

GENERAL TERMS AND CONDITIONS FOR INSURANCE of CIVIL PARTY LIABILITY

adopted with the Resolution no. UZ/351/2007 of June 28, 2007
of the Management Board of Powszechny Zakład Ubezpieczeń SA

General provisions

- § 1. The general terms and conditions for civil liability, further referred to as the "General Conditions", are applied to insurance contracts concluded by the Powszechny Zakład Ubezpieczeń Spółka Akcyjna, further referred to as "PZU SA", covering the civil liability of individual persons, legal persons or organizational entities without legal personality, whose turnover during the preceding financial year did not exceed 16,000,000 Polish zloty.
- § 2. 1. Additional provisions, and specifically the clauses attached as appendices to the general conditions, or provisions different from those set forth in the general conditions, may be introduced to the insurance contract.
2. PZU SA is obliged to present to the insuring party the differences between the contents of the insurance contract and the general conditions, in written form before conclusion of the contract. If this obligation is not complied with, PZU SA may not quote the difference unfavorable for the insuring party or for the insured. This provision does not apply to insurance contracts concluded by way of negotiations.
3. In case when additional or different provisions are introduced into the insurance contract, the general conditions are applied in the scope not regulated by the additional or different provisions.
- § 3 For matters not regulated by these general conditions, the provisions of the Civil Code and other relevant provisions of the Polish law shall apply to the insurance contracts.

Definitions

- § 4. The terms used in the general conditions shall have the meaning specified below:
- 1) **pure financial loss** – a detriment of assets that is not a personal injury nor property damage;
 - 2) **start date** – the day on which the insurance period commences under the first civil liability insurance contract signed with PZU SA, provided that insurance is continued with PZU SA under unchanged terms during the subsequent insurance periods; in case of lack of continuation of insurance or change of its terms, the start date is the day on which the insurance period commences under the first civil liability insurance contract, concluded with PZU SA after the last interruption or change of insurance terms;
 - 3) **energy** – all types or forms of energy which can be the object of trade, regardless of the source of its production (electric energy, heat, gas etc.);
 - 4) **integral franchise** – exclusion of the liability of PZU SA for damages not exceeding a specified amount;
 - 5) **deductible franchise** – reduction of compensation by a value defined as percentage or amount;
 - 6) **turnover** – sum of revenues of the insured on the sale of products or goods, and on services rendered under his business activity during a specified time period;
 - 7) **relative** – spouse, common law spouse, ascendant, descendent, brother, sister, stepfather, stepmother, stepchild, mother-in-law, father-in-law, son-in-law, daughter-in-law, adopted child, adoptive parent, a person in the insured's care or member of surrogate family pursuant to family law;

- 8) **compensation** – a financial benefit due from PZU SA to the injured party or the beneficiary in case of an accident for which the insured bears liability in the scope defined under the insurance contract, less the deductible franchise, if such is provided for under the insurance contract;
- 9) **guarded parking** – an area fenced in with a permanent fence, locked and illuminated during night hours and guarded round-the-clock, fitted with equipment blocking and disabling entry and exit of vehicles through the open gate without the permission of person guarding the parking lot;
- 10) **subcontractor** - a person whom the insured entrusted with performance of commissioned work, service or other activity, specified in a contract signed between the subcontractor and the insured;
- 11) **employee** – person performing work for an employer, irrespective of basis for employment;
- 12) **producer** – an entrepreneur who produces products or brings them into circulation, as well as his representative or any person who acts as the producer by placing his/her name, company name, trademark or another defining designation on the product or by attaching the said designations to the product. The producer is also understood to be the importer and seller, under the scope defined in the provisions of the Civil Code;
- 13) **product** – a movable object, even when joined to another object. Animals are also considered products;
- 14) **guarantee sum** – an amount defined in the insurance contract which is the upper limit of the liability of PZU SA;
- 15) **damage** – personal injury or property damage;
- 16) **personal injury** – a damage resulting from death, bodily injury or damage to health, including also lost profits that the injured party could have obtained if he/she had not suffered a bodily injury or damage to health;
- 17) **property damage** – a damage entailing the loss, destruction or damage of an object, including also lost profits that the injured party could have obtained if the object had not been lost, damaged or destroyed;
- 18) **terrorism** – any type of activity against people or property, meant to instill chaos, intimidate people or disorganize public life, in order to achieve specific economic, political or social results;
- 19) **the insuring party** – an individual, legal entity or an organizational entity without legal personality, which concludes the insurance contract with PZU SA;
- 20) **the insured** – an individual, a legal entity or organizational entity without legal personality, meeting conditions set forth in § 1, whose civil liability is covered by insurance (the insuring party, meeting conditions set forth in § 1, who insured own civil liability, or an entity meeting conditions set forth in § 1, on whose behalf the insuring party concluded the insurance contract);
- 21) **bringing a product into circulation** – the moment of actual, permanent or temporary, loss of powers over the product by the producer;
- 22) **insurance accident** – death, bodily injury, damage to health, loss, destruction or damage of property.

