

CARRIER THIRD PARTY LIABILITY INSURANCE

Terms and Conditions No. 038.3

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BTA and Policyholders enter into Carrier Third Party Liability Insurance Contracts in accordance with these Terms and Conditions.

CONTENTS

1. TERMS USED IN THE TERMS AND CONDITIONS	1
2. INSURANCE COVER VALIDITY	2
3. POLICYHOLDER'S DUTY TO DISCLOSE INFORMATION	3
4. INSURANCE PREMIUM AND ITS PAYMENT PROCEDURE	3
5. CONCLUSION OF INSURANCE CONTRACTS BY MEANS OF DISTANCE COMMUNICATION	4
6. EXPIRATION AND AMENDMENT OF THE INSURANCE CONTRACT	4
7. GENERAL RESERVATIONS	4
8. POLICYHOLDER'S OBLIGATIONS UPON OCCURRENCE OF THE INSURANCE RISK	5
9. INSURANCE BENEFIT	5
10. COMPLAINT HANDLING AND DISPUTE SETTLEMENT PROCEDURE	6
11. PERSONAL DATA PROCESSING	6
12. SUBROGATION AND THE RIGHT OF RECOURSE	6
13. CONFIDENTIALITY	6
14. OTHER TERMS AND CONDITIONS	6

SPECIAL TERMS AND CONDITIONS	7
1. EXPLANATION OF CONCEPTS USED IN REGULATIONS	7
2. INSURANCE OBJECT	7
3. INSURANCE COVER	8
4. NON-INSURED EVENTS	8
5. SUM INSURED. MAXIMUM INSURANCE BENEFIT AMOUNT OF THE INSURER	9
6. CONDITIONS AND PROCEDURE OF DISBURSEMENT OF INSURANCE BENEFITS	9
7. CARRIAGE OF PERISHIBLE FOODSTUFFS	10
8. OTHER TERMS AND CONDITIONS	10

1. TERMS USED IN THE TERMS AND CONDITIONS

Insured person – a person whose property interests are insured:

- In the case of the property insurance – the owner of property covered by the insurance contract or other person named in writing in the contract;
- In the case of the civil liability insurance – the person whose property interests arising from civil liability are insured;
- 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.

Policyholder – a person who applied to BTA for concluding an insurance contract or to whom BTA offered to conclude an insurance contract, or who signed an insurance contract with BTA for own or others' benefit.

Persons associated with the Policyholder and/or Insured Person to whom Policyholder's obligations are also binding:

- Persons living together with the Policyholder or the Insured Person;
- Persons responsible for insurance object pursuant to an agreement with the Policyholder or the Insured Person;
- Persons sharing insurance interests together with the Policyholder or the Insured Person, or other persons named in the insurance contract;
- Persons related to the Policyholder or the Insured Persons under employment, service provision or other legal relationships and bound to act in conformity with the safety requirements.

Insurer – AAS BTA Baltic Insurance Company represented by the Lithuanian Branch (hereinafter – BTA).

Insurance premium – an amount of money specified in the insurance contract which must be paid by the Policyholder to BTA under the terms and conditions of the insurance contract for the insurance cover.

Insurance interest – the Insured person's interest to avoid losses from the occurrence of the insured event.

Insurance benefit – an amount of money payable upon occurrence of the insured event or provision of a service if the insurance contract so provides.

Insurance object – property interests relating to human life and/or health, property or civil liability.

Insurance risk – a probability of an event which is likely to occur in future and which is beyond control of the Policyholder and/or Insured Person.

Sum insured – the amount of money specified in the insurance contract or calculated according to the procedure specified in the insurance contract which may not be exceeded by the insurance benefit.

Insurance policy – a document confirming the conclusion of the insurance contract and covering the terms and conditions of the insurance contract agreed between BTA and the Policyholder.

Parties to the insurance contract – the Policyholder and BTA.

Insurance contract – an agreement between BTA and the Policyholder whereby the Policyholder undertakes to pay the insurance premium in the amount fixed in the insurance contract by the agreed time limits and to fulfil other obligations stipulated in the insurance contract, and BTA undertakes to disburse the insurance benefit to the person named in the insurance contract upon occurrence of the insured event according to the provisions of the insurance contract.

Insured event – an accident specified in the insurance contract upon occurrence of which BTA must disburse the insurance benefit.

Double insurance – the cases when the Policyholder concludes several insurance contracts in respect of the same risks with the same insurer or with different insurers. In such case, the Policyholder must notify BTA in writing about other concluded insurance contract, indicate the sum insured and other contractual terms and conditions. Otherwise, after disbursement of the insurance benefit the Insurer shall be entitled to recover the respective part of the insurance benefit.

Deductible – a portion of the insurance benefit specified in the insurance contract which shall not be indemnified by BTA. The deductible is expressed as a particular amount of money and/or as a percentage of loss, unless the insurance policy specifies otherwise. Where the insurance contract provides for several types of deductibles in respect of the same risk, the larger deductible shall apply in all instances.

