



FREIGHT FORWARDERS THIRD-PARTY LIABILITY INSURANCE

Terms and Conditions No. 1303.E1
Effective as of 01.09.2020.

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In accordance with BTA Baltic Insurance Company AAS, hereinafter in text – BTA, “General Third-Party Liability Terms and Conditions”, hereinafter in text – General TPL Insurance Terms and Conditions, effective at the moment of insurance contract conclusion, and these terms and conditions, BTA shall hereby conclude Freight Forwarders’ Third-Party Liability insurance contract with the Policyholders.

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1. TERMS USED IN THE TERMS AND CONDITIONS

Subcontractor – Successive forwarder (freight forwarder, which provides freight forwarding services to another freight forwarder), carrier or other business entity, engaged by the Insured to carry out the Freight Forwarders’ contract based on the contract concluded in writing or any other legal basis, developed in writing.

Insurance protection territory scope – Territory, indicated in the Insurance contract, whereat insurance protection is effective and wherein the Insured carried out his business activity (renders freight forwarding services).

Insured – Freight forwarder that renders freight forwarding services based on freight forwarding contract concluded in writing or any other legal basis, and which third party liability, as a freight forwarder’s, is insured in accordance with insurance contract concluded.

Freight forwarding services – Services, rendered by the Insured to Consignor of the freight and related to delivery of the freight to the Consignee, and transport process management thereby.

Freight – Goods subjected to carriage (any products, goods produced therefrom and items), which were undertaken for carriage to the Consignee by the Insured.

Freight traffic – Overall operations (process), in the result of which Freight is delivered from the Freight consignment location (address, whereat the Freight is uploaded to the Carrier’s Vehicle) to the Freight delivery location (address, indicated in Freight carriage documents and whereat the Freight is handed over to Consignee).

Consignor – Person that orders Freight forwarding services and consigns the Freight for carriage. Consignor and Carrier may be the same person.

Carrier – Business entity that has undertaken Freight forwarding obligations on a fee basis by means of Vehicle based on freight forwarder’s contract concluded in writing or based on a bill of lading.

Consignee – Person whom the Freight is to be delivered at destination in accordance with Freight forwarding contract (incl. carrier’s contract) and that is indicated in the Freight forwarding contract.

Rules of international law – International contracts, agreements and conventions binding for the Republic of Latvia, as well as international legal provisions, which may be extended and applied to Freight forwarder’s contract (for instance, Convention on the Contract for the International Carriage of Goods by Road (CMR), International Convention for the Unification of Certain Rules of Law relating to Bills of Lading (The Hague Rules), Convention for the Unification of Certain Rules for International Carriage by Air).

Vehicle – Vehicle used in the process of Freight forwarding (motor vehicle within the meaning of Road Transport Law, vessel, railway vehicle, aircraft).

2. INSURANCE OBJECT

2.1. Insurance object is Third Party Liability of the Insured upon consideration of the restrictions and exceptions provided for in these terms and conditions for losses incurred to Third Parties upon rendering Freight forwarding services within insurance contract territory scope.

3. INSURANCE PROTECTION

3.1. Basic insurance protection – Upon conclusion of insurance contract, third party liability of the Insured shall be insured and BTA shall indemnify for losses incurred to Third Parties in regard with:

- 3.1.1.** Complete or partial loss of Freight;
- 3.1.2.** Damage to Freight;
- 3.1.3.** Delay in delivery of Freight.

