



INSURANCE OF GUARANTEE FOR THE PERFORMANCE OF CUSTOMS OBLIGATIONS

Terms and Conditions No. 15IMV.01

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The Insurer and Policyholders enter into Customs Guarantee Insurance Contracts in accordance with these Terms and Conditions.

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GENERAL INSURANCE TERMS AND CONDITIONS

1. TERMS USED IN THE INSURANCE CONTRACT

Insurer – AAS "BTA Baltic Insurance Company", represented by a branch in Lithuania.

Insured – a person who, in accordance with the procedure established by legal acts, is the executor of a customs procedure or another customs-sanctioned action, obligated to fulfil all their obligations to the Beneficiary, and has applied to the Insurer to conclude an insurance contract, or to whom the Insurer has offered to conclude an insurance contract, or who has entered into an insurance contract with the Insurer for their own or others' benefit.

Beneficiary – the competent authorities of the customs of the Republic of Lithuania, the European Union, and some other countries, as specified in the guarantee issued by the Insurer, who have the right to receive an insurance payout in cases specified in the insurance contract (hereinafter referred to as - Customs).

Third party – in the case of civil liability insurance – a person who has suffered losses due to the actions or inaction of the Policyholder and who is entitled to an insurance benefit in accordance with the terms and conditions of the insurance contract.

Parties to the insurance contract – Insurer, Policyholder and Beneficiary.

Object of insurance -property interests related to a person's life, health, property or civil liability.

Application for conclusion of an insurance contract – a document in the form established by the Insurer, in which the Insurer provides the information necessary for concluding an insurance contract. The application may not be submitted if the policyholder provides the Insurer with information that the Insurer considers sufficient to assess

the insurance risk. Receipt of an application to conclude an insurance contract does not oblige the Insurer to conclude an insurance contract.

Insurance contract – an agreement between the Insurer and the Policyholder, under which the Policyholder undertakes to pay the insurance premium of the agreed amount within the deadlines established in the insurance contract, to perform other obligations established in the insurance contract, and the Insurer undertakes to pay the insurance benefit to the person specified in the insurance contract upon the occurrence of an insured event, in accordance with the provisions of the insurance contract.

Insurance contract certificate (policy) – a document confirming the conclusion of an insurance contract and containing the terms and conditions of the insurance contract agreed upon by the Insurer and the Policyholder.

Insured sum – the amount of money specified in the insurance contract or calculated in accordance with the procedure established in the insurance contract, which the insurance benefit may not exceed.

Double insurance – cases where the Policyholder concludes several insurance contracts for the same insurance risks in several or in the same insurance company. In such a case, the Policyholder must notify the Insurer in writing about the concluded other insurance contract and indicate the amount insured and other terms of the contract. Otherwise, the Insurer, having paid the insurance benefit, acquires the right to recover the relevant part of the insurance benefit.

Insurance premium – the amount of money specified in the insurance contract that the Policyholder must pay to the Insurer for insurance coverage under the terms of the insurance contract.

Insured event – an event specified in the insurance contract, upon the occurrence of which the Insurer must pay an insurance benefit.

Non-insured event – a case where the Insurer does not pay the insurance benefit.

Insurance risk – the probability of an event whose occurrence in the future is possible and which is beyond the control of the Policyholder.

Insurance benefit – the amount of money paid out upon the occurrence of an insured event or the provision of services, if provided for in the insurance contract.

Written document:

- is drawn up in writing and includes all necessary details, including a signature that complies with the applicable legal acts of the Republic of Lithuania;
- is transmitted by telegraph, facsimile or other telecommunications terminal equipment, provided that the text is protected and the signature, including an e-mail, can be identified.

2. VALIDITY OF INSURANCE COVERAGE

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

2.2. Insurance coverage takes effect at 00:00 on the date specified in the insurance contract, but not earlier than the insurance premium or its first instalment is paid, if:

- 2.2.1.** the date of payment of the insurance premium or its first instalment is not specified in the insurance contract;
- 2.2.2.** the beginning of the insurance period coincides with the date of payment of the insurance premium or its first instalment;
- 2.2.3.** the deadline for payment of the insurance premium or its first installment is earlier than the beginning of the insurance period.

