

# TERMS AND CONDITIONS FOR FREIGHT FORWARDER LIABILITY INSURANCE

## KT.0643.10

This is an unofficial translation from Estonian to English. In case of contradictions the Estonian wording will prevail.

These terms and conditions shall apply to insurance agreements entered into at ERGO Insurance SE, where the object of insurance comprises patrimonial obligations stemming from the liability of the insured person in connection with forwarding contracts for hire or reward entered into with customers. In matters not addressed in the terms and conditions of the freight forwarder liability insurance, the parties shall proceed from the general terms and conditions of insurance agreements, legislation and other legal acts.

### 1. Insurer

The insurer is ERGO Insurance SE.

### 2. Policyholder and the insured

- 2.1. The insured is a person who has entered into an insurance contract with the insurer.
- 2.2. The insured, also referred to as the insured person, is the freight forwarder specified in the insurance contract that provides insurance coverage for a risk associated with that freight forwarder.
- 2.3. Employees who perform the same job duties as the insured person shall be deemed equivalent to the insured for the purposes of performing obligations under the insurance contract. The insured's contractual obligations shall also apply in regard to persons deemed equivalent to with the insured. Carriers and other service providers used by the insured as subcontractors in providing freight forwarder's services shall not be considered equivalent to the insured.
- 2.4. The policyholder is obliged to familiarize all of the insured persons with the terms and conditions of the insurance contract.

### 3. Insurance event

- 3.1. The liability of the insured in connection with the following is covered:
  - 3.1.1. with forwarding contracts for hire or reward entered into with customers pursuant to the valid general terms and conditions of the Estonian Logistics and Freight Forwarding Association (hereinafter ELEA), the general terms and conditions of the Nordic Association of Freight Forwarders (NSAB 2000) or the CMR convention (but not in a scope wider than the valid ELEA general terms and conditions) in the case of international carriage;
  - 3.1.2. with forwarding contracts for hire or reward entered into with customers pursuant to the Law of Obligations Act or analogous legal acts enacted by European Union member states (but not in a scope wider than the valid ELEA general terms and conditions) in the case of domestic carriage.
- 3.2. Forwarding means the organizing of transport of cargo, if a third party (transport company) is used for carriage. Obligations in connection with contracts in which case the insured itself provides carriage using vehicles in the ownership or possession of the insured may not be the object of insurance.
- 3.3. If the liability of the freight forwarder is also insured as a storer (clause D of Section 2 of the general terms and conditions of the ELEA), then the liability of the insurer shall also apply to loss of or damage to cargo solely at the time that the cargo was, during conventional transport, in the control of the policyholder or party to the contract with which the policyholder entered into a contract for the provision of transport service. Insurance coverage shall apply for 30 days of the moment of storage. The special terms and conditions for storage shall apply with regard to storage of goods.

- 3.4. An insurance event means an unexpected and unforeseeable event that takes place within the area of validity of the insurance agreement that causes destruction, damage, loss or delay of the cargo. The insured shall be responsible for compensating for the losses arising from the said circumstances on the basis of the Law of Obligations Act or the general terms and conditions of ELEA.
- 3.5. If it is not possible to determine the time at which the insurance event took place, it shall be considered to be the moment at which the insured or person considered equivalent to the insured should have learned of the insurance event.
- 3.6. More than one cases of loss incurred in the same place and having the same cause shall be handled as one insurance event.

### 4. Insurance period, term of validity of the insurance contract and area of validity

- 4.1. The insurance period is the term set forth in the insurance contract.
- 4.2. The area of validity of the insurance contract is the territory specified in the insurance contract.
- 4.3. The liability of the insurer on the basis of the insurance contract shall start as of the moment that the insured or a carrier designated by the insured assumes control of the cargo from the sender for transport, and the insurer's liability shall end at the moment that the cargo is delivered to the recipient.

