

**GENERAL INSURANCE CONDITIONS
CASCO INSURANCE POLICY**

Vehicle Theft and Damage Insurance

I. OBJECT OF THE INSURANCE

1. Under the insurance policy, these general conditions and the special clauses annexed to the policy, Ayvens Insurance (Euro Insurances DAC)., hereinafter called *Insurer* - insures natural and juridical persons - *hereinafter called Insured Parties* - in exchange for the payment of premiums by them, for the damages incurred, following the occurrence of the risks provided at Chapter II, point 2, to the vehicles registered in Romania in which they have an interest.

For the purpose hereof, are deemed vehicles, the motor vehicles used for land transport of goods or persons, driven by engine principle, as well as other such vehicles, built and equipped for various special purposes. Trailers and semitrailers are insured separately.

In the construction and enforcement of the contractual provisions, the special clauses prevail and complete or, as applicable, replace the general conditions.

The insurance is only concluded for the risks provided herein, with the franchises, exclusions, extensions, special clauses expressly provided herein and in the insurance supplements.

II. INSURED RISKS

2. Under these conditions, as well as under the annexed special clauses, the Insurer is paying indemnities within the limit of the insured amount, to the Insured Party or, as applicable, to the designated Beneficiary*) for:

a) The damages caused to the vehicle by collision, crashing, rollover, scratching, falls (including while transshipping), fall of objects on the vehicle;

b) Theft of the vehicle or components or parts thereof, as well as for damages caused to it following theft or attempted theft;

c) Damages caused to the vehicle by fire, explosion, smoke, staining, carbonisation or various destructions, following the fire;

d) Damages caused to the vehicle by floods, storm, hurricane, earthquake, lad collapse or landslide, torrential rain, lightning, weight of snow, snow avalanche, the mechanical action of running waters or objects carried by waters;

e) Damages caused to the additional equipment installed on the vehicle, as declared by the Insured Party in the application-questionnaire, the value of which is included in the vehicle's insured amount, only where such damages arose following the occurrence of the risks provided at letters a-d above, to the vehicle itself;

f) Damages incurred following the risks provided at letters a-d above to the components or parts of the vehicle while they were disassembled in view of performing the repair or maintenance;

g) Damages caused to the vehicle following the measures taken in order to salvage it;

h) Expenses incurred for transport of the damaged vehicle to the repair shop that is able to perform the repair, which the closest to the scene of the accident, or to the shelter of the vehicle, if it can no longer be moved on its own;

i) Expense incurred by the Insured Party in order to replace the locking system of the insured vehicle (deadbolt locks and as applicable, fuel cap and/or ignition switch), in case of theft/loss of its keys;

j) Damages caused to the vehicle that does not have a valid Periodical Technical Inspection;

k) Vandalism in the case of destroyed tires;

l) Damages of any kind caused to the vehicle as a consequence of driving it through flooded areas;

m) Damages caused by the goods being transported by the insured vehicle;

n) Theft of the vehicle if the original registration certificate was left in the car – can be only covered where the insured party is able to submit to the insurer the original documents of the vehicle and all the original sets of keys. Such events are limited to 1 case per leasing agreement;

- o) Damages caused to the vehicle in case of driving under the influence of alcoholic beverages - with recourse against the driver;
- p) Damages caused to the vehicle by collision with a train;
- q) Damages of any kind caused to the vehicle by animals.

3. Special Extensions:

- a) The insurance policy also covers the cases in which the vehicle is driven by a person other than the Insured Party;
- b) The insurance policy is extended outside the Romanian territory, without the payment of additional premiums, based on an insurance supplement for the same period and territoriality for which the Insured Party is concluding with the Insurer a vehicle civil liability insurance valid outside the Romanian territory (GREEN CARD).