- 3.2. Indemnifiable losses** – Upon occurrence of events mentioned in articles 3.1.1 and 3.1.2 of these terms and conditions, BTA shall indemnify for losses occurred to Third Parties in regard with Freight impairment or in regard with impairment of Third Party property in case of loss of Freight.
Upon occurrence of the event mentioned in article 3.1.3 of these terms and conditions, BTA shall indemnify for extra costs resulted from Freight delivery, so that due to conduct imputed to the Insured, the Freight consigned is consigned in accordance with the procedure provided for in Freight forwarder's contract.
- 3.3. Indemnifiable costs** – Upon conclusion of insurance contract, BTA assumes the obligations to indemnify for the following costs substantiated in the presence of documentary evidence:
- 3.3.1.** Rescue costs, for instance but not limited to: Freight traffic costs to the nearest storage warehouse, security guard for the Freight, reloading, fastening, relocation;
 - 3.3.2.** Litigation costs;
 - 3.3.3.** Costs on determining the amount of losses;
Within the meaning of these Terms and Conditions, costs on determining the amount of losses shall read as costs supported by documentary evidence to determine the amount of damage to Freight and losses, in case these costs were prior coordinated with BTA;
 - 3.3.4.** Destruction of damaged Freight or removal thereof costs, occurred upon compliance to requirements of the effective regulatory enactments or requirements by state institutions, on condition that BTA has acknowledged the accident, which resulted into Freight damage, to be an insurable event.
- 3.4. Insurance contract territory scope** – Insurance protection shall be effective solely within insurance contract territory scope indicated in the insurance contract.
- 3.5.** On condition that Policyholder and BTA have not agreed otherwise in the insurance contract, in case insurance contract territory scope is indicated in the insurance contract as follows:
- 3.5.1.** Latvia, then insurance protection shall be valid in the territory of Latvia solely;
 - 3.5.2.** Baltics, then insurance protection shall be valid in the territory of Latvian, Lithuania and Estonia;
 - 3.5.3.** Europe, then insurance protection shall be valid in the territory of Latvia, Lithuania, Estonia, Albania, Andorra, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, the Czech Republic, Denmark, France, Greece, Croatia, Italy, Ireland, Iceland, Cyprus, Kosovo, Great Britain, Liechtenstein, Luxembourg, Malta, Monaco, Montenegro, Macedonia, Norway, the Netherlands, Portugal, Poland, Rumania, Spain, Finland, Slovakia, Slovenia, Serbia and Montenegro, San Marino, Switzerland, Hungary, Germany, Vatican, Sweden and Turkey (up to the meridian 30° East), as well as Georgia and Ukraine;
 - 3.5.4.** **Europe and European part of The Commonwealth of Independent States (CIS)**, then insurance protection shall be valid in the territory of European states as determined by Article 3.5.3, and Armenia, Azerbaijan, Belarus, Russia (up to the meridian 60° East), Moldova;
 - 3.5.5.** **The Commonwealth of Independent States (CIS)**, then insurance protection shall be valid in the territory of Armenia, Azerbaijan, Belarus, Moldova, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, Turkmenistan, Uzbekistan;
 - 3.5.6.** **All over the world**, then insurance protection shall be effective all over the world, except for high dangerous territories, upon Event occurrence marked as High, Very high, Severe, Extreme included into Joint Cargo Committee Global Cargo Watch List (available via internet web site <http://watch.exclusive-analysis.com/jccwatchlist.html>).
- 3.6. Insurance protection territory scope** – Insurance protection shall be effective as of the moment when the Insured has accepted the Freight for consignment, which is confirmed in writing by a Freight forwarding contract or another document in writing, but no sooner than the initial date of the insurance period indicated in the Insurance contract, and continue up to the moment, when the Freight is delivered to Consignee, but no longer than until the end of the insurance period indicated in the Insurance contract, except in case the Insured accepted the Freight in the course of insurance contract validity period, but the Freight upon performance of freight traffic in accordance with freight traffic documents, is delivered to Consignee post the end of the insurance period, then insurance protection for delivery of such kind of Freight shall be rendered in complete course of consignment up to delivery to Consignee.
- 3.7. Insured Freight forwarding services** – Insurance protection is effective in regard with Freight forwarding services rendered by the Insured:
- 3.7.1.** If Freight forwarding service rendering in regard with the particular Freight is commenced within the insurance period, and
 - 3.7.2.** Freight documents are issued within the insurance period.
- 3.8.** Event occurrence time – In case Event occurrence time is unidentified, then it is presumed that the Event occurred on the date of Freight forwarder's insurance contract conclusion.

4. EXCEPTIONS

General exceptions – In addition to exceptions mentioned in section “General exceptions of the “Third Party Liability Insurance” General Terms and Conditions.

