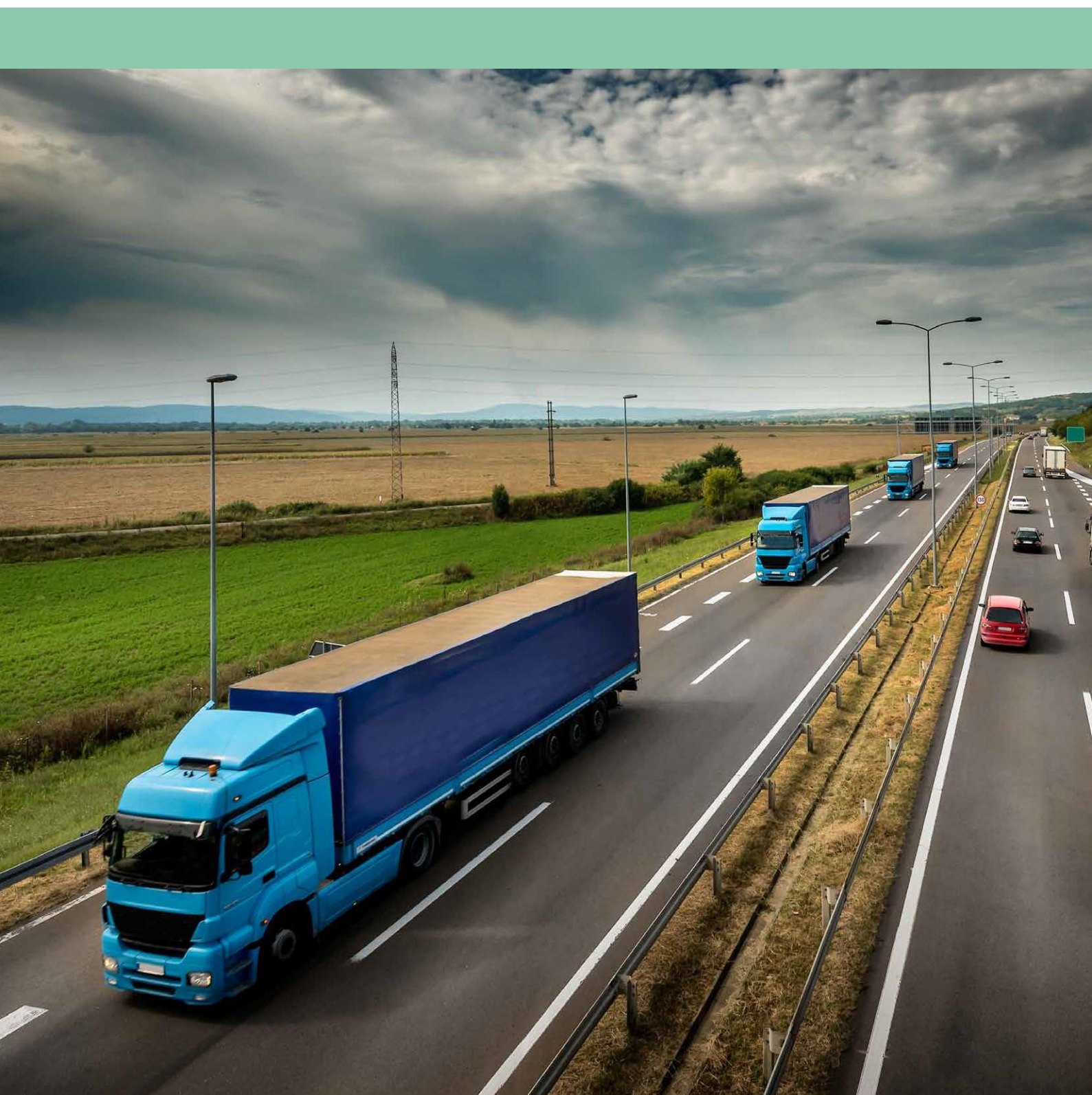




ERGO Insurance SE Latvia Branch

ERGO Road Carrier Liability Insurance Terms and Conditions No. CMR 03-2023



CONTENTS

1.	Definitions	2
2.	The Insurance Object	3
3.	Insured risks	3
4.	Exceptions	4
5.	Signing of the Insurance Agreement, its termination	6
6.	Insurer's Liability Limits	7
7.	Obligations of the Policyholder and the Insurer	8
8.	Payment of Insurance Indemnity	10
9.	Submission of notifications, requests and information	11
10.	Confidentiality of information and personal data processing	12
11.	Review of complaints and disputes	12
12.	Language of the Insurance Agreement	13

Please read the entire Insurance Agreement carefully in order to find out your rights, duties and what is not insured.

ERGO Road Carrier Liability Insurance Terms and Conditions CMR 03-2023 is an integral part of the Insurance Agreement. The Policyholder and the Insurer may agree in writing regarding changes to the Insurance Agreement Conditions.

These Insurance terms and conditions have been written in Latvian and English Languages. In case of any discrepancies between texts the prevailing one shall be the text in Latvian language.