III. EXCLUSIONS

4. Are not included in the insurance and, therefore, not indemnified:

- a) Damages caused to the vehicle by improper maintenance or use that is inadequate to its destination, those caused by use, operation, wear, or following manufacturing defects of materials or parts (including faulty assembly), the influence of temperature on the vehicle's engine (e.g. following the freezing of water in the cooling system), as well as those caused to the engine, gearbox or differential following the lack of or insufficient lubrication or overheating;
- b) Damages caused to the tires or tubes by cutting, piercing, explosion, except for the cases where such damages arose from the occurrence of insured risks to the vehicle itself;
- c) Damages caused by the action of electricity on any components of the electrical wiring;
- d) Damages caused to the additional equipment installed on the vehicle, where they were not declared by the Insured Party in the application- questionnaire and their value was not included in the vehicle's insured amount or additional premiums were not paid for them under insurance supplements;
- e) Indirect damages (e.g.: reduction of the vehicle's value after repair, losses caused by the lack of use of the vehicle etc.);
- f) The part of the damage that was increased due to the failure to take the necessary measures to limit it;
- g) Damages caused to those parts of the vehicle that were damaged upon conclusion of the insurance and are mentioned in its risk inspection report, which were not remedied by the Insured Party and found as such by the Insurer until the date of occurrence of the insured risk;
- h) Replacement of certain damaged parts of the vehicle's body, in the warranty period, for the remediation of which, although the repair is technically possible and does not affect road safety, the repair shop requires the part to be replaced in order to maintain the warranty;
- i) Damages caused to the spare parts, covers, tarpaulins (except for the ones installed on tilt body vehicles), fuels or any other goods existing inside the vehicle;
- j) Damages caused both to the outside and to the inside of the vehicle by the action of corrosive substances;
- k) Damages caused by fire or explosion arising from the use of open flame, including while repairing the vehicle;
- l) Damages caused to the vehicle during the following:
 - Its transport, towing;
 - Its use in competitions, races or training;
- m) Expenses incurred for the remediation of failed repairs, as well as those for the conversion or improvement of the vehicle compared to its condition as prior to the occurrence of the insured risk;
- n) The case where the Insured Party did not notify in writing the Insurer, within the deadline provided herein and proceeded to the repair of the vehicle without the Insurer's consent; before the Insurer's representative performs the damage appraisal;
- o) Damages caused to the vehicle by:

- War (whether declared or not), invasion or action of a foreign enemy, civil war, revolution, rebellion, insurrection, military dictatorship, conspiracy, strikes, civil unrest, terrorism;
 - Confiscation, expropriation, nationalisation, requisition, seizure, destruction or damage, by order of any government, de jure or de facto or any public authority;
 - Atomic explosion, radiations or radioactive infestation following the use of atomic energy or fissionable materials;
 - Pollution or contamination of any nature and from any cause.
- p) Damages caused to the vehicle, where:
- The accident was caused intentionally;
 - The insured vehicle did not have a valid registration certificate or another valid driving authorisation;
 - At the time of the accident, the vehicle was being driven or operated by a person who did not hold a valid driving licence for the relevant category of vehicles, or after their driving licence was suspended, cancelled or withheld in view of cancellation, or following the suspension of their right to drive;
 - The accident was caused while committing actions incriminated by the legal provisions regarding road traffic as crimes, even where such actions did not occur on roads, or while committing other crimes;
 - The accident was caused while the perpetrator of the crime was trying to escape pursuit.

The provisions at paragraphs 2 and 3 above shall not apply where the insured vehicle was stolen.

- q) Theft or attempted theft, where a complaint was not filed with the police to that effect, as well as where in the perpetration of the theft or attempted theft participated members of the natural Insured Person's family, or in the case of a juridical Insured Person, their agents;
- r) The cases where the Insured Party entrusted, with their consent, the insured vehicle to a person who is refusing to return it and keeping it;
- s) The cases where the person included in the insurance facilitated the occurrence of the insured risks or reduced the possibility to mitigate their consequences;
- t) The case where the Insured Party does not submit to the Insurer or to the police, concomitantly as reporting the theft of the vehicle, the following:
 - The originals of the certificate of registration/temporary authorisation to operate the vehicle (in the case of temporary registered vehicles) and the vehicle identity card, issued before the occurrence of the theft; - all the sets of original keys of the vehicle, as well as all the related remote controllers, which were declared by the Insured Party upon conclusion of the insurance.
- u) Where, in connection with the reality of the occurrence of the damage, a criminal investigation was initiated.

