Terrorism Insurance Wording

Non-Committal Translation of the Original Czech Wording

Version 2/2014
Property damage

These insurance terms and conditions (the “conditions”) of terrorism insurance are issued by Chubb European Group Limited, with its registered office in London, address of business at the Chubb Building, 100 Leadenhall Street, London EC3A 3BP, UK, operating its insurance business in the Czech Republic based on freedom of establishment via its branch Chubb European Group Limited, organizační složka, with its registered office at Praha 8, Pobřežní 620/3, Post Code 186 00, ID no 27893723, registered in the Commercial Register maintained by the City Court of Prague, section A, insert 57233.

The insurance is established based on an insurance policy (the “policy”) concluded between the insurer and the policyholder. The conditions form an inseparable part of the policy.

Insured event / Insurance perils

Subject to the exclusions, limits and conditions hereinafter contained, this insurance insures the property insured against property damage, occurring during the period of insurance caused by an act of terrorism or act of sabotage, as herein defined; any liability of the insurer under this insurance is subject to the limit of liability and relevant sub-limits of liability under policy, if all conditions prescribed by these conditions.

These conditions form an inseparable part of the policy (all references in the civil code to the policy shall be understood as including references to these conditions).

This insurance is an insurance against loss.

Definitions

Act of terrorism
means an act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

Act of sabotage
means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

Buildings
means the buildings owned, leased or otherwise legally held (i.e. held in due, faithful and rightful possession) by the insured for the purpose of the business located at the premises and stated in the policy.

Business
means the business activities, in the extent stated in the policy, lawfully carried out by the insured on the basis of trading or other licenses.

Contents
means movable property owned, leased or otherwise legally held (i.e. held in due, faithful and rightful possession) by the insured for the purpose of the business located at the premises and specified in the policy.

Property damage
means physical damage to, destruction or loss of property insured.

Property insured
means the buildings and the contents.

Premises
means real estate or parts of real estate (such as buildings that form either a part of a land plot, or have been built within the right of construction) specified in the policy, anywhere within the territorial limits, owned, leased or otherwise legally held (i.e. held in due, faithful and rightful possession) by the insured for the purpose of the business and held on file by the insured.

Territorial limits
unless the policy provides for otherwise, the territory shall mean the territory of the Czech Republic.
Civil code
means act no. 89/2012 Coll., the Civil Code and other statutory rules applicable to insurance in the Czech Republic.

Insurer
means Chubb European Group Limited, with its registered office at Chubb Building, 100 Leadenhall Street, London, EC3A 3BP, the United Kingdom of Great Britain and Northern Ireland, which carries out business in the Czech Republic through its branch Chubb European Group Limited, organizační složka, with its registered office at Prague 8, Pobřežní 620/3, zip code 186 00, identification number 27893723, registered in the Commercial Register, kept by the City Court in Prague, Section A, Insert 57323.

Policyholder
means a person specified as the policyholder in the policy.

Insured
means a person specified as the insured in the policy whose property (in relation to insurance of property) and proprietary interest regarding avoidance of financial loss (in relation to business interruption insurance) are covered by the insurance.

Beneficiary
means a person (legal entity or individual) entitled to indemnity as a result of an insured event.

Policy period
means the term of this insurance as specified in these conditions or in the policy.

Insured event
means a fortuitous event in more details specified in these conditions and in the policy which is associated with the obligation of the insurer to provide indemnity, if all other conditions and requirements for occurrence and further existence of this obligation of the insurer are met.

Insured peril
means a potential cause of occurrence of an insured event which is further specified in these conditions.

Actual cash value
means value of an asset immediately before occurrence of the insured event; actual cash value is determined based on the new value while taking into account the level of wear and tear or of some other type of devaluation, or the increase in value of the asset occurring as a result of its repair, modernisation or some other similar way.

New value
means price for which the same or comparable asset can be acquired in the given place as the same or new property of the same type and purpose.