4.1. BTA shall indemnify for losses:

- 4.1.1. Deficiency** – occurred directly or indirectly resulting from deficiency of Freight, upon the lack of signs of Freight loss, i.e. in case the external packaging is intact and the seals of Consignor or customs are free of damage (wholeness and integrity thereof is preserved);
- 4.1.2. Changes to regulatory enactments** – resulting directly or indirectly from changes to regulatory enactments, which came to effect when the Insured had already accepted the Freight for delivery (forwarding);
- 4.1.3. Custody imposed to Freight** – resulting directly or indirectly from imposing custody to Freight, withdrawal of Freight or confiscation thereof following a request of military or civil authorities;
- 4.1.4. Leaving unattended** – resulting directly or indirectly from complete or partial loss of Freight from the Vehicle left unattended;

Within the meaning of these terms and conditions, Vehicle is not considered to be left unattended, in case at the time of parking unrelated to uploading/unloading the Freight, customs procedure or handling any other formalities required by the Freight forwarding contract:

- a)** Such kind of measures required to prevent other persons from entering the Vehicle or reaching thereof: that is, the Vehicle is closed, all windows and sun-roofs, all anti-theft devices are on or
- b)** The vehicle is closed and vehicle driver is supervising the vehicle (stays in the driver's cabin of the vehicle), or
- c)** Vehicle is parked in the following place (territory):
 - 1)** In a petrol station parking lot, where continuous video surveillance is provided, 24/7 service and lighting of the territory, or
 - 2)** Special paid parking with physical security guard (including a document on the use of parking services is submitted to BTA), or
 - 3)** Closed and fenced territory, where continuous video surveillance and security guard is provided;
- 4.1.5. Unlawful acts** caused directly or indirectly upon committing unlawful Freight traffic;
- 4.1.6. Delivery to wrong consignee**, caused directly or indirectly upon delivery of the Freight to a wrong Consignee or a person, who has no rights of receipt of the Freight;
- 4.1.7.** Caused directly or indirectly upon forwarding of the following Freight:
 - a)** Valuable goods, i.e. jewellery, precious metals and the goods produced therefrom, precious stones, semi-precious stones and jewellery goods, banknotes and coins, bonds, payments means, printed paper currency and other type of securities, works of art, sculptures, collections, unique and antique goods, as well as any kind of documents;
 - b)** Alive animals;
 - c)** Goods withdrawn from private (commercial) circulation;
 - d)** Parcel posts;
 - e)** Mortal remains;
 - f)** Goods of migrants, who change their place of residence;
 - g)** Military goods, i.e. ammunition, arms, specials means and equipment, which is transferred for transportation to support foreign armed forces or the National Armed Forces of Latvia;
- 4.1.8. Use of rent, goods transferred for lending** – caused directly or indirectly in regard with damage, loss or total loss of the goods submitted to Policyholder, Insured or Subcontractor into rightful use (for instance, rent, lending) or storage. In the meaning of this article goods shall not read as Freight;
- 4.1.9. Damage to life or health** – caused directly or indirectly in regard with damage to Third Party life or health;
- 4.1.10. Damage to a person's property** – in regard with the damage to property of the person that is not a freight forwarding contract contractual party;
- 4.1.11. False transfer** – caused directly or indirectly upon false transfer of assets, in regard with the aforementioned and in the amount of sum transferred, as well as any other losses caused in regard with false transfer of assets;
- 4.1.12. Areas forbidden, inappropriate for traffic** – should a traffic accident occur when the vehicle is located in the area, where traffic is forbidden or not envisaged for traffic (for instance, frozen water bodies, swampy territories and so forth);
- 4.1.13. Inappropriate vehicle** – in case the losses have occurred within cause-and-effect relationship in regard with use of such a Vehicle for Freight forwarding (including special equipment, envisaged to protect the Freight from heat, cold, temperature fluctuations or air humidity):

