OWN DAMAGE MOTOR VEHICLE INSURANCE

General Insurance Conditions

1. OPERATIVE CLAUSE

1.1 As a result of the occurrence or appearance of any of the insured events, subject to the strict observance of the conditions, exclusions and clauses agreed upon, based on the premium being paid, in the amount of, and on the due dates stated in, the policy, EURO INSURANCES DAC hereby undertakes to pay the Insured any indemnification as may be due, in line with the terms of, and up to the amount stated in the Insurance Agreement.

2. DEFINITIONS AND INTERPRETATIONS

Throughout these General Conditions, the terms below have the meaning ascribed to them in the following definitions:

2.1 **Insurer:** EURO INSURANCES DAC trading as Ayvens Insurance, based in Dublin, Ireland. Registered office: Block C, Ground Floor, Central Park, Leopardstown Dublin 18, Ireland. The company Euro insurances DAC is regulated by the Central Bank of Ireland and is licensed to offer Own Damage insurance covers ("CASCO") in Romania under the freedom to provide services.

2.2 **Insured and Policyholder:** ALD Romania S.R.L – the holder of the insurable interest in relation to the motor vehicle.

2.3 **Authorised Claims Handler**: Accident Management Services S.R.L. whose details are provided in Article 21 hereunder.

2.4 **Motor Vehicle**: a self-propelled conveyance designed for land transport, not for circulation on rails, and subject to registration according to the law. In these Insurance Conditions, the term "motor vehicle" shall be deemed to also encompass towed vehicles (trailers, semi-trailers and the like), whenever the context permits.

2.5 **Registered Motor Vehicle**: a motor vehicle registered in the records of a registration authority in Romania and being issued a registration certificate by same.

2.6 **Insured Motor Vehicle**: a vehicle meeting the following requirements:

a. It is owned by the Insured and was assigned to a Client, for personal use, according to an operating lease and/or a fleet management contract;
b. It is part of a vehicle fleet with no more than 25 vehicles being assigned to a single Client, for personal and business use;
c. It does not fall under the scope of any of the exclusions described in these Insurance Conditions;
d. At the time the insurance was entered into pursuant to these Conditions, it was no more than 5 years old;
e. For any used vehicle purchased by the Insured, it was subject to a Risk Inspection;

or

f. A vehicle belonging to a fleet of more than 25 cars leased by the Insured to a single Client, provided such vehicle meets all the other conditions in the article above, and that there was an Operating Lease in place between the Insured and the Client using said motor

vehicle, by the commencement of the first year of insurance with EURO INSURANCES DAC.

g. A motor vehicle for which an Insurance Policy is in place, as issued by the Insurer for the Insured according to the Insurance Agreement.

2.7 **Addendum**: a document agreed upon by the contracting parties, altering and / or supplementing the Insurance Agreement.

2.8 **Damage**: any damage caused to the Motor Vehicle, its sub-assemblies, its parts or its equipment.

2.9 **Partial Damage**: damage caused to the insured vehicle, which can be repaired, reconditioned or by replacement of specific parts, so that the vehicle can be restored to its previous state, before the occurrence of the insured event.

2.10 **Total Damage**: a damage to the motor vehicle to such extent that its restauration by repairing, replacing, reconditioning its affected parts or components (according to the damage report) is no longer possible or becomes economically unreasonable in that the amount of the indemnification from the Insurer, plus the amount of the parts left undamaged after the event (as resulting from the disposal of the wreck) amounts, at least, to the sum insured as of the evaluation date or the costs of these operations, including the cost of transporting the damaged motor vehicle and the expenses with the measures designed to limit the loss (where applicable) exceed 75% of the value of the motor vehicle as of the occurrence of the insured event. This definition shall also apply to additional equipment and permanent construction alterations.

2.11 **Fortuitous event**: an event that could not have been foreseen or prevented by the person held liable.

2.12 **Insurance Agreement**: a bilateral legal act in which the Insured undertakes to pay a premium to the Insurer, while the latter undertakes to pay the Insured, upon the occurrence of an insured risk, an indemnification or a sum insured to be further referred to as indemnity, within the limits, and subject to, the terms agreed.

2.13 **Operating Lease**: a contract concluded between the Insured and the Client, according to which the Insured gives the Client a right to use an insured vehicle.

2.14 **Amount of the Damage**: the total cost of repairing and / or substituting the damaged parts as per the technological solutions established in the damage finding protocol, including the costs of materials and labour costs as resulting from the repair documents, in addition, in case of partial damage, any expenses that may be incurred with the transport of the damaged motor vehicle, as well as those designed to limit and preserve the damage, as documented, if they are covered by these policy conditions.

2.15 **Earthquake**: a sudden seismic movement of the crust of the Earth, horizontal, vertical or torsion-like, caused by an inner physical imbalance and having a tectonic, volcanic or collapsing origin, as registered and documented by the National Institute for Research and Development for Earth Physics (INFP).

2.16 **Indemnification**: the indemnity the Insurer must pay to the Insured for any damage as may be caused to the insured asset following the occurrence of the risks insured and stated in the Insurance Agreement.

2.17 **Standard Equipment**: the installations, the equipment and the accessories installed by the manufacturer prior to the sale of a motor vehicle as new, as documented by supporting

documents or, in lack of the required documents, those described in the manufacturer's technical specifications or stated in the specialized catalogues, the value of which is included in the amount of the new motor vehicle.

