

# General Conditions of Autocasco (Motor Hull) Insurance

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# General Conditions of Autocasco (Motor Hull) Insurance

## § 1.

### General Provisions.

#### Definitions

1.

Under these General Conditions of Insurance, hereinafter referred to as GCI, Towarzystwo Ubezpieczeń i Reasekuracji Allianz Polska Spółka Akcyjna, hereinafter referred to as Allianz, shall enter into insurance contracts with Policyholders having legal capacity.

2.

Provisions different from or additional to those set forth in these General Conditions may be adopted in the contract, provided that they are not contrary to laws of mandatory application. Such provisions shall be adopted in writing to confirm their acceptance by the parties to the contract.

3.

**Audatex, Eurotax, Info-Ekspert** – expert systems used, as appropriate, to calculate the cost of vehicle repair and for vehicle valuation, including the valuation of damaged vehicles.

4.

#### **Theft:**

- 1) burglary as defined in Article 279 of the Criminal Code (dishonest appropriation of someone else's vehicle, its component part or equipment with the intention of keeping it permanently, having previously defeated its theft protection devices);
- 2) theft, as defined in Article 278 of the CC, of the vehicle, its parts or equipment;
- 3) theft with the use or threat of violence or making a person authorized to use the subject matter insured unconscious or defenceless, as defined in Article 280 of the CC („robbery”);
- 4) dishonest appropriation for brief use, as defined in Article 289 of the CC. Payment of compensation for a loss involving vehicle theft as defined in subparagraphs 1-3 shall mean full utilization of insurance cover.

5.

#### **Guarded parking space** shall mean:

- 1) a garage locked with at least one certified lock, certified padlock or remote-controlled automatic garage door;
- 2) a permanently fenced area forming part of an inhabited property, where the gate is lockable with one certified lock, certified padlock or remote-controlled door;
- 3) a place under permanent surveillance of persons professionally involved in property protection, excluding monitoring without physical manned surveillance.

6.

**Vehicle service period** – the period from the date of first registration of a vehicle to the date of conclusion of the insurance contract or the occurrence of the loss, provided that:

- 1) where the date of first registration is not known or the vehicle was first registered after the year in which the vehicle was manufactured, the service period shall be calculated from 31st December of the year of vehicle manufacture,
- 2) if the vehicle has been brought from abroad, the beginning of the service period is the date of its first registration abroad,
- 3) for the purposes of determination of the compensation amount, the vehicle service period shall be calculated up to the date of occurrence of the loss.

7.

**Vehicle inspection** – examination of a vehicle by or for Allianz for contract performance purposes, aimed, among other things, to determine the physical condition of the vehicle, existing theft protection devices, to prepare a photographic record and check the vehicle data contained in the proposal form.

8.

**Brand new vehicle** – a vehicle that meets all of the following conditions:

- 1) odometer reading at the date of the insurance contract does not exceed 5000 km;
- 2) the owner of the vehicle at the date of the insurance contract is its first buyer;
- 3) the vehicle has not been damaged before the conclusion of the insurance contract.

9.

**Newly purchased vehicle** – a vehicle insured under a contract where the commencement of cover falls within six months of the date of vehicle purchase by the Insured.

10.

**Demonstration vehicle** – a vehicle used for the purpose of its presentation to a prospective buyer by a seller who pursues a gainful activity involving the sale of vehicles.

11.

**Test drive vehicle** – a vehicle used for the purposes of certification testing, examination and testing of vehicles, their parts or equipment components by the manufacturer or by an authorized unit.

12.

**Prop vehicle** – a vehicle used in a theatrical performance, television show or film.

13.

**Misappropriation** – disposal of a vehicle, its component part or equipment (or right) as one's own property, after the perpetrator has taken legal possession of such thing without its wrongful acquisition, i. e. where a thing has been delivered to the perpetrator by the Insured (also by mistake), lent or entrusted in connection with specific activities involving the thing. The disposal of a thing by persons acting on behalf of the Insured or under the Insured's authority and those living in a common household shall be treated as disposal by the Insured.

14.

**Reduction of the sum insured** – decreasing the sum insured by the amount of any compensation paid and the costs specified in § 8 (12). Reduction entails decreasing the limit of liability of Allianz.

15.

**Sum insured** – an amount stated in the insurance proposal form, representing the limit of liability of Allianz, taking into account § 5 (14) and (15), on the understanding that the sum insured should represent the market value of the vehicle as at the date of the insurance contract, subject to the following provisions:

- 1) the Policyholder may request that the sum insured be lower than the market value of the vehicle as at the date of the insurance contract (underinsurance), as a result of which the Insured's deductible shall apply to the insurance contract, calculated as the percentage by which the sum insured determined as declared by the Policyholder is lower than the current market value of the vehicle as at the date of the insurance contract, calculated by Allianz.  
However, the sum insured shall not be less than 70% of the market value of the vehicle as at the date of the insurance contract.
- 2) if the Policyholder is entitled under the law to value-added tax (VAT) deduction on the purchase of a vehicle, the sum insured for the vehicle:
  - a. being a newly purchased vehicle shall be determined according to the market value of the vehicle less input VAT,
  - b. in subsequent service periods, may be determined, at the Policyholder's request, in accordance with the rules applicable to newly purchased vehicles, as in subparagraph a;
- 3) in the case of a brand new vehicle purchased within the territory of Poland, for the purposes of the contract the market value of a vehicle shall be taken to be, for a period of six months from the vehicle purchase date, the amount stated in the invoice.

