

Section 1 - Buildings (continued)

What is covered	What is not covered
<p>We will also cover the following:</p> <p>15. Electrical power surge: Damage caused by electricity to fixture and fittings and electrical parts of any apparatus or its accessories by short-circuiting, spontaneous combustion or abnormal occurrence.</p>	<p>a) Limited to £1,500 any one occurrence and £3,000 any one period of insurance.</p> <p>b) Any items covered by supplier, manufacturer or installer guarantee.</p> <p>c) The first £100 of each and every loss.</p>
<p>16. The cost of repairing accidental damage caused by external and visible means from a single identifiable event to:</p> <p>a) domestic oil pipes; b) underground water supply pipes; c) underground gas pipes; d) underground cable which you are legally liable for.</p>	<p>a) Damage due to wear and tear or anything that happens gradually.</p> <p>b) Loss or damage to sewers, drains or septic tanks.</p> <p>c) More than £1,000 in any period of insurance.</p> <p>d) The first £100 of each and every loss.</p>
<p>17. The cost incurred (with our permission) of finding the source of any escape of water or oil from any fixed internal domestic heating installations including subsequent repairs to walls, floors and ceilings.</p>	<p>a) More than £1,000 in any period of insurance.</p> <p>b) The first £100 of each and every loss.</p>
<p>18. The cost of repairing accidental breakage to:</p> <p>a) fixed glass (including the cost of replacing frames); b) ceramic hobs; c) sanitary fixtures; d) solar panels all forming part of the buildings.</p>	<p>a) More than £500 for the cost of removing or replacing frames.</p> <p>b) Loss or damage whilst the buildings are not furnished enough to be normally lived in.</p> <p>c) The first £100 of each and every loss.</p>
<p>19. The reasonable cost of necessary alternative accommodation which you have to pay for whilst the buildings cannot be lived in following loss or damage which is covered under this section; or loss of rent due to you for which you are unable to recover for holidays booked prior to the loss or damage.</p>	<p>a) Any amount over 10% of the sum insured for the buildings.</p> <p>b) The first £100 of each and every loss.</p>
<p>20. Expenses you have to pay in respect of fire brigade charges for which you are liable to pay following attendance by the fire brigade at the premises shown in the schedule, following loss or damage to the buildings which is covered under this section.</p>	<p>a) More than £500 in any period of insurance.</p> <p>b) The first £100 of each and every loss.</p>

Section 1 - Buildings (continued)

What is covered	What is not covered
<p>We will also cover the following:</p> <p>21. Metered Water Increased domestic metered water charges you may have to pay following an escape of water which gives rise to an admitted claim under Insured Event 7 of this section.</p> <p>You may only claim this benefit under one section of this document.</p>	<p>a) More than £500 in any period of insurance.</p> <p>b) The first £100 of each and every loss.</p>
<p>22. Expenses you have to pay and which we have agreed in writing for:</p> <p>a) architects, surveyors, consulting, engineers and legal fees;</p> <p>b) the cost of removing debris and making safe the buildings;</p> <p>c) costs you have to pay in order to comply with any government or local authority requirements;</p> <p>following loss or damage to the buildings which is covered under this section.</p>	<p>a) Any expenses for preparing a claim or an estimate for the loss or damage.</p> <p>b) Any cost if government or local authority requirements have been served on you before the loss or damage.</p>

Section 1 - Buildings

Settling Claims

How we deal with your claim

If **your** claim for loss or damage is covered under Section 1 - Buildings, **we** will pay the full cost of repair excluding the **excess** as long as:

- the **buildings** have been maintained in a good state of repair; and
- the sum insured is adequate to cover the full cost of rebuilding the **buildings** in their present form (including removal of debris costs, architects' and surveyors' fees).

We will take an amount off for wear and tear from the cost of any replacement or repair if immediately before the loss or damage the **buildings** were not in good repair.

We will not pay the cost of replacing any undamaged or unbroken item or parts of items forming part of a pair, set, suite or collection of the same type, colour or design if the damage happens to one particular area or to a specific part and replacements cannot be matched.

