MARINE UNDERWRITING SERVICES

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MEJERTRANS UAB

MUS LOGISTICS PROTECTION

INSURANCE POLICY NO

2019 13746

MEJERTRANS UAB, COMPANY CODE: 302944389
Slėnio g.9, Lentvaris, Trakų raj., LT-25109 Lithuania

Date of Issue: **September 27, 2019**

INSURANCE POLICY

MUS LOGISTICS PROTECTION

REFERENCE NO. 2019 13746

1. POLICY FORM

MUS Logistics Protection, version May 1, 2015

2. PERIOD OF INSURANCE

12 months commencing on 00:00 GMT+2 on **October 8, 2019**

3. ASSURED, JOINT ASSUREDS AND CO-ASSUREDS

3.1 ASSURED

MEJERTRANS UAB
Slėnio g.9, Lentvaris, Trakų raj., LT-25109 Lithuania

3.2 JOINT ASSURED

MEJERTRANS SIA
Riga, Zebiekstes iela 3 - 31, LV-1082

3.3 CO-ASSURED

None

4. INSURANCE BROKER

MARINE INSURANCE SERVICES SIA
Baznicas iela 4A, Riga, LV-1010 Latvia

5. INSURED OPERATIONS AND SERVICES

5.1 MAIN OPERATIONS AND SERVICES

❑ Road haulage	NO
✓ **Freight forwarding**	**YES**
❑ NVOCC	NO
❑ Rolling stock operator	NO
❑ Warehousing (as the main contractor)	NO
❑ Others (full details):	NO

5.2 ANCILLARY OPERATIONS AND SERVICES

❑ Ship agent	NO
❑ Liner agent	NO
❑Others (full details)	NO

6. APPROVED CONTRACTS

Warranted that the Assured, Joint Assureds and Co-Assureds do business under the following contracts, terms and conditions:

1) General Conditions of the Nordic Association of Freight Forwarders (NSAB 2015), as may apply, but warranted this insurance will not respond to any claims referring to §25 A. (duty to insure on storage);
2) Convention on the Contract for the International Carriage of Goods by Road (CMR);
3) Any written contract under which the Assured (etc) does not accept greater liability than in accordance to one of the above mentioned conditions;

By derogation of § 4.1.2 of MUS Logistics Protection general insurance conditions liability under any other terms, contracts or conditions or any wider liability than according to contracts mentioned above is strictly excluded under this contract of insurance, unless such terms, contracts or conditions were seen and approved by Insurers in writing.

7. TRADING LIMITS

7.1 TRANSPORT OPERATIONS

Zone 1 as per § 3.1 of MUS Logistics Protection general insurance conditions (definitions): European Union countries, Andorra, Lichtenstein, Norway and Switzerland

7.2 CARGO HANDLING FACILITY

Not insured

8. RISKS INSURED, LIMITS AND DEDUCTIBLES

Cover under this policy only applies to the risks which are specified as "Insured" in the Schedule hereafter.

The numbers mentioned in this Schedule refer to the numbers of the paragraphs of the MUS Logistics Protection general insurance conditions.

RISKS:	**INSURED Yes/No**	**LIMITS**	**DEDUCTIBLES**
GENERAL LIMITS AND DEDUCTIBLES	-	**€ 250,000** any one accident or occurrence and **€ 500,000** in all during the policy period	**€ 750** any one accident or occurrence
		Special limits:	**Special deductibles:**
4.1 Liability in respect of customers	**YES**		
4.1.1.1: Contractual liability for cargo	YES		€ 1,500 any one accident or occurrence in respect of claims related to carriage or

			handling of the following commodities: hardware and software; white or any other consumer electronic goods; temperature controlled cargo; project cargo; alcohol and/or alcoholic beverages of any kind
4.1.1.2: Professional liability for errors and omissions	YES	€ 100,000 any one accident or occurrence	
4.1.1.3: Consequential financial loss	YES		
4.2 Legal liability in respect of third parties	NO		
1) Liability for damage to property	NO		
2) Liability for bodily injuries	NO		
4.3 Liability for increased contractual obligations	NO		
4.3.1: Liability in respect of declared value (ad valorem)	NO		
4.3.2: Liability in respect of delay in delivery	NO		
4.4 Liability caused by gross negligence	YES	€ 100,000 any one accident or occurrence and in all for the period of this insurance	€ 2,500 any one accident or occurrence
4.5 Liability for containers and trailers	NO		
1) Liability for containers	NO		
2) Liability for trailers	NO		
4.6 Liabilities for fines, tax and duty	YES		
4.6.1: Liability for tax and duty	YES	€ 100,000 any one accident or occurrence	€ 1,500 any one accident or occurrence
4.6.2: Liability in respect of fines, taxes or similar fiscal charges imposed on the Assured	NO		
4.7 Liability for accidental pollution	NO		
4.8 Liability in providing ship's or liner agency services	NO		
4.9 Costs	YES	Included in the limits	Not applicable
4.10 Damage to rolling equipment	NO		

