

Among Conditions, special conditions and clauses to be found in the General Conditions only those ones concern to the contract which are marked in the insurance policy/proposal!

Vagyonőr

Conditions of Insurance Package for Business ventures and Enterprises

Valid as of 15th April 2006



Content

Costumer guide	3
General Conditions of Property Insurance (ÁVF)	5
Conditions of Commercial Property Insurance	9
1. General conditions of contract	9
2. Insurance against fire and elemetary perils	13
3. Insurance against burglary ang robbery	16
4. Plate glass insurance	17
5. Supplementary insurance for electronic office equipment	18
6. Cargo insurance	19
7. Business interruption insurance	20
8. Enterpreneural Assistance Sercice	22
Special Conditions and Endorsements for the Commersial Property Insurance	23
Special Conditions	23
Endorsements	29

Costumer guide

Dear Customer,

Thank you for submitting your insurance proposal to Generali-Providencia Biztosító Rt and your confidence in choosing our company.

We ask you to carefully read the following information about the main data of our company, our organizational units dealing with remarks and complaints received from our customers, the name and address of our supervision body, the possibility to submit customer complaints to the Supervision, the General Inspectorate for Consumer Protection, to arbitration boards or going to court, further, about the major data protection and data management rules.

In addition, we give you a list of the organizations to which our company may disclose the customers' data constituting an insurance secret pursuant to Act LX of 2003 on Insurers and Insurance Activities.

Also, we are providing you with the major information you should understand before signing the insurance proposal, including the principles and practice of personal data management, in order to help you make an informed legal statement on your intention to conclude the insurance contract.

The rules of tax payment related to insurance contracts will also be introduced.

1. Generali-Providencia Biztosító Rt. was established on April 30, 1999 upon the merger of Providencia Osztrák-Magyar Biztosító Rt. and Generali Budapest Biztosító Rt.

Equity capital of the company (subscribed capital):	4 500 000 000 HUF
Registered office:	1066 Budapest, Teréz krt. 42-44.
Telephone:	(36-1) 301-7100
Exclusive shareholder:	Generali Holding Vienna AG
Place of business:	A-1010 Wien, Landskrongasse 1-3.

2. If you have any questions or problems in connection with your insurance contract, please contact your insurance agent or any of our customer service points, or the TeleCenter staff ready to answer your calls at blue number +36-40-200-250.

Information and support are also available at www.generali.hu.

If you have any further questions or problems, please contact the Regional Administrative Center closest to your area:

Budapest and Environs Regional Management Center	H-1132 Budapest, Váci út 36-38.	+36 (1) 452-3100
Miskolc Regional Management Center	H-3530 Miskolc, Szemere B. u. 13.	+36 (46) 517-100
Debrecen Regional Management Center	H-4025 Debrecen, Plac u. 49-51.	+36 (52) 514-000
Szeged Regional Management Center	H-6720 Szeged, Széchenyi tér 6.	+36 (62) 566-199
Pécs Regional Management Center	H-7624 Pécs, Budai Nagy Antal u. 1.	+36 (72) 512-412
Győr Regional Management Center	H-9022 Győr, Bajcsy-Zsilinszky út 44.	+36 (96) 507-000

If you feel that your problem is not fully resolved despite the assistance of our staff, please feel free to turn to our Customer Relations group at the General Directorate of Generali-Providencia Biztosító Rt. at H-1066 Budapest, Teréz krt. 42-44. either in person or in writing.

3.	Supervisory body of the company:	PSZÁF Hungarian Financial Supervisory Authority
	Address:	H-1013 Budapest, Krisztina krt. 39. (Krisztina Plaza)
	Mail address:	H-1535 Budapest, 114. Pf. 777.
	Central line:	(36-1) 489-9100
	Blue number with local charge:	(36-40) 203-776
	Central fax:	(36-1) 489-9102

4. The basic rules related to consumer rights, their enforcement and the institutional system dealing with consumer protection are set forth in Act CLV of 1997 on Consumer Protection. Central consumer protection organization with national competence, providing professional control over consumer protection boards in Budapest and in the county: General Inspectorate for Consumer Protection

Address:	H-1088 Budapest, József krt. 6.
Tel.:	(36-1) 459-4800
Fax:	(36-1) 210-4677

For the purpose of the out-of-court resolution of any consumer disputes related to the conclusion and fulfillment of the insurance contract, you can submit a claim to the arbitration body competent at your residence or place of adobe, as the case may be. The start of proceedings by the board is subject to a previous attempt by the consumer to resolve the matter in dispute by direct negotiations with the Insurer.

Consumers may directly turn to court to enforce claims arising from the insurance contract. Court proceedings will be governed by the provisions of Act III of 1952 on Civil Proceedings.

5. We inform you that for the purpose of fulfilling its tasks, the Insurer is entitled to manage those insurance secrets of its customers that are connected with the insurance contract, its conclusion, registration and the benefit payment. The purpose of data management is restricted to purposes necessary for the conclusion of the insurance contract, its amendment and maintenance and the judgment of claims arising from the insurance contract, or other purposes set forth in the insurance act.

The Insurer's customers include the policyholder, the insured, the beneficiary, the injured party and other persons entitled to receive benefits from the Insurer and, for the purpose of the data protection regulations, also the persons making a proposal for contract conclusion.

The following data will constitute an insurance secret:

- Personal data of the Insurer's customers;
- The insured property and its value;
- The sum insured;
- In the case of a life, accident, illness and liability insurance contract, the data related to health condition;
- The amount of the paid sum insured and the time of its payment;
- Any and all material facts and circumstances related to the insurance contract, its conclusion, registration and benefit payment.

6. The Insurer may manage personal data during the period of the insurance relationship and during the period in which a claim can be enforced in connection with the insurance relationship. The Insurer may manage personal data connected with insurance contracts finally not concluded as long as claims can be enforced in connection with the failure of concluding such contracts

7. Unless otherwise provided by law, the Insurer's owners, executives, employees and all those who have had access to any insurance secret in any way during their activity connected with the Insurer are obliged to keep such secret confidential without any limitation in time.

Any insurance secret may be disclosed to a third party only if

- the Insurer's customer or a legally acceptable representative of same gives exemption in writing by accurately specifying the insurance secret(s) that can be disclosed,
- no confidentiality obligation lies pursuant to Act LX of 2003 on Insurers and Insurance Activities.

8. The obligation to hold insurance secrets in confidence does not apply to the disclosure of data to

- An inspectorate acting in its competence as such,
- Regulatory authorities and the office of the public prosecutor acting in connection with criminal proceedings,
- Court acting in connection with criminal proceedings, civil proceedings, bankruptcy or liquidation proceedings, further, independent court bailiffs acting in an enforcement procedure,
- Notary public acting in a case of inheritance,
- The tax authority when, in tax matters, the Insurer has statutory obligation to make a statement on the tax authority's request, or if the Insurer has statutory obligation to supply data about payment under an obligation arising from the insurance contract,
- The national security service acting in its competence as such,
- The Office of Economic Competition acting in its supervision competence connected with an insurer, an insurance agent, a consultant, the Hungarian office of an insurer, independent insurance agent or consultant seated in a third country, their interest enforcement organizations, and with insurance, insurance agency and consultancy services,
- The court of guardians acting in its competence as such,
- The health authority,
- A body authorized to apply secret service means and collect secret information upon existence of the conditions set forth in the relevant law,
- Co-insurers and, in the case of joint risk assumption (co-insurance), the insurers assuming the risk,
- The office keeping insurance policy records in respect of data forwarded within the framework of the insurance act,
- The recipient insurer in respect of contracts handed over upon transfer of the contract stock,
- The organization managing the Indemnification Account, the Information Center, the Indemnification Organization and the claim adjustment officer in respect of the data necessary for claim adjustment and the enforcement of refund claims,
- The party to which an activity has been outsourced in respect of the data necessary for the execution of such activity,
- European Anti-Fraud Office (OLAF) checking the proper use of EU support,
- Insurers in a third country in the case of branch offices – provided that the conditions for data management in line with the Hungary statutory requirements are met for each piece of data and the state in which the insurer in question resides has data protection laws satisfying the requirements of the Hungarian laws – if approached in writing by an organization or person mentioned in sections a) through j), and section n), with the indication of the customer's name or the identification of the insurance contract, the type of the requested data, and the purpose and legal basis of the request for data. The organization or person mentioned in sections k), l), m), p), and q) is only obliged to specify the type of the requested data, and the purpose of and legal ground for the request. Making reference to the provision of law giving entitlement to acquire the data in question is also accepted as verification of the purpose and legal ground.

9. The following will not be regarded as breach of insurance secret

- supply of aggregate data from which the person or business data of the individual customers cannot be traced back,
- in the case of a branch office, the transfer of data, necessary for supervision purposes, to supervisory authorities competent at the place where the enterprise seated abroad has its headquarters (principal office), provided that this complies with the agreement between the foreign and Hungarian supervisory authorities,
- transfer of data not constituting personal data to the Ministry of Finance for the purpose of data supply for legislation and the execution of impact studies.

10. Data forwarding to insurers in member states or data processing organizations (data managers) in member states will be regarded as data forwarding within the area of the Republic of Hungary.

11. At the customer's request, our company is obliged to inform such customer about the data stored about same in the Insurer's files, the purpose and period of and the legal ground for data management, the name and address (place of business) of the data processor and its data management activity, further, to identify who will receive/has received the data and for what purpose. Provision of information about data forwarding may be excluded by law. Our company is obliged to correct the data in its files if so requested by the customer in question.

In respect of data that can be associated with a deceased person, the rights of such person may be exercised by his or her heir and the beneficiary named in the insurance contract.

12. Please note that Act CXVII of 1995 on Personal Income Tax contains important rules about taxation applicable to insurance contracts. Provisions related to the premium payable for the insurance, the benefits provided by the Insurer and tax allowances related to insurance can be found in the said law and other related tax laws.

13. Please note the following before signing the insurance proposal:

- The insurance contract to be concluded and the rights and obligations of the contracting parties will be governed by the terms and clauses of the insurance contract.
- Please read them carefully before signing your proposal.
- Legal statements are valid only if made in writing. The statement of the policyholder (insured) is valid only if brought to the attention of an organizational unit of the Insurer.

Looking forward to our successful cooperation.

Yours sincerely:



Generali-Providencia Biztosító Rt.

www.generali.hu



General conditions of property insurance (ÁVF)

On the basis of these general conditions, Generali Providencia Insurance Co. (hereinafter called the Insurer) – in accordance with the special conditions of the individual insurance – undertakes an obligation to pay indemnity, depending on the occurrence of a definite future event (insured event) and amounting as stipulated in the insurance contract, to the Insuree, in return for the insurance premium paid by the Contracting Party (Insuree).

I. Contracting Party/Insuree

1. A property insurance contract can be completed only by a person who has interest in preservation of the property (hereinafter called the Insuree), or who signs the contract for the benefit of a person with such interest (hereinafter called the Contracting Party).
2. The interest in preservation of the property must be in existence during the whole time scope of the insurance contract.

II. Conclusion of the insurance contract

1. The insurance contract comes into existence by the written agreement of the parties. The written agreement and the insurer's statement of acceptance can be substituted by the issue of the policy. In this case the insurance contract comes into existence on the day the policy is issued and comes into force on the date of the commencement of the indemnification obligation as specified in article 1. of chapter III.
2. If the contents of the policy differ from the insurance proposal of the Contracting Party (Insuree), and s/he does not make objections to the difference within 15 days, the insurance contract comes into existence according to the content of the policy. On issuing the policy the Insurer is obliged to call the Contracting Party's (Insuree's) attention to the significant differences, in writing. The time and geographical scope of the Insurer's liability, the insurance premium and its due date, the extent of the Insurer's indemnification obligations are qualified especially as significant differences.
3. The insurance contract comes into existence even if the insurer does not answer to the Contracting Party's (Insuree's) proposal within 15 days. In this case the contract comes into existence retroactively to the date of handing the proposal to the insurance company or to its representative, and comes into force on the date of the commencement of the indemnification obligation as specified in article 1. of chapter III. The Insurer is obliged to issue the policy to the Contracting Party (Insuree), even if the contract comes into existence in this way.
4. The Insurer is entitled to reject the insurance proposal in writing within 15 days from its handing. In this case the insurance contract does not come into existence, and the insurer returns the possible advance premium to the Contracting Party (Insuree) immediately.
5. Should the insurance be mediated by an insurance broker who, according to paragraph (1) of Article 32. of Act XCVI./1995. on insurance institutes and insurance activity, is qualified as the Contracting Party's (Insuree's) representative, the 15-day time limit open for the Insurer to make any statements will be reckoned from the next day after the insurance broker hands the

insurance proposal signed by the Contracting Party (Insuree), to the Insurer.

6. Should the insurance contract, coming into existence without the explicit statement of the Insurer, not be in accordance with the insurance conditions, the Insurer may propose the modification of the contract according to the conditions. If the Contracting Party (Insuree) refuses the proposal for modification, or does not answer to it within 15 days, the Insurer may cancel the contract with a 30-day notice, in writing, within 15 days reckoned from the refusal or from the receipt of the proposal for modification.

III. The commencement and territorial scope of the Insurer's liability

1. The Insurer's liability (insurance protection) starts on the day specified in the insurance proposal by the Contracting Party (Insuree) as the initial (effective) date of Insurer's liability provided that the Contracting Party (Insuree) pays the first insurance premium or the lump sum premium to the account or the teller of the insurance company or, against a receipt, gives it to the Insurer's representative or, according to the Insurer's authorisation, to the insurance broker (paragraph (1) of Article 32. of Act XCVI./1995 on insurance institutes and insurance activity), when the parties agreed on the postponement of the payment of the premium, and that the insurance contract comes into existence in one of the ways specified in chapter II. of the contract.
2. The initial date of the indemnification obligation specified in the insurance proposal, cannot be earlier than the first hour of the day subsequent to the signing of the insurance proposal by the Contracting Party (Insuree). In case of an insurance mediated by insurance broker, the earliest initial date of the indemnification obligation that can possibly be specified, is the first hour of the day subsequent to the handing of the insurance proposal to the Insurer. The parties may come to an agreement about an initial date of the indemnification obligation in alteration of the above.
3. The Insurer's liability shall be restricted to the territory of the Republic of Hungary, provided that the insurance contract does stipulate otherwise.

IV. Time scope of the insurance contract

1. The contract is concluded for an undefined period – unless otherwise agreed by the parties in writing.
2. The insurance period is one year. The insurance anniversary will be on the commencement date of the Insurer's indemnification obligation provided that such date is on the first day of a month, otherwise it will be on the first day of the succeeding month.

V. The sum insured / The insured value The Insurer's indemnification obligation

1. The sum insured is the value of the insured property (properties) specified by the Contracting Party (Insuree) in the insurance contract.
2. Insurance must not lead to financial advantages. The sum insured cannot exceed the replacement value of the property

(properties) (over-insurance). Regarding the proportion of the sum insured that is over the replacement value of the property, the agreement is void.

3. The replacement value of the insured property is specified according to the prescriptions of the special conditions.
4. In case the Contracting Party (Insuree) has another insurance contract with another insurance company for the same property (properties) and against the same perils at the time of signing the contract (multiple insurance), the Insurer shall pay benefits only for damages not recovered under such other (earlier) insurance contract, and according to the prescriptions of the special conditions. The above provision is applicable to perils that could be covered by independent insurance products.
5. The Insurer is entitled to the insurance premium due for the valid part of the insurance contract, but not less than the minimum premium, even in case of multiple or of over-insurance.
6. If the sum insured is less than the replacement value (underinsurance), the Insurer shall indemnify for the loss in the proportion of the sum insured to the replacement value.
7. The contracting parties regard the properties and property-groups listed in the contract be insured as follows:
 - a) Properties shown in the itemised list are insured up to the sum insured specified by items, in such a way that the upper limit of indemnity is the specified sum insured for the given property;
 - b) Property-groups (contract items), composed on the basis of the identical method of evaluation shall be deemed by the Parties to be insured up to the specified sum insured, which amount is at the same time the upper limit of insurance benefit. In the course of the loss adjustment properties insured within a property group will be regarded by the Insurer as if they were insured separately.
8. The fact of over- or under-insurance is to be ascertained separately for every single property and property-group.
9. The Insurer may restrict the extent of the insurance benefit by:
 - a) determining an indemnity maximum (limit) within the sum insured;
 - b) determining a deductible as a function of the loss amount. The deductible is applied to each insured event. Should more than one insurance event occur during the insurance period, the amount of deductible is to be taken into account separately in each case. Events, that can be attributed to the same causes and that are in causal relation, are qualified as one single insurance event.
The Contracting Party (Insured) may not conclude another insurance for the deductible specified in this contract, otherwise the Insurer will reduce the insurance benefit to the necessary extent so as the Contracting Party bear the total amount of the deductible.

VI. Payment of the premium

1. The first insurance premium is due on the completion of the contract, while all the others on the first day of the period they cover. The lump sum premium is to be paid on the completion of the contract.
2. If the insurance contract is completed by a third party for the benefit of the Insuree (chapter I.), the Contracting Party is obliged

to pay the premium till the occurrence of the insured event or till the Insuree's entering into the contract.

3. If the Insuree, by virtue of his/her written statement addressed to the Insurer, succeeds the Contracting Party, they bear a joint and several responsibility for the payment of the premiums due in the current insurance period.

VII. The Contracting Party's (Insuree's) reporting and change reporting obligation

1. On the completion of the contract the Contracting Party (Insuree) is obliged to inform the Insurer about every important conditions concerning the acceptance of the insurance, that s/he is or should be acquainted with, but at least the ones the Insurer asked him/her about.
2. The Contracting Party (Insuree) must report to the Insurer in writing, within 5 days from the occurrence, on the change of any important conditions included in the proposal, but especially on:
 - a) Any change in the value of the insured property that justifies the modification of the sum insured specified in the insurance contract. The change in the value of the property is to be reported separately for each insured site specified in the insurance contract.
 - b) Completion of any additional insurance for the insured properties.
 - c) Any mortgage or pledge the insured properties would be encumbered with, specifying the beneficiary.
 - d) Letting the insured properties for use of another person.
 - e) Any change in the loss prevention system.
 - f) The start of any bankruptcy or liquidation proceedings or final settlements concerning the insured property.
 - g) Commissioning of a facility involved in new basic activity, introduction of a new manufacturing branch or technology .
 - h) Halting (suspension) for at least 3 months or final shutdown of plants (facilities).
 - i) Modification of any factors influencing the extent of the Insurer's exposure.
3. Special conditions of the individual insurances and the insurance contract may prescribe additional change reporting obligations.
4. The Insurer is entitled to check the implementation of the loss prevention measures , and the degree of the exposure of the insured properties on the spot any time, in co-operation with the fire prevention or other authorities if necessary.
5. In case of infringement of the reporting and change reporting obligation the Insurer's liability shall not hold, unless it is demonstrated by the Contracting Party (Insuree), that the concealed or not reported conditions were known by the Insurer, or that they did not contribute to the occurrence of the insured event.
6. The Contracting Party and the Insuree cannot put forward a defence that they were unaware of the circumstance or change that any of them failed to disclose or to report to the Insurer, although he should have been acquainted with it and was obliged to disclose or to report it.
7. If the Insurer comes to know some important circumstances concerning the contract after its completion, or if it is informed about any change of important circumstances specified in the contract or in the insurance conditions that constitute a part of the contract, it may propose the modification of the contract

within 15 days, in writing, or – if, according to the insurance conditions it cannot accept the risk – cancel the contract in writing with a 30-day notice.