Object and scope of insurance

- § 5.1. The object of insurance is the civil liability of the insured towards third parties, for damages which are the consequence of a tort (liability in tort), with relation to business activity conducted by the insured and defined in the insurance contract, or to the insured's assets (basic scope).
2. The insurance coverage applies to damages caused as a result of gross negligence.
 3. In order for PZU SA liability to exist, the insurance event must occur during the period of insurance, and the claim must be reported to PZU SA before the limitation of claims.

4. All damages caused by the same action or negligence are considered to be a single insurance accident, irrespective of the number of persons injured (claimants) and the time of their occurrence, and it is deemed that they all occurred at the moment the first damage occurred.
 5. PZU SA provides insurance coverage within the statutory liability of the insured.
 6. The basic scope of insurance set forth in the general conditions may be extended, upon the payment of additional premium by the insured, with liability resulting from additional clauses set forth in appendix to the general conditions.
- § 6.1. The insurance covers civil liability of the insured for damages arising within the territory of the Republic of Poland, unless the insurance contract provides otherwise.
2. PZU SA provides insurance coverage within the statutory liability of the insured, defined by the provisions of the Polish law. This rule applies also in the case of extending the liability of PZU SA to cover damages arising outside the Republic of Poland.

Exclusions of liability

- § 7. 1. PZU SA shall not be liable for damages:
- 1) caused on purpose;
 - 2) entailing pure financial loss,
 - 3) caused when performing professional activities for which it is necessary to hold appropriate, defined by relevant laws, professional licenses (e.g. architect, designer, legal counsel, attorney, notary, manager of real estate, chartered auditor, tax advisor etc.),
 - 4) caused to relatives of the insured,
 - 5) resulting from the transfer of contagious disease,
 - 6) arising as a result of warfare, hostilities, martial law, state of emergency, revolution, forfeitures, acts of terror, social unrest, strikes or riots,
 - 7) arising due to the influence of nuclear energy, laser and maser beams, magnetic and electro-magnetic field, and radioactive contamination,
 - 8) arising due to slow action of thermal, chemical and biological factors, including temperature, gases, steam, smoke, soot, moisture, noise and fungal attack,
 - 9) caused by asbestos, formaldehyde or dioxins,
 - 10) related to production, transport, processing, sales, distribution, storage or use of explosives or ammunition,
 - 11) being the result of destruction, damage to, loss or theft of cash, works of art, jewelry, objects made of precious metals and stones, securities, all kinds of documents and valuable collections, as well as historical or unique objects,
 - 12) tied to the breach of personal rights, other than those covered by scope of personal injuries,
 - 13) tied to the breach of intellectual property rights,
 - 14) caused to computers, computer systems or their parts, or computer devices, telecommunication devices, systems and their parts, including auxiliary systems, processors, microprocessors, electronic systems, integrated circuits or mechanical devices, tied to not reading or erroneous reading of time or electronic data (saving, collection, writing, storage, processing),
 - 15) caused by any kinds of viruses or other software disturbing the work of any software, the whole computer or network, irrespective of their reason, including viruses or software associated with the Internet or usage of the Internet,
 - 16) caused in a state of intoxication, or in a state after the use of drugs, intoxicants, psychotropic substances or other similar substances, according to the regulations on preventing drug addiction,
 - 17) covered by the system of mandatory insurance, which the insured is obliged to purchase,

- 18) for which compensation is due on the basis of mining or geology law,
19) whose total value does not exceed 400 Polish zloty (integral franchise).
2. If the scope of coverage was not extended by including additional clauses provided as appendices to the general conditions, and no additional premium was paid, PZU SA is not liable for damages:
- 1) arising as a result of non-performance or improper performance of an obligation,
 - 2) caused to the employees of the insured, arising as a consequences of accident at work,
 - 3) caused to assets that the insured used on the basis of a contract for use, lease, rental, lending for use, safe-keeping or other similar form,
 - 4) caused to entrusted property which is the subject of processing, repair, cleaning or other actions, as part of services performed by the insured,
 - 5) caused to property stored, controlled or protected by the insured,
 - 6) caused by subcontractors, in case where the insured, pursuant to current regulations, is liable for them as if for own actions,
 - 7) caused to assets of client, due to non-performance or improper performance of forwarding activities,
 - 8) caused as a result of organizing an event which was not a mass event subject to mandatory insurance,
 - 9) caused by motor vehicles which are not subject to mandatory TPL insurance of motor vehicle owners,
 - 10) caused to a third party by the producer, with relation to products brought into circulation (civil liability for product),
 - 11) caused to assets of hotel guests, with relation to conducting hotel business,
 - 12) caused by a housing community to this community's members.
3. If the scope of coverage was not extended by including additional clauses, coverage does not apply to damages:
- 1) caused to the natural environment by polluting it,
 - 2) caused by one insuring party to another insuring party when they are covered by the same insurance contract.
4. Insurance coverage does not include any financial penalties, such as contractual penalties, administrative and court fines, down-payments, indemnity for withdrawing from a contract, taxes, public and legal dues and handling fees, or punitive damages that the insured is obliged to pay.

