COMPENSA
VIENNA INSURANCE GROUP

Cyber Fraud Insurance Terms and Conditions No. KKR26

Approved at the meeting of the Management Board of Compensa Vienna Insurance Group ADB Latvian Branch on 8 September 2026; effective from 10 September 2026

1. Definitions

1.1. POLICYHOLDER – a person who has concluded the Insurance Contract for their own benefit or for the benefit of another person.

1.2. INSURED PERSON – the person specified in the Insurance Policy for whose benefit the Insurance Contract has been concluded and who has an insurable interest.

1.3. INSURANCE PERIOD – the period of validity of the Insurance Contract for which the Insurance Premium is paid and the Insurance Cover is in force.

1.4. INSURED EVENT – a sudden and unforeseen event related to the insured risks, occurring independently of the will of the insured person, upon the occurrence of which an insurance indemnity is paid in accordance with the terms of the Insurance Contract.

1.5. INSURER – Compensa Vienna Insurance Group ADB Latvian Branch, registration number 40103942087, address: Vienības gatve 87H, Riga, LV-1004. The Insurer is entitled to provide services in Latvia, Lithuania and Estonia under the freedom to provide services (FOS) principle and in accordance with the procedures established by the Insurance and Reinsurance Distribution Law of the Republic of Latvia.

1.6. SUM INSURED – the maximum aggregate amount of insurance indemnities specified in the Insurance Contract and the Insurance Policy and payable during the Insurance Period. During the Insurance Period, the Sum Insured is reduced by the amount of insurance indemnities paid.

1.7. DEDUCTIBLE – the amount specified in the Insurance Contract that represents the part of the loss borne by the Policyholder in each Insured Event.

1.8. INSURED COMPUTER SYSTEM – electronic devices owned by the Insured or provided to the Insured for use, such as a computer, smartphone or smart device, their software and other related devices used by the Insured for personal purposes.

1.9. THIRD PARTY – any natural or legal person other than the Insurer, the Policyholder, the Insured or a person closely related to any of them (a person living in the same household, a spouse or a relative up to the second degree).

2. Subject Matter and Territorial Scope of Insurance

2.1. The subject matter of insurance is the Insured's pecuniary interests related to losses caused by a cyberattack, including:

2.1.1. damage to or destruction of the Insured's computer systems;

2.1.2. damage to or loss of data stored in the Insured's computer system;

2.1.3. the Insured's civil liability towards third parties.

2.2. The territorial scope of the Insurance Cover is specified in the Insurance Policy.

3. Sum Insured, Value and Deductible

3.1. The Sum Insured is agreed between the parties to the Insurance Contract and is specified in the Insurance Contract.

3.2. The value of the insured property is determined by the Policyholder when concluding the Insurance Contract. The Policyholder is responsible for the accuracy of the information provided regarding the value of the property, in order to prevent underinsurance or overinsurance.

3.3. If the Insurer pays part of the Sum Insured as indemnity, the Insurance Cover continues for the remaining Sum Insured until the expiry of the Contract. Once the entire Sum Insured has been paid, the Insurance Contract terminates in respect of that risk.

3.4. The Deductible is the part of the loss borne by the Policyholder and not indemnified. The amount and application of the Deductible are specified in the Insurance Contract.

4. Insured Risks

4.1. The Insurance Cover applies only to the risks expressly specified in the Insurance Contract. The Insurance Cover may include the following cyber risks:

4.1.1. Cyberattacks. The insurance covers losses resulting from a cyberattack, including malicious acts or malware. The following are indemnified:

a) costs of preventing and restoring damaged or lost data;

b) costs of restoring IT systems and computer equipment;

c) costs of removing malware;

d) reasonable expert and crisis management costs;

e) necessary additional costs incurred to mitigate losses.

4.1.2. Computer Fraud. The insurance covers direct financial losses caused by fraudulent acts involving information technology or electronic communications. The following are indemnified:

a) losses resulting from unauthorised payments or access;

b) losses resulting from social engineering or fraudulent instructions;

c) reasonable costs related to investigating the incident.

4.1.3. Data Breach (Civil Liability Insurance). The insurance covers losses resulting from the civil liability of the Insured Person towards third parties due to a data breach caused by a cyberattack. The following are indemnified:

a) pecuniary losses suffered by third parties;

b) non-pecuniary damage (if provided for in the Contract);

c) legal defence and litigation costs.