2.3. In cases where the entry into force of insurance coverage is linked to the payment of the insurance premium or its first installment, the insurance coverage enters into force on the following day at 00:00 after the date of receipt of the money, but not earlier than specified in the insurance contract.

2.4. The insurance benefit is not paid if an insured event occurs before the insurance coverage takes effect.

2.5. If the insurance contract provides that the insurance premium must be paid after the first day of the insurance period, the insurance coverage shall enter into force at 00:00 on the first day of the insurance period.

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

3. OBLIGATION OF THE POLICYHOLDER TO DISCLOSE INFORMATION

- 3.1.** Before signing the insurance contract, the Policyholder undertakes to provide the Insurer with correct and complete information requested by the Insurer, which is related to the object of insurance and is necessary to assess the insurance risk.
- 3.2.** If the Policyholder intentionally fails to disclose information that is necessary to assess the insurance risk, or intentionally provides false or incomplete information, the Insurer has the right to demand that the insurance contract be declared invalid. In such a case, the Insurer shall not refund the insurance premium.
- 3.3.** If the insurance contract for the same object of insurance is extended immediately after the expiry of the previous insurance contract, and the Policyholder does not indicate that the information has changed since the conclusion of the previous insurance contract, the Insurer shall consider that the previously provided information has not changed.
- 3.4.** During the term of the insurance contract, the Policyholder must immediately notify in writing of any changes during the term of the insurance contract that may increase the insurance risk. The changes that must be notified are:
 - 3.4.1.** significant changes related to the object of insurance;
 - 3.4.2.** changes in the ways in which the object of insurance is used.
 - 3.4.3.** other significant circumstances that increase insurance risk.
- 3.5.** If the information provided to the Insurer about the object of insurance and the insured risks changes, which increases the insurance risk, as well as if the Insurer is misled due to a minor mistake of the Policyholder, the Insurer has the right, within one month from the date of learning, to propose to the Policyholder to change the terms and conditions of the insurance contract, including the amount of the insurance premium.
- 3.6.** If the Policyholder does not agree to change the terms and conditions of the insurance contract, or does not respond to the Insurer within 1 (one) month from the date of sending the notification about the proposed new terms and conditions, the Insurer has the right to terminate the insurance contract upon expiry of the period specified in this sentence without separate notice.
- 3.7.** If the Insurer proves that it would not have concluded the insurance contract if it had known about the increased risk, the Insurer has the right to demand termination of the insurance contract within 2 (two) months from the date of learning about the increased risk.
- 3.8.** Violation of the policyholder's obligation to disclose information also leads to other legal consequences established in the legal acts of the Republic of Lithuania.

4. INSURANCE PREMIUM AND PAYMENT PROCEDURE

- 4.1.** The Policyholder must pay the insurance premium to the Insurer in the prescribed amount and within the prescribed terms, as provided for in the insurance contract.
- 4.2.** The insurance premium is considered paid:
 - 4.2.1.** if the insurance premium is paid by transfer – from date of the receipt of the amount of money in the bank account of the Insurer or authorized insurance intermediary;
 - 4.2.2.** if the insurance premium is paid by other payment methods – from the date specified in the specific document confirming the fact of payment of money. You can find a list of payment methods on our website www.bta.lt or by calling +370 5 2600 600;
- 4.3.** If the Policyholder fails to pay the insurance premium within the time specified in the insurance contract, the Policyholder shall pay the Insurer a late payment interest at a rate of 0.02% for each day of delay, but not more than 10% of the total unpaid insurance premium. The Insurer will not apply the above-mentioned late payment interest in cases where:
 - 4.3.1.** the insurance premium is paid in one payment;
 - 4.3.2.** the insurance premium is paid in installments – for the first payment.
- 4.4.** If the Policyholder fails to pay the insurance premium or part thereof within the time specified in the insurance contract (except for the case where the entry into force of the insurance contract is associated with the payment of the insurance premium or part thereof, in which case the insurance contract does not enter into force and is cancelled without a separate notification from the Insurer 30 days after the payment deadline),

the Insurer shall inform the Policyholder in a written document provided for in the contract that if the Policyholder fails to pay the insurance premium or part thereof within 30 days from the date of sending the written document, the insurance contract will terminate.