Under-insurance

If **you** are under-insured, which means the cost of rebuilding the **buildings** at the time of loss or damage is more than **your** sum insured for the **buildings**, then **we** will only pay a proportion of the claim. For example, if **your** sum insured only covers one half of the cost of rebuilding the **buildings**, **we** will only pay one half of the cost of repair or replacement.

Limit of insurance

We will not pay more than the sum insured for each of the **premises** shown in the **schedule**.

Index linking clause

The sum insured for **buildings** will be adjusted annually in accordance with a recognised House Rebuilding Cost Index relevant to each country or a figure as specified by **us**.

At each renewal the premium will be calculated on the revised sum insured. For **your** protection should the index fall below zero, **we** will not reduce the sum insured.

Section 2 - Contents

The **schedule** will show if this cover applies.

What is covered The contents are covered against loss or damage directly caused by:	What is not covered
1. Fire, lightning, explosion.	The first £100 of each and every loss.
2. Aircraft and other flying objects or anything dropped from them.	The first £100 of each and every loss.
3. Smoke.	a) Damage caused by anything that happens gradually. b) Pollution damage. c) The first £100 of each and every loss.
4. Earthquake.	The first £2,500 of each and every loss except for Italy and Greece where this is increased to £5,000 or 2.5% of the sum insured for contents , whichever is the greater.
5. Storm, hail or flood.	a) Loss or damage to the contents of domestic outbuildings and garages that are not of standard construction . b) Property in the open. c) The first £100 of each and every loss.
6. Weight of snow and avalanche.	a) Loss or damage caused by: <ul style="list-style-type: none"> • subsidence, landslip or heave, • frost. b) Loss or damage to swimming pool covers, filtration plants, heaters and pumps. c) The first £250 of each and every loss.
7. Escape of water from and frost damage to fixed water tanks, apparatus or pipes.	a) Loss or damage to the contents of domestic outbuildings and garages that are not of standard construction . b) Loss out of swimming pools and irrigation systems. c) Loss or damage whilst the buildings are not furnished enough to be normally lived in. d) Loss or damage if the home is unoccupied unless the water has been switched off at the point of supply to the buildings . e) The first £250 of each and every loss.
8. Escape of oil from a fixed domestic oil fired heating installation.	a) Faulty workmanship and/or materials. b) Loss of damage whilst the buildings are not furnished enough to be normally lived in. c) The first £100 of each and every loss.

Section 2 - Contents (continued)

What is covered The contents are covered against loss or damage directly caused by:	What is not covered
9. Theft or attempted theft	a) Loss or damage whilst the home is unoccupied , let or sub-let unless the loss or damage follows a violent or forcible entry. b) Loss or damage whilst the buildings are not furnished enough to be normally lived in. c) More than £2,000 in any period of insurance from detached domestic outbuildings or garages. d) Valuables if the home is unoccupied , unless specified separately on the schedule . e) The first £100 of each and every loss.
10. Collision by any vehicle or animal.	a) Loss or damage caused by any vehicle or animal belonging to you or under your control. b) The first £100 of each and every loss.
11. Any person taking part in a riot, strike, violent disorder, civil commotion, labour disturbance or acting maliciously.	a) Loss or damage whilst the buildings are not furnished enough to be normally lived in. b) Valuables if the home is unoccupied , unless specified separately on the schedule . c) The first £100 of each and every loss.
12. Accidental damage to: <ul style="list-style-type: none"> • mirrors, • glass tops and fixed glass in furniture, • ceramic glass in cooker hobs. 	a) Damage to or the cost of removing or replacing frames. b) Breakage of property not in good condition. c) Any loss or damage whilst the home is let or sub-let. d) The first £100 of each and every loss.
13. Falling trees or branches, lamp posts and telegraph poles.	a) Removal costs of more than £500 in any one period of insurance . b) Loss or damage caused by lopping, topping and/or felling. c) The first £100 of each and every loss.
14. Subsidence, landslip or heave of the site upon which the buildings stand up to a maximum of £200,000 or the sum insured as shown in the schedule or subsequent policy amendments, whichever is the lesser.	a) Any claim for which compensation has been provided, or would have been but for the existence of this insurance, under contract or legalisation or guarantee. b) Loss or damage whilst the buildings are undergoing any structural repairs, alterations or extensions. c) Loss or damage caused by coastal or riverbank erosion. d) Loss or damage arising from faulty workmanship, defective plans, specification, workmanship or the use of defective materials. e) Any claim arising out of loss or damage to solid floors unless the walls are damaged at the same time. f) The first £2,500 of each and every loss except for Italy where this is increased to £5,000 or 2.5% of the sum insured for contents , whichever is the greater.

