



PROPERTY PROTECT

GENERAL TERMS AND CONDITIONS OF THE INSURANCE CONTRACT
FOR A COMMERCIAL ACTIVITY – ALL RISK INSURANCE OF GOODS
AND LOSS OF PROFIT

COLONNADE 
A FAIRFAX COMPANY

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Information notice

1. Information regarding conditions for compensation payment are specified in the following parts of the terms of the insurance:

GENERAL PROVISIONS: § 1 item 6, § 3, § 7, § 10

SECTION A: § 4, § 5 item 1 and item 2, § 9

SECTION B: § 1, § 3.

2. Information regarding exclusion or limitation of liability of the insurance company carrying the right to decline or limit the compensation payment are specified in the following parts of the terms of the insurance

GENERAL PROVISIONS: § 1 item 6, § 3 item 3, § 4, § 6 item 2, § 8 item 5, § 10, § 11 item 3, § 12 item 1 i item 3, § 14 item 7 and item 9, § 15

SECTION A: § 3, § 5 item 1, §§ 6–8, § 9 item 2, item 3.3, item 4 point 1), item 4 point 3) and item 5

SECTION B: § 4 item 2 and item 7, § 6, § 8 item 4 and item 8.

COLONNADE INSURANCE SOCIETE ANONYME ODDZIAŁ W POLSCE

PROPERTY PROTECT – GENERAL TERMS AND CONDITIONS OF THE INSURANCE CONTRACT FOR A COMMERCIAL ACTIVITY – ALL RISK INSURANCE OF GOODS AND LOSS OF PROFIT

Approved by the General Manager of the Colonnade Insurance Société Anonyme Branch in Poland with its registered office in Warsaw on 12th February, 2018, officially implemented on 12th February, 2018, and applicable to insurance contracts concluded after that date.

GENERAL PROVISIONS

§ 1. Insurance Contract

1. Under the General Terms and Conditions of the Insurance Contract for a Commercial Activity or All-Risk Insurance of a Commercial Activity regarding Goods and Loss of Profit hereinafter referred to as GTCIC, Colonnade Insurance S.A. registered in Luxembourg under the number: B 61605, headquarters: 1, rue Jean Piret, L-2350 Luxembourg, operating in Poland through the Polish Branch of Colonnade Insurance Société Anonyme registered in the District Court for the capital city of Warsaw, 12th Division of the National Court Register, under the number 0000678377, Taxpayer ID number (NIP) 1070038445, with its registered seat at: ul. Prosta 67, 00-838 Warsaw, concludes with the Insured an Insurance Contract, hereinafter referred to as the Contract, under which the Insurer, in case of an Insurance Event agrees to perform specific service for the Insured, and the Insured agrees to pay the premium.
2. The Insured shall be interpreted as an entrepreneur under the provisions on commercial activity, who has concluded an Insurance Contract with the Insurer, and, on that basis, has agreed to pay the premium. If the Insured concludes the Insurance Contract on his own account, he is at the same time the Insurance holder.
3. The Insurance can be concluded on terms varying from the provisions of these GTCIC. The contractual clauses containing additional provisions, including additional clauses included in these GTCIC, or other clauses varying from the provisions of the GTCIC, demand a written form in the insurance or shall be otherwise declared null and void.
4. The Contract is concluded based on a written application and/or declaration, hereinafter referred to as the insurance declaration, submitted by the Insured or his representative, in which he agrees to provide, to his best knowledge, information regarding in particular the very subject of insurance, its protection, the expected scope of insurance, and to answer the questions of the Insurer in the possible correspondence.
5. The conclusion of the Contract shall be confirmed by a document issued by the Insurer, hereinafter referred to as the policy. The policy together with the GTCIC, the invoice issued by the Insurer, which specifies the amount and the mode of payment of the premium, the clauses amending the provisions of the GTCIC, the insurance declaration together with the correspondence, constitutes an integral part of the Insurance Contract.
6. The Insurer allows as well for a possibility of confirmation of conclusion of a temporary Contract in other form than specified in Item 5 above (e.g. in form of a cover note), however, such confirmation is binding only until the moment of issuance of the appropriate insurance documents, i.e. the policy or an appendix to the policy. At the moment where the appropriate insurance document is issued, the temporary document shall become ineffective. Based on such temporary document, the Insurer provides insurance coverage under these GTCIC until the policy or the appendix to the policy is issued,

no longer, however, then for the period specified in this document. If the Insured, within the period specified above, refuses to conclude the Insurance Contract, the temporary Contract becomes ineffective at the moment of the receipt by the Insured of the refusal, and the Insured is requested to pay the premium for the period covered by the insurance of the Insurer.

7. All amendments to the Contract during its term shall be made only in writing, or shall otherwise be declared null and void. This provision does not limit the right of the Insurer to unilateral amendments in cases specified in the applicable laws and in the Contract.
8. The Insurer confirms each amendment to the Contract by issuing annex or appendix to the policy. The application of the Insured to make amendments to the Contract becomes then its integral part.
9. In case of conflict between the policy and these general terms and conditions of the insurance contract the provisions of the policy shall apply.
10. Words and expressions, which were given a specific meaning in any part of this Insurance Contract, shall have the same meaning in every part of these GTCIC.
11. The Insurance Contract is concluded in writing, or shall be otherwise considered null and void.
12. The general provisions apply to all the sections of these GTCIC.

§ 2. Contract for account of a third party

1. The Contract may be concluded by the Insured on his own behalf, but on the account of a third party, i.e. in favour of the Insurance holder. In this case, the provisions of these GTCIC shall apply *mutatis mutandis* to the Insurance holder.
2. In case where the Contract is concluded on the account of a third party, the Insured is required to deliver the GTCIC to the Insurance holder prior to his accession to the Insurance Contract and collect from the Insurance holder a written declaration of the receipt of these documents. The Insured is released from this obligation if the Insurance holder indicates an email address and agrees that the Insurer delivers the aforementioned documents via electronic way or on another durable medium.
3. If the Insurance holder finances the price of the premium, the Insured is requested, prior to the delivery of the GTCIC to the Insurance holder, collect from him a written agreement to finance the price of the premium and hand that declaration over to the Insurer.
4. All the obligations resulting from the Contract apply also to the Insurance holder, unless the Insurance holder was not conscient of the conclusion of the Insurance Contract on his account.

§ 3. Insurance cover

1. Due to the fact that the Insurance holder runs the activity specified in the policy, and provided that the Insured pays the premium to the Insurer in the amount specified in the policy, the Insurer provides to the Insured an insurance cover on terms specified in this Insurance Contract, in case of events covered by the insurance, which occurred during the term of the insurance.