### 5. Insurance indemnity

- 5.1. The forms of indemnity are monetary indemnity, restoration/repair of damaged goods or replacement with equivalent goods.
- 5.2. Insurance indemnity shall be paid out for compensating losses incurred as a consequence of an insurance event.
- 5.3. The amount of the insurance indemnity per insurance event is limited by the amount and indemnity limit on patrimonial obligations incurred as a consequence of the insurance event.
- 5.4. Loss shall mean direct patrimonial damage caused by destruction, damage, loss or disappearance of cargo. Loss can also mean claims against an insured person or expenditure made by the insured in the cases set forth in clause 8 of these terms and conditions. Revenue forgone, wages forgone, contractual penalties, moral damage, loss of market share etc shall not be construed as loss.
- 5.5. The form and amount of indemnity shall be decided by the insurer.

### 6. Limit on indemnity

- 6.1. The amount of insurance indemnity per insurance event is limited by the amount and indemnity limit on patrimonial obligations incurred as a consequence of the insurance event.
- 6.2. The indemnity limit is the amount agreed upon in the insurance contract, which is the limit of all insurance indemnity to be disbursed in the case of clauses 7.1 to 7.3 of these insurance terms and conditions.
- 6.3. Besides the indemnity limit, a limit on the indemnity on an individual case may be agreed upon, which shall be related to
  - 6.3.1. direct patrimonial damage (clause 7.1 of these insurance terms and conditions);
  - 6.3.2. financial losses (clause 7.2 of these insurance terms and conditions);
  - 6.3.3. liability to third parties (clause 7.3. of these insurance terms and conditions).
- 6.4. The indemnity limit in individual cases shall be the maximum insurance indemnity per insurance event with regard to the

losses listed in clause 6.3 of these insurance terms and conditions.

- 6.5. The indemnity limit and the limit on indemnity on individual cases shall be specified in the insurance contract. If the limit on indemnity in an individual cases is not specified, it shall be considered equal to the indemnity limit.
- 6.6. In case of loss of, destruction of, damage to or delay in cargo, the extent of liability shall be determined pursuant to Sections 17, 18, 20, 22, 23, 25 and 26 of the ELEA general terms and conditions and Sections of 794, 795 and 796 of the Law of Obligations Act. The insurance indemnity shall not exceed the value of the cargo and the cost of transport.
- 6.7. The indemnity limit shall decrease by the amount of insurance indemnity paid out on the basis of the same insurance contract.

## 7. Losses eligible to be compensated

The insurer shall compensate losses in the extent of the insurance contract. Losses eligible to be compensated are:

- 7.1. direct patrimonial damage if the cargo is forwarded in conformity with the ELEA general terms and conditions or other terms and conditions accepted by the insurer and the insured is liable for compensating the cargo on the basis of forwarding contract;
- 7.2. financial loss:
  - 7.2.1. delay in delivering the cargo, in the case of a violation of terms set forth in the forwarding contract, transport conventions or other legal acts;
  - 7.2.2. direct expenses related to the transport process in the case of destruction or loss of the goods /such as cost of transport, payments under public law etc) which the freight forwarder is liable for compensating on the basis of forwarding contract;
  - 7.2.3. customs duties and fees which the freight forwarder is liable for compensating on the basis of the forwarding contract. Claims that are submitted on the basis of security pledged for payment of a TIR guarantee, customs guarantee, tax guarantee or other payment under public law shall not be indemnified. Nor shall fines levied by government authorities be indemnified;
  - 7.2.4. reasonable and necessary additional expenditures for re-sending cargo to the addressee in the event that the right cargo was sent to the wrong address due to the fault of the employees of the insured, not including in the case that due to the fault or carelessness of an employee of the insured the cargo was issued to the wrong recipient;
  - 7.2.5. reasonable and necessary additional expenditures related to the cost of transport for a specific mode of transport for transporting cargo from the correct point of origin to the correct destination designated for transfer of the cargo, if the wrong cargo was sent to the intended destination;
  - 7.2.6. loss caused by loss or misuse of documents placed at the disposal of the freight forwarder;
- 7.3. liability to third parties for loss caused by the cargo, if the liability was incurred in connection with destruction or damage of the property of third parties. Liability to third parties shall not encompass liability in connection with loss incurred to means of transport (container, truck, trailer etc), contamination or other environmental damage. Third parties shall not include the policyholder, insured, persons deemed equivalent to the policyholder or persons whose services the insured uses in providing forwarding service (carrier, freight forwarder, stevedore, etc).

