



GUARANTEE INSURANCE OF TRAVEL UNDERTAKING

Terms and Conditions No.15.R1

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AAS BTA Baltic Insurance Company enters into insurance contracts to guarantee the performance of the obligations of a travel undertaking arising from the Tourism Act under the following terms and conditions.

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1. TERMS USED IN INSURANCE CONTRACT

BTA means the Estonian branch of AAS BTA Baltic Insurance Company, the Insurer and the Insurance Distributor within the meaning of the Insurance Activities Act, specified as a guarantor in the Letter of Guarantee.

Beneficiary means the Consumer Protection and Technical Regulatory Authority that is the Beneficiary according to the Tourism Act, specified as a guarantee beneficiary in the Letter of Guarantee.

Client means a person who enters into a package travel contract or a related travel arrangement contract with the Policyholder.

Guaranteed Amount means the maximum Guarantee Amount per Insurance Period agreed in the Insurance Contract, up to which BTA will indemnify the Beneficiary against claims made against the Policyholder during the Insurance Period.

Insurance Contract means the agreement between BTA and the Policyholder, which sets out the obligations of the parties in providing the Letter of Guarantee. Entry into an insurance contract is proven by an insurance policy.

Insurance Cover means the risk against which the insurance is provided.

Insurance Distributor (hereinafter referred to as the Distributor) means the Insurer, Insurance Broker or Insurance Agent who arranges the conclusion of an Insurance Contract.

Insurance Period means the period specified in the Insurance Contract during which BTA guarantees to the Beneficiary the performance of the Policyholder's obligations to the extent of the Guarantee Amount upon the occurrence of an Insured Event.

Insurance Premium means an amount payable by the Policyholder, which the Policyholder must pay before the entry into force of the Insurance Contract, and the terms and conditions for payment which have been specified in the Insurance Contract.

Insured Event means an unexpected and unforeseeable event set out in the Insurance Contract, in the case of which the Insurer becomes obliged to perform the Insurance Contract.

Letter of Guarantee means a guarantee given by BTA to the Beneficiary, whereby BTA guarantees the performance of the Policyholder's obligation to the Beneficiary.

Policyholder means a travel undertaking that must have a guarantee required by the Tourism Act for the performance of the obligations listed in the Tourism Act, specified as a guarantee applicant in the Letter of Guarantee.

2. ENTRY INTO INSURANCE CONTRACT

2.1. Prior to entry into the Insurance Contract, the Policyholder is required to submit the required documents to BTA and notify BTA of any circumstances known to the Policyholder that may affect the probability of occurrence of the Insured Event and the amount of damage.

2.2. The Insurance Contract will be deemed entered into no earlier than from the working day following the payment of the Insurance Premium, unless otherwise agreed by the Parties to the Insurance Contract.

2.3. After the Insurance Premium has been paid (the payment order has been submitted) and, if necessary, the required collateral has been provided, BTA will issue to the Beneficiary the first demand Letter of Guarantee regarding the existence of the Insurance Cover.

3. INSURED EVENT

3.1. An Insured Event has occurred if the Policyholder is unable to perform the obligations arising from the package contract due to its solvency and/or if the travel service forming part of the related travel arrangement is not provided due to the Policyholder's solvency and therefore the Clients have claims specified in the Tourism Act.

3.2. The Beneficiary decides on the use of the Letter of Guarantee.

4. INSURANCE COVER AND ITS TERM

- 4.1.** The Insurance Cover will take effect as of the date specified in the Letter of Guarantee and expire on the last date of the Insurance Period at 24:00.
- 4.2.** In order to terminate the Insurance Cover early, an explicit consent signed by the Beneficiary regarding the waiver of claims and the return of the Letter of Guarantee is required. A Letter of Guarantee issued on paper must be returned to BTA.

5. GUARANTEE AMOUNT

- 5.1.** If the BTA makes a partial payout, the Guarantee Amount will decrease by the amount paid out.
- 5.2.** The Guarantee Amount or the terms and conditions of the Letter of Guarantee may be amended during the term of the Letter of Guarantee by agreement between the parties to the Insurance Contract and upon the written or digitally signed consent of the Guarantee Beneficiary.

6. PROCEDURE FOR PAYMENT OF INSURANCE PREMIUM

- 6.1.** The Policyholder must pay the Insurance Premium in full before entry into the Insurance Contract, unless otherwise agreed by the parties.
- 6.2.** The Insurance Premium is deemed paid when it has been credited to the Distributor's bank account in full.