2. Insurance cover may be applied to the property owned by the Insurer holder or remaining in his possession under another legal right.
3. The liability of the Insurer during the term of the insurance can never exceed the limit of liability specified for a chosen type of indemnifiable accident and the subject of insurance, the total limit of liability or any other maximum sum limiting the liability of the Insurer as set out in the Insurance Contract, specified in the policy, hereinafter referred to as the limit of liability applicable at the time of the occurrence of the damage. Unless the parties agreed otherwise in writing:
 - 1) the amount of money paid by the Insurer under the Insurance Contract cannot be higher than the incurred damage;
 - 2) the limit of liability shall be decreased by the sums paid under the Insurance Contract by way of damages;
 - 3) the limit of liability is included in the insurance value and form its part.
4. This Insurance Contract is concluded for a defined period specified in the policy, same as the period of the Insurer's liability under this Insurance Contract, hereinafter referred to as the insurance period. The insurance period starts on the day specified in the policy, no sooner however, than on the day following the payment of the premium (or its first instalment, if the premium is paid in instalments) within the specified deadline and in the specified amount, unless the parties agreed otherwise in writing. The Insurance period ends together with the end of the term of the Contract or on the day of a binding termination of the Insurance Contract or its expiry, if such termination or expiry occurs earlier. Unless otherwise agreed, the insurance period lasts 12 months. The insurance period is specified in the policy.
5. The insurance cover applies to the damages which have occurred only at the place of the activity of the Insurance holder owned by him or used by him for the purpose of the activity, hereinafter referred to as the insured location, unless the provisions of the Insurance Contract determine otherwise. The insured locations is defined in the policy.
6. Unless otherwise agreed, the insurance cover applies to the damages on the territory of the Republic of Poland.

§ 4. General exemptions

The below exemptions apply to all the sections of these GTCIC.

1. The Insurer shall not be held liable for the damages, costs or expenses of any kind caused by, resulting from, or related to any of the below events, regardless of any other causes or events, which have lead at the same or another time to the occurrence of the damage:
 - 1) nuclear weapon or any of its parts;
 - 2) ionizing radiation or radioactive contamination coming from any nuclear fuel or any radioactive waste resulting from a degradation reaction or nuclear fusion;
 - 3) war, invasion, advance, hostile action of another country, actions of external enemies, acts of war and war operations regardless of whether they were declared or not;
 - 4) civil war, rebellion, revolution, revolt, mutiny, uprising, military take-over, coup, internal riots on the scale of, or close to, such uprising, military take-over or coup, action of the armed forces or the usurper forces, introduction of the martial law, a state of emergency;
 - 5) acts of terrorism, which, within the meaning of these GTCIC shall be interpreted as actions with the use of force or violence or a threat of their use, taken by a person or a group (groups) of persons, acting alone or in the name of any organisation (organisations) or government (governments), or remaining in any connection to them, with political, religious, ideological or other similar objectives with the aim of influencing the government or putting the public or its part in fear, subject to the provisions of the Clause on acts of terrorism and sabotage;
 - 6) actions taken in order to control, prevent, fight or other related in any way to the events or causes specified in points 3), 4) or 5) above;
 - 7) strikes, riots and social unrest, subject to the provisions of the Clause on strikes, riots and social unrest (damages to property) with the exception of acts on terrorism and sabotage;
 - 8) confiscation, expropriation, misappropriation, nationalisation, requisition, destruction, harm or acquisition of power, if it was conducted under an act of public authorities, regardless of its form, issued by a state, public, local, or custom authority, or at

- the request of the government (*de iure* or *de facto*), or any public, municipal, local, or custom state or area authorities, where the property is located, as well as misappropriation or destruction due to quarantine, with the exception of these risks, which were included under the provisions of the clause „Requirements of public authorities” (Section A § 9 Item 4 of these GTCIC);
 - 9) industrial pollution and contamination;
 - 10) deliberate action (or omission) or gross negligence of the Insurer holder, while, regarding the gross negligence, the insurance cover is not applicable, unless the compensation payment is appropriate in given circumstances;
 - 11) exposition to or production, extraction, use, distribution, installation, or examination of asbestos products of fibers or asbestos dust, or materials containing these elements, as well as their utilisation, destruction or existence;
 - 12) incapability of electrical devices to correctly recognise the date; this exemption does not apply to the results of the indemnifiable accident, which was not excluded (e.g. fire) in the surrounding property, covered by the insurance cover under this Insurance Contract;
 - 13) action of mould, mildew, spores, bacteria, or viruses; this exemption does not apply to loss, destruction or harm of the insured property which is due to the occurrence at the insured location of an indemnifiable accident, which resulted in the action of mould, mildew, spores, bacteria, or viruses;
 - 14) action of trojan horses or other malware, cyberattack and other actions of third parties, and incorrect use or work of devices; this exemption does not apply to the results of the indemnifiable accident, which was not excluded (e.g. fire) in the surrounding property, covered by the insurance cover under this Insurance Contract.
2. The Insurer shall not be held liable for the damages incurred due to disrupted production, loss of markets or indirect loss, unless they were separately insured on the conditions of Section B of these GTCIC.

§ 5. Obligations of the Insured – reporting

1. The Insured is required to report to the Insurer all circumstances known to him about which the Insurer asked in the insurance declaration, or, prior to the conclusion of the Contract, in other documents.
2. If, during the term of the Insurance Contract, the circumstances specified in Item 1 above have changed or new circumstances have occurred which result in a greater risk of damage, The Insured and his representative are requested to report them to the Insurer as soon as they become aware of their existence.
3. Circumstances which increase the risk of damage are, among others:
 - 1) suspension or discontinuance of the commercial activity at the insured location;
 - 2) declaration of bankruptcy of the Insured, or the Insurance holder, opening of settlement proceedings or liquidation of the business or the plant;
 - 3) change of the scope of execution of the activity by the Insured indicated in the policy;
 - 4) change of the manner of use of buildings, structures, machinery and devices, and other components of the insured goods;
 - 5) reconstruction, extension, modernisation or commencement of any other kind of construction and installation works at the insured location.
4. The Insurer shall not be held liable for the results of the circumstances which were not reported, constituting a breach of the above Items. If the breach of the above Items results from intentional fault, in case of doubt, it shall be agreed that the accident specified in the Insurance Contract and its effects are the result of the circumstances specified in the previous sentence.
5. In case where the Insurance Contract is concluded on the account of a third person, the obligations specified in the previous Items apply to the Insurance holder as well, unless the Insurance holder was not aware of the conclusion of the contract on his account.
6. If the Insurer concludes the Contract despite the lack of answers from the Insured to the specific questions in the insurance declaration, or in other documents, the omitted circumstances shall be regarded as irrelevant.

