



**GENERAL TERMS AND  
CONDITIONS OF ALL RISKS  
PROPERTY AND LOSS OF  
GROSS PROFIT INSURANCE**

version 10/2025

**Contents**

---

- §1 GENERAL PROVISIONS ..... 3**
- §2 DEFINITIONS..... 3**
- SECTION I – PROPERTY INSURANCE..... 8**
  - §3 INSURANCE COVERAGE ..... 8
  - §4 INSURED COSTS..... 8
  - §5 LIMITATIONS AND EXCLUSIONS OF LIABILITY ..... 8
  - SUBJECT-MATTER INSURED ..... 11
  - §6 INSURED PROPERTY ..... 11
  - §7 PROPERTY EXCLUDED FROM INSURANCE COVER..... 12
  - §8 INSURANCE SYSTEM ..... 13
  - §9 SUM INSURED ..... 13
  - §10 ASSESSMENT OF LOSS ..... 14
  - §11 ASSESSMENT OF COMPENSATION..... 15
- SECTION II – ALL RISK LOSS OF GROSS PROFIT .....16**
  - §12 PRELIMINARY PROVISIONS..... 16
  - §13 SUBJECT-MATTER INSURED..... 16
  - §14 INSURANCE COVER ..... 16
  - §15 LIMITATIONS AND EXCLUSIONS OF LIABILITY ..... 16
  - §16 SUM INSURED ..... 17
  - §17 ASSESSMENT OF LOSS AND COMPENSATION ..... 17
- COMMON TO SECTIONS I AND II.....19**
  - §18 INSURANCE CONTRACT ..... 19
  - §19 COMMENCEMENT OF LIABILITY..... 20
  - §20 CESSATION OF LIABILITY ..... 20
  - §21 INSURANCE PREMIUM ..... 20
  - §22 OBLIGATIONS OF THE POLICYHOLDER..... 21
  - §23 OBLIGATIONS OF THE POLICYHOLDER UPON LOSS EVENT..... 21
  - §24 PAYMENT OF COMPENSATION ..... 22
  - §25 RECOURSE CLAIMS ..... 23
  - §26 NOTICES AND DECLARATIONS ..... 23
  - §27 COMPLAINTS..... 23
  - §28 FINAL PROVISIONS..... 24



## §1 GENERAL PROVISIONS

---

1. These General Terms and Conditions (GTC) of All Risks Property and Loss of Gross Profit Insurance shall apply to contracts concluded between natural and legal persons and organizational units that not being legal persons, but have legal capacity, hereinafter referred to as the Policyholder, and a XL Insurance Company SE Zweigniederlassung für Österreich, hereinafter referred to as AXA XL, which is a branch of the foreign entrepreneur XL Insurance Company SE - AXA XL, the GTC shall not apply to contracts concluded with consumers and natural persons being natural person concluding insurance contracts directly related to their business or professional activity.
2. AXA XL, in agreement with the Policyholder, may introduce into the contract provisions additional to or different to those set out in these General Terms and Conditions of insurance.
3. The insurance contract may also be concluded in favor of another person named in the policy as the Insured. In such a case, the provisions of these General Terms and Conditions relating to the Policyholder shall apply duly to the Insured.
4. All deviations from the provisions of these General Terms and Conditions and all notices and declarations relating to the insurance contract must be made in writing on pain of nullity.

## §2 DEFINITIONS

---

The terms used in the GTC shall have the following meanings:

1. Loss caused by:
  - (a) **Fire**: shall be deemed to be loss caused by a fire that has penetrated beyond the hearth or originated without a hearth and has expanded by its own force,
  - (b) **Explosion**: shall be deemed to be loss resulting from a sudden change in the equilibrium of a system with the simultaneous release of gases, dust or vapors due to their attribute of propagation. With regard to pressure vessels and other such tanks, the loss can only be considered to have been caused by an explosion if the walls of these vessels and tanks are torn to such an extent that there is a sudden release of pressure due to the escape of gases, dust, steam or liquids. Loss caused by implosion, consisting of damage to a vessel or vacuum apparatus by external pressure, is also considered to be caused by an explosion,
  - (c) **Lightning**: shall be deemed to be loss caused by direct atmospheric discharge and overvoltage caused by indirect lightning discharge on the insured item, despite adequate lightning protection. Overvoltage resulting from lightning shall not include damage as a result of an electrical fault,
  - (d) **Aircraft fall**: shall be deemed to be loss caused by the crash or forced landing of a motorized or non-motorized aircraft or other flying object, as well as loss caused by the fall of parts thereof or of the cargo carried,
  - (e) **Earthquake**: shall be deemed to be loss caused by tremor or vibrations of seismic origin, including earthquakes, landslides on slopes, volcanic eruptions or any other naturally occurring earth movements,
  - (f) **Strong Wind**: shall be deemed to be loss caused by the action of winds of not less than 16 m/sec. according to Institute of Meteorology and Water Management causing mass damage; individual loss shall be deemed to be caused by a wind when a wind is found in the immediate vicinity. Damage caused by a wind shall be also considered to be caused by items carried by the wind,
  - (g) **Flooding**: shall be deemed to be loss resulting from partial or total overflow of normally dry land, following the occurrence of inland or coastal sea waters, surface water, waves, tsunamis or landslides or mudslides caused by the accumulation of water on or under the surface of the ground, water flowing down the slopes,
  - (h) **Hail**: shall be deemed to be loss caused by atmospheric precipitation consisting of lumps of ice,
  - (i) **Avalanche**: shall be deemed to be loss caused the violent sliding or rolling down of masses of snow, ice, rocks or stones from a mountainside,
  - (j) **Landslide**: shall be deemed to be loss caused by the sinking of the ground due to the collapse of underground voids in the ground and damage caused by the movement of the ground on slopes, not caused by human activity,
  - (k) **Snow**: shall be deemed to be loss caused by the weight of snow consisting of damage to or destruction of the insured property where such damage is caused by:



- direct effect on the insured item,
- fall, collapse of a neighboring item on the insured property,
- (l) **Sprinkler leakage:** shall be deemed to be loss resulting from spontaneous activation of a sprinkler system caused by any reason other than fire, provided that it did not occur in connection with pressure tests or resulted from reconstruction, modernization or repair of the sprinkler system or the building.
- (m) **Water loss:** shall be deemed to be loss caused by:
  - failure and escape of water or steam from water pipes and tap water , sewerage, central heating, and other installations inside the insured building or on the insured property,
  - backflow of water or sewage from public sewerage facilities,
  - unintentional leaving open valves on plumbing fixtures in the insured premises.
- (n) **Sonic wave:** the destructive effect of a sound wave created when an aircraft crosses the sound barrier;
- (o) **Vehicle Impact:** an impact on the Insured Property by a Vehicle or by cargo carried by that Vehicle
- (p) **Smoke, soot:** products of incomplete combustion resulting from a fire outside the place of insurance and reaching the insured property;
- (q) **Burglary:** shall be deemed to be loss caused when:
  - (i) the offender has committed or attempted to commit theft of property for the purpose of appropriation from locked premises after overcoming—by force and tools—existing security devices or after opening the security devices with an original key which they have obtained by burglary of other premises or by robbery,
  - (ii) the offender has committed acquisitive crime or destruction of property acting for the purpose of misappropriation from premises where they have concealed themselves before closing them, if they have left traces which may constitute evidence of their clandestine concealment,
- (r) **Robbery:** shall be deemed to be loss caused when:
  - (i) the offender has committed or attempted to commit theft of property with intent to appropriate it by use of physical violence or threat thereof against the Policyholder or its employees,
  - (ii) the offender, by means of physical violence or threat, led a person in possession of keys to the insured premises or locker and forced them to open it or the offender opened it themselves with robbed keys,
  - (iii) the acquisitive crime or attempted acquisitive crime is carried out after the resistance of the Policyholder or their employee has been overcome by bringing them to a state of unconsciousness or defenseless,
- (s) **Vandalism:** shall be understood as the willful destruction of or damage to the insured property by third parties.
- (t) **Unnamed Risks:** the insured event as defined in § 3 of the GTC – Insurance Cover, and which is not a named risk listed in § 2.1 of the GTC – Definitions.
- (u) **Electrical loss:** damage to an electrical or electronic device resulting from a failure to maintain the parameters of the current, in particular resulting from: short circuit, change in the voltage, current or frequency of the mains, breakdown of one or more phases, failure or malfunction of electrical safety devices, or any other direct effect of electricity, with the exception of indirect lightning.
- (v) **Mechanical loss:** -mechanical failure of machinery, devices or equipment, due to internal causes. In particular, damage caused by design faults, material defects, manufacturing faults, faulty workmanship or assembly, ingress of foreign bodies, shortage of water in boilers, faulty lubrication or shortage of lubricants, oils, freezing or shortage of coolant, failure or malfunction of signaling, measuring or safety devices, rupture due to centrifugal force, excessive pressure and damage associated with operation, in particular faults in operation, use, inspection, maintenance.
- (w) **Electronic Equipment:** electrically powered devices in which the value of the electronic components or sub-assemblies represents more than 50% of the value of the device, or which are used exclusively for the digital receipt , storage, processing and transmission of information.