8. If the Contracting Party (Insuree) does not accept the modifying proposal, or does not answer to it within 15 days, the contract terminates on the 30th day reckoned from the sending of the proposal. This consequence must be brought to the Contracting Party's (Insuree's) notice on putting forward the proposal of modification.
9. Should the Insurer not exercise its rights specified in articles 7. and 8. the contract remains effective with the original content.

VIII. Insurance event

The Insurer's liability covers insurance events that are specified in the contract or in the special conditions, and that the Insurer undertook an obligation to pay the sum insured or a part of it as an indemnity for, if they occur.

IX. Loss report and loss adjustment

1. The Contracting Party (Insuree) is obliged to report the occurrence of the insurance event in writing, immediately but at the latest on the 2nd workday reckoned from the cognition, to the insurance unit handling the insurance contract. In accordance with the official regulations, the Contracting Party (Insuree) must report fire and explosion losses to the fire department too. In cases of burglary and robbery the Contracting Party (Insuree) is obliged to report to the police and to have the damage recorded in a protocol.

The loss report must contain:

- a) Time, place and a short description of the insurance event;
- b) Specification of the damaged properties;
- c) The extent of the loss (either stated or estimated);
- d) The name of the person or organisation taking part in the loss adjustment as the Contracting Party's (Insuree's) representative.
- e) Besides, a copy of the report presented to the fire department and the report filed to the police (police record) must be enclosed.

Furthermore the Contracting Party (Insuree) is obliged to give the required information and to make the content of the report and the information verifiable.

Besides s/he is obliged to send the Insurer the terminating resolution of the investigating authority, in case of accusation the bill of indictment (indictment), and the official certificate issued by the fire-regulation authority.

2. If the Contracting Party (Insuree) does not meet his/her obligations prescribed in article 1. and, as a consequence, important circumstances (such as the occurrence of the insured event, its time and cause, the extent of the loss, and any conditions influencing the insurance benefit) become unascertainable, the Insurer's liability shall not hold.
3. After the occurrence of the loss, the Contracting Party (Insuree) is permitted to change the state of the insured property only to the extent necessary for the loss mitigation, until the beginning of the loss survey, but at the latest until the 5th day reckoned from the report.
4. If in consequence of changes of a higher extent, circumstances important from the aspect of judging the Insurer's liability become unascertainable, its liability shall not hold.

5. Should the Insurer not carry out the loss survey in 5 days reckoned from the delivery of the report, the Contracting Party (Insuree) may arrange for repairing or reinstatement of the damaged property. After a preliminary agreement with the Insurer, parts, equipment and other assets, not used or discarded during the restoration, must be retained in an unaltered state for further 30 days.

6. The Contracting Party (Insuree) must – at the request of the Insurer's acting expert or agent – put the documents, certifying the amount of the loss, at disposal. Should the special conditions referring to the contract not stipulate alternatively, the indemnification shall be payable by the Insurer on the 15th day following the receipt of the last document necessary for the loss adjustment.

7. Any of the contracting parties may ask for a statement on the cause and amount of the loss by an independent expert. The expenses of the independent expert are advanced and financed by the assignor.

8. The Insurer may detain the payment of the insurance benefit
 - a) until the presentation of the required certificate, if the eligibility of the Contracting Party (Insuree) or of the beneficiary specified by him/her, to receive the indemnity, becomes disputable;
 - b) until the end of the proceedings, if any action is taken against the Contracting Party (Insuree) in connection with the insurance event.

9. The Insurer pays the amount of indemnity in the legal domestic monetary unit (HUF).

10. If during the procedure of loss adjustment, it is ascertained that the insured event has occurred, and the legal ground has been clarified, the Insurer may pay, on the request of the Contracting Party (Insuree), an advance.

X. Waiver

1. The Insurer is exempted from its obligation to pay if proves that the damage was caused illicitly intentionally or by gross negligence by
 - a) the Insuree or the Contracting Party;
 - b) any of their relatives living in their household (spouse, relative in direct line of descent, adopted, foster- or stepchild, adoptive, foster- or step-parent, as well as brother, sister, mate, spouse of a relative in direct line of descent, engaged partner, the spouse's relative in direct line of descent, the spouse's brother or sister, and the brother's or sister's spouse are qualified as relatives);
 - c) any employee(s) or trustee(s) of the Insuree in managing position or in a scope of activities including the administration of the insured properties;
 - d) any manager(s), or member(s), organ(s) of the insured enterprise in a scope of activities including the administration of the insured properties.
2. The contents of article 1. above are to be applied to the breaking of the loss prevention and loss mitigation obligation as well.
3. The loss prevention and mitigation obligation, in addition to the due diligence principle shall be governed by the operative legal regulations, precautions, official rules, standards, and the instructions of the supervisory authority of the Insuree, as well as the regulations stipulated in the general and special conditions of the insurance. Should the Contracting party or the Insuree

give false or misleading data about the loss prevention and mitigation, the Insurer shall be exempted from its indemnification obligation.

4. Should the Insurer find serious infraction or repeated failure of the regulation referring to loss prevention, it is entitled to propose a modification of the insurance contract, or to cancel the contract.

XI. Termination of the insurance contract

1. The insurance contract concluded for an undefined period can be cancelled by any of the parties by the end of the insurance period, with a 30-day notice .
2. The parties may exclude the right to cancel the contract for maximum 3 years, in the insurance contract.
3. If the contract was concluded for a period of more than 3 years and the parties did not stipulate that it could be cancelled before the end of the specified period, starting from the 4th year the insurance contract may be cancelled by any of the parties.
4. The insurance contract concluded for a defined period terminates at the end of the period, even if there are further payments of premium to it. The Insurer shall refund the premium paid after the termination of the contract.
5. The insurance contract terminates after the 30th day reckoned from the due date of the first or the lump sum insurance premium, and after the 60th day in case of installed premium payment, if by that time, the amount in arrears has not been paid, or the Contracting Party (Insuree) has not been permitted to defer the payment, or the Insurer has not enforced the payment in litigation.
6. The Insurer may postpone the termination of the contract and the deadline open for enforcing the payment by in litigation by additional 30 days, if it summons the Contracting Party (Insuree) to pay in writing, informing him/her of such postpone before the end of the 30th day reckoned from the due date of the first or the lump sum insurance premium.
7. The insurance contract terminated as a consequence of non-payment of the premium cannot be revived by posterior payment of the insurance premium. The Insurer is obliged to refund the difference of the premium (see article 10.). In case of the termination of the contract as a consequence of nonpayment of the insurance premium, the Insurer does not notify the Contractor (the Insuree) separately in writing about the fact of the termination.
8. If, during the scope of the insurance contract, the occurrence of the insured event becomes impossible, or the interest in the insurance ceases, the contract or its relevant part terminates on the last day of the month.
9. Should the insured event occur , the Insurer may demand the payment of the premium due for the whole year.
10. In other cases of termination of the insurance contract, the Insurer may demand the payment of the premium due until the end of the month, when the indemnification obligation terminates.

XII. The Insurer's subrogation rights

1. Having paid the damages the Insurer is entitled to the rights previously due to the Insuree, against a third person liable for the loss, unless this third person is a relative living in the Insuree's household.
2. Should the insured properties be found after the payment of indemnity, the Insuree may take them back, but in this case s/he must repay the indemnity to the Insurer.

XIII. Lapse

The claims deriving from the insurance contract lapse in one year reckoned from the due date.

XIV. Miscellaneous stipulations

1. The contracting parties must make their legal statements in writing, and the notice of cancellation must be sent in registered letter.
2. The Contracting Party's (Insuree's) statements are effective for the Insurer only if they are announced to the insurance unit handling the insurance contract.
3. To issues not detailed in the general and special conditions, the provisions of the Hungarian Civil Code and the current law shall apply.

XV. Data handling and data protection

1. The Insurer is entitled to handle the following data for performing its tasks:
 - a) personal data of the Insuree (contractor, beneficiary and claimant),
 - b) the insured property and its value,
 - c) the sum insured,
 - d) in case of accident-, health – and third-party liability insurance contract the data in connection with the health status,
 - e) the sum of indemnity and the date of the payment,
 - f) all of the important facts and circumstances in connection with the insurance contract, its conclusion and recording, and with the insurance benefits.
2. The Insurer has an obligation of official secrecy in respect of the data that qualify as insurance secrets without any time limit – unless it is stipulated otherwise by the law. The obligation of official secrecy also extends besides the owners, managers, and employees of the Insurer to all the people that could reach these data in any way in the course of their activity in connection with the insurance.
3. Insurance secret can only be given to third party, if the customer of Insurer or its legal representative gives a written exemption related to this, marking the exact circle of secrets that can be given out.
4. The Insurer is obliged to give information upon the request of the Insuree (contractor, beneficiary) about his/her own data stored in the files of the Insurer and to enter the data correction in its file initiated by the Insuree (contractor, beneficiary, claimant).

Conditions of the commercial property insurance

Under the insurance contract concluded on the basis of the present Conditions, Generali-Providencia Insurance Co. (hereinafter called the Insurer) undertakes an obligation to pay indemnity to the Insured – in a way and to an extent stipulated in the insurance contract – in respect of losses of or damages to the insured property in consequence of the occurrence of the insured events stipulated in the Conditions. To issues not specified under these Conditions, the provisions of the General Conditions of Property Insurance (ÁVF) of Generali-Providencia Insurance Co. shall apply.

Chapter 1. General conditions of contract

I. Insurable property groups

A. Buildings

1. According to this definition the following are qualified as buildings:

- a) Any structure firmly attached to the ground that makes it possible for people to enter and stay in for a longer time, provides a shelter against outer impacts through spatial delimitation, and has some durability.
This definition contains e.g. shed roofs and similar structures, but no caravans, tents, halls of canvas, etc. The following cannot be insured: site huts and pavilions/kiosks (pavilion: building standing in a public place, standing itself and being smaller than 25 m², one storied, built of any kind of building material) and rows of garages (row of garage: building built for storing vehicles, standing separately of the dwelling houses), as well as properties placed within.
- b) Roofing, canopies, adjuster bridges, ramps, lift shafts and similar structures that constitute constructional parts of the buildings specified in article a).
- c) Silos, bunkers, water- and other containers that are linked with, and constitute constructional parts of a building specified in article a), and are made of bricks / concrete or built any other way identical with the making up of the building, as well as those structures made of bricks or concrete that are not in constructional connection with the buildings specified in article a).
- d) Chimneys, mounted chimneys made of light structures, as well as solitary chimneys built of bricks, stone or concrete.
- e) Pipelines, tunnels, and shafts serving for cables and other accessories, as well as adjuster passages, provided that these structures are outside the building, and made of bricks or concrete.
- f) Any type of built fencing.

2. The sum insured of buildings and structures covers only the value of those parts or accessories of the buildings, that are necessary for the functioning and maintenance of the building. These are:

- a) lightning conductors fitted to the building;
- b) dividing walls, partitions firmly built in, built-in pieces of furniture, as well as other fitments, all but the removables;
- c) firmly laid floor and wall coverings, cold covers and covering of the balcony;
- d) fixed wooden panelling and other wall covers;
- e) stairs and ladders firmly fitted to the building, either inside or outside it;

- f) advertising boards and flag bearers fixed to the building;
- g) electromechanically operated and/or electronically heated gates (as well as barriers in the gates), together with their operating and/or heating units;
- h) rolling shutters outside or between the windows, possibly together with their electronic operating units, inner shutters, blinds and canopies;
- i) firmly fixed inserted floors, floor-covers, suspended inner floor covers, suspended ceiling;
- j) ditches, gutters, repair passages, wells and the likes, provided that these are either laced inside the building or in direct constructional connection with the building, and are made of bricks or concrete;
- k) elevators, escalators;
- l) electric lines and accessories with their meters, electric cookers, built-in electric heaters, electric water heaters and tanks, air conditioners, electric penetrating system (burglar alarms, video watching system, electric fire alarms) but no lamps and other not fitted electricity consuming equipment;
- m) gas pipes and accessories with their meters, gas cookers built in gas heaters and gas water heaters;
- n) water pipes and plumbing, i.e. all water supply and sewage appliances with their meters, fittings, pumps, filters and accessories;
- o) sanitation, i.e. toilet, bathing and washing equipment, sinks;
- p) equipment serving for removing rubbish;
- q) vaults fitted together from units or built of monolith ferroconcrete, serving for storing valuables – safe chambers;
- r) cooling towers, cold storage plants made of bricks or concrete, and other built-in cold stores, provided that they constitute a constructional part of the building;
- s) put-up ovens, furnaces or kilns serving for the manufacture of any products, as well as put-up smoke houses, provided that they constitute a constructional part of the building.

3. According to the present Conditions building structures consisting of the following material are qualified as not inflammable buildings:

- a) Walling:
 - brickwall, other walling units (at least 25 centimetres thick if made of concrete), concrete, reinforced concrete and stone;
 - ferroconcrete frame together with the building material mentioned above;
 - ferroconcrete frame with a metal wall, without using inflammable building material;
 - steel frame with the following as filling wall: brick, walling unit (at least 25 centimetres thick if made of concrete), concrete, reinforced concrete and stone, supposing that any open surface of the frame structure is provided with a fire protecting cover such as a plaster 2.5 centimetres thick or an asbestos cover similarly thick.
- b) Roofing (roof cladding):
 - not inflammable building material, e.g. tiles, eternit, slate, concrete, metal, glass;
 - pressed shavings panels set by cement, plate roof with bitumen, roof with bitumen and pebbles, asphalt. Plastic built in the roofing and serving for e.g. lighting, airing, getting energy (solar equipment), must not reach 10% of the roof surface.

Any other structure built in a different way is qualified as inflammable, falls under Endorsement Z.201., and can be insured for an additional premium only. Buildings with a thatched or a straw thatched roof and the assets therein cannot be insured.

B. Industrial and agricultural works equipment

Those apparatuses, not serving for the functions of the building, but for working/running/operation and the applied technology, are qualified as industrial and agricultural works equipment, that are posited on the business site, irrespective of whether they are in the building or outside, under or over the ground. These are for example:

1. Machines, equipment, construction projects and accessories serving for production, transformation and storing of all kinds of energy.
2. Machines, equipment and accessories necessary for producing, transmission and storing of all kinds of data, information and news (no data carriers – see article 4.); as well as office techniques equipment, periodicals and books;
3. All kinds of machines, together with their machine base, driving elements and accessories:
 - a) tools, machine-tools and other hand-operated or automatic auxiliary devices, provided that they are not qualified as reproduction devices according to article 4.;
 - b) equipment, appliances and accessories serving for measuring, examining, indicating and controlling of the state of operation and the work process;
 - c) machines and accessories serving for the transportation of material and ware, elevators;
 - d) apparatuses, containers and vessels serving for storing material and ware, as well as re-usable/recyclable packing material, pallets, containers and the likes;
 - e) self-propelled implements, tractors and trucks (but no licensed motor vehicles – see article D.1.);
 - f) movable cross-walls;
 - g) fire extinguishers, fire-protection, works safety, sanitary and sports equipment, as well as all kinds of official equipment and working-clothes;
 - h) all kinds of furniture, except for the built-in ones;
 - i) safe deposits except for safe chambers (strong room);
 - j) cooling and freezing equipment, containers;
 - k) non put-up ovens, furnaces or kilns;
 - l) technical/technological and business works apparatuses put out of operation and/or into reserve;
 - m) spare parts and similar articles to be built into the new equipment, including spare parts of the motor vehicles specified in article D.1.
4. Properties not classified within this group, therefore insurable only within the scope of a special agreement:
 - a) Reproduction devices, i.e. those properties serving for the operation, that correspond to the following definition:
 - a reproduction device contains a model, design, pattern, description or some other information referring to a certain product, and
 - this model (design, pattern, description, other information) transfers directly or indirectly to the product, through mechanical contract, besides
 - in case of the change or running out of the product the reproduction device cannot be used any more, or at least it has to be changed. For example, casting and

press moulds, die-casting moulds, tools of soft shaping (soldering apparatus, die block, cutting machine, etc.), press attachments, rollers, various models, matrices, plates, patterns, weaving and jacquard cards etc.

- b) All kinds of data carriers, data processing and other software, all types of data carriers of numerically controlled machine-tools, typographical paints, colour-, material and other patterns and the likes. All kinds of account-books, descriptions of leasing-, patent-, licence-, publisher-, copyright, trade mark-, and other rights, plans, drafts, blueprints cannot be insured even with special contract.
- c) Articles for the employees' personal use. Cash, securities, jewellery and motor vehicles owned by the employees of the factory, however, cannot be insured even with special contract.
- d) Any machines operated with coin insertion together with their contents. Change and slot machines, however, cannot be insured even with special contract.
- e) Water and air crafts.

C. Stocks

Raw and basic material, intermediates, semi-finished and completed products, and all kinds of purchased commercial goods to be built in. Energy carriers, building material, recyclable refuse, advertising material and disposable packing devices. In case of trade activity all kinds of goods in stock, except for live stock and plants.