2.18 **Additional equipment**: equipment/accessory not installed by the manufacturer of the motor vehicle (for instance, the audio and video devices, the alarm system, lights and signalling equipment, wheel rims) that are not listed among the Standard Equipment provided by the manufacturer of said brand.

2.19 **Wreck**: what is left of the insured motor vehicle damaged following the occurrence of an insured risk and classified as total damage.

2.20 **Insured event**: an insured risk that has occurred during the period of insurance, causing damage and giving rise to the right to indemnification.

2.21 **Explosion**: a sudden violent release of energy as a result of a chemical or physical reaction, accompanied shortly by developing mechanical work.

2.22 **Force Majeure**: a situation relied upon by either party, substantiated by documents issued by the competent public authorities and caused by an external and unforeseen event beyond the reasonable control of the parties and unavoidable, which prevented either party from meeting their contractual obligations.

2.23 **Deductible**: the share of the damage, for which the Insured is responsible, either determined as a fixed amount or as a percentage of the sum insured, or as a percentage of the damage.

2.24 **Theft**: the taking of another person's insured asset and / or subassemblies, parts or equipment thereof from their possession or ownership with the intent to possess or own, without that person's consent.

2.25 **Theft by forcible entry**: a violent act by a person or a group of persons, which may be proved by physical evidence, of gaining unlawful possession of the goods of the Insured, by the use of the following means:

- Entering the building by breaking down the walls, the roof, the ceilings, the doors, the windows, the floors, or by damaging or breaking open the closing devices, as well as the theft followed by the use of such means to keep possession of the stolen good or to remove the traces of the offense or to ensure the perpetrator's escape;
- Breaking into the insured motor vehicle or the building where it is found.

2.26 **Storm**: a violent weather disturbance generally accompanied by electrical discharges and wind at a speed exceeding 20 m/s (72 km/h), and for which a confirmation was issued by the National Meteorological Authority (ANM).

2.27 **Fire**: an unintended burning flame with force to expand or spread on its own power.. A burning with a limited oxygen concentration (smouldering), as well as the effect of applying fire or heat deliberately, as part of a process or an operation, shall not be regarded as a fire. In addition, the effect of the heat in a short circuit to the electrical wiring shall not be regarded as a fire unless the blaze caused by it is spreading.

2.28 **Flood**: coverage of a portion of land by water as a result of watercourses or water tanks overflowing, piers or banks breaking, or a river narrowing, suddenly and unexpectedly, or as a result of abundant precipitation, and for which a confirmation was issued by the National Meteorological Authority (ANM) and the Emergency Inspectorate (ISU).

2.29 **Risk Inspection**: a procedure for viewing, photographing and checking the general status of a motor vehicle, as well as for photographing the safety items of the insured motor vehicle (bodywork/chassis serial number, engine serial number) and checking their compliance against the entries in the documents provided in original by the Insured (identity card and registration certificate). The entire additional equipment will also be checked and photographed, and then will be inserted in the risk inspection report, where they are to be included in the insurance. Such procedure may be carried out by ALD Romania or a suitably qualified motor engineer appointed by them.

2.30 **The motor vehicle housing place**: the regular parking space of the motor vehicle or the address in its registration certificate / identity card.

2.31 **Permanent construction alterations**: those alterations being brought to the motor vehicle that may determine its intended use (superstructures, manufacturing of vehicle bodies, special installations).

2.32 **Motor vehicle fleet**: a number of vehicles subject to the provisions of an Operating Lease.

2.33 **Period of insurance**: the timeframe during which the Insurer will take over liability for the insured risks in exchange for the premium.

2.34 **Premium**: the amount payable by the policyholder to the insurer EURO INSURANCES DAC, in exchange for insuring the risks.

2.35 **Insured risk**: a likely, but uncertain event resulting in theft of, damage to, or destruction of, the insured vehicle and at the occurrence of which the Insurer undertakes to pay the indemnification according to the insurance conditions.

2.36 **Insurance Schedule**: Own Damage Policy Schedule attached to ALD Romania Risk Selection and Pricing Procedure.

2.37 **Subrogation**: the substitution of the Insurer with respect to the rights and actions of the Insured or, after the indemnification of the latter, against those responsible for the damage caused to the Insured, with a view to recovering the monies given to the latter as indemnification.

2.38 **Sum Insured**: the amount stated in the vehicle value in the subcontract to the Operating Lease Agreement, for which the motor vehicle insurance was concluded (including additional equipment). The sum insured accounts for the maximum liability of the Insurer in case an insured event occurs or appears, as follows:

a. If the insured vehicle is purchased by the Insured as new, the Sum insured for the insured vehicle is the purchase price thereof, exclusive of VAT ;
b. If the insured vehicle is purchased by the Insured as used, the Sum insured for the insured vehicle is either (i) the purchase price for which the vehicle was purchased as new (exclusive of VAT), as outlined in the invoice issued by the initial seller to the name of the initial buyer and stating the purchase price, or (ii) the purchase price in the invoice related to the vehicle purchased as new (exclusive of VAT), confirmed by a letter in writing released by the Finance Department of the Client (which letter should be held by ALD Romania) or (iii) the list price of the latest issue of the Schwacke Catalog, in each case applying the relevant depreciation share, according to the table of depreciation below;

c. In case of total damage during any given insured period, to calculate the indemnification payable to the Insured pursuant to this insurance, the sum insured for the vehicle will be adjusted based on the relevant depreciation share from the table of depreciation below, and the adjusted amount will be further decreased by the amount of the deductible applied under the Insurance Agreement, with respect to the insured vehicle.