2. **Computer virus:** shall mean a set of harmful or any unauthorized commands or code containing a set of inserted unauthorized instructions or programmed codes such that they spread through a computer system or network regardless of their nature. The term “computer virus” shall specifically include code fragments defined as: “Trojan,” “Worm,” and “time bomb” or “logic bomb,” but shall not be limited to these.
3. **Event:** loss, physical destruction, damage as a result of sudden, unexpected, unforeseen occurrence independent of the will of the Policyholder,
4. **Single event :** shall mean an occurrence giving rise to a loss or series of losses irrespective of the number of locations affected, arising directly from a single common cause, event or disaster within 72 hours of the first loss,
5. **Act of terrorism:** shall mean an act consisting of, but not limited to, the use of force or violence, or the threat thereof, by a person or groups of persons acting alone or on behalf of or in association with organizations or governments, committed for political, religious, ideological, etc. purposes with the intent to put pressure on a government or to intimidate the public or a part of the public.
6. **Strikes, riots, civil commotion:**

A strike shall be considered to be an intentional interruption of work by a group of employees in order to enforce economic or political demands. Riots and civil commotions shall be considered to be violent demonstrations and illegal actions of a group of people directed against the authorities in order to change the existing legal order.
7. **Infectious Disease:** shall mean a disease, infection, state of or disorder caused, in whole or in part, by direct or indirect contact with or direct or indirect exposure to a virus, parasite, bacterium or any other pathogenic agent, irrespective of the method of transmission, form of contact or manner of exposure,
8. **Low-value assets:** property which, in accordance with the applicable provisions of the Accounting Act, is not included in the fixed asset register and its value is charged to operating costs on a one-off basis,
9. **Valuables:** works of art, items of historic, artistic, unique or collectible value, museum pieces, models, patterns, furs, precious stones and metals, jewelry.
10. **Representatives:** representatives shall be deemed to be in the case of:
  - state-owned enterprises: the director and their deputies,
  - private limited companies [spółki z ograniczoną odpowiedzialnością] and public limited companies [spółki akcyjne]: management board members and agents,
  - general partnerships: partners and agents,
  - limited partnerships and limited joint-stock partnerships [spółki komandytowo-akcyjne]: general partners and agents,
  - partnerships: partners, management board members, and holders of commercial power of attorney,
  - housing communities, cooperatives, foundations, and associations: management board members,
  - civil partnerships: partners,
  - sole proprietorships: the individual in question and their agents,
11. **Employee:** a natural person employed on the basis of a contract of employment, appointment, election, cooperative employment contract or civil law contracts, excluding sole proprietorships (not applicable to management contracts). An apprentice, volunteer, trainee, and temporary employee to whom the Insured has entrusted the performance of certain activities for and under the direction of the Insured shall also be deemed to be an employee.
12. **Limit of liability:** the maximum limit of AXA XL's liability specified for the insured events and/or categories of property specified in the Insurance Contract. The limit may be indicated as an aggregate limit or as a sub-limit in individual categories of property or perils and set for each event and/or for all events during the insurance period.
13. **Turnover:** revenue from the sale of products, goods and services (including loss of leasing rent, if included in the sum insured), goods and materials obtained by the Insured in the insured activity at the location of insurance.
14. **Annual turnover:** the sum of revenues from the sale of products (goods and services), goods, and materials earned by the Policyholder in the last 12 months immediately preceding the loss event in the insured property.



15. **Loss of profit:** loss in assets consisting of the failure to achieve anticipated gross profit or the necessity to increase production costs, resulting from loss to property used by the Policyholder in the conduct of its business within the insured location – as set out in the policy.
16. **Standard turnover:** turnover achieved in a period equal to the indemnity period immediately preceding the date of the loss event adjusted accordingly, if the indemnity period is different than 12 months. The standard turnover should be adjusted accordingly if seasonality, changes in market trends or other specifics of the business activity affect the results of that activity. The intention of this modification is merely to obtain as accurate an estimate as possible of the results that the Policyholder would have obtained during the indemnity period if the loss had not occurred and the business had continued under normal conditions.
17. **Indemnity period:** the actual period during which the negative effects of a loss event on business performance (turnover) become apparent, commencing at the time of the loss event in the property during the insurance period and ending no later than the last day of the maximum indemnity period.
18. **Maximum indemnity period:** the agreed maximum period for which AXA XL pays compensation for loss of gross profit in accordance with these GTC and the policy.
19. **Gross profit:** the difference between the sum of the value of turnover taking into account changes in the value of the stock of products, semi-finished products and work in progress, at the end of the financial year preceding the event and the sum of the value of the stock of products, semi-finished products and work in progress at the beginning of the financial year preceding the event and the uninsured variable production costs incurred in the financial year preceding the event. The stock values of products, semi-finished products and work in progress shall be obtained from the accounting records maintained by the Policyholder, after adjustment of their value.
20. **Gross profit ratio:** the ratio of gross profit to turnover, in the closed financial year immediately preceding the loss event.
21. **Uninsured variable production costs:** costs the value of which is dependent on the value of turnover or the volume of production and which the Policyholder will not incur in the period after the occurrence of the loss event to the insured property, as long as the interruption or disruption of its business continues.
22. **Increase in production costs:** the amount of additional, necessary, and reasonable expenses (subject to § 16.3 – Assessment of Loss) incurred to avoid or reduce the decrease in the value of turnover that would have occurred during the indemnity period had these expenses not been incurred. This amount shall not exceed the value resulting from the multiplication of the gross profit ratio and the value of the loss of turnover avoided by incurring these costs, less any costs saved during the indemnity period which the Policyholder did not incur as a result of the loss event.
23. **Additional increase in production costs:** the amount of necessary and reasonable expenses incurred during the indemnity period to maintain the value of turnover. This amount shall cover only the additional costs that the Policyholder did not incur in the course of business prior to the date of loss and shall at the same time represent the excess over the increase in the production cost.
24. **Fixed costs** (insured business costs): the standard costs of the Insured's business activity, the amount of which does not depend on the amount of turnover reduced as a result of the loss event.

PROPERTY CYBER AND DATA DEFINITIONS:

25. **Cyber Loss** shall mean any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
26. **Cyber Act** shall mean an unauthorized, malicious or criminal act or series of related unauthorized, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
27. **Cyber Incident** shall mean:
  - (a) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
  - (b) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.



28. **Computer System** shall mean any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.
29. **Data** shall mean information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.
30. **Cryptocurrency:**  
Digital Currency shall mean any type of currency available only in digital form as digital money, electronic money, and electronic currency including but not limited to any type of virtual currency and cryptocurrency.



## SECTION I – PROPERTY INSURANCE

---

### §3 INSURANCE COVERAGE

Subject to the exclusions contained in the GTC and the specific exclusions under Insurance Contract concluded, AXA XL shall be liable in accordance with the insurance contract concluded on the basis of these GTC for damage to the insured property consisting of its loss, physical destruction, damage as a result of a sudden, unexpected event independent of the will of the Policyholder hereinafter called “all risk” insurance, including destruction of or damage to the property as a result of a rescue operation carried out in connection with a loss covered by this Insurance Contract.

The coverage may be extended or limited by additional Clause which form an integral part of the Insurance Contract. Inclusion of a Clause in the Insurance Contract shall be confirmed in the Insurance Document.