Guarantee sum

- § 8.1. Guarantee sum, defined in the insurance contract, is the upper limit of PZU SA's liability for all insurance accidents which occur during the insurance period.
2. If the guarantee sum is the Polish zloty equivalent of amount expressed in a foreign currency, the amount of guarantee sum is established according to the average exchange rate of the given currency published by the National Bank of Poland on the date of concluding the insurance contract.
 3. Under the overall guarantee sum, referred to in section 1, additional limits may be defined, which define the liability of PZU SA for damages:
 - 1) tied to a single insurance accident,
 - 2) tied to risks defined in the additional clauses,
 - 3) of a specific type.
 4. Every payment of compensation or costs, listed in section 7, causes the guarantee sum to be decreased by the disbursed amount.
 5. Subject to the approval of PZU SA, the insuring party may supplement the guarantee sum, by paying an additional premium.

6. PZU SA pays compensation taking into account the deductible franchise, in an amount specified in the insurance contract.
7. Under the guarantee sum, PZU SA is obliged to:
 - 1) cover the remuneration of expert appointed by the insured or the claimant, provided that PZU SA deems appointment of this expert justified,
 - 2) refund of costs resulting from the application of measures undertaken to prevent the damage or reduce its scope, if those measures were justified even if they turned out to be ineffective,
 - 3) cover the necessary costs of court defense against a third party claim in a litigation conducted in agreement with PZU SA,
 - 4) cover the costs of court proceedings, including mediation or conciliatory proceedings, conducted with relation to the claim for compensation, provided that PZU SA approved it.

Conclusion of the insurance contract and its duration

Insurance premium

- § 9.1. The insurance contract is concluded on the basis of an application of the insuring party, which contains information necessary to perform an individual risk assessment and to determine the premium due.
 2. The insurance application should contain the following information:
 - 1) first and last name or the business name of the insuring party and the insured,
 - 2) address of residence or office of the insuring party and the insured,
 - 3) statement of scope to be covered by the insurance,
 - 4) level of turnover,
 - 5) the insurance period,
 - 6) the guarantee sum,
 - 7) number and size of damages under events occurring during the past 3 years.
 3. If the application does not contain data which is listed in section 2, or any important information necessary for risk assessment, the insuring party is obliged to supplement it accordingly upon the request of PZU SA.
 4. The conclusion of insurance contract is confirmed by PZU SA with the insurance document.
- § 10.1. The insuring party may conclude the insurance contract on behalf of another person (on behalf of the insured). The insuring party is obliged to pay the insurance premium. The insurance document is issued to the insuring party.
 2. Charges which influence the liability of PZU SA may also be raised by PZU SA against the insured.
 3. The insured may demand that PZU SA provides him/her information on the provisions of the concluded insurance contract and on the general conditions for insurance, in the scope in which they pertain to the rights and obligations of the insured.
- § 11.1. The Insuring Party is obliged to inform PZU SA of all the circumstances known to him about which PZU SA asked in the offer form (application) or in other letters, before the conclusion of the insurance contract. If the insuring party concludes the insurance contract via a representative, this obligation applies also to the representative and covers circumstances known to him/her. If PZU SA concluded the insurance contract despite lack of answers to some of the questions, the omitted circumstances are treated as irrelevant.
 2. Within the duration of the insurance contract, the insuring party is obliged to report any changes to circumstances listed in the preceding section. The insuring party is obliged to notify PZU SA of such changes immediately, at the latest within 14 days from receiving information of them.

3. In case of concluding insurance contract for someone's behalf, the obligations defined in preceding sections bear upon both the insuring party and the insured, unless the insured was unaware of the contract concluded on his/her behalf.
 4. PZU SA shall not be liable for consequences of circumstances, which under breach of preceding sections have not been communicated to it. If the breach of provisions contained in preceding sections was caused by intentional fault, in case of any doubts it is assumed that the accident provided for under the contract and its consequences result from the circumstances described in the preceding sentence.
- § 12.1. The liability of PZU SA commences on the day following the conclusion of the insurance contract, but no earlier than the day following the payment of premium or its first installment, unless otherwise agreed.
2. The insurance contract is concluded for a period of one year, unless the parties agreed otherwise.
- § 13.1. The insurance premium is determined on the basis of the premium tariff as at the day of concluding the insurance contract. Premium is calculated for the period of PZU SA's liability.
2. The insurance premium is calculated depending on:
 - 1) level of turnover,
 - 2) the amount of the guarantee sum,
 - 3) the insurance period,
 - 4) the type of business,
 - 5) scope of insurance (subject matter, territory),
 - 6) individual risk assessment.
 3. The premium is paid in a single amount, unless other manner and dates were set forth in the insurance document. The premium is paid in cash or, subject to agreement with PZU SA, in non-cash form.
 4. In case of making the payment in non-cash form, the date of premium payment is deemed to be the date when the bank account of PZU SA is credited with the amount due.
 5. The premium for a one-year insurance period can be paid in installments, in justified cases. The deadlines for the payment subsequent premium installments are determined in the insurance document.
 6. If the insuring party or the insured provided PZU SA with untrue data which affects the level of premium, the insuring party is obliged to pay the difference between the premium due to PZU SA under true circumstances, and the premium stated in the insurance contract. In case of an insurance event, the claim of PZU SA for payment of the difference in the premium becomes due immediately, and payable at the latest on the date of payment of compensation.
 7. The premium is not subject to indexation.
- § 14. In case of revealing circumstances which lead to significant change in the probability of an accident, each of the parties may demand an appropriate change in the level of premium, starting from the moment the said circumstance occurred, but not earlier than from the start of the current insurance period. If such request is posed, the other party may, within 14 days, terminate the contract with immediate effect.