Car Depreciation Table

Age of the vehicle	0 years old	1 year old	2 years old	3 years old	4 years old	5 years old	6 years old
Depreciation	0%	15%	25%	40%	55%	70%	85%

Utility Vehicle Depreciation Table

Age of the vehicle	0 years old	1 year old	2 years old	3 years old	4 years old	5 years old	6 years old
Depreciation	0%	20%	35%	50%	60%	70%	75%

2.39 **Wear and tear**: the depreciation of the features of a motor vehicle, as determined based on its age, mileage, use and status of maintenance.

2.40 **Client**: a company or person to whom the right to use the Motor vehicle was given under an Operating Lease contract with the Insured,

2.41 **Specialized units**: legal entities or persons, duly authorized, whose object of activity includes the sale of spare parts and materials for the brand and type of vehicle and or the performance of maintenance and repair works for the brand and type of vehicle insured, who also hold a RAR (Romanian Automotive Register) endorsement valid for these works.

2.42 **Actual value**: the average sales amount of a similar motor vehicle as resulting from the catalogues or specialized electronic applications.

2.43 **Vandalism**: wilful destruction, devastation or impairment of the motor vehicles insured, by a person or a group of persons, other than the Insured or the agents of the Insured.

2.44 **Robbery**: the act of stealing by force or threat of force or by rendering the victim unconscious or unable to defend themselves.

2.45 **Thunder and Lightning**: a bright electrical discharge with a duration calculated in milliseconds and a power intensity of hundreds of thousand amperes, produced between a cloud and the ground or various items on the ground. The damage caused by thunder consists in the direct transfer thereof over the Motor Vehicle insured, for which a confirmation was issued by the National Meteorological Authority (ANM).

3. OBJECT OF INSURANCE

The object of insurance consists of the Insured motor vehicle(s) as defined in these insurance conditions which may be:

a. Motor Vehicles registered in Romania;
b. Permanent construction alterations, as comprised in the Sum Insured and installed on the Motor Vehicle insured as of their inclusion in the insurance;
c. Additional equipment, as already installed on the motor vehicle insured as of their inclusion in the insurance;
d. Spare wheels and tools delivered by the manufacturer of the motor vehicle as standard endowment (e.g. jack, wheel wrench), only if they were inside the motor vehicle and the damage stems from an insured event.

The Insurer shall not indemnify

a. Motor vehicles registered abroad:
b. Assets/equipment additionally installed on the motor vehicle and not specified in the schedule of insurance and Operating Lease Agreement:
c. Assets not fixed on the motor vehicle (e.g. GPS devices, transceivers, phones, etc.), even if they were stated in the risk inspection of the motor vehicle or upon the execution of the insurance:

4. INSURABLE INTEREST

4.1 The Insured must have an interest regarding the Motor Vehicle insured. Unless otherwise specified in the policy, the interest of the Insured is considered to be that of the owner of the Motor Vehicle insured.

4.2 The insurance is valid irrespective of the user of the motor vehicle as of the occurrence of the damage, only if they had the Insured/Client's consent.

5. TERRITORIAL LIMITS

The insurance is valid within the borders of Romania and the countries in which the Green Card operates (other than Russia), mention being made that the risk of (partial/total) Theft shall not be covered in Ukraine and the Republic of Moldova.

6. COVERED RISKS, COSTS AND EXPENSES

6.1 Covered risks

a. The Insurer shall pay damages for the physical damage caused directly by:
   - Collisions, scratches with other vehicles, movable or immovable bodies, persons or animals outside the vehicle;
   - The fall of the motor vehicle into the water, over a precipice, the fall of bodies (trees, boulders, ice blocks or snow blocks etc.) on it, the fall of bodies on the building housing the motor vehicle;
   - Skids and rollovers;
   - Fire, Thunder and Lightning, Explosion(including the Explosion of the fuel tank or the compressed air or gas tank), even if such Thunder and Lightning or Explosion were not followed by a fire;
   - Damage caused by smoking, tainting, charring or a number of other acts of destruction caused by fire, heavy rain, hail, flooding, storm, hurricane, seismic earthquake, land collapsing or landslide, snow avalanches;
   - The action of the pipe water (leakage, outflow etc.);
   - The weight of the layer of snow or ice formed on the motor vehicle or on the construction housing the vehicle;
   - Unknown authors, as resulted following the occurrence of the covered risks;
   - Damage caused by water as a result of the actions taken during the occurrence of the insured event for salvaging the motor vehicle or the construction housing it;
   - Thunder and Lightning or Explosion, losses caused when a thunder or an explosion occurred away from the motor vehicle, if the Thunder or the Explosion caused the damage;
   - Flood, losses caused by the mechanical action of running waters or the items carried away by the water;
   - Storm, hurricane, seismic earthquake, collapse, snow avalanches or landslide (e.g. the collapse of a tree hit by lightning, the mechanical action of the items carried away by a storm or a hurricane, the breakdown of the roof of the construction housing the motor vehicle);
   - The action of the animals (e.g. damages to the electrical wiring caused by rodents, damages caused by the animals present in the engine compartment).

b. The Insurer will also indemnify the risk of theft, resulting from robbery, of:
   - The motor vehicle or components or parts thereof;
   - The additional equipment insured under the policy.