1. Definitions

Insurer – ERGO Insurance SE, registered in the Commercial Register of the Republic of Estonia under registration No. 10017013, registered office: Veskiposti 2/1, Tallinn, 10138, Estonia, represented in the Republic of Latvia by ERGO Insurance SE Latvian Branch, registration No. 40103599913, registered office: Skanstes iela 50, Riga, LV-1013. Primary business – insurance, except for life insurance;

Policyholder – a legal entity or private individual who enters into the Insurance Agreement for their own or another party's benefit.

Insured – is a legal entity or private individual specified in the Insurance Policy that has insurance interest and to whose benefit the Insurance Agreement has been concluded.

Insured Event – any unexpected and unforeseeable event which occurs in the Insurance territory during the validity period of the Insurance Agreement and as a result of which the freight is damaged, destructed, lost or financial damage is caused, for which according to the CMR Convention the carrier's liability occurs and which does not contradict these insurance conditions or Insurance Policy.

Insurance Agreement – an agreement between the Insurer and the Policyholder whereby the Policyholder undertakes to pay the Insurance Premium in the manner, amount and within the time specified in the agreement, and to comply with the other provisions of the agreement, and should an Insured Event occur, the Insurer undertakes to pay Insurance Indemnity to the party specified in the Insurance Agreement under the provisions of the Insurance Agreement, and fulfil other duties specified therein. The scope of the Insurance Agreement includes the Insurance Object specified in the Insurance Agreement, all the insured risks and any exceptions thereto, the Insurance Amount and the Limit of Liability.

Insurance Object – the civil liability of the Road Carrier for direct Losses caused as a result of its acts or omissions.

Insurance Policy – a certificate issued by the Insurer confirming the conclusion of the Insurance Agreement.

Insurance Certificate – a document confirming the fact of the conclusion of the Insurance Agreement.

Insurance Premium – the fee specified in the Insurance Policy for the provision of insurance.

Insurance Period – the period of time specified in the Insurance Policy, provided that the Insurance Premium is paid in accordance with the payment schedule.

Insurance Indemnity – the amount of money to be paid or the cost of services to be provided for the Insured Event in accordance with the Insurance Contract. The Insurance Indemnity shall be paid in accordance with the indemnity principle within the SDR Limit, unless the Insurance Policy specifies a different principle for payment of the Insurance Indemnity.

Insurance Protection – the Insurer's obligation to pay the Insurance Indemnity if the Insured Risk occurs during the Insurance Period.

Insurance Territory – the territory specified in the Insurance Policy in which the Insurance Agreement is in force and in which the Insured carries on its business.

Safe Parking – parking of freight vehicles in a designated area equipped with CCTV, for example, a service station with a 24-hour operator, canteens, hotels, motels, hostels, etc., or provided that the driver is in the vehicle.

Liability Limit – the amount of money specified in the Insurance Agreement, within the framework of which the Insurer indemnifies the Loss. The Liability Limit for one Insured Event and the total Liability Limit for all Insured Events during the validity period of the agreement may be specified in the Agreement.

Civil Liability – the obligation to indemnify for damage caused to the Third Party, to indemnify or compensate for this damage.

CMR Convention – Geneva Convention of 19 May 1956 on the Contract for the International Carriage of Goods by Road (CMR), which governs contracts for international carriage by road.

Cabotage – carriage of freight between two points in the same country by a carrier of another country.

Freight with high theft risk – alcohol, tobacco and tobacco products, leather, fur and fur products, TVs, audio, video players, computers, laptops, tablets, game consoles, MP3 players, mobile phones and accessories, USB media, watches, pharmaceuticals.

Road Carrier – a legal or natural person who has obtained and holds valid all permissions and licences for commercial carriage by road transport and the right to carry freight.

Beneficiary – a person specified in the Insurance Policy (in personal and damage insurance) receiving the Insurance Indemnity or its part in the cases specified in the Insurance Agreement, or a person who has the right to receive the Insurance Indemnity.

Excess – the amount of Loss expressed in monetary terms or as a percentage that is covered by the Policyholder, should an Insured Event occur. Percentage-based Excess is calculated based on the insured Losses.

Personal Data Processing – any activity or set thereof, automated or not, performed with personal data or sets of personal data such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, review, use, disclosure by transmission, dissemination or otherwise making available, matching or combination, limitation, erasure or destruction.

Gross Negligence – in accordance with Article 1645 of the Civil Law of the Republic of Latvia, a highly reckless and negligent action, such a deed or deeds, the harmfulness and danger of which could not and should not have remained unknown to the Policyholder.

Related Person – a person who is a relative up to the second degree of consanguinity, spouse or brother-in-law up to the first degree of consanguinity, or a person with whom there is a common household, of the founder, member, member of the management board or member of the supervisory board of the Policyholder's company, as well as another business company in which the majority of shares of the capital company or partnership investment (capital) is owned by the respective founder, member, member of the management board or member of the supervisory board.

Territory – the area of Insurance Protection specified in the Insurance Policy.

Third Party – any natural or legal person, other than the Policyholder and the Insured.

Entrusted Property – trailers, semi-trailers, refrigerators and/or tankers, tank-containers and rented containers transferred to the Policyholder on the basis of a carriage contract, intended for transport operations and for the proper operation of which the Policyholder is responsible.

Loss – damage caused to Third Party property, costs of settling the claim, expert services, necessary legal fees and other costs.