### §4 INSURED COSTS

1. The Insurance contract concluded on the basis of these GTC shall also cover costs incurred and documented by the Policyholder to rescue and protect or reduce loss to the insured property, insofar as they were justified, within the limits of the sum insured for the property specified in the insurance document.
2. The costs referred to in § 1 shall be understood to be in particular, expenditures relating to:
  - (a) rescue action (including firefighting, demolition, evacuation) if the rescue was intended to reduce losses or prevent them from increasing of loss and was directly related to the threat of loss.
  - (b) prevention of loss to the insured property in the event of an imminent threat of loss event.
  - (c) the use of available means to mitigate the loss if those means were appropriate, even though they would prove ineffective.
  - (d) The costs of cleaning up of salvage, including clean-up work at the site of the loss, deconstruction, demolition of the loss remains, their removal to the nearest possible landfill site and their storage, destruction or disposal.
  - (e) The costs associated with the necessary building alterations and the dismantling and reassembly of undamaged property in order to repair or replace the affected property.

Unless a different limit of liability is agreed in the insurance contract or reimbursement of costs is not possible within the sum insured due to its exhaustion, the Insurer shall reimburse the costs described in § 4.2 (a-b) up to 10% of the value of loss in the property per each event up to an aggregated maximum of PLN 1 million above the total sum insured declared by the Policyholder, with the stipulation that in the situation of underinsurance of the property, the costs shall be reduced proportionally to the degree of underestimation of the sum insured.

The Insurer shall reimburse the costs described in § 4.2 (c-e) up to maximum PLN 1 million, but within the sum insured declared by the Policyholder. These costs are listed in the insurance contract.

3. The insurance contract concluded under these GTC shall not cover costs or expenses:
  - (a) incurred as a result of removal of the remnants of the damage other than those relating to the immediate place of the loss, damage to or destruction of the property or the place immediately adjacent thereto,
  - (b) directly or indirectly resulting from pollution or contamination of property not covered by an insurance contract concluded under these GTC,
  - (c) costs associated with soil or water treatment.

### §5 LIMITATIONS AND EXCLUSIONS OF LIABILITY

AXA XL shall not be liable for losses:

1. not exceeding, together with the costs referred to in § 4, the amount of the franchise and/or deductible specified in the policy,
2. caused intentionally or through gross negligence by the Policyholder's representatives and caused intentionally by the Insured's employees or persons living in the same household with the Insured,



3. arising from any form of military actions or warfare, acts of an external enemy, any form of martial law or state of emergency, occupation and its consequences including undeclared or civil war, orders of military or civil authorities or other public authorities acting in law or in actuality or any public authority, rebellion, riot, public disorder, insurrection, looting, revolution, acts of sabotage, confiscation of property, lock-out or actions of persons acting as representatives or on behalf of political organisations,
4. arising in property confiscated, seized or requisitioned by authorised bodies,
5. arising during the strike, unless the strike did not contribute to the loss,
6. arising from unauthorised suspension of work or failure to attend work by persons employed by the Policyholder or other persons for whom the Policyholder is responsible,
7. caused by nuclear reaction, radiation, or radioactive contamination, including fires resulting from nuclear processes or reactions or expense directly or indirectly caused by or contributed to by or arising from:
  - (a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
  - (b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
  - (c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter,
  - (d) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter.

The exclusion in this sub-clause shall not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes,
  - (e) any chemical, biological, bio-chemical, or electromagnetic weapon.
8. arising from theft of the property, except burglary and robbery,
9. consisting in the loss or depreciation of the property occurring under unexplained circumstances and for undetermined reasons, or discovered in the course of an inventory,
10. consisting in cracking, shrinkage, settlement, expansion, contraction of buildings or part of the buildings.
11. consisting in an electrical damage occurring in machinery, apparatus or other devices as a result of incorrect operation of electric current, unless the Insured Event occurred as a result of the current operation,
12. consisting of breakdown of machinery or mechanical damage to machinery and equipment, unless an Insured Event has occurred as a result of such breakdown,
13. resulting from construction errors, incorrect assembly or faulty or defective design or materials, inherent vice or latent defect,
14. arising in insured property damaged or destroyed as a result of its production or processing or in connection with repairs, refurbishments, tests or research experiments or other works carried out on such property.
15. consisting in destruction of or damage to the insured property due to disruption or interruption of the supply of electricity or heat, water, gas, telecommunication,
16. arising directly or indirectly from the failure to non-reading or misreading of the date, understood as any record of date, by a computer, data-processing equipment, microprocessor, integrated electronic circuit or similar device, by software or by a computer system, including damage caused by the erasure, loss, distortion or corruption of information, computer systems or other data or computer software,
17. arising directly or indirectly from any computer virus,
18. resulting from an explosion:
  - (a) caused by the Policyholder for production, operational or other purposes,
  - (b) of a kinescope lamp (implosion) at the lamp manufacturer,
  - (c) in engines when the explosion is related to their natural operation,



19. resulting from contractual penalties resulting from non-adherence to completion and supply deadlines or other obligations, delays or loss of market value, loss of market as well as other financial losses,
20. in the event of water damage if it is caused by the poor condition of the roof, unprotected roof openings, poor condition of gutters and window and door frames, including in the rented premises, if the Policyholder—being aware of the existing negligence in this respect—failed to request the landlord to repair it,
21. resulting from systematic dampness of the subject-matter insured due to malfunctioning ventilation, insulation and leakage of water and sewage systems or other water or steam distribution equipment, as well as from groundwater seepage or frosting of fixed parts of the building,
22. consisting in the gradual deterioration, corrosion, wet or dry rot, depletion, erosion, humidity, evaporation of insured property, due to the slow action of thermal, chemical, biological, atmospheric or geological factors, latent defects, normal wear and tear, defective characteristics or nature of the subject-matter insured,
23. arising from marring and scratching,
24. arising in property stored outdoors contrary to its intended use and the conditions of storage or warehousing, which has caused or increased the damage,
25. caused by flooding of movable property stored less than 14 cm above the floor, in rooms below ground level (cellars, basements), with the exception of damage caused by flooding directly from above,
26. arising from the loss of the insured property during a Event or rescue operation conducted in connection with the event —including money, cryptocurrency, securities and other monetary values, collectibles, works of art, silver, gold, platinum items and jewellery,
27. being mining damages within the meaning of the Geological and Mining Law,
28. damage covered by state or mandatory pool,.
29. caused by earthworks, landslides on slopes,
30. consisting of loss of water, steam and heat, gas, electricity, and other utilities in installations not separately declared as subject-matter insured in the Insurance Contract,
31. damage caused by:
  - a) animals, vermis, insects, fungus and mould,
  - b) asbestos material: removal unless the asbestos is itself damaged by a Defined Peril, increased costs of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating asbestos material, any governmental direction or request declaring that asbestos material present in or part of or utilised on any undamaged portion of the Property Insured can no longer be used for the purpose of which it was intended or installed and must be removed or modified,
32. caused by pollution or contamination (except of direct damage and destruction to property) for property reported by the Policyholder at the location of insurance/business activity and not otherwise excluded, caused by:
  - (a) pollution or contamination resulting from: fire, lightning strike, explosion, fall of aircraft, riot, civil commotion, strikes, lockouts, labour disturbances or wilful acts of vandalism (other than theft), wind, flood, leakage of water from tanks, apparatus, pipes and being struck by a road vehicle or animal,
  - (b) fire, lightning strike, explosion, fall of aircraft, riot, civil commotion, strikes, lock-outs, labour disturbances or wilful acts of vandalism (other than theft), wind, flood, leakage of water from a tank, apparatus, pipes being struck by a road vehicle or animal, the source of which was pollution or contamination,
33. directly or indirectly caused by, arising out of or in connection with any act of terrorism regardless of the cause, event or sequence of events that contributed to its occurrence. In addition, AXA XL's liability shall not extend to any damages, losses, costs and expenses directly or indirectly resulting from or arising in connection with actions aimed at combating, preventing and suppressing acts of terrorism,
34. resulting from interruptions in the supply of public utility services (e.g. heat, electricity, water, sewerage, telecommunications services),