5. CONCLUSION OF INSURANCE CONTRACTS USING TELECOMMUNICATIONS TERMINAL EQUIPMENT

- 5.1.** An insurance contract may be concluded via telecommunications terminals, i.e. by post, Internet, e-mail, telephone and other methods of information exchange.
- 5.2.** When an insurance contract is concluded by the Policyholder who is a consumer, such contract is an object to the guidelines for concluding non-life insurance contracts, which are publicly available at www.bta.lt. The guidelines for concluding non-life insurance contracts, among other things, provide for a right of withdrawal procedure, i.e. the right to withdraw from a concluded insurance contract. The guidelines for concluding non-life insurance contracts, among other things, provide for a right of withdrawal procedure, i.e. the right to withdraw from a concluded insurance contract.

6. TERMINATION AND AMENDMENT OF THE INSURANCE CONTRACT

- 6.1.** The insurance contract expires on the last day of the insurance period at 24:00, unless the Policyholder and the Insurer have agreed otherwise.
- 6.2.** The Policyholder has the right to apply to terminate the insurance contract at any time by notifying the Insurer in writing 30 days in advance. In such case, the insurance contract will be deemed terminated on the date specified in the notice, but not earlier than 30 (thirty) days after the date of receipt of the notice of termination.
- 6.3.** In such case:
 - 6.3.1.** If the insurance benefit has not been paid or no claims have been made during the term of the insurance contract, within 30 (thirty) calendar days after receiving the Policyholder's notification, the Insurer shall refund a part of the insurance premium to the Policyholder, deducting the costs of concluding and executing the contract (30% of the refundable amount).
 - 6.3.2.** If an insurance benefit has been paid and/or reserved, or if claims have been made during the term of the insurance contract, the Insurer shall refund a portion of the insurance premium within 30 calendar days after receiving the Policyholder's notification. The refundable amount shall be equal to the difference between the unused portion of the insurance premium for the term of the insurance contract and the insurance benefit paid, deducting the costs of contract conclusion and administration (30% of the refundable amount).
- 6.4.** The terms of the insurance contract may be amended or supplemented only by a written contract between the Insurer and the Policyholder.
- 6.5.** The insurance contract may also be terminated on other grounds established in the insurance legal acts of the Republic of Lithuania regulating insurance contractual legal relations.

7. GENERAL RESERVATIONS

- 7.1.** Unless otherwise provided in the insurance contract, the Insurer shall not pay the insurance benefits due to:
 - 7.1.1.** Terrorist acts (acts involving the use of force or violence or threats of such acts by or on behalf of any third party acting individually or in association with any organisation or government, for political, religious, ideological or ethnic reasons and with intent to put the government or society or part of it in danger); losses resulting from preventive actions against terrorist acts are also not reimbursed;
 - 7.1.2.** War, invasions, hostile actions by a foreign state, military or equivalent operations such as a civil war (with or without declaration of war), riots, strike, insurrection, rebellion, revolution, state of war, marauding, vandalism, sabotage; strikes, lockouts, disturbances of public order amounting to a coup or riot, confiscation of property, nationalization, if it is caused or sanctioned by the state authorities, whether lawful or not; other political risks and any other losses or expenses incurred directly or indirectly as a result of the prevention of such actions shall also not be reimbursed;
 - 7.1.3.** Direct or indirect nuclear explosion, exposure to nuclear energy or radioactive preparations, direct or indirect radioactive contamination.
 - 7.1.4.** Intentional actions of the Policyholder or the Beneficiary.