2. The Insurance Object

- 2.1. The civil liability of the Insured for direct Losses caused by his acts or omissions, such as damage to or total or partial loss of the freight, occurring after acceptance of the freight until the moment the freight is handed over to the Consignee, as well as for delay in delivery, to a Third Party when transporting freight by road in accordance with:
 - 2.1.1. CMR Convention for international carriage;
 - 2.1.2. national legislation, when performing Cabotage operations in the countries of the European Union, the United Kingdom of Great Britain and Northern Ireland, Norway, Switzerland, but in any case shall be indemnified against Losses not exceeding 8.33 units of calculation (SDR – Special Drawing Rights, currency code: XDR) per kilogram of gross weight of freight damaged or lost in whole or in part.

3. Insured risks

- 3.1. Civil liability up to the Insurance Limit, for:
 - 3.1.1. damage to the freight during loading, handling and unloading, if the Insured does it by his own efforts;
 - 3.1.2. Losses that have occurred to a container used for the carriage of goods, except for the Entrusted Property. Damage caused only by fire, theft, robbery and road traffic accidents resulting in total loss of the property is covered. An object is considered to be a total loss if the cost of restoration/repair exceeds 75% of its market value in Latvia;
 - 3.1.3. financial losses under Article 23(4) and (5) of the CMR Convention (freight charges, Customs duties and taxes, and other costs associated with the carriage of the freight in the case of delay);
 - 3.1.4. salvage expenses – reasonable costs of salvaging, sorting, destroying, transporting, storing or disposing of damaged freight. In the case of storage of the freight, the Insured's liability is limited to the expenses incurred during a period of 10 (ten) days from the time of the accident;
 - 3.1.5. reasonable legal expenses incurred in litigating against the claimants for indemnification of Losses caused to the freight and for the dismissal of unfounded claims. These expenses are covered if an Insured Event has occurred for which an Insurance Indemnity is payable;

- 3.1.6. the costs of reducing or quantifying the Losses, as well as for the services of an expert agreed on with the Insurer.
- 3.2. The Insurer shall indemnify for damage to the personal belongings of the Insured's employee (car driver) as a result of fire or theft of the vehicle. The maximum limit of liability is set at EUR 2000.00 during the term of the Insurance Policy. The above does not apply to items such as: money, securities, debentures, personal documents, jewellery, art and antique items.
- 3.3. By separate agreement in the Insurance Agreement, which shall be noted in the Policy, the Policyholder's liability may be insured for:
 - 3.3.1. losses directly causally related to the Insured Event for which the Insurance Indemnity is paid and which is caused by the transported freight to the Third Party, related to:
 - 3.3.1.1. damage caused to the life, health or physical condition of a Third Party: for treatment, temporary incapacity for work, loss of ability to work, death, permanent disability;
 - 3.3.1.2. damage to property: for damage or destruction of a tangible thing owned by a Third Party;
 - 3.3.2. losses arising directly or indirectly from pollution of the environment (atmosphere, soil, subsoil, water of water bodies);
 - 3.3.3. damages caused during transportation and caused to the Entrusted Property. The Insurance Protection is valid only in the event of a total loss of the property, considering the market value the Entrusted Property. A property is considered to be a total loss if the cost of restoration/repair exceeds 75% of its market value in Latvia;
 - 3.3.4. for Losses caused to freight during cabotage operations in the European Union, the United Kingdom of Great Britain and Northern Ireland, Norway, Switzerland, up to 40 units of account per kilogram of gross weight of cargo damaged or totally or partially lost.

4. Exceptions

- 4.1. The Insurer shall not cover any losses, and the Insurance Indemnity shall not be paid should it contradict any sanctions, be it trade or economic, prohibitions or limitations imposed by resolutions of the United Nations or law of the European Union, or national sanctions set by the laws and regulations of the Latvian Republic. This exception shall also be subject to trade or economic sanctions, laws and regulations or legislation introduced in the United Kingdom or United States of America, unless it violates the law effective in the Republic of Latvia.
- 4.2. In the event of any of the cases mentioned in Article 4.1 of these Terms during the validity period of the Insurance Agreement, the Insurer shall be entitled to terminate the Insurance Agreement unilaterally within 10 (ten) working days from the day when the Insurer sent a notice of termination of the Insurance Agreement.
- 4.3. The Insurer shall not be liable to pay for Loss or damage arising out of the carriage of the following:
 - 4.3.1. smuggling or otherwise prohibited substances and goods;
 - 4.3.2. explosives, weapons, ammunition;
 - 4.3.3. carriage performed under the terms of any international postal convention;
 - 4.3.4. live animals;