Section 2 - Contents (continued)

What is covered We will also cover the following:	What is not covered
<p>15. Electrical power surge: Damage caused by electricity to fixtures and fittings and electrical parts of any apparatus or its accessories by short-circuiting, spontaneous combustion or abnormal occurrence.</p>	<p>a) Limited to £1,500 any one occurrence and £3,000 any one period of insurance.</p> <p>b) Any items covered by supplier, manufacturer or installer guarantee.</p> <p>c) The first £100 of each and every loss.</p>
<p>16. Electrical equipment: Accidental damage caused by external and visible means to audio and audiovisual units, including television sets, video recorders, DVD players and home computers, laptops and their accessories, all situated within the home.</p>	<p>a) Damage to or deterioration of any article, directly caused by the process of cleaning, repair, renovation, maintenance or whilst being worked on.</p> <p>b) Tapes, disks or computer software.</p> <p>c) Any amount exceeding £2,500 in any one period of insurance.</p> <p>d) Any loss or damage whilst the home is let or sub-let.</p> <p>e) The first £100 of each and every loss.</p>
<p>17. The cost of repairing accidental damage caused by external and visible means from a single identifiable event to:</p> <ul style="list-style-type: none"> • domestic oil pipes; • underground water supply pipes; • underground gas pipes; • underground cable <p>which you are legally liable for as tenant only.</p>	<p>a) Damage due to wear and tear or anything that happens gradually.</p> <p>b) Loss or damage to sewers, drains or septic tanks.</p> <p>c) More than £1,000 in any one period of insurance.</p> <p>d) The first £100 of each and every loss.</p>
<p>18. Alternative accommodation/loss of rent The reasonable cost of necessary alternative accommodation which you have to pay for whilst the buildings cannot be lived in following loss or damage which is covered under this section; or loss of rent due to you for which you are unable to recover for holidays booked prior to the loss or damage.</p>	<p>a) Any amount over 10% of the sum insured under this section for the contents.</p> <p>b) The first £100 of each and every loss.</p>
<p>19. Expenses you have to pay in respect of fire brigade charges for which you are liable to pay following attendance by the fire brigade at the premises shown in the schedule, following loss or damage to the buildings which is covered under this section.</p>	<p>a) More than £500 in any period of insurance.</p> <p>b) The first £100 of each and every loss.</p>
<p>20. Metered water: Increased domestic metered water charges you may have to pay following an escape of water which gives rise to an admitted claim under Insured Event 7 of this section. You may only claim this benefit under one section of this document.</p>	<p>a) More than £500 in any period of insurance</p> <p>b) The first £100 of each and every loss.</p>

Section 2 - Contents (continued)