- a) the technical state thereof does not comply with Freight forwarding safety and Freight protection requirements;
 - b) which does not comply with and is invalid for forwarding the respective Freight;
 - c) used without complying with the user's manual and the safety requirements of the manufacturer thereof;
 - d) which does not comply with the requirements set forth in the effective regulatory enactments (including, but not limited to the lack of state motor vehicle inspection);
- 4.1.14. Geographical limits** – in case at the moment of the Event occurrence, the Vehicle was located outside the Insurance contract territory scope;
- 4.1.15. Freight consignment, delivery location**, in case Freight consignment location or delivery location in accordance with Freight forwarding contract (including Freight forwarding documents) is outside the Insurance contract territory scope, even in case at the moment of Event occurrence Freight traffic was carried out within the insurance contract territory scope;
- 4.1.16. Note on delivery and acceptance of the Freight**, in case Freight traffic documents lack acknowledgement (check mark) regarding delivery and acceptance of the Freight;
- 4.1.17. Verbal agreement**, in case Freight forwarding contract (including Freight traffic contract) was made as a verbal agreement;
- 4.1.18. Consulting**, in case there is a causal link in regard with consulting by the Insured;
- 4.1.19. Non-collection of payments**, in case there is a causal link in regard with non-collection of payments by the Insured;
- 4.1.20. Instructions**, in case there is a causal link in the course of execution of instructions provided by the Consignor or the Consignee;
- 4.1.21. Computer programmes, data bases**, occurred due to errors in computer programmes, licences, information stored electronically, data bases;
- 4.1.22. Internal defects, characteristics**, occurred due to internal defects or characteristics inherent to the Freight;
- 4.1.23. Leakage, loss of weight, volume, depreciation**, occurred resulting from depreciation or wear out, as well as in accordance with effective regulatory enactments, applicable to Freight forwarding, tolerable Freight leakage, loss of weight or volume;
- 4.1.24. Vehicles, containers, tanks**, for the damage to Vehicle, containers, tanks used for traffic;
- 4.1.25. Regulatory enactments**, which the insured is not liable for:
- a) State regulatory enactments of the country, applicable to Freight forwarding contract;
 - b) Such Provisions of international law, applicable to Freight forwarding contract, or upon application of which the Insured and the Consignor or the Client have agreed upon;
- 4.1.26. Increase of risk based on declarations of value and interests**, resulted directly or indirectly from the agreement by the Insured regarding increased sum of indemnification for losses, based on declarations of value and interests, in accordance with Provisions of international law, binding for Freight traffic or state regulatory enactments of the country, applicable to Freight forwarding contract, unless otherwise provided in the insurance contract;
- 4.1.27. Increase of liability scope**, caused directly or indirectly, when the Insured undertook increased liability than provided for in Provisions of international law or regulatory enactments of the Republic of Latvia binding for the Freight forwarding contract, applicable to freight forwarding and regulating freight forwarding, unless otherwise provided in the insurance contract;
- 4.1.28. Indirect losses or loss of profit**, which are indirect losses, loss of profit, lost revenues, moral damage related loss, as well as BTA does not indemnify for any kind of penalty fees, contractual penalty fees, compensation interest payable;
- 4.1.29. Environmental pollution**, occurred in the result of environmental pollution, littering or poisoning;
- 4.1.30. Subcontractors**, incurred to the Subcontractors engaged by the Insured;
- 4.1.31. Repeated errors**, caused by the same error made by the Insured, whereupon within the insurance period to the same Third person an insurance indemnity has already been calculated or disbursed or BTA has received application regarding insured risk occurrence;
- 4.1.32. Violation of regulatory enactments**, occurred due to conscious violation of regulatory enactments, provisions, technical regulations, instructions and conditions in other documents by employees or representatives of the Insured, or in case actions by the persons mentioned has been qualified a criminal offence;
- 4.1.33. Customs charges**, which are customs charges and any other taxes and charges, in case they are not included in Freight value (price);
- 4.1.34. TIR Convention**, which derives from Customs Convention on the International Transport of Goods under Cover of TIR Carnets;
- 4.1.35. Shall not indemnify for losses** amounting to the sum, paid by the Third Party as an indemnity to

avert the errors committed in the result of Freight forwarding services rendered by the Insured. The afore-mentioned is not applicable to delay in Freight delivery;

4.1.36. Financial losses, which:

- a) Does not derive from the contractual obligations executed by the Insured in accordance with Freight forwarder's contract;
- b) Caused directly or indirectly in the result of activity by the Insured, if envisaged by the insurance contract that liability of the Insured with not reference to Subcontractor's liability is insured.

4.1.37. Malicious intent, gross negligence, occurred resulting from malicious intent or gross negligence by the Insured or the Subcontractor engaged thereby.

4.2. The following shall not be recognised as insured event and the losses shall not be indemnified, occurred directly or indirectly due to:

- 4.2.1.** state issued regulatory enactments;
- 4.2.2.** announced emergency situation or exceptional circumstances, including any losses or expenses shall not be indemnified, which occurred directly or indirectly due to measures intended for aversion of the emergency situation or exceptional circumstances;
- 4.2.3.** epidemics or pandemics.