Compensatory principle – a principle of insurance according to which an insurance benefit is estimated on the basis of the amount of losses incurred as a result of the insured event.

Beneficiary – a person named in the insurance contract or a person designated by the Policyholder or, in the cases specified in the insurance contract, by the Insured Person and eligible to receive the insurance benefit.

Non-insured event – an occurrence in the case of which BTA does not disburse an insurance benefit.

Underinsurance – the instances when the fixed sum insured is smaller than the insurance value. In such case, upon occurrence of the insured event, BTA shall disburse a part of the insurance benefit proportionate to the ratio of the sum insured and the insurance value.

Supplementary insurance – the cases when only a portion of the value of property or insurance risk is insured. In such case, the Policyholder shall be entitled to conclude an additional insurance contract with the same or another insurer. The sum insured under several insurance contracts may not exceed the insurance value.

Application to conclude an insurance contract – a document in the form established by BTA in which the Policyholder provides the information necessary for concluding the insurance contract. The application shall not be required, if the Policyholder provides BTA with information which BTA considers sufficient to assess insurance risks. The acceptance of the application to conclude an insurance contract shall not obligate BTA to conclude the insurance contract.

Written document:

- a) a document executed in writing and containing all necessary requisites, including signature conforming to applicable legal acts of the Republic of Lithuania;
- b) a document transmitted by telegraph, fax communication or other telecommunications terminal equipment, provided that the security of the text is guaranteed and the signature can be identified, also including e-message.

Third party – in the case of civil liability insurance – a person who suffers loss due to acts or omissions of the Policyholder and/or the Insured Person's and who is eligible to receive the insurance benefit in accordance with the terms and conditions of the insurance contract.

2. INSURANCE COVER VALIDITY

2.1. The insurance period is the time period during which the insurance cover is valid.

2.2. The insurance cover shall enter into force at 00:00 on the day indicated in the insurance contract, but not earlier than the insurance premium or its first instalment is paid, if:

- 2.2.1.** the payment date of the insurance premium or its first instalment is not indicated in the insurance contract;
- 2.2.2.** the beginning of the insurance period coincides with the payment date of the insurance premium or its first instalment;
- 2.2.3.** the insurance premium or its first instalment falls due earlier than the beginning of the insurance period.

- 2.3. Where entry into force of the insurance cover is linked to the payment of the insurance premium or of its first instalment, the insurance cover shall enter force at 00:00 on the next day following the receipt of the payment, but not earlier than specified in the insurance contract.
- 2.4. The insurance benefit shall not be disbursed when the insured event occurs before the entry into force of the insurance cover.
- 2.5. Where the insurance contract specifies that the insurance premium must be paid after the first day of the beginning of the insurance period, the insurance cover shall enter into force at 00:00 on the first day of the beginning of the insurance period.
- 2.6. The insurance contract expires at 24:00 o'clock on the last day of the insurance period specified in the insurance contract unless terminated earlier for other reasons.

3. POLICYHOLDER'S DUTY TO DISCLOSE INFORMATION

- 3.1. Prior to signature of the insurance contract, the Policyholder undertakes to provide BTA with correct and complete information which is requested by BTA and is related to the insurance object and necessary for the assessment of the insurance risk.

Where the Policyholder deliberately conceals the information necessary for the assessment of the insurance risk or knowingly provides wrong or incomplete information, BTA shall have the right to request the cancellation of the insurance contract. In such case, BTA shall not refund the insurance premium.
- 3.2. If the insurance contract for the same insurance object is extended immediately after expiration of the earlier contract, and the Policyholder or the Insured person does not notify that the information has changed since the conclusion of the earlier insurance contract, BTA shall consider that the information provided earlier has not changed.
- 3.3. During the insurance contract validity period, the Policyholder must promptly notify of all changes occurring during validity of the insurance period which are likely to increase the insurance risk. The changes to be disclosed include:
 - 3.3.1. significant changes relating to the insurance object;
 - 3.3.2. changes in the ways of use of the insurance object;
 - 3.3.3. other significant circumstances contributing to the increase of the insurance risk.
- 3.4. If the information provided to BTA about the insurance object and the insured risk changes and this leads to the increase of the insurance risk, as well as when BTA is misled by a minor error of the Policyholder, BTA may offer to the Policyholder, within a period of one month from the date of becoming aware of that, to amend the terms and conditions of the insurance contract, including the amount of the insurance premium. If the Policyholder disagrees to amend the terms and conditions of the insurance contract or does not provide the answer to BTA within 1 (one) month from the date of sending the notice of the proposed new terms and conditions, BTA shall have the right to terminate the insurance contract upon expiration of the time limit stipulated in this paragraph without further notice.

If BTA can prove that if it was aware of the increase of risk BTA would not have concluded the insurance contract, BTA shall have the right to request the termination of the insurance contract within 2 months after becoming aware of the increase of risk.
- 3.5. A breach of the Policyholder's duty to disclose the information shall also entail other legal consequences established by legal acts of the Republic of Lithuania.