- 4.3.5. funeral consignments;
- 4.3.6. coins, bars or otherwise processed or unprocessed precious metals, and jewellery, precious stones, paper money, securities of all kinds, documents and certificates, works of art, paintings, sculptures and other similar valuables.
- 4.4. The Insurer shall not cover and shall not be liable for Losses that have arisen:
 - 4.4.1. before or after the term of the Insurance Agreement. For carriage commenced during the term of the Insurance Policy, the Insurance Protection is valid until the freight is delivered to the consignee;
 - 4.4.2. if the place of loading and/or unloading of the freight or the place of the Loss Event is outside the territory specified in the Insurance Agreement, the Insurance Coverage does not apply to the entire freight transport;
 - 4.4.3. if the Policyholder or the Insured, their representatives or authorised persons have knowingly provided false information about the circumstances under which the Loss occurred;
 - 4.4.4. if that or occurrence of risk has been caused by the Insured or the Policyholder maliciously or to a degree of fault equal to malicious intent in terms of effects of indemnification of Losses, or is related to insurance fraud;
 - 4.4.5. if the driver of the vehicle was under the influence of alcohol, drugs, psychotropic or other intoxicating substances, or evaded a test for the influence of such substances, or used such substances after the accident until such a test was conducted, or was found to be incapacitated by alcohol, drugs or other intoxicating, toxic or psychotropic substances;
 - 4.4.6. if the driver of the vehicle drives a vehicle without a licence of the relevant category;
 - 4.4.7. due to the fault of the Policyholder's subcontractor, except where the Policyholder has insured its own freight forwarder's liability;
 - 4.4.8. if the claim is for shortage of freight, in a situation where the outer packaging is intact, there are no external signs of theft, intrusion or robbery and/or the competent authorities (police, customs) have not recorded it;
 - 4.4.9. if the claim is for theft of a Freight with high theft risk in a situation where the vehicle has been parked without complying with the Safe Parking conditions;
 - 4.4.10. the Insurer does not cover and is not liable for Losses in the carriage of second-hand goods, if the cost of repair/refurbishment of which does not exceed 80% of its market value at the time of the accident;
 - 4.4.11. if there is non-compliance with legislation governing the carriage of goods and the working conditions of drivers (ADR, AETR Conventions, etc.);
 - 4.4.12. if the vehicle used for the carriage of the freight is unsuitable for the carriage of the freight and/or is not roadworthy and/or does not have the necessary certificates for the carriage of the freight;
 - 4.4.13. from Losses recoverable under any other compulsory form of insurance;
 - 4.4.14. from claims for administrative or criminal offences, fines and penalties, interest for overdue payment, levies, taxes or other similar charges and sanctions not directly arising from the CMR Convention;
 - 4.4.15. from the requirement of increased risk on the basis of declarations of value and interest pursuant to Article 24 and/or Article 26 of the CMR Convention;
 - 4.4.16. from the requirement to deliver the freight to the unentitled consignee;

- 4.4.17. from a claim for the delay of delivery, where an existing route has an unreasonably short delivery period;
- 4.4.18. from collisions with viaducts, bridges, tunnels or other objects of limited height;
- 4.4.19. from incorrect payment or unpaid carriage;
- 4.4.20. from any offence against humanity and peace, war and genocide in all its forms as defined by the laws of the Republic of Latvia and international law, including, but not limited to, hostilities and/or similar acts, mass disturbances of any kind and nature, including riots, revolutions, civil war, etc.;
- 4.4.21. from overthrowing the authority of the state 'de facto' or 'de jure', or from coercing the state or public authorities by any violent or unlawful means, including terrorism;
- 4.4.22. from confiscation, nationalisation or total or partial destruction of property, if subject to decisions or orders of national or local authorities;
- 4.4.23. from strike, lockout;
- 4.4.24. from any act of terrorism or preparation for such an act. The term terrorist act in this exception shall refer to the committed or threatened use of violence due to political, religious, ideological or ethnic purposes carried out by one person or group of persons acting on their behalf, under the assignment of any organisation(s) or government(s), or in cooperation with such, with the intent to influence a government and/or intimidate the public or a part of the public;
- 4.4.25. from direct or indirect exposure to nuclear energy;
- 4.4.26. from an infectious disease;
- 4.4.27. from an information technology security incident (cyber incident), which for the purpose of these terms is deemed as a security incident on a computer, computer network or information system that causes or damages system security, including but not limited to: cyber-attacks, including various types of denial of service attacks to the information system, computer network or parts thereof; incidents caused by malicious software (computer viruses, worms, Trojan horses, malicious system blockers, etc.); any total or partial interruption of the operation of a computer, computer network or information system due to external physical forces or material damage, which in any way affects access to data and/or a computer, computer network or information system;
- 4.4.28. if the Insured, the Policyholder or the person claiming the Insurance Indemnity is found to be directly or indirectly involved in the manufacture, distribution or transportation of prohibited weapons (such as landmines, cluster munitions).
- 4.5. The dispute or claim has been reviewed by an arbitration court, including a judgment of an arbitration court of any other state, which is recognised in the Republic of Latvia.

5. Signing of the Insurance Agreement, its termination

- 5.1. By concluding the Insurance Agreement, the Parties hereby agree that the laws and regulations of the Republic of Latvia shall apply to the fulfilment of the obligations arising from the Insurance Agreement, including the law of the Republic of Latvia "Insurance Contract Law" (hereinafter – Insurance Contract Law), and the regulations of the European Union applicable in the Republic of Latvia, CMR Convention. In the case of amendments to effective legal regulatory documents resulting in the terms and conditions of this Insurance Agreement being in conflict with the applicable law, the effective law shall apply to the fulfilment of the Insurance Agreement and its respective obligations, unless otherwise indicated in the legal regulatory documents.
- 5.2. The Insurance Agreement shall take effect on the date specified in the Insurance Policy, if the Policyholder has paid the Insurance Premium in the amount and within the time specified.