35. caused by data manipulation, data theft, loss of data due to malware such as computer viruses, Trojans, Internet worms, spyware, spam, etc.,
36. caused by infectious diseases. The insurance coverage shall not include any loss, damage, claim, cost, expense or any other amount directly or indirectly arising (in whole or in part) from:
  - (a) any Infectious Disease (actual, threatened or suspected) or
  - (b) any act, error or omission in controlling, preventing or limiting the spread of any Infectious Disease or in failing to control, prevent or limit its spread or in any way relating to its actual, threatened or suspected spread,
  - (c) either wholly or partly related to, caused by or concerning the above circumstances.
  - (d) This exclusion shall apply irrespective of any other cause or event contributing concurrently or in any order to the aforementioned losses, damages, claims, costs, expenses or other amounts.
  - (e) Any actual, suspected, threatened or suspected presence or existence of any Infectious Disease on or in the assets, affecting the assets or their value or preventing the use of any assets, shall not constitute loss or damage (physical or otherwise) or loss of use of any tangible or intangible assets.
  - (f) The presence of a person or persons who may be or are infected with an Infectious Disease on the insured premises shall not constitute loss or damage (physical or otherwise).
37. CYBER AND DATA LOSSES EXCLUSION
  - 1) Notwithstanding any provision to the contrary within this Policy or any endorsement thereto, this Policy shall exclude any:
    - a. Cyber Loss;
    - b. loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data;
    - c. regardless of any other cause or event contributing concurrently or in any other sequence thereto.
  - 2) In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
  - 3) This endorsement shall supersede and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss or Data, replace that wording.

## **SUBJECT-MATTER INSURED**

### **§6 INSURED PROPERTY**

1. The subject-matter insured shall be property owned or held by the Policyholder on the basis of an appropriate legal title and recorded in accordance with the accounting rules in force.
2. The property shall be insured at the locations specified in the insurance document in the territory of the Republic of Poland.
3. The Policyholder may, in agreement with AXA XL, take out insurance cover for property not owned by the Policyholder.
4. The following property may be covered by the insurance contract:
  - (a) fixed assets: buildings and structures,
  - (b) fixed assets: machinery, apparatus, tools and devices, transport equipment and means of transport other than those subject to mandatory registration of vehicles, other property classified as fixed assets under applicable regulations,
  - (c) low-value assets,
  - (d) current assets: goods, raw materials, materials in process, semi-finished products, finished products, auxiliary materials, packaging, spare parts for machinery and equipment, and other current assets,



- (e) items taken for commissionaire sales,
  - (f) items taken from third parties for the purpose of performing a service (repair, refurbishment, alteration, etc.),
  - (g) personal property of the Policyholder's employees,
  - (h) the Policyholder's capital expenditure incurred on the permanent fixtures and fittings in the leased premises (built-in furniture, doors, alarm installations, wall, ceiling and floor coverings, and wallpaper and paint coverings).
  - (i) internal transport of property: the moving or transporting of the insured property within the insured location. The concept of Internal Transport shall also include loading and unloading activities directly related to this transport,
5. The property specified in § 6.4.(a-c) and (h) shall be insured under the fixed sum insurance system.
  6. The property specified in § 6.4.(d-h,) shall be insured under the first loss insurance system.
  7. The property specified in § 6.4.(d), (e), (f), and (i) may be insured under the variable sum insurance system.

## **§7 PROPERTY EXCLUDED FROM INSURANCE COVER**

1. The insurance contract shall not cover:
  - (a) water structures and facilities (including those under construction) from damage caused by the action of water, with the exception of damage caused by a flood wave of such magnitude and strength within the bed of a river or other natural or artificial water reservoir that was not foreseen when the structure or facility was designed, deemed too infrequent,
  - (b) buildings and structures, equipment or installations intended for demolition, that are out of use or of a temporary nature,
  - (c) machinery, devices, and equipment for scrap, prototypes,
  - (d) property undergoing construction, installation, assembly, alteration or refurbishment,
  - (e) roads or pavements, unless the damage was caused by fire, lightning strike, explosion, fall of aircraft, collision, burglary, wind, hail, flooding and are located on Insured's premises,
  - (f) underground mines, mine shafts, caves, grottos, and any property therein,
  - (g) bridges (excluding footbridges/piers and crossings for staff), tunnels, railways,
  - (h) docks, breakwaters, quays, culverts, canals, reservoirs, wells, dikes, dams,
  - (i) land and reservoirs of any kind, fire-fighting water tanks, other than the water present at the time of the loss in the insured tank, pipes or equipment used in the ordinary course of the Policyholder's business, except above-ground and underground industrial tanks,
  - (j) idle plants or Building or Contents and Stock contained therein (i.e. plants that do not maintain production capacity or have suspended operations) if vacant or unoccupied for more than 30 days
  - (k) installed electronic equipment including instrumentation, unless the damage is caused by fire, explosion, lightning strike, flooding, fall of aircraft, flooding or burglary, wind, hail, impact of vehicles or leakage of water/liquid from the water and sewage system,
  - (l) motor vehicles subject to registration, as well as locomotives, rolling stock, watercraft and aircraft, with the exclusion of vehicles and machinery moving only on the location of insurance (e.g. forklifts, cranes, heavy construction equipment), which may be covered by an insurance contract concluded on the basis of these GTC,
  - (m) trees, shrubs, plants on a stump or in the process of drying or other crops, including crops grown in greenhouses, foil tents and cold frames, animals, fish and birds,
  - (n) property in transport with the exception of pecuniary values that are insured against robbery, fire, explosion, and catastrophe of the means of transport. The insurance cover shall exclude cryptocurrencies, bullion (precious metals, stones jewelry).
  - (o) overhead utility lines and their supporting structures situated more than 1.6 km from the location of insurance, and also excluding underground pipes outside of the insured's premises,



- (p) satellites, spacecraft and its contents,
  - (q) coastal property, ships with their equipment remaining on the roadstead, permanently moored to a dock or quay; floating docks permanently moored to a dock or quay,
  - (r) pecuniary values (money, bills, currency, notes, bonds or securities), , and other high value assets (i.e. precious metals, precious and semi-precious stones, pearls, and products made from these materials), unless declared in the insurance application. The insurance cover shall exclude cryptocurrencies, bullion (precious metals, stones jewelry), furs, china and earthenware.
  - (s) Intangible property, including, without limitation, goodwill and intellectual property of any kind.
2. The following property may be insured on an individual basis and under condition of declaration of those items by the Insured into insurance policy:
- (a) files, documents, and other data carriers of all kinds, as well as samples, demonstration models, and exhibits— the costs of the material from which they are made and the labor costs involved in their restoration,
  - (b) valuables, , fine art,
  - (c) pecuniary values against fire, burglary, and robbery. The insurance cover shall exclude cryptocurrencies, bullion (precious metals, stones, jewelry).
  - (d) Royalties.

## **§8 INSURANCE SYSTEM**

1. Property may be insured according to the following insurance systems:
- (a) fixed sums
  - (b) variable sums
  - (c) first loss
2. Fixed sum insurance: insurance system in which the sum insured should correspond to the total value of the property. In the event that the sum insured quoted by the Policyholder is lower than the actual value of the property insured (underinsurance), the compensation in the event of loss shall be reduced in such proportion as the sum insured remains to the value of the property on the date of loss. The fixed sum insured shall not be reduced by claims paid.
3. Variable sum insurance: insurance system in which the sum insured is the maximum value of the property during the insurance period declared by the Policyholder. At the beginning of the insurance period, a deposit premium shall be charged in the amount specified in the policy. Settlement of the premium shall take place upon expiry of the insurance period. For this purpose, the Policyholder shall provide AXA XL with the stock levels as at the last day of each month, no later than 30 days after expiry of the insurance period. The final premium for the insurance shall be obtained by multiplying the arithmetic average stock value by the tariff rate indicated in the policy. If the final premium is higher than the deposit premium, the Policyholder shall pay the difference; if lower, the difference shall be reimbursed by AXA XL, but the premium reimbursement shall not exceed the specified minimum premium. The premium may be calculated or billed differently in accordance with the special conditions contained in the insurance contract.

First loss insurance: it is an insurance system in which the amount of the sum insured shall be determined by the Policyholder itself, guided by the amount of the maximum loss that it may suffer as a result of one of the Events specified in the insurance contract. The assessment of the compensation shall not be affected by the discrepancy between the total value of the property and the sum insured.

