

Carrier and freight forwarder's liability

elama®

Insurance service information document

Elama Kindlustus AS

The information document provides a general overview of Carrier and freight forwarder's liability insurance. It does not reflect the terms and conditions of the insurance contract based on your insurable interests and demands. The terms and conditions of the contract are included in other documents, such as the offer, the terms and conditions of insurance, and the policy.

What type of insurance is it?

Carrier's and Freight Forwarder's Liability Insurance primarily insures the liability of companies that perform and organize road transport in accordance with the CMR Convention.



What is insured?

- ✓ Civil liability related to the fulfilment of a transport and/or freight forwarding contract is insured.
- ✓ The liability for transport performed with the vehicle(s) specified in the policy is insured, covering the period from the acceptance of the goods to their delivery.

An insured event includes:

- ✓ Damage, destruction, or loss of goods during transport;
- ✓ Financial loss due to the delay of goods, according to the CMR Convention;
- ✓ Damage caused to third parties by the goods;
- ✓ Expenses arising from the transport contract to prevent or reduce damage, including costs incurred in court proceedings.
- ✓ Certain risks can be agreed upon separately, with a corresponding note made on the policy. For example, customs risks can be insured to the extent specified in the contract.
- ✓ The insurance sum is stated on the policy. Generally, the insurance sum is 300,000 euros.



What is not insured?

- ✗ The following is not insured:
 - ✗ Incidents caused by the use of alcohol, drugs, or psychotropic substances;
 - ✗ Incidents where the carrier is not liable under the transport contract, the CMR Convention, or the law;
 - ✗ Incidents caused by gross negligence or intentional misconduct;
 - ✗ Damage to the transport vehicle;
 - ✗ Transport of unsecured cargo, if securing was required;
 - ✗ Losses resulting from the absence of a transport permit;
 - ✗ Transport of apartment or office furnishings;
 - ✗ The most important coverage limitations are listed here. A more detailed list is provided in the insurance terms and conditions.



Are there any restrictions on insurance cover?

For example, the following shall not be indemnified:

- ! In the event of damage, destruction, or loss of goods, the compensation is limited to 8.33 SDR (Special Drawing Rights) per kilogram;
- ! The compensation for damage to the goods will not exceed the difference between the value of the goods before and after the insured event;
- ! The compensation for delay of goods is limited to the amount of the freight charge;
- ! In case of a breach of the contract terms, the insurer has the right to reduce the compensation;
- ! The amount of the deductible (self-insured retention) is specified in the contract;



Where am I covered?

The insurance is valid within the territory specified in the policy. When concluding the contract, the insurer typically offers the possibility to choose at least from the following areas of coverage:

- ✓ Europe: The insurance coverage is valid within the geographical boundaries of Europe (including the Russian part, Ukraine, and Belarus).
- ✓ Domestic transport within Estonia
- ✓ United Kingdom
- ✓ Norway
- ✓ Regions listed by the policyholder.



What are my obligations?

- Your main obligation is to pay the insurance premium.
- The insurer shall be informed of risk circumstances and their changes, such as the main purpose of use of the vehicle.
 - The safety requirements specified in the insurance contract must be followed, including traffic, transport, and safety regulations set forth in the transport contract and in the countries of the transport region:
 - Upon accepting the cargo, the quantity and external condition of the goods must be checked, and for temperature-sensitive goods, the temperature must be verified.
 - The vehicle must be maintained, used, and kept responsibly.
 - During breaks, the vehicle must be under supervision. It is recommended to park in a secure parking area recognized by the IRU.
 - In the event of an incident, sufficient photos must be taken of the load (cargo area, goods, damages).
 - In case of theft, the police must be notified.
 - The insurer must be immediately informed of the insured event, and their instructions must be followed.



When and how do I pay?

The amount of the premium and the due date are stated in the policy. Payment is usually made by bank transfer on the basis of an invoice.



When does the insurance cover start and end?

The insurance cover starts on the start date of the insurance period. The insurance cover ends at the end of the insurance period.

Insurance cover may end before the end of the insurance period specified in the contract. For example, the insurer may terminate the contract if the insurance premium is unpaid.



How can I terminate the insurance contract?

To terminate the contract, a request shall be submitted to the insurer. Normally, the contract can only be terminated early by agreement between the policyholder and the insurer.