- 5.3. The Insurance Protection shall take effect from the moment the Policyholder has accepted the freight for carriage, as evidenced by the CMR consignment note, but not earlier than the date of commencement of the Insurance Period specified in the Insurance Policy. The Insurance Protection is valid until the freight in carriage is handed over to its rightful consignee. The Insurance Protection shall also apply if the Road Carrier has accepted the freight for carriage during the Insurance Period but delivery has taken place after the expiry of the Insurance Period.
- 5.4. Any claims that may result from the concluded Insurance Agreement cannot be the subject of an assignment and transferred to Third Parties.
- 5.5. The Insurance Agreement is concluded based on a written application of the Policyholder.
- 5.6. The duration of the Insurance Agreement is specified in the Insurance Policy. The Insurance Agreement may be terminated early, subject to written agreement between the Policyholder and the Insurer.
- 5.7. Any of the Parties may terminate the Insurance Agreement early, after the occurrence of the Insured Event, provided that the Insurance Indemnity has been paid.
- 5.8. The Policyholder shall be entitled to unilaterally withdraw from the Insurance Agreement, notifying the Insurer of this in writing. The Insurer shall resolve to terminate the Insurance Agreement subject to the Policyholder's notification regarding its withdrawal from the Agreement.
- 5.9. The Insurance Agreement may be terminated in the cases determined in the Insurance Contract Law or other laws and regulations of the Republic of Latvia, including, the Insurer may terminate the Insurance Agreement in the case that information has changed regarding the possibility of the occurrence of the insured risk and the possible amount of Losses during the validity period of the Insurance Agreement.
- 5.10. The Policyholder shall give the Insurer a written notice of termination of the Insurance Agreement 15 days prior to termination of the agreement.
- 5.11. If the Insurance Agreement is terminated and no Insurance Indemnity payments have been made during its operation, the Insurer shall refund to the Policyholder the unused part of the Insurance Premium, which shall be determined by deducting from the Insurance Premium a part paid for the duration of the Insurance Agreement and expenses of the Insurer related to the conclusion of the Insurance Agreement, up to a maximum of 15% of the Insurance Premium. In all cases, except for the events specified in legal acts of the Republic of Latvia governing insurance, when there have been Insurance Indemnity claims during the period of operation of the Insurance Agreement and the Insurer has paid the Insurance Indemnity in accordance with these terms and conditions, the Insurance Premium for the entire duration of the Insurance Agreement shall be payable to the Insurer.

6. Insurer's Liability Limits

- 6.1. The Liability Limit is the maximum amount of the Insurance Indemnity to compensate for:
 - 6.1.1. Losses caused by the acts or omissions of the Road Carrier to Third Parties in the carriage of freight under the CMR Convention resulting in total or partial loss of, damage to or delay in delivery of the freight, up to the maximum liability limits set out in Article 23 of the CMR Convention;
 - 6.1.2. salvage expenses;
 - 6.1.3. the costs of the legal proceedings.
- 6.2. The limit of insurance per occurrence during the term of the Insurance Policy shall be determined by the Policyholder by specifying it in the insurance application.

- 6.3. When concluding the Insurance Agreement, the Policyholder, the Road Carrier and the Insurer shall agree on the total Liability Limit as well as on the Liability Limit applicable to each Insured Event, specifying them in the Insurance Policy. The Aggregate Liability Limit is the maximum aggregate amount of all Insurance Indemnities payable during the whole Insurance Period. The Liability Limit applicable to an Insured Event is the maximum amount of the Insurance Indemnity payable per Insured Event.
- 6.4. The payment of the Insurance Indemnity for all Insured Events during the Insurance Period shall under no circumstances exceed the aggregate Liability Limit for the Insurance Period. After payment of the Insurance Indemnity, the aggregate Liability Limit set out in the Insurance Agreement shall be reduced by the amount of the Insurance Indemnity paid if the Insurance Agreement is not terminated. The aggregate Liability Limit may be renewed by agreement between the parties to an additional Insurance Premium.

7. Obligations of the Policyholder and the Insurer

- 7.1. The Parties shall have an obligation to comply with the terms and conditions of the Insurance Agreement. The Parties shall be held liable for breaching the terms and conditions of the Insurance Agreement in accordance with the procedure prescribed by the Civil Law of the Republic of Latvia and other legal regulatory documents.
- 7.2. The Policyholder shall:
 - 7.2.1 provide the Insurer with completely accurate and truthful information which is essential for assessing the likelihood of the occurrence of the insurance risk and is important for the conclusion of the Insurance Agreement;
 - 7.2.2 notify the Insurer of other Insurance Agreements in force of which the Policyholder is aware, covering the same Insurance Object;
 - 7.2.3 pay the Insurance Premiums in the manner, within the timelines, and in the amount specified in the Insurance Agreement;
 - 7.2.4 the Policyholder or the Insured shall have the duty to notify the Insurer in writing during the term of the Agreement of any circumstances known to them that can significantly increase the probability of occurrence of the insured risk, or the possible amount of Losses;
 - 7.2.5 inform the Insurer about civil liability Insurance Agreements concluded with other insurance companies;
 - 7.2.6 ensure that the technical condition of the vehicle, including refrigeration equipment, is such as to ensure the safety of carriage and the preservation of freight, as well as use only vehicles that have been roadworthy inspected in accordance with the procedure laid down by the laws and regulations.
- 7.3. Before starting the carriage, issuing and signing the CMR consignment note, the driver is obliged to check:
 - 7.3.1 the external appearance of the freight and its packaging;
 - 7.3.2 the accuracy of the entries on the CMR consignment note concerning the number of packages, their markings and numbers;
 - 7.3.3 the name and address of the consignee and the place of delivery.
- 7.4. In the event of any defects in the goods and their packaging or errors in the entries on the CMR consignment note, including but not limited to the numbering and marking of boxes or pallets, the Road Carrier shall be obliged to record its objections and the reasons therefor on the CMR consignment note and to endorse them with the signature of the sender of the freight. Such a mark must also be made if the packaging or condition of the freight is unsuitable for transportation.