Termination of contract and end of liability of PZU SA
Refund of the premium

- § 15. Insurance premium expires:
- 1) upon the expiry of the insurance period, defined in the insurance document,
 - 2) after exhausting the guarantee sum,

- 3) on the date of withdrawal from insurance contract,
- 4) after the end of the contract termination notice period in case which is described in § 17,
- 5) on the day the insuring party is handed the statement of PZU SA on termination of contract with immediate effect in case where PZU SA is liable before the payment of premium or its first installment, and the premium or its first installment were not paid on time,
- 6) after 7 days from the date the insuring party received the notice to pay the subsequent installment of premium, sent after its due date, with the information that lack of payment within 7 days from notice delivery would cause termination of liability,
- 7) on the day the other party receives the notice of contract termination with immediate effect in the case described in § 14 section,
- 8) on the day the insured ceases or suspends business activity,
- 9) on the day the insured is delivered the decision on withdrawal, or suspension of the right to perform business activity,
- 10) on the day the insured sells the assets whose possession was the reason to conclude the insurance contract.

- § 16.1. The insuring party may withdraw from the insurance contract, if the contract is signed for a period longer than 6 months.
2. Withdrawal from an insurance contract by the insuring party may be done, at the latest, within 30 days from the date of concluding the insurance contract; and in the case where the insuring party is an entrepreneur - within 7 days.

- § 17.1. In the case of the insured's death, the insurance contract may be terminated with 14 days notice period, effective at the end of the calendar month.
2. The notice period commences on the day when the other party receives the written termination notice.

- § 18.1. If insurance coverage expires before the end of period for which the contract had been concluded, the insuring party is entitled to a refund of premium for the unused coverage period. There is no refund of premium when the expiry of coverage is due to the fact that it was used up, by exhausting the guarantee sum due to payment of one or several compensations.
2. The unused insurance coverage period is calculated from the date following the coverage termination date.
 3. The premium subject to refund is calculated in proportion to the unused period of insurance coverage, and the unused portion of sum insured.
 4. PZU SA effects the refund of premium upon obtaining information on the circumstances which cause the expiry of insurance coverage.

Notices and statements

- § 19.1 Notices and statements of the insured, the insuring party or PZU SA, made with relation to the insurance contract, should be made in written form.
2. The insuring party or the insured is obliged to inform PZU SA of change to the address of residence or place of business. Otherwise, notices sent by PZU SA to the last address of the insuring party or the insured, known to PZU SA, are deemed to be effectively delivered.

The obligations of the insuring party and the insured

- § 20.1. In case of an accident, the insuring party or the insured is obliged to use all means available to prevent the damage or to reduce its scope.

2. If the insuring party or the insured, on purpose or through gross negligence, did not apply means described in section 1, PZU SA is free from liability for damages occurring for this reason.
- § 21.1. The insuring party is obliged to notify PZU SA of the insurance event within 7 days from its occurrence.
2. In case of concluding insurance contract for someone's behalf, the obligation defined in section 1 bear also upon the insured, unless the insured was unaware of the insurance contract concluded on his/her behalf.
 3. In case of breach, through intentional fault or gross negligence, of the duty described in the preceding paragraphs, PZU SA may reduce the amount of benefit accordingly, if this breach contributed to increase of the damage or made it impossible for PZU SA to establish the circumstances and consequences of the accident.
 4. The consequences of not notifying PZU SA of the insurance accident do not occur if within the deadline specified in section 1, PZU SA received notice of circumstances which should have been communicated to it.
- § 22.1. If the claimant files a claim for compensation against the insured, the insuring party or the insured is obliged to notify PZU SA of this fact immediately, but not later than within 7 days.
2. If the claim described in section 1 is taken to court, the insuring party or the insured is obliged to notify PZU SA of this fact immediately, but not later than within 7 days from receiving the statement of claim.
 3. The insuring party or the insured is obliged to deliver the court verdict to PZU SA within a timeframe sufficient to make decisions regarding potential measures of appeal.