## 8. Salvage costs, recovery costs, legal assistance costs

- 8.1. In accordance with the insurance contract, the insurer shall, in addition, compensate the following:
  - 8.1.1. reasonable and unavoidable expenditures (for preventing loss incurred to the cargo due to the insurance event or for reducing the loss in its entirety (including salvage after an insurance event). If the insurer has granted consent for making salvage expenditures, the insurer shall compensate all of the accepted salvage costs also if the sum of the monetary amount necessary for satisfying claims brought

against the insured and the salvage costs exceeds the insurance amount;

- 8.1.2. reasonable and unavoidable additional expenditures for eliminating and recovering the cargo or its remains (not including costs related to contamination or other environmental damage, nor expenses on disposal of cargo from marine transport vehicles) if the insured is responsible for compensating the said expenditures;
  - 8.1.3. reasonable and unavoidable additional expenditures for investigating the circumstances and for defending the interests of the insured party in court and/or arbitral tribunal, if the responsible person is the insured. If the insurer has granted consent, the insurer shall compensate all of the accepted court and legal assistance costs also if the necessary monetary amount necessary for satisfying claims brought against the insured plus the legal assistance costs exceed the insurance amount.
  - 8.2. The insurer has no obligation to compensate expenditures that would have arisen had the accident not taken place (such as ordinary expenses on transport and storage).
  - 8.3. Salvage expenses shall not include, nor shall the insurer be obliged to compensate, expenditures on transporting a vehicle (truck, trailer, container etc) back on the road, collecting and disposing of the remains of the vehicle, nor shall they include transport of a vehicle (truck, trailer etc) such as transport to a repair shop, parking facility, storage area or the location of the vehicle owner).
- ## 9. Adjustment of the insurance premium
- 9.1. The insurance premium shall be adjusted within 30 days of the end of the insurance period.
  - 9.2. The policyholder is obliged to present to the insurer, within 15 days of the end of the insurance period, a declaration on the actual supply of forwarding services during the insurance period.
  - 9.3. If the actual supply of forwarding services proves greater than was expected upon entry into the insurance contract, the insurer shall charge the policyholder a premium surcharge in regard to supply that exceeded the supply of forwarding services; the rate agreed upon in the insurance contract shall be applied. The policyholder is obliged to pay the premium surcharge within 15 days of receiving an invoice from the insurer.
  - 9.4. If the actual supply of forwarding services proves smaller than expected upon entry into the insurance contract, the insurer shall refund the overpaid portion of the premium within 15 days of receiving an invoice or demand from the policyholder.
  - 9.5. The minimum insurance premium set forth in the insurance contract shall mean the premium that is non-refundable to the policyholder should the policyholder's supply of forwarding services prove smaller than expected upon entry into the insurance contract.

## 10. Obligations of the policyholder and the insured

- 10.1. The policyholder and the insured are obliged:
  - 10.1.1. to adhere to the legal acts of the area of validity of the insurance contract is valid, international conventions and other agreements (e.g. transport of hazardous materials, oversize or overweight cargo etc) and the additional conditions specified in the insurance contract; to do its utmost to prevent insurance events and mitigate potential loss; not to increase insurance risk and not to enable persons for whom the policyholder is liable to increase the insurance risk;
  - 10.1.2. to select carefully carriers and other persons to be used for provision of service, as well as to clarify the obligations arising from the insurance policy for persons into whose possession the cargo is delivered for transport;
  - 10.1.3. to apply reasonable measures to ensure that the person whose services they use (carrier, freight forwarder, stevedore etc) is sufficiently experienced and competent to perform the contractual obligations; that the means of transport used for transport (such as refrigerated trailer) is suitable for transporting the