16.

**Gross sum insured** – the amount declared by the Policyholder, which corresponds to the market value of a vehicle or optional features.

17.

**Net sum insured** – the amount declared by the Policyholder, which corresponds to the market value of a vehicle or optional equipment, less VAT.

18.

**Loss** – damage, destruction or loss of a vehicle and/or its equipment resulting directly from one of events of the same nature, which occurred at the same time and place, and due to the same cause, as described in § 3 (1).

19.

**Total loss (total destruction of a vehicle)** – a loss for which the cost of repair calculated at the vehicle manufacturer's prices for new original parts, necessary man-hours, as estimated in the Audatex/Eurotax program, and labour rates at authorized repair facilities applicable to the vehicle make concerned and the vehicle registration place, including input VAT to be charged, exceeds 70% of the market value of the vehicle as at the date of occurrence of the loss. Payment of compensation for total loss shall mean full utilization of insurance cover.

20.

**Loss resulting from use** – a loss resulting from wear and tear of the vehicle or in connection with its use for the purpose for which it is intended or due to the accumulation of moisture on its parts or equipment, damage subject to repair under warranty or liability for defects or for defective repair of the vehicle, its parts or equipment.

21.

**Policyholder** – a person entering into the insurance contract. The Policyholder may be the vehicle owner entering into the contract for his own account or another person who enters into the insurance contract for the vehicle owner's account

22.

**Insured** – owner of the insured vehicle.

23.

**Percentage deductible** – the part of a loss, specified in the insurance contract, which is not covered by the insurance and is covered by the owner of the insured vehicle. The value of the loss assessed in accordance with the rules laid in these Conditions shall be reduced by the percentage deductible in accordance with § 3 (6) to determine the value of compensation payable by Allianz.

24.

**Theft protection device** – a mechanical or electronic system for protection against theft, required by Allianz on entering into an insurance contract, which is in good working order and permanently installed during the vehicle manufacture process, or a device certified in accordance with applicable laws and regulations, installed by an entity professionally dealing with the installation of theft protection devices.

25.

**Supplementary insurance contract** – a supplementary contract which contains provisions additional to the underlying contract. The supplementary contract shall not extend beyond the end of the term of the underlying contract.

26.

**Use of the vehicle as a crime tool** – the use of an insured vehicle in order to commit an intentional crime or to escape detention by authorized bodies.

27.

**Market value of the vehicle** – a value determined on the basis of market quotations for a vehicle of a given make, type and production year according to the Info-Ekspert/Eurotax catalogue, taking into account any adjustments provided for therein, including in particular: the vehicle's equipment, odometer reading, condition, service period, prior repairs, number of owners, and mode of its prior use.

28.

**Gross market value of the vehicle** – the value of the vehicle including input VAT charged on its purchase, calculated at the rate applicable to the vehicle type concerned.

29.

**Net market value of the vehicle** – the value of the vehicle excluding input VAT charged on its purchase, calculated at the rate applicable to the vehicle type concerned, stated by a Policyholder authorised to deduct the tax in accordance with the law.

30.

**Market value of total loss salvage** – the value of a damaged vehicle calculated in the Info-Ekspert/Eurotax expert system. Allianz may determine the salvage value based on a purchase offer received at an auction.

31.

**Insurance proposal form** – a document in the form determined by Allianz, forming an integral part of the insurance contract, containing questions asked to the Policyholder and determinations of the parties, in which the Policyholder provides data that form a basis for the assessment of risk and the determination of the conditions of the contract.

32.

**Accident** – a road accident involving other vehicles or participants of road traffic or an accident resulting from a sudden impact of mechanical force at the time of the vehicle's collision with other vehicles, persons, objects or animals from outside the vehicle.

33.

**Equipment** – accessories and devices intended for the maintenance and use of the vehicle for the purpose for which it was designed, and supporting safe travel and protection of vehicle from theft, owned by the Insured.

34.

**Riots** – disturbance of public order caused by a group of people in a spontaneous and disorganised manner, usually combined with acts of physical violence, driven by motives of a social, cultural, economic or political nature.

## § 2.

### Subject Matter Insured

1.

The insurance shall cover vehicles under 10 years old, complete with equipment, registered in the Republic of Poland in accordance with the Road Traffic Law. Equipment other than that specified in the insurance proposal form or in the supplementary insurance proposal form shall not be covered, except for equipment specified in the purchase invoice for a brand new vehicle (dealership invoice), where such equipment is included in the vehicle purchase price, and the price provided a basis for the sum.

2.

The equipment of the vehicle shall be covered provided that it is installed in the vehicle permanently. If a radio or radio player with a removable front panel is insured, it is strictly required to remove the panel from the vehicle when leaving it. No permanent installation shall be required for a fire extinguisher, first-aid kit, warning triangle and a child restraint seat.

3.

Depending on the number of vehicles held by the owner, the following insurance systems shall be available:

- 1) individual system – when insuring up to 20 vehicles;
- 2) fleet system – when insuring more than 20 vehicles (hereinafter referred to as „collective insurance”).

## § 3.

### Scope of Cover

1.

The insurance shall cover losses involving damage, destruction or loss of the vehicle and/or its equipment during the insurance period in consequence of the following events:

- 1) accident;
- 2) damage by third parties;
- 3) theft;
- 4) fire, explosion or blackening;

- 5) hurricane, hail, thunderbolt, flood, landslide or subsidence, avalanche or other natural forces;
- 6) sudden effect of a thermal or chemical nature originating from outside the vehicle;
- 7) loss or damage of keys or other vehicle opening or starting devices;
- 8) damage to the vehicle interior by persons whose transport was required due to the need to provide medical assistance.

