

## EULER HERMES NOTIFICATION, ADDITIONAL EXPLANATION

8<sup>th</sup> April, 2020

Dear Customers,

On 25-26 of March you have received a letter from EULER HERMES regarding extension of terms to notify overdue debts and start debt collection. For your convenience, we are providing additional explanations.

### **Important:**

The measures proposed by Euler Hermes allowing to extend notification of overdue debts and initiate debt recovery actions are only applicable to receivables due from a buyer totalling ≤€500,000, with payment due dates up to and including May 31st, 2020.

### **Example:**

#### **When you must report about debts overdue more than 60 days till 5th day of the following month.**

- the deadline to notify an overdue account is extended by 30 days: 60 + time until the beginning of next month + 5 days +30 = [95 to 125]. The notification deadline depends on when 60 days have passed - in the beginning, middle or the end of the month.
- The order to place the debt for collection must be submitted not later than new (extended) deadline for notification about overdue debt.
- Please note that the terms of the insurance cover termination do not change and remain the same as specified in your insurance contract.

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All other terms and conditions of the insurance contract shall also remain in full force and effect. All general risk management principles set forth in the insurance contract remain valid, which also means that situations with Buyers must be assessed individually and the term of notice of overdue debt is postponed only when it is necessary.

If you have any questions, please contact your account broker.

Kreditu Draudimo Brokeris / ICBA Baltic