- given cargo; that the aforesaid persons have sufficient funds, i.e. that they are financially stable, for satisfying possible claims that could be brought against them by the insured;
- 10.1.4. to verify that persons whose services they use have insurance coverage that ensures indemnity for all possible claims in the case of liability arising from activities. If the insured does not comply with the aforesaid requirements and this restricts the right of the insurer to file a claim, the insurer shall have the right to refuse to satisfy the claim or to reduce the insurance indemnity;
  - 10.1.5. to verify the readiness of the packaging and the cargo for safe transport of the cargo upon assuming control of the cargo from the sender of the cargo, the correctness of the number of the cargo berths specified on the accompanying document upon delivery or receipt of the cargo, and the external condition of the cargo and its packaging; and if necessary to make the corresponding marking on the accompanying document;
  - 10.1.6. to give the carrier and/or the next freight forwarder clear instructions for transporting the cargo, such as what the temperature and/or moisture level should be in the cargo hold, how the cargo should be loaded or placed in the hold, and the nature of the security measures, etc;
  - 10.1.7. to adopt all precautionary measures for preventing theft of the cargo, to demand that the driver park the truck only in a parking area designated for that purpose (such as TIR parking, IRU parking areas, guarded parking areas) to demand that the means of transport be locked and that anti-theft equipment be armed at any time that the driver is away;
  - 10.1.8. to report to the insurer any case of multiple insurance or other analogous contracts or guarantees and of the possibility of insurance risk increasing (e.g. change in the region of carriage or goods declared to the insurer). If the insurer develops a suspicion regarding an increased insurance risk, the insurer must be consulted immediately with regard to further action.
- 10.2. If an insurance event occurs, the policyholder and the insured are obliged:
- 10.2.1. to adopt promptly measures for salvaging the cargo and preventing any increase in loss and for mitigating potential damage;
  - 10.2.2. in the case of visible damage or injury to the cargo, to make a marking on the accompanying document immediately upon receiving the cargo. Should concealed damage become evident, to provide written notice to the preceding carrier and/or freight forwarder within three days of receiving the cargo. In the comments or notice of loss, the number of damaged cargo units damaged must be shown, along with the type of damage and if possible, the presumable cause;
  - 10.2.3. to report the incident promptly to the police (if the case involves a traffic accident or if intentional activity on the part of the third party is suspected) to the local rescue board or the relevant competent authorities or persons;
  - 10.2.4. to report to the insurer any and all loss events, doing so at the first possible opportunity personally or through a representative, setting out the data on the incident, the estimated magnitude of the damage, witnesses, parties and culprits, and to follow the instructions from the insurer's representative;
  - 10.2.5. if possible, to keep the damaged cargo in untouched and refrain from off-loading the cargo from the means of transport until the insurer's representative inspects the cargo or provides other instructions;
  - 10.2.6. to submit a copy of the claim or complaint from a person who is demanding indemnity for the loss;
  - 10.2.7. to submit a list of the cargo damaged or destroyed as a consequence of the insurance event;
  - 10.2.8. to submit accompanying documents for the cargo, i.e. invoices, accompanying documents, packing sheets, manifests;
  - 10.2.9. to submit a cargo inspection act pursuant to the legislation or practices in the place in which the insurance event took place;
  - 10.2.10. to submit to the preceding carrier or freight forwarder a claim for damages;
  - 10.2.11. to submit a proof certifying that the police were contacted and/or proof that a criminal case has been initiated;
  - 10.2.12. to submit report on destruction and/or damage of/to commercial seals;
  - 10.2.13. to submit a statement from the driver;
  - 10.2.14. to submit other documents that substantiate expenses incurred by the policyholder and are related to the insurance event;
  - 10.2.15. to submit correspondence with the person that submitted the claim;
  - 10.2.16. to permit the insurer in the course of claims handling to ascertain the causes and magnitude of the loss caused as a consequence of the insurance event, by submitting promptly all documents regarding the causes and magnitude of the loss, and no later than within one year of the date on which the loss took place;
  - 10.2.17. to promptly communicate all circumstances that became known with regard to the event and which may be the basis on which the loss was incurred;
  - 10.2.18. if the insurance event arises due to the fault of a third party, all necessary measures must be adopted for substantiating one's rights and submitting a claim against the party at fault and/or for assigning these rights later to the insurer.
- 10.3. The damaged cargo may not begin to be restored or recovered without the consent of the insurer.
- 10.4. The burden of substantiating the insurance event lies on the policyholder. The policyholder must submit to the insurer information necessary for ascertaining that the contractual obligations of the insurer have been performed.