2.

In the event of partial loss of a vehicle (other than total loss within the meaning of these Conditions), the scope of liability of Allianz shall depend on the insurance option selected by the Policyholder from among one of the following:

- 1) service option, which means the settlement of partial loss in accordance with the rules set forth in § 8 (3) (3.1),
- 2) economy option, which means the settlement of partial loss in accordance with the rules set forth in § 8 (3) (3.2).

3.

Unless agreed otherwise, in the case of short-term insurance, the risk of theft shall not be covered.

4.

Unless agreed otherwise, the conclusion of the insurance contract is conditional on the protection of the vehicle in accordance with the requirements of Allianz indicated to the Policyholder in the insurance proposal form, and on the maintenance of protection devices throughout the term of insurance cover.

5.

Insurance cover shall include events occurring within the territory of the Republic of Poland and in the following:

- 1) the Mediterranean countries (except Algeria and Libya);
- 2) the European countries, except that no cover shall be available for losses resulting from theft within the territory of Belarus, Ukraine, Moldova and the European part of Russia, irrespective of the scope of cover provided by the contract, unless agreed otherwise.

6.

Unless agreed otherwise, the following percentage deductibles shall apply under the insurance contract:

- 1) if the vehicle is stolen from an unguarded location, the percentage deductible shall amount to 10% of the loss value;
- 2) percentage deductibles agreed at the Policyholder's request in accordance with § 1 (15) (1).

7.

The scope of insurance shall not cover damage to or destruction of tyres of the insured vehicle, unless other parts of the vehicle have been damaged or destroyed simultaneously and the loss has been caused by an event for which Allianz is liable.

8.

For the equipment mentioned in § 1 (33), the limit of liability of Allianz shall be a total of 20% of the sum insured effective at the date of compensation assessment.

## § 4.

### Exclusions of Liability

1.

The insurance shall not cover losses:

- 1) with a value not exceeding PLN 500 (franchise deductible);
- 2) caused through wilful misconduct of the Insured or persons living in a common household with the Insured, persons employed by the Insured and others authorized to use the vehicle;
- 3) caused by the persons mentioned in subparagraph 2:
  - a) due to driving the insured vehicle when affected by alcohol or under the influence of intoxicants, psychotropic drugs or drug substitutes within the meaning of the Drug Addiction Prevention Act;
  - b) if the persons had no entitlement to drive the vehicle at the time of the accident, as required by the laws of the country in which the accident took place, or whose documents required to be carried when driving the vehicle had been revoked temporarily or permanently;
- 4) caused when driving a vehicle not registered in the Republic of Poland;
- 5) caused when driving a vehicle that had no valid inspection certification confirmed by a document or an entry in the registration document where the state of repair of the vehicle contributed to the occurrence of the loss;
- 6) caused during the use of the vehicle by the Insured or by the persons mentioned in subparagraph 2 as a crime tool;
- 7) caused to vehicles used at the time of the event:
  - a) as taxis or vehicles used for paid passenger transport;
  - b) as props;
  - c) for test and demonstration drives;
  - d) for driving lessons;
  - e) for rental to transport passengers;
  - f) to transport hazardous goods, such as gases, explosive, flammable, poisonous, infectious, radioactive, caustic, oxidizing or organic materials;
- 8) caused by local events and in connection with the use of a vehicle for road blocks or protests;
- 9) caused by an earthquake;
- 10) resulting from the use of the vehicle in connection with obligatory services for the army and the police;
- 11) resulting from the participation in car races, competitions, rallies, training sessions, test driving related to races, rallies, and speed testing;
- 12) resulting from wear and tear;
- 13) resulting from repairs and maintenance of the vehicle, incorrect loading, unloading, cargo or luggage transport, using the vehicle contrary to its purpose, and losses related to faulty manufacture of the vehicle, as well as incorrect repair, installation or removal of vehicle equipment;
- 14) involving engine damage due to water ingestion or seizure;
- 15) caused to a vehicle not owned by the person named as the owner in the insurance document;
- 16) caused to vehicles rented for profit by vehicle rental operators;
- 17) resulting from misappropriation of a vehicle or involving vehicle theft during such misappropriation;
- 18) resulting from theft under the following:
  - a) where the driver has got out of the vehicle, leaving inside the key or controller used for vehicle opening or starting without protecting them against the risk of the vehicle being started by a person unauthorized to use the vehicle;
  - b) in the event of inadequate protection of keys or controllers used for opening or starting the vehicle by leaving them at a location where they are accessible to persons not authorized by the Insured to use the vehicle, and the loss of such items, except for theft with the use of violence as defined in Article 280 of the CC (robbery);



- c) in the event of failure to protect the vehicle in accordance with its design and failure to activate all theft protection devices on the vehicle, as specified in the insurance proposal form and prerequisite for entering into the insurance contract, in so far as the above has contributed to the occurrence of the loss, except for theft with the use of violence as defined in § 280 of the CC (robbery) and theft from the indoor area defined in § 1 (5) (1);

19) caused to vehicle equipment not specified in the proposal form.

2.

In the event of gross negligence on the part of the Insured or any of the persons mentioned in paragraph 1 (2), no compensation shall be payable unless the contract provides otherwise or the payment of compensation meets the requirements of equity under the circumstances concerned.

3.