IV. INSURED AMOUNTS

5. The vehicles are insured to their actual value as at the date of conclusion or renewal of the insurance. The **actual value** of the vehicle shall mean the sale value as new as at the insurance date (according to the invoices, catalogues or price lists), minus wear, set according to its age, as per the Insurer's remaining insurance value quotes table.

The vehicle's sale value as new as at the insurance date is set as follows:

- a) For Romanian made vehicles:
 - Based on the invoices, in the case of the vehicles purchased as new (including VAT);
 - Based on the price lists (including VAT) in the other cases.
- b) For foreign made vehicles:
 - Based on the invoices, in the case of vehicles purchased as new from dealerships in Romania or abroad (in which case, the taxes required for permanent import are added);
 - Based on the price catalogues, in the other cases.

6. Additional equipment installed on the vehicle is insured for the value declared by the Insured Party in the application – questionnaire and accepted by the Insurer.

7. The insured amount can be set depending on the Insured Party's option, as follows:

- a) In Lei;
- b) **In a convertible currency** (USD, EURO etc.).

8. For insurance policies that are renewed and have continuity with the Insurer, the insured amount for the vehicle upon renewal is set starting from the sale value as new set for the first insurance policy concluded and renewed with the Insurer, minus the wear set according to the age of the vehicle, according to the Insurer's remaining insurance value table. For the additional equipment installed on the vehicle, the insured amount as at the date of renewal is the value declared by the Insured Party and accepted by the Insurer.

V. FRANCHISES

9. Franchises will apply to the insurance policy, as mentioned therein, representing the share of each damage that is borne by the Insured Party. The following franchises will apply:

9.1. Mandatory for:

- a) Theft of the vehicle: 20% - of the Insured Amount;
- b) Theft of components or parts thereof, as well as for damages caused to it following theft or attempted theft: 2% of the insured amount.

9.2. Optional total and/or partial, losses according to the premiums tariff in force at the date of conclusion or renewal of the insurance policy.

VI. CONCLUSION OF THE INSURANCE

10. The Insurance Policy is concluded based on the Insured Party's declarations in the application-questionnaire, only after the Insurer's representative performs the inspection of the vehicle (fact finding of the vehicle's condition upon conclusion of the insurance).

The application-questionnaire, the vehicle inspection report, along with the annexes to the policy, the clauses any other declarations given in writing by the Insured Party are an integral part of the policy.

11. Upon conclusion of the insurance policy, the applicant is bound to submit the original documents of the vehicle: Certificate of registration and vehicle identity card. In the case of new vehicles, purchased directly from the manufacturers or from dealers in Romania, the insurance policy can also be concluding by presenting the purchase invoice and the temporary operation permit.

12. The insurance is deemed concluded by the issuance of the insurance policy by the Insurer and payment of the insurance premium, respectively of the first premium instalment by the Insured Party and it is exclusively valid for the vehicles and risks specified in the policy.

VII. START AND TERMINATION OF THE INSURER'S LIABILITY

13. The Insurer's liability starts at 00:00 hours of the first day of the validity period mentioned in the policy, but no earlier than the day following the date of issuance of the policy and payment of the insurance premium by the Insured Party and it is terminated:

- At 24:00 hours of the last day of the period for which the insurance policy was concluded or,
- On the date of occurrence of a total loss, through the payment of the indemnity by the Insurer.

14. In case insurance supplements are issued to the existing policy, the Insurer's liability shall start at 00:00 hours of the first day of the validity period mentioned in the insurance supplement, but no earlier than the day following the date of issuance of the supplement and payment of the related insurance premium and it shall be terminated:

- At the same time as the policy to which it is annexed or,
- At 24:00 hours of the last day of the period for which the insurance supplement was concluded.