5. LIABILITY LIMIT

5.1. Total liability limit Total liability limit, which is the maximum amount of insurance indemnity payable within the entire insurance period, shall be determined upon agreement between Policyholder and BTA, and shall be thereby indicated in the insurance contract.

5.2. Liability limit on basic insurance protection Liability limit on indemnification for losses mentioned in articles 3.1.1 and 3.1.2 of these terms and conditions shall be determined upon agreement between Policyholder and BTA, and shall be thereby indicated in the insurance contract.

5.3. Liability limit on delay in Freight delivery Liability limit on allowed delay in Freight delivery (article 3.1.3 of these terms and conditions) shall be determined in the amount of contractual indemnity for rendering Freight forwarding services, but not more than EUR 5 000 per single insurable event.

5.4. Liability limit on storage costs Liability limit on indemnification for storage costs (article 3.3.1 of these terms and conditions) shall be determined in the amount of 10% from the Freight value, but not more than EUR 10 000 per single insurable event.

5.5. Liability limit on litigation costs Liability limit on indemnification for litigation costs (article 3.3.2 of these terms and conditions) in the amount of EUR 10 000 per single insurable event.

5.6. Liability limit on costs on determining the amount of losses Liability limit on indemnification for costs on determining the amount of losses (article 3.3.3 of these terms and conditions) shall be determined in the amount of EUR 1 500 per single insurable event.

5.7. Liability limit on destruction of damaged Freight or removal thereof costs Liability limit on indemnification for destruction of damaged Freight or removal thereof costs (article 3.3.4 of these terms and conditions) shall be determined in the amount of 10% from the Freight value, but not more than EUR 10 000 per single insurable event.

5.8. Amendments to liability limits and sub-limits Upon agreement between Policyholder and BTA, and having provided therefore clearly and unequivocally, liability limits determined by the articles 5.3 and 5.7 of these terms and conditions may be amended, as well as the parties may agree upon determination of various sub-limits for particular Freight traffic.

6. OBLIGATIONS UPON OCCURRENCE OF A POSSIBLE INSURABLE EVENT

6.1. In addition to matters provided for in TPL General insurance terms and conditions – section "Obligations of the Policyholder and the Insured", upon occurrence of the Event, obligations of the Policyholder and the Insured, compliance to which is a prerequisite of insurance indemnity receipt:

- 6.1.1. Observance of BTA interests** to avoid any actions, which might incur losses or damage to BTA interests, any commitments, except for organization of rescue works and loss reduction measures and measures to avert any forthcoming losses;
- 6.1.2. Reporting to respective state institutions** to forthwith report to the person in charge in the respective state institution, in case robbery, theft of Freight occurred or traffic accident, as well as upon all the other instances, when the duty to report to the respective state institutions is set by the regulatory enactments of the respective states;
- 6.1.3. Participating in Freight inspection** to take part in the inspection of weight, condition and number of units of Freight, if:

- a) Freight delivered damaged or in an open Vehicle or Vehicle in operating condition, but damaged seals;
 - b) Short-life Freight, delivered without compliance to delivery term or without observance of the temperature envisaged for the freight Traffic;
- 6.1.4. Reporting to BTA** to forthwith as soon as possible report the event occurred to BTA and to fill in the Application of a certain form – notification on losses and submit it to BTA;
- 6.1.5.** to forthwith as soon as possible send a notice on the loss or damage or Freight to the Subcontractor engaged that was rendering the services marked by Freight loss or damage and to make all possible efforts in order to protect BTA claim rights no indemnification for losses against the Subcontractor;
- 6.1.6. Freight-related documents to be submitted to BTA** in addition to Application of a certain form – notification on losses, to submit to BTA all the information and documents available to characterize the Freight, acknowledge the value thereof, provide an opportunity to assess the reasons, nature and amounts of the losses incurred, including but not limited to:
 - a) Vehicle order contracts, Freight forwarding contracts, Freight forwarding contracts;
 - b) Consignment notes, invoices and bills;
 - c) List of goods;
 - d) Police protocol or protocol by another respective state institution on the traffic accident;
 - e) Police statement or statement by another respective state institution to acknowledge the fact that theft or robbery was reported to police or another respective state institution;
 - f) A written explanatory note on the Event;
 - g) Tachograph CD or digital tachograph printout from the Vehicle's tachograph and tachograph CDs or digital tachograph printouts on the previous 48 hours prior to Event occurrence in case the Vehicle is equipped with a tachograph;
- 6.2. Documents, received from Third Party, to be submitted to BTA** in addition to Application of a certain form – notification on losses, to submit to BTA all documents received from Third Party regarding the claim on indemnification for losses, and documents should there be any, to acknowledge the rights of Third Party to receive insurance indemnity, including but not limited to:
 - a) Claims, subpoenas and invitations to participate in proceedings, correspondence documents with Third Party in regard with the claim thereby;
 - b) Consignment notes or other goods traffic documents with objections, claims by Consignee or representatives thereof;
 - c) Freight inspection statements (accident certificates, experts' reports, whereupon the fact is acknowledged whereupon the claim is based on, and the loss estimation;
 - d) Loss estimation by Third Party;
 - e) Documents to acknowledge the rights of Third Party to receive the insurance indemnity;
- 6.2.1. Vehicle inspection** to provide BTA with an opportunity to inspect the Vehicle, engaged in the respective Freight traffic, as well as an opportunity to perform inspections in order to determine the reasons and the amounts of loss occurrence;
- 6.2.2. Freight inspection** in case of any inspection in regard with the damaged or lost Freight or the respective Vehicle and the Policyholder or the Insured is thereon informed, then they are obliged to forthwith inform BTA thereon, as well as if BTA so desires, to the extent possible, to provide BTA representative with an opportunity to participate in the respective inspection.
- 6.3.** BTA customer information line Instructions on the Policyholder's and the Insured's actions upon occurrence of the possible insurable event, may be obtained upon calling BTA Customers Service 24/7 hotline (+371) 26121212. Accurate compliance to these instructions shall be considered compliance to obligations imposed to the Policyholder and the Insured.

7. INSURANCE INDEMNITY

- 7.1. Insurance indemnity volume** – BTA shall disburse in insurance indemnity in the amount, which corresponds to the actual amount for losses incurred by Third Party:
 - 7.1.1.** Without exceeding the maximum freight forwarder's liability amount determined by Part 3 "Freight forwarding law" of the Commercial Law, effective in the Republic of Latvia;
 - 7.1.2.** Without exceeding the maximum freight forwarder's liability amount determined by International Legal Provisions applicable to the type of the vehicle engaged in freight Traffic, in case it can be justified that loss or total loss of Cargo or damage thereto occurred in the course of use of the particular vehicle;
 - 7.1.3.** Without exceeding the liability limits determined by the insurance contract, including sub-limits;
 - 7.1.4.** Upon withholding the deductible determined by the insurance contract.
- 7.2.** In case of total loss of the freight consigned, BTA shall withhold yet unpaid part of the insurance indemnity from the calculated loss sum until the end of insurance period.

7.3. Insurance indemnity disbursement Insurance indemnity shall be disbursed to Third Party for:

- 7.3.1.** Total or partial loss of Freight;
- 7.3.2.** Damage to Freight;
- 7.3.3.** Delay in freight delivery.

In case upon an agreement in writing with BTA, the Insured has indemnified for losses to Third Party, BTA shall disburse the insurance indemnity to the Insured, afterwards the Insured will have submitted the documents to acknowledge the fact of indemnification for losses to Third Party.

7.4. Indemnification for extra costs BTA shall indemnify for the rescue costs to the Insured, litigation costs, costs on determining the amount of losses, destruction of damaged Freight or removal thereof costs.

8. INSURANCE CONTRACT CONCLUSION BY MEANS OF REMOTE COMMUNICATION

- 8.1.** Insurance Contract may be concluded by means of remote communication, i.e. by mail, e-mail, telephone or upon the use information exchange options.
- 8.2.** If Policyholder, who is a consumer, were to conclude the Insurance Contract, the Remote contract regulations shall be applicable to the insurance contract, available at BTA website www.bta.lv. Remote contract regulations, inter alia, cover the procedure for exercise of the right of withdrawal, i.e. the right to withdraw from the concluded insurance contract, including an application template intended for use upon the exercise of the right of withdrawal.