D. Other property groups – insurable under special conditions

1. Motor vehicles – According to Special Conditions No. KF 101., KF 102. and KF 112. Licensed motor vehicles marketed by the Insuree or the Contractor, or taken over by them in order to repair or as a consignment, as well as new or imported motor vehicles taken by the Insuree or the Contractor that were not yet commissioned, thus having no official vehicle license, can be insured. Motor vehicles operated by the Insuree or the Contractor, cannot be insured under the Conditions of Commercial Property Insurance. Any other motor vehicle or means of transportation – operated by the Insuree or the Contractor, but not having an official license –, as well as spare parts, fall within the property group of factory equipment (article B).
2. Cash and securities – According to Special Conditions No. KF 113. and KF 114.
 - a) cash, foreign currency;
 - b) securities payable to bearer (transferable through simple handing over, without any legal statement), as well as other documents used in similar way, such as shares, bonds, investment, compensation and other bonds, securities, bank-books, letters of credit, and the likes;
 - c) other valuables that can be transferred through simple handing over, and embody some value independent of their cost of reproduction (e.g. postage and contract stamps), or valuables representing the price of some service (e.g. tickets, coupons, phone cards);
 - d) registered securities, not transferable through simple handing over.
3. Sets of valuables – According to Special Conditions No. KF 115. and KF 116.

Gold, platinum, precious stones, real pearls, and articles, pieces of jewellery, coin collections made of these materials, are qualified as sets of valuables.

4. Shop-windows (and goods placed in them) – According to Special Condition No. KF 107.
5. Properties stored outdoors – According to Special Condition No. KF 120.

E. Additional costs

The following additional costs incurring in connection with the insurance event, will be indemnified by the Insurer in return for the additional premium specified in the contract:

- a) costs of debris removal, incurring in connection with clearing the site of the loss, conveying the demolition rubble and non-useable debris to the nearest licensed dump,
- b) costs of demolition/dismantle incurring in connection with necessary demolition of the insured properties, and conveying the debris to the nearest licensed dump;
- c) costs of dismantling and assembling, incurring during the restoration, in connection with dismantling, assembling or other moving of the equipment.

II. Determining the sum insured

1. Unless otherwise stipulated in the insurance contract, the sum insured determined for the properties in the contract, must be in accordance with the replacement value of the insured properties, valid at the time of conclusion of the contract. For insurance contracts completed according to the present conditions, replacement value in all cases means new value.
2. New value: the cost of purchasing the property in a new condition, including the expenses of transport (except for air cargo), customs and mounting. Discounts (e.g. quantity discount, promotional price) cannot be deducted from the purchase costs. In case of a title to claim back VAT from the revenue office the replacement value will not contain the value-added tax of purchase, mounting etc. expenses.
3. In case the property to be insured cannot be purchased at the time of conclusion of the contract, the sum insured must be determined according to the new value of products with similar technological and/or economical parameters.
4. In case of certain types of risks and groups of properties, the sum insured is determined differently from the content of article 1., but according to article 5. or 8.
5. In case of partial value insurance the sum insured is determined as a part in percentages of the total insured value of the insured properties (partial value). In this case the upper limit of the insurance benefit is the amount of the partial value, taking the content of articles 6. and 7. into consideration.
6. Should the actual new value be higher than the new value taken as a basis of determining the sum insured according to articles 1. and 5. (underinsurance), the Insurer indemnifies losses in the proportion of the sum insured and the actual new value (pro rata indemnity). The Insurer inquires underinsurance separately for every single business premises and group of properties.
7. The Insurer applies pro rata – indemnity only if the extent of underinsurance exceeds 10%, i.e. the actual new value of the damaged properties (groups of properties) is more than 10% higher than their insured value determined at the time of conclusion (last modification) of the contract.

8. As the sum insured, irrespective of but not exceeding the new value of the properties a discretionary sum – premier risk – may be specified. In this case the upper limit of the Insurer's liability, is the premier risk sum. In case of insurance on premier risk basis the Insurer does not inquire underinsurance.

9. The sum insured decreases by the amount of the paid indemnity, from the day of the occurrence of the insurance event to the end of the remaining insurance period. On the basis of an agreement the sum insured may be increased to the original amount, provided that the Insuree (Contracting Party) pays the additional premium before the occurrence of a further insurance event. The Insurer determines the additional premium for the period reckoned from the day of the occurrence of the insurance event, to the end – either anniversary or expiry – of the insurance year specified in the insurance contract, and according to the amount of indemnity. Following the anniversary – in the absence of an agreement to the contrary – the original sum insured and insurance premium will be valid.

III. Indexation

1. In order to keep the stable value of the sum insured and the insurance benefit, the Insurer applies increase the sum insured and the insurance premium yearly, with effect of the day of the anniversary of the policy by applying the price index figures of the Central Statistical Office (KSH) that are published in every month.
2. On determining the extent of valorisation, the Insurer shall apply the Price Index Figures of Building and Construction (in building industry) for the property group „Buildings“ and glazing,, and the Domestic Sales Price Index Figures of Industry for „Technological and commercial works equipment“, and in the case of property group „reserves and stocks“, Consumer Price Index from which it may deviate by 5 percentage point.
3. The modified sum insured is calculated by the Insurer through multiplication of the previous sum insured and the index figure got as stipulated above.
4. The insurance premium follows the change of the sum insured proportionally.
5. Indexation of the sum insured, and application of the insurance premium occurs at the first insurance anniversary after the conclusion of the contract, and later on yearly, effective of the date of the insurance anniversary.
6. The Insurer informs the Contracting Party about valorisation of the sum insured, about its extent, and the change of the insurance premium in a notice in writing, 30 days prior to the insurance anniversary.
7. Should the Contracting party – in contrast with this agreement – not want to take the opportunity of indexation, he/she must announce it to the Insurer in writing, within 15 days reckoned from the receipt of the notice.
8. In this case the Insurer restores the contract into its status as before the application of the index, and the Insuree bears the consequences of any possible underinsurance.

IV. Insurance benefit

1. The upper limit of the Insurer's indemnification obligation is the sum insured, in such a way that the indemnity is limited to the sums insured specified for each group of properties as stated separately in the insurance contract. The upper limit of indemnification will be the premier risk sum in case of items insured on the premier risk basis, and a partial value determined in percentages of the total new value in case of a partial value insurance.
2. In case of total loss of the properties, the Insurer determines the amount of indemnity on the basis of the new value as at the date of loss. Cases when the costs of reconstruction of the damaged property reach or exceed the new value as at the date of loss, are considered as total losses by the Insurer.
3. In case of partly damaged properties, the basis of determining the indemnity is the cost of the reinstatement of the property into its working order as at the date of loss. The cost of reinstatement may not exceed the difference of the new value as at the date of loss and the value of the undamaged parts. On determining the value of the undamaged parts, the Insurer takes the usability of these parts during the restoration, into account.
4. The insurance benefit for the single groups of properties:
 - a) Property group according to article I. A: in case of buildings (structures): the cost of their reconstruction in accordance with the local conditions (new value).

The Insurer takes the depreciated value as at the date of loss as the upper limit of indemnity, if the (depreciated) value of the building as at the date of loss determined considering the age and the extent of deterioration, does not reach 25% of reconstruction costs of the building or a similar one. If a building sustaining total loss, is not reconstructed or renovated within 3 years reckoned from the loss occurrence, or the Contracting party/Insuree makes a statement to the Insurer in writing before the expiry date, that s/he does not want the building to be reconstructed, the upper limit of the indemnity will be the market value of the building, but no more than the sum insured. Market value: current price of the real estate in question, valid at the time of the occurrence of damage, in accordance with the local conditions. On determining the value of a building the Insurer does not take the value of the building plot into consideration. If the reconstruction is impossible, due to some authoritative restriction, the Insurer accepts construction on another plot, though within the same settlement (village, town) and with the same business functions, as reconstruction, but will not accept the case when the Insuree spends the indemnity on finishing a building that already existed, though unfinished, at the time of the loss occurrence.
 - b) Property group according to article I. B: in case of equipment: their re-purchase value (new value) valid as at the date of loss. If the (depreciated) value of the damaged property as at the date of loss, does not reach 50% of re-purchase value of the property or a similar one, or the damaged (lost) property is not replaced (renovated), the upper limit of the insurance benefit is: the (depreciated) value of the property as at the date of loss.

The (depreciated) value of the property as at the date of loss: the new value of the property as assessed as at the date of loss, decreased by an amount in accordance with the age and the extent of deterioration (technological obsolescence).
 - c) Property group according to article I.C: stocks
 - in case of products manufactured by the Insuree (semi-finished and completed products): the costs of their reproduction, but not more than the selling price reduced by the expenses not incurred and the profit of the Insuree;
 - in case of goods that the Insuree trades in, raw material that the Insuree purchased in order to manufacture products, and agricultural produce: the costs of their repurchase, but not more than the selling price net of the expenses not incurred and the profit of the Insuree;
 - in case of properties with antiquity or artistic value, where age usually does not result in decrease of value: the market value is indemnified.
 - d) Property group according to article I. D. 1: (insurable according to Special Condition No. KF 101., KF 102. and KF 112.) in case of motor vehicles: always the (depreciated) value of the property as at the date of loss.
 - e) Property group according to article I.D.2: (insurable according to Special Conditions No. KF 113. and 114.)
 - in case of cash: its par value;
 - in case of foreign currency: its value in HUF calculated on the last official exchange rate of the National Bank of Hungary (MNB) before the insured event, but not more than the sum insured determined for foreign currencies;
 - in case of registered securities: the expenses incurring in connection with the procedure by public citation, and the reproduction cost of the securities if reproduction is necessary and actually comes about;
 - in case of not registered securities (bearer securities) available on the Budapest Stock Exchange: their last listed price valid prior to the insurance event; while in case of other securities: the market price calculated on the basis of the average buying prices published by the distributors of securities;
 - in case of stamps and the like: their par value.
 - f) Property group according to article I.B.4.a: in case of reproduction devices: the cost of re-purchase or replacement. Subsequent to the occurrence of the insurance event, the insurer indemnifies the material cost and, provided that the reconstruction is realised within two years, the reconstruction (re-purchase) costs verified by invoices.

Should the factory/plant/workshop cease work as a result of the insurance event, the Insurer will indemnify not more than 10% of the replacement cost of the reproduction devices, but the material cost at the last. If the reproduction devices are reconstructed in order to apply them in another plant, the loss adjustment happens according to the previous paragraph.
 - g) Property group according to article I.B.4.b: In case of data carriers (account-books, documents, files, plans, blueprints, floppy discs, etc.) and the data on/in them: the costs of re-purchase and reconstruction. Subsequent to the occurrence of the insurance event, the Insurer indemnifies the material cost and, provided that the reconstruction is realised within two years, the reconstruction (re-purchase) costs verified by invoices.
5. If, as a result of the reconstruction or replacement, the new state is not equal to the original, the Insurer indemnifies only the calculated (estimated) costs of restoring the original status.
6. The Insurer indemnifies costs of temporal restorations, provided that they constitute a part of the final restoration, and do not increase its costs.

7. In case of properties belonging together (including spare parts of machines, apparatuses and equipment) the Insurer will not indemnify decrease in the value of properties not damaged, occurring as a consequence of the damage or destruction (disappearance) of the other properties.
8. The Insurer indemnifies Value Added Tax in cases when:
 - the Insuree has an obligation to pay Value Added Tax in connection with the renovation, replacement process, and
 - the Insuree cannot claim for the refund of the Value Added Tax.
9. The Insurer will not indemnify losses occurring prior to the commencement of its liability, even if they turn out after the commencement of its liability
10. The Insurer will not indemnify for losses that, according to any rule or contract, are to be indemnified by the manufacturer and/or distributor. If the manufacturer and/or distributor refuses to indemnify and the losses stem from an insurance event – covered by the insurance contract – according to the Conditions, the Insurer pays the indemnification according to the Conditions, and after that enforces its recovery right against the person liable for the loss.
11. The Insurer decreases the amount of indemnity to be paid, by the deductible according to the contract, and by the stated (estimated) residual value .

V. Exclusions

1. The insurance cover does not include:
 - a) losses caused by any kind of military acts and warlike events, as well as their consequences and the act of terrorism;
The act of terrorism is qualified as by the insurer that forced, resort or loom up force against human life, material, immaterial goods or infrastructure; that take a stand on political, religious, ideology, ethnic group; or influence a government or society conj. right for fill a part of them with fear.
 - b) losses in consequence of instructions of the military or civil authorities;
 - c) losses occurring in consequence of or related to uprising, revolt, riot, pillaging, strike, lockout, or participants of any workplace disturbance, persons acting in association or in the name of any political organisation;
 - d) losses in consequence of the damaging effects of releasing nuclear energy or use of radiant materials for any purpose, not even if these losses occur in the form of the insured events specified in the special conditions.
2. Regardless of their underlying reasons , the insurance does not cover any losses that:
 - a) occur as a consequence of natural wear and tear, permanent and not sudden effects (e.g. chemical, thermic, mechanical, electronic or electromagnetic), fatigue, weariness, corrosion;
 - b) stem from such a decrease of value of the property that does not have an effect on proper usage later on (e.g. surface damages meaning only aesthetical imperfection/defect, such as damages of varnish/lacquer, gloss paint or any scratches);
 - c) come from any defects and deficiencies that had already existed on the completion of the insurance contract, and the Insuree (Contractor) knew or must have know about;

- d) occur in a causal relation with any depreciation of the buildings, structures, machines and appliances or the neglecting of their maintenance, or failure to comply with the building and operating regulations, unless the Insuree can prove that the loss was not in connection with the above deficiencies;
- e) fine, penalty, default interest or other expenses of a punitive nature;
- f) financial loss (e.g. loss of production or loss of profit or other loss) in consequence of the halt or suspension of the production process – unless stipulated otherwise in the specific agreement.

Chapter 2. Insurance against fire and elementary perils

I. Insurance events

For the purpose of these Conditions the following events are qualified as insurance cases, provided that their occurrence lead to the loss of or damage to the insured properties.

The Insurer's liability shall be extended to cover properties placed outside the building (structure) only on the basis of a special agreement (Special Condition No. KF. 120.)

A. Basic fire risks

Pursuant to the Conditions of this present, contracts cannot be concluded without the basic fire risks listed below.

1. Fire insurance event : any fire that breaks out outside the proper firing area – or breaks out inside there but leaves the area – and can spread unaided, is qualified as fire. Losses are not qualified as insurance events if caused by any of the following:
 - a) fermentation, sultriness, roast, change of colour and shape, melting, shrivelling, biological combustion, corrosion, chemical process on a temperature under flash point except if these are the consequences of event in article 1.;
 - b) exposing the property to useful fire, heat-treatment, effect of smoke with the aim of working, shaping, processing or else (e.g. cooking, curing, drying, singeing), including properties that are used for generating, conducting or conveying useful fire, heat or smoke in, as well as cases when the properties are damaged because of being thrown or falling into the firing area;
 - c) contamination of smoke and soot without fire-damage.

If, on account of the causes specified in article b) other insured properties also catch fire (spreading fire), the insurer indemnifies for damages arising from the spreading fire in the other insured properties.

2. Stroke of lightning shall mean an insurance event when the impulse or heat effect of lightning damages the insured buildings or properties stored outdoor, as well as cases when the striking lightning damages the insured properties placed inside the building. The Insurer indemnifies damages occurring in the insured electric machines, appliances and apparatus as a consequence of over-voltage or induction caused by the stroke of lightning.
The Insurer is exempted from its obligation to pay indemnity if the damage caused by the stroke of lightning occurred due to the lack of a lightning-conductor system officially prescribed, or due to any omission in the maintenance of the prescribed lightning-conductor system.

3. Explosion: Sudden power effect based on expansion of gases, vapours and powders. In case of a pressure container (boiler, pipeline, etc.) it is qualified as explosion only if the wall of the container slits to an extent that the difference of pressure inside and outside the container is equalised abruptly.

Explosion damages caused by explosives are indemnified by the Insurer only if the explosives got to the insured site without the Contracting Party's (Insuree's) knowledge, permission and control, or if the contracting parties have a special agreement on that.

It is not qualified as a insurance event if the damage arises:

- a) because of any explosion occurring within the internal combustion engines or in electric contract breakers due to gas pressure already existing or generated later;
 - b) in consequence of mechanical effects connected with the normal operation (e.g. push of water, centrifugal force, burst of pipes);
 - c) due to natural pressure of the material stored in a container;
 - d) due to the supersonic bang of aircraft;
 - e) implosion;
 - f) purposeful, intended blowing up, that is supposed to official permission (e.g. planned demolition).
4. Falling down or crashing of a manned aircraft as well as its parts and cargo is qualified as a insurance event, provided that it damages the insured properties.

B. Elementary perils

1. Storm: Damages to the insured properties caused by pressing and suction force of a wind reaching or exceeding 15 m/s wind velocity, or by objects that the storm whirls along. The National Institute of Meteorology can verify wind velocity.

Besides, the Insurer indemnifies damages in the insured properties placed within the buildings (structures), caused by precipitation penetrating into the insured buildings simultaneously with the insured event, through the roof damaged by the storm, including losses caused to the insured properties in consequence of the collapse or falling down of the buildings (structures) or parts of them.

The Insurer will not indemnify damages that:

- a) occur in properties that can be removed and were stored outdoors, except for the case that there is a special agreement on that;
 - b) are caused in the outer plaster, cover or paint of the buildings, by the precipitation concomitant of the storm (rainwater, hailstone, snow), or occur in consequence of an inflow of the precipitation through the open window or other opening;
 - c) occur in the objects (e.g. signboards, canopies, aerals, solar cells), overhead electric wires, scaffoldings placed on the roof or the outer walling of the buildings, and in glassing of any kind of buildings (structures), except for the case that there is a special agreement on that;
 - d) occur in the temporal covers (plastic foil, awning, etc.) and damages caused by the precipitation pouring in through these covers;
 - e) occur in port-like objects, fish ponds, reservoirs and other structural objects (e.g. dam, sluice);
 - f) occur as a consequence of air current (draught) inside the premises.
2. Rainstorm: a sudden, large volume of precipitation flowing on ground level. A rainstorm is regarded an insurance event if the certificate issued by the National Meteorological Organization (OMSZ) certifies that the average intensity of the rainstorm cal-

culated from the precipitation measured in 20 minutes at the insured location reached or exceeded 0.5mm/minute, or within 24 hours amounted to or exceeded 30mm. The Insurer indemnifies damages in the stocks stored in premises under the groundlevel (Chapter 1., article I.C.) only if the stocks were placed on a stand or shelf at least 12 centimetres high.

The Insurer does not cover damages caused by inundation due to getting insufficient of the water channel system, as well as damages caused by inland waters and ground water from cloudburst (through wetting and watering without inundation).

3. Rock-fall, stone-fall, landslide shall mean events when losses of or damages to the insured properties are caused by falling (moving) rocks, stones, earth masses.

Cases when these movements occur during or in consequence of conscious and intentional human activities shall not be deemed to be insurance events.

4. Subsidence of unknown structures or cavities shall mean events when damages in the insured properties are caused by sudden collapse of an unknown cavity due to cessation of natural equilibrium in consequence of an external power impulse. The cavity is qualified as unknown if it is not included in the building or operation permit or not discovered up by the authorities.