15. For vehicles sold through leasing or instalments, the Insurer's liability starts on the date of issuance of the policy and delivery of the vehicle to the buyer/user and it ends:

- At 24:00 hours of the last day of the period for which the insurance policy was concluded or,
- Upon expiry/termination of the leasing/instalment sale agreement,
- On the date of occurrence of a total loss, through the payment of the indemnity by the Insurer.

16. In case of alienation of the vehicle, within 5 business days from the date of occurrence of such alienation, the Insured Party may request in writing the transfer of the insurance policy to another vehicle held by them. The transfer will be made through the issuance by the Insurer of an insurance supplement, after the application – questionnaire is filled in and an inspection report is prepared for the new vehicle, by recalculation of the insurance premiums depending on its characteristics and value.

In case the transfer was not requested, the insurance policy is terminated on the date of the alienation, while observing the provisions of Chapter XXIV, points 87 and 88 below.

VIII. INSURED PERIOD

17. The insurance policies are concluded for one year insurance periods. By request, the policies may also be concluded for sub-yearly periods, but for minimum 6 months of insurance. For vehicles purchased based on instalments or leasing, the insurance policies may be concluded for the entire duration of the instalment sale/leasing agreement.

IX. TERRITORIALITY

18. The risks provided at Chapter II, point 2 above are covered by the insurance on Romanian territory. The coverage for those risks may also be extended at the Insured Party's request, outside the Romanian territory, by the payment of an additional premium, according to the premiums tariff, except for the cases provided at Chapter II, point 3, letter b above.

X. INSURANCE PREMIUM

19. Where the insured amount is set:

- a) **In lei**, the premiums/premium instalments are set and paid in lei;
- b) **In a convertible currency** (USD, EURO etc.), the premiums/premium instalments are set in a convertible currency and paid in foreign currency or in lei at the exchange rate of the National Bank of Romania (NBR) of the date of payment.

20. The insurance premium is paid in advance and in full, for the entire period mentioned in the policy, or as instalments, out of which the first instalment is paid before the effective date of the policy, and the following ones, until the due dates mentioned therein.

The Insurer is not bound to remind the Insured Party the dates on which the premium instalments owed to it are due.

21. Failure to pay one premium instalment until its due date will result in the de jure termination of the insurance policy. In justified cases, the policy may be reinstated, based on an insurance supplement, in the following conditions:

- a) Within 15 business days from the due date of the owed premium instalment, the Insured Party must request in writing for the policy to be reinstated.
- b) The Insured Party will not claim indemnities for any damages incurred by the vehicle in the period during which the policy is terminated;
- c) The Insurer's representative will prepare a new vehicle inspection report;

- d) The Insured Party will pay the overdue instalment on the date of the application for reinstatement of the policy.

The insurance policy is deemed reinstated starting with 00:00 hours of the day following the one on which the overdue premium instalment was paid and the insurance supplement was issued.

22. In the case of the insurance policies concluded for the vehicles pledged for loans, the insurance premium is paid in advance and in full.

23. For insurance policies concluded for a period under 1 year (but no less than 6 months), the insurance premiums are calculated on a pro-rata basis, as a 1/10 ratio of the yearly premium, any month of insurance started being deemed a full month.

XI. RENEWAL

24. For insurance policies that are renewed for periods on 1 year, where the renewal occurs before or within a deadline of 20 business days from the expiry of the existing policy validity period, discounts are granted for a ratio of 15%, 25%, 35% and 40%, according to the number of previous consecutive years of insurance, as calculated on the date of renewal. The discount will only be granted if no indemnities were paid or are owed under the vehicle insurance policies for damage and theft .

In case the deadline provided for renewal is not observed, the insurance policy will be concluded in the same conditions as for newly insured vehicle.

25. In case the Insurer paid or owes indemnities under the vehicle theft and damage insurance, upon renewal, the insurance premiums will be increased according to the premiums tariff in force.

