

## **Article 1** **Introductory Provisions**

The private insurance provided by UNIQA pojišťovna, a. s. (the “insurer”) shall be governed by the laws of the Czech Republic. It shall be subject to the Insurance Contracts Act, the Insurance Act, the relevant provisions of the Civil Code, the General Insurance Conditions below (the “GIC”), the Special Section of the GIC and supplemental insurance conditions. Should any of the above conditions, in accordance with the law, contain derogations, the provisions referred to in the insurance conditions or directly in the insurance contract shall apply.

## **Article 2** **General Provisions**

2.1. Under an insurance contract, the insurer, in case of an insured event, shall provide an agreed range of performance, and the policyholder shall pay a premium to the insurer.

2.2. Legal acts relating to insurance shall be in in written form. Any changes shall be made in writing, otherwise they shall be invalid.

## **Article 3** **Definitions**

For the purposes of the insurance:

- a) fortuitous event shall mean an event which is possible but it is not clear whether it will occur over the duration of private insurance, or it is unknown when it occurred;
- b) insured event shall mean a fortuitous event identified in more detail in the insurance contract or a separate piece of legislation to which the insurance contract refers, which is associated with the insurer’s obligation to provide indemnification;
- c) period of insurance shall mean the period for which the private insurance is arranged;
- d) prospective client shall mean a person who is interested in entering into an insurance contract with the insurer;
- e) party to private insurance shall mean the insurer and policyholder as contracting parties, and the insured and any other person with rights or obligations under private insurance;
- f) insurer shall mean a legal entity authorized to carry on insurance business under a special law;
- g) policyholder shall mean a who has entered into an insurance contract with the insurer;
- h) the insured shall mean a person to whose life, health, property, liability insurance or other value of insurance interest is covered by private insurance;
- i) beneficiary shall mean a person entitled to indemnification as a result of an insured event;
- j) ultimate beneficiary shall mean a person designated by the policyholder in the insurance contract, who shall have the right to indemnification in case of the death of the insured;
- k) group insurance shall mean private insurance that covers a group of insured persons defined more closely in the insurance contract, whose identity at the time the contract is made not generally known;
- l) insured peril shall mean a potential cause of an insured event;

- m) insurance risk shall mean the probability of an insured event caused by an insured peril;
- n) insurance interest shall mean a justified need for protection from the consequences of a fortuitous event caused by an insured peril,
- o) insurance value shall mean the highest possible property damage which may occur due to an insured event;
- p) premium shall mean the payment for private insurance;
- r) regular premium shall mean the premium set for the underwriting period;
- s) the underwriting period shall mean the period agreed in the insurance contract for which premium is paid;
- t) single premium shall mean the premium set for the entire period for which the private insurance is arranged;
- u) loss event shall mean circumstances under which damage occurs and which could give rise to a right to indemnification
- v) the current price shall be the price of an item immediately before an insured event; it shall be set based on the new price of the item, taking into account the degree of wear or other deterioration or enhancement of the item occurring due to repair, upgrading or otherwise;
- w) new price shall mean the price at which, in a given place and time, the same or similar item may be purchased as the same or a new item of the same type and purpose;
- x) redemption value shall mean part of the unused premium imposed by the insurer as a technical provision calculated by actuarial methods as at the date of termination of private insurance;
- y) waiting period shall mean the period over which the insurer is not obliged to provide indemnification for events that would otherwise be insured events;
- z) insurance against loss shall mean private insurance designed to offset the damage caused by an insured event;
- zz) insurance of an agreed sum shall mean private insurance aimed at obtaining an amount, i.e. an agreed sum of money, as a result of an insured event at a level independent of the occurrence or extent of the damage.

#### **Article 4**

##### **Insurance Contract, Period of Insurance, Underwriting Period, Provisional Insurance**

4.1. Unless otherwise agreed, the proposed conclusion or amendment of an insurance contract shall be submitted by the applicant to the insurer. The application shall include the insurer's written inquiries regarding the insurance being taken out, by the applicant shall answer truthfully and completely.