7. POLICYHOLDER'S OBLIGATIONS

The Policyholder is obliged to:

- 7.1.** notify BTA as soon as possible upon entry into the Insurance Contract or during the Insurance Period of any circumstances known to the Policyholder, which may increase the likelihood of materialisation of the Insurance Risk, in a format that can be reproduced in writing;
- 7.2.** apply necessary measures to prevent an Insured Event and reduce damage;
- 7.3.** immediately notify the Beneficiary of the occurrence of an Insured Event;
- 7.4.** inform BTA as soon as possible of the occurrence or probable occurrence of an Insured Event;
- 7.5.** follow all the instructions of BTA necessary for the prevention of an Insured Event or for the reduction of damage;
- 7.6.** return the Guarantee Amount paid out by BTA to the latter within 5 working days as of the receipt of a respective request from BTA;
- 7.7.** pay BTA a fine for delay in the amount of 0.5% of the overdue amount for each day of delay if the Policyholder has failed to pay the Guarantee Amount by the deadline provided for in clause 7.6;
- 7.8.** at the request of BTA, provide a collateral (mortgage, deposit, surety, bank guarantee) to secure the performance of the obligations arising from the Insurance Contract upon entry into the Insurance Contract.
- 7.9.** submit the following documents to the BTA branch:
- 7.9.1.** statement,
 - 7.9.2.** written confirmation by the Beneficiary (signed on paper or electronically) of the waiver of the rights of claim arising from the Letter of Guarantee,
 - 7.9.3.** other documents that the BTA has the right to demand in each individual case as a prerequisite for the release of collateral,
- if the Policyholder wishes to terminate the collateral provided to the BTA (mortgage, deposit, surety, bank guarantee) to secure the performance of the obligations arising from the Insurance Contract, during the Insurance Period of the valid Insurance Contract or up to three (3) years after the end of the Insurance Period of the Insurance Contract.

8. OBLIGATIONS OF BTA

BTA is obliged to:

- 8.1.** immediately notify the Policyholder of the submission of a claim by the Beneficiary;
- 8.2.** perform the indemnity obligation arising from the Insurance Contract within the term agreed in the Letter of Guarantee.

9. PROCEDURE FOR PAYING OUT THE GUARANTEE AMOUNT

- 9.1.** BTA will only pay out the Guarantee Amount if the Insured Event has occurred.
- 9.2.** The Claim must be signed by the legal or authorised representative of the Beneficiary (if the signatory is an authorised person, the respective power of attorney must be added to the Claim) and sent to BTA by registered mail or emailed to bta@bta.ee.
- 9.3.** BTA will not compensate for any claims that have been filed after the due date of submission of the Claim provided for in the Letter of Guarantee.
- 9.4.** The Guarantee Amount will be paid out on the basis of the list of claims submitted by the Beneficiary or to the Beneficiary within a reasonable term determined in the claim of the Beneficiary.

10. PERSONAL DATA PROCESSING

- 10.1.** BTA, as the controller of personal data, complies with the requirements for the processing of personal data set out in Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons 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) and other legislation.
- 10.2.** The privacy policy of BTA is available on the BTA website at www.bta.ee.

11. OTHER TERMS AND CONDITIONS

- 11.1.** The parties to the Insurance Contract must not disclose confidential information related to the Insurance Contract to third parties, except upon the consent of the other party given in a format that can be reproduced in writing. Confidential information means any and all information about the content, entry into and circumstances presented for entry into the Insurance Contract. The data obtained within the framework of the Insurance Contract may be transmitted to third parties in the cases provided for in the legislation in force in the Republic of Estonia. BTA has the right to submit data related to the Insurance Contract to experts and reinsurers and retain data in the BTA database.
- 11.2.** All notices, requests and information related to the Insurance Contract must be sent to the other party in a format that can be reproduced in writing.
- 11.3.** 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:
- 11.3.1.** 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 Estonia, the United Kingdom or the United States of America (upon condition that it does not violate any regulations or regulatory enactments, applicable to BTA);
 - 11.3.2.** 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.
- 11.4.** Any disputes between BTA and the Policyholder will be resolved by way of negotiations. If the disputes arising from the Insurance Contract cannot be resolved by way of negotiations between the parties, the dispute will be resolved in the Harju County Court pursuant to the legislation of the Republic of Estonia.