## 11. Rights and obligations of the insurer

- 11.1. The insurer is obliged:
  - 11.1.1. before entering into the insurance contract, to familiarize the policyholder with the insurance contract documents;
  - 11.1.2. after receiving a request from the policyholder, to promptly initiate claims handling and to determine the size of the loss subject to be compensated;
  - 11.1.3. to register the notice of loss and to familiarize the policyholder with the procedures for resolving the insurance event and compensating the loss;
  - 11.1.4. to submit to the policyholder the list of documents necessary for ascertaining the causes and magnitude of the loss incurred as a consequence of the insurance event.
- 11.2. The insurer has the right to request the original copies of documents if they are necessary for ascertaining the loss and the size of the loss.
- 11.3. Upon expiry of the insurance period, the insurer has the right to verify the policyholder's accounting documents substantiating performance of insurance contract obligations.

## 12. Procedures for indemnification

- 12.1. Direct patrimonial damage and other justified expenses set forth in the insurance contract shall be compensated.
- 12.2. Insurance indemnity shall not be paid if the loss has been compensated in full by a third party.
- 12.3. VAT refundable under the VAT Act or other legal acts and other taxes subject to be refunded to the policyholder or injured person shall not be compensated.
- 12.4. If as the size or cause of the loss incurred as a consequence of the insurance event is not substantiated, the insurer shall compensate by the term the substantiated part thereof.
- 12.5. If the monetary unit of the insurance amount and the indemnity to be paid is different, the indemnity shall be disbursed based on the daily Eesti Pank rate for the date on which the loss took place, unless agreed upon otherwise in the insurance contract.
- 12.6. Should the cargo not reach its destination, the cargo shall be deemed lost if there are no reports regarding the location of the cargo and/or the means of transport used within 30 days in the

case of domestic transport and 60 days in the case of international transport of the date on which the cargo was expected to have reached its destination.

- 12.7. The insurer has the right to independently appoint experts, legal representatives and other persons to investigate the circumstances of the insurance event and to be authorized by the insured to represent the insured in proceedings before arbitral tribunals or courts or involving claimants.
- 12.8. The insurer has the right to offset, up until the end of the insurance period, obligations to perform the insurance contract with insurance premium payments outstanding under the insurance contract.
- 12.9. If the insured or injured party regains possession of lost cargo, the property must be surrendered to the insurer or the insurance indemnity must be refunded.
- 12.10. Upon disbursement of the insurance indemnity, the insured's right of claim against persons responsible for causing the loss shall pass to the insurer in the extent of the indemnity paid out.
- 12.11. If the insurer has paid out indemnity, the cargo owner must relinquish the compensated part of the right of ownership to the insurer, if the insurer so demands.
- 12.12. Multiple insurance means that the insured's liability is completely or partially insured against the same insurance risk for completely or partially the same insurance period by more than one insurer. In the case of multiple insurance, the insurers shall be liable as solidary debtors.
- 12.13. The policyholder, insured and injured party do not have the right to cede their right of claim to a third party without the written consent of the insurer.

### 13. Releasing insurer from obligation to perform insurance contract

- 13.1. The insurer shall be released partially or completely from the obligation to perform the insurance contract if
  - 13.1.1. the policyholder or insurer is in breach of at least one of the obligations listed in clause 10 of the insurance terms and conditions and there is a causal connection between the failure to perform the obligation and/or the size of the loss incurred as a consequence thereof the failure to perform the obligation and the occurrence of the loss and/or size thereof;
  - 13.1.2. the policyholder has not paid the insurance payment by the agreed-upon date (in the case of a post-payment by the term appointed additionally by the insurer and if the insurance event takes place after the deadline for payment of the insurance premium);
  - 13.1.3. the policyholder, insured or person(s) deemed equivalent to them has intentionally or due to gross negligence (failure in a material extent to adhere to the duty of care in performing a contractual obligation) violated at least one of the conditions of the insurance contract which has an impact on the occurrence of the insurance case or size of the loss;
  - 13.1.4. the insurance event has taken place due to recklessness or intent on the part of the policyholder, the insured or injured party. Recklessness shall be considered to be a situation in which the person foresees the consequences of his or her action but cavalierly hopes that the consequences will not occur;
  - 13.1.5. the insurance event was caused by the illegal activity of the policyholder, the insured or person(s) deemed equivalent thereto, or actions under the influence of alcohol, narcotics or psychotropic substances. If a person deemed equivalent to the policyholder or to the insured refuses immediately after the damage was caused to undergo tests establishing the state of intoxication, he or she shall be considered to have been under the influence of alcohol, narcotics or psychotropic substances at the time at which the damage was caused. The same applies in a case in which the aforementioned substances were used after the damage was incurred, but before the police arrived or proposed tests establish a state of intoxication;
  - 13.1.6. the loss was caused by the damage, destruction, loss or delay of illegal cargo (including contraband, cargo that the carrier is not permitted to transport). If the