Insurance risk
means the probability of occurrence of an insured event caused by an insured peril.

Insurance interest
means a legitimate need of protection from the consequences of an insured event.

Occurrence
mean an event leading to loss which might have established the entitlement to indemnity (i.e. which may be an insured event).

Exclusions

This insurance does not insure against:

1. **Radioactive contamination**
   loss or damage arising directly or indirectly from nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.

2. **War**
   loss or damage occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, usurpation of power, or civil commotion assuming the proportions of or amounting to an uprising.
3. **Seizure**
   loss or damage caused by seizure or legal or illegal occupation unless physical loss or damage is caused directly by an act of terrorism or an act of sabotage.

4. **Confiscation, nationalisation**
   loss or damage caused by confiscation, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority which deprives the insured of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.

5. **Seepage or pollution**
   loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

6. **Chemical or biological emission**
   loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind.

7. **Asbestos**
   loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind.

8. **Fines and penalty**
   any fine or penalty or other assessment which is incurred by the insured or which is imposed by any court, government agency, public or civil authority or any other person.

9. **Electronic data**
   loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon.
   This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

10. **Riots, strikes, civil commotion**
    loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion.

11. **Local authority**
    loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder.

12. **Prevention of loss**
    loss or damage caused by measures taken to prevent, suppress or control actual or potential act of terrorism or act of sabotage unless agreed by the insurer in writing prior to such measures being taken.

13. **Loss of market**
    any consequential loss or damage, loss of use, delay or loss of markets, loss of income (except for loss of profit as covered by business interruption section), depreciation, reduction in functionality, or increased cost of working.

14. **Utilities**
    loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service.

15. **Hoax**
    loss or increased cost as a result of threat or hoax.

16. **Theft**
    loss or damage caused by or arising out of burglary, house-breaking, looting, theft or larceny.

17. **Disappearance**
    loss or damage caused by unexplained loss.
18. **Mould**
loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other microorganism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

19. **Schemes and pools**
loss, destruction or damage, injury or any consequential loss resulting therefrom, which can be insured against under any government scheme, government or public authority compensation scheme, insurance pool or natural catastrophe insurance scheme.
The liability of the insurer shall be limited to the difference between the amount recoverable under such other insurance and the amount that would have been recoverable under this policy but for the existence of such other insurance. No deductible amount nor any financial loss sustained by the insured resulting from the operation of any condition of average or co-insurance in such other insurance be recoverable under this policy.

### Property excluded

This Insurance does not cover any loss, destruction or damage to:

1. **Land**
   land or land values.

2. **Transmission lines**
   power transmission, feeder lines or pipelines not on the insured’s premises.

3. **Vacant property**
   any building or structure, or property contained therein, while such building or structure is vacant or unoccupied or inoperative for more than thirty days, unless the property is intended to be unoccupied in its normal operations.

4. **Aircraft**
   aircraft or any other aerial device, or watercraft.

5. **Vehicles**
   any land conveyance, including vehicles, locomotives or rolling stock, unless such land conveyance is declared in the policy and solely whilst located at the property insured herein at the time of its damage.

6. **Animals**
   animals, plants and living things of all types.

7. **Transit**
   property in transit not on the insured’s premises.

### Conditions

1. **Premium**
The premium is a lump-sum premium. Amount of the premium and its due date is set out in the policy. The premium, or an instalment or advance payment of premium, is considered as paid on the day when it is credited on the insurer’s account stated in the policy or (in case no such account is stated in the policy) on another account duly identified by the insurer to the policyholder for that purpose. In case of default with payment of the premium, the insurance shall not be interrupted.

2. **Inception of insurance**
The Insurance begins on the day specified in the policy and the policy period is concluded for 12 months from the date of inception of the insurance unless agreed otherwise in the policy.