Moreover, Allianz shall not be liable for the consequences of circumstances of which it has not been made aware in breach of § 5 (7) and (8). If breach of the above provisions is due to wilful misconduct, in case of doubt an insured event covered by the contract and its consequences shall be deemed to have resulted from the circumstances mentioned in the preceding sentence.

## § 5.

### Insurance Contract

1.

Insurance provided under these GCI shall cover only the proprietary insurance interest of the Insured as the vehicle owner, protecting the Insured against the risk of direct loss consisting in the loss of or damage to the vehicle as the Insured's property.

2.

The insurance contract shall be made for a period of one year unless agreed otherwise.

3.

The insurance contract shall be made on the Policyholder's written request. On entering into the contract, the Policyholder shall choose an insurance option applicable in the event of partial loss from among those mentioned in § 3 (2), which Allianz shall confirm in the policy. The Policyholder may also request the determination of a percentage deductible.

4.

If the Policyholder enters into the insurance contract for a third-party account, the Policyholder shall be required to inform the Insured about the content of the contract made.

5.

Individual insurance shall be confirmed in each case by a policy issued for the vehicle concerned. A completed insurance proposal form for an insurance contract or supplementary insurance contract shall be an integral part of the contract.

6.

Collective insurance shall be confirmed by a blanket policy for a uniform (annual) insurance period. A completed proposal form together with a list of the vehicles to be insured, attached to the proposal form, shall be an integral part of the contract.

7.

The Policyholder shall be required to inform Allianz of any circumstances known to the Policyholder, which Allianz inquired about in the insurance proposal form or, prior to the conclusion of the contract, in other written communication. If the Policyholder enters into the contract through a representative, the obligation shall also rest on the representative and will additionally include circumstances known to the latter.

8.

The Policyholder shall be required to notify Allianz of any change in the circumstances mentioned in paragraph 7 within 14 days of becoming aware of them. Where an insurance contract is made for a third-party account, the obligations set forth in this paragraph shall rest both on the Policyholder and on the Insured unless the Insured is not aware of a contract made for his/her account.

9.

If circumstances are disclosed, which entail a significant change in the probability of the event covered, each party to the contract may demand a change in the premium amount starting from the moment when the circumstance arose, but not before the beginning of the current insurance period.

10.

If the demand mentioned in paragraph 9 is made, the other party may, within 14 days, terminate the contract with immediate effect.

11.

If the manner in which a vehicle is used changes to one that excludes the liability of Allianz for loss in accordance with § 4(1) subparagraphs (7), (11), (16), Allianz shall have the right to terminate the contract with immediate effect.

12.

On entering into an insurance contract, Allianz or its representative shall indicate to the Policyholder the market value based on the available expert systems. The name of the catalogue according to which the vehicle value has been determined at the time of entering into the insurance contract shall be stated in the insurance proposal form or on the policy. Where the determination of the market value of a vehicle is impossible or in the absence of the Policyholder's consent to a given value Allianz shall have the right to make the conclusion of the insurance contract dependent on the submission by the Policyholder of the valuation of the market value of the vehicle to be insured, drawn up by a certified appraiser, the cost of valuation being borne by the Policyholder.

13.

Prior to the conclusion of the insurance contract, in order to assess insurance risk, Allianz shall have the right to check identification features and condition of the vehicle or equipment, title to the vehicle and documents to confirm payment of tax liabilities for a vehicle brought into the territory of the Republic of Poland and not registered. The Policyholder shall be required to provide access to the vehicle and documents concerning its origin, acquisition and condition as well as documents confirming payment of tax liabilities.

14.

Unless agreed otherwise, the sum insured for the vehicle as stated in the insurance contract shall be reduced during the continuance of insurance by the amount of any compensation paid.

15.

A supplementary insurance contract shall be made to increase or replenish the sum insured decreased due to its reduction by any compensation amount (s) paid or to provide cover for vehicle equipment during the continuance of the insurance contract. In the event of loss, a supplementary insurance contract may be made after vehicle repair and compensation payment. The sum insured for a repaired vehicle may be increased or replenished to the market value of the vehicle as at the date of the supplementary contract or to the market value of the vehicle as at the date of the contract if the Fixed Market Value Rider referred to in § 11 (2) has been paid for.

16.

Having made an individual risk assessment, when entering into an insurance contract Allianz shall have the right to make the provision of cover conditional on introducing an additional mandatory percentage deductible.

## § 6.

### Premium

1.

Premium shall be fixed in accordance with the tariff applicable at the date of the insurance contract/supplementary insurance contract. The amount of the insurance contract shall depend on the market value of the vehicle, the sum insured of the vehicle, the type, make and model of the vehicle, the vehicle service period, the regional zone, scope, option, intended use of the vehicle, number of vehicles in the vehicle keeper's possession, age of the vehicle keeper, mode of premium payment and marketing discounts granted by Allianz in a given period.

The premium tariff shall take into account the decrease in the market value of the vehicle over time, and hence premium refund shall not apply in the case the value of the vehicle decreases over the term of the insurance contract.

2.

For an annual insurance period, a single premium may be paid or the premium may be split into two or three instalments, the due dates and amounts of which shall be stated in the insurance document.

3.

If a premium or premium instalment is payable by bank transfer, postal order or payment card, the date of premium payment shall be the date on which a transfer instruction is given to a bank, an order is placed with a post office for payment to the Allianz account stated in the insurance contract, or the date of payment card operation, provided that sufficient funds are available in the Policyholder's account. If no sufficient funds are available in the Policyholder's account, the date of premium/instalment payment shall be the day on which the full premium/instalment amount is credited to the Allianz account.