**Determination and payment of compensation and information obligations
of PZU SA**

- § 23.1. PZU SA pays compensation within 30 days from receiving notification of the accident.
2. If, within the period defined in section 1, it is not possible to clarify all circumstances needed to establish the liability of PZU SA or the amount of compensation, the compensation is paid within 14 days from the date when clarification of such circumstances became possible. However, the unquestioned portion of compensation is paid by PZU SA within the timeframe defined in section 1.
 3. The satisfaction or acknowledgement by the insured of the claim described in § 22 section 1 does not have legal effects for PZU SA, if PZU SA did not express its prior approval for it.
 4. If the injured party is entitled to compensation both in the form of single payment and annuities, PZU SA satisfies them from the binding guarantee sum in the following order:
 - 1) single benefit,
 - 2) temporary pension,
 - 3) life annuities.
 5. PZU SA is obliged:
 - 1) upon receiving notification of a random event included under insurance coverage, within 7 days from receiving such notification, to inform the insuring party and the insured of that event, if they are not the persons making that notification, and to undertake actions meant to establish the actual conditions of the event, the justification for the reported claims and amount of compensation; and also to inform the person putting forth the claim in writing or in another form that this person had approved, on what documents are necessary to establish

the liability of PZU SA or the amount of compensation, if this is necessary for the further course of the proceedings,

2) if, within the timeframe defined in sections 1 and 2 it does not pay compensation, it is obliged to notify in writing the person reporting the claim on the reasons why his/her claims cannot be satisfied, in whole or in part, and also to pay the unquestioned portion of compensation,

3) if the compensation is not due, or is due in an amount different from the one set forth in the claim, PZU SA is obliged to inform in writing the person reporting the claim, within timeframe defined in sections 1 and 2, citing the circumstances and the legal basis justifying the refusal to pay the compensation, in whole or in part. This information should also contain the instruction on the possibility to pursue the claims in court,

4) to make available to persons, defined in item 1, information and documents which were collected in order to determine the liability of PZU SA or the amount of compensation. These persons may demand a written confirmation of the information provided by PZU SA and to make copies or photocopies of the claim documentation, together with confirmation of their compliance with the original by PZU SA,

5) upon demand of the insuring party, the insured or the claimant, to make available any information it possesses, tied to the accident or event, and used as the basis to determine the liability of PZU SA and to determine the circumstances of the accidents and random events, as well as the amount of compensation.

6. PZU SA pays out the compensation on the basis of an acknowledged claim, composition assignment or a valid court verdict.

Final provisions

§ 24.1. The insuring party, the insured or the beneficiary are entitled to file a written complaint on the performance of the insurance contract by PZU SA. Subject to the provisions of section 2, the person to whom the complaint should be addressed is the organizational unit supervising the unit to whose operations this complaint applies, or another entity designated by PZU SA. The complaint should be filed in written form, through the entity to whose operations the complaint applies.

2. In case of complaint referring to adjustment of damages, the entity appropriate to consider these complaints is the Claim Adjustment Center of PZU SA, appropriate for the location of damage adjustment.
3. PZU SA provides replies to the written complaints within 30 days of the date of receiving such complaint.
4. Irrespective of the rights described in section 1, the insuring party, the insured or the beneficiary under the insurance contract are entitled to file a written complaint to the Spokesman of the Insured.

§ 25. Action for claims resulting from the insurance contract may be instituted on the basis of general provisions, or at the court appropriate for the place of residence or business of the insuring party, the insured or the beneficiary under the insurance contract.

§ 26. These general conditions for insurance apply to all insurance contracts concluded after August 10, 2007.

President of the Management Board

Deputy President of the Management Board

Appendix

Clause no. 1

Extension of the territorial reach for damages caused world-wide, excluding the USA and Canada.

1. Without changing the other provisions of the general conditions, the parties decided to extend the territorial reach of the insurance to cover damages which are the outcome of an insurance accident, occurring world-wide, excluding the USA and Canada.
2. Provided that the scope of insurance was extended to cover civil liability for product, pursuant to this clause PZU SA provides coverage for damages occurring world-wide, with the exception of the USA and Canada, caused by a product brought into circulation world-wide, excluding the USA and Canada.
3. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause no. 4

Extension of insurance scope for damages arising as a result of non-performance or improper performance of an obligation.

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of insurance to cover civil liability for non-performance or improper performance by the insured of an obligation, resulting from a contract concluded with relation to his business, and defined in the insurance application (contractual civil liability). If the business entails using each time a model contract, the applied model contract which is subject to insurance coverage under this clause should be delivered by the insuring party before the conclusion of the insurance contract.
2. Insurance coverage does not cover damages arising:
 - 1) under contracts whose subject does not fit within the limits specified in the application for concluding insurance contract,
 - 2) as a result of contractual extension of civil liability beyond the scope resulting from the universally applied legal regulations, and specifically when such extensions introduce the obligation to achieve a specific result instead of the obligation to act with due care,
 - 3) which the insured is obliged to repair under warranty or guarantee,
 - 4) resulting from exceeding deadlines and costs set forth in the contract,
 - 5) arising due to bad technical condition of devices whose maintenance is the duty of the insured,
 - 6) arising due to use of machinery or equipment whose parameters were not appropriate due to technical and technological requirements,
 - 7) resulting from the lack of aesthetical features of the object of the contract, which had been defined in the contract, including the use of elements whose features, such as shape or color, do not follow the contract,
 - 8) resulting from obligations which are the object of insurance pursuant to other individual clauses of these general conditions,
 - 9) arising with relation to performance of contracts concluded by the insured before the start date of coverage.
3. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause no. 5**Extension of insurance scope for damages caused to employees of the insured, arising as a result of accident at work.**