XII. OBLIGATIONS OF THE INSURED PARTY:

26. The Insured Party is bound to:

- a) Maintain the insured vehicle in proper conditions and according to the legal provisions, in order to prevent the occurrence of the insured risks and to allow the Insurer to check on the way the insured vehicle is maintained;
- b) Communicate to the Insurer, within maximum 5 business days the registration number or the modification thereof, in order for the Insurer to issue the insurance supplement with the mention of the registration number in cause;
- c) Submit to the Insurer a copy of the insurance ticket issued for the vehicle of the person liable for the occurrence of the accident, if in the police report the number of the ticket and the issuing insurance company are not mentioned for the mandatory motor vehicle civil liability insurance of the person liable for the occurrence of the accident. In case the driver of a vehicle registered abroad is liable for the accident, the Insured Party is under the obligation to submit to the Insurer the copy of the driver's motor vehicle civil liability, valid on the date of the accident (Green Card, mandatory liability insurance ticket for damages caused to third parties by traffic accidents – R.C.A.);
- d) Notify the Insurer in writing with regard to the loss/theft of the vehicle identity card, certificate of vehicle registration, within 1 business days from the occurrence of the event. The Insured Party will also submit to the Insurer the evidence from the police regarding the loss/theft of the vehicle identity card and/or vehicle registration certificate;
- e) Take on behalf of the Insurer and within the insured amount, according to the circumstances, measures for limitation of the damages, in the occurrence of the insured risk;
- f) Inform immediately the police, the fire department or other investigation authorities, which are located nearest to the place of occurrence of the insured risk and to request for documents to be prepared with regard to the causes and circumstances of its occurrence;
- g) Notify in writing the Insurer with regard to the occurrence of the insured risk, within 3 business days of its occurrence, and in case of theft, no later than 24 hours from acknowledging it;

- h) Maintain intact the affected parts and make them available to the Insurer's representatives for damage appraisal or, in case of theft, to take measures for all the traces to remain intact until they are analysed by the police authorities;
- i) Communicate to the police or to other investigation authorities, as well as to the Insurer, any information which may lead to finding the vehicle, component or parts thereof and to take the necessary steps in order to recover them;
- j) Not to give any statement to the police or to other investigation authorities, whereby they waive claims against the party who is guilty for the occurrence of the insured risk;
- k) To provide all the information and documentary evidence as requested by the Insurer and to allow the latter to investigate the cause, circumstances and extent of the damage;
- l) In the case of insured risks occurring outside the Romanian territory, to notify the Insurer's correspondent in the country in cause (as mentioned in the list that is an integral part of the insurance policy) and to make available to the Insurer both the original documents related to the causes and circumstances of occurrence of the insured risk, and a notarised translation thereof;
- m) To preserve the Insurer's right of recourse against the parties that are guilty for the occurrence of the damage.

27. In case of failure to meet the obligations provided at point 16 above, the Insurer, is entitled to denounce the insurance policy before the occurrence of the insured risk, and after its occurrence, to refuse to pay the indemnity.

28. In case the stolen vehicles or component parts thereof were found, the Insured Party is bound to:

- a) Notify the Insurer, within 3 business days from the date they are found;
- b) To repay to the Insurer within 15 business days the collected indemnity or the difference between it and the cost of repairs or replacement of the components or parts which were found to be damaged or incomplete, if the vehicle (respectively components or parts thereof) were found after the indemnity was paid.

XIII. DAMAGE APPRAISAL, CLAIM ADJUSTMENT AND PAYMENT OF INDEMNITIES

29. Damage appraisal and claim adjustment for damages occurring on Romanian territory are performed by the Insurer's representatives along with the Insured Party or their representatives. Outside the Romanian territory, the damage appraisal and claim adjustment are performed by the Insurer's correspondents in the country of occurrence of the insured risk, as mentioned in the list of foreign correspondent companies, which is an integral part of the insurance policy.