4.2. The insurer, on the basis of an application, shall take a decision within two months of receipt thereof on acceptance or rejection. Upon acceptance of an application, the insurance contract is concluded. As written confirmation of an insurance contract, the insurer shall issue the policyholder with a policy specifying the date of conclusion of the insurance contract listed.

4.3. Where the acceptance of an application by the insurer includes riders, reservations, restrictions or other changes from the original application, such acceptance shall be regarded as a new application. If the other party fails to respond to the insurer's proposal within one month from the date on which it is delivered, and if the premium or instalment thereof set by the insurer is not paid within this period, the application shall be deemed rejected.

4.4. The period of insurance shall be the agreed duration of insurance. If the period of insurance is agreed for one year, in the absence of other arrangements it shall be automatically renewed for another year unless either party terminates the contract at least six weeks before the expiry of the period of insurance.

4.5. Unless otherwise agreed, insurance shall commence at midnight on the date agreed as the start of insurance and shall end at midnight on the date agreed as the end of insurance. Insurance cannot be suspended, unless otherwise agreed.

4.6. If the period of insurance is at least one year, the period of insurance shall be 12 months.

4.7. If so agreed, the insurer shall provide provisional insurance from the date specified in the application as the beginning of insurance until a decision on the application is taken. The scope of provisional insurance shall be determined the insurer.

4.8. Provisional insurance shall expire on the date of the insurance contract, upon automatic expiry of two months from the date of receipt of the application by the insurer, or on the date given in the insurer's written rejection to the applicant. The date of expiry of provisional insurance in the written rejection shall be set by the insurer so that at least 10 days pass between date of the written rejection and the date of expiry.

4.9. The insurer shall be entitled to a premium for a period of provisional insurance.

4.10. If an insured event occurs at the time of provisional insurance, the insurer shall be entitled to the premium for the entire period of insurance or to a single premium.

4.11. If an application is accepted by the insurer, the insurer shall provide a full range of insurance from the moment specified in the application.

## **Article 5 Premiums**

5.1. A premium is consideration paid for the provision of insurance. The premium shall be determined on the basis of rates set by the insurer for each type of insurance according to actuarial principles. The basis for the premium calculation shall be set out in the draft insurance contract or the Special Section of the GIC.

5.2. Premiums shall be set either for the entire agreed period of insurance (single premium) or for the underwriting period (regular premium). The insurance contract may agree on premium payments and due dates thereof in the underwriting period. If premium instalments are negotiated, the insurer shall impose surcharges in respect of fractional payments.

5.3. The premium for the initial underwriting period or instalment thereof or a single premium (the initial premium) shall be paid within 14 days of the date of conclusion of the insurance contract, unless agreed otherwise. The same shall apply to a change in the insurance contract. The premium for additional underwriting periods shall be due on the anniversary date of the start of insurance, unless otherwise agreed.

5.4. If the premium or instalment thereof is not paid within the specified time, the insurer shall be entitled to charge reminder costs and interest on late payment, the amount of which shall be determined by legislation. The date of payment of a premium or instalment thereof shall be considered the day on which it is credited to the account of the insurer or on which cash payment is collected.

5.5. With insurance of liability, the insurer shall be entitled to modify the amount of the regular premium for the next underwriting period. The insurer shall notify the newly prescribed rate of the premium to the policyholder no later than two months prior to the due date of the premium for the underwriting period in which the premium is to be changed. If the policyholder opposes the change in the premium, such disagreement shall be raised within one month of the date on which the policyholder learned of the proposed change in the rate of premium. Insurance shall then lapse on expiry of the period for which the premium has been paid.

5.6. In addition to the premium, the insurer may charge the policyholder one-time fees (e.g. an insurance fee, a blocking fee).

5.7. The insurer shall be entitled to set off amounts owed in premiums and other receivables due under private insurance against any indemnification or premium overpayments from other private insurance.

## **Article 6**

### **Termination of Insurance**

#### **6.1. Non-payment of the premium**

6.1.1. Insurance shall expire on the day following the lapse of the period set by the insurer in the reminder to pay the premium or instalment thereof as delivered to the policyholder. The deadline for payment shall be 45 calendar days, unless otherwise agreed. If the initial premium is not paid within that period, insurance shall lapse as at the date of commencement thereof.