4.

If insurance cover expires before the end of the insurance period stated in the policy, the Policyholder or a person authorised by the Policyholder shall be entitled to a refund of premium for any remaining unused insurance period, which period shall be calculated from the date stated in § 7 (8) (subject to § 6 (5)).

5.

Premium refund in the case of vehicle disposal is conditional on the presentation of a document confirming the transfer of title, and in the case of deregistration – the presentation of a vehicle deregistration decision.

6.

Premium shall not be refundable in the event of compensation payment for total loss or vehicle theft, due to complete fulfilment of the obligation under the contract and full exhaustion of the sum insured.

7.

If the Policyholder, responding to questions asked by Allianz prior to the conclusion of the insurance contract, has made untrue statements or submitted false documents affecting the amount of insurance premium, Allianz shall have the right to demand that the Policyholder pay additional premium resulting from the difference between the premium it should have paid in accordance with the de facto situation on entering into the insurance contract and the premium actually calculated by Allianz on the basis of untrue data provided to Allianz.

8.

If an insured event occurs, which gives rise to the obligation to pay compensation exhausting the sum insured, and hence resulting in the termination of insurance cover, any outstanding insurance premium shall become immediately due and payable. Allianz shall deduct the outstanding insurance premium from the compensation due insofar as the Insured is the Policyholder.

## § 7.

### Commencement and Cessation of Liability of Allianz

1.

The liability of Allianz shall commence at the date stated in the insurance contract, but no sooner than the day following the payment of the entire premium or its first instalment, unless the insurance contract provides otherwise.

2.

If Allianz incurs liability even before the payment of the premium or its first instalment, and the premium or its first instalment has not been paid when due, Allianz may terminate the contract with immediate effect and demand payment for the period for which it was liable. In the absence of contract termination, it shall expire at the end of the period for which the unpaid premium was due.

3.

If the insurance premium due date specified in the insurance document falls before the beginning of insurance cover and the Policyholder pays the whole insurance premium or its first instalment after the due date stated in the policy, the Policyholder or a person authorized by the Policyholder shall have the right to request refund of a part of the premium in proportion to the reduced period of cover resulting from the Policyholder's delay.

4.

Allianz shall have the right to terminate the insurance contract with immediate effect for an important reason, i. e. the fact that the insurance contract is maintained in the Allianz financial IT system with no insurance cover commenced due to the Policyholder's fault for a period of at least 40 days after the date of the contract, in a situation where, according to the insurance document, the insurance premium fell due before the date of commencement of insurance cover, and the Policyholder has defaulted on the payment of the premium for at least 30 days after the agreed due date of the whole premium or its first instalment as specified in the policy.

5.

Failure to pay a premium instalment in the amount and at the due date set forth in the insurance contract shall result in termination of the liability of Allianz if a demand for payment of such premium instalment is served on the Policyholder by Allianz, in which demand the Policyholder is informed of the consequences of non-payment (cessation of liability), unless payment is made within 7 days of receipt of such demand. In the absence of such demand from the Insurer, insurance cover shall not cease and Allianz shall be entitled to a premium for the entire period of cover.

6.

Premium or premium instalment shall be deemed to have been paid if the amount is paid as stipulated in the insurance contract.

7.

The liability of Allianz shall end as a result of termination of the insurance contract.

8.

The insurance contract shall terminate:

- 1) as of the end of the last day of the insurance period for which the contract was made;
- 2) upon payment of compensation for a loss resulting from total destruction or theft of the vehicle or upon the exhaustion of the sum insured or the payment of compensation (s), which operates as utilization of insurance cover;
- 3) as of the date of disposal of the vehicle, except where it is transferred to a user (lessee) or borrower under a lease or loan agreement if the lessee or borrower has entered into the insurance contract for the owner's account;
- 4) as of the date of withdrawal from the insurance contract as provided in paragraphs 9 and 11 or when terminated by notice served as provided in paragraph 10 of this Section;
- 5) as of the date of deregistration of the vehicle.

9.

The Policyholder may withdraw from the insurance contract if the contract is made for a period of more than six months. Withdrawal from the contract may take place within 30 days of the date of the contract or, in the case of business operators, within seven days of the date of the contract. Withdrawal from the contract shall not relieve the Policyholder from the obligation to pay the premium for the period for which Allianz has provided insurance cover.

10.

Allianz may terminate the contract with immediate effect in the event provided for in paragraphs 10 and 11 of § 5 and in paragraphs 2 and 4 of this Section.

11.

Allianz may withdraw from the contract if it becomes aware that the vehicle covered is not owned by the Insured, contrary to the declaration made in the insurance proposal form. The Policyholder or the person authorized by the Policyholder shall then be entitled to a premium refund.

## § 8.

### Rules for the Assessment and Payment of Compensation

1.

Rules for the assessment and payment of compensation in the event of theft of the vehicle (equipment)

Save as agreed otherwise, the following rules for the assessment of compensation shall apply in the event of theft of the vehicle (equipment):

- 1) the limit of compensation shall be the market value of the vehicle (equipment) as of the date of loss, subject to the conditions set forth in paragraph 5;
- 2) if the sum insured is determined after the reduction of the market value of the vehicle by input VAT in accordance with § 1 (15) (2), compensation equals the market value of the vehicle as at the date of occurrence of the loss less deductible VAT;
- 3) compensation shall be paid after the deregistration of the vehicle and transfer of ownership of the vehicle to Allianz. Together with the ownership transfer agreement, the Insured shall deliver the following to Allianz:
  - a) original or duplicate registration document and vehicle history card (if issued);
  - b) original copy of the proof of ownership of the vehicle;
  - c) proof of certification of roadworthiness;
  - d) original documents confirming the origin of the vehicle and allowing its identification;
  - e) all original and duplicate sets of keys and controllers designed for opening or starting the vehicle and all devices designed to activate theft protection devices installed in the vehicle, at least as many as declared in the insurance proposal form.