What is covered We will also cover the following:	What is not covered
<p>21. The contents whilst temporarily removed from the home against loss or damage:</p> <p>a) directly caused by any of the events insured under this section whilst the contents are:</p> <ul style="list-style-type: none"> • in any occupied private dwelling, • in any building where you or any permanent member of your household is residing, • in any trade building for the purpose of alteration, valuation, cleaning or processing, • in any furniture store, • in any bank or safe deposit; <p>b) elsewhere caused by fire, lightning, explosion, aircraft or earthquake;</p> <p>c) during the process of removal and transit following permanent change of residence or whilst in transit from any bank, safe, deposit or furniture depository caused by the events of fire, lightning, explosion, aircraft, earthquake or theft following forcible or violent entry.</p>	<p>a) Contents outside the country in which the premises are situated.</p> <p>b) Money, negotiable documents, or stamps.</p> <p>c) Any amount over 20% of the sum insured under this section for contents in a furniture store.</p> <p>d) The first £100 of each and every loss.</p>
<p>22. Garden furniture in the garden.</p>	<p>a) More than £1,000 in total in any one period of insurance.</p> <p>b) Damage caused by storm, hail, flood, avalanche, snow or weight of snow.</p> <p>c) The first £100 of each and every loss.</p>
<p>23. Fatal injury to you, happening at the premises shown in the schedule, caused by outward and visible violence by burglars or by fire provided that death ensues within 12 months of such an injury, for the following amounts:</p> <p>a) £10,000 for each insured person over sixteen years of age at the time of death.</p> <p>b) £5,000 for each insured person under sixteen years of age at the time of death.</p>	
<p>24. Loss or theft of keys: The cost you have to pay for replacing locks to safes and outside doors in the home following theft or loss of your keys.</p>	<p>a) Any amount over £500 in total in any one period of insurance.</p> <p>b) Alarm keys.</p> <p>c) The first £100 of each and every loss.</p>
<p>25. Domestic freezer contents: The cost of replacing your food in your fridge or freezer if it is spoiled due to a change in temperature or contamination by refrigeration fumes.</p>	<p>a) Loss or damage caused by any electricity or gas company cutting off or restricting your supply.</p> <p>b) Loss or damage due to the failure of your electricity or gas supply caused by a strike or any other industrial action.</p> <p>c) Any amount exceeding £250 in any one period of insurance.</p> <p>d) The first £100 of each and every loss.</p>

Section 2 - Contents

Settling Claims

How we deal with your claim

If **you** claim for loss or damage to the **contents**, **we** will at **our** option either pay the full cost to repair or, in the event of a total loss or destruction of an article, **we** will pay for the cost of replacing the article as new providing that:

- the sum insured is adequate;
- the new article is as close as possible but not an improvement on the original article when it was new;
- **you** have paid and **we** have authorised the cost of replacement.

The above basis of settlement will not apply to clothes, linen or pedal cycles where **we** will deduct an amount for wear and tear and depreciation.

We will not pay the cost of replacing any undamaged or unbroken item or parts of items forming part of a pair, set, suite or collection of the same type, colour or design if the damage happens to one particular area or to a specific part and replacements cannot be matched.

Under-insurance

If **you** are under-insured, which means the cost of replacing the **contents** at the time of loss or damage is more than **your** sum insured for the **contents**, then **we** will only pay a proportion of the claim. For example, if **your** sum insured only covers one half of the cost of replacing or repairing the **contents**, **we** will only pay one half of the cost of repair or replacement.

Limit of insurance

We will not pay more than the sum insured for the **contents** of each **premises** shown in the **schedule**.

Index linking clause

The sum insured for **contents** will be adjusted annually in accordance with a recognised Consumer Durables Price Index selected or a figure specified by **us**.

At each renewal the premium will be calculated on the revised sum insured. For **your** protection should the index fall below zero, **we** will not reduce the sum insured.

Section 3 - Legal Liability to the Public

The **schedule** will show if this cover applies.

This section covers **your** legal liability.

