

LHV Gold Cards purchase protection insurance terms and conditions

Policy number: 119-7581

Valid from
01.11.2017

In case of language discrepancies or disputes, the Estonian wording prevails.

These terms and conditions set forth the legal relationship in respect of the LHV Gold Card Purchase Protection between the insured persons – LHV Pank Gold Card cardholders and the insurer - AIG Europe Limited (Finland Branch). The policyholder is LHV Pank and the policy covers all LHV Gold Card cardholders.

This document forms the complete terms and conditions for a group insurance policy 119-7581, and its essential elements are defined by these terms and conditions.

1. Purchase protection insurance conditions

1.1 Definitions

Insurer means AIG Europe Limited (Finland Branch) (later also "AIG").

Policyholder means LHV Pank (later also "LHV").

LHV card means LHV Gold Card.

Insured means a cardholder of LHV Gold Card (later also "cardholder").

Deductible means an amount of money to be deducted from the compensation in the case of each Insurance event.

Accidental damage means damage to the insured item as a result of which it can no longer perform the function for which it was intended,

due to broken parts or material or structural failures resulting from an accident.

Burglary means the unlawful taking of the insured object, or an attempt thereof, by a person or persons who illegally entered the insured's primary residence using force or violence with visible signs of forced entry.

Robbery means the unlawful taking of the insured object by a person or person(s) using violence or the threat of violence and who has/have caused or threatened physical harm to the Insured, his/her spouse, civil partner and/or children under age 21.

Motorized vehicle means any automobile, truck, motorcycle, sport utility vehicle (SUV), boat or airplane.

1.2 Purchase Protection

Purchase Protection provides compensation in the event of Accidental damage to, Burglary or Robbery of items bought anywhere in the world with a valid LHV card, provided that the purchase is 100% paid with a LHV card.

In the event of the Accidental damage, or Robbery or Burglary, Purchase Protection is valid for one hundred and eighty (180) days with effect from the original purchase date for items bought with a LHV card and with minimum purchase value of 100 euro and a maximum purchase value 5 000 euro.

1.3 Scope of cover

LHV card

Minimum purchase value per Insurance event	100 €
Maximum purchase value per Insurance event	5000 €
Deductible	30 €
Maximum annual compensation per cardholder	10 000 €

1.4 Conditions

Preconditions for the payment of compensation:

- the Purchase Protection insurance is valid for LHV cardholders. The insured object as to be paid in full (100 %) with a LHV card.
- the insured object is purchased as new.
- the purchase price of the insured object is at least 100 euro, but does not exceed 5 000 euro.

The Purchase Protection cover will end when the period of validity of the Insured's LHV card ends provided that it is not immediately renewed so as to remain in force as of the end of the last month of the original period of validity. The Purchase Protection cover also continues to remain valid in the cases where the LHV cardholder changes his/her card to another LHV card, which also has Purchase Protection insurance.

1.5 Amount of Compensation and Exclusions

The maximum amount of compensation is the original purchase price of the insured object charged on the Insured's LHV card, subject to the following conditions:

- compensation shall not exceed 5 000 euro per Insurance event for items bought with LHV card
- compensation shall not exceed the amount set out in Clause 1.3 per LHV card per year;
- if the insured object is part of a pair or of a product series, only the amount corresponding to the part in question shall be covered;
- in case of Accidental damage, the primary coverage is always the reparation costs;
- in case the repair cost (including transportation cost) exceed the original purchase price of the insured object, the insured object will be replaced with a corresponding product in terms of model and technical specifications and with a value not exceeding the original purchase price of the object. AIG shall always have the right to provide compensation in the form of the original purchase price.

1.6 Insurance event

Insurance event means an Accidental damage caused to the insured object, or Burglary or Robbery of the insured object, as defined in these terms and conditions, subject to the below exclusions.