§ 6. Obligations of the Insured – ensuring security

1. In order to prevent harm, destruction, or loss of goods, the Insurance holder is required to:
 - 1) maintain the insured location with due diligence, and keep all the assets used within the activity in a good technical state;
 - 2) comply with all the statutory obligations and regulations, exploitation rules, instructions and recommendations of the producer or the supplier related to the protection of the insured goods, in particular regarding the assembly and installation and exploitation, correct maintenance and conservation, execution of works which are likely to start a fire;
 - 3) maintain throughout the entire term of the insurance all the fire protection systems and the means of safety protection which are controlled by the Insurance holder and exist on the day of the conclusion of the Insurance Contract, in a fully operational and effective state, in accordance with the applicable laws and the recommendations of the producer or the inspector and not to change them, or, even worse, remove them without a written consent of the Insurer. The Insurance holder shall take all action in order for the existing protections, which existed at the beginning of the insurance term not to deteriorate within the whole duration of the insurance term, and not to undergo any changes or liquidation, without a prior written consent of the Insurer. These protections shall remain operational also outside working hours of the company;
 - 4) take all the justified safety measures in order to carefully choose the workers and exercise control over them;
 - 5) comply with all the recommendations, guidelines and obligations issued by any authority, and with actions improving safety which were agreed with the Insurer.
2. Failure to comply with the obligations specified in Item 1 may result in a refusal of the payment of indemnity or its reduction, provided that it had influenced the possibility of occurrence of a damage.
3. The Insurer reserves the right to, at any appropriate moment, perform, through his representatives, an inspection of the insured property in order to assess the possibility of the occurrence of a damage, and the Insured and the Insurance holder shall deliver to the representatives of the Insurer all the necessary information, documents, and they shall grant access to the premises (and terrains), where the insured property and equipment remain.

§ 7. Protection of property

Under conditions determined in this Insurance Contract, the insurance cover is subject to the following reservations:

- 1) the insured property shall be located in buildings with construction complying with the security standards and approved by the inspection of the State Fire Service;
- 2) buildings, structures, free-standing technical devices and reservoirs outside buildings shall be located and constructed according to the requirements of the construction law and the business regulations, and their exploitation shall be conducted based on a permit to use issued by the appropriate authority of construction supervision, in conformity with the current purpose, if it is required by the provisions of law;
- 3) structures, installations related to them (e.g. electric, gas, water, heating, air conditioning, combustion etc.) and technical devices shall undergo periodic inspections of technical state and conservation works in accordance with the rules set in the provisions of law, in technical standards, or according to the producer's guidelines;
- 4) level and scope of the implemented organisation solutions related to fire protection and the choice of technical fire protections shall be adapted to the manner of exploitation of the structure set by the law.

§ 8. Procedure of damage liquidation – obligations of the Insured and the insurance holder

1. In case of an indemnifiable accident which can become basis for insurance claim under the Insurance Contract, the Insured is required as specified below:
 - 1) the Insured shall use all available means to limit the damage to the insured goods and to directly protect the endangered goods against any damage;
 - 2) the Insured shall immediately notify the Insurer about any indemnifiable accident, no later, however, than within 14 days of the

day of the indemnifiable accident, unless, due to circumstances beyond his control, he was unable to do so – in such situation, he shall do it within 14 days of the retreat of the cause preventing the notification;

- 3) the Insured shall not make, or allow to make, any changes to the insured goods before the inspection of the person authorised by the Insurer, unless such change is necessary in order to protect the Insured goods after the occurrence of the damage, reduce its scope, it is required by the public interest or the Insurer failed to perform the inspection within 3 working days of the day of the receipt of notification;
- 4) in case of a damage incurred due to arson, robbery, vandalism or any kind of theft, the Insured is required to notify the police, and in case of fire, fire brigade or any appropriate authority (in particular, emergency medical services, emergency gas or power units, etc.);
- 5) the Insured shall keep the damaged components and shall make them available to the representative or the expert of the Insurer;
- 6) the Insured shall immediately send to the Insurer a written claim, no later, however, than within 30 days of the day of the indemnifiable accident; the claim form is available at the headquarters and the web page of the Insurer;
- 7) the Insured, within the whole process of damage liquidation, shall allow the Insurer all activities with the purpose of determining the cause and scope of the damage, and the calculation of the compensation, including making available the accounting documentation and other proofs related to the damage; the costs of preparation of documentation shall be incurred by the Insured;
- 8) the Insured shall deliver to the Insurer every letter, information about any claim or judicial or administrative procedure, and all other documents delivered to the Insurance holder or any other person acting in the name of the Insurance holder;
- 9) the Insured is required to protect the possibility to vindicate claims by the Insurer against the persons responsible for the damage;
- 10) the Insured, upon the Insurer's request, shall participate in the proceedings related to the damage, or in court trials, help with making settlements, protect and deliver the evidence, including witness statements;
- 11) the Insured is required to inform the Insurer about any relations which may constitute grounds for claims for third persons against the lost, damaged, or destroyed goods (or their part), in particular the type and scope of these relations.

In case where the Insurance Contract is concluded for account of a third party, the obligations specified in the previous points, shall apply to the Insurance holder as well, unless the Insurance holder was not aware of the conclusion of the Insurance Contract on his account.

All deadlines for submitting the damage documentation specified in the above points may be extended, regardless of the liability of the Insurer, upon a written consent of the Insurer.

2. In case of an intentional breach or a gross negligence of the obligations specified in Item 1 above, the Insurer may, accordingly, reduce the compensation, if the breach contributed to an increase of the damage, or prevented the Insurer from determining the circumstances and results of the insurance accident;
3. The results of failure to notify the Insurer about the indemnifiable accident do not apply if the Insurer, within the deadline set for notification, obtained any information about the circumstances which should have been made available to him
4. The Insurer shall hold the right to:
 - 1) enter into any building in which the damage, destruction or devastation of the insured goods has occurred;
 - 2) attend to, in any reasonably justified way, rescuing the goods.
5. If any claim made under this Insurance Contract is in any way false, or, if the Insured, Insurance holder or any other person authorised to act on his behalf, has used any false means or measures in order to obtain any profits resulting from this Insurance Contract, or the loss, destruction or damage of the insured goods was caused intentionally by the Insured, Insurance holder or with his consent, it would con-

stitute a serious reason based on which the Insurer may terminate the Insurance Contract without notice period.

§ 9. Procedure of damage liquidation – obligations of the Insurer

1. Upon the receipt of the damage notification, the Insurer shall immediately, no later, however, than within 7 days of the day of the receipt of such notification, confirm to the Insured to the Insurance holder the receipt of the submission of the damage for liquidation and shall conduct proceedings related to the determination of the actual state of the accident, the justifiability of the submitted claims and the amount of the compensation, and a notification in writing or via electronic means of the person authorised under the Insurance Contract about the documents which are necessary to determine the compensation.
2. The Insurer is required to provide the compensation within 30 (thirty days), counting from the day of the receipt of the damage declaration.
3. If, within the above deadline, the determination of circumstances necessary for determination of Insurer's liability or the amount of the compensation proves impossible, the compensation shall be provided within 14 (fourteen days) from the day of the determination of these circumstances, on which, with all due diligence, the determination of these circumstances was possible. However, the indisputable part of the compensation shall be provided by the Insurer within the deadline specified in the previous Item.
4. If the compensation is not applicable, or is applicable in other amount than indicated in the submitted claim, the Insurer shall notify in writing the person submitting the claim, indicating the circumstances and the legal grounds justifying a full or partial denial of the compensation payment. In case of a denial to pay the whole or a part of the compensation, the person submitting the claim has the right to claim it seeking a judicial redress.