3. **Termination of insurance**
The Insurance will terminate:
   a) on the date the policy period expires;
   b) on the basis of written agreement between the insurer and the policyholder;
   c) by way of termination notice delivered by either party according to the civil code;
   d) by way of withdrawal according to the civil code;
   e) on the basis of a default of the policyholder with payment of the premium in accordance with the relevant provision of the civil code;
f) In other cases set out by the civil code.

4. Change of the ownership of real property
   Insurance ceases to exist at the date of the change of (i) ownership of the property insured, or (ii) co-ownership of the property insured, on the basis of which the change of the ownership interest(s) in the property insured at least in the amount of 50 % or more is achieved. In case the ownership or co-ownership of the real property is acquired by a constitutive entry (“vklad”) into the Land Register, the Insurance ceases to exist at the date when the decision on the registration of ownership or co-ownership of the new owner in the Land Register comes into force.

5. Insurance Interest
   The Insurance can be concluded only if there is an insurance interest of the policyholder. The Insurance can be concluded also on the insurance interest which arises in the future. However, if such insurance interest does not arise, the policyholder is not obliged to pay premiums.
   If the policyholder knowingly insures a non-existent insurance interest without the insurer’s knowledge, the policy is invalid; the Insurer, however, has right to the premium until he learns about invalidity of the policy.
   The policyholder and the Insured shall inform the insurer in writing without undue delay about termination of the insurance interest. By termination of the insurance interest, this insurance is also terminated; the insurer has, however, the right to the premium until he learns about such termination.
   The policyholder shall not, without the insurer’s consent, do anything or allow any third person to do anything that may increase the insurance risk.

6. Change and termination of the insurance risk
   The policyholder or the insured shall inform the insurer in writing without undue delay about change or termination of the insurance risk occurred during the policy period.
   If the insurance risk is increased during the policy period, the insured has the right to propose amendment to the Policy or to terminate the Policy in accordance with the civil code.
   If the insurance risk is substantially reduced during the policy period, the insurer shall reduce the premium proportionally with effect from the day when he learns about such reduction.

7. Limit of liability for more insureds
   The insurer’s total liability for any loss or losses will not exceed the limit of liability shown in the policy irrespective whether such amounts consist of insured losses sustained by all of the insureds or any one or more of the insureds. For the purposes of calculation of the indemnity, the limit of liability valid as of the time of occurrence of the insured event shall apply.

8. Occurrence
   The term “occurrence” shall mean any one loss and/or series of losses arising out of and directly occasioned by one act or series of acts of terrorism or acts of sabotage for the same purpose or cause. The duration and extent of any one “occurrence” shall be limited to all losses sustained by the insured at the property insured during any period of 72 consecutive hours arising out of the same purpose or cause. However no such period of 72 consecutive hours may extend beyond the expiration of this policy unless the insured shall first sustain a property damage by an act of terrorism or an act of sabotage prior to expiration and within said period of 72 consecutive hours.

9. Deductible
   Deductible agreed in the policy represents uninsurable participation of the insured in negative consequences of an insured event and shall be subtracted from the indemnity. The deductible may be agreed in the policy as amount, percentage, time or combined one. Partial deductibles may be agreed in the policy. Unless agreed otherwise in the policy, a deductible applies to any insured event and to each of them separately.

10. Debris removal
    This policy also covers, within the limit of liability shown in the policy, expenses incurred in the removal from the insured location of debris of property stated in the policy damaged by an act of terrorism or an act of sabotage.
    The cost of removal of debris shall not be considered in determination of the valuation of the insured property.

11. Due Diligence
    The insured (or any of the insured’s agents, sub or co-contractors) must use due diligence and do (and concur in doing and permit to be done) everything reasonably practicable, including but not limited to taking precautions to protect or remove the insured property, to avoid or diminish any loss herein insured and to secure compensation for any such loss including action against other parties to enforce any rights and remedies or to obtain relief or indemnity.
12. Protection maintenance
It is agreed that any protection provided for the safety of the property insured shall be maintained in good order throughout the currency of this insurance and shall be in use at all relevant times, and that such protection shall not be withdrawn or varied to the detriment of the interests of the insurer without the insurer’s prior written consent.