In case if more than one deductible can be applied any one accident or occurrence, it is agreed that only one highest deductible to apply, unless otherwise stated in schedule above.

In case there are various claims presented to the Assured, which all are proximately the damaging consequences resulting from the same cause or generating circumstance only one deductible should apply to all claim cumulated together.

9. SPECIAL PROVISIONS

9.1 SURVEY FEES CLAUSE

In the event of the Assured complying with the instructions contained in this policy to call for a survey in respect of loss or damage which may result in a claim hereunder, it is hereby understood and agreed that reasonable expenses incurred and fees charged in respect of this survey and/or testing are for the Insurers account even though a claim may not subsequently result hereunder.

9.2 EXCLUDED MERCHANDISE

It is further agreed and understood that unless otherwise agreed with Insurers in writing and besides to specific cargoes listed in § 5.1.7 of MUS Logistics Protection general insurance conditions this insurance will not respond to any claims when the following cargoes are carried by the Assured:

- TV-sets
- Chewing gum
- Mobile phones
- Personal effects
- Yachts and pleasure craft
- Motor vehicles
- Tobacco and tobacco based products

9.3 SUBCONTRACTORS CLAUSE

It is the condition precedent that the Assured shall check that all subcontractors employed by them have a valid liability insurance and that the respective insurance policy conform to the following requirements:

1) Liability Insurance cover shall be in force during the entire period of their employment;
2) Limit of liability shall be EUR 150,000 per accident or higher;
3) Goods carried shall not be excluded from the scope of cover;
4) Vehicle used for transportation of cargo by sub-contractors, acting as an actual carrier, shall be covered by the Liability Insurance policy.
5) Sub-contractors acting as a freight forwarder shall have an insurance covering the liability for the fault, errors, omissions and negligence of their sub-contractors
6) Geographical limits shall be appropriate.

The Assured shall not release their sub-contractors from any liability, shall safeguard the rights of the Insurers to pursue a recovery action against any other party.

Failure of the Assured to demonstrate that he acted as required under this clause will release Insurers from any liability under this policy.

This Insurance Policy does not provide cover for Loss in connection with any Claim arising out of, based upon or attributable to the:

a) Fraudulent, criminal or illegal activity by the Assured's sub-contractor(s)
b) Deliberate, intentional, reckless or wilful act or omission by the Assured's sub-contractor(s)

9.4 TEMPERATURE-CONTROLLING EQUIPMENT WARRANTY

Warranted carriage of temperature controlled cargoes is performed only using temperature controlling units, which are operational separately from carrying vehicle.

9.5 INVENTORY LOSS EXCLUSION CLAUSE

It is a condition precedent that this insurance will not respond on claims related to liability, costs or expenses for any loss or shortage ascertained solely by way of an inventory or stocktake.

9.6 INTER COMPANY CLAIMS

By derogation of § 5.1.8 and § 6.7.6 of MUS Logistics protection general insurance conditions it is agreed and understood that this insurance will not respond to any claim made against the Assured by any parent, associated or subsidiary company unless and to the extent that such party making the claim suffered a financial loss by reason of the negligence, error or omission of the Assured and/or Co-Assured. The claim itself must be such that it would constitute a valid claim by a principal against the agent in circumstances in which the principal had no financial interest or corporate connection with such agent. The Underwriters decision as to what shall constitute a valid claim in these circumstances shall be final.

10. PREMIUMS

10.1 PREMIUM AND ADJUSTMENT RATE

This insurance is subject to minimum and deposit premium of **€ 1,100** payable in four equal installments quarterly and adjustable on expiry at **0.37 %** of gross freight receipts for the period of this insurance estimated at **€ 400,000**, but always subject to Loss Review Clause hereunder.