6.2 The Insurer will indemnify, as part of the insured amount, the following costs/expenses incurred in connection with:

a. The transport of the motor vehicle from the place where the insured event took place to the nearest repair shop or the housing place (where the vehicle is usually parked or garaged), if the vehicle is immobile after the occurrence of such event; in cases such as this, indemnification is payable within the limits of the transport fees charged by the specialized vehicle recovery firms, and only for non-total damage;
b. The limitation of losses, where these costs/expenses are required following the losses caused by risks stated in the insurance;
c. The replacement of the car keys/start devices/remote controls and/or the closing system (deadbolt locks and fuel tank cap and/or start button, as the case may be), following the loss or the theft of the car keys/start devices/remote controls, as the case may be, provided the Client reported the theft or the loss to the Police within 24 hours from the occurrence of the event.

7. EXCLUSIONS

7.1 The Insurer shall not indemnify:

a. Motor Vehicles registered abroad;
b. Assets/equipment additionally installed to the motor vehicle and not specified in the Operating Lease agreement;
c. Assets not fixed on the motor vehicle (e.g. GPS devices, transceivers, phones, etc.), even if they were stated in the risk inspection of the motor vehicle or upon the execution of the insurance;
d. Spare parts, fuels, inner and outer covers, blankets and other assets inside the motor vehicle and the cabriolet roof installed on Motor Vehicles with a 'soft-top' roof in place;
e. Tires, rims and/or inner tubes, where the occurrence of the insured event caused damage at this level only;
f. Assets inside the motor vehicle (e.g. money, jewellery, telephones, briefcases, clothes, etc.).

7.2 The Insurer shall not be held liable for the damages caused, produced or aggravated, directly or indirectly, or resulting from:

a. Terrorism: this insurance shall not provide coverage for any damage, loss, costs or expenses of any kind as may be caused, directly or indirectly, resulting from, occurring through, arising from or in connection with, any act of terror, irrespective of any other cause that may contribute, directly or indirectly, to such damage, loss, cost or expense; within the meaning of this exclusion, terrorism is defined as an act including, but not limited to, the use of force or violence and / or the threat of force or violence, by a person or one or more groups of persons acting independently, on behalf of, or in connection with, any organization or government for a political, religious, ideological or other similar purposes, including the intent to influence any government and/or to generate fear in the entire population or just a portion thereof; where any part of this clause is found invalid or becomes inapplicable or unenforceable, the remaining clause shall remain in force and apply accordingly;
b. Strikes, lock-outs, riots, civil unrest, sabotage;
c. War, invasion, foreign enemy actions, hostilities (with or without state of war being declared), civil war, rebellion, revolution, conspiracy, insurrection, uprising, military uprising which may or may not result in the overthrowing of power, martial law, hostile acts perpetrated on behalf of, or in connection with, any political organization, confiscation, nationalization, expropriation, seizure, requisition, destruction or damage by the order of any government de jure or de facto or any public authority;
d. Nuclear reactions, nuclear radiation or radioactive contamination;
e. The action of any chemicals, including, without limitation, bird droppings or pollution/contamination of any kind and for any cause, except as resulting from traffic accidents;
f. The corrosion due to the electrolyte of the rechargeable battery, the water, other substances from the installations of the motor vehicles;
g. The errors or omissions in design or execution, the flaws or hidden defects existing on the commencement of the contract, of which the Insured or its agents are aware, irrespective of whether or not such errors or flaws were known to the Insurer;
h. The breakdown, impairment or malfunction of some parts installed to the motor vehicle and not approved by the relevant authorities for that type of motor vehicle;
i. A wilful act by the Client or the natural persons of age to whom the right to use the motor vehicle was given under an Operating Lease contract with the Insured, as the case may be;
j. Some improper repairs or due to repairs or interventions carried out by persons unauthorized to perform said repairs;

k. The exclusive action of the transported goods, in lack of a report of a traffic accident (a collision with another motor vehicle or with movable/immovable bodies outside the motor vehicle);
l. The loading/unloading of merchandise into/from the insured motor vehicle;
m. The explosion, the fire caused by the dangerous materials and substances carried, including during the loading / unloading operations, failing a valid endorsement issued as of the occurrence of the insured event, by the authority in charge of the transport of dangerous merchandise, to the motor vehicle, the driver, as well as said operations; this exclusion shall also operate where improvised or unapproved devices are being used;
n. A fire or an explosion caused by the use of an open fire, including an open flame light (with or without glass or sieeve protection), the improper storage of dangerous or combustible substances inside the area where the motor vehicle is, inside or near same;
o. The destruction or damage to the building where the motor vehicle is located, owing to the gross negligence of the Insured / the Client - as a natural person, of the management of the Insured / of the Contractor / of the Beneficiary / of the Client - as a legal person (directors, members of the directorate or the supervisory council, managers entrusted with the management of the legal person, as well as any other proxies authorized to manage the legal person by law or by contract) or by the natural persons of age sharing the same address as the Insured / the Client - as a natural person, as the case may be.