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of insurance to cover damages burdening upon the insured, if during the insurance period and with relation to business activity and ownership of assets defined in the insurance contract and used for this activity, accidents at work occur, as a result of which the insured is obliged to repair property damages or personal injuries suffered by his/her employees.
2. PZU SA pays the benefit in the amount of the difference between the compensation to which the employee is entitled pursuant to provisions of the civil law, and the amount of benefit due under social insurance pursuant to the law on social insurance, tied to accidents at work and occupational diseases.
3. Insurance coverage does not cover damages arising:
 - 1) to vehicles owned by the employees,
 - 2) arising due to use of machinery or equipment in bad technical condition, or whose parameters were not appropriate due to technical and technological requirements,
 - 3) which are the result of occupational disease.
4. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause no. 7**Extension of insurance scope for damages arising to property which the insured used on the basis of a contract for use, lease, rental, lending for use, or other similar form of using someone's property.**

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of insurance to cover civil liability for damage to real property which the insured used on the basis of a contract for use, lease, rental, lending for use or other similar form of using someone's property.
2. The insurance covers civil liability for damages which are the consequence of a tort (liability in tort) and civil liability for non-performance or improper performance of contracts (contractual civil liability), which are described in section 1.
3. Insurance coverage does not cover damages:
 - 1) to land,
 - 2) resulting from excessive wear and tear of the assets,
 - 3) caused to all kinds of equipment, installations or other movable items, provided they do not constitute an integral element of the real property which the insured used on the basis of a contract for use, lease, rental, lending for use or other similar form of using someone's property,
 - 4) arising as a result of construction and assembly, or renovation works.
4. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause no. 8**Extension of insurance scope for damages arising to movable objects which the insured used on the basis of a contract for use, lease, rental, lending for use, or other similar form of using someone's property.**

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of insurance to cover civil liability for damage to movable property which the insured used on the basis of a contract for use, lease, rental, lending for use or other similar form of using someone's property.

2. The insurance covers civil liability for damages which are the consequence of a tort (liability in tort) and civil liability for non-performance or improper performance of contracts (contractual civil liability), which are described in section 1.
3. Insurance coverage does not cover damages:
 - 1) entailing the loss of movable property, for reasons other than destruction or damage,
 - 2) resulting from normal wear and tear of movable properties,
 - 3) to vehicles and their equipment, as well as to objects left in said vehicles.
4. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause no. 9

Extension of insurance scope for damages caused to movable property during the processing, repair, cleaning or other services of similar nature, performed by the insured.

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of insurance to cover civil liability for property damages to entrusted movable property, arising during the processing, repair, cleaning or other services of similar nature, performed by the insured.
2. The insurance covers civil liability for damages which are the consequence of a tort (liability in tort) and civil liability for non-performance or improper performance of contracts (contractual civil liability), which are described in section 1.
3. Insurance coverage does not cover damages:
 - 1) entailing the loss of movable property, for reasons other than destruction or damage,
 - 2) resulting from excessive wear and tear of the assets,
 - 3) arising after collection of the entrusted property by the recipient,
 - 4) caused to assets that the insured used on the basis of a contract for use, lease, rental, lending for use, or other similar form,
 - 5) caused to property stored, controlled or protected by the insured,
 - 6) caused to vehicles during test drives made at a distance of more than 10 kilometers from the location of performing the service, and in case where the driver did not have the license to drive the vehicle.
4. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause No. 10

Extension of insurance scope for damages caused to property stored, controlled or protected by the insured.

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of insurance to cover civil liability for property damages to property stored, controlled or protected by the insured under his/her business activity covered by insurance.
2. The insurance covers civil liability for damages which are the consequence of a tort (liability in tort) and civil liability for non-performance or improper performance of contracts (contractual civil liability).
3. Insurance coverage does not cover damages:
 - 1) caused to entrusted property which is the subject of processing, repair, cleaning or other similar services,
 - 2) caused to assets that the insured used on the basis of a contract for use, lease, rental, lending for use, or other similar form,
 - 3) to vehicles, their equipment and objects left in such vehicles,

- 4) arising as a result of loss of electronic and computer equipment, for reasons other than destruction or damage,
 - 5) caused as the result of using firearms or gas weapon by a person who did not have a license to possess such weapons,
 - 6) loss, exchange, shortages in assets' inventory arising with relation to attestation of an untruth, deceit, extortion, blackmail, misappropriation, damage, removal, concealment or forgery of documents or identification marks by the insured.
4. In case of loss or theft of assets, the insuring party or the insured is obliged to immediately notify the police of this fact. If the insuring party or the insured, on purpose or through gross negligence, did not fulfill the obligation set forth in the preceding sentence, PZU SA is free from liability for damages occurring for this reason.
 5. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause No. 11

Extension of insurance scope for damages caused to vehicles stored, controlled or protected by the insured (civil liability insurance for guarded parking).