13. Valuation
It is understood that, in the event of property damage, the obligation of the insurer to pay the indemnity shall be based upon the cost of repairing, replacing or reinstating (whichever is the least) property on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions:

a) the repairs, replacement or reinstatement (all hereinafter referred to as “replacement”) must be executed with due diligence and dispatch;
b) until replacement has been effected the amount of liability under this policy in respect of loss shall be limited to the actual cash value at the time of loss;
c) if replacement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, any increased cost of replacement due thereto shall not be covered by this policy.

The insurer’s liability for loss under this policy shall not exceed the smallest of the following amounts:

a) the sum insured applicable to the destroyed or damaged property insured,
b) the replacement cost of the property insured or any part thereof which was intended for the same occupancy and use, as calculated at the time of the loss,
c) the amount actually and necessarily expended in replacing property insured or any part thereof.

The insurer will normally expect the insured to carry out repair or replacement of the insured property, but if the insured and the insurer agree that it is not practicable or reasonable to do this, the insurer will pay the insured an amount based on the repair or replacement costs, less an allowance for fees and associated costs which are not otherwise incurred. The insurer will only pay the insured up to the limit of liability shown in the policy.

14. Incorrect declaration penalty
If the sums insured as stated in the policy are less than the correct insured values as determined above, then any recovery otherwise due hereunder shall be reduced in the same proportion that the sums insured bear to the insured values that should have been declared, and the insured shall co-insure for the balance.

15. Notification of Claims
The insured, upon knowledge of any occurrence likely to give rise to a claim hereunder, shall give written advice as soon as reasonably practicable to the insurer and or the broker, named for that purpose in the policy, who is to advise the insurer within seven (7) days of such knowledge of any occurrence and it is a condition precedent to the liability of the insurer that such notification is given by the insured as provided for by this policy.

If the insured makes a claim under this insurance he must give the insurer such relevant information and evidence as may reasonably be required and cooperate fully in the investigation or adjustment of any claim. If required by the insurer, the insured must submit to examination under oath by any person designated by the insurer.

16. Proof of loss
The insured shall render a signed loss notification form within sixty (60) days after the occurrence of a loss (unless such period be extended by the written agreement of insurer) stating the time, place and cause of loss, the interest of the insured and all others in the property, the sound value thereof and the amount of loss or damage thereto.

17. Subrogation
In the event that, in relation to any imminent or occurring insured event, a person entitled to indemnity, the insured or a person who has incurred the salvage costs, has a right towards someone for damages or any similar right, such claim (including its appurtenance, indemnity and security instruments, and other rights related to it) shall be as of the payment of the indemnity subrogated to the insurer up to the amount of any indemnity paid out by the insurer to the beneficiary. The insured shall execute all papers required, shall cooperate with the insurer and, upon the insurer’s request, shall securing and giving evidence, attaining the attendance of witnesses and in the conduct of suits and shall do anything that may be necessary to secure such right.

18. Salvage and Recoveries
If after the occurrence the policyholder or any other beneficiary finds out that the lost or stolen property insured to which such occurrence relates has been recovered, he/she shall notify the insurer of such findings in writing without undue delay. The property insured however shall not be considered as recovered in case:

i) its possession was lost and either cannot be regained at all or can be regained with disproportionate difficulties or costs only; or
ii) the property was damaged to the extent that as such it ceased to exist, or can be repaired with disproportionate costs only.

In case the insurer has provided the indemnity after the occurrence, the ownership of the property insured shall not pass to him but he is entitled to regain what he paid out on indemnification. The beneficiary may however deduct the expenses reasonably spent on removal of defects occurred at the time when he/she was deprived of the opportunity to dispose with the insured property.