§ 10. Involvement in multiple insurance policies

1. If the same subject of insurance is insured at the same time against the same risk by two or more insurers for the amounts which jointly exceed its insurance value, the Insurance holder cannot claim damages exceeding the value of the damage. The Insurers are liable each relatively, applying the same ratio as the one between the limit of liability agreed by them and the total sum resulting from the double or multiple insurance policy.
2. If in any of the insurance contracts indicated in Item 1 it was agreed that the amount paid by the insurer under the insurance policy might be greater than the incurred damage, the payment of the compensation exceeding the insurance value can be requested by the Insured only from this insurer. In such case, in order to determine the liability between the insurers, it shall be agreed that in the insurance policy specified herein, the limit of liability is equal to the insurance value.

§ 11. Securing the right to recourse

1. On the day of the payment of the compensation by the Insurer, the claim of the Insurance holder against the third party responsible for the damage passes, by virtue of the law, to the Insurer up to the amount of the paid compensation. The Insurance holder reserves prior rights to seek compensation against the third party responsible for the damage regarding the part exceeding the amount of the obtained compensation. The Insurance holder is required to cooperate with the Insurer to protect and seek compensation against the third party responsible for the damage.
2. The claims of the Insurance holder against the persons remaining in a joint household with the Insurance holder, or for whom he is responsible do not pass to the Insurer, unless the infringer has intentionally caused the damage.
3. The Insurer may refuse to pay the compensation under the Insurance Contract in whole or in part, if the Insurance holder or the Insured, without the Insurer's consent, waives his rights related to the persons responsible for the damage. If the waiving or limitation of the claim is disclosed after the payment of the damage compensation, the Insurer may request a reimbursement of the whole or a part of the compensation paid under the Insurance Contract.

§ 12. Dissolution of the Insurance Contract

1. Termination of the contract by the Insurer
 - 1) With the exception of the events specified in the appropriate provisions of the law, the Insurer may terminate the Insurance Contract concluded for a limited term with a 30-days (thirty days) notice period, submitting a notice of termination to the Insured, due to the following important reasons:
 - a) the Insured, or his representative, has provided false information about which the Insurer asked in the insurance declaration or in other way, prior to the conclusion of the Insurance Contract;
 - b) disclosure of circumstances specified in § 5, which increases the possibility of the occurrence of the damage in such a degree that the Insurer would not have concluded the Insurance Contract, had he known about these circumstances,
 - c) failure of the Insured to comply with the obligations of providing security specified in § 6 Obligations of the Insured,
 - d) failure to implement the recommendations of the Insurer constituting a condition for the conclusion or continuation of the Insurance Contract.
 - 2) In case of a termination of the Insurance Contract, the liability of the Insurer ends at the moment of the dissolution of the Insurance Contract due to the termination.
 2. If the Insurance Contract was concluded for a term longer than six months, the Insured may withdraw from the Insurance Contract within the period of 7 days of the day of the conclusion of the Insurance Contract. Withdrawal from the Insurance Contract does not exempt the Insured from the obligation to pay the premium for the period for which the Insurer has provided the insurance cover.
 3. Other circumstances resulting in a termination of the Insurance Contract
 - 1) In case of a transfer of the ownership of the whole enterprise to another person or entity – the rights and obligations resulting from the Insurance Contract shall be transferred to the new owner. In such situation, the Insurer and the new owner may withdraw from the Insurance Contract with a 1-month notice period.
 - 2) In case of a request of the Insured or the Insurer to change the amount of the premium due to a disclosure of circumstances which result in an important change of the possibility of an accident, the other party may withdraw from the contract within 14 days with immediate effect, starting at the moment of the occurrence of these circumstances, no sooner, however, than from the beginning of the current insurance period.
 - 3) The contract terminates automatically on the day of the end of the term for which it was concluded.
 4. Manner of termination of the Insurance Contract and settling the premium payment
 - 1) Termination of the Insurance Contract specified in Items 1–3 above shall be made in writing, or shall be otherwise declared null and void. Declaration of withdrawal or termination of the Insurance Contract shall be sent to the address of the Insurer or the address of the Insured which was specified in the application on the conclusion of the Contract, unless another address of delivery was specified.
 - 2) Termination of the Insurance Contract does not exempt the Insured from the obligation to pay the premium for the period for which the Insurer has provided the insurance cover.
 - 3) The Insurer shall reimburse the premium for the unused insurance period in the amount equal to the difference between the premium paid by the Insured and the premium due to the Insurer, while the due premium shall be calculated proportionally to the time of the duration of the liability of the Insurer.
- Settlement of the premium shall take place within 14 days of the end of the Insurance Contract term

§ 13. Currency

Unless otherwise specified, the monetary amounts specified in the Insurance Contract are given in Polish zlotys.

§ 14. Insurance premium

1. The Insured is required to pay the premium in the amount specified in the policy.
2. The amount of the premium is decided by the Insurer after an individual risk assessment as of the day of the conclusion or prolongation of the Insurance Contract.
3. The premium shall be paid once, at the time of the conclusion of the Insurance Contract.
4. The premium for the whole term of the insurance, upon the Insured's request and the Insurer's consent, may be paid by instalments.
5. The term of the payment of subsequent instalments of the premium, the means of payment and the amount of the premium shall be specified in the policy or the invoice issued by the Insurer.
6. If the premium of the instalment of the premium is paid by a bank transfer, the date of the payment shall be understood as the day when the bank account of the Insured is debited, if, at the moment of the payment, the account of the Insured has the necessary amount of means of payment.
7. If the premium is paid in instalments, failure to pay on time of a consecutive instalment of the premium results in a cessation of the liability of the Insurer, if, after the final date for the payment, the Insurer has requested the Insured to pay with a threat of a cessation of liability unless the payment is made within 7 days of the receipt of the request.
8. In the situation specified in Item 7, the Insurer may request a payment of the premium for the period during which he was liable for the damages.
9. If the Insurer is held liable prior to the payment of the premium or its first instalment, and the premium or its first instalment was not paid on time, the Insurer may terminate the Contract with the immediate effect and request a payment of the premium for the period during which he was liable for the damages. If the Insurance Contract is not terminated, it shall expire at the end of the period for which the unpaid premium was due.

§ 15. Sanctions Clause

In case where the scope of the Insurance Contract constitutes a breach of the sanctions or limitations of the movement of goods and financial assets imposed by the United Nations, European Union, Great Britain or United States, the liability of the Insurer shall be limited to a scope which does not constitute a breach of the aforementioned sanctions or limitations.