- 7.5 In the event that the Road Carrier is unable to verify the condition of the freight and its packaging and the accuracy of the entries on the CMR consignment note, the Road Carrier must make a corresponding entry on the CMR consignment note, e.g. indicating that the freight has been accepted under the sender's seal without the possibility of verification.
- 7.6 The Road Carrier and the Policyholder are prohibited from signing any documents relating to the carriage of freight in a foreign language they do not know. If the Road Carrier and the Policyholder come into contact with such documents, they must not sign them or they must make a note that they do not understand the language.
- 7.7 The Road Carrier and the Policyholder are obliged to control the positioning of the freight in the body of the vehicle, semi-trailer or trailer during loading so that it is not damaged during transportation. If the Road Carrier and the Policyholder discover that the freight has been loaded and placed improperly and will be damaged during transportation, they are obliged to notify the sender and ask for the freight to be placed properly. If the sender refuses to do so, the Road Carrier is obliged to make a note indicating their objections or to refuse to accept the freight for carriage.
- 7.8 When leaving the vehicle unattended, it is the driver's responsibility to lock the loaded vehicle and activate existing anti-theft devices.
- 7.9 When transporting Freight with high theft risk in the territory of the European Economic Area countries, including Switzerland, Norway and Iceland, as well as any freight in the territory of the CIS countries, the vehicle may only be left in compliance with the principles of Safe Parking. If this requirement is not met, an increased deductible with a coefficient of 2 shall be applied for losses caused as a result of illegal activities of Third Parties (theft, robbery, etc.)
- 7.10. On the occurrence of an Insured Event:
- 7.10.1. without delay, as soon as practicable, to notify the Insurer of the occurrence of the Insured Risk or of any event which could potentially give rise to or form the basis of a claim or cause of action against the Insured in the future for Losses for which indemnification is provided under the Insurance Agreement and to take all possible and reasonable steps to prevent or reduce the Losses. Subject to the provisions of this Article, the Policyholder and the Insured shall be obliged to give written notice to the Insurer also in cases where the Insured does not consider itself to be responsible for the Loss and/or no claim has been made and/or there is no knowledge of the specific Losses and/or there is no obvious causal link with the actions of the Insured;
- 7.10.2. submit to the Insurer an application for insurance indemnity, providing full and truthful information about the alleged Insured Event and Losses, as well as all information and documentation requested by the Insurer. The application for indemnification must specify the other insurance companies with which the Civil Liability Insurance Agreements have been concluded and be accompanied by the Third Party Claim and other documents received from Third Parties;
- 7.10.3. not later than three months after the expiry of the Insurance Agreement, the Insured shall notify the Insurer in writing of any loss to the life, health or property of Third Parties caused by the freight carried during the period of the Insurance Agreement and which is directly causally related to the Insured Event for which the Insurance Indemnity is paid.
- 7.10.4. report theft, robbery or traffic accidents to the police or the relevant public service;
- 7.10.5. agree with the Insurer on a plan of action to reduce and prevent future Losses and act accordingly;
- 7.10.6. at the request of the Insurer, the Insured shall be obliged to grant the Insurer a written authorisation (with the right of sub-authorisation) to receive the necessary documents and information and to represent the Insured's interests;

- 7.10.7. all documents received, any claim, summons, summons to appear in court or to take part in legal proceedings relating to the occurrence of the Insured's risk shall be submitted to the Insurer immediately upon receipt thereof;
- 7.10.8. ensure that the Insurer participates in the determination of the nature, cause, type and amount of the Loss;
- 7.10.9. if a claim is brought against the Insured/Policyholder, invite the Insurer as a third party.
The Insured shall be obliged to reimburse the Insurance Indemnity or any part thereof to the Insurer if, after the payment of the Insurance Indemnity, facts are established which prove that the Insurance Indemnity paid or any part thereof was unjustified or that the payment of the indemnity did not comply with the provisions of the Insurance Agreement or the requirements of the legislation.
- 7.10. The Insured or the Policyholder shall not be entitled without the written consent of the Insurer to compensate or give a promise to compensate the Loss to a Third Party.
- 7.11. If the Insured does not participate in the investigation activities or court proceedings determined by law, the Insured undertakes to compensate the Insurer for the losses caused by such activity or inactivity.
- 7.12. The Insurer undertakes to indemnify the Third Party against direct Losses suffered by the Insured in connection with the carriage of freight by road in accordance with the CMR Convention, subject to the conditions set out in the Insurance Agreement. The Insurer shall not be liable for Losses in the cases specified in the Exceptions of the Insurance Agreement or in the cases provided for by law.
- 7.13. If the carriage is carried out between two countries, neither of which has acceded to the CMR Convention, Losses shall be indemnified if and only if the Insured has concluded a contract of carriage providing for the carrier's liability under the CMR Convention.
- 7.14. All Losses resulting from the occurrence of one Insured Risk shall constitute a single Insured Event, irrespective of the time of occurrence of the Losses and the number of Third Parties.