10.2 LOSS REVIEW CLAUSE

Insurers agree to apply 25 % discount in final premium adjustment (always subject to minimum premium as stated herein) subject to:

a) Policy is renewed with the same Insurers and Insurance brokers for another 12 months (but subject rate increase not exceeding 25 %);

b) Gross loss ratio for the underwriting year is not exceeding 50 %.

If Insurers will decide not to renew this policy due to any reason and gross loss ratio for the underwriting year is not exceeding 50 % adjustment discount should remain intact.

10.3 GROSS LOSS RATIO DEFINED

For the purpose of Loss Review Clause "Gross loss ratio" should be calculated as *debit** should be divided by *credit*** expressed in percentage where:

** Debit is sum of gross deposit premium and additional premium paid by the Assured;*

*** Credit is sum of gross claims paid and estimated amounts in respect of claims outstanding, less refunds, salvage recoveries and deductibles, plus fees and/or costs paid by Insurers to third parties in connection to claims incurred.*

10.4 PAYMENT TERMS

Minimum and deposit premium payable in two equal instalments. Other premiums due within 30 days of debit note issuance.

11. CLAIMS NOTIFICATION

All claims or circumstance, which may give rise to a claim under this policy, should be immediately notified to:

MARINE UNDERWRITING SERVICES, SIA
Baznīcas 4a, Riga LV 1010, Latvia
Tel: (371) 67-830-870
AOH: (371) 277-14-777
Email: claims@underwriting.lv

12. CLAIMS

12.1 CLAIMS AND RATING LEADERS

HDI Global Specialty SE through their management general agents **Marine Underwriting Services SIA**

HDI Global Specialty SE is authorized to exercise rights under this clause on their own behalf and unless otherwise agreed, the Leading Underwriter (and Agreement Parties if appropriate) are authorized to exercise rights under this clause on their own behalf and on behalf of all Underwriters participating in this contract.

For the purpose of this clause the term *"Underwriters"* comprises all underwriters participating on this contract of insurance.

12.2 CLAIMS FOLLOW CLAUSE

The decisions of the claims lead (HDI Global Specialty SE) shall be binding on all following underwriters in all matters relating to the handling and processing of claims and actions involving third parties except that following underwriters shall in no case be bound by any decision as to coverage or quantum which can be demonstrated to be outside the terms of these insurance conditions. In particular, following underwriters shall not be bound by any settlement such as compromised total loss or made on a commercial or ex gratia basis.

Proportion of liability
Unless there is "signing" (see below), the proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp and is referred to as its "written line".
Where this contract permits, written lines, or certain written lines, may be adjusted ("signed"). In that case a schedule is to be appended to this contract to show the definitive proportion of liability under this contract underwritten by each (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together). A definitive proportion (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of a Lloyd's syndicate taken together) is referred to as a "signed line". The signed lines shown in the schedule will prevail over the written lines unless a proven error in calculation has occurred.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.

13. SECURITY

70% OF 100%	**HDI GLOBAL SPECIALTY SE** Roderbruchstraße 26, 30655 Hannover, Germany
30% OF 100%	**FORSAKRINGSAKTIEBOLAGET ALANDIA** Alandsvagen 31, AX-22101 Mariehamn, Aland Islands, Finland

SEVERAL LIABILITY CLAUSE

(Re)insurer's liability several not joint

The liability of a (re)insurer under this contract is several and not joint with other (re)insurers party to this contract. A (re)insurer is liable only for the proportion of liability it has underwritten. A (re)insurer is not jointly liable for the proportion of liability underwritten by any other (re)insurer. Nor is a (re)insurer otherwise responsible for any liability of any other (re)insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown next to its stamp. This is subject always to the provision concerning "signing" below.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a (re)insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other (re)insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

14. INFORMATION GIVEN TO UNDERWRITING AGENTS

This indication of insurance is based on information provided by the insurance broker by email on October 4-5, 2017

15. DISCLAIMER

This insurance is subject to true copy of the Assured's loss record with previous insurers during the last three years.

16. LAW AND JURISDICTION

Law: As per § 6.15.1 of MUS Logistics Protection general insurance conditions.
Jurisdiction: Latvia

MARINE UNDERWRITING SERVICES SIA as underwriting and claims handling agents for **HDI GLOBAL SPECIALTY SE** and **FORSAKRINGSAKTIEBOLAGET ALANDIA**

17. SIGNATURES

MARINE UNDERWRITING SERVICES SIA **ASSURED**

MARINE UNDERWRITING SERVICES

LINAS STANAITIS

As underwriting and claims management agents for HDI Global Specialty SE