30. In the occurrence of insured risks outside the Romanian territory, where the Insured Party did not notify the Insurer's correspondent in the country of occurrence, upon return to Romania, the damage appraisal and payment of the indemnity will only be made by the Insurer provided the following conditions are cumulatively met:

- a) The causes and circumstances of occurrence of the insured risk and the person liable for its occurrence come forth from the documents issued by the relevant authorities of the country of occurrence of the insured risk (police or other relevant authorities); In case the driver of another vehicle is liable for the occurrence of the accident, the Insured Party will submit to the Insurer a copy of the motor vehicle civil liability insurance of the liable person, valid at the date of the accident, mentioning the series and number thereof, as well as the name of the issuing insurance company;
- b) The damaged parts and the extent of the damage can be appraised.

31. The damage appraisal and the payment of the indemnities are made based on the damage appraisal report prepared by the Insurer's representative, by examining the vehicle, as well as the full documentation requested by the Insurer, with regard to the causes and circumstances of occurrence of the insured risk.

32. Where upon performance of the repair work, other damages arising from the occurrence of the insured risk are also found, which could not have been found initially, the re-appraisal of the damages will only be performed at the Insured Party's written request. In the absence of such re-appraisal, only the damages mentioned in the damage appraisal report will be indemnified.

33. In the case of insured risks occurring on Romanian territory, the repairs are performed in specialised repair shops in Romania, repairs abroad are excluded.

34. In the case of insured risks occurring outside the Romanian territory, only the repairs which are strictly necessary in order to continue the journey (temporary repairs) may be performed abroad, while observing the provisions hereof, and the permanent repairs will be further performed in Romania. Where the temporary repair, as stated above, is not possible to perform, the Insurer will also indemnify within the limit of the insured amount, the expenses for the transport of the vehicle to the repair shop or to the Insured Party's domicile in Romania, if the performance of the permanent repair in Romania is economically justified.

Other repairs than those provided above, made without the Insurer's written consent will not be indemnified.

35. The indemnity will not exceed the amount for which the insurance was concluded, neither the amount of the damage, nor the actual value of the vehicle as at the date of occurrence of the insured risk. Thus:

- a) The amount for which the insurance was concluded shall mean the insured amount mentioned in the policy, set according to the provisions hereof;
- b) The amount of the damage shall mean the total cost of repairs and/or replacement of the damaged parts, according to the technological solutions established by the damage appraisal report, including the cost of materials and labour coming forth from the repair documents, to which, in the case of partial damages, are added and transport expenses for the damaged vehicle, as provided at point 2, letter h, as well as those incurred in order to limit the damages, as proven by documents. Where, due to the extent of the damages sustained by the vehicle, it is obvious that towing or transporting the vehicle were necessary, but the Insured Party is unable to support with documents the transport expenses, the amount of the transport will be indemnified to the level of half of the A.C.R. (Romanian Automobile Club) tariff;
- c) The actual value of the vehicle as at the date of occurrence of the insured risk is equal to the value as new as at that date, to which the remaining value quota is applied, as taken into account upon conclusion of the insurance.

36. In the case of damages caused to the audio/video equipment additionally installed on the vehicle, the indemnity is paid within the limit of the value of such equipment, as mentioned in the application-questionnaire filled in upon conclusion of the insurance or in an insurance supplement.

37. In the case of audio/video equipment installed on the vehicle by the manufacturer, it will be indemnified within the limit of the price of the equipment, as mentioned in the vehicle purchase invoice or in the price catalogues.

38. For damaged assemblies or sub-assemblies, only the replacement of the components or parts that were damaged will be taken into account, even where upon repair, the entire assembly or sub-assembly was replaced (e.g. in case of damage to the gearbox where its housing is broken, only the replacement of the housing is taken into account, not the entire gearbox). Thus, components or parts deemed necessary to be replaced shall only mean those the repair or use of which, even repaired, is no longer technically possible due to the extent of the damages to them or, although the repair is possible, the cost of such repair exceeds the value as new of the component or part in cause as at the date of occurrence of the insured risk.

Are not accepted for payment fiscal receipts or invoices for parts purchased by the Insured Party in consignment nor hand written receipts.