## **§9 SUM INSURED**

1. The sum insured and indemnity limits of AXA XL's liability shall be indicated in the policy.
2. The sum insured for buildings and structures and for fixed assets may correspond to:
- (a) gross book value resulting from accounting records,
  - (b) net book value less accumulated depreciation,



- (c) new replacement value determined by valuation before the date of concluding of the contract of insurance or fixed in another manner in agreement with AXA XL,
  - (d) real value being new replacement value less actual depreciation.
3. The sum insured for:
- (a) current assets should correspond to the highest total value of the property expected in the period of insurance, representing its purchase cost (net purchase cost for VAT taxpayers) or production cost of items of the same kind and quality (maximum value),
  - (b) items received from third parties for service should represent the highest value of such property expected in the period of insurance.
4. The sum insured shall be fixed directly by the Insuring party, based on the amount of the maximum loss that he may incur as a result of any of the perils named in the contract of insurance for the following property groups:
- (a) items received for sale on commission,
  - (b) items received from third parties for service,
  - (c) personal property of the Insured's employees,
5. Under the fixed sum insured system, if the insured property is situated at the Insured's various locations, the sum insured should correspond to the total value of property situated at those locations
6. Insurance of the property mentioned in point 5 shall be conditional upon the Insured's keeping of central account records for all the insured property and separate records for the property situated at the different locations. The Insuring party shall be required to attach to the insurance proposal a detailed list of the locations where the insured property is situated.
7. The Insured may increase the sum insured in the period of insurance, but the coverage attributable to the increased sum insured starts on the day after the change is made, subject to prior payment of an additional insurance premium.
8. If the value of insured property is reduced after the contract of insurance is made, the Insured may demand that the sum insured be reduced accordingly. Reduction in the sum insured shall entail a corresponding reduction in the premium from the day in which the Policyholder requested a reduction in the sum insured.

## **§10 ASSESSMENT OF LOSS**

1. AXA XL shall, under the terms of these general conditions, be liable for loss caused by the Events specified in the insurance contract that are covered within the insurance cover.
2. The amount of loss per property group shall be assessed as follows:
- (a) for buildings and structures (with the exception of buildings and structures intended for demolition or disused facilities) on the basis of the cost of reconstruction or repair of the damaged building, retaining the materials and equipment of the building as confirmed by a detailed cost estimate submitted by the Policyholder, prepared in accordance with the rules of calculation and pricing applicable to the construction industry in the similar area taking into account the existing dimensions, structure, and furnishings of the building,
    - (i) insured at gross book value: without deduction of depreciation,
    - (ii) insured at net book value: with deduction of depreciation,
    - (iii) insured at new replacement value: without deduction of wear and tear,
    - (iv) insured at actual value: new replacement value decreased with wear and tear.
  - (b) for machinery, apparatus, devices, equipment, low-value fixed assets, and means of transport: at the value of the cost of purchasing or repairing the machinery, apparatus, devices, equipment, and means of transport of the same type and capacity
    - (i) insured at gross book value: without deduction of depreciation,
    - (ii) insured at net book value: with deduction of depreciation,
    - (iii) insured at new replacement value: without deduction for wear and tear,



- (iv) insured at actual value: new replacement value decreased with wear and tear.
  - (c) for goods, raw materials, materials in the process of production, semi-finished products, finished products, auxiliary materials, packaging: at the value of their purchase costs (net cost value for VAT payers) or production costs at the prices on the day the loss occurs. The price on the day of the loss shall be the price documented on the purchase receipt before the day of the loss,
  - (d) for items accepted from third parties for the purpose of providing a service (repair, refurbishment, alteration, cleaning, dyeing, commissionaire sales, etc.) – at the actual value or at the value of the repair costs of the damaged items plus the proven value of the Policyholder's improvements. In the case of commissionaire sales the consignment fee shall be deducted,
  - (e) for documents replacing cash and traded on the stock exchange: at market value on the day the loss occurs, less brokerage commission,
  - (f) for other monetary values: at nominal value (the nominal value of a foreign currency shall be converted into Polish zloty at the average exchange rate announced by the President of the National Bank of Poland and in force as at the date of the loss),
  - (g) for gold, silver, precious stones and pearls, as well as platinum and other platinum group metals: at scrap value, and in products made from these metals and stones: at their purchase or production cost,
  - (h) for the personal property of the Policyholder's employees: at the value of new items of the same type and quality less actual wear and tear or the cost of repair.
3. The cost calculation for reconstruction, refurbishment or repair submitted by the Policyholder shall be duly substantiated and shall be subject to verification by AXA XL as to the scope of work and prices.
  4. The amount of loss shall be assessed in accordance with the scope of the actual loss caused by the Event.
  5. The amount of the loss shall be reduced by the value of the residue which can be intended for further use, processing or sale,
  6. The costs of assessing the amount of loss shall be borne by each party on its own.
  7. In the event of desist from restore of the property, the degree of wear and tear of the insured property shall be taken into account in assessing the amount of the loss.

## **§11 ASSESSMENT OF COMPENSATION**

9. The compensation shall be assessed in an amount corresponding to the value of the loss but no more than the sum insured and limits of liability constituting the upper limit of AXA XL's liability.
10. In assessment of the loss, no account shall be taken of:
  - (a) scientific, collector, historic or amateur value,
  - (b) costs arising from the lack of spare parts or materials needed to restore the vehicle to the state existing before the loss,
  - (c) deductible value added tax.
11. Irrespective of the compensation, AXA XL shall reimburse the documented costs specified in § 4 within the limits of the sum insured or limits determined in the insurance document or the GTC.
12. If it is established that at the time of the event that caused the loss, due to the wilful misconduct or gross negligence of the Policyholder protection means, including those for which premium reductions were granted, did not work, AXA XL may refuse to pay the compensation or reduce it in proportion to the discount granted.
13. Where the same subject-matter insured to the same extent is insured against the same risk with two or more insurers for sums which in aggregate exceed its insured value, the policyholder may not claim a benefit in excess of the loss. As between the insurers, each shall be liable in the ratio in which the sum insured assumed by it remains to the total sums arising from double or multiple insurance.
14. The compensation shall be the amount calculated in accordance with the above provisions, whereby the total compensation for all loss arising from one event shall be reduced by the amount of the highest franchise and/or deductible specified in the policy.



## SECTION II – ALL RISK LOSS OF GROSS PROFIT

---

### §12 PRELIMINARY PROVISIONS

1. Loss of Profit insurance contract shall be conditional on the conclusion of an all risk Property Insurance contract with AXA XL.
2. The insurance period of Loss of Profit insurance shall not exceed the end of the insurance period of the all-risk Property Insurance contract. Therefore, notwithstanding any other provisions of the GTC, the period of loss of profit insurance shall always end when the period of all risk Property Insurance ends.

### §13 SUBJECT-MATTER INSURED

1. The subject-matter insured shall be the expected gross profit that the Policyholder would have earned during the maximum indemnity period from its business activity if the event referred to in § 14 (Insurance Cover) of these General Terms and Conditions of Insurance had not occurred.
2. AXA XL's liability under a contract of insurance of estimated gross profit during the indemnity period concluded pursuant to these GTC shall be limited to the value of the lost gross profit resulting from:
  - (a) decrease in the value of turnover,
  - (b) increases of production costs—directly related to the event specified in § 14 (Insurance Cover).
3. The additional increase in production costs up to the limit specified in the insurance contract may also be covered.
4. The subject-matter insured under a given insurance contract shall be indicated in the policy or other document confirming the conclusion of the insurance contract.
5. AXA XL's liability shall not exceed the total sum insured or an appropriate part thereof in respect of each item stated in the Insurance Contract at the time of the occurrence.

### §14 INSURANCE COVER

Subject to the exclusions in the GTC and the special exclusions, AXA XL shall be liable for losses consisting of the loss of gross profit or the necessity to incur increased production costs and additional production costs due to interruption or disruption of the Policyholder's business, directly caused by an event in the property used by the Policyholder for the conduct of its business and provided that such property loss is covered by AXA XL's property insurance for the risk from which the loss arose and AXA XL has accepted insurance liability for such loss in the property.