The documents stated in this document may also be presented in a copy certified to be a true copy by a notary public or by an employee of Allianz.

- 4) if a stolen vehicle has been recovered after the payment of compensation by Allianz, Allianz may transfer ownership back to the vehicle owner on mutually agreed terms, following the refund of compensation paid previously.

## 2.

### **Rules for the assessment and payment of compensation in the event of total loss**

Unless agreed otherwise, the following rules for the assessment of compensation shall apply in the event of total loss:

- 1) compensation shall be due in the amount equal to the market value of the vehicle, not greater than the sum insured, less any salvage value, subject to the conditions set forth in paragraph 5, the two values to be determined on the basis of the market value as of the date of loss;
- 2) if the sum insured is determined after the reduction of the market value of the vehicle by input VAT in accordance with § 1 (15) (2), compensation shall be determined on the basis of the market value of the vehicle as at the date of occurrence of the loss less deductible VAT, with salvage value to be determined at the market value as at the date of occurrence of the loss less deductible VAT.

## 3.

### **Rules for the assessment and payment of compensation in the event of partial loss depending on the insurance option selected**

3.1 In the event of partial loss, Allianz shall assess the compensation amount under the service option (taking into account the provisions of paragraph 5), in accordance with a written instruction from the Insured or a person authorized by the Insured:

- 1) After the submission of original bills or VAT invoices recording the vehicle repair, attributable to the event for which Allianz is liable, according to the costs and method, previously agreed with Allianz, of vehicle repair by the shop carrying out the repair, based on:

- the vehicle manufacturer's repair time standards according to the Audatex/Eurotax system,
- the average rate per man-hour fixed for the repair shop at which the repair is carried out; where no rate has been agreed for a given repair shop, average prices of services applicable in the area concerned shall be applied,
- the vehicle manufacturer's prices for parts and materials according to the Audatex/Eurotax system, not greater than the average prices recommended by the vehicle manufacturer or the official importer for application by their service network.

If the sum insured is determined after the reduction of the market value of the vehicle by input VAT in accordance with § 1 (15) (2), compensation for partial loss accounted for on the basis of bills or VAT invoices shall be determined net of the value added tax (VAT) charged in the invoice.

2) According on valuation including VAT based on:

- the prices of materials and non-original spare parts of comparable quality available in the Audatex / Eurotax estimating systems, or
- where no materials and non-original spare parts of comparable quality are available, on the basis of the vehicle manufacturer's prices for parts and materials according to the Audatex/Eurotax system, not greater than the average prices recommended by the vehicle manufacturer or the official importer for application by their service network,
- Audatex/Eurotax estimating systems for the calculation of labour time,
- man-hour rates determined by Allianz on the basis of prices of services in repair shops in the area where the place of vehicle repair is situated.

3.2 In the event of partial loss, compensation under the economy option shall be determined according to Allianz valuation including VAT (subject to the provisions of paragraph 5) based on:

- a) the prices of materials and non-original spare parts of comparable quality available in the Audatex/Eurotax estimating systems, reduced in accordance with the table in indent c, unless agreed otherwise,
- b) where no materials and non-original spare parts of comparable quality are available, on the basis of the vehicle manufacturer's prices for parts and materials according to the Audatex/Eurotax system, not greater than the average prices recommended by the vehicle manufacturer or the official importer for application by their service network, reduced in accordance with the table in indent c, unless agreed otherwise,
- c) reduction of part prices depending on the vehicle service period:

Service period	Reduction percentage
up to 3 years	25%
from 4 to 5 years	35%
from 6 to 7 years	45%
8 years	55%
more than 8 years	60%

- d) where parts have been replaced during the use of the vehicle, and the value of such parts is supported by bills/invoices, the reduction of the prices of replaced components shall be agreed individually, taking into account the duration of their use,
- e) Audatex/Eurotax estimating systems for labour estimation,

- f) at the rate per man-hour determined by Allianz based on the prices of services in repair shops in the area where the place of vehicle repair is situated.

4.

In determining the amount of loss involving damage to the vehicle and/or its equipment, Allianz shall take into consideration the cost of vehicle repair as provided in a technical assessment (prepared by or for Allianz) or Audatex/Eurotax calculation, with the proviso that the Insured may make reservations to the technical assessment received.

5.

Where a percentage deductible or flat deductible applies to the insurance contract, compensation due under these Conditions shall be calculated with the reduction of the amounts resulting from the calculation of a percentage deductible and/or flat deductible.

6.

For an Autocasco insurance contract concluded under the service option, Allianz shall not deduct amounts corresponding to wear and tear, subject to paragraph 7.

7.

Irrespective of the option of Autocasco insurance, in assessing compensation for damage to tyres, friction components of the braking system and the clutch system, to the exhaust system components (including the catalytic converter), lubricants, batteries and tarps, the degree of individual wear and tear shall be taken into consideration, depending on the condition of those components, irrespective of the vehicle service period.

8.