4. INSURANCE PREMIUM AND ITS PAYMENT PROCEDURE

- 4.1. The Policyholder must pay to BTA the insurance premium of the fixed amount and within the fixed time limits as provided for in the insurance contract.
- 4.2. The insurance premium shall be considered to be paid:
 - 4.2.1. in the case of payment by a payment order – from the receipt of the amount of money to the bank account of BTA or of the authorised insurance intermediary;
 - 4.2.2. in the case of using other payment methods – from the date specified in the particular document confirming the fact of payment of money. The list of payment methods can be accessed on our internet website www.bta.lt, or by phone (8 5) 2600 600;
- 4.3. If the Policyholder fails to pay the insurance premium by the time limit fixed in the insurance contract, the Policyholder shall pay to BTA late payment interest of 0.02% from the total outstanding insurance premium, however not more than 10% of the unpaid total insurance premium. The above referred late payment interest shall not apply in the following cases:
 - 4.3.1. the insurance premium is paid as a lump sum;
 - 4.3.2. in respect of the first instalment when the insurance premium is paid in instalments.
- 4.4. If the Policyholder fails to pay the insurance premium or its part at the time specified in the insurance contract (unless the entry into force of the insurance contract is linked to the payment of the insurance premium or its instalment – in such case, the insurance contract shall not enter into force and shall be annulled without a separate notice of the insurer 30 days after the due date of the insurance premium), BTA shall notify by a written document specified in the contract that the insurance contract will be terminated if the Policyholder

fails to pay the insurance premium or its instalment within 30 days from the day of sending the written document.

5. CONCLUSION OF INSURANCE CONTRACTS BY MEANS OF DISTANCE COMMUNICATION

- 5.1.** The insurance contract may be concluded via distance communication, i.e. by post, internet, e-mail, telephone or other means of information exchange.
- 5.2.** When the insurance contract is concluded by the Policyholder, who is a consumer, the guidelines for the conclusion of non-life insurance contracts published on: www.bta.lt shall apply to such contract. the guidelines for the conclusion of non-life insurance contracts, inter alia, provide for the procedure of waiver of the right, i.e. the right to withdraw from the concluded insurance contract.

A consumer means a natural person who concludes an insurance contract for the purposes not related to business or professional activity.

6. EXPIRATION AND AMENDMENT OF THE INSURANCE CONTRACT

- 6.1.** The insurance contract shall expire at 24:00 on the last day of the insurance period unless otherwise agreed by the Policyholder and BTA.
- 6.2.** The Policyholder shall have the right to terminate the insurance contract at any time giving a 15 days' written notice to BTA. In this case, the insurance contract shall be deemed terminated on the day indicated in the notice, but not earlier than on the 15th day after receipt of the termination notice. In such case:
- 6.2.1.** if the insurance benefit was not disbursed or no claims were brought within the period of validity of the insurance contract, within 20 calendar days after receiving of the Policyholder's notice, BTA shall refund to the Policyholder a part of the insurance premium, after deducting the costs of conclusion and performance of the insurance contract (30% of the refundable amount);
- 6.2.2.** if the insurance benefit was disbursed and/or reserved, claims were brought within the period of validity of the insurance contract, within 20 calendar days after receiving of the Policyholder's notice, BTA shall refund to the Policyholder a part of the insurance premium equal to the difference between the unused part of the insurance premium for the period of validity of the insurance contract and the disbursed insurance benefit, after deducting the costs of conclusion and performance of the insurance contract (30% of the refundable amount).
- 6.3.** The terms and conditions of the insurance contract may be supplemented or amended only by a written agreement between BTA and the Policyholder.
- 6.4.** The insurance contract may also be terminated on other grounds established by legal acts of the Republic of Lithuania regulating contractual relationships of insurance.

7. GENERAL RESERVATIONS

- 7.1.** Unless the insurance contract establishes otherwise, BTA shall not disburse the insurance benefit for:
- 7.1.1.** Terrorist acts (the acts of use, or threatening to use, force or violence by any third party either independently or in an organised manner with any organization or government or for their benefit, committed for political, religious, ideological or ethnic ends for the purpose of putting in danger the government or the public); losses incurred in relation to preventive actions against terrorist acts shall not be indemnified either;
- 7.1.2.** War, invasion, hostile acts of foreign countries, military or similar operations such as civil war (whether declared or not), riots, strikes, rebels, commotions, revolution, the state of war, marauding, vandalism, sabotage; strike, lockout, public disorder attaining the level of a coup or riot, seizure of property, nationalization, when this is caused or authorized, whether legally or not, by public authorities; other political risks and any other losses or costs directly or indirectly sustained in relation to the prevention of such acts shall not be indemnified either;
- 7.1.3.** Direct or indirect nuclear explosion, nuclear power or exposure to radioactive substances; direct or indirect radioactive contamination;
- 7.1.4.** Intentional acts of the Policyholder, Insured Person or Beneficiary.
- 7.2.** Notwithstanding any clauses of the insurance contract, BTA shall have no obligation to provide any insurance cover or make any disbursement, provide services or any advantages to persons or any third party, where such insurance cover, disbursement, service, advantage and/or business or activities of the Policyholder, Insured person or Beneficiary claiming the insurance benefit infringes the applicable sanctions, financial embargo or economic sanctions, laws or conditions that are directly implemented by BTA. The sanctions being implemented means national sanctions established by legal acts of the Republic of Lithuania, sanctions of the European Union, sanctions of the United Nations Organisation, USA and/or other sanctions which must be complied with and implement by BTA in observance of requirements of legal acts.
- 7.3.** It shall not be considered an insured event and the losses shall not be indemnified, if occurred directly or indirectly related to:
- 7.3.1.** Regulatory enactments issued by the state;
- 7.3.2.** State of emergency or exceptional state announced, moreover, no losses or expenses shall be