cargo does not conform to the legal standards solely because the required accompanying documents or customs documents were absent due to the error of the freight forwarder, such cargo shall not be considered illegal cargo in the sense of this clause;

- 13.1.7. the policyholder or the insured waives rights with regard to the person that caused the damage, or if the exercise of the right of recourse by the insurer proves impossible due to the fault of the insurer or policyholder (exceeding of the deadline for filing a claim, failure to submit the necessary documents to the insurer);
  - 13.1.8. the insured or injured party misled or attempted to mislead the insurer with regard to the circumstances and/or size of the loss to attempted to deceive the insurer in some other manner with regard to the insurance contract or the circumstances of performance thereof.
- 13.2. The extent to which the insurer shall be released of the obligation to perform the insurance contract shall be decided by the insurer.
  - 13.3. The insurer shall be released completely from the obligation to perform the insurance contract if:
    - 13.3.1. the statute of limitations on the claim filed against the insured has expired;
    - 13.3.2. pursuant to valid legal acts and conventions, the insured cannot be held liable for causing the damage or is released from liability, yet accepts the claim against it.

### 14. Exclusions

- 14.1. Claims not caused by the insurance event shall not be subject to indemnity, nor shall claims on the following grounds:
  - 14.1.1. intentional illegal act committed by the policyholder or the insured;
  - 14.1.2. transport of humans;
  - 14.1.3. transport of deceased persons;
  - 14.1.4. moving home or office furnishings;
  - 14.1.5. cargo carried in conformity with international postal conventions;
  - 14.1.6. towing vehicles or self-powered transport;
  - 14.1.7. monetary claims not occasioned by direct patrimonial damage (impairment of patrimonial rights, revenue forgone, wage forgone, loss of market share, contractual penalties, loss in connection with the carriage of cargo to prohibited transit or destination countries pursuant to the legal acts in force in such countries etc) not including the cases set forth in clauses 7 and 8 of these terms and conditions;
  - 14.1.8. costs of cleaning up environmental pollution;
  - 14.1.9. risks related to manufacturing and processing. Example: the insured assumes the obligation to install a catalytic converter in a vehicle so it would conform to the legislation of the destination country. Damage caused to the vehicle in the course of installation of the catalytic converter is not covered;
  - 14.1.10. the intrinsic properties, deficiencies or defects in the cargo, ordinary leak of the cargo, loss of weight or volume, wearing or tearing;
  - 14.1.11. pests, insects etc;
  - 14.1.12. insufficient or unsuitable packing of the cargo or preparation for transport. Packing can also mean the loading of the cargo into a container or transport van at the origin of the itinerary by the sender or by representatives of the sender;
  - 14.1.13. insolvency or lack of funds of the owner of the means of transport, freight forwarder or operator;
  - 14.1.14. deficiency of the cargo in the case that the packaging is in order or in the case of the existence of seals affixed by the sender;
  - 14.1.15. transport related to contraband, undeclared goods and illegal trade;
  - 14.1.16. transport of precious metal and products made of them, precious stones, jewellery, banknotes, coins, bonds, means of payments, securities, artworks and live animals;
  - 14.1.17. unsuitability of the means of transport (including