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of insurance to cover civil liability for property damages to vehicles stored, controlled or protected by the insured under his/her business activity covered by the insurance.
2. The insurance covers civil liability for damages which are the consequence of a tort (liability in tort) and civil liability for non-performance or improper performance of contracts (contractual civil liability).
3. PZU SA provides insurance coverage under these conditions:
 - 1) the vehicles are stored, controlled or protected at a guarded parking lot,
 - 2) the entering and leaving vehicles are constantly registered, and the information includes make, model, license plate numbers, date and hour of admittance and release, as well as the personal data of person admitting and releasing,
 - 3) handing the person leaving the vehicle for storage a receipt confirming the admittance of vehicle. This receipt must contain information on the vehicle's make and license plate numbers.
4. Insurance coverage does not cover damages:
 - 1) caused to entrusted property which is the subject of processing, repair, cleaning or other similar services,
 - 2) caused to assets that the insured used on the basis of a contract for use, lease, rental, lending for use, or other similar form,
 - 3) caused to objects left in the vehicles,
 - 4) loss, exchange, shortages in assets' inventory arising with relation to attestation of an untruth, deceit, extortion, blackmail, misappropriation, damage, removal, concealment or forgery of documents or identification marks by the insured.
5. In case of loss or theft of assets, the insuring party or the insured is obliged to immediately notify the police of this fact. If the insuring party or the insured, on purpose or through gross negligence, did not fulfill the obligation set forth in the preceding sentence, PZU SA is free from liability for damages occurring for this reason.
6. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause no. 13**Extension of insurance scope for damages arising during the insurance period, caused by subcontractors with no recourse right.**

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of the insurance to cover civil liability of the insured for damages arising during the insurance period and caused by subcontractors.
2. Insurance coverage does not include civil liability of the subcontractor towards the commissioning entity, of the commissioning entity towards the subcontractor, and of one subcontractor towards another subcontractor.
3. Insurance coverage applies to civil liability for damages caused only by those subcontractors with whom the insured concluded a written contract. Originals of these contracts are stored by the insured, and in case of damage can be inspected by PZU SA. In such cases, PZU SA receives a copy of the contract, initialed by both parties and attested as identical with the original.
4. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause no. 14**Extension of insurance scope for damages arising during the insurance period, caused by subcontractors with a recourse right.**

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of the insurance to cover civil liability of the insured for damages arising during the insurance period and caused by subcontractors.
2. Insurance coverage does not include civil liability of the subcontractor towards the commissioning entity, of the commissioning entity towards the subcontractor, and of one subcontractor towards another subcontractor.
3. PZU SA retains the right of recourse with respect to the subcontractor who is responsible for the damage.
5. Insurance coverage applies to civil liability for damages caused only by those subcontractors with whom the insured concluded a written contract. Originals of these contracts are stored by the insured, and in case of damage can be inspected by PZU SA. In such cases, PZU SA receives a copy of the contract, initialed by both parties and attested as identical with the original.
4. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause no. 15**Extension of insurance scope for property damages arising during the term of insurance, caused by the insured to a client with relation to non-performance or improper performance of forwarding activities (forwarder's civil liability).**

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of insurance to cover civil liability for property damages arising during the term of insurance, resulting from non-performance or improper performance of forwarding activities (contractual civil liability).
2. The insurance covers activities which customarily are deemed to be forwarding activities, and which are listed in the current "Polish General Forwarding Rules", developed by the Polish International Freight Forwarders Association.
3. The insurance does not cover damages:
 - 1) caused due to lack of packaging or improper packaging,
 - 2) caused due to carriage of dangerous goods, classified as 1st and 2nd class according to the ADR list,
 - 3) caused due to forwarding of live animals,

- 4) resulting from improper loading, placement and securing the goods on the means of transport, provided that these activities had to be performed by the sender,
 - 5) caused due to handing the goods to an unauthorized person,
 - 6) resulting from use of a vehicle not adapted to transport the given goods, a vehicle in bad technical condition, or driven by person not holding the relevant licenses and permits,
 - 7) caused by persons in a state of drunkenness or a state indicative of alcohol consumption, or under the influence of drugs or other intoxicants,
 - 8) resulting from forfeiture of the forwarded package, ordered by duly authorized bodies,
 - 9) due to latent defect of the goods, or its natural properties,
 - 10) including shortages of dimensions, weight or volume, within current norms,
 - 11) caused to transported goods during transport, and to pallets, platforms and containers (it is possible to insure such damages under the separate general terms and conditions for civil liability insurance of a road carrier),
 - 12) caused by reasons tied to the sender or recipient, for which the insured is not responsible,
 - 13) caused to postal packages, express packages or assets of a resettling person.
4. The insurance does not cover activities of the forwarder as a customs agent.
 5. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause no. 16

Extension of insurance scope for damages arising during the course of insurance, caused as a result of organizing an event which was not a mass event subject to mandatory civil liability insurance.