The Insurer does not cover cases when the subsidence occurs in mines, during mining activities or in mine tunnels out of use.

5. Hailstorm and snow pressure shall mean:

- a) breaking, smashing and other damages to the insured properties as a consequence of precipitation falling in the form of ice particles;
- b) breaking, smashing and other damages occur in the roofing of the insured buildings (structures) – except for glassing of hotbeds and greenhouses, glass roofing and temporal covers (such as plastic foils) – as a consequence of the static pressure of snow piling up in large quantities.

The Insurer also covers damages to the insured properties placed within the buildings (structures), caused by precipitation penetrating into the insured buildings simultaneously with the insured event, through the roof damaged by the snow, including damages that were caused to the insured properties in consequence of the collapse or falling down of the buildings (structures) or parts of them.

Those damages are not covered, however, that occur in the gutter or the snow fence, or in consequence of the omission of maintenance of the roofing.

6. Collision of unknown vehicle shall be deemed as insurance event if damaging (destruction) of the insured buildings (structures) and the built fencing belonging to them are caused by a colliding vehicle running on roads or rails.

The Insurer will not indemnify damages that:

- a) can be recovered under the compulsory liability insurance of the operator of the vehicle;
- b) occur due to collision of vehicles operated by the user of the insured building (structure) or any of his employees;
- c) occur in the vehicles themselves.

C. Burst of water pipes

1. Water damages shall mean damages to the insured properties caused by water and steam/vapour escaping for any reason from the pipes of tap water, rainwater and sewage, the connecting hot-water supply and central heating systems, as well

as their accessories, plumbing and appliances placed within the insured building, or outside it but on the insured real estate.

The Insurer indemnifies on the basis of the insurance contract also:

- a) damages caused by any washer defect of the pipelines leading into and out of the building or part of the building that is insured according to the present contract, (except for the apparatus and plumbing connected to the pipes), the costs of repairing of the washing defect, as well as damages occurring due to the blockage in the pipelines leading out of the building, and the costs of blockageremoval.
 - b) in case of damages specified in article 1. the costs of opening up a section of the pipeline 10 m long at the most, and new conduit 6 m long at most, and its laying.
2. The Insurer does not indemnify:
- a) damages like mouldering of wood, fungous decay and mildew;
 - b) indirect losses such as water shortage, waste of water, loss of profit;
 - c) losses of stocks stored in premises under the ground-level (Chapter 1., article I.C.) only if the stocks were placed on a stand or shelf less than 12 centimetres high
 - d) damages in the apparatus and plumbing (taps, watermeters, water-tanks, boilers, radiators, heaters) connected to the pipelines;
 - e) damages in temporarily unoccupied buildings (structures) or buildings (structures) temporarily under no supervision, due to omission of turning the pipelines of the buildings, equipment and machines off, as well as frost damages due to omission of draining the pipelines and all the indirect damages of the above;
 - f) damages caused by breaking damage of industrial or technological pipelines and the liquid or material discharged from the pipes.
3. Puncture of the fire-extinguisher equipment shall mean the water escape due to breaking, splitting or deficient operation of the fire-extinguisher system (sprinkler), independent firewater system established on the insured real estate.
- The Insurer indemnifies damages in the insured properties caused by the water escaping like this, but not the damages occurring in the fire-extinguisher system, its accessories and plumbing, neither those occurring during pressure tests, checking, maintenance, repairing or building (fitting) works.

D. Catastrophe perils

The Insurer indemnifies – in a way and up to an extent specified below – damages that occur in consequence of earthquake and flood.

1. Earthquake: earth movement at the insured site reaching fifth degree on intensity scale MSK-64.
2. Flood: overflow of any permanent or seasonal, natural or artificial waterflows, lakes, ponds, reservoirs, when areas preserved against floods are inundated. Insurance events include the loss or damage caused by the deteriorating impacts of boiling and salient induced by the high water level on the protected side of the temporary embankments.

The Insurer does not indemnify damages that occur:

- a) in object serving for holding and carrying off water, water management objects, dams, irrigation plants, fish ponds, reservoirs and the likes;

- b) in the insured properties within the flood-plain or the unprotected flood area;
Flood plain: the area between the banks of rivers and the flood-control pens;
Unprotected flood area: part of the flood area lying between the riverbed and the roads, railway-embankments or raised beaches parallel with it, or the border of the interiors of settlements;
- c) in consequence of inland and ground water (wetting and watering without inundation).

3. The Insurer stipulates a 30 day long waiting time in the contract, starting as of its conclusion. The Insurer's liability does not cover earthquake and flood events in the course of waiting time.

II. Insurable property groups and the insured site

1. Insurable groups of properties:
 - a) buildings (structures) (Chapter 1. article I.A);
 - b) industrial and commercial works equipment (Chapter 1. article I.B);
 - c) stocks (Chapter 1. article I.C);
2. Groups of properties insurable on the basis of the Special Conditions:
 - a) motor vehicles; (Chapter 1. article I.D.1.) (Special Conditions No. KF 101., KF 102. and KF 112.),
 - b) cash, securities; (Chapter 1. article I.D.2.) (Special Conditions No. KF 113 and 114.);
 - c) valuables (Chapter 1. article I.D.3.) (Special Conditions No. KF 115 and 116);
 - d) shop-windows (Special Condition No. KF 107.);
 - e) properties stored outdoors (Special Condition No. KF 120.);
3. The Insurer's liability covers properties (groups of properties) specified in the insurance contract in an identifiable way – and classified according to article 1. (and, in case of special agreements, article 2.) – as long as they are to be found on the insured site.
The insured site means the business plants, buildings or premises specified in the insurance contract.

III. Reimbursement of additional expenses

Besides the losses of the insured properties, the Insurer indemnifies justified costs incurring during – or in connection with – the insured events according to Chapter 2. article I. that were necessary for the loss prevention or mitigation, even if the measures taken were not successful. This category does not include expenses incurring due to any health impairment suffered during the rescue operations.

The total amount of indemnity and the loss mitigation costs may not exceed the sum insured determined for the damaged property, except for the case when the costs of mitigation are the result of the Insurer's explicit instructions. In case of underinsurance the costs will be indemnified in the same proportion as is borne by the sum insured to the value of the property.

The following are qualified as loss prevention and mitigation expenses:

- a) measures taken in order to prevent worsening of the damages or mitigate their effects, such as making a temporary cover (roofing), underpinning, scaffolding, temporary public utilities, as well as costs of measures serving for the security of the property saved;

- b) costs of fire-fighting and rescuing, including damages occurring in properties of third persons during the firefighting and rescuing, except for expenses connected to the services of the fire-brigade or other body obliged to help, called for serve the public benefit;
- c) costs of cleaning, that incur in connection with the preservation of the insured properties, as well as with their cleaning necessary for repairs.

Chapter 3. Insurance against burglary and robbery

I. Insurance event

1. Burglary: events when the perpetrator appropriates the insured property by getting into the closed room in any of the following ways:
 - a) penetrated or broke in forcibly, by breaking doors or windows, by demolishing the wall, the floor, the ceiling or the roof;
 - b) penetrated through an opening not allowable or suitable for passing (e.g. air hole) after having removed the impeding obstacles;
 - c) hid away in the premises before closing, and left the premises in a way specified in articles a) or b) after closing;
 - d) managed to get in by using a picklock or other irregular tool suitable for opening the locks.
If the fact of penetration is not possible to ascertain unambiguously through survey, the application of irregular tool is to be proved by an independent forensic locks expert.
 - e) managed to get in by using the original key or its copy if s/he got it by actions of burglary – i.e. penetrating into the premises of another building or into the premises of the same building in some way specified in articles a)–d) – or robbery aimed at obtaining the keys.
2. Should the properties be insured only if kept in closed safe deposits (e.g. strong-box, cash-box, wall safe), the appropriation of these properties in a point of time when – according to the Conditions or some special agreement – the security apparatus must be activated, is qualified as a burglary, provided that the perpetrator penetrated into the insured site according to article 1., and:
 - a) broke the safe deposit open;
 - b) opened it by using a picklock or other irregular tool;
 - c) opened it by using the original key or its copy, provided that these were kept in a safe deposit locked up and the perpetrator managed to get them by breaking the furniture, cash-box etc. open or opening it by using a picklock or other irregular tool;
 - d) stole the safe deposit.

A safe deposit is a locker-type cabinet, which

- has single or double steel walls, with an airgap or special filler between the two walls
- the width of the wall is at least 2mm
- the key cannot be pulled out of the lock when it is open
- is fixed to a hold element of the building structure to tolerate at least 5,000N tensional power (including the weight of the safe deposit as well), or is encased in the wall or floor coping in concrete.

Any metal cabinet or other storage furniture which does not fulfil all of the criteria stipulated for safe deposits shall qualify as furniture with respect to the sum insured therein.

3. The following damages are not qualified as insured event:
 - a) disappearance of properties, if the insurance events specified in articles I.1-4. cannot be verified (e.g. stealing, filching, pillage, disappearance, inventory loss);
 - b) articles and/or cash misappropriated from slot machines by means of faked coins, coins not of the proper value or other object used instead of a coin;
 - c) the perpetrator penetrated into the insured premises through some door or window left open, even if the door or window was protected by impeding obstacles (e.g. grating).
4. Robbery: It is qualified as insurance event if the perpetrator acquires the insured properties illegally, with the intent of unlawful appropriation, by using force or threat directed against life or corporal integrity of the Contracting Party, Insuree, his/her employee or agent, or posing them into stunned or defenceless state.
Cases when the flagrant perpetrator uses force or threat directed against life or corporal integrity in order to keep the insured property, are qualified as robbery as well.
5. Vandalism: Cases when the perpetrators intentionally cause damages in the insured property or the buildings (structures) serving for their storing, during burglary, robbery or an attempt of them on the insured site.

II. Insurable property groups and the insured site

1. Insurable groups of properties:
 - a) industrial and commercial works equipment (Chapter 1. article I.b);
 - b) stocks (Chapter 1. article I.C).
2. Groups of properties insurable on the basis of the Special Conditions:
 - a) motor vehicles; (Chapter 1. article I.D.1.) (Special Conditions No. KF 101., KF 102. and KF 112.);
 - b) cash, securities; (Chapter 1. article I.D.2.) (Special Conditions No. KF 113. and 114.);
 - c) valuables (Chapter 1. article I.D.3.) (Special Conditions No. KF 115. and 116.);
 - d) shop-windows (Special Condition No. KF 107.);
 - e) cash and securities in transit (Special Condition NO. KF 120.).
3. The insured site shall mean the business plants, buildings or premises specified in the insurance contract. The Insurer's liability covers properties (groups of properties) specified in the insurance contract in an identifiable way, as long as they are to be found on the insured site.
4. Cash, securities and valuables are under insurance protection only if they are locked in safe deposit(s) specified in the contract, at the time of the perpetration. Alternative storage could be covered by this insurance on the basis of the relevant special agreement (specifying a special condition).
5. For the groups of properties specified in article 1. the sum insured is to be determined according to their total new value (total value insurance) or to a percentile part of it (partial value insurance). Properties belonging to the same group of properties can only be insured on the same basis.
The Insurer covers damages in the insured properties up to the sum insured specified in the insurance contract, considering the limitations in Chapter 1. articles II.6. and II.7.

The sum insured of the properties insured according to the Special Conditions must be specified according to the Special Conditions.

III. Reimbursement of additional costs

1. Besides the losses incurred by the insured properties, the Insurer reimburses the justified costs incurring during – or in connection with – the insured events specified in Chapter 3, article I. up to the extent specified in article 2.
2. The upper limit of the indemnity for additional cost reimbursement – during the insurance period (one year) is 10% of the sum insured, but the aggregate amount paid for the damage and the additional costs may not exceed the sum insured determined for the damaged property group.
3. The Insurer reimburses the following extra costs:
 - a) costs incurring in connection with the restoration/repairs of damages occurring in the buildings (structures) serving for storing the insured properties, as well as in their built-in fixtures and fittings;
 - b) costs incurring in connection with the restoration/repairs of damages occurring in consequence of breaking or opening of the locked safe deposits serving for storing of the insured properties within the premises;
 - c) necessary costs of changing or converting the locks if, during the perpetration, original keys or their copies were used;
 - d) justified costs incurring in connection with loss prevention and mitigation in an insurance event – even if the measures taken were not successful –, except for expenses incurring due to any health impairment suffered during the rescue operations;
 - e) costs of temporary measures taken for safety (safekeeping, temporary protection of locks, doors and windows) and necessary because of the insurance event, for the justifiable period technically required for reconstruction of the original status.

IV. Obligations of the Contracting Party (Insuree)

1. The Contracting Party is obliged to operate the safety equipment prescribed in the contract and take measures in order to prevent the properties even if the Contracting Party (Insuree), his employees or family members performing professional activities there, leave the insured site. When using such equipment and executing measures (e.g. safeguarding) all the relevant regulations shall be followed.
2. The Contracting Party (Insuree) is obliged to provide for the proper and regular maintenance of the safety apparatus.
3. The cash register must not be locked on closing the shop. Only an amount of small change equal to the value of the banknote currently of the highest denomination can be left in it.
4. In case of a loss, the Contracting Party is obliged to present at his/her own expense the documents certifying the properties owned before the insurance event, the inventory of the remnants on the day of the loss occurrence, and a list of the properties that are damaged or missing, together with their value valid at the date of loss. This must be done at the Insurer's request, in a proper time limit that cannot be longer than two weeks. On loss adjustment the Insuree is obliged to put all the records prescribed by the relevant law in force, on the taxes and accounting, at the Insurer's disposal.

V. Loss recovery

1. The Insuree is – provided that he/she comes to know the whereabouts of the stolen properties – obliged to inform the police and the Insurer immediately. At the Insurer's notice the Insuree is obliged to do his/her best in order to identify and get the properties back or to authorise the Insurer to take the measures necessary for getting back the properties.
2. Should the stolen properties turn up before the payment of indemnity, the Insuree is obliged to take them back, except for the case when he/she cannot be expected to, because he/she has already replaced them. In this case the ownership of the property transfers to the Insurer.
3. Should the properties turn up after the payment of indemnity, the Insuree can either take them back and repay the indemnity to the Insurer, or keep the indemnity and transfer the ownership of the property to the Insurer.

Chapter 4. Plate glass insurance

I. Insurance event

1. Breaking or crack in the insured glasses (glazing) are qualified as insurance event.
2. The Insurer does not indemnify:
 - a) damages on the surface or in the decoration of glasses (including light-reflecting covers and foils) arising from scratching and cracking (conchoidal fracture);
 - b) damages occurring in the frame (mounting) of the insured glass, except for the costs of removing and fixing back of the fittings (e.g. protecting equipment, inner locks) hindering the replacement of the glass, up to the amount of indemnity specified for plate glass losses;
 - c) additional damages in the glasses already broken, cracked or lengthened at the time of completing the insurance contract;
 - d) damages occurring in glasses built into the flooring, trinkets made of glass, and in glasses of chandeliers, neon lamps or other illuminators,
 - e) damages occurring during the reconstruction, maintenance, building or scaffolding works of the building.
 - f) damages to the glasswork of solarium equipments.

II. Insurable properties

1. The outside glazing cover, mirrors, light reflecting glass, structurally built in glazing, (portals, inner screen walls), glazing roof, and the glazing of inside or outside doors or windows can be insured with building lump sum insurance. These may be one-layer flat and cathedral glass, wired and acid stained (frosted) and sand-blast, two-layer thermal glass (of maximum 2x4mm width) with an air-gap, foiled glass (but for foil see Clause 2), plexi- and acryl glazing, to a pane size of maximum 6 m².
Any other glazing, of any type other than the above, and larger than a pane size of 6m² must be insured at the value of the glazing as per Clause 2.
Glazing of buildings (structures) can only be insured with lump sum insurance is the building or structure itself is insured.
2. In case of an insurance for glass-value: decoration glasses in tin, lead and copper/brass mountings, specially-made patterned glasses, special building units made of glass (such as glass bricks and copolite glasses), glazing or glass thicker than

10mm, multilayer security glass paintings made on glass, mosaics, any glass with a pane size exceeding 6 m², glass name-boards and signposts, counters made of glass, glass-cases, aquariums, terrariums, glazing of devices serving for transformation of solar energy, glazing of greenhouses and winter gardens, as well as decorations, light-screening, safety and other foils placed on glass surfaces.

3.
 - a) In case of lump sum insurance of buildings the Insurer determines the premium of the insurance for glass according to the sum insured of the insured building (structure). It limits its obligations to indemnify damages occurring during the insurance period (1 year) in 2% of the building's value serving as a basis for calculations of the premium.
 - b) In case of insurance for glass-value the costs of re-glazing the insured glasses will serve as a basis of determining the premium.

III. Insurance benefit (supplement to article IV. of the General Conditions of Contract)

1. The Insurer, based on the presented invoices and within the amount of the sum insured, indemnifies for the replacement of the glass, but the Insured is obliged to prove justness of the insurance claim at the Insurer's request in any case, irrespective of the amount of the loss. If the probable amount of the loss of the glass exceeds 10,000 HUF, the loss must be reported before repairing or replacement.
2. The Insurer, up to 20% of the replacement cost of the damaged glass, indemnifies:
 - a) justified costs incurring during or in connection with the insured events, that were necessary for loss prevention or mitigation;
 - b) costs of immediate temporal renovation serving for direct protection of properties.

Chapter 5. Supplementary insurance for electronic office equipment

On the basis of the present Conditions, the Insurer's indemnification obligation covers the insured properties, provided that they get damaged or destroyed due to an insurance event according to article I. on the insured site.

I. Insurance event, insured site

1. The Insurer indemnifies for losses due to unforeseeable and sudden damages or destruction caused by the following:
 - a) direct effects of electric energy, such as short circuits, earth leakage, flash-over, spark-over, excessive increase of current strength, even if these are indirect effects of insulation deficiency, over-voltage or atmospheric electricity (e.g. induction, influency);
 - b) handling/operation error/mistake, inaptitude, carelessness;
 - c) mechanical effects of outer events (e.g. falling down, pushing, knocking against);
 - d) collapse (implosion) or other effect of the lack of pressure;
 - e) glass breaking.
2. The Insurer indemnifies for losses occurring in consequence of the events listed in articles a) and b), only if the damages are visually perceptible without the help of any special device.