A consumer is a natural person, who concludes an insurance contract, which is unrelated to its economic or professional operations.

9. PERSONAL DATA PROCESSING

- 9.1.** BTA as controller of personal data processing shall process personal data of natural persons upon observance of the regulation 2016/679 of 27 April 2016 by the European Parliament and the Council on protection of natural persons in regard to processing personal data and free movement of such data, thus invalidating directive 95/46/EK (General data protection regulation) and requirements to personal data processing provided for in other regulatory enactments.
- 9.2.** Principles of personal data processing performed by BTA are published on BTA website www.bta.lv

10. OTHER PROVISIONS

10.1. Liability on subcontractors – In case in accordance with the insurance contract concluded Third Party Liability of the Insured is insured, including the liability of the Insured on the Subcontractors engaged, then insurance indemnity shall be disbursed solely upon such an occasion, in case no exceptional events provided for in these terms and conditions, and the following conditions are met:

- 10.1.1.** The Insured, upon conclusion of a contract with the Subcontractor on compliance with Freight forwarding contract, liability of the Subcontractor engaged is provided for in the contract for the services rendered in accordance with the effective regulatory enactments of the Republic of Latvia or International legal provisions;
- 10.1.2.** In the course of compliance with the Freight forwarding contract, the Subcontractor has an effective third party liability insurance, which corresponds with the service being rendered (for instance, but not limited to carrier's, warehouse operator's, freight forwarder's third party liability), wherein the liability limit envisaged is sufficient to indemnify for losses in case of total loss or loss of Freight, which is verified by the Insured upon requesting and receiving a copy of the respective third party liability insurance contract (including copy of insurance policy, certificate);
- 10.1.3.** The Insured, upon conclusion of a contract with the Subcontractor on compliance with Freight forwarding contract, provided the Subcontractor engaged with clear and unequivocal instructions not to leave the Vehicle unattended within the meaning of these terms and conditions.

10.2. In case the requirements set by article 8.1 of these terms and conditions are not met, upon conclusion of contracts with Subcontractors, then insurance indemnity for damage to Freight, loss or total loss or delay in Freight delivery, which occurred due to wrongful actions by the Subcontractor (lack of actions as well), shall not be disbursed.

However, insurance indemnity shall be insured, if the Subcontractor's third party liability insurance, which corresponds with the service being rendered, is terminated due to such circumstances, which could not be affected by the Insured.

10.3. Subrogation rights towards Subcontractors – BTA has no recourse rights towards the Insured, but BTA does have subrogation rights towards the Subcontractors of the Insured or other persons, wrongful actions or lack of actions of which caused damage to Freight, loss or total loss, or delay in Freight delivery.

- 10.4. Applicable regulatory enactments** – All questions, which are not provided for in this contract, shall be resolved in accordance with TPL General insurance terms and conditions and the effective regulatory enactments of the Republic of Latvia.
- 10.5.** Procedure, according to which BTA considers complaint submitted by insurance claim applicant, Policyholder, beneficiary or other person, entitled to claim the insurance indemnity, on their discontent with the insurance contract or insurance service, is available on BTA website www.bta.lv.
- 10.6.** All disputes arising between the participants of the Insurance Contract shall be settled by means of negotiations. If no mutual agreement is reached, the dispute shall be finally resolved in a court of the Republic of Latvia upon application of the effective regulatory enactments of the Republic of Latvia.
- 10.7.** Notifications, requests and information related to Insurance Contract BTA, as well as the Policyholder and the Insured shall provide in writing or upon the use of durable medium or means of remote communication, upon the use of which the parties have agreed in the Insurance Contract.
- 10.8.** Upon request by the Policyholder, the Insured or another person, entitled to claim the Insurance Indemnity, BTA shall provide the claimant with its notifications, requests and the information, provided upon the use of website, durable medium or any other means of remote communication, in writing and free of charge.
- 10.9.** BTA is not entitled to provide insurance and BTA 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:
- 10.9.1.** subjects BTA 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 Latvia or the United States of America (upon condition that it does not violate any regulations or regulatory enactments, applicable to BTA);
 - 10.9.2.** 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.
- 10.10.** The Terms and Conditions are published on BTA website www.bta.lv.