4.2. Under the Insurance Contract, additional Insurance Cover may be provided for business interruption losses if expressly specified in the Insurance Contract.

4.2.1. This Insurance Cover applies only where the business interruption was directly caused by an insured cyber risk.

4.2.2. Business interruption means a full or partial suspension of the Policyholder's operations that causes financial loss.

4.2.3. Where insured, the following losses are indemnified:

a) Gross profit;

The insurance covers the reduction in gross profit that the Policyholder would have earned had the business interruption not occurred. The calculation is based on financial data for the period preceding the Insured Event.

b) Fixed costs;

The insurance covers fixed costs that the Policyholder is obliged to pay irrespective of the business interruption. These may include salaries and taxes, rental and maintenance costs, lease and loan payments, and other continuing expenses.

c) Rental income;

The insurance covers loss of rental income where the business interruption prevents income from being earned by leasing property.

d) Additional Costs;

The insurance covers reasonable and necessary additional costs incurred to mitigate losses and restore operations as quickly as possible. These may include the rental of temporary premises or equipment, provision of alternative solutions, crisis management costs and crisis communication costs, including the costs of communication service providers aimed at limiting or mitigating reputational damage.

5. Insured Event

5.1. Data Damage

5.1.1. Damage to data in the Policyholder's IT systems directly caused by malicious acts or malware constitutes an Insured Event.

5.1.2. Several interrelated events occurring within 30 calendar days are deemed to constitute one Insured Event.

5.1.3. If the relevant risk is included in the scope of the Insurance Cover and specified in the Insurance Contract, the following are indemnified:

a) data restoration costs;

b) malware removal costs;

c) crisis management costs;

d) expert costs;

e) necessary additional IT costs incurred to mitigate losses.

5.2. Damage to or Destruction of Computer Equipment

5.2.1. Damage to or destruction of computer equipment directly caused by malicious acts or malware constitutes an Insured Event.

5.2.2. Several events occurring within 30 calendar days are deemed to constitute one Insured Event.

5.2.3. If the relevant risk is included in the scope of the Insurance Cover and specified in the Insurance Contract, the following are indemnified:

a) costs of repairing or replacing computer equipment;

b) malware removal costs;

c) crisis management costs;

d) expert costs;

e) additional IT costs;

f) costs of restoring the access control system.

5.3. Data Breach (Civil Liability Insurance)

The insurance covers the Policyholder's civil liability for losses suffered by third parties due to a data breach caused by a cyberattack.

5.3.1. If the relevant risk is included in the scope of the Insurance Cover and specified in the Insurance Contract, the following are indemnified:

a) pecuniary losses suffered by third parties;

b) non-pecuniary damage (if provided for in the Contract);

c) legal defence and litigation costs.

5.3.2. Assessment of losses:

a) The Insurer assesses the claim after the injured party has submitted a written claim stating the grounds and amount thereof;

b) The Insurer is entitled to negotiate with third parties in the name of the Insured and to participate in settling the claim.

6. Exclusions

6.1. Losses caused by events other than the insured risks specified in the Insurance Contract are not indemnified.

6.2. Losses caused by disruptions to external services, including interruptions or malfunctions of electricity, internet or telecommunications services, are not indemnified unless such disruptions were directly caused by an insured risk.

6.3. Losses caused by the use of pirated, unlicensed software or software used contrary to its terms of use are not indemnified.

6.4. Losses caused by acts of the Policyholder or related persons are not indemnified unless such acts qualify as an external unlawful cyberattack.

6.5. Losses resulting from infringement of intellectual property rights, including unlawful use, distribution or theft, are not indemnified.

6.6. Losses occurring outside the territory specified in the Insurance Contract are not indemnified unless otherwise specified in the Contract.

6.7. Losses caused by system defects, configuration errors or programming errors are not indemnified unless directly related to an insured cyber risk.

6.8. Losses caused by wear and tear, gradual deterioration or obsolescence of equipment or systems are not indemnified.

6.9. Ransom payments or other payments made in connection with cyber extortion are not indemnified unless such risks are specifically insured.

6.10. Losses caused by human error are not indemnified unless directly related to an insured cyber risk.

6.11. Losses caused by failure to comply with material information system security requirements are not indemnified where such failure is directly causally related to the loss.