Purchase Protection does not cover:

- items stolen from a Motorized vehicle;
- any Motorized vehicle, or parts or accessories thereof, or any parts or equipment necessary for the operation or maintenance thereof;
- travellers cheques, cash, tickets of any kind, negotiable instruments;
- precious metals, gems and jewelry, rare or precious coins, stamps, art or comparable products, fur coats;
- plants, animals;
- services and other consumables;

- items that are rented or leased;
- permanent household fixtures, including but not limited to carpeting, flooring and/or tile;
- buildings, fixed structures or other fixtures on the yard, such as swimming pools, hot tubs, playgrounds, cabins, greenhouses, garages, sheds, fences or other comparable structures;
- rebuilt, refurbished, or remanufactured items at the time of purchase;
- items that are damaged through alteration including cutting, sawing, and shaping;
- shipping and handling expenses or installation, assembly related costs;
- property damage, other than the insured object itself, consequential damage;
- items damaged due to normal wear and tear;
- costs of repairing cosmetic damage such as dents, scratches, paint defects or other surface damage, including rust if such damage does not affect the functioning of the insured object;
- items purchased for resale, professional or commercial use;
- items purchased online when damage to them occurs before they are in the cardholder's possession;
- losses caused by intentional or illegal acts of the insured or his/her relatives;
- damage caused during delivery, transportation or installation by a third party;
- items that are confiscated by order of any government, public authority, or customs official, or damage due to civil or foreign war or riots;
- items that are left unattended in a place to which the general public has access;
- damage which has resulted from neglect, misuse, intentional damage, damage caused by a parasite, insect, theft, pick pocketing, sand, fire, storm, weather conditions, explosion water, damage, corrosion, incorrect use, battery leakage;
- used or damaged goods, second-class or shop-soiled goods at the time of purchase;
- servicing, inspection or cleaning of the insured object video head or audio heads and DVD or CD lenses;
- any costs arising out of or related to any user replaceable batteries, computer viruses, pollution, mouse devices, or losses and / or damages which are directly or indirectly caused by software, batteries, fuses or by the use of related equipment;
- any form of accessory item including but not limited to batteries, heads, filters, lamps, carrying straps, carrying bags, cartridges and the like.

2. Protection instructions

The Insured shall observe the protection instructions (e.g. operating, servicing and installation instructions provided by the manufacturer, importer or seller). The Insured shall ensure that

the insured object is not used contrary to the protection instructions and that the product is not exposed to excessive stress.

Fragile insured objects must be transported as hand luggage in public transportation vehicles. If the insured object cannot be transported as hand luggage, it must be appropriately packaged to prevent it from being damaged.

Neglecting to observe protection instructions can result in denial of or reduction in compensation.

3. Duty of the insured to prevent and limit damage (duty of salvage)

In the case of the Insurance event or when such Insurance event is imminent, the Insured shall, insofar as is possible, attempt to prevent the damage from occurring or limit it. If the Insured has neglected his/her duty of salvage intentionally or through gross negligence and the Insurer sustains damage as the result thereof, the Insurer shall have the right to reduce the indemnity by the extent of the damage sustained.

4. Causing of the insurance event or fraudulent procedure

AIG will be released from liability if the Insured has intentionally caused the Insurance event.

If the Insured has caused the Insurance event through gross negligence, the compensation to be paid may be reduced to such an extent as is deemed reasonable with due consideration for the circumstances.

If the Insured has deceitfully provided AIG with incorrect or incomplete information following the Insurance event, such that the said information has a bearing on the Insurance event and on determining AIG's liability, the compensation to be paid can be reduced or the claim for compensation can be rejected in accordance with what is deemed to be reasonable in the circumstances.

5. Claim procedure

The Insured shall as soon as possible after the Insurance event contact AIG's customer service.

The Insured must retain and, if requested by AIG to do so, send the purchase voucher and other necessary documents to AIG in order for the notification of loss to be processed.

The notification of loss must include at least the following appendices:

1. receipt original or a copy of the voucher, showing purchase date and price of the insured object and manufacturer's make and model if the insured object does not bear a serial number, and
2. purchase documents or credit card bill, which confirms that the Insured purchased the insured object in its entirety with LHV card.