3. The insured site: real estates (business plants), buildings or premises of buildings specified in the insurance contract. The Insurer's liability covers properties specified identifiably in the insurance contract, until they are placed (installed) on the insured site in a state fit for service.
4. The property is qualified as installed fit for service if after piloting it is ready to work in a normal operational state or, should it be prescribed, the formal taking over has already happened. If a property is installed fit for service, the insurance coverage will hold during the periods of cleaning, maintenance or commissioning as well, provided that the above activities are carried out on the insured site.

II. Insurable properties

1. The Insurer indemnifies losses of electronic office equipment that were insured according to the conditions of the present supplementary insurance, caused by insurance events specified in article I.
 - a) Office techniques equipment: electronic typewriters, table calculators, copiers, overhead projectors, projectors.
 - b) Telecommunications equipment: telephones, except for mobile phones, switchboards for systems of extensions, telefaxes, answerphones, fixed radiophones, CB radios;
 - c) Telecommunications and entertainment electronic equipment: TV and radio sets, tuners, amplifiers, equalisers, tape-recorders (tape decks), record players, CD players, speakers, video recorders and players, inner units for satellite television.
 - d) Electronic computers, except for the movable ones, data processing devices and systems together with their periphery units;
 - e) Air conditioners;
 - f) Cash registers.
2. The sum insured of the supplementary insurance for these devices is to be determined for the entire group of devices, according to their new value.
3. The Insurer's liability will not cover:
 - a) any kind of image, voice or data carriers, as well as the information stored on them;
 - b) data and software stored in storage units of computers;
 - c) spare parts to be replaced regularly according to the users instructions (e.g. stippling and forwarding rollers, filters), as well as other accessories not qualified as spare parts (e.g. inking-ribbons, paint boxes, batteries, films, papers, textile and plastic covers);
 - d) operating material and intermediates (e.g. contact and cooling material, lubricant, detergent);
 - e) damages occurring in consequence of pouring out, leaking, etc. of the operating material and intermediates, except for fire and explosion losses;
 - f) damages that occur in electronic equipment or computers out of operation time in consequence of deficient, imperfect or insufficient air-conditioning.

III. Insurance benefit (supplement to article IV. of the General Conditions of Contract)

1. Following the 6th month reckoned from the putting into operation, any total loss of the insured equipment caused by cases of insurance specified in articles I.1.a), b) and c) is indemnified – differently from the stipulations included in Chapter 1. article IV.4.b – according to the depreciated value as at the date of

loss. The minimum amount of depreciated value as at the date of loss is 30% of the new value as at the date of loss, irrespective of the age and the extent of how much the property is used.

2. In case of repairable equipment, the costs of repairs restoring the former state in working order are indemnified, including the repair costs as well as the removing, mounting, transportation (except for air cargo) and customs costs.
Should the Insuree perform the repair, only the prime costs will be covered; the amount of this indemnity, however, may not exceed costs of repairs made by a specialist company.
3. The Insurer indemnifies damages in the following spare parts and accessories of electronic office equipment only if they are in causal relation with an insured loss of the equipment. In case of these spare parts the depreciated value as at the date of loss decreases by a monthly 2% of the purchase price until it reaches the minimum amount specified in article 1., if the damage occurs after the 6th month of the equipment's life.
 - a) valves, pickup and picture tubes, laser light sources;
 - b) illuminants (light bulbs, fluorescent tubes),
 - c) radiators, heaters, filaments.In case of total loss of the insured equipment these spare parts are covered according to the indemnity determined for the electric and electronic equipment.
4. The Insurer will not indemnify:
 - a) extra costs deriving from modifications, changes or updating made during the repairs;
 - b) costs of temporary repairs;
 - c) standby costs (fees of lump sum maintenance or repairs contracts).

Chapter 6. Cargo insurance

The insurance contract can be concluded for the regular transport of the stocks owned or hired by or consigned to or taken over for repair by the Insuree (Chapter I, 1.C.), with his own vehicles (including transport by motor vehicles in the property of the Insuree's employees) if such transport was performed on the instruction of the Insuree.

I. Insurance events

1. During the insurance period, the Insurer indemnifies losses stemming from unforeseeable and sudden damage or destruction occurring in the course of the transportation if they were caused by the following:
 - a) fire, lightning, explosion;
 - b) elementary perils: storm, hailstorm, rainstorm, landslide, rock-fall, stone-fall;
 - c) accident happening to the transport vehicle;
 - d) collapse of bridges or other structures;
 - e) damages, breaking occurring during uploading up and unloading, as well as the placing of the cargo on the vehicle;
 - f) robbery, theft from the locked vehicle, as well as appropriation of the whole cargo together with the transport vehicle.

II. Insurable properties, sum insured

1. The Insurer's liability covers properties specified in the insurance contract, that can be classified into the property group „stocks“ (Chapter 1. article I.C.), are not excluded from transport by the law, and cannot be included in any of the following categories:
 - a) highly inflammable and explosive materials;

- b) materials susceptible to self-combustion;
- c) goods transported in tankers;
- d) properties having special artistic value;
- e) musical instruments;
- f) tobacco products;
- g) furs;
- h) weapons.

2. The sum insured is the maximum value of the cargo transported on the specified motor vehicle during the insurance period. In case of more than one vehicle the final sum insured of the contract will be the sum of the single maximum values.
Value of the cargo: the sum of the invoiced value of the cargo and the costs incurring during the transportation. In lack of invoice the sum insured is to be determined considering the new value of the transported properties (see Chapter 1. article II.2.).
3. The Contracting Party (Insuree) must enter each and every cargo into the block of consignment notes or waybills belonging to the insured transport vehicle, with indication of the following data: date, name of the goods, number of pieces or mass of the cargo, value of the goods, delivery address. In case of loss, the whole block of consignment notes or waybills must be presented at the Insurer's request.
4. The Insurer limits the total indemnity payable during the total insurance period (one year) in 3 million HUF per transport vehicle.

III. Time and geographical scope of the Insurer's liability

1. For the transporting activity insured under the present Conditions, the Insurer's liability starts exactly when the cargo is loaded on the vehicle so as the transport set out immediately, and lasts during the time of the transport and ends exactly when immediate downloading of the cargo is finished at the destination.
2. The insurance coverage is suspended during the transport for the time when the vehicle is left unattended with any aim not directly related to the transport activity. Storing properties in the unattended vehicle is qualified as warehousing according to the present Conditions, thus for this period the insurance protection is suspended.
3. The territorial scope of the Insurer's liability covers the territory of the Republic of Hungary.

IV. Insurance benefit (supplement to article IV. of the General Conditions of Contract)

1. In case of occurrence of the insured event the Insurer indemnifies the following costs:
 - a) expenditures that the Insuree (Contracting Party) considered necessary in order to save the cargo, prevent damages directly threatening it, and mitigate the loss. The aggregate amount of the expenditures and the indemnity may not exceed the sum insured determined for the cargo unless the expenditures were incurred on the instruction of the Insurer;
 - b) necessary costs of determining the extent of loss, provided that the loss is to be indemnified by the Insurer;
 - c) justified extra transport costs that became necessary in connection with the repairs or replacement, provided that the Insurer – on the basis of a preliminary report – admitted the necessity of these costs.

2. On the enforcement of insurance claims the following documents are to be presented:
 - a) the original waybill and the original invoice referring to the transported goods or other original documents certifying the transport;
 - b) in order to certify the amount of the losses incurred: survey report, expert opinions, loss accounts indicating the itemised loss details, invoices referring to the costs incurring in connection with the loss, if the damage survey was carried out (with the Insurer's approval) by a third person;
 - c) in case of damages specified in Chapter 6. article I.1.f), copies of the report filed to the police, the protocol taken by the police, resolution etc.
3. Cargo losses in consequence of theft from the locked vehicle or the appropriation of the whole cargo together with the transport vehicle (Chapter 6. article I.1.f), shall be indemnified by the Insurer if the following conditions were met:
 - the transport vehicle had a solid roofing/body,
 - it was parked in a locked state,
 - the vehicle had an operating alarming and/or immobilising equipment qualified by the Association of Hungarian Insurers (MABISZ), which was put into operation after stopping the vehicle;
 - the insured cargo was stored within the passenger compartment or the cargo hold in a way that did not make it possible to see from the outside;
 - the breaking open of the vehicle happened provably between 4 a.m. and 10 p.m., except for the case when the locked vehicle was parked in locked premises with solid walls and roofing;

V. Exclusions, waiver (supplement to article IV. of the General Conditions of Contract)

The insurance protection does not cover damages that:

- a) occurred because the transport vehicle was unsuitable for transportation of the cargo or it was overloaded;
- b) occurred in consequence of moulding, fermentation, spoiling of the cargo, or were caused by insects, their larvae or rodents, except for the case when a such loss is a consequence of an insured event specified in Chapter 6. article I.;
- c) occurred in consequence of self-combustion, fire or explosion, due to the fact that besides the insurable properties the cargo contained materials susceptible to self-combustion, inflammable or explosive;
- d) occurred in consequence of some special properties of the cargo (such as especially drying out, withering, loss of weight), except for the case when a such loss is a consequence of an insured event specified in Chapter 6. article I.;
- e) occurred in consequence of some deficiency of the packaging, including the content missing from inside the intact outer cover or packaging.

Chapter 7. Business interruption insurance

On the basis of the insurance contract concluded in accordance with the present Conditions, the Insurer undertakes an obligation to indemnify those insured business interruption losses that occur during the business interruption period caused by the business interruption insurance events specified in the Conditions, but not in excess of the period specified by the Insurer.

I. Business interruption insurance events

1. Business interruption insurance event is the constrained interruption of the operation of the company provided that this was occasioned by any of the insured events defined chapters Fire and elementary perils, or Burglary and robbery (Chapter 2. article I. and Chapter 3. article I.):
 - fire basic perils;
 - elementary perils;
 - burst of water pipes;
 - burglary, robbery and vandalism.
 Of the insured events listed above, the business interruption insurance coverage is restricted to the perils selected from among those in Fire and elementary perils, and Burglary and robbery.
2. The Insurer's indemnification obligation shall hold only in that case if in consequence of an insurance event causing business interruption, the insured property incurred a loss or damage mentioned in point 1. that is recoverable under the Conditions, and such property loss is of such character and extent that the Insured is constrained to suspend his business activity.
3. The Insurer will not indemnify business interruption losses if the business interruption was caused by any of the following:
 - a) events specified in the exclusions in Chapter 1. article V., unless the Insured can prove that the damages are not related to the listed events and their consequences either directly or indirectly;
 - b) destruction, loss, appropriation of or damages to cash, securities, account-books and business records, as well as documents, invoices and the likes in connection with the business activity;
 - c) destruction, loss, appropriation of or damages to plans, drawings, microfilms, magnetic tapes, floppy discs and other data carriers, as well as of software.
4. The Insurer covers business interruption losses occurring in consequence of insured events occurring during the suspension of the business activity due to some other cause (e.g. reconstruction, renovation, suspension of the business activity), to the same extent that the otherwise necessary business interruption was prolonged because of the insured event.
5. The Insurer will not indemnify increased business interruption losses that occur because of a prolongation of the business interruption caused by the following:
 - a) unusual events or lasting circumstances occurring during the business interruption (including the events specified in the exclusions in Chapter 1. article V.),
 - b) enlargement of the plant or renovations that were carried out during the restoration following the occurrence of the insured event (Chapter 2. article I. and Chapter 3. article I.);
 - c) authoritative restrictions of renovation or operation;
 - d) dragging of the renovation to an unusual extent because of a need to clarify legal ownership relations, possession or tenancy or to settle inheritance cases or lawsuits or of any other similar event;
 - e) because the Insured does not arrange for repairs, replacement of the damaged or destroyed properties, or there are not enough financial means for these works;
 - f) because the undamaged properties that belong to the damaged ones, cannot be utilised in the insured plant.

II. Business interruption losses

1. Business interruption loss is the aggregate amount of the lost (not realised) technical profit and the fixed costs for the actual period of business interruption – not longer than the business interruption period accepted by the Insurer (hereinafter the coverage period) – reduced by the amounts of the saved (not incurred) insured costs.
2. The lost technical profit is the amount that the Insuree could have achieved during the business interruption period, with a performance level that was taken into account on determining the sum insured.
Technical profit means all revenues including incomes from manufacturing, trading and provision of other services realised in the insured plant, as well as the changes in the stock of ready-made and semi-finished products, capitalised own work and other business incomes, reduced by the amounts of the variable and fixed costs.
3. Fixed costs are the necessary expenditures (e.g. salaries, allowances, rents, heating and lighting charges, etc.) that fall under the cost accounting regulations of the Accounting Act, and that the Insuree is obliged to pay during the business interruption period, in order s/he could restart the operation in the manner corresponding to the state prior to the insurance event – as soon as possible.
4. Variable costs shall mean those costs that are closely tied to the operation, thus may not incur or may decrease in consequence of the business interruption, or on the basis of some special agreement are not included in the insured costs. The amortisation costs of parts exposed to attrition, of equipment not used during the business interruption period also belong here.
5. The Insuree can only claim for the reimbursement of those business interruption losses listed in articles 2. and 3. that, according to the insurance contract, were included in the sum insured.
6. Punitive sanctions (forfeit, penalty and the likes) or compensations deriving from contracts and imposed on the Insuree because of not complying with production and/or delivery deadlines or of other undertaken obligations, are not qualified as business interruption losses. Besides, the following expenses are not qualified as business interruption losses either:
 - a) any kind of taxes, property tax and duty;
 - b) expenses of purchasing goods, raw materials, intermediates and fuel, if they do not serve for the very maintenance of the plant;
 - c) profits and expenses that are not related to the business interruption, e.g. capital investment, speculation and real estate transactions.

III. Coverage period

1. The Insurer's obligation to pay indemnity in connection with the business interruption, starts on the occurrence of the insured event and lasts for the coverage period specified in the insurance contract. The coverage period is 3 months.
2. The Insurer's obligation to pay indemnity ceases on restart of the plant – in a form corresponding to the state prior to the insurance event –, but not later than the termination of the coverage period.

IV. Sum insured

1. The sum insured is the aggregate amount of the annual technical profit and the permanent (fixed) costs that the Insuree could have achieved without business interruption.
2. In case of a plant showing pre-tax deficit, the sum insured will be the balance of the permanent (fixed) costs incurring even during the business interruption, and the deficit that the plant would have made without business interruption.
3. The sum insured is to be determined considering the factual data of the previous year and the planned figures of the actual year.

V. Deductible

The contracting parties agree about a deductible of 2 days. The Insurer takes the deductible into account in every insurance event that occur under the operation of the insurance contract.

VI. Insurance benefit (supplement to article IV. of the General Conditions of Contract)

1. Within the amount of the sum insured, the Insurer indemnifies the unrealised profit and the permanent (fixed) costs stated for the period of actual business interruption but at the most for the coverage period.
2. On specifying the sum insured, the Insurer will take all the objective conditions into consideration that could have affected the business operation if the business interruption loss had not occurred (especially: market situation, selling opportunities, seasonal fluctuation, change of the work conditions).
3. The Insurer will not indemnify:
 - a) unrealised profit that the insured plant would not have achieved during the coverage period, even if there had not happened any insurance event;
 - b) those permanent (fixed) costs that the insured plant would not have managed to produce during the coverage period, even if there had not happened any insurance event;
 - c) profit expected from selling goods, if the sale had not been possible even without the occurrence of the insured event;
 - d) those expenditures (costs) that the Insuree can profit from even after the termination of the insurance coverage period, as well as those s/he allocated for covering the noninsured costs;
 - e) those business interruption losses that do not reach the deductible specified in the insurance contract.
4. The sums insured specified in the insurance contract cannot evidence the real value of unrealised profit or of the permanent (fixed) costs.
5. In case of under-insurance, if the sum insured specified in the insurance contract, is lower than the total sum insured calculated for the coverage period on the basis of the actual business interruption losses, the Insurer will indemnify the actual business interruption losses proportionally.
6. The Insurer deducts from the indemnity the amount calculated for the deductible period.

VII. Indemnification

1. The Insurer pays the indemnity calculated on the basis of the business interruption losses, within 15 days reckoned from such calculation.
2. After the 30th day following the shutdown of the plant the Insurer can – at the Insuree's request – pay out an advance to the debit of the final indemnity. Its amount may not exceed 80% of the minimum possible (estimated) amount that can be stated for the business interruption period. The Insurer determines the minimum indemnity according to the business interruption losses of the passed 30 days. If the minimum indemnity can be determined before the 30 days elapse, the Insuree can ask for the advance accordingly.
3. The Insurer is not obliged to pay out an advance.

VIII. Obligation to keep the business accounts

1. The Insuree is obliged to meet the book-keeping and certification requirements prescribed for him/her by the law and the Conditions. S/he is obliged to retain the books of account, the inventories, the balance sheets and the supporting documents, referring to the current year and the previous 3 years separately in a safe place.
2. In case of infringement of the above stipulations the Insurer is exempted from its payment obligation, unless the infringement influences neither the assessment of damage, nor the statement of the indemnity, or the extent of the indemnity.

Chapter 8. Entrepreneurial Assistance Service

General-Providencia Insurance Co. (hereinafter called: the Insurer) undertakes to accept the telephone call of the Insured on each day of the year on its blue number, from 0-24 hours, and as far as possible to give information within the shortest possible time, arranges craftsman work and undertakes its costs according to the points written down in Section II.

I. Information and decision supporting service

The Insurer undertakes the task of providing information and offering alternatives through the telephone about the below listed suppliers concerning their price, completion deadline and quality. In addition the Insurer undertakes to call back the Insured at a time agreed on with the client .

- vehicle repair, technical inspection, environment protection revision
- craftsmen work related to building reconstruction
- car driver service
- child care and babysitter service
- organisation of programmes, arrangement of hostesses
- labour force lending
- forwarding (regular), transfer (occasional), moving
- education, further education
- security service
- cleaning of buildings
- value estimation
- translation of documents written in foreign language

- auditing
- storage
- express delivery service
- travel information
- cultural and holiday information

II. Emergency averting service

A. What are the insurance events under Emergency?

Emergency situation is an unexpected outer mechanical effect or the breakdown of the insured building's technical equipments, which leads to a situation that needs urgent intervention to prevent further damages and to avoid accidents. Leaking of the flat roof as a result of imperfect isolation does not qualify as emergency. In case of emergency the Insurer sends a craftsman to the spot as soon as possible. The coordinator of the Insurer is entitled to determine what to call an emergency case, on the basis of the customer's description about the event.