#### **6.2. Serving of Notice**

6.2.1. Insurance shall also be terminated by notice of the insurer or the policyholder served as at the end of the underwriting period; notice shall be served at least six weeks before the expiry of the underwriting period, otherwise it shall be invalid.

6.2.2. The insurer or the policyholder may terminate the insurance within two months of the date of conclusion of the insurance contract. On receipt of the notice, an eight-day notice period shall commence, on expiry of which the insurance shall be terminated.

6.2.3. The insurer or the policyholder may terminate the insurance within three months of the date of receipt of a claim notification. A notice period of one month shall commence upon service of notice, at the end of which the insurance shall be terminated.

6.2.4. The insurer shall not terminate life assurance in accordance with paragraphs 6.2.1. and 6.2.3.

#### **6.3 Withdrawal**

6.3.1. Should the policyholder or the insured, in the negotiation of the insurance contract, intentionally or negligently provide false or incomplete answers to written questions regarding the insurance negotiated, the insurer shall be entitled to withdraw from the insurance contract if the insurer would not have entered into insurance contract had true and complete answers been provided. This right may be exercised by the insurer within two months of the date of such finding. This shall also apply to any amendments to the insurance contract.

6.3.2. Withdrawal from the insurance contract shall void the contract. The insurer shall, at the latest within 30 days of termination of the insurance contract, refund premiums paid, from which the performance already provided under the insurance shall be deducted. In case of withdrawal by the insurer, costs associated with the establishment and administration of the insurance shall also be deducted. The policyholder, an insured person who is not concurrently the policyholder, or an appointed person shall, in the same time limit applicable to the insurer, refund any amount of indemnification paid in excess of the premium paid.

#### 6.4. Refusal to indemnify

6.4.1. The insurer may refuse performance under an insurance contract if

- a) the cause of an insured event is a matter of which the insurer learns only after the insured event and which the insurer could not have discovered when negotiating or amending insurance due to intentionally or negligently falsely or incompletely provided answers to written questions and if the insurer would not have entered into the insurance contract or would have entered into the insurance contract under different conditions had the insurer known of the matter; or
- b) the beneficiary, on exercising the right to claim on insurance, knowingly provides false or grossly distorted information regarding the extent of the insured event or conceals material information concerning this event.

6.4.2. Insurance shall expire upon receipt of notification of the refusal to indemnify.

#### 6.5. Other reasons for termination

6.5.1. Insurance shall be terminated on the date of expiry or cessation of the insurance risk or insured item or other asset, or on the date on which an insured natural person dies or an insured legal entity is dissolved, unless otherwise agreed.

6.5.2. Insurance shall also be terminated on the date specified in the written agreement between the insurer and the policyholder or on expiry of the period for which the insurance was arranged.

### **Article 7**

#### **Obligations of the Policyholder and the Insured**

7.1. Where another person's insurance risk is insured, the policyholder shall inform the insured of the contents of the insurance contracts relating to his risk.

7.2 The right to indemnification may be exercised by the policyholder only if the policyholder demonstrates compliance with this obligation and if the policyholder proves the consent of the insured or the legal representative of such person for the policyholder to collect the indemnification, unless the legal representative is the policyholder himself.

7.3 If the policyholder who arranged for the insurance of another person's insurance risk dies or is wound up without a legal successor, the insured shall enter into the private insurance instead of the policyholder on the date on which the policyholder died or was wound up without a legal successor, unless otherwise agreed.

7.4. The policyholder shall forthwith notify the insurer of an insured event, give a truthful explanation of the origin and extent of the consequences of this event, submit the necessary documents and proceed in the agreed manner. Where the policyholder is not the insured, this obligation shall pertain to the insured; if the insured event is the death of the insured, this obligation shall pertain to the beneficiary.

7.5. The policyholder shall forthwith notify the insurer of any change or cessation of an insurance risk. Where another person's insurance risk is insured, this obligation shall pertain to the insured.

7.6. If, in the period of insurance, an insurance risk falls significantly, the insurer shall proportionately reduce the premium with effect as of the date on which the insurer learns of the reduction in the insurance risk.