39. Full body repaint is only accepted where the damaged parts thereof, under one and the same risk, represent more than 50% of the total outer surface of the body. In other situations, only the repainting of the damaged parts mentioned in the damage appraisal report will be indemnified.

40. Where, upon performing repairs following the damages arising from insured risks, the Insured Party performed additional operations or replacements compared to the damages found and mentioned in the report, the costs thereof will be borne by the Insurer Party.

41. In case of theft of the vehicle, indemnities will be paid 60 days from the date of notification of the Insurer, provided the police confirms in writing that the vehicle was not found. In case of theft of the parts and/or component parts, the indemnity will be paid before the 60 day deadline, but only after the confirmation of the theft (and of the fact that they were not found) is received from the police. Thus:

- a) If before payment of the indemnity, the vehicle (respectively the parts or components thereof) are found, the indemnities are only paid for any damage arising from the theft;
- b) If, after the payment of the indemnity, the vehicle (respectively the components or parts) were found, the Insurer is bound to observe the provisions of the point 28 above.

42. In the case of damages to the vehicle, the indemnities are paid within 15 business days of the date the Insured Party submitted to the Insurer all the documents requested by the latter.

43. Indemnities are paid as follows:

- a) **In Lei**, in the following situations:
 - In the case of partial losses, where the repairs are performed in Romania, irrespective of the currency in which the insured amount was set and the premium/premium instalments were paid, in the case of abroad repairs, by applying the National Bank of Romania (NBR) exchange rate or the invoice date, irrespective of the currency in which the insured amount was set, where the premiums/premium instalments were paid in Lei;
 - In the case of total loss, where the insurance is concluded in Lei, and the premiums/premium instalments were paid in Lei, or the insurance is concluded in foreign currency, and the premiums/premium instalments were paid in Lei, by converting the insured amount from foreign currency into Lei, at the NBR exchange rate of the date of payment of the indemnity.
- b) In foreign currency, for partial losses, where the repairs were performed abroad (with the Insurer's consent) or in the case of total losses, where the insurance was concluded in foreign currency, and the premiums/premium instalments were paid in foreign currency.

44. In case the Insured Party purchases abroad parts or components necessary for the replacement of the damaged ones, the amount of the related indemnity is equal to:

- a) The amount of the purchase invoice, expressed in a convertible currency, including the transport expenses and customs duties supported by documents, minus the value added tax (foreign VAT), without exceeding the prices per unit of the dealerships in Romania, where the insurance was concluded in foreign currency, and the premiums/premium instalments were paid in foreign currency;
- b) The amount of the purchase invoice in Lei, expressed in a convertible currency, including the transport expenses and customs duties supported by documents, minus the value added tax (foreign VAT), without exceeding the prices per unit of the dealerships in Romania, irrespective of the currency in which the insured amount was set, where the premiums/premium instalments were paid in Lei.

45. At the Insured Party's written request, the repair can also be performed on the Insured Party's own, in the following conditions:

- The cost of the repairs is set based on the assessment made by the Insurer and on the supporting documents submitted by the Insured Party, regarding the actual payments made;
- In case until the date of indemnification, the Insured Party submits receipts or invoices for the purchased spare parts, those documents will be accepted for payment. Are not accepted for payment receipts or invoices from consignment shops, or hand written receipts.

46. From the amount of the indemnity, the Insurer will deduct:

- a) The franchises mentioned in the insurance policy;
- b) In case of total loss, the amount of the parts remained undamaged of the vehicle, which will continue to be owned by the Insured Party, except for the case where the Insurer pays full indemnities and exercises its right of option to take over the vehicle;
- c) The amount of the premiums owed until the end of the insurance period, and in the case of vehicles sold by leasing or instalments, where the insurance is concluded for the entire period of the leasing/instalment sale agreement, the amount of the premiums owed until the end of the year of insurance in which the damage occurred.

Total loss shall either mean the total theft of the vehicle, or its damaging to such an extent that the cost of the repairs estimated based on a preliminary calculation estimate, added to any transport costs for the vehicle and to the measures for mitigation of the damages, is equal to or exceeds the insured amount.