§ 16. Legal disputes and the right to lodge a complaint

1. Disputes resulting from the Insurance Contract are examined by a court of general jurisdiction or the court competent for the residence or the registered seat of the Insured, Insurance holder or the person authorised under the Insurance Contract or their heirs.
2. The Insurer shall make every effort for the offered services, including the decisions in the examined claims, to be of the best quality, in accordance with the concluded insurance contracts and the appropriate law.
3. If the following neutral persons: the Insured/Insurance holder or another person entitled to the compensation under the Insurance Contract wish to make a complaint to the Insurer, they should do so:
 - 1) in writing to the address of Colonnade: ul. Prosta 67, 00-838 Warszawa, or
 - 2) by phone to 22 528 51 00 or verbally to be put on record during a visit at the Insurer's office, or
 - 3) electronically to the e-mail address: reklamacje@colonnade.pl.
4. The Insurer shall respond to the complaint in writing within 30 days of its receipt and within 60 days in particularly complex cases. If the person submitting the complaint would like to receive a response by email, the complaint should indicate the e-mail address to which the response should be sent.
5. In addition, a complaint can be made to:
 - 1) Financial Ombudsman;
 - 2) KNF-Polish Financial Supervision Authority which supervises the activities of the Insurer in Poland;
 - 3) Municipal and District Consumer Advocates;

6. Notwithstanding the provisions of this paragraph the Insured/Insurance holder or any other person entitled to benefit under the insurance contract has the right to take legal action in order to pursue their claims.

§ 17. Final provisions

1. Notices and declarations regarding the Insurance Contract shall be sent in writing.
2. The issues not regulated in these GTCIC and other provisions of the Insurance Contract are governed by the applicable provisions of the Polish law.

SECTION A. ALL RISKS: LOSS, DAMAGE, DESTRUCTION OF PROPERTY

§ 1. Subject, limit of liability

1. The policy specifies the amount of the insured sum constituting the upper limit of liability of the Insurer under the concluded Insurance Contract. The policy specifies for the aforementioned insured sum the limits and sublimits of liability.
2. The amount of the insured sum in relation to the specific types of property to which the insurance cover applies is decided based on the insurance declaration of the Insured. The amount of the insured sum shall be adequate to the value of the insured property.
3. The limit of liability set for the buildings and structures is the limit of the Insurer's liability for the damages in buildings and structures together with the adjoining squares, the price of adaptation, walls, fences, gates and other elements for which the Insurer is liable.
4. The limit of liability set for the machinery and production devices is applicable also to the damages to the tools and office equipment.
5. The limit of liability set for the working capital is the limit of the Insurer's liability for damages to the working capital. The policy may indicate, within the insured sum for the working capital, insured sums for specific locations or risks.
6. With the exception of the goods which, in accordance with their purpose, remain outdoors or outside the buildings, the property which constitutes the subject of the insurance shall remain inside buildings with a construction corresponding to the safety standards and accepted by the inspection of the State Fire Service.

§ 2. Classification of property

Upon the Insured's request, the Insurer shall classify the insured property or its parts in accordance with the classification applicable for the accounting kept by the Insured.

§ 3. Deductible franchise

The amount of the deductible franchise specified in the policy shall be deducted from the amount of each compensation. The Insurer is not required to pay the compensation for the damages with the value not exceeding the amount of the deductible franchise.

§ 4. Loss, damage, destruction of property

In case of a loss, damage or destruction of the insured property (or any of its parts) due to an accident covered by the Insurance Contract, the Insurer shall reimburse the Insured for the loss, damage or destruction of the insured property by paying a compensation or covering the costs of the reconstruction of the property or the costs of its repair.

§ 5. Definitions of the terms used in Section A

1. **Indemnifiable accident**
This Contract covers the damages which consist of a loss, damage or destruction of the insured property, which occur due to a sudden, unintended by the Insurance holder and not foreseeable by the Insurance holder accident, occurred at the location and period of the insurance, specified in the policy, with the exception of those which were excluded by any provision of this Insurance Contract.
2. **Insured property**
Insured property shall mean any immovable and movable property specified in the Specifications attached to the Insurance Contract and not excluded by the exemptions, in particular:
 - 1) elevators, stairs, clocks, fences, walls, gates, staircases, water reservoirs on top of the buildings, escape routes;

- 2) outside and inside water supply installation, sewage installation, gas and power installation, phone installation, all kinds of meters and wires connecting the insured building with the main public installations, conveyors and all other property regarded as infrastructure, such as squares and roads and the property, for which the Insurance holder is responsible.

3. Specifications

A list of the insured property forming an attachment to the policy.

§ 6. Exclusion of indirect losses in Section A

Under the present Section A, excluded from the insurance cover are all kinds of indirect damages related to delays, loss of market, loss of profit, increased costs of activity, contractual penalties, decrease or loss of production efficiency.

§ 7. Property excluded in Section A

The Insurer shall not be held liable for damage, destruction or loss of:

- 1) the monetary values left without protection during the time off work; lack of protection shall mean also leaving the key to the safe/locker/cash room in a publicly accessible place;
- 2) movable property stored outdoors – due to theft, the influence of negative weather conditions (except for a lightning strike), dust or guano;
- 3) mechanical vehicles authorised for public roads traffic, railway rolling stock, aircrafts and ships; this exclusion does not apply to the internal means of transport;
- 4) property or its part, if the loss, damage or destruction occurred directly during the production process; this exclusion does not apply to the results of the indemnifiable accident which was not excluded (e.g. fire) in the surrounding property protected by the insurance cover under this Insurance Contract;
- 5) property or its part, if the loss, damage or destruction occurred directly due to repair or modernisation works or tests, provided that it does not regard the current conservations and inspections; this exclusion does not apply to the results of such indemnifiable accident which was not excluded (e.g. fire) in the surrounding property protected by the insurance cover under this Insurance Contract;
- 6) live animals, agricultural crops, elements of flora;
- 7) jewellery, precious stones and metals, ore bullions, furs, antique value goods and antiques, payment cards, rare editions and works of art;
- 8) prototypes, models, exhibits;
- 9) land, watercourses, excavations, constructions such as pier or jetty, bridges, tunnels, property located underground, geological stock, property located on open waters;
- 10) roads and pavements, and other elements of infrastructure of the buildings and structures, provided that this exclusion does not include the property belonging to the Insurance holder or for which the Insurance holder is responsible, located within the borders of the insured location;
- 11) greenhouses, tents, cold frame and the property located inside;
- 12) property during the execution of construction and installation works, or the materials and delivered products related to these works;
- 13) power lines and/or telecommunication lines, including wires, poles, masts, power and transformer stations and other auxiliary structures;
- 14) water supply pipes and water meters, sewage and gas systems, or systems supplying water vapour or refrigerants and similar systems or devices; while this exclusion does not apply to the insured property belonging to the Insurance holder or for which the Insurance holder is responsible, and which is located within the insured location or within a distance not exceeding 300 meters from the borders of the insured location;
- 15) buildings and structures without a permit to use, excluded from exploitations for a period longer than 30 days, unused, which are condemned and will have to be demolished, and the property located inside, as well as the property intended for liquidation or scrapping.