19. False or fraudulent claims
The general regulation of the refusal to provide indemnity from the policy is provided in the civil code. In addition, if the beneficiary shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, or if the beneficiary conceals any substantial facts related to the insured event, the insurer may refuse to pay the claim for the indemnity under this insurance.

20. Misrepresentation
If the insurer has concealed or wilfully or by negligence misrepresented or only partially presented any material fact or circumstance that is important for the insurer’s decision on how to assess the insurance risk, and/or whether and under what conditions the insurer insures such insurance risk, the insurer may rescind this policy in accordance with the civil code. Other provisions of the civil code on rescission from the policy are not effected.

21. Inspection and audit
The insurer or their agents shall be permitted but not obligated to inspect the insured's property at any time. Neither the insurer’s right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the insured or others, to determine or warrant that such property is safe. The insurer may examine and audit the insured's books and records at any time up to two years after the final termination of this policy, as far as they relate to the subject matter of this insurance.

22. Assignment
Assignment or transfer of this policy shall not be valid except with the prior written consent of the insurer.

23. Deduction of receivables
The insurer is entitled to deduct from the indemnity due premium receivables or other receivables arising from the insurance.

24. Monetary payment
The insurer is obliged to provide the indemnity in no other form than in a monetary payment regardless of whether the relevant laws require or allow providing compensation for loss through non-monetary payment.

25. Notification of changes
The policyholder or the insured shall notify the insurer without undue delay of any change of ownership or co-ownership of the property insured which occurred during the policy period.

26. Delivery
The policyholder and the insured are obliged to notify the insurer of any change of their delivery address/es without undue delay.

27. The form of legal acts
Communications in writing sent under the policy shall be delivered to the address of a party set out therein or otherwise duly communicated to the sender. The addressee is obliged to ensure that a duly addressed communication is accepted by it within three working days after first due attempt to deliver. If the addressee thwarts delivery of the shipment (e.g. due to failure to notify the change of delivery address or new delivery address), such shipment is considered to be delivered at the third working day after its dispatch (or at the fifteenth day after the dispatch in case the delivery address is outside the Czech Republic).

Legal acts leading to the creation, modification or termination of the insurance shall be in writing. Other legal acts, notifications or communication relating to the insurance may also be in electronic form, unless provided otherwise by relevant laws, conditions or the policy. The written form is required in particular for the notification of the occurrence, notification of the change of the delivery address, for claiming indemnification, notification of the change or termination of ownership or co-ownership of property insured, notification of the change or termination of the insurance interest and for the notification of the change or termination of the insurance risk.

28. Pledge of the insured property
In case the property insured becomes a subject of pledge and the conditions under section 1354 of the civil code are met, the indemnity shall be paid out to the pledgee.
29. **Exclusion of the statutory provision on acceptance of an offer with supplements or variations**
   Section 1740 paragraph 3 of the civil code regarding acceptance of an offer with supplements or variations shall not apply to the relationship between the insurer and the policyholder.

30. **Exclusion of the statutory provision on a late acceptance of an offer**
   Section 1743 of the civil code regarding late acceptance of an offer shall not apply to the relationship between the insurer and the policyholder.

31. **Exclusion of certain statutory provisions on contracts concluded adhesively**
   Sections 1799 and 1800 of the civil code regarding contracts concluded adhesively shall not apply to the relationship between the insurer and the policyholder.

32. **Experts Fees**
    This insurance includes, within the limit of liability shown in the policy, the necessary and reasonable fees of architects, surveyors, consulting engineers and other professional experts which are incurred in reinstating or repairing the property insured following damage insured under this policy.

33. **Choice of Law and Jurisdiction**
    This insurance shall be governed by and construed in accordance with the Czech law and any disputes shall be submitted to the exclusive jurisdiction of the Czech Courts.

---

**Extension regarding business interruption due to act of terrorism or act of sabotage**

((Gross profit))

In consideration of the premium paid, and subject to the exclusions, conditions and limitations of the policy to which this extension is attached, and also to the following additional conditions, exclusions limitations, this policy is extended to cover loss resulting from necessary interruption of business caused by property damage, as covered by the policy to which this extension is attached, to the property insured.