7.2.1 The Insurer shall not indemnify:
a. Losses caused through/by:
i. Use, operation or wear and tear, trepidations while driving (e.g. breakage of stub axles, buffers, arches, valves, pinions, breakage of pistons, the hood popping open while driving, tire explosion while driving), improper maintenance;
ii. Design or manufacturing flaws of the insured motor vehicle, of the materials or components (e.g. fissures, casting defects, improper heat treatment, internal pressure, improper adjustments and tolerances, etc.);
iii. Consequential damage (mouldiness, alteration, decay, rust, oxidation, etc.);
iv. Engine water aspiration;
b. Losses to components or other parts of the motor vehicle by malfunctions and/or mechanical or electrical failure of installations, devices and equipment;
c. Losses to components or other parts of the motor vehicle by the action of electric power over the electric installations and devices, if they did not result in a fire;
d. Losses to components or parts of the motor vehicle as influenced by the temperature of the engine on the motor vehicle (e.g. damage to the engine block, cylinder head or the cooling system by the effect of freezing water or the cooling agent), and those to mechanical elements, due to the lack of greasing or insufficient greasing, the overheating of any assemblies or subassemblies of the motor vehicle for any cause other than those provided for in the insurance;
e. Indirect damage, other than the damage covered expressly under the insurance conditions, such as a decreased value of the assets after repairs, a decreased price of the assets, lost income/profit as a result of a disruption in the use of the assets, including as a result of the covered risks;
f. The costs/expenses incurred to transform or improve the condition of the motor vehicle after the occurrence of the insured event, even relating to unsuccessful reconditioning or repairs;
g. Losses incurred while the insurance agreement was suspended;
h. Losses incurred during or as a result of using the motor vehicle:
- On roads on which public circulation of motor vehicles is forbidden, except for yards, parking lots, access alleys to buildings/tourist attractions;
- To enter voluntarily on grounds covered in water,

- On road sectors designed for categories of vehicles distinct from the one insured, except for those designed for streetcars (where the entry of motor vehicles is forbidden), trolleybuses and buses;
- As a working device/installation (e.g. for the use in connection with construction machinery at construction sites);
- In breach of the builder's specifications relating to the maximum load carrying capacity, coupling capacity, as well as the passing capacity;
- At contests, competitions, rallies or trials or practice for said contests or competitions;
- Without being subject to a valid technical inspection (ITP) by the occurrence of the event, but also if the losses are incurred while driving the motor vehicle as part of a number of experiments, trials or test drives (driving tests), for sales purposes;
- Damage to the motor vehicle by passive towage/coupling, unless this service is provided in line with the legal rules, by specialized individuals, as well as for trailers/semi-trailers being towed.

7.2.2 The Insurer has a right not to indemnify if:

a. The occurrence of an insured event resulted in damages to the components already damaged before the conclusion of the insurance/reinstatement (stated in the inspection report and/or appearing in the photographs of the motor vehicle), which were not remedied or ascertained by the Insurer; in this case the indemnification shall be diminished pro rata with the initial damage;

b. The Client or its authorised users shall be held liable for the following deeds:
   - Driving the motor vehicle under the influence of alcohol, narcotics or medicines with similar effects or avoiding collection of biological or toxicological samples or fleeing the scene of the accident, where fleeing is forbidden under the legal provision;
   - Driving the motor vehicle without a document valid as of the occurrence of the insured event allowing the Client to drive on public roads (a vehicle registration certificate/a substitute thereof/a temporary traffic authorisation) or if such document was suspended;
   - On the occurrence of an accident, the driver of the motor vehicle does not hold a driver's license valid for that category or he/she had their license withdrawn/cancelled or his/her right to drive suspended;
   - Wilfully perpetrating criminal offenses or driving or operating the motor vehicle as the author of a criminal or administrative offense, attempting to evade police;
   - Not observing the rules for level crossing, if such results in a collision with a railway vehicle (but not a streetcar).

c. The statements given by the Insured or by its representatives on any opportunity, including in the damage claim, reveal inaccuracies, contradictions, forgery, fraud or clear exaggerations aimed to secure undue indemnification and/or services;

d. The occurrence or appearance of any insured event resulted in criminal proceedings being initiated with respect to a wilful deed, pending the completion of such proceedings;

e. The findings of the investigations and/or the forensic reports conducted by authorized persons (including by the Insurer) indicate fraud, contradict the statements relating to the causes and the circumstances surrounding the insured event or in connection with the damage, etc.;

f. Losses owing to the negligence of the auto service providing undertaking (e.g. faulty handling of the motor vehicle, including as a result of conducting the road tests, the

breakdown or the improper operation of the machinery and installations of the repairing undertaking).

7.2.3 If the breakdown of parts/components of the motor vehicle (including tires) due to the causes stated in Article 7.2.1 items (a),(c), and (d) results in damage to other components, the latter components are subject to indemnification (e.g. if an explosion to a tire/inner tube while driving causes the motor vehicle to roll over, the losses incurred as a result are subject to indemnification; however, the losses to the exploding tire/inner tube are not). The broken down/impaired parts/components causing the event shall not be indemnified.