8. Payment of Insurance Indemnity

- 8.1. The Insurer shall indemnify the Third Party for the documented Loss, in accordance with the terms and conditions of the concluded Insurance Agreement, provided that it has occurred during the validity period of the concluded Insurance Agreement and the civil liability of the Insured has occurred.
- 8.2. The Insurer has the right to reduce or refuse the payment of the Insurance Indemnity in the following cases:
 - 8.2.1. the Policyholder has failed to duly perform the obligations set out in the Insurance Agreement and as a result the Insurer is unable to ascertain the fact of the occurrence of the Insured Event, the amount of the Loss and/or exercise the right of recourse against the person responsible for the caused Loss;
 - 8.2.2. if the Insurance Indemnity has been paid, but due to the action or inaction of the Policyholder as specified in this Article it has become impossible for the Insurer to exercise its right of recourse against the person liable for the Loss, the Insurer shall have the right to demand reimbursement of the Insurance Indemnity received or the corresponding part thereof;
 - 8.2.3. if the Loss was caused by the Policyholder's wilful failure to take reasonable steps available to avoid or minimise its consequences and/or failure to comply with the Insurer's instructions to avoid or minimise the Loss;
 - 8.2.4. if the Policyholder, without the Insurer's consent, has admitted the validity of the claim made against it, has assumed financial liability for the indemnification of the Losses or the Policyholder has indemnified the Losses itself, except where the amount of the Loss does not exceed the amount of the Excess;
 - 8.2.5. in other cases provided for in the Insurance Agreement and/or by law.

- 8.3. In order to receive the Insurance Indemnity, the Insured must submit the following documents:
- 8.3.1. an application on the Insurance Event;
 - 8.3.2. documents confirming the Insured's interest: purchase and sale agreement, bill of lading, freight documents, etc;
 - 8.3.3. documents supporting the Insurance Event: certificate, opinion or report from a competent institution, expert's report, etc;
 - 8.3.4. an estimate of the Loss and documents confirming the amount of the actual Loss;
 - 8.3.5. a written claim addressed to the Road Carrier and a written reply thereto;
 - 8.3.6. a detailed written explanation by the Insured of the circumstances of the occurrence of the Insured Risk;
 - 8.3.7. if the disposal of the freight is necessary in the interests of public safety without delay, the Policyholder is obliged to submit an opinion on the necessity of such disposal and to produce the original disposal certificate to the Insurer;
 - 8.3.8. other documents requested by the Insurer related to the occurrence of the Insured Risk;
 - 8.3.9. at the request of the Insurer, the Insured or his/her representatives are obliged to submit the original documents;
 - 8.3.10. if an investigation by a competent authority has been initiated in connection with the Insured Event, the Insurer shall have the right to set a longer time for the decision on the payment of the Insurance Indemnity than that specified in Article 8.7 of these terms and conditions.
- 8.4. The Insurer shall consider the claims submitted if they have been received in writing within 1 (one) year from the date of the Insurer's decision to pay the Insurance Indemnity or the decision to refuse to pay the Indemnity.
- 8.5. The Insurance Indemnity shall be disbursed to the Third Party. Other payment arrangements may be agreed on in writing between the Parties.
- 8.6. The Insurance Indemnity is paid out according to the compensation principle and cannot exceed the actual Losses caused by the Insured Event.
- 8.7. The Insurer shall make the decision to grant or refuse Insurance Indemnity within 5 (five) days after receiving all the necessary documents and determining the full scope of Losses.
- 8.8. The Insurer shall be entitled to deduct the Excess from the calculated Insurance Indemnity, unless the parties have agreed on a different procedure for payment of the Excess.
- 8.9. In the case that there are factual circumstances the existence of which exempt the Insurer from the obligation to cover the loss, the costs of settling the claim, the costs of expert services, the costs of legal assistance, the costs of legal proceedings and/or other costs incurred shall not be reimbursed.

9. Submission of notifications, requests and information

- 9.1. The Policyholder shall submit all notifications, claims and applications pertaining to the Insurance Agreement and liabilities arising therefrom (including the Insurance Application, information about the Insurance Object, facts and circumstances required for assessment of the insured risk, changes to the contact information) to the Insurer in writing by sending it to the registered address of the branch of the Insurer, or electronically by using the e-mail address specified by the Insurer.

- 9.2. The Policyholder or the Insured shall submit all notifications, claims and applications pertaining to the Insurance Agreement and liabilities arising therefrom to the Insurer in such a form and type that enables the Insurer to clearly identify the Policyholder or the Insured as the submitter of the document.
- 9.3. The Insurer shall submit notifications, applications and claims referred to in the Insurance Agreement (including the Insurance Policy and other documents) in writing to the specified postal address of the Policyholder and/or the Insured. The Insurer shall be entitled to send the necessary information to the Policyholder and/or Insured to the specified e-mail address, if the Policyholder/the Insured has specified it for the receipt of said information in the Insurance Agreement.
- 9.4. The Insurer shall inform the Policyholder about changes to the contact information of the Insurer, the Insurance terms and conditions or laws and regulations applicable to the Insurance Agreement on the website of the Insurer at www.ergo.lv, or send said information to the address of the Policyholder specified.

