

Non-binding translation

**General Terms and Conditions of Property Insurance
(ABV 2020 / Level 1)**

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Article 1

Meaning of particular terms

Particular terms in these General Terms and Conditions of Property Insurance (hereinafter: the General Terms and Conditions) have the following meanings:

Insurer: GRAWE Hrvatska d.d., Ulica grada Vukovara 5, Zagreb;

Policy holder: a physical or legal person that concludes the insurance contract with the insurer;

Insured person: the person that has or expects to have a justified interest for the insured event not to arise because he/she would suffer a material loss otherwise. The insured person is entitled to the rights from the insurance;

If it is not stated differently in the insurance policy, the policy holder is also the insured person.

Offer: a written proposal of the offeror for concluding of the insurance contract with the insurer that is submitted on the insurer's form and contains all the essential elements of the insurance contract;

Offeror: the person that submits a written offer for concluding of the insurance contract;

Policy: the document on the concluded insurance contract issued by the insurer;

Insurance period: the period of one year, unless the insurance contract was concluded for a term shorter than one year. On the day of the beginning

of the insurance year, the previous insurance period ends, and the next one begins;

Premium: the monetary amount that the policy holder is obliged to pay to the insurer on the basis of the concluded insurance contract for each insurance period;

Insurance amount: the greatest amount of the insurer's liability in case of an onset of the insured event, unless it is contracted otherwise.

Article 2

Insurance contract

1. The insurance contract consists of the offer, annexes to the offer, the policy, annexes to the policy, the General Terms and Conditions and the contracted Special Terms and Conditions of the insurance and clauses.
2. The property insurance contract may be concluded by every person or may be concluded on behalf of every person that has a justified interest in the subject of the insurance.
3. The insurance contract is concluded on the basis of the offer submitted to the insurer. All the data contained in the offer and annexes to the offer must be true, accurate and complete.
4. The offer made to the insurer binds the offeror for the time of eight days from the time when the offer reached the insurer.
5. If the insurer does not reject the offer that does not deviate from his Terms and Conditions for the proposed insurance in the term from the

previous paragraph, it will be considered that he has accepted the offer and that the insurance contract has been concluded. In that case, the contract is considered concluded as of the day when the offer reached the insurer.

6. If the insurer declares that he accepts the offer and at the same time proposes that the same be modified or supplemented in some items, the insurance contract is considered concluded as of the day when the policy holder agreed to the proposed modifications, i.e. supplements.
7. The offeror is entitled to desist from the offer within the term from Paragraph 4 of this Article and to request the refund of the paid premium.
8. Regarding the concluded insurance contract, the insurer issues a policy to the policy holder in one copy.

Article 3

Period of insurance

1. The period of the insurance is stipulated in the insurance contract.
2. The insurance coverage begins on the day and at the hour that were stated in the policy as the beginning of the insurance, providing that the premium or its first installment have been paid until then. If the premium or its first installment is not paid even until the day of the beginning of the insurance, the insurance coverage begins at 24:00 hours on the day when the premium or its first installment have been paid in full.
3. The insurance contract lasts until the day and the hour that are stated in the policy as the expiry of the insurance.
4. If the term of the insurance period is not specified by the contract, each party may cancel the contract with the day of the maturity of the premium, by notifying the other party in writing at the latest three months before the maturity of the premium.
5. If the insurance is concluded for a term longer than five years, after the expiry of that term, each party may state to the other party in writing that it cancels the contract, with the notice period of six months.

Article 4

Extension of insurance contract

The term of the insurance contract is stipulated in the insurance policy. If it is at least one year, after the expiry of the contracted term, the insurance contract is extended year after year, except if any of the contract parties notifies the other party in writing that it does not wish to extend the insurance contract at the latest three months before the expiry of the current insurance period. In that case, the insurance contract ceases at 24:00 hours on the last day of the current insurance period.

Article 5

Discount for duration of insurance

If the insurer approved a discount on the premium with respect to the contracted period of the insurance, in case of an earlier termination of the insurance contract, the insurer is entitled to request from the policy holder the difference between the calculated premium and the premium that would have been calculated if the insurance was concluded for the actual duration of the insurance period.

Article 6

Insured event

1. The insured event is an event caused by the insured risk.
2. The risk that is comprised by the insurance (the insured risk) must be future, uncertain and independent of the exclusive will of the policy holder or the insured person.
3. The insurance contract is void if, at the moment of its concluding, the insured event has already arisen, or was in the process of arising, or

it was certain that it would arise, or the possibility of its arising has already ceased at the time.

4. If it has been contracted that the insurance would comprise a specific period that precedes concluding of the contract, the contract will be void only if it was known to the interested party at the moment of its concluding that the insured event had already happened, i.e. that the possibility for it to happen did not exist already at that time.