7.2. Insurer is not entitled to provide insurance and Insurer is not obliged to pay the Insurance Indemnity or provide benefits in accordance with the Insurance Contract, as long as provision of such insurance, Insurance Indemnity disbursement or provision of benefits:

7.2.1. subjects Insurer to sanctions, restrictions or limitations, established by the resolutions of the United Nations or trade or economic sanctions, regulatory enactments of the European Union, the Republic of Lithuania, the United Kingdom or the United States of America (upon condition that it does not violate any regulations or regulatory enactments, applicable to Insurer);

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

7.3. 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. OBLIGATIONS OF THE POLICYHOLDER IN THE EVENT OF INSURED RISK

8.1. In order for the Policyholder to acquire the right to receive insurance benefits upon the occurrence of an insured risk, he must:

8.1.1. immediately, but no later than within 3 working days (unless otherwise specified in the special terms and conditions of these Terms and Conditions) to inform the Insurer about the occurrence of a allegedly insured event in accordance with the procedure established in the special terms and conditions of these Terms and conditions. If the Policyholder informs the Insurer about the occurrence of an insured risk with delay, the Policyholder must prove that it was not possible to inform in a timely manner;

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

8.1.3. carry out all instructions given to the Insurer and take all measures to minimize damage and prevent its occurrence or increase;

8.1.4. provide the Insurer with the opportunity to inspect the scene of the incident, conduct an investigation and question witnesses so that the Insurer can determine the causes and extent of the loss;

8.1.5. provide all information and documents requested by the Insurer, including trade secrets, if known to the Insurer, in order for the Insurer to be able to determine the causes of the insured risk that occurred and the extent of the damage;

8.1.6. if possible, to keep the scene of the incident intact until the Insurer's representative arrives, unless the Insurer has given other instructions. This clause does not apply to the extent necessary to meet the requirements of clause 8.1.3. of these General Terms and Conditions of Insurance;

8.1.7. If the object of insurance cannot be preserved without altering its condition after the incident due to the requirements outlined in Clause 8.1.3 of the General Terms and Conditions of Insurance or other legal and justified reasons, ensure that photographs of the damaged property are taken as quickly as possible, or that the damaged object of insurance is filmed in order to document the losses, and send the photos or video footage to the Insurer via e-mail at: zalos@bta.lt or in another manner suitable for the Insurer.

8.2. If the Policyholder or Beneficiary intentionally or due to gross negligence fails to fulfill the obligations specified in these Terms and Conditions, the Insurer has the right to reduce the insurance benefit or refuse to pay it.

9. INSURANCE BENEFIT

9.1. The Insurer shall pay the insurance benefit no later than 15 days from the date on which all information relevant to determining the fact, circumstances, consequences and amount of the insured event is received.

- 9.2.** In the event of theft or robbery, when the insurance benefit has been paid, and the object of insurance later reappears, the Insurer has the right to demand the return of the insurance benefit or the transfer of the right to claim the object of insurance. If the Insurer has decided not to keep the found object of insurance, but the found object of insurance is damaged, the Policyholder, when returning the insurance benefit received from the Insurer, shall deduct from it the costs agreed with the Insurer, necessary to restore the object of insurance to its original condition.
- 9.3.** If the event is insured and the Policyholder/Beneficiary and the Insurer do not agree on the amount of the insurance benefit, at the request of the Policyholder/Beneficiary, the Insurer shall pay an amount equal to the insurance benefit undisputed by the parties, if the exact determination of the amount of the damage takes longer than 3 months.
- 9.4.** If the Insurer delays the payment of the insurance benefit due to its own fault, the Insurer shall pay an interest at a rate of 0.02% on the amount of the insurance benefit payable for each day of delay, but not exceeding 10% of the insurance benefit not paid in a timely manner.
- 9.5.** When paying the insurance benefit, all insurance premiums (for the current insurance year) whose payment term has expired by the date of payment of the insurance benefit shall be included. With the consent of the Policyholder, premiums whose payment term has not expired may be included. In cases where the object of insurance ceases to exist, is destroyed or lost due to an insured event, all unpaid insurance premiums under the contract shall be deducted when paying the insurance benefit.
- 9.6.** In the event that the Insurer cannot recover the benefit through a regressive claim procedure due to the Policyholder's intentional actions or gross negligence, the Insurer may not pay the part of the insurance benefit for which it is not possible to make a claim, or, if the insurance benefit has already been paid, demand a refund of the benefit from the Policyholder.
- 9.7.** Upon the request of a person entitled to claim an insurance benefit, the Insurer shall provide such person with access to the available documents on the basis of which the Insurer made a decision to pay the insurance benefit or refused to pay the insurance benefit, or shall issue copies of the documents for a fee not exceeding the costs of issuing copies of the documents.
- 9.8.** The Insurer does not provide the person entitled to claim insurance benefits with access to the available documents and does not provide a copy of the documents if:
- 9.8.1.** The Insurer submitted documents to law enforcement authorities for investigation into the circumstances of the insured risk accident;
- 9.8.2.** The documents contain a trade secret of another person, which the person entitled to claim insurance benefits is not entitled to receive;
- 9.8.3.** The documents contain personal data that the person entitled to claim insurance benefits does not have the right to receive.