indemnified, directly or indirectly related to any measures intended to avert the state of emergency or the exceptional state;

7.3.3. Epidemics or pandemics.

8. POLICYHOLDER'S OBLIGATIONS UPON OCCURRENCE OF THE INSURANCE RISK

- 8.1.** In order to become eligible to receive the insurance benefit upon occurrence of the insured risk, the Policyholder or the Insured Person must:
- 8.1.1.** without undue delay, but not later than within 3 working days (unless specified otherwise in the special terms and conditions of these Regulations) notify BTA about the occurrence of a potential insured the event according to the procedure established in the special terms and conditions of these Regulations. In the event of late notification of BTA by the Policyholder or the Insured Person about the occurrence of the insured risk the Policyholder or the Insured Person must prove that it was impossible to notify on time;
 - 8.1.2.** immediately report to competent services (e.g., a medical institution, the Fire and Rescue Department, the police, emergency services, etc.);
 - 8.1.3.** follow all instructions given by BTA and take all measures to minimise the damage and prevent its occurrence or increase;
 - 8.1.4.** allow BTA to examine the scene of the accident, to investigate and examine witnesses so that BTA can determine the causes and size of damages;
 - 8.1.5.** provide all information and documents requested by BTA, including commercial secrets, if any, known to the Policyholder or the Insured Person so that BTA can identify the causes and size of damages;
 - 8.1.6.** if possible, keep the accident scene intact until arrival of BTA's representative, unless BTA instructs otherwise. This paragraph shall not apply in as much as it is necessary to fulfil the requirements of subparagraph 8.1.3 of these General definitions, terms and conditions of insurance;
 - 8.1.7.** if the insurance object cannot be retained intact after the accident due to the fulfilment of requirements of subparagraph 8.1.3 of these General definitions, terms and conditions of insurance or other legal and justified reasons, take care that photos of damaged property are made as soon as possible or that the damaged insurance object is filmed in order to record the losses and send the photos or video record to BTA by e-mail: zalos@bta.it or in other manner acceptable to BTA.
- 8.2.** If the Policyholder or Beneficiary intentionally or by gross negligence defaults on the duties specified in the Regulations, BTA shall have the right to reduce the insurance benefit or to refuse its disbursement.

9. INSURANCE BENEFIT

- 9.1.** BTA shall disburse the insurance benefit not later than within 15 days after receiving all information relevant for the establishment of the fact, circumstances and consequences of the insured event and the insurance benefit amount.
- 9.2.** Where after disbursement of the insurance benefit in the case of a theft or robberies the insurance object is found later, BTA shall have the right to demand the refund of the insurance benefit or the transfer of the right of claim to the insurance object. If BTA decides not to keep the insurance object found but the latter is damaged, the Policyholder shall refund the insurance benefit received from BTA having deducted from it the costs agreed with BTA that are necessary in order to restore the original condition of the object.
- 9.3.** If the event is the insured event and the Policyholder and BTA cannot agree on the amount of the insurance benefit, at the Policyholder's request BTA shall disburse the amount equal to the insurance benefit not challenged by the parties, where the precise determination of the amount of damage lasts longer than 3 months.
- 9.4.** If BTA delays the disbursement of the insurance benefit through its own fault, BTA shall pay late payment interest in the amount of 0.02% from the outstanding benefit amount per each delayed day, however not more than 10% of the unpaid total insurance premium.
- 9.5.** The insurance benefit shall be disbursed including all insurance premiums (for the current insurance year) falling due on the insurance benefit disbursement day. On consent of the Policyholder, insurance premiums that have not fallen due yet may also be included. If the insurance object perishes, is destroyed or lost as a result of the insured event, all insurance premiums outstanding under the insurance contract shall be deducted.
- 9.6.** If BTA cannot recover the insurance benefit by recourse due to intentional acts or gross negligence of the Insured person, BTA may refuse the disbursement of the insurance benefit to the extent that there is no possibility to bring a claim or, if the insurance benefit was disbursed already, claim its refund from the Policyholder.
- 9.7.** At the request of the person who has the right to claim the insurance benefit, BTA shall grant such person access to the available documents on the basis of which BTA decided to disburse the insurance benefit or refused its disbursement, or shall issue the copies of the documents for a charge not exceeding the costs of issue of the documentary copies.