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of the insurance to cover civil liability of the insured for damages arising during the course of insurance, caused to participants of an organized event which had not been a mass event subject to mandatory civil liability insurance pursuant to the relevant provisions of the law.
2. The participant is defined as an individual who during the event is present at its location, as a spectator, participant, contestant, juror or judge, member of the technical or administrative crew.
3. PZU SA shall not be liable for damages:
 - 1) suffered by the Police, State Fire Service, other fire prevention units and the health service units, with relation to work at the location of and during the event,
 - 2) suffered by employees of the insured,
 - 3) caused by persons performing actions which are the duty of security and control services,
 - 4) caused by persons who conduct additional activities during the event – such as catering, advertising etc.
 - 5) caused as a result of fireworks show,
 - 6) caused to vehicles and objects left in them, such as cameras and photo cameras.
4. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause no. 17

Extension of insurance scope for damages arising during the term of insurance, caused by vehicles which are not subject to mandatory TPL insurance for vehicle owners.

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of the insurance to cover civil liability for damages arising during

the course of insurance, caused by vehicles which are not subject to mandatory TPL insurance for vehicle owners.

2. Insurance coverage does not apply to damages caused by persons who did not have license to drive the vehicle.
3. PZU SA shall not be liable for damages to loads, packages or luggage transported for a fee.
4. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause no. 18

Extension of insurance scope for damages arising during the insurance period, caused to a third party by a producer with relation to introducing products into circulation (civil liability for product).

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of the insurance to cover civil liability for damages arising during the insurance period, caused to a third party with relation to introducing into circulation products defined in the insurance contract.
2. The insurance covers civil liability of the insured for damages caused by product brought into circulation within the territory of the Republic of Poland during the term of insurance or after its start date, unless the insurance contract provides otherwise.
3. The liability of PZU SA covers claims of injured persons or beneficiaries, reported before the period of limitation.
4. All damages resulting from introducing into circulation a lot (series) of products which had the same fault, or which can be attributed to the same reason, are treated as a single insurance accident, irrespective of the number of persons injured (claimants) and the time of their occurrence, and it is deemed that they all occurred at the moment the first damage occurred.
5. PZU SA shall not be liable for damages:
 - 1) including the damage to or destruction of the product itself, or including the benefits that the injured party could obtain with relation to the use of the product,
 - 2) which were caused by an open and clear fault of the product, to which the producer clearly drew the attention of the buyers,
 - 3) resulting from misleading advertising or lack of the advertised properties,
 - 4) caused by the recall of a faulty product lot from the market,
 - 5) caused as a result of damage to the genetic code,
 - 6) caused by genetically modified products,
 - 7) caused by a product which contained blood, serum or blood-derivative substances,
 - 8) which the insuring party is obliged to repair under guarantee or warranty,
 - 9) resulting from the inability of the product or its element to perform the function for which it had been intended, unless this does not influence the product safety,
 - 10) caused by use of the product contrary to its intended use or the enclosed user's manual, or another document describing the product's properties and method for its use,
 - 11) caused due to bringing into circulation a product that was repaired, renovated, regenerated or used,
 - 12) caused by a product used in the vehicle, aviation or space industry,
 - 13) caused by the direct or indirect influence of tobacco products,
 - 14) caused by a non-supply of energy, or supply of energy with the wrong parameters,
 - 15) caused by a product without a valid attestation (certificate, permit) which allows it to be brought into circulation, provided that the attestation (certificate, permit) is required by the law of the country in which the product was brought into circulation,

- 16) incurred by the producer of the end product, resulting from the faulty components or parts delivered by the insured, arising due to their mixing or linking with items of the injured party,
 - 17) incurred by the producer of the end product, resulting from the faults of items delivered by the insured party which were subject to further processing by the injured party, without their mixing or linking with items of the injured party,
 - 18) damages incurred by a third party due to faults of items produced, processed or reworked with faulty machinery and equipment introduced into circulation by an insured producer of machinery and equipment.
6. Introduction into circulation of a product of whose faulty or harmful nature the insured was aware, or could have been aware if he had acted with due diligence, is treated in the same way as purposeful action.
 7. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause 23

Extension of insurance scope for damages arising during the insurance period, caused to items brought in by hotel guests, with relation to hotel business conducted by the insured.

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of the civil liability insurance for cases where, with relation to hotel business, the insured is obliged under the law to repair damages to items brought in by hotel guests.
2. PZU SA is not be liable for damages to:
 - 1) objects in safekeeping,
 - 2) electronic and optical equipment,
 - 3) vehicles and their equipment, or objects left in vehicles.
3. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.

Clause 24

Extension of insurance scope for damages arising during the insurance period, caused by a housing community to this community's members.

1. Without changing the other provisions of the general conditions, the parties decided to extend the scope of the insurance to cover civil liability for damages arising during the insurance period, caused by an insured housing community to members of this community, with relation to joint assets.
2. According to the law on ownership of housing units, all the owners whose housing units constitute a given real property form a housing community.
3. For the purposes of this clause, each community member is treated as a third party under these general conditions.
4. PZU SA shall not be liable for damages:
 - 1) which are the responsibility of an owner of a housing unit (community member) which constitutes part of the housing community, with relation to ownership and use of the said housing unit,
 - 2) whose direct consequence were the negative decisions of the housing community with respect to necessary renovations or repairs, or postponing such renovations or repairs.
5. For the extension of insurance in the manner described in section 1, the insuring party shall pay an additional premium, in an amount specified in the contract.