10. COMPLAINTS AND DISPUTE RESOLUTION PROCEDURE

- 10.1.** The Insurer's complaint handling procedure for complaints of those dissatisfied with the insurance contract or the insurance services provided, submitted by the person requesting to conclude an insurance contract, the Policyholder, the Beneficiary or another person entitled to claim insurance benefits, is publicly available at <http://www.bta.lt>.
- 10.2.** All disputes arising between the parties to the insurance contract shall be resolved through negotiations. If an amicable contract is not reached, all disputes arising from the insurance contract and related to the breach, termination or invalidity of the insurance contract shall be resolved in the courts of the Republic of Lithuania in accordance with the legal acts of the Republic of Lithuania, in the courts of the Republic of Lithuania according to the address of the Insurer's registered seat.

11. PERSONAL DATA PROCESSING

- 11.1.** The Insurer, as a personal data processor, processes the data of natural persons in accordance with the requirements for the processing of personal data 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), as well as other statutory requirements.

The principles of personal data processing and the Insurer's privacy policy are published at <http://www.bta.lt>.

12. SUBROGATION AND RIGHT OF RECOURSE

12.1. The Insurer, having paid the insurance benefit, shall be entitled to claim the amounts paid from the person responsible for the damage caused (subrogation or right of recourse). The Policyholder or Beneficiary must provide all information requested by the Insurer so that the Insurer can properly exercise the right of claim transferred to it.

13. CONFIDENTIALITY

13.1. The Parties undertake not to disclose confidential information received on the basis of insurance contractual or pre-contractual legal relations to third parties, and also not to use this information in a manner that would violate the interests of the other party to the insurance contract. The Insurer has the right to provide all necessary information received on the basis of insurance contractual or pre-contractual relations to independent experts and reinsurers and to store it in the Insurer's databases. This obligation does not apply where the Parties, in accordance with the requirements of the legal acts of the Republic of Lithuania, are obliged to provide information to competent state authorities.

14. OTHER CONDITIONS

14.1. Any notification that the Policyholder or the Insurer must transmit to each other has to be made within the time limits specified in these Terms and Conditions in one of the following ways:

14.1.1. by delivery to the Policyholder at the addresses specified in the insurance certificate or other written documents or in the parties' notifications of changes in registered office addresses;

14.1.2. by sending a registered mail item;

14.1.3. by e-mail, if the parties have provided for this method of notification in the contract, or by concluding actions express their consent to exchange information in this way;

14.2. The Insurer has the right to transfer its rights and obligations under the insurance contract to another or other Insurers in accordance with the procedure established by legal acts. The Policyholder, who does not agree with the transfer of rights and obligations under the insurance contract, has the right to terminate the insurance contract in accordance with the procedure established therein within one month from the transfer of rights and obligations. In such case, the Policyholder shall be refunded the insurance premiums paid by him for the remaining term of the insurance contract.

14.3. The legal acts of the Republic of Lithuania shall apply to contractual insurance legal relations. The insurance contract shall be concluded on the basis of these general terms and conditions and special terms and conditions. If the special and/or individual terms and conditions of insurance specified in the contract (insurance certificate) and these General Terms and Conditions of Insurance differ, the special and/or individual terms and conditions of insurance shall prevail.

14.4. The Policyholder, the Beneficiary and other persons who acquire rights on the basis of the insurance contract must comply with the obligations established in these Terms and Conditions.

14.5. These Terms and Conditions shall enter into force on the date of approval by the Board of the Insurer, unless the Board of the Insurer has specified another date of entry into force of these Terms and Conditions.