The amount of compensation assessed for damage to the vehicle and equipment shall not exceed the sum insured existing as at the compensation assessment date, subject to the limit set forth in § 3 (8).

9.

Allianz shall have the right:

- 1) in the case of vehicle repair, to make the payment of compensation conditional on enabling its representative to inspect the vehicle during and/or after the repair in accordance with § 1 (7);
- 2) make the payment of compensation for total loss conditional on the transfer of ownership of the salvage vehicle to Allianz;
- 3) in the case of vehicle repair, to make the payment of compensation conditional on the transfer to Allianz of ownership of a damaged part qualified for replacement after such part is replaced.

10.

In the event of damage to the vehicle outside Poland:

- 1) the vehicle should be repaired within the territory of Poland, subject to the subparagraphs below;
- 2) it shall be possible to carry out a partial repair as necessary to prepare the vehicle for safe onward travel, provided that Allianz is contacted and its approval is obtained for the repair;
- 3) a repair necessary for safe onward travel with no need to communicate with Allianz shall be acceptable if the cost of such repair does not exceed the equivalent of EUR 1200;
- 4) if the cost of a repair ordered directly exceeds the scope of repair necessary for safe onward travel, referred to in subparagraph 3, or if it exceeds the



authority granted by Allianz or by its foreign representative, compensation shall be assessed and paid at the prices applicable within the territory of the Republic of Poland at the place of vehicle registration; if the claim is accepted, compensation shall be assessed in accordance with paragraph 3 of this Section, but the compensation amount may not exceed the cost actually incurred;

- 5) a different method of vehicle repair may be determined with consent of Allianz.

11.

Compensation shall be payable in Polish zlotys. Where the cost of repair or the costs mentioned in paragraph 12 are incurred in a foreign currency, compensation shall be payable at the average rate of exchange fixed by the National Bank of Poland, applicable at the date of assessment of the compensation amount.

12.

Irrespective of the compensation assessed in accordance with the rules set forth in paragraphs 1 – 11, Allianz shall refund, within the limits of the sum insured, the following documented costs justified by the circumstances of the event concerned:

- 1) transport (towing) of the damaged vehicle, but not more than PLN 1000, or, if towing takes place outside the country and/or when the vehicle is towed to Poland, not more than EUR 1000;
- 2) parking of the damaged vehicle from the claim notification date, but not beyond the date of vehicle inspection and post-accident inspection report, provided that parking expenses may not exceed the amount of PLN 500;
- 3) measures taken in order to prevent the aggravation of loss, except any costs incurred under subparagraph 1;
- 4) the amount of costs mentioned in subparagraphs 1 and 2 may be increased with the consent of Allianz;
- 5) the costs mentioned in subparagraphs 1-3 shall be deducted, if paid, from the sum insured.

13.

Compensation shall be payable to:

- 1) the Insured or a person authorised by the Insured;
- 2) heirs, following the submission of confirmation to the estate, for damage to a vehicle forming part of a deceased person's estate, in accordance with their joint declaration, estate distribution agreement or court ruling;
- 3) successors at law – in the event of transformation of a body corporate, after the submission of documents proving succession at law.

14.

Allianz shall pay compensation within:

- 1) 30 days of receipt of claim notification in writing;
- 2) where it is impossible to establish the circumstances necessary to determine the insurer's liability or the amount of compensation within the above time limit, compensation shall be payable within 14 days of the date on which such circumstances could be established with the exercise of due care, but any indisputable part of compensation shall be paid within the time limit mentioned in subparagraph 1.

15.

If no compensation is available, Allianz shall inform the Insured or a person named by the Insured in writing thereof within the time limits mentioned in paragraph 20, invoking the legal grounds for refusal to pay compensation.

16.

Upon payment of compensation, the Insured's claims against third parties liable for the loss shall pass to Allianz up to the amount of compensation paid.

17.

If Allianz has only covered a part of the loss, the vehicle owner shall be entitled to the settlement of the remaining part of the claim before any claims of Allianz.

18.

No subrogation claims shall pass to Allianz from the Insured against persons:

- 1) with whom the Insured lives in a common household unless the loss was caused intentionally;
- 2) authorized by the Insured to use the vehicle unless the loss was caused intentionally.

19.

If the Insured has waived compensation claims against the person liable for the loss or has accepted the reduction of such claims, Allianz may refuse to pay compensation or reduce it accordingly.

## § 9.

### Policyholder's Obligations.

#### Claim Procedure

1.

If the insured event mentioned in § 3 occurs, the Policyholder and the Insured shall be required to:

- 1) use all means available to prevent or decrease the extent of loss;
- 2) make the damaged vehicle available to Allianz for inspection in such a manner as to provide unconstrained access to the vehicle and enable the vehicle to be inspected and photographed;
- 3) make no alterations to the damaged vehicle unless justified by the need to continue the journey and not to undertake repair of the vehicle without prior consent from Allianz unless Allianz has not responded within seven days of receipt of written claim notification (or 14 days if it is necessary to appoint certified experts);
- 4) immediately notify Allianz of the claim, no later than four days after the occurrence of the loss or the date of becoming aware of the loss;
- 5) in the event of collision with another vehicle:
  - a. record the details of the vehicle, the vehicle driver, the policy number, and the name and address of the insurer with regard to compulsory third-party liability insurance of the motor vehicle keeper and driver,
  - b. where a third party is liable for the loss, obtain a relevant statement or official report, if any, confirming the circumstances of the event;
- 6) ensure the possibility to pursue indemnity claims against persons liable for the loss;
- 7) inform persons authorized to use the insured vehicle that if the event occurs, they should act as provided in subparagraphs 1-6.