B. The Insurer undertakes emergency averting service in the trades listed below:

- plumbing
- repair of lock
- clogging removal
- repair of electric installations
- repair of the roof
- glassing

C. Costs undertaken

The Insurer undertakes the costs of incurred by the craftsmen designated, in the scope of emergency averting, up to the sum specified in the insurance policy:

- call-out charge,
- fee,
- material cost.

Materials and fittings used in the course of averting the emergency and glassing, would only be the same type or category as the original one so as to restore the situation existing before the emergency. If the costs of emergency averting exceed the amount stated in the insurance policy, such extra amount is charged by all means to the Insuree.

III. Recommendation of craftsmen

Independently of the emergency cases, the Insurer also recommends craftsmen of the above mentioned trades for the performance of the relevant tasks , but all the costs of such repair (call-out charge, fee, material cost) must be paid by the Insuree. If these repairs became necessary because of an insurance event insured by the „Vagyonőr” Commercial and Industrial Property Insurance Package of the Insuree, the Insurer pay indemnification pursuant to the Conditions.

IV. Commencement of the Insurer's liability

Commencement of the Insurer's liability shall be the 30th day reckoned from the signing of the insurance proposal in the case of new contracts, and the 30th day reckoned from the effective day of the modification.

Special conditions and Endorsements for the commercial property insurance

Special conditions

Special Condition No. KF 100.: No-claim bonus

1. On the basis of the present Special Condition the Insurer undertakes an obligation to allow a no-claim bonus for the Contracting Party in a way and up to an extent specified below.
2. For the purpose of the bonus those contracts are qualified as loss-free where there were no loss expenditures during the insurance period (1 year). Under loss expenditure the Insurer means the amount of money paid and reserved for losses reported during the insurance period in question.
3. The extent of the premium discount increases with the successive loss -free years, up to a maximum of 20%. It is 10% after the first loss -free year, 15% after the second and 20% after the third and the subsequent years. The basis of the calculation is the (net) insurance premium decreased by discounts (except for the discount for loss -free contract).
4. The Insurer will include the amount of the no claim bonus damage-free contract into the premium to be paid in the following insurance year, i.e. decreases the insurance premium by this amount.
5. If there were any loss expenditures during an insurance period, the Contracting Party will not be owed the no claim bonus until the passing of a next loss -free period. After this loss -free period the Contracting Party can get a first level discount (10%), and its extent can be increased according to article 3.

Special Condition No. KF 101.: Insurance of motor vehicles stored in a closed place

1. On the basis of the present Special Condition, and taking the provisions of the Conditions of Commercial Property Insurance (VWF, in what follows) into consideration, the Insurer's liability covers – in consideration of the insurance premium specified – the insured motor vehicles (Chapter 1. article I.D.1. of VWF), as long as they are in the insured site, i.e. within the territorial scope of the Insurer's liability.
2. The Insurer's liability covers the insurance event specified for the insured site, provided that the occurring loss is not related to the operation of the insured motor vehicles in any way.
3. The sums insured of the motor vehicles are to be specified according to their replacement value (Chapter 1. articles II.1 - 3. of VWF) or to the Eurotax Schwacke Catalogue valid at the time of the conclusions (modification) of the contract.
4. The extent of deductible is equal to the deductible determined for the properties being on the same site and insured according to the basic conditions.
5. In the case of loss the Insurer indemnifies the costs of repairs (reconstruction, replacement) that are in accordance with the

extent of the loss. The upper limit of indemnity is, however, in any case the actual (depreciated) value of the vehicle as at the date of loss, decreased by the deductible specified in the contract.

Special Condition No. KF 107.: Insurance of showcases

1. On the basis of the present Special Condition the Insurer's liability covers – in consideration of the payment of the specified insurance premium – glass losses of and damages to showcases and the goods in them, belonging to trade units insured according to the Conditions of Commercial Property Insurance (VWF, in what follows).
2. Showcase: any delimited part of space serving for display of goods, that is positioned separately from the shop, in some distance, or on the outer wall of the shop and does not constitute a common airspace with the shop. Displays that are located within the airspace of the shop are also qualified as showcases, if the goods placed inside are outside the range of the safety system prescribed for the shop (e.g. the movement detector watching the inner space of the shop cannot „see“ into the display area, or the goods are placed between the window-glass and some grating, walling or other constructional unit of the building hindering penetration).
3. The sum insured must be specified on a premier risk basis according to the value of the shop-window and the goods placed within. The Insurer may limit the amount of the sum insured.

Special Condition No. KF 110.: Application of obligatory deductible

In case of the application of this special condition, the Insurer reduces the indemnification with the deduction if the loss occurs as a result of the following insurance events:

- fire, lightning, explosion, falling or collision of manned aircrafts, or the parts or the load of it (Section VWF 2., point I.A.)
- burglary, robbery, vandalism (Section VWF 3., point I.)

The measure of deductible is 10% of the amount of the loss, but minimum HUF 50.000.

Special Condition No. KF 111.: Insurance of properties of third parties

On the basis of the present Special Condition the Insurer's liability covers properties of third persons (hired, taken over with the aim of repairing, cleaning or using it, as well as on a consignment basis or for safekeeping, etc.) to the extent that the Contracting Party is responsible for these properties. On taking over the properties a registered, duplicated acknowledgement of receipt must be given to the owner, indicating the name and address of the owner, the date of the receipt, as well as the description and quantity of the properties taken over.

The Insurer indemnifies the loss occurred if the loss cannot be recovered under another valid insurance contract. Losses of or

damages to any property item, the Insurer indemnifies for the actual costs of repairs (renovation, replacement) that are in accordance with the extent of the loss, but this amount may not exceed the (depreciated) value of the property as at the date of loss. In case of total loss the amount of indemnity is equal to the (depreciated) value of the property as at the date of loss. The agreement concluded between the Contracting Party and the claimant (owner) – referring to the amount of compensation – is not binding for the Insurer to pay this amount. The Insurer pays the specified amount of indemnity to the claimant (or its representative).

**Special Condition No. KF 112.:
Insurance of motor vehicles stored outdoors,
for car-dealers**

1. On the basis of the present Special Condition, and subject to the provisions of the Conditions of Commercial Property Insurance (hereinafter VWF), the Insurer's liability – in consideration of the specific insurance premium – covers motor vehicles (Chapter 1. article I.D.1 of VWF) of car-dealers, which are stored outdoors, as long as they are in the insured site, i.e. within the territorial scope of the Insurer's liability. Those motor vehicles shall be deemed as stored outdoors that within the insured area (site) specified in the contract are stored open air with or without temporary covers, or in a structure open at least on one side (e.g. shelter).
2. The Insurer's liability covers the insurance event specified for the insured site, provided that the loss occurrence is not related to the operation of the insured motor vehicles in any way. The insurance does not cover losses in consequence of collision, meanwhile, exclusively in respect of traded new cars, the insurance covers losses caused by partial theft, damaging or vandalism, as well as losses caused by hailstorm or snow-pressure. In respect of these losses the limit of the Insurer's indemnification obligation shall be HUF 300,000 for any one event and any one car.
3. The liability shall hold in respect of losses caused by robbery, burglary, partial theft, damaging and vandalism only if the site serving for storing the motor vehicles meets the following requirements:
 - the site is fenced around, the gates are locked by at least one lock or padlock;
 - the motor vehicles stored in the site are visibly lit from a light source after dark;
 - the site located outside the inhabited area is protected in accordance with the prescriptions of the endorsement specified in the contract from among Endorsements Z 137, Z 337;
 - keys and documents of the motor vehicles stored on the site may not be left in the vehicles even during the opening hours, and after closing they should be stored in a building locked in accordance with Endorsement No. Z 302, in a safe or vault.
4. The sums insured of the motor vehicles should be specified according to their replacement value (Chapter 1. articles II.1- 3. of VWF), or to the Eurotax Schwacke Catalogue valid at the time of the conclusion (amendment) of the contract.
5. The extent of the deductible is equal with the deductible determined for the properties being on the same site and insured according to the basic conditions, except for losses listed in point 2 that are reimbursable in respect of new cars only, where the deductible shall be HUF 50,000 per car.

6. In the case of loss the Insurer indemnifies the costs of repairs (reconstruction, replacement) that are in accordance with the extent of the loss, but it will not reimburse any depreciation stemming from the damage. The upper limit of indemnity is the actual (depreciated) value of the vehicle as at the date of loss, except for losses listed in point 2 that are reimbursable in respect of new traded cars only. The Insurer will reduce the amount of indemnification by the deductible specified in the contract.

**Special Condition No. KF 113:
Insurance of cash and securities against burglaries**

1. The indemnification obligation of the Insurer based upon the present Special Condition – in consideration of the relevant insurance premium – covers the burglary loss of stock of cash and securities (Chapter VWF 3., article I.4.).
2. Insurable properties (Chapter VWF 1., article I.D.2.):
 - a) cash, foreign currency;
 - b) bearer securities and other similar marketable deeds, such as shares, bonds, investment-, compensation- and other value-tickets, bank-books, letters of credit and the like (transferable without legally valid statement). A record must be kept about the insured securities with the data for the search. These records must be stored separately from the securities so as to possibly avoid simultaneous loss;
 - c) other transferable valuables that embody a value which is independent from its self-reproduction cost – e.g. the price of a service-, if they are owned by the Insured so as to utilize the such service (e.g. valid postal- or deed stamps that are not yet sealed, tickets, coupons, value tickets, phone cards) according to the details of the insurance contract.
3. In case of the insured cash and securities the sum insured is determined on a premier risk basis of the highest value within the insured period. The Insurer's indemnification obligation shall be capped by this limit.
4. The Insurer's indemnification obligation above HUF 50,000.- sum insured shall hold only if the insured properties were placed in a safe deposit closed with its all locks – as stated in the contract. The safe deposit must meet the following requirements:

Type qualified by MABISZ or accepted by the Insurer, that:

- is built into walling or floor according to the manufacturer's installation licence or to the quality certificate, or
- if the strong box or furniture safe lighter than 300 kg is affixed to the building structure's supporting panel within the safe deposit, resisting to a 5000 N lateral force, and strong box lighter than 1000 kg resisting to 10 000 N lateral force, fixed the same way,
- the total weight of the safe deposit is at least 1000 kg. The Insurer is exempted from its obligation to pay indemnity if the criteria described above are not or just partly met.

Properties listed in article 2. are insured up to a limit of 50,000 HUF stored in closed furniture.

**Special Condition No. KF 114:
Insurance of cash and securities against robberies**

1. The indemnification obligation of the Insurer based upon the present Special Condition – in consideration of the relevant

insurance premium – covers the robbery loss of stock of cash and securities (Chapter VF 3., article I.4.).

2. Insurable properties (Chapter VF 1., article I.D.2.):
 - a) cash, currency;
 - b) bearer securities and other similar marketable deeds, such as shares, bonds, investment-, compensation- and other value-tickets, bank-books, letters of credit and the like (transferable without legally valid statement). A record must be kept about the insured securities with the data for the search. These records must be stored separately from the securities so as to possibly avoid simultaneous loss;
 - c) other transferable valuables that embody a value which is independent from its self-reproduction cost – e.g. the price of a service-, if they are owned by the Insured so as to utilize the such service (e.g. valid postal- or deed stamps that are not yet sealed, tickets, coupons, value tickets, phone cards) according to the details of the insurance contract.

3. In case of the insured cash and securities the sum insured is determined on a premier risk basis of the highest value within the insured period. The Insurer's indemnification obligation shall be capped by this limit.

4. The Insurer's indemnification obligation above HUF 500,000 sum insured shall hold only if the insured properties were placed in a safe deposit closed with its all locks – as stated in the contract – (e.g. cash-box, wall- or built-in safe, strong box). The safe deposit must meet the following requirements:

Type qualified by MABISZ or accepted by the Insurer, that:

- is built into walling or floor according to the manufacturer's installation licence or to the quality certificate, or
- if the strong box or furniture safe lighter than 300 kg is affixed to the building structure's supporting panel within the safe deposit, resisting to a 5000 N lateral force, and strong box lighter than 1000 kg resisting to 10 000 N lateral force, fixed the same way.

5. In excess of a sum insured of 2,000,000 HUF the safe deposit described in article 4. must have a delayed opening time lock, that is operated by the Contractor/Insurer with delayed opening of minimum 15 minutes, and there must be a robbery alarm system operating on the insured site, which meets the prescriptions set in Endorsement No. Z 322.
6. In excess of a sum insured of 5,000,000 HUF on the insured site, in addition to the prescriptions of article 5. above there must be a robbery alarm and recording system in operation according to Endorsement No. Z 323, or armed guarding must be ensured according to the articles of Endorsement No. Z 335.
7. In excess of a sum insured of 10,000,000 HUF the Insurer may request other protective measures in alteration of the above prescriptions.
8. The contracting parties may deviate from the maximum sums insured specified in Clause 4-6 by a maximum of 50% if they agree to apply an additional premium.
9. The Insurer is exempted from its obligation to pay indemnity if the criteria described above are not or just partly met.

Special Condition No. KF 115: Insurance of value stocks against burglaries

1. The liability of the Insurer under this present Special Condition – in consideration of the insurance premium – covers the burglary loss of the value stocks (Chapter VF 3., article I.3.).

2. Insured properties (Chapter VF 1., article I.D.3.):

Value stocks: gold, platinum, precious stones, real pearl, and objects, jewels and collections made of these materials.

3. In the case of value stock the sum insured must be determined on a premier risk basis according to the highest value occurring within the insured period. The Insurer's liability shall be limited to this amount.

4. The Insurer's obligation to pay indemnity exist only in the case if the insured properties were placed in a safe deposit closed with its all locks – as stated in the contract – (e.g. cash-box, wall- or built-in safe, strong box). The safe deposit must meet the following requirements:

Type qualified by MABISZ or accepted by the Insurer, that:

- is built into walling or floor according to the manufacturer's installation licence or to the quality certificate, or
 - if the strong box or furniture safe lighter than 300 kg is affixed to the building structure's supporting panel within the safe deposit, resisting to a 3000 N lateral force, and strong box lighter than 1000 kg resisting to 10 000 N lateral force, fixed the same way.
 - the total weight of the safe deposit is at least 1000 kg.
- The Insurer is exempted from its obligation to pay indemnity if the criteria described above is not or just partly met.

Special Condition No. KF 116: Insurance of value stocks against robberies

1. The liability of the Insurer under this present Special Condition – in consideration of the insurance premium – covers the robbery losses of the value stock on the insured site, during the opening hours, when stocks are stored outside of the closed safe deposit, in the shop-window, vitrine or other facility serving the purpose of displaying or processing the value stock (Chapter VF 3., article I.4.).

2. Insured properties (Chapter VF 1., article I.D.3.):

Value stocks: gold, platinum, precious stones, real pearl, and objects, jewels and collections made of these materials.

3. In the case of value stock the sum insured must be determined on a premier risk basis according to the highest value occurring within the insured period. The Insurer's liability is limited to this amount.

4. In excess of a sum insured of 500,000.-HUF a robbery alarm system should be operated on the insured site according to Endorsement No. Z 332.

5. In excess of a sum insured of 2,000,000.-HUF a robbery alarm and recording system should be operated on the insured site according to Endorsement No. Z 323.

6. In excess of a sum insured of 5,000,000.-HUF a robbery alarm and recording system should be operated on the insured site

according to Endorsement No. Z 323, and armed guarding must be ensured according to the articles of Endorsement No. Z 335.

7. In excess of a sum insured of 10,000,000.-HUF the Insurer may request other protective measures in alteration of the above prescriptions.
8. The contracting parties may deviate from the maximum sums insured specified in Clause 4-6 by a maximum of 50% if they agree to apply an additional premium.
9. The Insurer is exempted from its obligation to pay indemnity if the criteria described above are not or just partly met.

Special Condition No. KF 120.: Insurance for properties stored outdoors

On the basis of the present Special Condition the Insurer's liability covers – in consideration of the specified insurance premium – the following properties – specified in the contract – that are stored outdoors:

- technical and commercial works equipment (Chapter 1. article I.B. of the Conditions of Commercial Property Insurance WF, in what follows);
- stores/stocks (Chapter 1. article I.C. of WF).
Properties that are stored outdoors, with or without temporal covers serving for protection against the weather, as well as in a structure open at least in one side (e.g. shed) within the geographical scope of the Insurer's liability (site) specified in the contract, are qualified as kept outdoors.

The Insurer's liability does not cover the following insurance event: hailstorm, pressure of snow, collision of unknown vehicle, burglary, robbery risks and vandalism.

As regards rainstorm events, the Insurer indemnifies losses caused by the water only if the properties were placed on a stand or shelf at least 12 centimetres high.

Special Condition No. KF 297.: Exclusion of elementary perils

On the basis of the present Special Condition and in alteration of the provisions of Chapter 2. article I. of the Conditions of Commercial Property Insurance, the Insurer's liability does not cover losses occurring in consequence of the events specified in article B. i.e. storm, rainstorm, rock-fall, stone-fall, landslide, subsidence, hailstorm and pressure of snow, as well as collision of unknown vehicle.

Special Condition No. KF 298.: Exclusion of losses from burst of water pipes's

On the basis of the present Special Condition and in alteration to the provisions of Chapter 2. article I. of the Conditions of Commercial Property Insurance, the Insurer's liability does not cover losses occurring in consequence of the events specified in article C. i.e. losses from burst of water pipes and puncture of the fire-extinguisher system.

Special Condition No. KF 299.: Exclusion of catastrophe risks

On the basis of the present Special Condition and in alteration of the provisions of Chapter 2. article I. of the Conditions of Commercial Property Insurance, the Insurer's liability does not cover loss s

occurring in consequence of the events specified in article D. i.e. earthquake and flood.

Special Condition No. KF 334.: Messenger robbery insurance

1. On the basis of the present Special Condition the Insurer's liability covers – in consideration of payment of the specified insurance premium – loss of the insured properties in consequence of robbery committed against the messengers in the area of operation (transport) specified in the insurance contract, but not outside the territory of the Republic of Hungary. The Contracting Party of the insurance contract concluded on the basis of the present Special Condition may not be a professional value transporting or a security company.
2. Insurable properties (groups of properties see also Chapter 1. article I.D.2. of the Conditions of Commercial Property Insurance, WF, in what follows):
 - a) cash, securities;
 - b) other properties qualified as valuables, according to the description in the insurance contract.
3. The Insurer's liability extends to a maximum value (premier risk) specified in the insurance contract for any single messengers (see also Chapter 1. article II.8. of WF).
The Insurer may specify a limit referring for each and every event and/or ay one year, and this amount is the upper limit of its obligation to pay indemnity.
4. The insurance coverage commences when the parcel is handed over to the messenger, lasts during the shortest direct and justifiable route between the point of departure and the destination, and terminates when the parcel is received. A messenger can be the Insuree, as well as his/her employee and agent.
5. The Insurer's obligation to pay indemnity for loss s shall hold only if the following rules of transporting cash are complied with:
 - up to 200.000 HUF the money is transported by 1 person;
 - up to 500.000 HUF the money is transported by 2 persons, in an alarming cash-carrier bag;
 - up to 2.000.000 HUF the money is transported by 2 persons – 1 of which is armed –, in an alarming cash-carrier bag;
 - up to 10.000.000 HUF the money is transported by 3 persons – 2 of which are armed –, in an alarming cash-carrier bag, by car or by a van with a closed coach body
6. The Insurer is exempted from its obligation to pay indemnity if:
 - a) the rules of transporting specified in article 5. above are not complied with during the transportation;
 - b) persons under the age of 18 or unsuitable (only partly capable) for transport and escort are employed as guards or escorts;
 - c) the loss was caused illegally, deliberately or by gross negligence by the messenger or any member of the guarding or escorting staff.