14.6. In case of contradictions or discrepancies between the texts in different languages, the Lithuanian text shall prevail.

14.7. These Terms and Conditions are published on the Insurer's website at <http://www.bta.lt>.

SPECIAL TERMS AND CONDITIONS OF INSURANCE

1. WHAT IS WHAT?

Insurer – AAS "BTA Baltic Insurance Company", represented by a branch in Lithuania.

Legal acts – the customs legislation of the Republic of Lithuania and the European Union (hereinafter referred to as - legal acts).

Insurance contract – contract concluded between the Insurer and the Policyholder, under which the Policyholder undertakes to pay the insurance premium of the agreed amount within the terms established in the insurance contract, to perform other obligations established in the insurance contract, and the Insurer undertakes to pay the insurance benefit to the Beneficiary upon the occurrence of an insured event.

The insurance contract consists of: insurance terms and conditions, insurance certificate (policy), guarantee issued together with the insurance certificate (policy) (if non-electronic guarantee is issued), request to enter into a bond insurance contract and other additional documents, which the Insurer and the Policyholder agree on in writing.

Guarantee – the document outlining the terms and conditions of insurance, confirming the Insurer's obligation to fulfil the assumed responsibilities, issued and presented to Customs along with the insurance certificate (policy) for one customs procedure or one customs-sanctioned action (single guarantee) or for multiple customs procedures or multiple customs-sanctioned actions (general guarantee), in case the Policyholder fails to fulfil part or all of its obligation within the amount specified in the guarantee.

2. OBJECT OF INSURANCE

- 2.1.** The object of insurance is the Policyholder's obligation to pay to Customs the amount of duties and taxes established by legal acts, related to goods object to customs procedures or other customs-sanctioned actions, by carrying out the customs procedure specified in the Insurance contract.
- 2.2.** Fines, penalties, or other sanctions stipulated in legal acts for violations of laws due to the Policyholder's failure to fulfil or improper fulfilment of its obligation (obligations) are not the object of insurance.

3. INSURANCE COVERAGE, INSURED AMOUNT AND INSURANCE PREMIUM

- 3.1.** Under customs guarantee insurance contracts, insurance coverage is provided only for the insured risks listed in the insurance contract.
- 3.2.** The insured amount is equal to the maximum amount of duties and taxes that constitute the debt to Customs, in the event that the Policyholder, with whom the insurance contract has been concluded, fails to fulfil its obligations to Customs in a timely and proper manner.
- 3.3.** The insured amount is the maximum possible amount of money specified in the insurance contract that is paid to Customs in the event of an insured event.
- 3.4.** The insured amount is non-recoverable: if the Insurer does not pay the Customs the full insured amount specified in the insurance contract for one insured event, its obligation is reduced by the insured amount paid for other insured events.
- 3.5.** The amount of the insurance premium is determined by agreement between the Insurer and the Policyholder.
- 3.6.** The insurance premium depends on the amount of the insurance amount, type of guarantee, the covered customs procedure or customs-sanctioned action, the Policyholder's financial condition assessment and other risk factors referred to by the Insurer on the date of conclusion of the insurance contract.
- 3.7.** The amount of the insurance premium and its payment terms are specified in the insurance certificate (policy).

4. INSURED EVENTS

- 4.1.** An insured event is the Policyholder's failure to fulfil or improper fulfilment of the obligation to pay to Customs the duties and taxes (excluding fines, penalties, or other sanctions for violations of laws) related to goods object to customs procedures or customs-sanctioned actions, specified in the insurance contract, when the Insurer receives a claim from Customs due to this.

5. NON-INSURED EVENTS

- 5.1.** Non-insured event – all cases in which the Policyholder, in accordance with the legal acts, is released from the obligation to pay to Customs the duties and taxes constituting the debt, related to goods object to customs procedures or customs-sanctioned actions specified in the insurance contract.