6.12. Additional exclusions under civil liability insurance:

6.12.1. Losses relating to bodily injury, death, non-pecuniary damage or property damage are not indemnified.

6.12.2. Public-law financial liabilities, including fines, contractual penalties, tax payments, administrative penalties or criminal penalties, are not indemnified.

6.12.3. The portion of any loss arising solely from contractual obligations and exceeding civil liability prescribed by law is not indemnified.

6.12.4. Losses of which the Policyholder was aware, or ought to have been aware by exercising due care, at the time the Insurance Contract was concluded are not indemnified.

6.13. General exclusions:

6.13.1. Losses caused by war, terrorism, civil commotion or similar events are not indemnified, except where a cyberattack is expressly insured.

6.13.2. Losses connected with a breach of any sanction, prohibition or restriction imposed by applicable laws and regulations are not indemnified.

6.13.3. Losses arising directly or indirectly from a mass or systemic cyber incident, personal data breach, unauthorised access, security breach or compromise of information systems affecting a Third Party, including a merchant, digital platform, payment service provider, parking service provider or any other commercial service provider, where the relevant event affects or may affect multiple Insured Persons on a mass scale, either simultaneously or as a result of related events.

This exclusion applies regardless of whether the Third Party stored or processed the Insured Person's data, authentication credentials, Payment Card data or other information, and regardless of whether fraudulent transactions were subsequently made from the Insured Person's bank account, payment card or digital wallet.

7. Rights and Obligations of the Parties

7.1. Obligations of the Policyholder:

7.1.1. provide the Insurer with true, complete and timely information and submit the documents and evidence required to assess the Insured Event, civil liability and the amount of loss;

7.1.2. immediately notify the Insurer of a potential or actual Insured Event and of any related legal proceedings or other process;

7.1.3. comply with the Insurer's instructions and cooperate in the loss assessment and settlement process;

7.1.4. take reasonable and necessary measures to prevent or mitigate losses;

7.2. Obligations of the Policyholder to prevent risks:

7.2.1. ensure adequate security of information systems, including use of a firewall and antivirus software and regular updates;

7.2.2. regularly create data backups and store them separately from the primary systems;

7.2.3. inform and train authorised users who have access to the Insured's information systems or data, including employees, outsourced service providers and other authorised persons, regarding cybersecurity requirements;

7.2.4. before making payments, verify the legitimacy of the transaction and the correctness of the payment details;

7.2.5. refrain from making payments where fraud is suspected or suspicious information, including suspicious payment details, has been identified.

7.3. Obligations of the Policyholder upon occurrence of an Insured Event:

7.3.1. submit a report to the competent authorities (for example, the police) where reasonably necessary;

7.3.2. prove the occurrence of the Insured Event and the amount of loss;

7.3.3. provide all necessary information and documents;

7.3.4. notify the Insurer if, after payment of the indemnity, the losses are recovered in full or in part.

7.4. Rights and obligations of the Insurer:

7.4.1. assess the Insured Event and its compliance with the Insurance Contract;

7.4.2. request additional information, documents and explanations;

7.4.3. provide instructions for mitigating losses and managing the incident;

7.4.4. where necessary, engage experts or participate in settling claims with third parties;

7.4.5. decide on and pay the insurance indemnity in accordance with the procedure specified in the Contract;

7.4.6. maintain the confidentiality of information provided by the Policyholder.

7.5. Consequences of failure to fulfil obligations:

If the Policyholder or the Insured Person fails to fulfil or breaches the obligations set out in this section, the Insurer may reduce the insurance indemnity or refuse payment in accordance with the Insurance Contract and applicable laws and regulations.

8. Actions upon Occurrence of an Insured Event and Determination of Indemnity

8.1. Upon discovering or reasonably suspecting an Insured Event, the Policyholder must immediately take all possible and reasonable measures to prevent or mitigate losses, including restricting access to systems, accounts or means of payment.

8.2. The Policyholder must notify the Insurer of the Insured Event immediately, but no later than 3 (three) days after becoming aware of it.

8.3. Where the loss is related to a cyber incident or cyber fraud, the Policyholder must, where reasonably necessary:

a) notify the credit institution;

b) report the matter to the State Police;

c) report the incident to the Information Technology Security Incident Response Institution CERT.LV in Latvia or to the competent authority of the relevant country if the losses occurred abroad.

8.4. The Policyholder must cooperate with the Insurer and provide all information and documents necessary to assess the Insured Event.