BTA shall not grant access to the documents and shall not issue their copy to the person who has the right to claim the insurance benefit when:

- 9.7.1.** BTA submitted documents to law enforcement bodies for investigation of circumstances of occurrence of the insured risk;
- 9.7.2.** the documents contain commercial secret of another person which the person, who has the right to claim the insurance benefit, has no right to know;
- 9.7.3.** the documents contain personal data to which person, who has the right to claim the insurance benefit, has no right of access.

10. COMPLAINT HANDLING AND DISPUTE SETTLEMENT PROCEDURE

- 10.1.** BTA complaint handling procedure regarding dissatisfaction with the insurance contract or provided insurance services brought by the person who applies for the conclusion of the insurance contract, the Policyholder, Insured person, Beneficiary or other person who has the right to claim the insurance benefit insurance benefit is published at www.bta.lt.
- 10.2.** Any disputes between the parties shall be settled by negotiations. If a peaceful agreement cannot be reached all disputes arising from the insurance contract and in relation to its breach, termination or invalidity shall be according to legal acts of the Republic of Lithuania in courts of the Republic of Lithuania according to the head office address of BTA's Lithuanian branch.

11. PERSONAL DATA PROCESSING

- 11.1.** BTA, as a processor of personal data, shall process data of natural persons according to personal data processing requirements defined 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 legal acts.
The personal data processing principles and the privacy policy implemented by BTA are published at www.bta.lt.

12. SUBROGATION AND THE RIGHT OF RECOURSE

- 12.1.** The Insurer who disburses the insurance benefit shall acquire the right to claim the disbursed amounts from the party liable for the inflicted damage (subrogation or the right of recourse). The Policyholder, Insured person or Beneficiary must transfer all information requested by BTA necessary to the Insurer for the proper implementation of the right of claim transferred to it.

13. CONFIDENTIALITY

- 13.1.** The parties undertake not to disclose to any third party's confidential information received on the basis of contractual or pre-contractual legal relationships of insurance, and not to use such information to the detriment of interests of the other party to the insurance contract. BTA shall have the right to submit all required information received on the basis of contractual or pre-contractual legal relationships of insurance to independent experts and reinsurers, and to store such information in BTA's databases. This duty shall not apply when the parties must submit the information to competent authorities according to requirements of legal acts of the Republic of Lithuania.

14. OTHER TERMS AND CONDITIONS

- 14.1.** Any notice to be communicated by the Policyholder or BTA to each other shall be delivered within the time limits fixed in these Regulations in one of the below specified ways:
 - 14.1.1.** by delivering to the Policyholder to the addresses indicated in the insurance policy, other written documents or in the notifications of the parties about the change of their head office addresses;
 - 14.1.2.** by sending a registered postal parcel;
 - 14.1.3.** by e-mail when such notification method is provided by the parties in the contract or when they express by conclusive actions their consent to receive information this way.
- 14.2.** BTA may transfer its rights and obligations under the insurance contract to other insurer(s) according to the procedure established by legal acts. If the Policyholder disagrees with the transfer of rights and obligations under insurance contract, he shall have the right to terminate the insurance contract according to the procedure set forth therein, within one month after the transfer of the rights and obligations. In such case, the Policyholder shall be refunded the insurance premiums paid by him for the remaining period of validity of the insurance contract.
- 14.3.** Contractual legal relationships of insurance shall be regulated by legal acts of the Republic of Lithuania.
- 14.4.** The insurance contract shall be concluded on the basis of these general terms and conditions and special terms and conditions. If there are any differences between the special and/or individual terms and conditions of insurance specified in the contract (insurance policy) and in these General concepts and terms and conditions of insurance, the special and/or individual terms and conditions of insurance shall prevail.

- 14.5.** The Policyholder, Insured person, Beneficiary and other persons who acquire rights on the basis of the insurance contract must abide of the duties established in these Regulations.
- 14.6.** These Regulations enter into force from the day of their approval by the Board of BTA, unless the Board of BTA specifies a different day of entry into force of the Regulations.
- 14.7.** In the event of any discrepancies between texts in different languages, the Lithuanian text shall prevail.
- 14.8.** These Regulations are published on BTA's internet website at: <http://www.bta.lt>.

SPECIAL TERMS AND CONDITIONS

1. EXPLANATION OF CONCEPTS USED IN REGULATIONS

ADR Goods – Dangerous goods the carriage of which is regulated by the European Agreement concerning the international carriage of dangerous goods by road.

ATP GOODS – Goods the carriage of which is regulated by the agreement on the international carriage of perishable foodstuffs and on the special equipment to be used for such carriage.