Article 7

Insurance on behalf of others or on behalf of whomever it concerns

1. In case of the insurance on behalf of others or on behalf of whomever it concerns, the policy holder concludes the insurance contract in his name, and on behalf of a third person (the insured person). In case of the insurance on behalf of others, the insured person is named, and in case of the insurance on behalf of whomever it concerns, the insured person is not named.
2. The obligation of payment of the premium and other obligations from the contract must be fulfilled by the policy holder, but he may not realize the rights from the insurance, even when he holds the policy, without the consent of the person whose interest is insured and that is entitled to them.
3. The policy holder is not obliged to hand over the policy to the interested person until all the premiums he paid to the insurer, as well as the expenses of the contract, are compensated to him.
4. The policy holder has the right of priority payment of these claims from the owed compensation, as well as the right to request their payment directly from the insurer.
5. The insurer may make all the complaints to each beneficiary of the insurance on behalf of others that he is entitled to make to the policy holder on the basis of the contract.
6. If, according to the regulations, the terms and conditions of the insurance and other provisions of the insurance contract, proceeding of the policy holder is of specific legal importance, in case of the insurance on behalf of others or on behalf of whomever it concerns, proceeding of the insured person is equalized with proceeding of the policy holder. All of the obligations of the policy holder, except the obligation of payment of the premium, apply to the insured person as well.

Article 8

Payment of premium

1. The policy holder is obliged to pay the premium, but the insurer is obliged to accept the payment of the premium by every person that has a legal interest to be paid.
2. The policy holder is obliged to pay the premium to the insurer's account at his own expense. If the premium is paid through a post office, bank or another provider of payment services, it will be considered that the policy holder has settled his obligation towards the insurer on the day when the payment service provider has received the payment order from the policy holder and when that order has become irrevocable in accordance with the provisions of the act stipulating money transfer operations.
3. The policy holder is obliged to pay the premium in the contracted terms and in the contracted way.
4. As a rule, the premium is paid in advance for each insurance period. Exceptionally, it is possible to contract payment of the premium in installments whereby the insurer is entitled to calculate a surcharge on the premium.
5. The premium for the first insurance period, i.e. the first installment of the premium is paid during concluding of the contract, and, in any case, before of the beginning of the insurance.

6. If the policy holder is late with payment of the premium, the insurer is entitled to charge the default interest.
7. If the policy holder is late with payment of the premium, after the payment is made, the default interest is settled first, and then the matured unpaid premiums, starting with those that matured earliest.
8. The insurer is entitled to deduct the amount of the matured premium or another matured claim from the insurance contract (e.g. the default interest) from the amount he is obliged to pay to the policy holder or a third person.

Article 9

Consequences of failure to pay premium

1. If the policy holder does not pay the premium that matured after concluding of the insurance contract in full, nor is it done by another interested person, the insurance contract is terminated by force of law after the expiry of the term of thirty days from the time when the policy holder was delivered the insurer's registered letter with the notification about the maturity of the premium, but providing that this term may not expire before the expiry of 30 (thirty) days from the maturity of the premium.
2. In any case, the insurance contract is terminated by force of law if the premium is not paid within the term of one year from the maturity.

Article 10

Duty of reporting circumstances important for risk assessment

1. During submitting the offer, and in the time from submitting of the offer until concluding of the insurance contract, the policy holder is obliged to report to the insurer accurately and completely all the circumstances that are important for risk assessment, which are known to him or could not have remained unknown to him.
2. As important circumstances are considered all those circumstances that could have affected the insurer to conclude the insurance contract, i.e. to conclude it according to the contracted Terms and Conditions.
3. As important circumstances are certainly considered those circumstances about the existence of which the insurer asked questions explicitly and in writing.

Article 11

Intentional inaccurate report or withholding of information

1. If the policy holder intentionally made an incorrect report or intentionally withheld a circumstance of such nature that the insurer would not have concluded the contract if he had known the real state of affairs, the insurer may request the cancellation of the contract.
2. In case of the cancellation of the contract for the reasons stated above, the insurer is entitled to keep and collect the premiums for the period until the day when the request for cancellation of the contract is submitted, but he is obliged to pay the insurance compensation if the insured event arises until that day.
3. The insurer's right to request the cancellation of the insurance contract ends if, within the term of three months from the day of learning about incorrectness of the report or withholding of information, he does not declare to the policy holder that he intends to use that right.
4. If the insurance comprises several subjects of the insurance, the contract remains in force for those subjects of the insurance to which the intentionally given incorrect report or withheld circumstance of the policy holder does not refer.

Article 12

Unintentional inaccuracy or incompleteness of report

1. If the policy holder made an incorrect report or failed to give a due information, but he did not do that intentionally, the insurer may, at his own choice, within the term of one month from learning about the inaccuracy or incompleteness of the report, declare that he cancels the insurance contract or propose an increase of the premium proportionally to the increased risk.
2. In the mentioned case, the insurance contract is terminated after the expiry of 14 days from the day when the insurer communicated his statement about the cancellation to the policy holder, and in case of the insurer's proposal that the premium be increased, the termination ensues by force of law if the policy holder does not accept the proposal within the term of 14 days from the time when he received it.
3. In case of the termination of the insurance contract, the insurer is obliged to refund the part of the premium that covers the time until the end of the insurance period.
4. If the insured event happened before the incorrectness or incompleteness of the report was determined or after that, but before the termination of the contract, i.e. before an agreement about the increase of the premium is reached, the compensation shall be reduced proportionally to the relationship between the rate of the paid premiums and the rate of the premiums that should be paid according to the actual risk.