- If the **buildings** only are insured, **your** legal liability as owner only but not as occupier is covered
- If the **contents** only are insured, **your** legal liability as occupier only but not as owner is covered
- If the **buildings** and **contents** are insured, **your** legal liability as owner and occupier is covered

What is covered	What is not covered
<p>We will compensate you as owner or occupier including your legal liability, arising out of the letting of your holiday home for any amounts you become legally liable to pay as damages for:</p> <p>a) bodily injury;</p> <p>b) damage to property;</p> <p>caused by an accident happening at the premises during the period of insurance specified in the schedule.</p>	<p>We will not compensate you for any liability:</p> <p>a) for bodily injury to:</p> <ul style="list-style-type: none"> • you • any other permanent member of your family • any person who at the time of sustaining such injury is engaged in your service; <p>b) for bodily injury arising from or in any way connected with any communicable disease or condition;</p> <p>c) for damage to the property owned by or in the charge or control of:</p> <ul style="list-style-type: none"> • you • any other permanent member of your family • any person engaged in your service; <p>d) arising out of or incidental to any profession, occupation or business other than operating of the premises as a let holiday home and self-catering holiday home;</p> <p>e) which you assumed under contract and which would not otherwise have attached;</p> <p>f) for any vehicle used for racing, pace-making or speed testing;</p> <p>g) arising out of the ownership, possession or operation or use of:</p> <ul style="list-style-type: none"> • any motorised or horse-drawn vehicle other than domestic gardening equipment operating within the insured premises; • any power-operated lift; • any aircraft (including drones) or watercraft or remote-controlled models of such other than manually-operated rowing boats, punts or canoes; <p>h) in respect of any kind of pollution and/or contamination other than:</p> <ul style="list-style-type: none"> • caused by a sudden, unidentified, unexpected and unforeseen accident which happens in its entirety at a specific moment in time during the period of insurance at the premises named in the schedule; and • reported to us not later than 30 days from the end of the period of insurance; <p>in which case, all such pollution and/or contamination arising out of such accident will be deemed to have happened at the time of such accident;</p> <p>i) arising out of your ownership, occupation, possession or use of any land or building other than the premises specified in the schedule.</p>

Section 3 - Legal Liability to the Public (continued)

Limit of Insurance

The limit of liability in respect of all claims under this section WILL NOT EXCEED £5,000,000 ANY ONE INCIDENT or series of incidents arising out of any one event, plus the costs and expenses incurred by **the insured** with **our** written consent in the defence of any such claim.

Section 4 - Accidents to Domestic Staff

The **schedule** will show if this cover applies.

This section covers **your** legal liability.

What is covered	What is not covered
<p>We will compensate you for amounts you become legally liable to pay including costs and expenses which we have agreed in writing, for bodily injury by accident happening during the period of insurance anywhere in the world to your domestic staff employed in connection with the premises named in the schedule.</p>	<p>We will not compensate you for any liability for bodily injury arising from, or in any way connected with:</p> <ul style="list-style-type: none">a) any vehicle outside the premises;b) any vehicle used for racing, pace-making or speed testing;c) any communicable disease or condition;d) Canada or the United States of America after the total period of stay has exceeded 30 days in the period of insurance;e) independent contractors, their employees and members of your family or household;f) any wilful or malicious act.

Limit of Insurance

The limit of liability in respect of all claims under this section WILL NOT EXCEED £1,000,000 ANY ONE INCIDENT or series of incidents arising out of any one event, plus the costs and expenses incurred by the **insured** with **our** written consent in the defence of any such claim.

Section 5 - Personal Items

The **schedule** will show if this cover applies.

What is covered	What is not covered
<p>Valuables and personal possessions listed in the schedule (or specification(s) attached) against physical loss or damage within the geographical limits shown in the schedule.</p> <p>Unspecified valuables and personal possessions up to £1,000 any one item, set or pair.</p>	<ul style="list-style-type: none"> a) Any loss or damage if you are engaged in or in any way connected with any form of professional entertaining. b) Loss or damage caused by moth, vermin, wear and tear or anything that happens gradually. c) Loss or damage from electrical or mechanical faults or breakdown. d) Damage to or deterioration of any article directly caused by the process of dyeing, cleaning, repair or renovation. e) Loss of money. f) Damage to guns caused by rusting or bursting of barrels. g) Breakage of any sports equipment whilst in use. h) Contact or corneal lenses. i) Mobile telephones (unless specified). j) Damage to dentures, dental related items and hearing aids (unless specified). k) Musical instruments (unless specified). l) The first £100 of each and every loss. m) Any amount over £1,000 for theft from or with an unattended motor vehicle. n) Any amount over £1,000 for any one item unless stated otherwise in the schedule or the specification(s) attached to the schedule.