General average – Losses resulting from unanticipated, but not accidental, targeted and calculated actions or sacrifices made for the purpose of saving a ship, freight and goods, cargo from imminent danger.

CMR Convection – Convention on the Contract for the International Carriage of Goods by Road (CMR).

Goods – A material object (totality of objects) carried in one unit of transport (e.g., container, semi-trailer, trailer, or wagon).

Part of goods – A part of the totality of material objects of one type (kind) in one unit of transport.

Value of goods – An actual value of goods at the place of dispatch.

Damage of goods – Any change in physical condition of the goods or their part resulting in the reduction of the value of goods or their part.

Loss of goods – A loss of goods together with a motor vehicle. A motor vehicle shall be considered to be lost together with goods if 60 days have elapsed from its planned arrival and no information was received about it until bringing the claim. If the reason of the interruption in communications is a war or similar events, a civil war or unrest in the country, this term shall be extended in consideration of such circumstances.

Theft of goods – Missing goods when there are signs of intrusion into the vehicle (torn tent, removed seal, security belts cut off, damaged body of the vehicle or other damages made to it enabling to take the missing goods through the damaged place), container (removed seal or damaged body enabling to take the missing goods through the damaged place), box (damaged body allowing to take out the missing goods through the place of damage) when the fact and quantity of the missing goods is recorded by means of respective notes according to requirements of legal acts regulating the carriage of the goods. For goods carried by road without transshipment when there are signs of breaking into a box, but there are no signs of intrusion into the vehicle carrying the goods the missing goods shall not be considered to have been stolen.

Safe car park – Means a car park for vehicles the requirements of which are specified in the contract of carriage of goods and / or in the insurance policy – Instructions to the driver.

SDR – The name of the currency of the International Monetary Fund – the English abbreviation of the words 'Special Drawing Rights'. SDR and EUR exchange rate is published on the website of the Bank of Lithuania at: www.lb.lt.

Carrier – Within the meaning of these Regulations the carrier means the Policyholder or Insured persons named in the application for concluding the insurance contract.

2. INSURANCE OBJECT

- 2.1.** Depending on the content of the insurance contract the Insurer shall insure the liability of the carrier of goods specified in the agreement on paid carriage concluded with the customer.
- 2.2.** The insurance object shall not be the carrier's liability in respect of damage made to the property possessed by right of ownership, lease or on the basis of hire-purchase.
- 2.3.** Insurance shall cover the carrier's liability under:
- 2.3.1.** Convention on the Contract for the International Carriage of Goods by Road (CMR) (1956);
 - 2.3.2.** other national law to the extent it may be invoked by the party eligible to the insurance benefit, however, without exceeding provisions of the CMR Convention.
- 2.4.** Subject to a separate and written agreement, the Insurer shall indemnify:
- 2.4.1.** the necessary expenses provided for by laws or government bodies for salvage and/or destruction or removal of damaged goods, unless such expenses must be indemnified by other parties;
 - 2.4.2.** the general average payments attributable to the goods; the carrier undertakes to release the goods only when the customer, consignee or their insurer of goods pays the general average payments attributable to the goods or provides the respective guarantees of the general average.
- 2.5.** When the carrier recovers the amounts referred to in subparagraph 2.4.2 and paid by the Insurer, the carrier undertakes to refund them to the Insurer.

3. INSURANCE COVER

- 3.1.** This insurance shall include:
- 3.1.1.** Claims for damage or loss of goods according to the CMR Convention (1956);
 - 3.1.2.** Additional financial losses incurred by the rightful claimant provided for in Article 23 (4) and (5) of the CMR Convention.
- 3.2.** On additional agreement of the Policyholder and the Insurer, this insurance shall include:
- 3.2.1.** Third party claims for property damage inflicted to them by the carried goods when such damage is not indemnified under other insurance contract;
 - 3.2.2.** Costs of preventing imminent damage and minimising losses refundable by the Insurer, but only to the extent that such costs were necessary and justified according to the circumstances and only after submission by the Policyholder of the documents supporting the fact of payment of such costs. Unjustified costs – the costs that are not approved by the Insurer.
 - 3.2.3.** Liability for entrusted property – semi-trailers, trailers, containers.
- 3.3.** The insurance cover shall apply within the limits of the territory specified in the insurance policy. If the place of loading/unloading of goods is outside the limits of such territory, the insurance cover shall not apply to the whole transportation, unless the insurance contract provides otherwise.