3. in case of Accidental damage, receipts for the repair costs incurred, or an estimation of the repair costs written by an authorized repair shop or seller of the product.

4. in case of Burglary or Robbery, a certificate of the law enforcement institution confirming the accident of Burglary or Robbery.

The notification of loss with attachments must be submitted to:

AIG Europe Limited

Postkast 7024

14002 Tallinn, Estonia

Tel. +372 6 867800

Faks 372 6 737242

The Insured is obligated to provide at his/her own expense such documentation as will most readily be available to the Insured while considering AIG's opportunities for obtaining clarification in the matter. AIG is not obligated to pay the compensation until AIG has received all the necessary documentation.

AIG shall pay the compensation due to the Insurance event or notify the Insured that no compensation is paid, without delay and no later than within one month from AIG's receipt of the documents and information necessary for the clarification of AIG's liability. If the amount of the compensation is not undisputed, AIG will in any event pay the undisputed part of the compensation within the aforementioned period of time. The compensation will be paid in euro regardless whether the insured item is purchased from another country than Estonia. The compensation will be paid out as a bank transfer or to the bank credit account in LHV Pank according to the decision of AIG. For delayed compensation payments, AIG will pay the statutory interest on arrears according to the Law of Obligations Act.

6. Appealing against AIG's decision

All and any disputes regarding these terms and conditions, including AIG's decision regarding the compensation, shall be resolved by means of mutual negotiations. The Insured is encouraged to turn to AIG and ask for the reassessment of the decision regarding the compensation.

In case the negotiations with AIG turn out to be unsuccessful, all and any disputes arising out of or related to these terms and conditions shall be settled in a court of the Insured's domicile in the Republic of Estonia. Any action against a decision regarding the compensation must be brought to the court within one (1) year of when the Insured was notified in writing of AIG's decision and the time limit.

These terms and conditions of insurance and obligations resulting thereof are governed by Estonian law.

The operation of the affiliate of AIG Europe Limited is supervised by:

Finanssivalvonta

PL 103, 00101 Helsinki

Tel: 0800 0 5099

Fax: 010 831 5328

www.finanssivalvonta.fi

The supervisory authority for the operations of AIG Europe Limited is:

UK Financial Services Authority (FSA)

25 The North Colonnade, Canary Wharf

London E14 5HS United Kingdom

Phone: (+44) 20 7066 1000

www.fsa.gov.uk

7. Falling of a claim under the statute of limitations

All claims in relation to the insurance shall be brought against AIG within three (3) years of the end of the calendar year during which the claims falls due. Submitting a notification concerning an insurance event shall suspend the limitation period until the receipt of the decision made by AIG concerning the claim. In this case, the claim expires ten (10) years after the end of the calendar year during which the claim fell due.

8. AIG's right of recourse

The right of the Insured to demand from a third person in regard to insurance against loss or damage an amount of compensation,

which AIG has paid to him/her, is transferred to AIG if the third party caused the Insurance event intentionally or as a result of gross negligence or if the third party is obliged by law to provide compensation irrespective of negligence.

The Insured shall, if so requested by AIG, assist AIG in the performance of the right of recourse, e.g. by furnishing and by signing all the necessary documents.

AIG's right of recourse with respect to the Policyholder, the insured persons or that likened to the Insured shall be determined in accordance with the Law of Obligations Act.

9. Multiple insurance

If the Insured has more than one insurance policy that provides the same insurance cover, the Insured shall not have the right to compensation beyond the amount of the damage. In a multiple insurance situation, the mutual responsibility of the insurance companies shall be determined in accordance with the Law of Obligations Act.

10. Termination of group insurance agreement

If the group insurance agreement is terminated on the initiative of the Insurer or the Policyholder, the Policyholder shall notify the Insured of the termination of the insurance policy in a suitable manner considering the circumstances. As regards the Insured, the insurance cover shall terminate one month after the Policyholder has notified of the termination of the insurance.