Settling Claims

How we deal with your claim

1. If **you** claim for loss or damage to **valuables** or **personal possessions**, **we** will at **our** option replace, repair, or pay for any article covered under this section.
2. Where any insured item consists of articles in a pair or set, **we** will not pay:
 - a) more than the value of any particular part or parts which may be lost or damaged (without reference to any special value which such article or articles may have as a pair or set); or
 - b) more than any proportionate part of the insured value of the pair or set.
3. If the total value of unspecified items at the time of the loss or damage is more than **your** sum insured for such items, then **we** will only pay for a proportion of the claim.
 For example if **your** sum insured only represents one half of the total value of unspecified items **we** will only pay one half of the cost of repair or replacement.

 However, if **personal possessions** are lost or damaged away from the **home** **we** will not take account of the value of **personal possessions** in the **home** at the time of such loss or damage.
4. **We** will not pay more than the sum insured shown in the **schedule**.

Section 6 - Emergency Travel

The **schedule** will show if this cover applies.

The following applies only if the **home** is a **holiday home** and not **your** permanent residence.

What is covered	What is not covered
<p>Subject to our prior agreement and approval we will pay:</p> <p>a) the cost of one return air ticket to the premises named in the schedule not exceeding £300 and the cost of a second return air ticket for a member of your family not exceeding £300, and</p> <p>b) up to £400 for the necessarily incurred costs of temporary accommodation/expenses if the premises named in the schedule are uninhabitable by any cause for which cover is provided under Section 1 - Buildings and Section 2 - Contents of this policy.</p>	<p>Any amount exceeding £1,000 in any period of insurance.</p>

Conditions

1. The estimated claim under Section 1 - Buildings and Section 2 - Contents is not less than £2,500.
2. All travel documents, hotel receipts and other documents must be retained by **you** and will be the basis of claims settlements.
3. In the event of air travel not being viable, the cost of the journey by road, rail or sea may be substituted.
4. The loss or damage must be notified to **us** within 21 days of the date of loss.

French Natural Catastrophe Cover Extension

Natural Catastrophe Cover Extension for France in accordance with French law

This insurance is extended to cover physical loss or physical damage to the **premises** caused by exceptional intensity of a natural agent such as earthquake, landslip or flood. This extension is in accordance with the legal regulations in force on the day of such loss and is subject to all terms and condition of this insurance, except as amended by this extension.

Basis of settlement

Your claim for damage under this extension will be calculated in accordance with the basis of settlement for this insurance. In no event will **we** pay more than the amount insured; **we** will deduct from **our** settlement an amount which is set by law and which **you** must bear **yourself**. **You** undertake not to insure this amount elsewhere.

Notice of loss

You must notify Adjusting Associates LLP of any loss or damage which may result in a claim under this extension as soon as **you** become aware of it and the latest within ten days after publication of the inter-ministerial decree stating that a natural catastrophe has occurred.

In the event of loss, if **you** have taken out more than one policy which covers physical damage caused directly by the exceptional intensity of a natural agent, **you** must tell **us** about such policies within the ten day period mentioned above. **You** must submit **your** claim to **the insurer** of **your** choice within the same period.

Claim payment

We undertake to pay **you** the amount due under this extension within three months from either the date on which **you** gave **us** the estimate of the damage or the date of publication of the inter-ministerial decree stating that a natural catastrophe has occurred, whichever is the latter. If **we** do not, the amount due will bear interest at the statutory rate from the end of this period unless **our** failure to pay is accidental or due to circumstances beyond **our** control.