4. NON-INSURED EVENTS

- 4.1.** The Insurer shall not satisfy the claims:
- 4.1.1.** when goods are transported illegally;
 - 4.1.2.** when losses arise from intentional acts of the carrier or his employees or from acts qualified as intentional within the meaning of Article 29 of the CMR Convention, except where intentional acts or omissions are of social value (self-defence, fulfilment of civil duty, etc.);
 - 4.1.3.** for loss or damage to precious metals, coins made of such metals, as well as jewellery, precious stones, banknotes, securities, documents and certificates, seals;
 - 4.1.4.** for loss or damage to works of art, drawings, sculptures and other similar valuables the unit value of which at the point of acceptance is EUR 750;
 - 4.1.5.** for transportation of removal effects and live animals;
 - 4.1.6.** for the delay of the agreed delivery deadlines which were abnormally short under the existing circumstances;
 - 4.1.7.** for indemnification of fines, late payment interest, penalties and other similar payments provided for in the carriage agreement between the customer and the carrier;
 - 4.1.8.** in respect of transportation of cars;
 - 4.1.9.** in respect of transportation of:
 - 4.1.9.1.** alcohol;
 - 4.1.9.2.** tobacco and tobacco products;
 - 4.1.10.** for damage to health of people or animals, to environment;
 - 4.1.11.** for incorrect payment (redemption charge) or non-payment for delivered goods;
 - 4.1.12.** when the reason for losses is the delivery of goods to a wrong addressee or unauthorised consignee;
 - 4.1.13.** when the vehicle transporting the goods was operated by a person under the influence of alcohol or other intoxicating substances and/or losses were directly or indirectly caused by the conduct of the driver person under the influence of alcohol or other intoxicating substances;
 - 4.1.14.** when losses are caused by a theft of goods and/or of their documents because the vehicle with goods and/or the documents were left unattended in breach of requirements of the insurance contract;
 - 4.1.15.** for losses resulting from the increased limits of the carrier's liability or additional value of goods when there is an increase of risk based on the declaration of value or declaration of interests according to Articles 24 and 26 of the CMR Convention;
 - 4.1.16.** when it is impossible to determine the exact location or the exact time of the damage, shortage and/or loss of goods;
 - 4.1.17.** when goods are stolen from the Policyholder's vehicle parked in an unsafe car park;
 - 4.1.18.** when the market value or the stock exchange value of transported goods exceeds the value indicated in the invoice and the carrier cannot prove that he thought that the value of the goods accepted by him for carriage was lower than their market value or the stock exchange value;
 - 4.1.19.** when goods are transported by a vehicle which is unfit for carriage and/or in bad technical condition - not airtight, worn, tattered and/or torn and not fixed tent of a semi-trailer or trailer; broken temperature control device; leaky bottom of the goods' compartment a semi-trailer or trailer; also when goods are transported by a vehicle which is unfit not properly prepared for such purpose;
 - goods that must be carried under controlled temperatures are carried in a tented semi-trailer or trailer; oversized and/or overweight goods which must be transported by a specially prepared vehicles with reinforced bottom, etc.

- 4.1.20.** when damage is caused through the Policyholder's ***gross negligence***. ***Gross negligence*** means the Policyholder's conduct which would not be characteristic of a person who observes at least minimum care and attention requirements (e.g., failure to take measures in order to avoid consequences or to foresee such consequences when their likelihood was apparent, etc.).

5. SUM INSURED. MAXIMUM INSURANCE BENEFIT AMOUNT OF THE INSURER

- 5.1.** The Insurer's liability shall be limited to the sum insured specified in the insurance policy for each individual insured event, but not exceeding SDR 8.33 / 1 kg gross weight of goods, unless the Insurer and the Policyholder have agreed otherwise in the insurance policy.
- 5.1.1.** When the Insurer disburses the insurance benefit for claims equal to a part of the sum insured, the Insurer's obligation shall apply further until expiry of the insurance contract term only in respect of the remaining part of the sum insured.
- 5.2.** The sum insured is the maximum amount of money specified in the insurance contract which must be disbursed by the Insurer when an insured event occurs. The Insurer shall indemnify to the rightful claimant up to the sums insured indicated in the insurance policy:
- 5.2.1.** the costs of salvage, forced destruction and removal of goods under subparagraph 2.4.1 of these Regulations;
- 5.2.2.** in observance of the CMR Convention, the sums for loss or damage of goods and additional sums of financial losses related to the carrier's liability defined in subparagraphs 2.3.1 and 2.3.2 of these Regulations.
- 5.3.** Within the limits of liability, damage shall be indemnified according to justified claims, and costs incurred in order to avoid, minimise or assess the claims, as well as court expenses shall be indemnified. The necessary expenses specified by the Insurer for the reduction of damage shall be indemnified proportionally to the ratio of the sum insured and the insurance value even if such costs together with the amount of damage exceed the sum insured.
- 5.4.** Several claims resulting from the same cause and related in terms of location and time shall be considered to be one insured event.