### §15 LIMITATIONS AND EXCLUSIONS OF LIABILITY

AXA XL shall not be liable for losses:

- (a) that do not exceed the franchise and/or deductible, specified in the policy, expressed in monetary amount or as a “waiting period,”
- (b) caused by an event during the transport of the property,
- (c) during periods of downtime, understood in particular as the interruption or cessation of production, operation, service, delivery or receipt of goods as a result of a planned or intended business interruption, strike or other cause of work stoppage, or for any other reason other than direct loss in the property at the Policyholder's premises for which AXA XL has accepted liability,
- (d) arising as a result of fines or losses incurred as a consequence of failure to comply with the terms of the contract or late or unfulfilled orders or any other type of penalty,
- (e) arising as a result of the termination of the relationship with the relevant counterparty, for whatever reason, except that AXA XL shall be liable for a reduction in sales due to the termination of that relationship up to the value of the sales that would have been achieved through the relationship with the relevant counterparty during the indemnity period,
- (f) arising from decisions of competent authorities prohibiting the restoration of damaged or destroyed property and/or the continuation of the Policyholder's business,



- (g) when the Policyholder does not have sufficient capital to restore the destroyed, damaged or lost property,
- (h) resulting from contractual penalties resulting from non-adherence to completion and supply deadlines or other obligations as well as other financial losses,

## **§16 SUM INSURED**

1. The sum insured and the indemnity limits shall be indicated in the policy.
2. The sum insured and the indemnity limit applied shall constitute the upper limit of liability and be determined by the Policyholder on the basis of the financial documents of the financial year preceding the conclusion of the insurance contract, taking into account the production or sales volume planned during the insurance period and the proposed length of the maximum indemnity period.
3. Sum insured for:
  - (a) the expected gross profit shall be determined as an amount calculated on the basis of the gross profit earned during the last financial year before the insurance contract was concluded taking into account the length of the maximum indemnity period adjusted where seasonality, occurring changes in market trends or other peculiarities of the business conducted by the Policyholder may affect results of such business during the maximum indemnity period, on the assumption that the intention of the modification remains only to obtain as accurate an estimate as possible of the results the Policyholder would have obtained during the maximum indemnity period had it conducted its business in normal conditions,
  - (b) additional increase in production costs shall be determined on the basis of the necessary and justified additional costs expected by the Policyholder in the maximum indemnity period to maintain the turnover, exceeding the costs incurred in the course of business prior to the date of the loss event, taking into account the fact that it is an excess over the amount payable in accordance with the provisions of § 17.2 (b); the sum insured for additional increase in production costs shall be the limit of liability for one and all events during the insurance period.
4. All costs related to the assessment of the sum insured shall be borne by the Policyholder.
5. Where, after the conclusion of the contract, there is a change in the circumstances set out in par. 2 and 3 justifying a reduction in the sum insured, the Policyholder may demand an appropriate reduction in the sum insured.
6. Reduction in the sum insured shall entail a corresponding reduction in the premium from the first day in which the Policyholder requested a reduction in the sum insured.
7. The Policyholder may declare an increase in the sum insured during the insurance period. The Policyholder shall notify the corresponding change in the sum insured in writing to AXA XL for amendment of the insurance contract and calculation of the new premium. The coverage attributable to the increased sum insured starts on the day after the change is made, subject to prior payment of an additional insurance premium.

## **§17 ASSESSMENT OF LOSS AND COMPENSATION**

1. AXA XL's liability for loss of anticipated gross profit and additional production costs shall be limited to the indemnification period only.
2. The value of compensation for the loss of anticipated gross profit shall be assessed on the basis of the actual decrease in turnover and the increase in production costs as follows:
  - (a) in respect of a decrease in turnover: the amount obtained by multiplying the gross profit factor by the difference between the turnover achieved in the indemnity period and the standard turnover in the preceding corresponding period,
  - (b) in relation to the increase in production costs — the amount of justified expenses (subject to § 4) incurred in order to avoid or minimize the decrease in turnover during the indemnity period: this amount shall not exceed the value resulting from the multiplied gross profit factor and the value of the loss of turnover avoided by incurring these costs, less any costs saved during the indemnity period which the Policyholder did not incur as a result of the loss event.



3. In respect of additional increase in production costs, the amount shall be limited to justified and necessary additional costs/expenditure in excess of the increase in production costs (as defined in § 2(b)) incurred during the indemnity period as a result of the occurrence of the loss event in order to avoid or minimize a decrease in turnover or to maintain normal operations/business activities.
4. In the event that any of the fixed costs items is not insured and which are decreasing the value of the calculation of the sum insured of the expected gross profit in the indemnity period (as defined in these GTC), the value of the compensation due for the increase in the production costs shall only be taken into account in such proportion as the value of the sum insured of the expected gross profit remains to the value of the sum insured of the expected gross profit increased by the value of the uninsured fixed costs.
5. In calculating the value of the lost gross profit, consideration shall be taken of trends in the development of the economic field in question, special circumstances and conditions that would have affected the development of the Policyholder's business before or after the occurrence of the event or would have affected the course of that business had the event not occurred.
6. The value of lost profit shall also include the Policyholder's fixed costs as stated in the contract if the incurrence of these costs during the indemnity period is indispensable in view of the applicable legislation or the contracts concluded by the Policyholder.
7. If, during the indemnity period, the Policyholder or persons acting on its behalf are given the opportunity to continue their business in another place of insurance, the value of the turnover generated from this business shall be included in the calculation of the value of the turnover generated during the indemnity period.
8. If the decrease in turnover has been avoided or delayed by temporarily maintaining its value by means of stockpiled finished goods in warehouses and depots, this shall be taken into account in the calculation of the loss value.
9. Each party shall be entitled to appoint its own expert to assess the value of the loss, with each party paying for the costs of this expert report individually.
10. The compensation shall be assessed in an amount corresponding to the loss value calculated in accordance with § 17 (Assessment of Loss and Compensation) within the limit of the sum insured.
11. In the event that the sum insured stated in the policy as the expected gross profit for the maximum indemnity period proves to be less than the sum resulting from multiplying the gross profit ratio by the annual turnover (proportionally increased if the maximum indemnity period exceeds twelve months), the amount of compensation calculated in accordance with the provisions of these GTC shall be proportionally reduced.
12. The compensation shall be the amount calculated in accordance with the above provisions, whereby the total compensation for all loss resulting from one event shall be reduced by the amount of the franchise and/or deductible specified in the policy expressed in monetary amount or as a "waiting period."
13. Where franchise and/or deductible are defined as a "waiting period," AXA XL's liability shall relate to the loss of gross profit during the indemnity period, reduced accordingly by the waiting period. All loss events whose negative effects on business performance are exerted for a period not exceeding the waiting period shall not be covered.



## COMMON TO SECTIONS I AND II

---

### §18 INSURANCE CONTRACT

1. The insurance contract shall be concluded on the basis of an insurance application drawn up in writing under pain of nullity and signed by the Policyholder or a person duly authorised by it, acknowledging receipt of the general terms and conditions of insurance.
2. In the case of international insurance programme, an insurance contract may be concluded under different conditions from those set out in par. 1.
3. The insurance application should contain at least the following details:
  - (a) the name and address of the Policyholder,
  - (b) the location of insurance,
  - (c) the subject-matter insured,
  - (d) the sum insured,
  - (e) insurance period,
  - (f) information on the type of fire protection,
  - (g) other circumstances known to the Policyholder which, to the best of the Policyholder's knowledge, may increase the likelihood of an event occurring.  
and, for Section II, loss of profit-insurance:
    - (h) the sum insured,
    - (i) the maximum indemnity period,
    - (j) balance sheet data for the last 3 years,
4. AXA XL may make the conclusion of the insurance contract conditional upon obtaining additional information relating to the contract.
5. The Policyholder shall be obliged to inform AXA XL of all circumstances known to the Policyholder which AXA XL had asked about in the application form or in other letters prior to the conclusion of the contract. If the Policyholder concludes the contract through a representative, this obligation shall also be incumbent on the representative and shall furthermore include the circumstances known to them. When an insurance contract is concluded in name of a third party, the obligations set out in the preceding paragraphs shall be incumbent on both the Policyholder and the Insured, unless the Insured was unaware that the contract had been concluded for its account. If AXA XL has concluded the insurance contract despite the Policyholder's failure to answer individual questions, the omitted circumstances shall be deemed immaterial.
6. During the term of the insurance contract, the Policyholder and the Insured shall be obliged to notify AXA XL as soon as they become aware of any changes in circumstances which may increase the likelihood of an accident and which AXA XL has asked about in the insurance application or in other letters prior to the conclusion of the contract.
7. If the Policyholder, the Policyholder's representative or the Insured have failed to inform or have not truthfully informed AXA XL of the circumstances referred to in § 18 (3-6), AXA XL shall not be liable for the consequences of such circumstances. If the aforementioned circumstances were intentionally not communicated to AXA XL, in case of doubt it shall be presumed that the contractual event and its consequences are the result of the aforementioned circumstances.
8. In the event of cancellation, termination or dissolution of the insurance contract, AXA XL shall refund the premium paid for the unused AXA XL insurance period.
9. Unless otherwise agreed by the parties, the insurance contract shall be concluded for a period of one year. It shall not be possible to conclude an insurance contract for an indefinite period. The period for which the insurance contract is concluded shall be specified in the document confirming the insurance contract (policy).
10. AXA XL shall confirm the conclusion of the Insurance Contract by issuing a policy.