7.2.4 In case of risk of theft / robbery, the Insurer shall not indemnify the insured:

a. If the police bodies do not confirm the theft, the attempted theft or the robbery, or if there was no report of the theft, the attempted theft or the robbery;
b. If, after the theft, the attempted theft or the robbery, the loss increased due to the Insured/Client's failure to take actions to restrain it, for the increasing share of the loss, and if such increase may result from the documents executed by the lawful bodies (i.e. the police or other authorized investigation bodies);
c. If while the motor vehicle was stopped or parked, its driver left the vehicle without taking the car key/start device out of the ignition, and failed to lock the doors, unless these actions were impossible due to the particularities of construction of the motor vehicle, or when the insured motor vehicle was in a locked garage;
d. If the insured vehicle was not secured by closing and locking the doors or if the windows or any sliding roof panel, sliding car door, hood or detach able roof panel was left open/unlocked as the insured vehicle was parked and left unsupervised;
e. If the braking system, the car alarm or the GPS location system (if any of same was installed on the car in question) installed by the manufacturer of the motor vehicle or installed after the manufacturing thereof was not maintained in a permanent state of operation and was not activated as the insured vehicle was being parked and left unsupervised;
f. If the car keys or other locking devices of the insured vehicles were left in or on the insured vehicle or were not stored in a safe space, such exclusion to apply only if after the incident the Client is unable to provide to the Insurer, per its request, the car keys or other devices to unlock the insured vehicle;
g. If at the time of the theft, the attempted theft or the robbery, the motor vehicle had been dismantled, unless the theft or attempted theft was committed in the form of a breaking and entering the garage with the dismantled motor vehicle;
h. For the misappropriation, forgery, fraud or other wilful acts perpetrated by persons having the right to use the motor vehicle according to the police, other than the owner of the motor vehicle;
i. If the Client, with its consent, entrusted the insured vehicle to a third party and the latter fails to return it (breach of trust);
j. If, by the endorsement of the total theft of the motor vehicle, the Client had not submitted to the Insurer or the police the registration certificate in original, as well as all the car keys /start devices (containing all the security elements) and remote controls (as the case may be);
k. For any theft in the form of fraud, theft in the form of the use of the right car keys or the initial keys, unless they had resulted from robbery;

8. SUM INSURED

8.1 The Sum Insured for the motor vehicles (which also includes the construction alterations thereof) and the additional equipment relies on the amount thereof as of the conclusion of the insurance agreement.

8.2 The value of the vehicle sold as new relies on the sale invoices for the motor vehicles purchased by the Insured from Romanian or foreign dealers, or on specialized catalogues or price lists provided by the authorized Romanian dealers for motor vehicles of identical brand and facilities being sold in Romania, as the case may be and as defined in Article 2.38 herein.

8.3 During the period of insurance, per the Insurer's request, the insurance coverage may be extended to include other pieces of equipment purchased, subject to the following conditions being met cumulatively:

a. The total amount of the additional equipment insured should not exceed 20% of the Sum Insured for the motor vehicle;
b. An additional premium is paid;
c. A new risk inspection of the motor vehicle was conducted that outlined the new equipment;
d. An addendum to the Insurance Agreement and/or Operating Lease Agreement was issued stating the insurance coverage would be extended to include said equipment.

8.4 The Sum Insured may be established in RON or a foreign currency agreed on by the parties.

8.5 The sum insured for the additional equipment is established in the same currency as the Sum Insured for the motor vehicle.

8.6 The Sum Insured is not affected by the payment of indemnification for partial damage, in particular, the sum shall not be altered even if indemnification is paid, its post-damage replenishment being unnecessary.

9. PREMIUM. DEDUCTIBILE

9.1 The premium for the period of insurance, the payment term, the number of instalments and the amount thereof agreed between the Insurer and the Insured.

9.2 The premium shall be payable for the entire period of insurance, whatever the payment method. In the case of termination *de jure* or by termination of the policy by the Insured, after the occurrence of any damage within any given year of insurance for which the Insurer paid or is due to pay indemnification, the Insured must pay premium for the period remaining up to the end of the year of insurance in which the damage occurred, but no later than the date of return of the motor vehicle.

9.3 The Insurer is under no obligation to remind the Insured of the dates when the premium payments fall due or collecting the premium at the registered office of the Insured.

9.4 For the periods of insurance of less than a year, as well as when calculating the payable premium, the premiums for one day of insurance will account for 1/365th of the annual premium.

9.5 The premium and the instalments thereof, respectively, shall be established in the same currency as the Sum Insured for the motor vehicle and are payable as follows:

- In RON, if the Sum Insured is established in RON;
- In the foreign currency in which it was established, or its equivalent in RON, at the exchange rate of the National Bank of Romania as of the payment date, if the Sum Insured was established in foreign currency.

9.6 In the case of renewing the insurance for the same motor vehicle and the same Insured, the premium shall rely on the history of damage of the Client in that the premium may be increased, or decreased, based on the bonus – malus grid enclosed hereto.

9.7 The Deductible for total damage accounts for 10% of the Sum Insured at the date of the damage, unless the subcontract provides otherwise, the Retention for partial damage is also stated in the Operating Lease subcontract executed by the Client.