7.7. If, during the period of insurance, the insurance risk rises substantially to the extent that, if it had been on that scale when the insurance contract was concluded, the insurer would have concluded the insurance contract under different conditions, within one month of the date on which the insurer

learns of the increase in the insurance risk, the insurer shall be entitled to propose an amendment to the insurance contract as of the date on which the insured risk is increased. The policyholder shall comment on this application within one month of the date of receipt thereof, unless otherwise agreed.

7.8. If the policyholder opposes an amendment to the insurance contract or fails to express an opinion on the amendment in the time limit under paragraph 7.7, the insurer shall be entitled to terminate the insurance contract within two months of receiving the policyholder's opposition to the amendment to the insurance contract or of the deadline for an opinion. In this case, the insurance shall expire eight days as of service of notice on the policyholder.

7.9 If, during the period of insurance, the insurance risk rises substantially to the extent that, if it had been on that scale when the insurance contract was concluded, the insurer would not have concluded the insurance contract under such conditions, the insurer shall be entitled to terminate the insurance contract within one month of learning of the increased insurance risk. In this case, private insurance shall expire eight days as of service of notice on the policyholder.

7.10 Paragraphs 7.6 to 9.7 shall not apply to personal insurance where the insurance risk changes over period of private insurance and where this change is reflected in the calculation of premiums.

## **Article 8**

### **Consequences of a Breach of Obligation**

8.1. If, in the negotiation of insurance, during the insurance, or in the event of an amendment to the insurance contract, the policyholder or the insured breaches any of the obligations set out in legislation or in the insurance contract, and if a lower premium is established as a result, the insurer may proportionately reduce any indemnification.

8.2. If a breach of the obligations contained in legislation or in the insurance contract has a significant effect on the occurrence or course of an insured event, or on magnification of the consequences thereof, or on the ascertainment or determination of the amount of indemnification, the insurer may reduce the indemnification in proportion to the impact that such a breach has on the extent of the insurer to meet its obligations.

8.3. If there is no obligation to notify an increase in insurance risks and the insurer, based on its findings, terminates the insurance contract terminated, the insurer shall be entitled to the premium until the end of the underwriting period in which the private insurance is terminated.

## **Article 9**

### **Indemnification**

Indemnification shall be payable by the insurer within 15 days of the end of the investigation. The insurer's obligations and rights related to the investigation shall also be regulated by the Insurance Contracts Act.

## **Article 10**

### **Procedure for different views**

10.1. In disagreements on the amount of indemnification determined by the insurer, arbitration may be agreed.

10.2. Each contracting party shall appoint one expert at its own expense and shall inform the other party thereof in writing. If one party fails to appoint an expert in writing within two weeks of the two parties' agreement on the introduction of proceedings, this shall be regarded as acceptance of the other party's opinion.

10.3. Experts shall not have any obligations in relation to the parties. Objections concerning an expert may be raised before that expert commences his activity.

10.4. An expert report prepared by experts of both the parties shall be forwarded to the insurer.

10.5. Both the appointed experts shall agree on a third expert as the chairman holding the casting vote in case of disagreement; this chairman shall communicate his decision to both parties.

10.6. The cost of the activities of the chairman of the proceedings shall be covered by both parties equally.

## **Article 11**

### **Service**

11.1. Documents shall be delivered by the insurer to addresses in the Czech Republic by post as ordinary or registered mail, or by other suitable means, unless otherwise agreed.

11.2 If the addressee of registered mail is not available to collect a consignment despite habitually being at the given address, such post shall be delivered to another adult living in the same flat or in the same house, working in the same place of business or employed in the same workplace, if that person is willing to arrange for the forward delivery of the document. Where such service by this means is not available either, the document shall be kept at the post office, which shall invite the addressee, in a suitable manner, to pick up the document. Should the addressee fail to collect the consignment within 10 days of storage, the last day of this period shall be regarded as the date of delivery even if the addressee did not find out about the holding of the consignment at the post office. Unless otherwise determined, the addressee shall be regarded as staying at the place of service.

## **Article 12**

These GIC shall enter into effect on 1 January 2007.