§ 8. Accidents excluded in Section A

The Insurer shall not be held liable for damage, destruction or loss of the insured property which was due to:

- 1) dishonesty of the staff, employers or other persons to whom the Insurance holder entrusted the care over the insured property, regard-

less of the circumstances in which the property or the title to the property was transferred by the Insurance holder, unexplained disappearance or loss and defects in the inventory;

- 2) explosion of boilers (except for those which are used for own needs), heaters or other machinery and devices, if the explosion took place due to an incorrect water steam pressure or other working medium inside the device, and the control of the above parameters lies with the Insurance holder; this exclusion does not apply to the results of the accident which were not excluded (e.g. fire);
- 3) collapsing of buildings; this exclusion does not apply to the loss, damage or destruction of the property which was not excluded;
- 4) normal use, hidden defect, insects, bacteria, pollution or contamination, effects of humid or dry air, changes in temperature or humidity, corrosion, mould, decay, loss of weight, shrinking, evaporation, change of colour and structure, change of smell; this exclusion does not apply to the loss, damage or destruction of the property due to the reasons which were not excluded;
- 5) the effects of an electromagnetic field on all processes related to the processing of data, regardless of the equipment and data storage devices used;
- 6) collapse, elevation, cracks, shrinking or relaxation of the soil, and in consequence the movement of the foundations, walls, floors, or ceilings; this exclusion does not apply to the loss, damage or destruction of the property due to the reasons which were not excluded;
- 7) mining damages within the meaning of the mining law;
- 8) hardening (solidification) of the materials located in the installations or reservoirs;
- 9) changes in the building law with the exception of the risks in the chapter Requirements of the public authorities;
- 10) flooding of the working capital located below ground level, if they were not stocked at least 10 cm above the floor level of the room located below the ground level;
- 11) cracking, overheating of the boilers, savers, reactors, pipelines due to defects in construction;
- 12) theft other than from a room, accomplished or attempted.
 - a) after a prior removal of protection by force or with a threat of using physical force,
 - b) after opening with the original key, obtained through burglary in another room,
 - c) if the perpetrator was hidden in the room prior to its closing, provided that he has left traces which could be used as a proof of such hiding;
- 13) cracking, overflowing, through a drain or cracks in the reservoirs or other equipment holding water, intentional damaging of the property, if the property was left and remains unused, unless the Insurer was notified of this fact in writing;
- 14) errors in construction, design errors, defects in materials, errors in installation/production, faulty completion;
- 15) damage to the machines and devices of mechanic, electric/electronic nature;
- 16) power cuts or interruption of other utilities supply to the insured premises, subject to the Clause of liability for the damages caused by lack of utilities (damages to the property);
- 17) variations and changes in the level of groundwater with all the consequences;
- 18) loss, damage, deformation or unavailability of data or software; this exclusion does not apply to the loss, damage or destruction of the property due to the reasons which were not excluded.

§ 9. Additional Terms and / Clauses to Section A

1. Adaptation costs

The Insurer provides insurance cover of the Insurance holder's adaptation costs in the buildings and premises which are occupied by him under the relevant contracts or any legal right other than ownership.

2. Principle of proportion for compensation payment

If the insured sum declared by the Insured and indicated in the policy for the specific subjects of insurance is lower than the value of the subject of insurance as of the day of the damage, the amount of the agreed compensation shall be reduced in the same proportion as the declared insured sum of the subject of insurance remains in relation to its value as of the day of the damage, subject to the provisions of the Underinsurance Clause.

3. Method of the post-damage restoration of property

3.1. If the insured property is damaged or destructed due to occurrence of an event which is covered under the Insurance Contract, the amount of the compensation due for each position indicated in the policy shall be calculated in accordance with the rule of restoration of the damaged or destructed property to the previous state or the replacement of this property, subject to the provisions below.

3.2. Restoration shall mean:

- 1) if the property is damaged – reconstruction of all buildings or replacement of all other property with a similar property, in both cases bringing it into the state which is the same as new, however, not better or more developed;
- 2) if the property is destructed – repair of the destruction and bringing the destructed part of the property into the state which is, in essential respects, the same as new, however, not better or more developed,

3.3. Special provisions:

- 1) The restoration works may be conducted at any location and using any method in accordance with the requirements of the Insurance holder, provided that it does not increase the liability of the Insurer. The works shall start within 12 months of the day of the damage. Otherwise, the Insurer reserves the right to refuse to cover the difference between the real amount of damage as of the day of its occurrence and the value of restoration;
- 2) If the property is damaged or destructed only partially, the costs of repairs cannot exceed the value of restoration;
- 3) The payment of compensation exceeding the real value of the damage as of the day of its occurrence cannot be made until the full costs of restoration are presented;
- 4) Provisions of the clause “Principle of proportion for compensation payment” (Section A § 9 Item 1 of these GTCIC shall be applied separately to each insured fixed asset).

4. Requirements of the public authorities

The scope of insurance includes additional costs which could be incurred only due to the necessity of compliance with all regulations or provisions resulting from the provisions of law related to the restoration of this property to the previous state, while:

- 1) the amount of compensation under the provisions of this clause does not cover:
 - a) the costs of compliance with all the regulations and provisions which result from the provisions of law if the damage or destruction of the property occurs before this clause becomes mandatory, if it is not covered under this Contract, or, if the obligation of compliance with such requirements was applicable to the Insurance holder in relation to the property, despite the non-occurrence of its damage or destruction before the day of the indemnifiable accident, or it regards the non-damaged parts of the property,
 - b) additional costs which would be necessary to bring the damaged or destructed property to the state which is the same as new if there were no necessity of compliance with any aforementioned regulations or provisions resulting from the provisions of law,
 - c) any increased taxes and due utility services payments, payments collected by the state and payments of public interest resulting from the compliance with the requirements and provisions resulting from the provisions of law;
- 2) works related to bringing the property back to the previous state shall end within 12 months of the day of the occurrence of the loss or damage, unless the Insurer allows within these 12 months to extend this period, and may be conducted entirely or partially in another location, provided that the liability of the Insurer will not increase as a result. In case where the works related to bringing the property back to the previous state are not completed within 12 months of the day of the occurrence of the damage, due to the circumstance which are beyond the control of the Insurance holder, and the scope of the works at this time exceeds 70% of the works necessary for bringing back the previous state, the Insurer shall allow for the indicated period to be extended in accordance with the application of the Insurance holder;

- 3) if the liability of the Insurer is reduced due to other provisions of this Contract (except for this clause), then the liability of the Insurer shall be reduced proportionally in relation to this clause;
- 4) the entire amount of the paid compensation under this clause cannot exceed the liability limit for this clause specified in the policy.