6. CONCLUSION OF THE INSURANCE CONTRACT

- 6.1.** To conclude an insurance contract, the Policyholder must submit a request to the Insurer either orally or in writing, using the request of the required form and content, to conclude an insurance contract, as well as financial statements and other documents necessary to assess the insurance risk and conclude the insurance contract. If these documents are not provided, the Policyholder's request to conclude the contract may not be considered. The Policyholder is responsible for the accuracy of the submitted information and documents.
- 6.2.** The Insurer and the Policyholder may agree on specific terms or limitations of the insurance contract, which are described in the insurance certificate (policy) or in a separate annex thereto.

7. VALIDITY OF THE INSURANCE CONTRACT

- 7.1.** The insurance agreement between the Policyholder and the Insurer comes into force on the date specified in the insurance certificate (policy) and the guarantee issued together and remains valid until the Policyholder fulfils its obligations to Customs arising during the term of the insurance contract.
- 7.2.** Single guarantee documents are issued and presented to Customs for a single customs procedure or customs-sanctioned action.
- 7.3.** General guarantee documents are issued and presented to Customs for multiple customs procedures or customs-sanctioned actions of the same type. Generally, the documents for a General Guarantee are issued for a period of 12 months and cannot exceed this period.
- 7.4.** Where the Policyholder acquires the insurance certificate (policy) and the guarantee issued together, the Policyholder's obligation to Customs arises from the acceptance and registration of the guarantee in the Customs system.
- 7.5.** The insurance contract may be re-executed or amended due to changes in the Policyholder's obligation to Customs, the insured amount, or for other reasons before the insurance contract is registered with Customs. An additional fee may be charged for re-executing the insurance contract and for issuing a new insurance certificate (policy) and the guarantee issued together.
- 7.6.** The insurance contract ceases to be valid when:
 - 7.6.1.** the term of the insurance contract expires;
 - 7.6.2.** in the case of a single guarantee – the customs procedure is recognized as fully completed or the insured customs-sanctioned action is completed; in the case of a general guarantee – customs procedures are recognized as fully completed or the insured customs-sanctioned actions, which began during the term of the insurance certificate (policy) and the guarantee issued together, are completed;
 - 7.6.3.** the full insurance amount specified in the insurance contract is paid out;
 - 7.6.4.** by contract of the parties;
 - 7.6.5.** in other cases, provided for by law.

8. TERMINATION OR AMENDMENT OF AN INSURANCE CONTRACT

- 8.1.** The Policyholder has the right to terminate the insurance contract, and the insurance contract may be terminated:
 - 8.1.1.** if the Policyholder has been issued single guarantee documents and provides evidence or the Insurer can verify through its sources that the customs procedure or customs-sanctioned actions under them have not been initiated.
 - 8.1.2.** If the documents for the General Guarantee have been issued to the Policyholder and registered in the Customs Guarantee Management System, and the Policyholder has notified the Insurer in writing at least 30 days before the intended termination date of the insurance contract and has provided the Insurer with documents proving the full settlement of the debts to Customs, or the Insurer can verify this fact through its sources.
- 8.2.** The termination or cessation of the insurance contract does not exempt the parties from liability for Customs claims raised during the term of the contract or during the period until the Policyholder provides documents proving the full fulfilment of obligations to Customs.

9. RIGHTS AND OBLIGATIONS OF THE POLICYHOLDER AND THE INSURER DURING THE VALIDITY OF THE INSURANCE CONTRACT

9.1. Insurer's rights:

- 9.1.1.** The rights and obligations of the Insurer are determined by the law and the contract signed between the Insurer and the Customs Department.
- 9.1.2.** The Insurer has the right, during the term of the insurance contract or before its conclusion, to require additional security for the fulfilment of the insurance contract from the Policyholder.
- 9.1.3.** to give mandatory instructions to the Policyholder regarding the reduction or avoidance of damage;
- 9.1.4.** to verify the authenticity of the data provided by the Policyholder, including obtaining data from state registers, credit bureaus, banks, etc., necessary for assessing insurance risk and determining the insurance premium.
- 9.1.5.** to refuse to conclude an insurance contract without giving a reason;

9.2. Insurer's obligations:

- 9.2.1.** to change the terms and conditions of the insurance contract and recalculate the insurance premium if, during the term of the contract, circumstances substantially change, resulting in a decrease/increase in the insurance risk;
- 9.2.2.** Upon request of the Policyholder, to issue a duplicate of the insurance certificate (policy);