- containers, van, lift, refrigerated trailer or means of transport with other refrigerated equipment) for travel or safe carriage of the transport in the event that the insured or persons deemed equivalent to the insured were or should have been aware of the unsuitability before the cargo was on-loaded;
- 14.1.18. destruction, damage or drop in value of the cargo, stemming from the storage of the goods in a warehouse or terminal belonging to the insured in the case that the policyholder has not entered into any fire or flood insurance with regard to the goods and has not required the warehouse owner or possessor to have such a property insurance contract;
- 14.1.19. requirement set forth on the basis of CMR convention articles 23.6, 24 and 26.1 or analogous clauses of other legal acts governing carrier's liability (that the shown on the document accompanying the transport of goods);
- 14.1.20. adhering to the temperature requirements in the case of carelessness on the part of the insured;
- 14.1.21. delivery of cargo to the wrong recipient or to a recipient who has no right to accept the cargo;
- 14.1.22. impoundment, confiscation, blockage or seizure;
- 14.1.23. mutual claims of persons covered by the same insurance contract;
- 14.1.24. use of operation of computer system, computer software or any electronic system if such loss, damage, expenditure or liability was caused directly or indirectly by a change in the date, time, date, week month, year or century; discovery of time, date, week, month, year or century; any expenditures for preventing such losses;
- 14.1.25. consequence of force majeure that does not depend on the intent of the parties and is beyond their control.
- 14.2. Claims and expenditures the direct or indirect reasons for which are the following shall not be subject to indemnity:
- 14.2.1. terrorism and/or actions of persons driven by political, religious, ethnic or ideological motivations, which pose or may pose a danger to the life, health, security or asset of any persons or the public;
- 14.2.2. war, civil war, revolution, invasion, riot, popular unrest, coup d'etat, strike, state of emergency, forcible expropriation, occupation, confiscation, impoundment, blockage or seizure or the consequence of or attempt at such an action;
- 14.2.3. abandoned mines, torpedoes, bombs or other ordnance;
- 14.2.4. activity of participants in a strike or lockout or other labour disputes in breaches of the public order or in civil unrest;
- 14.2.5. use of weapons involving atomic or nuclear fission or similar reactions; radioactive force or material; biological or biochemical reaction or electromagnetic force;
- 14.2.6. use of nuclear energy for any purpose or cases in which such energy went out of control or other loss in connection with radioactive materials, fuels or waste;
- 14.2.7. computer viruses or an attempt to cause damage using computer programs;
- 14.2.8. earthquake, landslide and/or sinkhole;

- 14.2.9. demolition or excavation work;
- 14.2.10. bankruptcy -- either officially declared or undeclared -- and/or financial fraud perpetrated by the insured or a person with which the insured has entered into a contract. Bankruptcy also means the inability to pay debts/payments by the payment deadline;

- 14.2.11. circumstance regarding which the policyholder or insured or persons deemed equivalent to them were or should have been aware before entering the insurance contract was entered into;

- 14.3. The insurer has no obligation to indemnify a loss in an extent to which the freight forwarder's liability exceeds the limits set forth in the Law of Obligations Act or the general terms and conditions of the ELEA.

## Special terms and conditions of storage

### Term of validity

In accordance with the insurance contract, the insurer shall compensate claims brought against the policyholder arising from loss of or damage to goods during the time that the goods were in the care, guardianship or control of the insured or of a person with whom the insured had entered into a storage contract.

### Alarm systems and safety requirements

The precondition of the insurer's liability is that all of the warehouse buildings in use be equipped with fire extinguishers conforming to legal acts of the country of location.

- There must always be a working fire alarm and security alarm system in the warehouse building, and it must be armed at any time that the warehouse building is left unguarded; the alarm must be connected to a monitoring system belonging to a security company and it must be maintained in accordance with the manufacturer's requirements.
- When left unguarded, the warehouse building must be kept locked and all points of ingress must be closed in a secure manner.
- Areas encircled by fencing must also have a security system that is in working order and is armed), the alarm system must be connected to the monitoring system belonging to the security company and it must be maintained in accordance with manufacturer's requirements.

### Location

- The insurer is obliged to pay the insured indemnity only for goods warehoused in the warehouse building or fenced area in the location specified in the insurance contract. Goods warehoused in a vehicle or trailer shall not be insured even if the vehicle or trailer are located inside the warehouse.
- The goods to be warehoused must be protected against moisture, including from the underside, from moisture emanating from the soil; ground or floor.

### Inventory losses

The insurer shall not bear liability if the goods cannot be located in the warehouse or have gone missing for unknown reasons, unless the insurer has been notified of the loss of the goods within 30 days of the date on which the existence of the goods in the warehouse was documented in writing.