10. BEGINNING/ENDING OF THE POLICY PERIOD; THE LIABILITY OF THE INSURER

10.1 As a rule, the policy shall be concluded for a period of one calendar year.

The liability of the Insurer begins at 12:00 a.m. on the first day of the period of validity stated in the Operating Lease agreement, after the risk inspection was conducted by the Insurer's agent, and only with respect to used cars.

With regard to the motor vehicles purchased as new from authorized dealers in Romania and for which the conditions listed previously have not been met by the time of their delivery by a dealer, the liability of the Insurer begins on the date of delivery of the motor vehicle to the Insured/Client as arising from the motor vehicle handover – acceptance protocol. In cases such as this, the risk inspection of the motor vehicle is not required, and the inspection report shall be replaced by the motor vehicle handover – acceptance protocol.

The liability of the Insurer shall cease:

- At the expiry/default termination of the Operating Lease;
- At the occurrence of total damage.

10.2 In case of loss/theft of the car keys/start devices, the liability of the Insurer for the risk of total theft shall cease immediately after the loss/theft of the car keys/start devices, without a (written) notice or other prior formalities on the part of the Insurer, the coverage for the risk of theft shall cease.

The policy shall not be extended with the period in which the coverage of the risk of total theft has been suspended.

The liability of the Insurer for the risk of total theft may be reactivated if the following conditions have been met, cumulatively:

a. The Client took all the necessary steps to prevent the risk of total theft with respect to the motor vehicle (replaced the car keys/start devices);
b. The Client reported the theft or the loss of the car keys/start devices to the Police, within 24 hours since the occurrence of the event;
c. A new risk inspection is conducted to confirm the actions taken by the Insured.

11. DAMAGE PROCEDURE

11.1 The amount of the damage shall mean:

a. In case of Total Damage: the value (as defined in Article 2.42) of the motor vehicle on the date of occurrence of the insured event, plus the transport expenses or those with the limitation of the loss, minus the amount of the wreck of the motor vehicle (components that may not be used or recovered) on that same date.
The value of the wreck is the price obtained from a sale and purchase transaction, through a tender system. In case of total fire, the amount of the wreck is the price obtained from its sale for scrap - the Remat invoice;
b. In case of partial damage: the cost of repairing the damaged components or parts or the replacement or reconditioning cost, including expenses for materials, assembly and disassembly expenses, as well as the transport or loss limitation expenses, minus the amount of the parts that may still be recovered.

11.2 In the case of a damaged assembly or subassembly, the amount of the damage shall only cover the repair or replacement of the damaged components, even if the entire assembly or subassembly is replaced during the repair, unless the manufacturer delivers separately the entire assembly or subassembly only. The parts used for repairs may originate from dealers specializing in the recovery of the non-damaged items, as well as from the agreed providers, if they observe the manufacturer's standards and the operating condition required.

11.3 The damaged components or parts may only be replaced if the amount of the repairs is equal to, or in excess of, the insured amount thereof, or if the technological processes in place do not permit the repairs.

11.4 Where the area of the damaged outer parts need painting as a result of the procedure or the appearance of one and the same event is 50% higher than the outer area of the motor vehicle, the indemnification is paid for the full repainting of the outer parts of the motor vehicle. In all the other cases, the indemnification is paid for the repainting of the damaged parts, as documented in the findings drawn up by the Authorised Claims Handler's representative.

11.5 Where, on the occurrence of an insured event while driving a motor vehicle on a road covered in snow/ice/glaze, the motor vehicle is not equipped according to the legal provisions, with winter/mixed tires and/or anti-slip chains or other certified snow anti-slip equipment, a deductible equal to 25% of the damage amount shall apply, but no less than the deductible threshold stated in the subcontract.

11.6 On the occurrence or appearance of each insured event, the indemnification payable shall be calculated by deducting from the amount of the damage:

a. The deductible stated in the subcontract;
b. The premium payments, due and payable at the end of the year of insurance, in case of total damage.
c. The amount of the balance between the initial and final amount of the wreck, in exceptional circumstances where the recovery of same from an area hit by flash floods would result in the destruction of the insured motor vehicle.

11.7 Unless the law provides otherwise, the indemnification is payable within 30 calendar days as of the date when the examination of the damage file (i.e. from the receipt of the last document required by the Claim Handler for the examination of the damage file). In case of total theft of the motor vehicle, the indemnification is payable 60 calendar days after sending notice to the Authorised Claims Handler at the earliest, and only if the Police confirms, in writing, after the expiry of this term, the launch of the criminal proceedings against the perpetrators, where they were identified, and the fact that the motor vehicle has not been found.

The repair of the motor vehicle following the occurrence of an insured event can be made:

- In specialized repair shops licensed by the Romanian Automotive Register, for the repairs performed to the brand of the motor vehicle insured and recommended by ALD Romania.
- In repair shops abroad, if there is economic justification, and only with the consent of the Authorised Claims Handler, as follows:
    - In case the insured event occurred on the territory of Romania, the expenses with the transport of the motor vehicle to a repair shop shall be borne by the Insured;
    - In case the insured event occurred beyond the territory of Romania, the Authorised Claims Handler can pay indemnification directly to the repair shop abroad, subject to the consent of the Insured.