2.

In the event of theft of the insured vehicle (or its part, equipment, key or controller designed for opening or starting the vehicle or activating a device protecting the vehicle against theft required on entering into the insurance contract), the Insured or authorized person shall be required to immediately, within 24 hours of the theft or of becoming aware thereof at the latest, notify the police at the place of the event, both in Poland and abroad, as well as Allianz.

3.

If a loss occurs, the Insured or a person acting on the Insured's behalf shall:

- 1) provide proof of the occurrence of the insured event covered under the insurance contract,
- 2) cooperate with Allianz in establishing the circumstances and extent of the loss, and provide assistance in a subrogation procedure against the perpetrator of the loss.

4.

In the event of loss of a key or controller designed for opening or starting the vehicle or activating a device protecting the vehicle against theft required on entering into the insurance contract, the Insured shall be required to immediately replace lock cylinders and make alterations to the vehicle and its theft protection devices so as to ensure that only the Insured or persons authorized by the Insured are capable of opening and starting the vehicle. Until lock cylinders are replaced and alterations are made to the vehicle, the vehicle owner shall be required to leave the vehicle in a guarded area.

5.

The Insured or a person acting on the Insured's behalf shall be required to notify Allianz in writing of any changes to theft protection devices, each such change having to meet the security requirements that Allianz asked about in the insurance proposal form.

6.

In the event of breach, caused through wilful misconduct or gross negligence, of the Insured's obligation to report an accident or to take available measures in order to rescue the subject matter insured and prevent or reduce the extent of loss, Allianz shall be free from liability for any resulting loss.

## § 10.

### Notices and Statements of Intent

1.

Any complaints concerning the conclusion or performance of the insurance contract may be brought by the Policyholder, the Insured or the loss payee under the insurance contract to TUIR Allianz Polska S.A. to the address stated in the policy. Complaints may also be brought to the Insurance Ombudsman.

## § 11.

### Riders

1.

Glass Insurance – under this Rider and subject to other provisions of the GCI unaffected by this Rider, the Policyholder may, for an additional premium, extend the cover of Autocasco insurance taken out for a period of one year to include the option to retain no-claims discounts under Autocasco insurance on the following terms:

- 1) Allianz shall not apply a loading for a loss involving solely the repair or replacement of a windscreen, side or rear window, unrelated to any other damage to the vehicle;
- 2) the insurance covers the occurrence of no more than two of the events mentioned in subparagraph 1 during the continuance of the annual insurance contract;
- 3) the subject matter insured is car glass, i. e. the windscreen, side and rear windows in the vehicle covered;
- 4) under the above Rider, Allianz provides insurance cover for the following vehicle categories:

- a. passenger cars,
  - b. dual purpose vehicles,
  - c. goods vehicles with an authorized carrying capacity of 2 tonnes;
- 5) the franchise deductible mentioned in § 4 (1) (1) shall not apply.

2.

Fixed Market Value – under this Rider and subject to other provisions of the GCI unaffected by this Rider, the Policyholder may, for an additional premium, extend the cover of Autocasco insurance to include the following option:

- 1) market value of the vehicle as at the date of the insurance contract remaining fixed throughout the insurance period;
- 2) by taking out this option, liability for total loss or theft of the vehicle shall be determined on the basis of its market value as at the date of the insurance contract, subject to the terms and conditions set forth in § 8 (8);
- 3) if the sum insured is determined after the reduction of the market value of the vehicle by input VAT, in the case of total loss or vehicle theft, compensation shall be assessed on the basis of the market value of the vehicle as at the date of the contract, less deductible VAT.

3.

Smooth Road (Insurance against losses resulting from a vehicle movement on a damaged road) – under this Rider, subject to other provisions of the GCI unaffected by this Rider, against payment of an additional premium, the scope of Autocasco insurance concluded for a period of one year can be extended to include the option to retain no-claims discounts under Autocasco insurance on the following terms:

- 1) Allianz shall not apply a premium loading for losses consisting exclusively in damage to all or some of the following components: wheel, tyre, exhaust system, braking system, suspension system, steering system, which components have been damaged as a result of the vehicle movement on a damaged road, and where the repair or replacement thereof does not exceed the amount of PLN 5000 during the continuance of the annual Autocasco insurance contract;
- 2) under the above Rider, Allianz provides insurance cover for the following vehicle categories:
  - a. passenger cars,
  - b. dual purpose vehicles,
  - c. goods vehicles with an authorized carrying capacity of 2 tonnes;
- 3) The following shall not apply if the events described in subparagraph 1 occur:
  - a. the franchise deductible referred to in § 4 (1) (1),
  - b. exclusion of damage to or destruction of tyres referred to in § 3 (7).

## § 12.

### Final Provisions

1.

Any disputes arising out of or in connection with insurance contracts shall be resolved by common courts having material and territorial jurisdiction over the registered office of Allianz or the place of residence of the Policyholder or the Insured or a loss payee under the insurance contract, in a civil process.

2.

Any matters not provided for herein shall be governed by the provisions of the Civil Code and other applicable provisions of the Polish law.

3.

These GCI were adopted by Resolution of the Management Board of TUIR Allianz Polska S.A. No 146/2012 and shall apply to insurance contracts made on or after 12 October 2012.



Paweł Dangel  
President of the  
Management Board



Michael Müller  
Vice President of the  
Management Board



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Vice President of the  
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