47. At the Insured Party's request, the Insurer may pay an advance on the indemnities, of up to 50% of the estimated value of the parts to be replaced, as set based on a preliminary calculation estimate prepared according to the damage appraisal report, by an authorised repair shop.

48. After each paid indemnity, the insured amount will be reduced by the amount paid as indemnity, and the Insured Party will be bound to pay the premium in order for the insured amount to be completed. Failing which, for the following damages, the indemnities will be reduced according to the ratio between the remaining insured amount after payment of the indemnity and the insured amount mentioned in the policy.

49. For the insurance policies that are assigned in favour of a bank or another third party, the indemnity will not be paid until the entity in favour of which the policy is assigned gives its consent for the payment, indicating whether the indemnity will be paid to the Insured Party or to the party in favour of which the policy is assigned.

XIV. FINAL PROVISIONS

50. In any event, the burden of proving that the occurred risk is covered by the insurance will rest on the Insured Party. The burden of proof lies with the Insured Party.

51. The Insurer is entitled to oppose against the beneficiary all the defences that they may oppose against the Insured Party under the insurance policy.

52. Where the Insured Party communicated inaccurate or incomplete data or did not inform the Insurer on any change occurred regarding the data taken into account upon conclusion of the policy, as well as the change of essential circumstances regarding the possibility of occurrence of the insured risk, the Insurer shall be entitled:

a) Before the occurrence of the insured risk:

- To propose to the Insured Party for the relevant part of the policy to be amended or to denounce it in case, had they known the exact circumstances, they would not have concluded it;
- To denounce the policy with effect from the date of the proposal to amend it, if the Insured Party does not agree with the proposed amendment.

b) After the occurrence of the insured risk:

- To reduce the due indemnity, according to the ratio between the set premium and the one due if the exact circumstances were known or,
- To refuse to pay the indemnity.

53. The parties may amend or terminate the policy or, as applicable, the insurance supplement, by mutual agreement, at any time during their validity periods, and such amendments or termination will become effective on the date agreed in writing by the parties.

54. In case the insurance policy is amended by mutual agreement of the parties or terminated, the amount of the differences to be repaid or collected as premium will be set as follows:

- a) **For repayment:** The Insurer shall withhold the insurance premiums for the expired period, by months of insurance, to a ratio of 1/10 of the annual premium, including the policy purchase or management expenses, and repay the rest;

The bank charges and fees for any premium repayment operation made by the Insurer will be borne by the Insured Party.

- b) **For collection:** The insurance premiums for the remaining period until expiry is computed by months of insurance, to a ratio of 1/12 of the yearly premium.

Each started month of insurance is deemed a full month.

55. In the case of denunciation or termination of the insurance policy, its provisions shall apply in all cases of damage arising before the denunciation or termination, until their full settlement. In such cases, the insurance premiums for period remaining until expiry will no longer be repaid.

56. For damages incurred in the period during which the insurance was not in force, the Insurer shall pay no indemnities.

57. Within the limit of the paid indemnities, the Insurer subrogates itself in the Insured Party's rights against the persons liable for the occurrence or increase of the damages. The Insurer may waive the exercise of that right, except for the case where damage was caused intentionally.

58. Strict observance of the Insured Party's obligations, as well as the assumption that their declarations and answers are true will be a precedent condition for any liability of the Insurer.

59. The right of claim against the Insurer regarding the payment of any indemnities shall expire 2 years from the date of occurrence of the insured risk.

60. In case several insurance policies concluded for the same vehicle exist, each insurer is bound to pay, proportionally to the insured amount and up to the concurrence of such amount, without the Insured Party being entitled to collect and indemnity which is higher than the actual damage arising from the risk.

The Insured Party is bound to declare the existence of other insurance policies for the same vehicle with different insurers, both upon conclusion of the insurance policy, and during its validity period.

61. All communications between the parties will be made in writing or will be confirmed in writing, if another method is used.

62. Any dispute in connection with the enforcement of these conditions shall be resolved by the relevant courts of law in Romania.