6. CONDITIONS AND PROCEDURE OF DISBURSEMENT OF INSURANCE BENEFITS

- 6.1.** The procedure of determination of damage:
- 6.1.1.** in the case of the damage the Insurer must be provided with the originals or, subject to approval by the Insurer, the respectively certified copies of the following documents:
- 6.1.2.** the report on damage signed by the Policyholder and, if possible, by drivers;
- 6.1.3.** the consignment note;
- 6.1.4.** the letter of claim (invoice) of the claimant or his authorised person for indemnification of losses;
- 6.1.5.** an (original) invoice of the goods to which damage was made;
- 6.1.6.** if required – the accident commissioner's certificate (report);
- 6.1.7.** if necessary, the police report, a copy of the notice to the police;
- 6.1.8.** a written explanation of the driver;
- 6.1.9.** other documents required by the Insurer related to the insured event.
- 6.2.** The following shall be withheld from the insurance benefit:
- 6.2.1.** the unconditional deductible;
- 6.2.2.** the outstanding insurance premiums falling due at the time of disbursement of the insurance benefit;
- 6.2.3.** the amounts indemnified by third parties to the Policyholder/rightful claimant.
- 6.3.** The Insurer shall have the right to postpone the disbursement of the insurance benefit:
- 6.3.1.** until submission of documents supporting the insured event;
- 6.3.2.** until submission of documents supporting the size of inflicted damage;
- 6.3.3.** until the end of the pre-trial investigation. The Insurer shall address the matter of disbursement of the insurance benefit only having received from law enforcement bodies of the notification about suspension or termination of legal proceedings;
- 6.3.4.** when damage is indemnified by the party who has caused the insured event, the insurance benefit may not exceed the difference between the established damage and the amount indemnified by other parties;
- 6.3.5.** the right to claim the disbursement of the insurance benefit shall be enjoyed by the Policyholder or other person eligible to receive the insurance benefit. If the disbursement of the insurance benefit is claimed by the rightful claimant, the Insurer shall have the right to invoke against the rightful claimant all objections which the Insurer has the right to invoke against the carrier;
- 6.3.6.** the insurance benefit shall be disbursed to the rightful claimant or carrier.
- 6.4.** The cases of reduction or refusal of the insurance benefit:
- 6.4.1.** The Insurer shall not disburse the insurance benefit:

- 6.4.1.1.** when the Policyholder has defaulted on the obligations under the insurance contract – has not paid the insurance premium or its instalments until their payment deadline fixed in the contract, including the time limit after reminders about the payment of the insurance premium;
 - 6.4.1.2.** when the Carrier misleads the Insurer by falsifying the facts which are relevant for determining the basis and amount of the insurance benefit;
 - 6.4.1.3.** when the Policyholder or his authorised person received the full compensation for damage from the third party who had caused the damage;
 - 6.4.1.4.** when the Carrier or his representative waived the right of claim to the person who caused the damage or such right cannot be enforced through the Carrier's fault;
 - 6.4.1.5.** when the insurance contract is concluded after the accident;
 - 6.4.1.6.** when the Carrier tried to mislead the Insurer by providing incorrect data, falsifying documents or attempted to receive the insurance benefit in other illegal ways;
 - 6.4.1.7.** in other cases, provided for in the insurance contract and laws of the Republic of Lithuania.
- 6.5.** The Insurer shall have the right to reduce the insurance benefit or to refuse to disburse it:
 - 6.5.1.** when the Policyholder defaults on at least one of the obligations provided for in subparagraphs of paragraph 8.1 of the General Terms and Conditions and the default on such obligations affected the determination of the amount of damage or the fact of the accident, except where the obligations were not fulfilled unintentionally or the default on the obligations could have been avoided only by illegal means;
 - 6.5.2.** when refrigerated, frozen and perishable foodstuffs transported under the required temperature mode are carried by vehicles in bad technical condition which do not meet the requirements of Clause 7 of these Regulations and this affected the determination of the amount of damage or the fact of the accident;
 - 6.5.3.** when the Carrier or his representative breaches the duties established in these Regulations;
 - 6.5.4.** when the Carrier has deliberately failed to take available reasonable measures to reduce or avoid damage
 - 6.5.5.** when according to Article 8 of the CMR Convention the Carrier is not allowed to check the packaging and numbers of goods and due to that the Carrier does not make the respective entry in the CMR consignment note.

7. CARRIAGE OF PERISHABLE FOODSTUFFS

- 7.1.** In observance of the Agreement on the international carriage of perishable foodstuffs and on the special equipment to be used for such carriage (ATP) (1 September 1970, Geneva) from 28 April 2001, only those vehicles that meet the definitions and requirements of this Agreement may be used for carriage.
- 7.2.** Transportation of when refrigerated, frozen and perishable foodstuffs transported under the required temperature mode shall be carried out by specialised vehicles with temperature control registration devices in good technical order.

8. OTHER TERMS AND CONDITIONS

- 8.1.** Insurance premium calculation procedure
 - 8.1.1.** according to the number of vehicles owned on the rightful basis specified in the insurance policy;
 - 8.1.2.** according to the declared income of the last or planned annual financial period from activities of the carriage of goods by vehicles owned by the Carrier.
- 8.2.** Precedence of documents
 - 8.2.1.** Where the insurance conditions specified in the insurance policy differ from the terms and conditions set forth in these Regulations, the conditions of the insurance policy shall prevail.