11.8 In case of risk of theft:

- If the motor vehicle/components or its additional parts/equipment were found before the payment of the indemnification, same is paid for any potential losses to the components of the motor vehicle due to the theft/robbery;
- In case of theft or damages following an attempt to steal parts or additional equipment of the motor vehicle, the indemnification would be established based on the repair or replacement of the components or the parts had been damaged/stolen, even if the entire assembly or subassembly including the damaged/stolen part or additional equipment had been replaced during the repairs, unless the technological processes do not allow it or the manufacturer delivers the entire assembly/subassembly.

11.9 Under these Insurance Conditions, the right to indemnification for losses belongs to the Insured, and the Client may not exercise this right, unless the Client was authorized by the Insured to do so.

11.10 The payment of indemnification shall extinguish any claims the Insured may have against the Insurer in connection with that damage.

11.11 For motor vehicle insurance, the injured persons have a right of recourse against the persons responsible for the occurrence of the damage under the common law, for everything that is in excess of the indemnification payable according to the Policy.

12. TERMINATION / DEFAULT TERMINATION / TERMINATION FOR CONVENIENCE/ AMENDMENT / NOTIFICATIONS

12.1 The Own Damage (Casco) Insurance shall terminate *de jure*, without any prior formalities, upon the disposal/de-registration of the insured motor vehicle.

12.2 If the Policy ceases for any reason (termination for convenience, default termination, etc.), the provisions hereof shall apply to all the insured events that occurred previously, until they are settled in full, and the Insurer will not reimburse the premiums when an indemnification has been paid or the damages have been endorsed based on the ceased Own Damage (Casco) insurance.

13. SUBROGATION

13.1 By the payment of, and within the limits of, the indemnification, the Insurer shall subrogate to all the rights of the Insured/Client against the persons accountable for the occurrence of the damage or the increase of same or the increased share of the damage, except for the Client - natural person or the persons driving the motor vehicle with the Client's consent when the insured event occurred or appeared.

13.2 The Client shall be liable towards the Insurer for any damage caused by actions that would prevent the exercise of its right of recourse against the persons responsible for the damage or the increase of the same, for the increased share of the damage.

14. FORCE MAJEURE AND FORTUITOUS CASE

14.1 Unless the law states otherwise, the parties shall be exonerated from liability if non-compliance with their obligations is proven to be due to force majeure or a fortuitous case.

15. AMENDMENTS TO THE POLICY

15.1 The provisions of the Policy, including the Insurance Conditions, can be amended by the agreement of the parties, before the conclusion of the Insurance Agreement, as well as during the period of insurance, the amendments becoming effective under the terms and on the date agreed on by the parties. During the period of insurance, and within such period, addenda may be concluded that amend the Insurance Conditions.

16. LEGISLATION

16.1 The persons who obtain or attempt in any way to obtain undue indemnification from an insurance, or those who facilitate such actions shall be punished under the criminal law, insofar as a deed meets the requirements of a criminal offense.

16.2 The insurance relying on these General Conditions is governed by the laws of Ireland, and these Conditions shall be supplemented by the legal provisions in force in the insurance industry.

17. DISPUTES

17.1 Any dispute relating to the application of the Policy shall be solved by direct conciliation between the parties or, failing an agreement, by the competent courts of law of Ireland.

18. EURO INSURANCES DAC's AUTHORISED CLAIMS HANDLER :

Accident Management Services (AMS) S.R.L.

Postal Address : 301-311 Barbu Vacarescu Street, 12th Floor, Room D, Lakeview Building, District 2,020276, Bucharest, Romania

Telephone : 0040 21 407 21 50

E-Mail : office@ams-claims.ro

19. COMPLAINTS PROCESS

If the Policyholder has any complaint on any matter arising in respect of this Policy, details of the complaint should be submitted in writing to the Insurer at the following address:

For the Attention of:

Head of Legal Risk and Compliance

Ayvens Insurance

Ground Floor,

Block C, Central Park

Leopardstown

Dublin

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Ireland.

20. DATA PROCESSING AND DATA PROTECTION – GENERAL DATA PROTECTION REGULATIONS (EU 2016/679)

Personal Data may be provided to Euro Insurances DAC or its agents and will be dealt with in accordance with the Data Protection legislation. Further information can be obtained in the Ayvens Insurance privacy policy which is available

at https://ayvensinsurance.com/en-ix/privacy-statement/

Euro Insurances DAC may use, process and store your Personal Data for the following purposes:

Assessing which insurance products are appropriate for you, risk evaluation, premium setting, policy quotation, premium collection, policy administration, policy renewal, claims assessment, claims processing, claims payment, bringing and/or defending legal proceedings, recovering debt, preventing, detecting and investigating fraud, as well as generally taking any steps in order to fulfil your contract and comply with legal obligations.

The Personal Data may be processed primarily within Ayvens Insurance, but may be provided

to other companies and organisations with which Ayvens Insurance may be co- operating, for example reinsurers, agents and public authorities in cases where there is a legal requirement to do so.

For further information regarding the third parties that Ayvens Insurance may share Data with, please see our Privacy Policy https://ayvensinsurance.com/en-ix/privacy-statement/ Ayvens Insurance is a data controller under data protection legislation. Ayvens Insurance will retain your Data for no longer than is required or legally permitted. please see

our Privacy Policy https://ayvensinsurance.com/en-ix/privacy-statement/ for further information on the retention of Personal Data.