In the event of such property damage, in respect of any building or other property used by the insured at the premises for the purpose of the business and in consequence the business carried on by the insured at the premises being interrupted or interfered with then the insurer will indemnify the insured in respect of:

**Gross profit**

Gross profit is limited to loss of gross profit due to reduction in turnover and increase in cost of working and the amount payable as indemnity thereunder shall be:-

- **a)** in respect of reduction in turnover: the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall, in consequence of the property damage, fall short of the standard turnover

- **b)** in respect of increase in cost of working: the additional expenditure (subject to the provisions of the uninsured standing charges clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the property damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the property damage, it being understood that:-

- **i)** if the business be conducted in departments the independent trading results of which are ascertainable, the provisions of clauses a. and b. shall apply separately to each department affected by property damage;

- **ii)** If during the indemnity period services shall be rendered elsewhere than at the premises for the benefit of the business, either by the Insured or by others on behalf of the Insured, the money paid or payable in respect of such services shall be brought into account in arriving at the gross profit during the indemnity period

provided that, if at the commencement of the property damage the value in respect of gross profit declared in the policy is less than the sum produced by applying the rate of gross profit to the annual turnover (or to a proportionately increased multiple thereof where the Maximum indemnity period exceeds twelve months) the amount payable shall be proportionately reduced

provided further that the liability shall in no case exceed, the amount stated in the policy.
Definitions

1. **Gross profit**
   shall mean the amount by which the sum of the amount of the turnover and the amounts of the closing stock and work in progress shall exceed the sum of the amount of the opening stock and work in progress and the amount of the specified working expenses.

   *N.B. The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with the insured's usual accountancy methods, due provision being made for depreciation.*

2. **Annual turnover**
   shall mean the turnover during the twelve months immediately before the date of the property damage to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business either before or after the property damage or which would have affected the business had the property damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the property damage would have been obtained during the relative period after the property damage.

3. **Indemnity period**
   shall mean the period beginning with the occurrence and ending not later than the maximum indemnity period (as detailed in the policy) thereafter during which the results of the business shall be affected in consequence of the property damage.

4. **Rate of gross profit**
   shall mean the rate of gross profit earned on the turnover during the financial year immediately before the date of the property damage to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business either before or after the property damage or which would have affected the business had the property damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the property damage would have been obtained during the relative period after the property damage.

5. **Specified working expenses**
   shall mean purchases (less discounts received) packing, carriage and freight and bad debts.

6. **Standard turnover**
   shall mean the turnover during that period in the twelve months immediately before the date of the property damage which corresponds with the indemnity period to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business either before or after the property damage or which would have affected the business had the property damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the property damage would have been obtained during the relative period after the property damage.

7. **Turnover**
   shall mean the money paid or payable to the insured for goods sold and delivered and for services rendered in course of the business at the premises.

Conditions

1. **Property Damage Provision**
   No claim shall be payable under this Extension unless and until a claim has been paid, or liability admitted, in respect of property damage to property insured under the policy to which this extension is attached and which gave rise to interruption of business.

   This condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a deductible in the said policy which excludes liability for losses below a specified amount.

2. **Expenses to reduce loss**
   This extension also covers such expenses as are necessarily incurred (by the policyholder or, under conditions and in the scope specified in the civil code by another person) for the purpose of reducing loss under this extension (except expenses incurred to extinguish a fire), and, in respect of manufacturing risks, such expense, in excess of normal, as would necessarily be incurred in replacing any finished stock used by the insured to reduce loss under this extension; but in no event to exceed the amount by which loss under this extension is thereby reduced. Such expenses shall not be subject to the application of any contribution clause.
3. **Uninsured standing charges**

If the policy sets out any uninsured standing charges which are not covered by this policy, in computing the amount recoverable hereunder as increase in cost of working that proportion only of any additional expenditure shall be brought into account which the gross profit bears to the sum of the gross profit and such uninsured standing charges.