10. Confidentiality of information and personal data processing

- 10.1. The Insurer shall ensure the confidentiality of any information about the Policyholder and the Insured received subject to this Insurance Agreement and the effective laws and regulations unless the laws and regulations provide for the transfer of such confidential information to Third Parties.
- 10.2. The Insurer shall conduct the processing of personal data in accordance with the Insurance Agreement, effective laws and regulations and the Insurer's Privacy Policy available on the Insurer's website at www.ergo.lv and the Insurer's retail locations. The Insurer's Privacy Policy may be sent to the Policyholder on request. The Policyholder shall be required to communicate the Insurer's Privacy Policy to those parties, whose data the Policyholder transfers to the Insurer.
- 10.3. The Policyholder shall be required to read the Insurer's Privacy Policy prior to signing the Insurance Agreement, and to inform the parties, whose data are transferred by the Policyholder to the Insurer, of its contents.
- 10.4. The Insurer shall have the right to transfer the Policyholder's personal data (including, but not limited to, the personal code or identification number) and information about the Policyholder's obligations arising from the Insurance Agreement to any credit information firm (including, but not limited to, AS 'Kredītinformācijas birojs') in accordance with the provisions of the Law on Credit Bureaus.
- 10.5. The Policyholder shall authorise the Insurer to request, receive, assess, and save credit information about the Policyholder from the databases of any credit information firm (including, but not limited to, AS 'Kredītinformācijas birojs') in order to evaluate the Policyholder's creditworthiness and to manage the credit risk of the Policyholder.

11. Review of complaints and disputes

- 11.1. The Insurer shall review and provide a reply to complaints regarding services that breach the provisions of the Insurance Agreement, prepared, and submitted to the Insurer by the Policyholder, the Insured or another party that is entitled to claim Insurance Indemnity subject to Articles 10.1 and 10.2 of these terms and conditions, within 20 (twenty) days after receiving said complaints.
- 11.2. All disputes related to the Insurance Agreement shall be resolved through negotiations.
- 11.3. Should it not be possible to settle the dispute through negotiations, then in certain cases, the Policyholder, the Insured, or the Beneficiary that are natural individuals shall have the right to appeal to the following authorities with a request for extrajudicial review:

- 11.3.1. To the ombudsman of the Latvian Insurers Association: the types of Insurance that are within the remit of the ombudsman of the Latvian Insurers Association are specified on the website of the ombudsman of the Latvian Insurers Association: <http://www.laa.lv/klientiem/ombuds/>. The procedure for the review of complaints of the insurers' clients by the ombudsman of the Latvian Insurers Association, as well as the complaint application form are available online, on the official website of the Latvian Insurers Association www.laa.lv;
- 11.3.2. To the Consumer Rights Protection Centre (PTAC), for violations of consumer rights that are not within the remit of the ombudsman. Additional information is available on the official website of the Consumer Rights Protection Centre www.ptac.gov.lv.
- 11.4. A complaint regarding compliance of the decision made by the Insurer with laws and regulations may be submitted to the supervisory authority of the Insurer, the Financial and Capital Market Commission or Latvijas Banka.
- 11.5. The Insurer shall be entitled to recover the Loss to the extent of the Insurance Indemnity paid against the person responsible for causing the Loss, except the Insured and the Policyholder.
- 11.6. Should no agreement be reached, the dispute shall be filed for review by a court of the Republic of Latvia in accordance with the laws and regulations of the Republic of Latvia.

12. Language of the Insurance Agreement

- 12.1. The Insurance Agreement shall be prepared and concluded in Latvian. Should the Insurer and the Policyholder agree to do so, the Insurance Agreement may be concluded in Latvian with an additional translation into another language. In such a case, should any contradictions be found between the wording of the Insurance Agreement in Latvian and the wording of the Insurance Agreement in the foreign language, the Latvian wording of the Insurance Agreement shall be decisive.
- 12.2. In fulfilling the obligations arising from the Insurance Agreement, the Insurer shall communicate with the Policyholder in the official language of the Republic of Latvia (Latvian).

How to respond in the event of an accident?

- assess the situation and do everything you can to minimise the consequences for people and property;
- if necessary, immediately notify the special services (police, rescue services);
- secure the remaining freight and do everything you can to minimise the extent of the damage, and start the freight rescue operations as soon as possible;
- report it to us by calling 1887 or +371 67081887 (from abroad), on working days from 08:00 to 18:00, or fill in the online loss application claim form at www.ergo.lv, on the mansergo.lv portal;
- immediately make a note on the loss or shortage in the transport documents;
- take photographs of the damage and keep the damaged freight and related documentation;
- retain and copy all documents relating to the freight and its damage;
- provide us with all requested documents necessary to investigate the circumstances of the event, determine the amount of damage and compensation, and comply with any other requests we make in connection with the investigation of the incident;
- do not, without our written consent, acknowledge and/or pursue third party claims for damages or take any other action in connection with the acknowledgement or indemnification of the damage suffered.