the costs of remuneration for the representative's assistance in accordance with the procedure laid down in Section 16 of the Regulations. When, without the insurer's authorisation, the policyholder conducts the litigation itself or is represented by another lawyer of his choice, their own fees are not reimbursed. Legal costs are added to the insurance benefit and deducted from the sum insured if specified in the insurance contract.

11.7. If the Policyholder fails to comply with the obligations set out in Clauses 11.5 and 11.6 of the Regulations, BTA shall not be obliged to reimburse the Policyholder the costs provided for in Clause 11.6 of the Regulations.

12. THE PROCEDURE FOR DETERMINING THE AMOUNT OF THE DAMAGE AND PAYING THE INSURANCE BENEFIT. CONDITIONS FOR DOUBLE INSURANCE.

Determination of damages and payment of benefits

12.1. An insurance benefit can only be paid once the fact and circumstances of the insured event and the amount of damage have been established. The right to apply for payment of the insurance benefit is vested in the Policyholder and/or the injured third party.

12.2. The amount of the insurance benefit shall be determined by BTA, taking into account the extent of the damage caused. The amount of damages shall be determined in accordance with the Civil Code and other legal acts.

12.3. Where the court has given a judgement or approved a settlement agreement in a civil action brought by an injured third party against the Policyholder for compensation for damage, the amount of the damage shall be determined in accordance with the final judgement or final court order approving the settlement agreement.

12.4. The parties to the insurance contract may agree separately that the amount of damage caused will be determined by independent experts appointed by the parties to the insurance contract. In this case, the parties agree on the procedures to be followed for the appointment of independent experts, their remuneration, the conduct of the investigation and the presentation of the findings.

12.5. The insurance benefit may not exceed the sum insured and the amount of the damage, except in the cases provided for in Article 6.1013 of the Civil Code. If the sum insured is insufficient to pay the insurance benefits to all the persons entitled to the insurance benefit, the insurance benefit is paid in proportion to the amount of the damage suffered by each person.

12.6. If the policyholder or the insured does not agree to BTA accepting the claims of third parties as valid, settling them amicably or settling their claims, the insurer shall not pay any additional costs (including interest) incurred as a result of such disagreement.

Double Insurance

12.7. In the case of an insured event and if it is established that the civil liability of the Policyholder is covered by professional civil liability insurance for property and business appraisers of several insurers, the insurance benefit paid by each BTA shall be reduced in proportion to the reduction of the sum insured under the relevant insurance contract.

13. THE POLICYHOLDER'S APPLICATION TO THE INSURER FOR PAYMENT OF AN INSURANCE BENEFIT TO AN INJURED THIRD PARTY

Contacting the Insurer

13.1. The Policyholder must provide BTA with these documents, or a copy of them, in order for the insurance benefit to be paid to the injured third party:

13.1.1. A claim form for the insurance benefit completed by the Policyholder in the form prescribed by BTA;

13.1.2. documentation on the services provided by the Policyholder that caused the damage, their circumstances, consequences and the amount of damage;

13.1.3. the claim for compensation by the injured third party, together with the documents submitted to the Policyholder.

13.2. BTA is obliged to pay the insurance benefit within the time limit set out in Article 96(2) of the Insurance Law. If the insurer fails to pay the policyholder the insurance benefit within the time limits set out in this Clause, the insurer shall pay 3% interest per annum for the period of delay in paying the insurance benefit.

13.3. At the request of the Policyholder or the injured third party, BTA shall immediately, but not later than within 5 days from the receipt of the request, provide detailed information in writing on the progress of the investigation of the insured event and shall allow the representative appointed by the Policyholder and/or the injured third party to participate in the determination of the amount of the damage in the form of observer.

14. DIRECT RIGHT OF ACTION BY AN INJURED THIRD PARTY

Right of the injured third party

14.1. The injured third party has the right to claim directly from BTA, which has concluded an insurance contract with the Policyholder, the payment of the insurance benefit. In order for the insurance benefit to be paid, the injured third party must provide BTA with the following documents or copies thereof:

14.1.1. an insurance benefit by an injured third party;

14.1.2. documentation on the Policyholder's improper performance of professional services by a medical professional (health care institution), which led to the damage, its circumstances and consequences.

14.2. The necessary conditions for the exercise of the right of direct claim are the existence of the fact of the insured event, the establishment of the amount of the damage, and the fact that the Policyholder has not indemnified the injured third party, or has indemnified it only partially.

14.3. If the injured third party exercises the right of direct claim set out in Clause 14.1 of the Regulations, the rights and obligations of the policyholder and BTA set out in Section 13 of the Regulations shall continue.

15. PAYMENT OF THE INSURANCE BENEFIT TO THE POLICYHOLDER

Payment of the benefit

15.1. If the Policyholder has indemnified the injured third party, the insurance benefit shall be paid to the Policyholder only if the Policyholder had the consent of BTA to indemnification, or if the Policyholder proves that BTA unreasonably withheld consent.

15.2. If the policyholder has indemnified the injured third party for part of the damage, the insurance benefit shall be payable to the insurer only if the policyholder has obtained BTA's written consent to indemnify the injured third party, or if the policyholder proves that BTA unreasonably withheld its consent, and if BTA has paid out the insurance benefit to the injured third party for the part of the damage not indemnified.

16. REIMBURSEMENT OF THE POLICYHOLDER'S EXPENSES

16.1. The Policyholder's expenses referred to in Clauses 11.4 and 11.6 of the Regulations shall be reimbursed only after the insurance benefit has been paid.

16.2. The reimbursed expenses referred to in Clauses 11.4 and 11.6 of the Regulations, together with the insurance benefit, may exceed the sum insured only in the case provided for in Article 6.1013 of the Civil Code.

16.3. Expenses incurred by the Policyholder to mitigate or avoid the damage shall not be reimbursed if it is subsequently established that the claim for compensation was not an insured event. The costs incurred by the Policyholder in complying with BTA's instructions (Clause 11.2 of the Regulations) shall be reimbursed even if it later turns out that the claim for reimbursement was a non-insured event.

16.4. The Policyholder's expenses provided for in Clause 11.6 of the Regulations shall be reimbursed only if the Policyholder's interests have been represented in court by persons appointed by BTA. These costs shall be reimbursed even if it later turns out that the claim for damages was not an insured event.