11. If the insurance contract has been concluded for a period longer than 6 months, the Policyholder shall be entitled to withdraw from the insurance contract within 30 days, and in case the Policyholder is an entrepreneur — within 7 days, from the day of conclusion of the contract. However, withdrawal shall not relieve the Policyholder from the obligation to pay the premium for the period during which AXA XL has provided coverage.

## **§19 COMMENCEMENT OF LIABILITY**

1. AXA XL's liability for events covered under the concluded contract shall commence from the day following the conclusion of the insurance contract but not earlier than the day following the payment of the premium or an instalment thereof, unless the contract provides for a different starting date for liability. The contract shall be deemed to have been concluded on the date of commencement of the insurance coverage.
2. AXA XL shall only be liable for covered events that occur between the commencement and cessation of the liability.

## **§20 CESSATION OF LIABILITY**

1. AXA XL's liability shall terminate upon:
  - (a) expiry of the insurance contract, withdrawal from the contract, termination or cancellation notice given to the contract,
  - (b) the transfer of ownership of the insured movable property to another person (natural, legal), unless AXA XL has agreed to the transfer of rights under the Insurance Contract.
  - (c) non-payment of the premium or an instalment thereof within the period indicated in the insurance document (policy) in compliance with the rules described in § 21 (Insurance Premium).
2. AXA XL may terminate the insurance contract with 30 days' notice only in the cases indicated by law and for the valid reasons indicated hereinbelow:
  - (a) in the event of cessation of the Policyholder's business activities, insofar as the insured property remains in connection with such activities,
  - (b) in the event of failure to pay the premium or premium instalment due on time, provided that AXA XL, after the expiry of the time limit for payment of such premium or instalment, calls upon the Policyholder to pay with the threat that non-payment within 7 days of receipt of the call will result in termination of the insurance contract by AXA XL,
  - (c) in the event of a change of ownership of the insured item.
3. Termination of the insurance contract shall not relieve the Policyholder of the payment of the premium for the period during which AXA XL provided coverage.
4. In the event of a change of ownership of the insured item during the term of the insurance contract, the rights and obligations under that contract shall only be transferred to the new owner if AXA XL agrees to this. The former and the new owner shall be jointly and severally liable for the payment of the premium accruing for the time until the transfer of the subject-matter insured to the purchaser.

## **§21 INSURANCE PREMIUM**

1. The insurance premium shall be indicated in the policy.
2. The insurance premium shall be determined in line with the tariff of premiums according to the amount and system of the sum insured, the place and subject-matter insured, the course of insurance in previous insurance contracts, and other elements included in the tariff of premiums applicable on the day of conclusion or amendment of the insurance contract.
3. In individual cases, the insurance premium may be determined differently on the basis of an individual risk assessment.
4. The Policyholder shall be obliged to pay the insurance premium for the entire insurance period in advance, unless another method of premium payment is provided in the contract. If AXA XL is liable even before the premium or first instalment thereof has been paid and the premium or first instalment is not paid within the period specified in the policy, AXA XL shall be entitled to terminate the contract with immediate effect and demand payment of the premium for the period during which it was liable.



5. If the premium is paid in instalments, failure to pay the next instalment of the premium by the due date shall cause AXA XL's liability to cease, provided that AXA XL, after the expiry of the deadline for payment of the instalment, calls the Policyholder for payment with the threat that non-payment within 7 days of receipt of the call will cause AXA XL's liability to cease.
6. If the Policyholder has declared an increase or decrease in the value of the insured property during the insurance period, the Policyholder should notify AXA XL in writing of the corresponding change in value in order to amend the insurance contract and charge a new premium. The new premium shall be determined according to the tariff in force at the time of that change or in accordance with § 3.
7. The premium shall not be subject to indexation.
8. The Policyholder shall be entitled to a refund of the premium for the unused AXA XL insurance period.
9. The amount of premium due to be reimbursed shall be 1/365 of the annual premium for each unused day of coverage.

## **§22 OBLIGATIONS OF THE POLICYHOLDER**

1. The Policyholder shall be obliged to fulfil the conditions contained in § 18. (5-7) (Insurance Contract).
2. The Policyholder shall allow AXA XL's representatives to inspect the insured property. The inspection may also be carried out after the insurance contract has been concluded.
3. The Policyholder shall be obliged to strictly comply with the regulations in force aimed at preventing damage, in particular any regulations on fire protection of persons and property, construction law, on the construction and operation of technical equipment, including operating instructions, and on the exercise of technical supervision over such equipment, and to comply with the requirements contained in the insurance contract.
4. The Policyholder shall be obliged to use the means available thereto to prevent burglary and robbery. All security devices, including those for which a premium reduction has been granted, must be technically sound and be maintained at least once a year unless otherwise specified. AXA XL reserves the right to review the Policyholder's devices protecting the insured property during the term of the contract.
5. The Policyholder shall be obliged to:
  - (a) ensure proper maintenance of water, sewage, ventilation, and smoke conducts and equipment,
  - (b) shut down, drain, and maintain the drained water supply systems and facilities in unused, unattended, or temporarily immobilized facilities.
6. The Policyholder shall keep reliable accounting records of the insured property in accordance with current regulations issued by the Minister of Finance, in such a way that in the event of a loss the value of the property can be reconstructed without dispute. Evidence of records relating to insured property should be protected in an effective manner against destruction, loss or theft.
7. If the Policyholder through willful misconduct or gross negligence fails to fulfil the duties mentioned in § 22. (4-6), AXA XL shall be free of any liability for losses arising from this, provided that this fact had an impact on the occurrence or extent of the loss.

## **§23 OBLIGATIONS OF THE POLICYHOLDER UPON LOSS EVENT**

1. In the event of loss, the Policyholder shall use all means at its disposal to mitigate the loss in the insured property and to protect the property directly threatened against loss. It shall also be obliged to secure AXA XL's ability to pursue compensation claims against those responsible for the loss.
2. If the Policyholder through willful misconduct or gross negligence fails to fulfil the aforementioned obligations, AXA XL shall be free from liability for the loss caused by this, provided that this fact had an impact on assessing the circumstances of the loss.
3. Furthermore, in the event of a loss, the Policyholder shall be obliged to:
  - (a) immediately notify the fire brigade, police or other authorities as appropriate,
  - (b) notify AXA XL immediately of the fact of the insurance accident (within 2 working days from the date of the loss or from the date of knowledge of the loss), presenting and securing all necessary evidence needed to establish the circumstances and extent of the loss, and comply with AXA XL's instructions,



- (c) notify the police of any suspected criminal offence, especially burglary or loss of insured items during a Event or rescue operation and state, as far as possible, the type and quantity of the missing property and its value,
  - (d) not to change, without AXA XL's permission, the actual state caused by Event or accident until AXA XL's representative arrives at the location of the loss, unless the change is necessary to protect the property remaining after the loss or to reduce the damage and it is necessary under the circumstances to make such changes; AXA XL may not invoke this prohibition if it has not commenced its liquidation operations within 7 days of receiving notice of the loss,
  - (e) submit to AXA XL, at the latest within 14 days of becoming aware of the loss, an inventory of the lost or damaged items or building elements, specifying their value and year of acquisition,
  - (f) authorise AXA XL to do what is necessary to establish the circumstances of the loss and to assess the amount of the loss and to provide AXA XL with the evidence requested, among other things:
    - the last inventory or stock-taking of goods made before the loss,
    - documents of purchase of goods/commodities from the last inventory to the date of loss,
    - documents proving the turnover achieved,
    - if necessary, copies of monthly tax returns,
    - cash reports,
    - sales and income reports, etc.
4. In addition, it shall be the responsibility of the Policyholder to prepare a statement of the losses incurred on the basis of the evidence in its possession (at its own expense).
  5. The Policyholder shall, at AXA XL's request, provide all assistance in pursuing a claim against the perpetrator of the loss, including the provision of relevant documents and necessary information.