8.5. The Insurer assesses the circumstances of the Insured Event and the amount of loss and, for this purpose, is entitled to:

a) request and collect information and documents;

b) access information systems to the extent necessary;

c) inspect the site of the event;

d) request information from third parties or authorities;

e) document the circumstances (including by photographs, video or audio recordings).

8.6. The Insurer may engage experts or other competent persons. The related costs together with the insurance indemnity may not exceed the Sum Insured specified in the Insurance Contract.

8.7. The Insurer decides on payment of the insurance indemnity within 30 (thirty) days after receipt of all necessary documents.

8.8. If, after payment of the indemnity, the Policyholder recovers the losses in full or in part from third parties, the Policyholder must repay the corresponding amount of the indemnity received to the Insurer.

9. Insurance Indemnity: Calculation and Payment

9.1. The Insurer pays an insurance indemnity if an Insured Event has occurred, no exclusions apply, and the Policyholder has complied with the terms of the Insurance Contract.

9.2. The insurance indemnity is determined on the basis of:

a) actual, documented and demonstrable losses;

b) the terms of the Insurance Contract;

c) the Sum Insured and the applicable Deductible.

9.3. The insurance indemnity is paid only up to the Sum Insured specified in the Insurance Contract.

9.4. When calculating the insurance indemnity:

a) only losses directly causally related to the insured risk and recognised as an Insured Event under the Insurance Contract are taken into account;

b) the Deductible specified in the Contract is deducted from the insurance indemnity;

c) expenses not included in the Insurance Cover are not indemnified.

9.5. The Insurer pays the insurance indemnity within 30 (thirty) days after receipt of all necessary documents and adoption of the decision.

9.6. The Insurer is entitled to reduce the insurance indemnity or refuse payment if:

a) the Policyholder has failed to comply with the terms of the Insurance Contract;

b) false or incomplete information has been provided;

c) reasonable measures to prevent or mitigate losses have not been taken;

d) the occurrence of the Insured Event or determination of the amount of loss has been hindered by an act or omission of the Policyholder;

e) the losses are not directly related to the insured risk or fall within the exclusions;

f) the Policyholder failed to notify the Insured Event in due time.

10. Information on personal data processing

10.1. The Insurer is the data controller and processes personal data in accordance with the General Data Protection Regulation and other personal data protection laws and regulations. Further information about the Insurer's processing of personal data is available at https://www.compensa.lv/data-protection-privacy-policy/. The email address of the Insurer's Data Protection Officer is DPO@compensa.lv.

10.2. The Insurer processes personal data, including special categories of personal data (for example, health data), to handle an insurance claim, make a decision and perform other services and activities related to providing Insurance Cover.

10.3. The Insurer processes personal data received from the Policyholder and lawfully obtained from other sources (for example, public or private registers and third parties).

10.4. The Insurer may disclose personal data to service providers and cooperation partners where necessary to perform a task related to providing insurance or where the Insurer has a statutory obligation to disclose personal data.

10.5. A person has the right to access personal data processed by the Insurer and receive information on how the data are processed; request rectification of incomplete, incorrect or inaccurate data; request erasure of personal data; restrict or object to their processing; request data portability; or lodge a complaint with the supervisory authority. The Insurer responds within 1 (one) month after receiving the data subject's request.

11. Other provisions

11.1. These Terms and Conditions, the Insurance Contract and the Insurance Cover provided to the Insured thereunder are governed by the laws and regulations in force in the Republic of Latvia, including the provisions of the Insurance Contract Law.

11.2. If the parties are unable to resolve a dispute through negotiations, a written complaint in accordance with Compensa's Complaint Handling Procedure: www.compensa.lv/legal-information-dispute-resolution/ must be submitted to the Insurer at its registered address: Vienības gatve 87H, Riga, LV-1004; email: info@compensa.lv.

11.3. The Insurer does not provide Insurance Cover, pay an insurance indemnity or provide other services where this would contravene any international sanctions (financial, economic, trade or otherwise), prohibitions or restrictions under the laws and regulations of the United Nations, the European Union, the United States of America, the United Kingdom, the Republic of Latvia or otherwise (provided this does not breach any relevant rules or national laws applicable to the country concerned). If such sanctions, prohibitions or restrictions directly or indirectly prevent us from providing services under the Insurance Contract or providing Insurance Cover, the Insurer is entitled to terminate the Insurance Contract immediately and unilaterally or suspend the Insurance Cover for the duration of the international sanctions by giving written notice.