Spanish Consorcio de Compensacion

CLAUSE ON COMPENSATION OF LOSSES ARISING FROM EXTRAORDINARY EVENTS BY THE INSURANCE COMPENSATION CONSORTIUM

In accordance with the provisions of the redrafted text of the Legal Statute for the Insurance Compensation Consortium, enacted by Royal Legislative Decree 7/2004 of 29th October, policyholders of insurance contracts obligatorily including the surcharge in favour of the aforesaid Public Business Entity are entitled to contract the cover for extraordinary risks with any Insurer meeting the conditions required by the legislation in force.

Compensation deriving from losses arising out of extraordinary events taking place in Spain and affecting risks located therein and with regard to personal damage, also those for extraordinary events occurring abroad when the insured habitually resides in Spain, will be paid by the Insurance Compensation Consortium if the policyholder has paid the relevant surcharges in its favour and provided that one of the following circumstances occurs:

- a) When the extraordinary risk covered by the Insurance Compensation Consortium is not covered by the insurance policy taken out with the Insurer.
- b) When, even though the risk is covered by the said insurance policy, the obligations of the Insurer cannot be met because the Insurer is declared insolvent by a Court or because the Insurer is subject to a winding-up process supervised or carried out by the Insurance Compensation Consortium.

The Insurance Compensation Consortium will act in accordance with the aforementioned Legal Statute, the Law 50/1980 of 8th October on Insurance Contract, the Regulations on Extraordinary Risks approved by Royal Decree 300/2004 of 20th February and other complementary legislation.

SUMMARY OF LEGAL RULES

1. *Extraordinary events covered*

- a) The following natural phenomena: earthquakes and tidal waves, extraordinary flooding (including those provoked by sea dashing), volcanic eruptions, unusual cyclonic activities (including extraordinary winds of more than 120 km/h and tornadoes), and falling of astral bodies and meteorites.
- b) Those events occurring violently as a result of terrorism, rebellion, sedition, insurrection, and popular tumult.
- c) Events or acts of the Military Forces or State Securities Bodies in peacetime.

The atmospheric and seismic phenomena, volcanic eruptions and the falling of astral bodies will be certified, at the request of the Insurance Compensation Consortium, through reports issued by the State Meteorology Agency (AEMET), the National Geographic Institute and others competent public bodies. In the case of political or social events as well as in the event of damage caused by facts or acts of the Military Forces or State Security Bodies in peacetime, the Insurance Compensation Consortium shall be able to collect information about the facts from the competent judicial or administrative authorities.

2. *Risks excluded*

- a) Those which do not give rise to compensation in accordance with the Insurance Contract Law.
- b) Those suffered by goods covered by an insurance contract other not obliged to include the surcharge in favour of the Insurance Compensation Consortium.
- c) Those caused by a fault or defect of the insured item or its evident lack of maintenance.
- d) Those caused by armed conflicts, even when not preceded by a formal declaration of war.
- e) Those arising from nuclear energy, without prejudice to the provisions of the Law 12/2011 of 27th May on liability for nuclear damage or provoked by radioactive materials. The foregoing notwithstanding, direct damage to insured nuclear installations will be deemed to be included when the damage is caused by an extraordinary event affecting the installations themselves.
- f) Those due to the mere action of time and, in the case of goods which are totally or partially submerged, those caused by the mere action of waves or ordinary currents.

Spanish Consorcio de Compensacion (continued)