5. Profit of the suppliers of the insurance holder

The profit of the third parties who are suppliers of the Insurance holder, including the leasing companies, is not subject of insurance cover under the Insurance Contract.

6. Property of commercial value

- 6.1. In case where the damaged or destructed property has commercial value after the damage, the Insurance holder is not allowed to resell the remains of the damage without a prior consent of the Insurer.
- 6.2. If the resale is not possible, then, in order to set the amount of compensation, the market value shall be used, as agreed by the Insurance holder and the Insurer, by means of negotiation.

7. Automatic restoration of the limit of liability

The limits of liability (with the exclusion of the sums for working capital) shall not be reduced after the payment of the compensation subject to the possibility to use the right to terminate this Contract pursuant to the Section General provisions § 12 of these GTCIC.

SECTION B. ALL RISKS: INTERRUPTION OF COMMERCIAL ACTIVITY

§ 1. General provisions

1. Insurance, under Section B of these GTCIC, shall cover the estimated gross profit which would have been gained by the Insurance holder for the production of goods or sale of goods and services, had the commercial activity run by him at the insured location not been interrupted or disrupted due to a damage to property covered by the insurance under Section A of these GTCIC.
2. Subject to all provisions and exclusions included in these GTCIC, the Insurer shall pay to the Insurance holder a compensation up to the maximum amount of the insured sum, in accordance with the specification included in the policy, while the absolute and necessary conditions to entail the liability of the Insurer under the insurance cover of profit loss is an interruption or distortion of the commercial activity run by the Insurance holder at its location due to loss or damage of property resulting from the occurrence, at the place and time of the term of the insurance, of an indemnifiable accident under Section A of these GTCIC, regardless of the applicable franchise or the retention.

§ 2. Subject, limit of liability

1. The policy specifies the amount of the limit of liability.
2. The policy specifies the maximum indemnity period limiting the liability of the Insurer.

§ 3. Estimated gross profit

1. Limit of liability

Subject to all provisions and exclusions of this Contract, the Insurer shall pay to the Insurance holder a compensation up to the amount of the liability limit indicated in the policy.

2. The liability of the Insurer resulting from the insurance of the estimated gross profit within the maximum insurance period shall be limited to the value of the lost gross profit, resulting from the decline in trade figures and the increase of the costs of activity, subject to Item 3 of this paragraph. The full value of damage shall mean:

- 1) in reference to the decline in trade figures – the amount calculated by multiplying the gross profit ratio by the amount by which the trade figures gained during the insurance period have declined due to the damage, in relation to the standard trade figures, provided that the amount of the gross profit ratio and the value of trade figures within the insurance period represent results which are as close to each other as possible, which, if there were no damage to the property, would have been reached by the Insurance holder in the given period after its occurrence, with a prior consideration of the trends, special circumstances and market conditions which would have influenced the develop-

ment and course of the commercial activity of the Insurance holder before or after the occurrence of the damage;

- 2) in reference to the increased costs of activity – the amount of additional, necessary and justified expenses (subject to the provisions of the clause “Uninsured fixed costs”) incurred in order to avoid or reduce the decline in trade figures which would have occurred during the liability period were these expenses omitted, provided that the total amount of additional expenses will not exceed the amount calculated by multiplying the gross profit ratio by the value of the decline which was avoided this way.
3. The aforementioned amounts shall be reduced by all expenses which were saved during the insurance period, which were not obligatory for the Insurance holder to incur or which were incurred by him in a restricted scope due to the damage, and which, if incurred, would have caused loss to the gross profit.

§ 4. Definitions

For the purpose of Section B of the GTCIC, the following terms and definitions are specified:

1. Compensation period

A period which starts on the day of the occurrence of the damage and lasts as long as the damage is having negative impact on the results of the commercial activity runned by the Insurance holder, no longer, however, than the maximum compensation period specified in the policy.

2. Estimated gross profit

The gross profit estimated for the period equal to the maximum compensation period, with regard to the expected trends, special circumstances and market conditions which influence the trade figures of the company within this period.

3. Gross profit

The amount of difference between the sum of trade figures and the value of savings according to the situation at the end of the financial year, and the sum of value of the savings according to the situation at the beginning of the financial year and the uninsured costs of production, subject to the following provisions:

- 1) the values of the situation of savings is determined based on the accounting records kept by the Insurance holder, after realignment of their value;
- 2) if the Insurance holder is a taxpayer of the goods and services VAT, and of the excise duty, then all figures mentioned in these GTCIC will not include this tax;
- 3) for the purpose of these definitions, all corrections made to the current costs accounting are omitted;
- 4) the words and expressions used in the text of this definition have the meaning accorded to them usually in the books and the accounting of the Insurance holder.

4. Gross profit ratio

Percentage contribution of the gross profit in the value of the trade figures for the financial year directly preceding the date of occurrence of the damage.

5. Increased costs of activity

the amount of the additional necessary and justified expenses exceeding the normal expenses of the operating activity of the Insured, incurred in order to avoid or limit the decrease of value of the trade figures within the compensation period.

6. Maximum compensation period

Specified by the Insured in the insurance declaration and indicated in the policy maximum period during which the Insurer may be held liable due to the insurance coverage of the loss of gross profit starting on the day the damage to the property has occurred and lasting for the number of months specified in the policy.

7. Standard trade figures

- 1) trade figures gained within the period directly preceding the date of occurrence of the damage, the length of which corresponds to the length of the compensation period;
- 2) standard trade figures can be modified accordingly in cases where the changes in market trends or other specification of the commercial activity would influence the result of such activity regardless of the occurred damage;

- 3) the goal of the modification of the value of the standard trade figures is only to gain the most accurate estimation possible of the results which would have been gained by the Insurance holder during the compensation period had the damage not occurred and had the activity continued on normal terms.

8. Trade figures

Sum of incomes gained by or due to the Insurance holder for the sold or delivered products and/or goods and for the services provided by running the activity, except for the incomes gained from stock exchange operations or other investments of monetary or capital character.

9. Uninsured fixed costs

- 1) Costs which are reduced together with the decline of the trade figures, such as the cost of raw material, materials, intermediates, power, packaging, transport, remuneration, external services, sales, in the scope of their dependence on the production volume, unless they are intended to maintain the insured enterprise or constitute charges for the uptake of electric power, heating, water and gas independent from the consumption volume.
- 2) Costs not related directly to the subject of the operating activities of the Insurance holder.

10. Waiting period

The period specified in the policy during which the Insurer is not held liable for the consequences of the interruption or disruption of the activity. The waiting period shall commence on the day of the occurrence of the damage to the property.

§ 5. Continuation of activity in the new location

If, during the compensation period, the Insurance holder or the person acting on his behalf, continues the commercial activity in another location than the insured location, the profits gained and due from the sales of products or goods or provision of services shall be taken into account while calculating the trade figure gained in the compensation period.