9.3. Policyholder's rights:

- 9.3.1.** to request that a duplicate of the insurance certificate be issued;
- 9.3.2.** to familiarize himself with the Customs Bond Insurance Terms and Conditions and to obtain a copy thereof;

9.4. Policyholder's obligations:

- 9.4.1.** The Policyholder must perform the assumed obligations to the Customers in a timely and proper manner in accordance with the procedures established by the Customs.
- 9.4.2.** to provide accurate, detailed information and all additional documents required by the Insurer to assess the risk for concluding an insurance contract;
- 9.4.3.** The Policyholder, at the request of the Insurer, must provide information and/or submit proof of the fulfilment of their obligations to Customs in accordance with the insurance certificate (policy) and the guarantee issued together.
- 9.4.4.** Upon the Insurer's request, the Policyholder must provide additional collateral (to pledge property, to form cash deposit, etc.).

10. RIGHTS AND OBLIGATIONS OF THE POLICYHOLDER AND THE INSURER IN CASE OF AN INSURED EVENT

10.1. Insurer's rights:

- 10.1.1.** to receive information and documents related to the insured event from the Policyholder.
- 10.1.2.** If the Policyholder fails to fulfil the claim of recourse (repay the debt) by the date specified in the Insurer's letter, he will be charged late payment interest at a rate of 0.02% on the unpaid amount for each day of delay.
- 10.1.3.** The Insurer is obligated only to the Customs and only the Customs has the right to demand performance of the obligation from the Insurer. The Policyholder is not entitled to any financial or other type of claim.

10.2. Insurer's obligations:

- 10.2.1.** Upon receiving a notice or claim from Customs regarding the debt to Customs due to the Policyholder's failure to fulfil or improper fulfilment of its obligations to Customs under the insurance certificate (policy) issued by the Insurer, the Insurer must notify the Policyholder in writing about the received notice or claim and request evidence (payment orders, collection orders, guarantee letters, etc.) confirming that the obligations to Customs have been fulfilled.

10.2.2. If the Insurer pays the insurance benefit to Customs, the Insurer, in exercising the subrogation claim, must inform the Policyholder in writing about the debt and specify the deadline for repayment to the Insurer.

10.3. Policyholder's rights:

10.3.1. to receive information and documents related to the insured event from the Insurer.

10.4. Policyholder's obligations:

10.4.1. Upon receiving information from the Insurer about the Customs notice or claim and at the Insurer's request, the Policyholder must provide written consent for Customs to provide the Insurer with available information regarding the process and documents related to the Customs-sanctioned actions specified in the insurance certificate (policy) and guarantee issued together.

10.4.2. Take all reasonable and affordable measures to minimize the amount of losses.

10.4.3. Within the deadline set by the Insurer (but no longer than within 15 (fifteen) working days), to fulfil its obligation to Customs and provide the Insurer with evidence that the obligation has been fulfilled or properly fulfilled.

11. TERMS AND PROCEDURE FOR PAYMENT OF INSURANCE BENEFITS

11.1. The amount of the insurance benefit in each specific case is determined by Customs, in accordance with the legal acts and the documents confirming the customs procedures or customs-sanctioned actions.

11.2. The amount of the insurance benefit is equal to the amount of Customs duties and taxes that arose due to the Policyholder's failure to fulfil its obligation specified in the insurance certificate (policy) and guarantee.

11.3. The amount of the insurance benefit cannot exceed the insured amount specified in the insurance certificate (policy) and guarantee.

11.4. The Customs-determined insurance benefit is recorded in the claim and sent in writing to the Insurer along with other documents.

11.5. If the Insurer pays part of the insurance benefit, its obligation under the same insurance contract remains valid for the remaining portion of the insured amount.

11.6. The Insurer pays the insurance benefit to Customs within the deadlines specified in the agreement with the Customs Department of the Republic of Lithuania.

12. OTHER CONDITIONS

12.1. If the insurance contract contains insurance terms and conditions that do not comply with these Terms and Conditions, the terms and conditions specified in the insurance contract shall apply.