

INSURANCE "GUARANTEES"

Insurance product information document

"Barents Insurance" EAD, UIC: 207459862

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License to carry out insurance activities with Decision No. 474-OZ of 16.07.2024 of the FSC

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Product: "GUARANTEES" Insurance

This information document does not reflect the individual terms and conditions of your insurance contract, but presents in a summarized form the most important terms and conditions of the "Guarantees" product. Complete pre-contractual and contractual information about the product is contained in the insurance policy, the General Terms and Conditions of the insurance, as well as in the "Questionnaire – Proposal" for concluding the contract, which are provided to you before concluding the insurance and are an integral part of the insurance contract.

What type of insurance is this?

"Guarantees" insurance is a voluntary insurance, under which, in the event of an insured event covered by the policy, the Insurer covers the risk of non-fulfillment of contractual relations between the Insurer (Contractor) and the Beneficiary or of the relevant legal framework, which gives rise to obligations for payment of the guaranteed amounts in favor of the Beneficiary .



What does the insurance cover?

Depending on the nature of the Insurer 's guaranteed obligation , the agreed insurance coverage covers :

- ✓ **Clause 1** – Guarantee for the performance of a contract for the supply of goods and/or the provision of services;
- ✓ **Clause 2** – Performance Guarantee;
- ✓ **Clause 3** – Support Guarantee
- ✓ **Clause 4** - Guarantees for participation in a tender (contest) or procurement procedure;
- ✓ **Clause 5** - Guarantee for refund of advance payment or return of what was paid upon termination of the contract;
- ✓ **Clause 6** - Guarantee of customs duties (excise duties, VAT, import/export fees and interest for late payment of the listed government receivables);
- ✓ **Clause 7** - Other guarantees expressly approved by the Insurer

- ✗ the contract between the Insurer and the Beneficiary was concluded in violation of a law or other regulatory act;
- ✗ The Insurer and the Beneficiary have made any changes to the contract concluded between them or the collateral thereunder, without the prior written consent of the Insurer;
- ✗ gross negligence of the Insurer, its representatives, employees or persons related to it;
- ✗ Attempted fraud or staging of an insured event by the Insured and/or the Beneficiary;
- ✗ As of the date of conclusion of the insurance contract, the Insurer was insolvent or in bankruptcy proceedings, or liquidation, or in a transformation procedure, including merger or acquisition, or there is a pending application for the opening of bankruptcy proceedings, has overdue debts or has requested the rescheduling of such debts, or has made a full or partial refusal on its part to fulfill the obligations under a contract related to the guarantee, or has made a proposal for the transfer of property against debt;
- ✗ atomic and nuclear explosions/accidents, impact of radioactive products and contamination from such, ionizing radiation, violation of nuclear safety requirements;
- ✗ war, strike, riot, riot, lockout, , mass disorder, vandalism and sabotage, civil disobedience, uprisings, revolutions, martial law or usurpation of power, civil war, military coup, military exercises and any activities of a military nature;
- ✗ an act of terrorism or actions taken to control, prevent, prohibit or in any way related to an act of terrorism;
- ✗ confiscation, requisition, nationalization of property by state authorities;
- ✗ chemical pollution resulting from industrial or other accidents;
- ✗ earthquake, volcanic eruption, landslide and collapse of land masses;
- ✗ interest, penalties and lost profits;
- ✗ any events constituting force majeure that are beyond the control of the Insured and the Beneficiary and do not allow the performance of the contract;
- ✗ changes in the economic conditions in the country that may be qualified as economic unsustainability within the meaning of Article 307 of the Commerce Act, but the insurer has been inactive during the term of the contract, the performance of which is secured by the concluded insurance policy and has not requested through a court order to amend or terminate this contract in whole or in part due to economic unsustainability or risk of bankruptcy;
- ✗ events covered by other types of insurance;
- ✗ the due premium has not been paid or the premium has been paid late, and an insured event has occurred during the period of delay.
- ✗ the guarantee is secured by an unconditional and irrevocable counter-guarantee

All exceptions are specified in the general terms and conditions of the insurance.



Are there any limitations on coverage?

- ! The insurance does not cover the deductible specified in the policy in the amount of damage, determined as a percentage or as a fixed amount.
- ! The Insured and the Beneficiary are related parties within the meaning of the Commercial Law.



What does insurance not cover?

The Insurer does not owe compensation to the Beneficiary in the following cases:



What is the territorial coverage of my insurance ?

The insurance coverage is for the territory of the Republic of Bulgaria, unless it has been agreed that the coverage will also be valid on the territory of the Beneficiary, other than the territory of the Republic of Bulgaria.



What are my duties?

When concluding the insurance contract, you must:

- ✓ indicate all known circumstances about which the insurer has asked questions in the "Questionnaire - Proposal" and which are relevant to the risk.
- ✓ provide all documents requested by the Insurer for risk assessment, including a copy of the contract signed with the Beneficiary
- ✓ pay the agreed insurance premium in full upon issuance of the insurance policy

During the term of the insurance contract:

- ✓ notify us of any new circumstances that have arisen after the insurance was concluded that are relevant to the risk;
- ✓ keep all documentation related to the guarantee transaction, as well as provide access to it upon request by the insurer;
- ✓ you do not make changes to the contract with the Beneficiary without the express written consent of the Insurer
- ✓ you comply with the regulations, rules and requirements of all government authorities when carrying out the activity;
- ✓ you do not alienate your own fixed assets during the term of the insurance coverage under the policy without the consent of the insurer
- ✓ you strictly fulfill all your obligations in connection with the contract concluded with the Beneficiary;
- ✓ request through legal proceedings to amend or terminate the contract with your counterparty in whole or in part due to economic unsustainability or risk of bankruptcy

Upon the occurrence of an insured event, to:

- ✓ take all measures and follow the Insurer's instructions to limit the amount of damage;
- ✓ submit to the Insurer a written notification and a copy of the Beneficiary's request, with the accompanying documents, within 3 days from the date of receipt of a written request for payment by the Beneficiary under the guarantee;
- ✓ provide all necessary assistance to the Insurer in determining the cause and amount of the loss;
- ✓ secure the Insurer's subrogation rights by providing him with all documents, information and collateral under the contract (if any) necessary to exercise his right of recourse.
- ✓ refund to the Insurer the amount paid under the guarantee within 15 /fifteen/ working days from the date of receipt of a written request for this by the Insurer.
- ✓ return the original insurance policy to the Insurer upon early termination of the insurance contract.

The obligations of the Insurer and the Insured are detailed in the General Terms and Conditions of "Guarantees" insurance.



When and how should I pay?

The insurance premium is paid once upon conclusion of the insurance contract.

You can pay the insurance premium in cash or by bank transfer .



When does coverage begin and end ?

The term of the insurance contract is determined by agreement between the Insured and the Insurer.

The insurance enters into force from the date of express acceptance of the guarantee by the Beneficiary.

In the absence of an obligation on the part of the Beneficiary to expressly accept the guarantee, the insurance shall enter into force from the date of the occurrence of the guarantee obligation, but not earlier than 00:00 on the day marked as the start date in the insurance policy, provided that the insurance premium has been paid, unless otherwise agreed in the policy.

The insurance expires at 24:00 on the day specified in the policy for the end of the insurance period.



How can I terminate the contract?

You may terminate your insurance by sending one month's written notice to us, with the express written consent of the Beneficiary.