§ 6. Uninsured fixed costs

In case where any position of the fixed costs is not included in the insurance declaration and, therefore, not covered by the insurance, and in case of deduction of the value of these positions at the calculation of the limit of liability of the estimated gross profit during the compensation period (in accordance with the definition included in these GTCIC), the value of the compensation due for the increase of costs of the activity shall be included only in the proportion in which the value of the limit of liability of the estimated gross profit remains in relation to the value of the limit of liability of the estimated gross profit and the uninsured fixed costs.

§ 7. Obligations of the Insurance holder

The Insurance holder:

- 1) is required to keep accounting books and to store and protect finance documentation in accordance with the applicable provisions, in particular with the Act of 29 September 1994 on accounting and in such a way to prevent their destruction in result of an indemnifiable event;
- 2) shall allow access for the Insurer to the finance documentation prior to the conclusion of the Contract during the term of the insurance protection, as well as within 12 months of its termination.

§ 8. Additional conditions for Section B

1. Experts

All information or details included in the accounting books of the Insurance holder or in other books or documents which the Insurer may request examine or verify any claims, may be prepared by experts if, in the given period of time they are acting regularly in favour of the Insurance holder, and their report is a proof base on factual presumptions regarding the information and details to which this report applies.

2. Partial payments of compensation during compensation period

The Insurer shall make the payment of the indisputable part of the compensation due to a loss of profit before the end of the compensation period. The paid amount shall be offset against the whole compensation, however, the partial payments shall not exceed the part of the entire limit of liability specified in the policy which corresponds to the maximum compensation period for which the payment was made.

3. **Finished goods and production in progress**

During the calculation of the value of the damage and the amount of the compensation, the value of the stock (finished goods and production in progress) obtained based on the accounting records kept by the Insurance holder, after the realignment of their value, and the profits gained and due for their sale shall be taken into account while calculating the trade figures gained during the compensation period.

4. **Activity of separate organisational units of the enterprise**

In case where the Insurance holder runs his own commercial activity through a number of organisational units, for which separate accounting records are kept, and for each of them it is possible to clearly define the results of activity, the provisions of these GTCIC regarding the determination of the value of the damage and the amount of compensation in relation to the insurance of gross profit remain applicable for each unit the normal activity of which was disturbed as a result of the occurred damage. If the limit of liability specified in the policy turns out to be lower than the sum of amounts obtained by multiplication of the gross profit ratio from the units by the relevant value of the annual turnover gained by these units, the amount of compensation calculated in accordance with the provisions of these GTCIC shall be proportionally reduced.

5. **Restoration of the limit of liability**

The total limit of liability of the loss of profit will not be reduced by the value of the paid compensation and shall be restored to the full value

as before the damage, provided that the Insured pays an additional premium suggested by the Insurer after the payment of the compensation.

6. **Recovered sum**

During the calculation of the value of the damage and the amount of compensation, the sum recovered after the damage, after the realignment of its value, and the revenues gained and due from the sales of the restored property, shall be taken into account while calculating the turnover gained during the compensation period.

7. **Renovation works**

In the process of calculation of the damage, the relevant correction shall be taken into account and made, regarding the time devoted to the changes/modification executed during the interruption of the activity period.

8. **Principle of proportion for compensation payment**

If the limit of liability declared by the Insured for the estimated gross profit is lower than the value obtained by multiplication of the gross profit ratio by the value of the factual turnover gained during the maximum compensation period (under insurance), then the value of the compensation agreed based on the rules specified in this Section B shall be reduced in the proportion in which the , at the day of the occurrence of the damage, the provided limit of liability for the estimated gross profit remains in relation to the aforementioned value (principle of proportionality).

RULES FOR THE PROCESSING OF PERSONAL DATA

The Controller of personal data is Colonnade Insurance S.A. operating in Poland through Colonnade Insurance Société Anonyme Branch in Poland (hereinafter: Colonnade or Controller). The legal basis and purpose of the processing of basic personal data is to take action before concluding a contract and to conclude and perform the contract. When personal data of other persons is obtained from the policyholder or any other person who contacts the Controller, the legitimate interests of the processing of such data is the performance of the contract which constitutes the legal basis for the processing. Where necessary in relation to the above-mentioned purposes, in the case of the collection of personal data concerning health, the basis for processing is consent.

Personal data may also be processed in order to comply legal obligations imposed on the Controller, and the necessity of processing such data always arises from the law (concerning: insurance activity, claims handling, tax and accounting issues, statistical and actuarial obligations and consumer protection). They may also be processed for purposes arising from the legitimate interests of the Controller (i.e. reduction of insurance risks by reinsurance, prevention of losses of the Controller by preventing insurance crime, direct marketing of the Controller's own products by conducting analytical activities and contacting the data subject, ensuring compliance with international sanctions by conducting analyses, and asserting or defending against claims arising from the Controller's activities, including taking the necessary steps to secure them).

Personal data may be disclosed to other entities only in connection with the fulfilment of the above-mentioned purposes and on the basis of a written agreement (e.g. to IT service providers, insurance brokers, loss adjusters, debt collectors, marketing agencies) or in connection with purpose of the legitimate interests pursued by the Controller (e.g. to insurance companies, reinsurers, financial institutions).

Depending on the purpose, personal data are always processed for no longer than the period of limitation of claims or the applicable law. Personal data may be transferred to third countries (outside the European Economic Area) only in situations defined by law, in particular when conditions are met to ensure an adequate level of security of personal data. In order to comply with established international sanctions, personal data related to the insurance contract may be transferred to the company DXC Technology, based in the United States, on the basis of standard data protection clauses adopted by the European Commission, which means that appropriate measures for the protection and security of personal data required by European legislation are ensured.

The data subject has the right to request access to personal data, the right to rectify, erase or restrict processing, the right to object to processing, the right to data portability and the right to lodge a complaint to the supervisory authority in charge of personal data protection (both in Poland and in Luxembourg), as well as the right to withdraw the consent. The provision of personal data is necessary for the conclusion and performance of the contract and the fulfilment of Colonnade's legal obligations. Without providing personal data it is not possible to conclude a contract. The provision of a telephone number is voluntary, as is that of an e-mail address, unless it is necessary to provide insurance documentation. However, direct marketing by e-mail or telephone will not be possible without prior consent. Consent may be withdrawn at any time as indicated below and without affecting the lawfulness of the processing that was carried out on the basis of consent before its withdrawal.

The Controller can be contacted by writing to the Colonnade branch address, by calling +48 22 528 51 00 and by sending an e-mail: info@colonnade.pl. In all matters concerning the processing of personal data, in particular exercising rights related to data processing, right to object or transfer of data outside the EEA area, you can contact the Data Protection Officer at Colonnade (dpo@colonnade.pl) or by sending a letter to the address of Colonnade branch.

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