**Exclusions**

This extension does not insure against:

1. any loss resulting from interruption of or interference with the business in consequence of property damage (as within defined) other than as insured hereby by the item on gross profit;
2. increase in loss resulting from interference at the insured premises, by strikers or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;
3. increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured Interruption of business, and then the insurer shall be liable for only such loss as affects the Insured’s earnings during, and limited to, the period of indemnity covered under this policy;
4. increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
5. loss of market or any other consequential loss.

**Limits of indemnity**

1. The insurer shall not be liable for more than the smaller of either:
   a) any specific business interruption limit of liability stated in the policy, or
   b) the limit of liability stated in the policy, where such includes business interruption, if such is a combined limit, in respect of such loss, regardless of the number of locations suffering business interruption as a result of any one occurrence.
2. With respect to loss resulting from damage to or destruction of media for, or programming records pertaining to, electronic data processing or electronically controlled equipment, by the perils insured against, the length of time for which the insurer shall be liable hereunder shall not exceed:
   a) thirty (30) consecutive calendar days or the time required with exercise of due diligence and dispatch to reproduce the data thereon from duplicates or from originals of the previous generation, whichever is less; or,
   b) the length of time that would be required to rebuild, repair or replace such other property herein described as has been damaged or destroyed, but not exceeding eighteen (18) calendar months, whichever is the greater length of time.
3. For the purposes of calculation of the indemnity, the limit of liability valid as of the time of occurrence of the insured event shall apply.

**Complaints**

In case of any complaints or enquiries regarding this Insurance, please contact the insurance intermediary through which the Policy was concluded or the Insurer on the address stated in the Policy.

If you are not satisfied, you are entitled to refer this matter to the regulatory authority, which is the Czech National Bank. The address of the Czech National Bank is:

**Czech National Bank**

Na Příkopě 28
115 03 Prague 1
Czech Republic
tel.: + 420 224 411 111
Sanctions

Chubb European Group Limited is a subsidiary of a US parent and Chubb Limited (a NYSE listed company) and part of the Chubb Group of companies. Consequently, Chubb European Group Limited is subject to certain US laws and regulations in addition to EU, UN and national sanctions restrictions which may prohibit it from providing cover or paying claims to certain individuals or entities, and from insuring certain types of activities in or connected with certain countries and territories such as, but not limited to, Iran, Syria, North Korea, North Sudan, Cuba and Crimea.
Contact Us

Chubb European Group Limited, organizační složka
Pobřežní 620/3
186 00 Praha 8
Czech Republic

T +420 222 351 251
F +420 222 351 291
info.czech@chubb.com

About Chubb

Chubb is the world’s largest publicly traded property and casualty insurer. With operations in 54 countries, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. As an underwriting company, we assess, assume and manage risk with insight and discipline. We service and pay our claims fairly and promptly. We combine the precision of craftsmanship with decades of experience to conceive, craft and deliver the very best insurance coverage and service to individuals and families, and businesses of all sizes.

Chubb is also defined by its extensive product and service offerings, broad distribution capabilities, exceptional financial strength and local operations globally. The company serves multinational corporations, mid-size and small businesses with property and casualty insurance and risk engineering services; affluent and high net worth individuals with substantial assets to protect; individuals purchasing life, personal accident, supplemental health, home and car insurance and other specialty personal insurance coverage; companies and affinity groups providing or offering accident and health insurance programs and life insurance to their employees or members; and insurers managing exposures with reinsurance coverage.

Chubb’s core operating insurance companies maintain financial strength ratings of AA from Standard & Poor’s and A++ from A.M. Best. Chubb Limited, the parent company of Chubb, is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index.

Chubb maintains executive offices in Zurich, New York, London and other locations, and employs approximately 31,000 people worldwide.