- g) Those produced by natural phenomena other than the natural phenomena mentioned in section 1.a below and, in particular, those caused by an increase in the level of underground water, the movement of embankments, sliding or settlement of land, falling rocks and similar phenomena, unless the damage is manifestly caused by the action of rainwater causing a situation of extraordinary flooding in the area and arises simultaneously with such flooding.
- h) Those caused by acts of popular uprising in the course of meetings and demonstrations carried out in accordance with the provisions of Fundamental Law 9/1983 of 15th July 15th governing the right of assembly, as well as in the course of legal strikes, except where such acts could be qualified as extraordinary events of those indicated in section 1.b) below.
- i) Those caused by bad faith on the part of the insured.
- j) Those arising from. natural phenomena causing damage to goods or losses of profits when the policy's issue date or effective date, if later, does not precede in seven natural days to the loss date, unless it is demonstrated the impossibility of taking out the policy due to lack of insurable interest. This waiting period shall not apply in case of replacement or substitution of the policy, with the same or other entity, without interruption, except in the part which is the object of increase or new cover. Nor does apply to the part of the insured capitals resulting from the automatic revalorisations stated in the policy.
- k) Those relating to losses that take place before payment of the first premium or when, in accordance with the Insurance Contract Act, cover by the Insurance Compensation Consortium is suspended or the insurance contract is extinguished due to the non-payment of premiums.
- l) With regard to damage to goods, the indirect risks, or losses arising from direct or indirect damage other than loss of profits as limited as compensable by the Regulations on the insurance of extraordinary risks. In particular, damage or losses arising from power cuts or alterations in the external supply of electricity, gas, fuel-oil, diesel or other fluids is are not covered, nor are any other damage or indirect loss apart from those mentioned in the preceding paragraph, even where such alterations arise from a cause included in the cover for extraordinary risks.
- m) Those declared by the National Government to be a "national calamity or catastrophe" in view of their magnitude or severity.
- n) In the event of land vehicles liability, personal damage arising from this cover.

3. Deductible

I. The deductible for the insured shall be:

- a) In the case of direct damage, in insurance against damage to goods, the deductible for the insured will be 7% of the amount of the compensable damage caused by the loss. However, no deduction for deductible will apply to damage affecting to homes, ownership communities and vehicles which are insured under a motor policy.
- b) In the case of loss of profits, the deductible for the insured will be that foreseen in the policy, in time or amount, for damage resulting from ordinary claims of loss of profits. If there are several deductibles for the cover of ordinary claims of loss of profits, those stated for the main cover will apply.
- c) When the policy provides a combined deductible for damage and loss of profits, material damage will be settled by the Insurance Compensation Consortium less the applicable in accordance with section a) before, and the loss of profits caused with deduction of the deductible stated in the policy for the main cover, less the deductible applied in the settlement of material damage.

II. In the case of personal insurance, no deductible will apply.

4. Extension of the cover.

1. The cover for extraordinary risks will apply to the same goods or people, as well as sums insured established in the policies covering ordinary risks.

2. Notwithstanding the foregoing:

- a) For policies covering own damage to motor vehicles, the cover of the extraordinary risks by the Insurance Compensation Consortium shall guarantee the total insurable interest even if the ordinary policy only covers it in part.
- b) When the vehicles only had a motor liability policy, the cover of extraordinary risks by the Insurance Compensation Consortium shall guarantee the value of the vehicle in its state at the moment immediately prior to the occurrence of the loss at purchase price generally accepted in the market.
- c) For those life policies generating a mathematical provision in accordance with the policy itself and the applicable regulations for private insurance, the cover provided by the Consortium will refer to the capital at risk for each insured, i.e. the difference between the sum insured and the mathematical provision that, in accordance with the said regulations, the Insurer issuing the same must have established. The amount relating to the said mathematical provision will be paid by the said Insurer.

Notification of losses to the Insurance Compensation Consortium

1. The application for indemnity of losses whose cover was for the Insurance Compensation Consortium, shall be made through notification of the loss by the policyholder, the insured or the policy's beneficiary or by who acts on behalf and in the name of the foregoing, or by the insurer or the insurance intermediary which mediated in the policy.

2. Notification of losses and receipt of information about the procedure and the state of the file can be made:

- Through phone call to the Insurance Compensation Consortium's call centre (952 367 042 o 902 222 665).
- Through the Insurance Compensation Consortium's webpage (www.conorseguros.es).

3. Assessment of losses: The assessment of the losses which are compensable on accordance with the insurance laws and the content of the policy shall be made by the Insurance Compensation Consortium, and this body shall not be bound by any assessment made by the Insurer covering the ordinary risks.

4. Payment of indemnities: The Insurance Compensation Consortium shall pay the indemnity to the policy's beneficiary through bank transfer.

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