Special Condition No. KF 698.: Exclusion of cargo losses during loading or unloading

On the basis of the present Special Condition and in alteration of the provisions of Chapter 6. article I. of the Conditions of Commercial Property Insurance, the Insurer's liability does not cover cargo losses occurring during loading, unloading or placing the cargo on/within the transport vehicle mentioned in article 1.e.

Special Condition KF 699.:**Exclusion of robbery and theft losses of cargoes**

On the basis of the present Special Condition and in alteration with the provisions of Chapter 6. article I. of the Conditions of Commercial Property Insurance, the Insurer's liability does not cover losses in consequence robbery, theft from the locked vehicle and the disappearance of the whole cargo together with the transport vehicle mentioned in article 1.f.

Special Condition No. KF 701.:**Supplementary insurance for self-employed, against business activity interruption**

On the basis of the present Special Condition the Insurer undertakes an obligation to indemnify in addition to the losses recoverable under the Business Interruption Insurance (Chapter 7 of the Conditions of Commercial Property Insurance) it will indemnify the losses stemming from the interruption of the business activity of the Insured, in the manner and to the extent described hereunder:

I. Insurance events

Business interruption insurance is the suspension of the regular business activity of the Insured due to any of the personal losses listed below:

1. Regulations of or measures taken by the health authority due to an infection or epidemic, which concern the plant (activity), or the person indicated by the name, who is responsible for the managing the plant (activity) (quarantine).
2. Total (100%) but not permanent invalidity of the person, indicated by the name, who is responsible for the managing the plant (activity), in consequence of his/her illness or accident.
 - a) Total (100%) but not permanent invalidity starts when the person who is responsible for managing the plant (activity), according to the evaluation of the Insurer's physician, cannot conduct his/her professional activity, and whose performance is actually suspended, and ends when this person, according to the evaluation of the Insurer's physician, becomes able to work or begins to practise his/her professional activity. The Insurer's physician elaborates his/her evaluations on the basis of the loss report questionnaire completed by the treating physician (family doctor) of the insured person, and the findings and final hospital bulletins enclosed. Should the Insurer's physician find these documents insufficient, s/he may take the opportunity of personal medical examination to complete the documentation, up to an extent that is necessary for the clarification of the insurance event – to assess the Insurer's indemnification obligation, and its amount. The Insurer covers the costs incurring in connection with this examination.
 - b) Illness: a physical or mental state differing from the normal according to the current, generally admitted position of medical sciences. Pregnancy, premature birth and childbirth, including the complications that can be traced back to them shall not be deemed as illnesses.
 - c) Accidents are sudden external effects arising independently of the Insured's will, which exercise mechanical or chemical impacts on the Insured's body, and results in physical impairment. The following events arising independently of the will of the person responsible for managing the plant (activity) are also qualified as accidents:
 - burning lesions, scalding, stroke of lightning, or effects of electricity,

- inhalation of gases and vapours, getting of poisonous or corrosive materials into one's organism, provided that these are not continuous effects;
- dislocation of a limb, strain or tear of muscles, tendons and ligaments in the limbs and at the vertebral column, if it is the consequence of a sudden deviation from the intended movement.

Illnesses are not qualified as accidents, as well as infectious illnesses cannot be considered as consequences of an accident.

- d) Medical treatment is: a medical intervention that, according to the current, generally admitted position of medical sciences, seems to be appropriate for restoring health, improving the conditions or stopping the worsening of the conditions. Medical actions that are not directly necessary for ceasing the illness, as well as those connected to pregnancy, are not qualified as medical treatment. See especially: every kind of artificial insemination (e.g. in vitro fertilisation, insemination); examination and cures aimed at ceasing infertility, body treatments and cosmetic operations together with their consequences, irrespective whether they are subsidised and qualified by the National Health Insurance Fund.

3. In respect of personal losses the insurance protection is valid worldwide.

II. Exclusions, restrictions of the insurance cover

This insurance does not cover the following business (activity) interruption losses:

1. Losses arising from any kind of damage, destruction or disappearance of cash, securities and data carriers (books of account, files, plans, magnetic tapes, floppy discs and the likes) and the data that can be found on them, as well as business certificates and other documents.
2. Invalidity of the person responsible for managing the plant (activity), occurring in consequence of the following:
 - a) Detoxification and other measures in connection with detoxification, as well as illnesses, accidents and their consequences occurring or intensified due to the influence of alcohol or drugs, or becoming more difficult to cure for the same reason, except for the case when the Contracting Party (Insured) can prove that the loss is neither directly nor indirectly connected to the effects and consequences of alcohol or drugs.
 - b) Medical treatment because of serious insanity suicide attempt.
 - c) Illnesses and accidents that were the consequences of preparing or committing a crime intentionally.
 - d) Illnesses and accidents (including their consequences) of the Contracting Party (Insured) or of the person who is responsible for managing the plant (activity), that were caused intentionally.
 - e) Accidents occurring during parachuting or using airborne vehicles, except for cases when the Contracting Party/Insured sustained any injury in his/her capacity of a passenger of an engine propelled plane licensed to passenger transport. Passenger shall mean a person who is neither the operator of the plane, nor a member of the crew, and does not use the aircraft for any kind of professional activities.
 - f) Accidents sustained by the Contracting Party/Insured who is injured in his/her capacity of a participant in a competition or heating of land or water going engine propelled vehicles.

- g) If the Contracting Party/Insuree became sustained an injury in his/her capacity as a competitor at a county, national or international competition or the related official training in any of the following sports: skiing, skating, bobsled, all sorts of every kind of sleds.
3. If the Insurer's obligation to indemnify one or more insurance events reaches at least 356 days within a 24-month period, its liability will be terminated.
4. The Contracting Party/Insuree is obliged to have an official license for driving motor vehicles in each and every case; this requirement holds even if the Contracting Party/Insuree is not driving the vehicle on a public road. Breaking this obligation may result in the exemption of the Insurer.
5. The insurance will cover only those business (activity) interruption events that stem from a personal injury caused, incurred and recognised during the insurance period and the relevant claim under this contract was submitted to the Insurer before the end of the insurance period. The above requirements must be met simultaneously.

III. Insured value, sum insured, time deductible

The insured value is the aggregate amount of the profit that the Contracting Party (Insuree) could have achieved, and the fixed costs s/he would have to pay during the 12 months reckoned from the occurrence of the personal injury had the business (activity) not been interrupted. The sum insured must be equal to the insured value.

1. Time deductible:
In case of personal injury specified in article I.1. (quarantine) a 2-day deductible, in case of personal injury specified in article I.2. (total but not permanent invalidity) a deductible specified in the insurance policy will hold. The time deductible specified in days shall refer to working days.
2. Shortening of the time deductible:
In case of business (activity) interruption in consequence of a total but not permanent invalidity of the person who is responsible for managing the plant (activity), the time deductible specified in the contract will be shortened by 7 days if the insurance event requires a continuous medical treatment in a hospital for 48 hours at the least, or was caused by an accident.

IV. Coverage period, limit of indemnification, termination of the business (activity) interruption

1. The period of the Insurer's indemnification obligation starts with the occurrence of the loss resulting in business (activity) interruption, and – unless otherwise agreed – lasts for 12 months. The Insurer's liability starts only when the specified deductible time is over. In the case of plants (activities) that are not subject to breaks or considerable seasonal fluctuation through the whole year, the parties may agree on a different coverage period. In these cases the Insurer's indemnification obligation is limited to a part of the sum insured that is in proportion with the set coverage period (sum of coverage). In the case of a coverage period shorter than 12 months, the sum insured referring to 12 months must be taken as a basis to calculate this sum of coverage that is different from the sum insured.

2. The business (activity) interruption terminates:
 - a) when the person who is responsible for the managing the plant (activity) regains his/her ability to work.
 - b) when it can be stated that the insured plant (activity) can no longer be operated in the same way as before, especially in case of the permanent invalidity or death of the person who is responsible for managing of the plant (activity).

V. Indemnity

1. The extent of the indemnification payable by the Insurer for the profit and fixed costs is determined by the same conditions that would have influenced the volume of profit and fixed costs during the Insurer's coverage period. These are especially: the market situation, the special business and technical circumstances of the plant (activity), changes in the system of the plant (activity) and in the sales relations, as well as unusual disasters, strike, boycott, bankruptcy or composition of the Contracting Party (Insuree). The following must also be taken into consideration on determining the indemnity: the profit that can be realised from selling the raw material and the semi-finished products following the insurance event; the possibility of replacing, forced or lease operation; the possibility of making up the shortfall after restarting the business (activity) through a more intense production, processing or sale of goods or other intense performance, within the coverage period of a definite period after its termination.
2. The loss of profit and the fixed costs, as well as the corresponding indemnity are to be determined per months, for the total duration of business (activity) interruption but not for more than the coverage period. If the subsequent summing-up of the unrealised profit, the fixed costs and the corresponding indemnity figure would be different of the figure calculated previously, this latter should be corrected.

Unless otherwise agreed by the parties, after the occurrence of the business (activity) interruption event, the expert opinion must contain the following:

- the sum insured in accordance with Chapter III.;
- the probable extent and duration of the business (activity) interruption event;
- the un-realised in consequence of the insurance event and the fixed costs to be paid;
- if the business (activity) interruption event takes longer than the coverage period, the portion of the unrealised profit and the fixed costs falling on the coverage period.

VI. The Contracting Party's (Insuree's) obligation on the occurrence of an insured event

On the occurrence of an insured event that the Contracting Party (Insuree) has insurance claims about, the Contracting party (Insuree) is obliged to do the following:

1. In case of illnesses (article I.2.b.) and accidents (article I.2.c.) medical help must be requested immediately. The medical treatment and the proper nursing must be pursued until the end of the medication, i.e. the consequences of the illness and the accident should be cured and mitigated.
2. The treating physician or hospital, as well as the physicians or hospitals that had treated or examined the Contracting Party (Insuree) for some other reason, must be authorised to give the necessary information and report required by the Insurer so as to clarify the insurance event and determine the Insurer's

indemnification obligation and the amount of the indemnity. If the illness was reported to the National Health Insurance Fund, it must also be authorised the same way.

3. The Insurer may require that the Contracting Party (Insuree) or the person who is responsible for managing the plant (activity) should have himself/herself examined by physicians chosen by the Insurer, in a way necessary to clarifying the insurance event and determine the Insurer's indemnification obligation and the amount of the indemnity. The Insurer bears the costs related to these examinations.
4. The Contracting Party (Insuree) is obliged – to a reasonably expectable extent – to make it possible for the Insurer and its representatives and experts to investigate the cause and volume of the loss and thus the amount of the indemnity the Insurer is obliged to pay; as well as to present any information in writing if it is necessary. For this purpose s/he is obliged to place the books of account and the certifications at the insurer's disposal.
5. The Contracting Party (Insuree) is obliged after the occurrence of the insured event, to inform the Insurer about any legal relationship that would ground his/her recovery claims of whatsoever nature.
6. The Insurer is exempted from its obligation to pay indemnity if the Contracting Party (Insuree) infringes any of the above obligations and thus important circumstances cannot be revealed that would have been necessary in order to define the extent of the loss and the amounts of the sum insured and the amount of indemnification.

VII. Termination of the contract

1. The insurance contract terminates without cancellation:
 - a) If the Insurer's indemnification obligation for one or more insurance events reaches 365 days within 24 months.
 - b) In case of a final winding-up of the plant (activity) or other way of cessation of the insurance interest. Relocation of the plant will not lead to the termination of the contract, provided that the Contracting Party (Insuree) observed his/her change reporting obligation.
2. The Insurer's liability terminates on the last day of the insurance year in which the Contracting Party (Insuree) has turned his/her 65. If the Insurer's liability covers more than one Insurees' activities, the liability will cease only for the activity of that Insuree who has turned his/her 65 by the last day of the actual insurance year. For the termination of the contract the general regulations are governing, and the Insurer is entitled to the Insurance premium due until the end of its liability.

Special Condition No. KF 797.: Exclusion of elementary perils from the business interruption insurance

On the basis of the present Special Condition and in alteration to the contents of Chapter 7. article I. of the Conditions of Commercial Property Insurance the Insurer's obligation to pay indemnity does not cover business interruptions caused by elementary perils.

Special Condition No. KF 798.: Exclusion of burst of water pipe from business interruption insurance

On the basis of the present Special Condition and in alteration to the contents of Chapter 7. article I. of the Conditions of Commercial Property Insurance the Insurer's obligation to pay indemnity does not cover business interruption losses caused by water pipe loss.

Special Condition No. KF 799.: Exclusion of burglary losses from business interruption insurance

On the basis of the present Special Condition and in alteration to the contents of Chapter 7. article I. of the Conditions of Commercial Property Insurance the Insurer's obligation to pay indemnity does not cover business interruption losses caused by loss occurring in consequence of robbery, burglary insurance event, as well as of vandalism committed during robbery, burglary or an attempt of them.

Endorsements

Endorsement No. Z 133: Inhabited building

The applicant declares in accordance with article 1 of Chapter VII of the General Conditions of Property Insurance, that the insured site specified in the insurance proposal is in correspondence with the definition hereunder:

In the building (block) there can be found such a place for dwelling (flat), in which one or more persons are living permanently (permanent place of residence registered with the relevant authority). The insured site qualifies inhabited also if there cannot be found such a place, but the nearest building serving as dwelling is within the distance of 200 metres, or the Contractor/Insuree conducts permanent (non-stop, day-andnight, work in three shifts) activity there.

Endorsement No. Z 134: Building within of inhabited area

The applicant declares in accordance with article 1 of Chapter VII of the General Conditions of Property Insurance, that the insured site specified in the insurance proposal is in correspondence with the definition hereunder:

The building (premises) is located within the administrative boundary of the settlement.

Endorsement No. Z 137.: Permanent gatekeeper service

The applicant declares in accordance with article VII.1. of the General Conditions of Property Insurance (ÁVF) that there is a permanent gatekeeper service at the insured site specified in the insurance proposal. The gatekeeper service is performed near one of the entrances/doorways/gates of the insured object nonstop 24 hours a day, including the rest days, holidays and public holidays. In the service room there is an operable telephone set connected to the national system through a main route or a mobile phone. The activity of the gatekeeper services is regulated by the job description. The personnel performing the gatekeeper service may leave their place of duty only in cases regulated by the job description.

In alteration of article II.2. of ÁVF, the parties agree that according to paragraph (2) of Article 540. of the Civil Code of Hungary, the Contracting Party (Insuree) reports any change in the foregoing definition in this present Endorsement to the Insurer immediately but in two days at the latest, in writing.

Endorsement Z 140.: Pavilion

Endorsement Z 141.: Shop/store being in garage

Endorsement Z 142.: Storebuilding being in storebase

Endorsement Z 144.: Costumegoods store

Endorsement Z 145.: Shop being in underpass

Endorsement Z 146.: Seasonal small business

Endorsement No. Z 202.:

Storage in premises under ground-level

In alteration of the contents of Chapter 2. articles I.B.2. and I.C.2.c. of the Conditions of Commercial Property Insurance, the Insurer will pay indemnity for losses to stocks (Chapter 1., article I.C.) caused by water, only if the stocks were placed on a stand or shelf at least 50 centimetres high.

Endorsement No. Z 301.:

Application of the 1st level of protection

(see also: Definitions for Endorsement Nos. Z 301–304.)

The applicant declares in accordance with article VII.1. of the General Conditions of Property Insurance (ÁVF), that for the premises housing the insured properties on the insured site specified in the insurance proposal, the following (1st level of protection) technical requirements are met:

Walling

The masonry and the floorings provide protection against breaking through, with a solidity index equal to a compact brickwall 6 centimetres thick. Points of reference:

- unique or standardised coursed structures 6-10 centimetres thick, or other structures made of bi- or multi-layer plates at least 10 centimetres thick;
- at least bi-layer structures made of special light elements, with heat insulating, fire-resistant, or other material providing mechanical resistance between the layers;
- wooden house assembled of prefabricated panels.

Doors

The door(s) is (are) closed by safety locks or automatic closing equipment. Double-hung doors are protected against unbolting. In alteration of article II.2. of ÁVF, the parties agree that according to paragraph (2) of Article 540. of the Hungarian Civil Code, the Contracting Party (Insuree) reports any change in the foregoing definition in this present Endorsement to the Insurer immediately but in two days at the latest, in writing.

Endorsement No. Z 302.:

Application of the 2nd level of protection

(see also: Definitions for Endorsement Nos. Z 301–304.)

The applicant declares in accordance with article VII.1. of the General Conditions of Property Insurance (ÁVF), that for the premises housing the insured properties on the insured site specified in the insurance proposal, the following (2nd level of protection) technical requirements are met:

Walling

The masonry and the floorings provide protection against breaking through, with a solidity index equal to a compact brickwall 6 centimetres thick. Points of reference:

- unique or standardised coursed structures 6-10 centimetres thick, or other structures made of bi- or multi-layer plates at least 10 centimetres thick;
- at least bi-layer structures made of special light elements, with heat insulating, fire-resistant, or other material providing mechanical resistance between the layers;
- wooden house assembled of prefabricated panels.

Doors

The doors are closed by two safety locks at the least, placed at minimum 30 centimetres from each other. The plugs are protected against breaking down. Double-hung doors are protected against unbolting. The door must be fastened to the doorframe with at least 3 hinges, and protected against unhinging. The sliding depth of the bolts must reach 14 millimetres. The gap between the locked door and the doorframe must not be more than 6 millimetres.