## **§24 PAYMENT OF COMPENSATION**

1. Upon receipt of the notification of the occurrence of a covered Event, AXA XL shall, within 7 days from the date of receipt of this notification, inform the Policyholder and the Insured and carry out proceedings to assess the facts of the event, the legitimacy of the claims made and the amount of compensation, as well as inform the Policyholder, the Insured or the Beneficiary in writing or electronically what documents are needed to assess the compensation.
2. If AXA XL fails to pay the compensation within the time limits specified in the contract or the legal Act, shall notify the claimant in writing of the reasons for its inability to satisfy the claim in whole or in part, and shall pay the undisputed part of the compensation.
3. If the compensation is not due or is due in a different amount than that specified in the claim submitted, AXA XL shall inform the claimant in writing, indicating the circumstances and the legal basis justifying the total or partial refusal of the compensation.
4. AXA XL shall be obliged to make available to the persons referred to in par. 1 information and documents which have influenced the determination of AXA XL's liability and the amount of compensation or benefit. Such persons shall have the right to inspect the loss file and to make copies or photocopies at their own expense of the documents in the loss file, provided that the manner in which the loss file is made available shall not involve undue hardship for such persons beyond what is necessary.
5. AXA XL shall pay compensation within 30 days of receiving notice of the event.
6. If it is impossible to clarify the circumstances necessary to establish AXA XL's liability or the amount of the benefit within 30 days from the date of receipt of the notice of the event, the benefit shall be provided within 14 days from the date of clarification of these circumstances. AXA XL shall fulfil the undisputed part of the benefit within the time limit set out in § 5.
7. If criminal proceedings have been instituted in respect of the loss that has occurred, the outcome of which may be of material significance for the assessment of the amount of compensation—AXA XL shall pay the undisputed part of the compensation and the remaining part after the results of the preliminary proceedings or a court judgement have been obtained, whereby § 22. 3 shall apply accordingly.



8. The Policyholder may apply to AXA XL for an advance on the compensation, if such an advance is necessary for the immediate compensation of losses to the insured property.
9. The payment of an advance shall not imply an acknowledgement of the claim, in principle within the meaning of civil law.
10. The request for an advance should include a preliminary loss account and specify the amount of the advance requested. The request should be justified.

## **§25 RECOURSE CLAIMS**

1. On the date of payment of the compensation, the claims of the Policyholder against the third party responsible for the loss shall be transferred by law to AXA XL up to the amount of the compensation paid. If AXA XL has covered only a part of the loss, the Policyholder shall have—as to the remaining part—priority of compensation over the claims of AXA XL.
2. Claims of the Policyholder against the Insured's employees and persons with whom the Policyholder has a common household shall not be transferred to AXA XL, unless the perpetrator caused the loss intentionally.
3. The Policyholder shall be obliged to provide AXA XL with any assistance in asserting the claims referred to in § 1 by providing the relevant information and documents necessary to assert these claims effectively.
4. If the Policyholder has, without AXA XL's consent, waived or limited a claim against a third party responsible for the loss, AXA XL may deny or reduce the compensation accordingly. If the waiver or limitation of a claim comes to light after the compensation has been paid, AXA XL may require the Policyholder to reimburse all or part of the compensation paid.

## **§26 NOTICES AND DECLARATIONS**

1. Notices and declarations of the Policyholder in connection with the insurance contract shall be made in writing or electronically on pain of nullity and shall be submitted in writing against a receipt or sent by registered mail or by electronic means of communication.
2. If either party to the contract changes its registered office or address and fails to notify the other party of this, a letter addressed to the last known registered office shall have legal effect from the time it would have been served if the party had not changed its registered office.

## **§27 COMPLAINTS**

1. The Policyholder and the Beneficiary under the Insurance contract shall be entitled to submit complaints to the Person authorised at AXA XL to represent AXA XL. Complaints should be delivered to the address of AXA XL's registered office, in writing, indicating details which enable the person lodging the complaint to be identified and the subject of the complaint or grievance, otherwise they shall be left unprocessed.
2. Complaints shall be dealt with by AXA XL without delay and no later than 30 days from the date of service, subject to par. 3.
3. If it proves impossible to deal with a complaint within the aforementioned period due to the failure to clarify all the circumstances, AXA XL shall inform the complainant in writing.
4. The complainant shall be informed of the outcome of the complaint in writing to the address indicated in the complaint.
5. The entity authorised for out-of-court settlement of disputes shall be:

Court of Arbitration at the Polish Financial Supervision Authority ([www.knf.gov.pl](http://www.knf.gov.pl)),

Financial Ombudsman ([www.rf.gov.pl/](http://www.rf.gov.pl/)).

In the case of online contracts, a request for dispute resolution may be additionally submitted via the online dispute resolution platform (ODRPlatform):

<https://ec.europa.eu/consumers/odr/main/index.cfm?event=main.home2.show&lng=PL>.

Additionally, consumers shall have the right to lodge a complaint with the Irish Financial Ombudsman and the Irish supervisory regulator, the Central Bank of Ireland.



6. Full information on the complaint procedure is included in the document “Information for business clients on the insurance contract, XL Insurance Company SE or Information for consumers on the insurance contract, XL Insurance Company SE.”

## **§28 FINAL PROVISIONS**

1. These General Terms and Conditions Polish wordings shall have privilege in interpretation before English wordings.
2. In matters not regulated by these General Terms and Conditions of Insurance, the provisions of the Polish legal regulations shall apply.
3. Sanctions

AXA XL shall not be deemed to be obligated to provide cover nor shall it be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that AXA XL to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

4. If the Policyholder does not agree with the refusal to settle the claim or with the amount of compensation assessed, the Policyholder may, within 30 days from the date of receipt of the decision in the case, submit a request for reconsideration.
5. The Policyholder may assert claims in court without complying with the procedure referred to in § 27.
6. This policy shall be subject to the exclusive jurisdiction of the Polish courts. An action for claims arising from insurance contracts may be brought either in accordance with the rules of general jurisdiction or before the court having jurisdiction at the place of residence or registered office of the Policyholder, the Insured or the Beneficiary under the insurance contract.

Podpisy w imieniu XL Insurance Company SE  
*Signed for and behalf of XL Insurance Company SE*

**XL Insurance Company SE**  
**Zweigniederlassung für Österreich**

**Eduard Billovits**  
Country Manager  
Austria & CSEE



**axaxl.com**

**XL Insurance Company SE**

Tuchlauben 3, 1010 Vienna, Austria

Telephone: +43 1 50602 100 Fax: +43 1 50602 111 **axaxl.com**

XL Insurance Company SE, Zweigniederlassung für Österreich

Commercial Court of Vienna, Commercial Register No.: FN 176093k, DVR: 0977659, Bank: Citibank, Swift Code: CITIATWX, IBAN: AT07 1814 0000 0194 3006, UID-#: AT U4626 7908

Corporate Headquarters: Wolfe Tone House, Wolfe Tone Street, Dublin 1, D01 HP90, Ireland

XL Insurance Company SE

A European public limited liability company registered in Ireland

Registered in Ireland No. 641686 | Regulated by the Central Bank of Ireland | Directors: T. Barry, X. Veyry (FR), D. Guest, D. Palici-Chehab (FR), F. Blanc (FR), J. O'Neill, H. Browne, M. Audrin (FR).

For information on how AXA XL uses personal data, please see our privacy policy on our AXA XL website.