In alteration of article II.2. of ÁVF, the parties agree that according to paragraph (2) of Article 540. of the Hungarian Civil Code, the Contracting Party (Insuree) reports any change in the foregoing definition in this present Endorsement to the Insurer immediately but in two days at the latest, in writing.

Endorsement No. Z 303.:

Application of the 3rd level of protection

(see also: Definitions for Endorsement No. Z 301–304.)

The applicant declares in accordance with article VII.1. of the General Conditions of Property Insurance (ÁVF), that for the premises housing the insured properties at the insured site specified in the insurance proposal, the following (3rd level of protection) technical requirements are met:

Walling

The masonry and the floorings provide protection against breaking through, with a solidity index equal to a compact brickwall 12 centimetres thick. Point of reference:

- 6 centimetre thick reinforced concrete walls, flooring and roofing (e.g. prefabricated houses).

Doors

The doors are closed by two safety locks at least, placed at minimum 30 centimetres from each other. The plugs are protected against breaking down. Double-hung doors are protected against unbolting. The door must be fastened to the doorframe with at least 3 hinges, and protected against unhinging. The depth of the bolts must reach 20 millimetres. The gap between the locked door and the doorframe must not be more than 6 millimetres per sides. On fitting the bolts of the lock a counter-plate, affixed to the walling at 2 points at least, must be applied. In case of a mortise lock a steel plate, 150×300 millimetres large and 1 mm thick at least, must be applied as a fastening at the thinner side. For glassed-in doors see the requirements specified for windows as well.

Windows

The following requirements apply to windows larger than 30×30 centimetres, with their lower sill placed at a height of maximum 3 metres from the level of walking or approach:

- the windows have shutters, fasteners that may be closed by keys from the inside, or
- safety glass work qualified by MABISZ or at least having safety classification level A1;

- are covered by safety foil 0.1 millimetre thick or qualified by the Association of Hungarian Insurers (MABISZ). To the placing of the foil the following requirements apply;
- on building in of the glass panel to the frame a fixing slat, not removable from outside, must be applied;
- it is fastened to the inner surface of a glass 6 millimetres thick at least, without air-holes;
- the distance between the window-frame and the edge of the foil must not be more than 1 millimetre.

In alteration of article II.2. of ÁVF, the parties agree that according to paragraph (2) of Article 540. of the Hungarian Civil Code, the Contracting Party (Insuree) reports any change in the foregoing definition in this present Endorsement to the Insurer immediately but in two days at the latest, in writing.

Endorsement No. Z 304.:

Application of the 4th level of protection

(see also: Definitions for Endorsement Nos. Z 301–304.)

The applicant declares in accordance with article VII.1. of the General Conditions of Property Insurance (ÁVF), that for the premises housing the insured properties on the insured site specified in the insurance proposal, the following (4th level of protection) technical requirements are met:

Walling

The masonry and the floorings provide protection against breaking through, with a solidity index equal to a compact brickwall 12 centimetres thick. Point of reference:

- 6 centimetre thick reinforced concrete walls, flooring and roofing (e.g. prefabricated houses).

Doors

The doors and doorframes are made of hardwood or metal. In case of hardwood a counter-plate must be applied – affixed to the walling at 2 points at the least – in order to hold the bolt. The door-frame must be fastened to the walling by maximum each 30 centimetres, 10 centimetres deep. The gap between the locked door and the doorframe must not be more than 6 millimetres all around. Thickness of the door panel made of wood is minimum 40 millimetres, must be fastened to the doorframe with at least 3 hinges, and protected against unhinging.

The doors must be closed by two safety locks at the least, placed at minimum 30 centimetres from each other. The plugs are protected against breaking down.

The sliding depth of the bolts must reach 20 millimetres.

Double-hung doors are protected against unbolting.

For glassed-in doors see the requirements specified for windows as well.

Windows

The surface of windows larger than 30×30 centimetres, with their lower sill placed at a height of maximum 3 metres from the level of walking or approach, must be protected by gratings made of round steel rods of 12 millimetres in diameter – or of anything else equally strong – with divisions not larger than 100×300 millimetres, not removable from outside. The fixed gratings must be fastened to the walling by building claws placed 100 millimetres deep at 4 points at the least. The closing of mobile gratings must be secured by 2 safety locks protected against breaking down, or by a self-driving moving apparatus. The gratings defined above can be replaced by any gratings, shutters or at least B1 level safety glasses qualified by the Association of Hungarian Insurers (MABISZ) as elements of the partial mechanical protection.

For windows placed higher than 3 m, protection is not required.

In alteration of article II.2. of ÁVF, the parties agree that according to paragraph (2) of Article 540. of the Hungarian Civil Code, the Contracting Party (Insuree) reports any change in the foregoing definition in this present Endorsement to the Insurer immediately but in two days at the latest, in writing.

Definitions for Endorsement Nos. 301–306.

1. Protection of plugs against breaking down

The plug of a cylinder lock can stand out from the door level 1 mm at the most. If the length of the plug and the thickness of the door do not make this possible, some device (e.g. safety lock plate, lock cover plate, etc.) protecting the plug against breaking must be applied. The thickness of this protection device is equal to the length of the part of the plug standing out from the door level. This lock plate must be fixed to the door irremovably from outside.

2. Protection against unbolting

In case of double-hung doors – if the fixed leaf is fastened by thimble mortise thumb-latches up and down – it is necessary to impede forcing in of the moving leaf or moving of the thimble. This can be achieved by installing extra locks at the height of the thimbles, or by fixing the thimbles with screws.

Double-hung doors with tilting devices meet the requirements of protection against unbolting.

3. Protection against unhinging

Impeding of lifting down of the locked door from its hinges. It can be carried out e.g. by a peg affixed to the door, sinking into the doorframe when the door is closed, or by screws counter-sunk into the doorframe above the hinges, offering resistance to any lifting force.

4. Sliding depth of the bolt

The length of the bolt measured from the edge of the door, in locked state.

5. Safety lock

The following locks are qualified as safety locks: cylinder locks with minimum 5 pins, magnetic locks with minimum 6 rotors, key-locks with double-bit keys, number- or lettercombination locks with more than 10.000 variations, individual qualified lamellar locks, safety padlocks with cylinder, magnetic or combination locks (of at least 4 letters or digits), safety lock (lock and hinge) qualified by MABISZ, or any other locks of the same level of safety.

6. Mortise lock

– A lock inlaid into the door panel and fixed by screws.

7. Multipoint lockup

It is qualified as a multipoint lockup if the bolts are placed at least 30 centimetres from each other.

The locking device fixed on the doorframe mostly U-shape that blocks – most commonly vertically – with bolts closing into a lining shall not qualify as locking points. Their function is primarily not locking but preventing the door from deformation.

Endorsement No. Z 310.:

Places with supported protection

Places where the value of electronic and telecommunication equipments exceeds 500,000 HUF, are covered by the insurance against burglary only in the case if the mechanical protection of the building/place is in accordance with the requirements laid down in Endorsement No. Z 304.

Endorsement No. Z 320.:**Application of a local electronic signalling system**

The applicant declares in accordance with article VII.1. of the General Conditions of Property Insurance (ÁVF), that the premises housing the insured properties on the insured site specified in the insurance proposal, are protected by an electronic alarming and/or signalling system, meeting the following technical requirements:

The electronic signalling system is to perform a local alarming under the conditions below. Joint realisation of the proper surface protection and the trap-like area protection or of the full-scale area protection is a basic requirement.

Proper surface protection is, when the activated electronic signalling system watches all of the doors, windows and portals, and signals any attempt at penetration or breaking through.

- Protection of opening doors and windows
The devices installed on opening doors and windows (opening-sensors) must perceive any movement reaching 1-2 centimetres.
- Protection of glass surfaces
The sensors must signal even the cracking of the glass. The selection of the sensors should be in accordance with the type of the glass surface to be protected. The sensor must watch the whole surface of the glass.
- Trap-like area protection is, when the activated electronic signalling system watches the routes of approach of all the endangered objects and places of enhanced importance within the inner area of the protected building.
- Full-scale area protection is, when the activated electronic signalling system watches the entire inner area of the protected building, and signals any unwarranted human movement.

The centre, sensors, control devices and signal apparatus of the electronic signalling system must have a valid qualification, given out by the MABISZ, on installation.

Requirements of the installation and operation of the system:

- the system must be protected against sabotage, i.e. every disruption, manipulation or impairment of any of its units by an unauthorised person must trigger an alarm. The sabotage must be indicated separately – on so-called sabotage-line(s) – by the alarming centre;
- the signals of the sabotage-lines – in deactivated state as well – must be indicated both optically and acoustically to the operator, and must be stored. Only an authorised person can cancel the signal;
- the system must have two sources of energy independent of each other, one of which is a supplymain, while the other is an auxiliary source of energy providing a 72-hour operation. After the end of the 72-hour period it must enable at least one cycle of alarming;
- automatic recharge of the auxiliary energy source must be arranged for;
- there can be more sensors on the single lines of the system, arranged in a way that in case of an alarm signal the affected area could easily be identified;
- the alarm must be signalled by a sound-and light signal apparatus which, besides the energy sources of the system, has an own battery as well;
- the sound-and-light signal apparatus must be installed outside of the building in such a way that it could not be reached without special devices;
- the outdoor sound signal must cease automatically in 1-3 minutes after cessation of the evoking cause, must be

releasable by a competent operator or maintainer, and the system must get activated after the alarm automatically;

- the system can be operated by code- or lock-switch. The personal code must contain at least 4 digits. In case of a 4-digit code the control appliance must be placed within the protected area and can leave 30 seconds for operation at the most;
- in case of 6-digit codes the control appliance can be placed outside of the protected area as well, but only in a mechanically protected box opening with a safety lock;
- the individual channels should not be switched on and off directly (the adjustment of the centres without supervision should not be changeable by unauthorised persons), or the switching on and off should be controllable through a memory capable of storing at least 200 events;
- the sign-processing circuit of the code-switching panel should be placed within the central unit if possible, but in any case within the supervised area;
- wires installed outside the protected area must run inside walls or protective tubes made of steel;
- the wires can be grafted within the protective tube in the wall, or in a jointing box.

In alteration of article II.2. of ÁVF, the parties agree that according to paragraph (2) of Article 540. of the Hungarian Civil Code, the Contracting Party (Insuree) reports any change in the foregoing definition in this present Endorsement to the Insurer immediately but in two days at the latest, in writing.

Endorsement No. Z 321.:**Application of a remote supervision security system**

The applicant declares in accordance with article VII.1. of the General Conditions of Property Insurance (ÁVF), that the premises housing the insured properties on the insured specified in the insurance proposal, are protected by an electronic alarming and/or signalling system that is able to evoke an alarm signal in a police station on standby or in the centre of the remote supervision system that has an official authorisation and provides a non-stop standby.

Characteristics of the remote supervision system:

- collection and processing of alarm signals given by the electronic signalling systems of the protected buildings, in a centralised way;
- the electronic signalling system, the transmission system and the system centre are maintained systematically and regularly.

Components of the remote supervision security system:

- electronic signalling system of the protected building;
- transmission system;
- system centre of the remote supervision system.

The remote supervision security system must meet the following requirements:

- the transmission system must ensure transmission of the following signals:
- alarm signals;
- combined alarm signal;
- signals of state;
- local electronic signalling system activated;
- local electronic signalling system deactivated;
- local supplementary supply ceased.
- the local electronic signalling system should have a possibility for individual identifying;

- transmission of alarm signals must not be hold up by signals of state (priority of alarm);
- the receiving side should make sure of faultlessness of the notice received;
- in case of unidirectional transmission the notices must be repeated automatically, delayed randomly;
- the following events should evoke local alarms:
- penetration into a protected object;
- sabotage.
- if the local transmitter unit of the transmission system constitutes an independent structural element: it must be protected against sabotage, and covered by a casing such as the one required of the central unit of the electronic signalling system, and must have an autonomous energy supply;
- maximum time of transmission – through the entire system – of the alarm signal (together with the occasional correcting repetitions) is 3 minutes;
- the elements of the transmission system should have the proper licence of the Telecommunications Inspectorship in accordance with the physical execution;
- every unit of the system centre must be installed in protected premises;
- the system centre must be capable of receiving the alarm signals coming simultaneously from 5% of the local electronic signalling systems, and of processing them in 10 minutes;
- the state of the supervised electronic signalling systems must be checked in the system centre at least twice a day;
- the control unit of the system centre must – in addition to the simultaneous sound signal – visualise the alarm and trouble signals. The sound signal must cease as soon as the receipt has been acknowledged;
- the control unit of the system centre must have an aiding subsystem that can – by using its data base – present the required data of the endangered building, and certify the execution with documents;
- the control unit of the system centre registers the following events dated:
 - the arriving alarm, state and trouble signals;
 - switching on and off of the control unit;
 - entries and exits into and from the control unit; changing of the data base, accesses of the data of the register.
- the register system must ensure permanent data entry, periodic storage and printing as requested;
- every unit of the system centre must have a stand-by equipment that can – in case of a failure – take over the functions of the unit out of order within 5 minutes at the most;
- every equipment of the system centre must have a ceaseless energy supply ensuring autonomous operation for 24 hours.

In alteration of article II.2. of ÁVF, the parties agree that according to paragraph (2) of Article 540. of the Hungarian Civil Code, the Contracting Party (Insuree) reports any change in the foregoing definition in this present Endorsement to the Insurer immediately but in two days at the latest, in writing.

**Endorsement No. Z 322.:
Application of an equipment signalling robbery**

The applicant declares in accordance with article VII.1. of the General Conditions of Property Insurance (ÁVF), that the premises housing the insured properties on the insured site specified in the

insurance proposal, are protected by an electronic alarming and/or signalling system that meets the requirements specified in Endorsement No. Z 321.

In addition the above the system includes (a) device(s) able to evoke an alarm signalling robbery, that can be operated both from the customer service premises and from the strong rooms serving for storing values, and are activated during the opening hours.

In alteration of article II.2. of ÁVF, the parties agree that according to paragraph (2) of Article 540. of the Hungarian Civil Code, the Contracting Party (Insuree) reports any change in the foregoing definition in this present Endorsement to the Insurer immediately but in two days at the latest, in writing.

**Endorsement No. Z 323.:
Application of an equipment signalling and recording robbery**

The applicant declares in accordance with article VII.1. of the General Conditions of Property Insurance (ÁVF), that the premises housing the insured properties on the insured site specified in the insurance proposal, are protected by an electronic alarming and/or signalling system that meets the requirements specified in Endorsement No. Z 321.

In addition, the above the system includes (a) device(s) able to evoke an alarm signalling robbery and to record the robbery act (e.g. video camera). It can be operated both from the customer service premises and from the strong rooms serving for storing values, and is activated during the opening hours. It insures the storage of fixed records for 72 hours.

In alteration of article II.2. of ÁVF, the parties agree that according to paragraph (2) of Article 540. of the Hungarian Civil Code, the Contracting Party (Insuree) reports any change in the foregoing definition in this present Endorsement to the Insurer immediately but in two days at the latest, in writing.

**Endorsement No. Z 335.:
Watching of the insured premises during the opening hours**

The applicant declares in accordance with article VII.1. of the General Conditions of Property Insurance (ÁVF), that the premises serving for money movement (i.e. customer service premises or strong rooms) on the insured site specified liability in the insurance proposal, are watched during the opening hours by an armed security guard who is employed by the Insuree or is in contractual relationship equal to that, or by an armed guarding company having the license of the authority. The exclusive task of this (these) person(s) is to watch the insured premises.

In alteration of article II.2. of ÁVF, the parties agree that according to paragraph (2) of Article 540. of the Hungarian Civil Code, the Contracting Party (Insuree) reports any change in the foregoing definition in this present Endorsement to the Insurer immediately but in two days at the latest, in writing.

**Endorsement No. Z 337.:
Watching of the insured site**

The applicant declares in accordance with article VII.1. of the General Conditions of Property Insurance (ÁVF), that the insured site specified in the insurance proposal, is watched. This means that the premises are watched during the non-working hours – i.e. including the rest days, holidays and public holidays – by a security guard who is employed by the Insuree or is in a contractual

relationship equal to that, or by a guarding company having the license of the authority. The exclusive task of this (these) person(s) is to watch the insured premises.

In alteration of article II.2. of ÁVF, the parties agree that according to paragraph (2) of Article 540. of the Hungarian Civil Code, the Contracting Party (Insuree) reports any change in the foregoing definition in this present Endorsement to the Insurer immediately but in two days at the latest, in writing.

**Endorsement No. Z 339.:
Armed watching of the insured site**

The applicant declares in accordance with article VII.1. of the General Conditions of Property Insurance (ÁVF), that the insured site specified in the insurance proposal, is watched by armed guards. This means that the premises are watched during the non-working hours – i.e. including the rest days, holidays and public holidays – by an armed security guard who is employed by the Insuree or is in a contractual relationship equal to that, or by an armed guarding company having the license of the authority. The exclusive task of this (these) person(s) is to watch the insured premises.

In alteration of article II.2. of ÁVF, the parties agree that according to paragraph (2) of Article 540. of the Hungarian Civil Code, the Contracting Party (Insuree) reports any change in the foregoing definition in this present Endorsement to the Insurer immediately but in two days at the latest, in writing.

**Endorsement No. Z 340.:
Watching the insured site with dogs**

The applicant declares in accordance with article VII.1. of the General Conditions of Property Insurance (ÁVF), that the insured site specified in the insurance proposal, is watched. This means

that the premises are watched during the non-working hours – i.e. including the rest days, holidays and public holidays – by a security guard who is employed by the Insuree or is in contractual relationship equal to that, or by a guarding company having the license of the authority. The exclusive task of this (these) person(s) is to watch the insured premises. In addition to the above during the watching time there are dogs fit and trained for watching, let loose in the insured site.

In alteration of article II.2. of ÁVF, the parties agree that according to paragraph (2) of Article 540. of the Hungarian Civil Code, the Contracting Party (Insuree) reports any change in the foregoing definition in this present Endorsement to the Insurer immediately but in two days at the latest, in writing.

**Endorsement No. Z 350.:
Limitation of tobacco and spirits**

The applicant declares in accordance with article 1 of Chapter VII of the General Conditions of Property Insurance, that on the insured site specified in the insurance proposal, the value of neither the tobacco nor spirit (the alcohol concentration is higher than 30 V/V%) wares exceed 10% of the whole stock. The limitation of spirit is not applicable to catering establishments.

The Insurer is exempted from its obligation to pay indemnity in the case of burglary, robbery and vandalism, if the limitation stated in the present Endorsement has not been observed.

Only the limited past value can be refunded at loss of the goods that were insured for partvalue and declared in this endorsement.