Article 13

Expanding application of previous provisions

The provisions about the consequences of an intentionally and unintentionally incorrect report or withholding of the circumstances important for risk assessment also apply in cases of the insurances concluded in the name and on behalf of another person, or for the benefit of a third person, or on behalf of others, or on behalf of whomever it concerns, if those persons knew about the incorrectness of the report or withholding of circumstances important for risk assessment.

Article 14

Cases in which insurer cannot invoke incorrectness or incompleteness of report

1. The insurer who knew the circumstances important for risk assessment at the moment of concluding of the contract, or to whom the same could not have remained unknown, which were inaccurately reported or withheld by the policy holder, may not invoke the incorrectness of the report or withholding of information.
2. The same also applies when the insurer learned about those circumstances during the insurance period, and did not use the legal authorizations.

Article 15

Increasing of risk

1. The policy holder is obliged to notify the insurer about every change of the circumstances that could be important for risk assessment.
2. The policy holder is obliged to notify the insurer about every increase of the risk without delay, in writing, if the risk was increased by an action on his part. If an increase of risk happened without his participation, he is obliged to notify the insurer in writing within the term of 14 days from the day when he learned or should have learned about that.

As an increase of the risk is considered every circumstance that could have affected the insurer to conclude the insurance contract, i.e. to conclude it according to the contracted Terms and Conditions.

3. If the increase of risk is such that the insurer would not have concluded the insurance contract if such a state existed at the moment of its concluding, he may cancel the contract.
4. If the increase of risk is such that the insurer would conclude the insurance contract only with a higher premium if such a state existed

at the moment of concluding of the contract, the insurer may propose a new premium rate to the policy holder. In that case, the insurance contract is terminated by force of law if the policy holder does not agree to the new premium rate within the term of 14 days from of the receipt proposal of the new premium rate.

5. The contract remains in force and the insurer may no longer use the authorizations to propose a new premium rate to the policy holder or to cancel the contract if he does not use those authorizations within the term of one month from when he learned about the increase of the risk in any way or if he shows in any way that he agrees to the extension of the contract even before the expiry of that term (if he accepts the premium, pays an insurance compensation for the insured event that happened after that increase, etc.).
6. If the insured event happens before the insurer was notified about the increase of the risk or after he was notified about the increase of the risk, but before he cancelled the contract or reached an agreement with the policy holder about the increase of the premium, the insurance compensation is reduced in proportion between the paid premiums and the premiums that should be paid according to the increased risk.
7. The provisions of this Article do not apply to a risk increase that happened in the time between the submission and the acceptance of the offer and about which the insurer did not know at the moment of accepting the offer.

Article 16

Reduction of risk

1. In case that a reduction of the risk happened after concluding of the insurance contract, the policy holder is entitled to request a corresponding reduction of the premium, reckoning from the day when he notified the insurer about the reduction.
2. If the insurer does not agree to a reduction of the premium, the policy holder may cancel the contract.

Article 17

Obligations of insured person before onset of insured event (preventing of insured event)

1. The insured person is obliged to undertake the prescribed, contracted and all the other reasonable measures necessary to prevent the onset of the insured event.
2. If the insured person does not fulfill his obligation to prevent the onset of the insured event, and has no justification for that, the insurer's liability is reduced by the amount by which the damage is greater due to that unfulfillment.

Article 18

Obligations of insured person after onset of insured event

1. When the insured event occurs, the insured person is obliged:
 - 1.1. to undertake without delay all that is reasonable and in his power to limit and reduce the harmful consequences of the insured event observing the instructions of the insurer during that. He is obliged, when that is possible, to request the instructions about proceeding from the insurer (the obligation to reduce the damage - salvaging);
 - 1.2. to notify the insurer about the onset of the insured event without delay, but at the latest within the term of three days from the day of learning about it (the obligation to report the damage);
 - 1.3. to report to the insurer every circumstance that is necessary to determine the existence of the insurer's liability or its amount. The insured person is obliged to submit to the insurer at his request all the necessary written proofs (e.g. invoices, records, certificates) at his own expense (the obligation to ascertain the damage);
 - 1.4. to report the insured event to the competent police station, when that is necessary according to the circumstances of the case, the

contracted Terms and Conditions of the insurance or determined by a regulation;

- 1.5. to undertake other actions in accordance with the Terms and Conditions of the insurance.
2. If the policy holder does not fulfill the obligation of reducing the damage (salvaging) after the onset of the insured event, without a justification for that, the insurer's liability is reduced by the amount by which the damage is greater due to that unfulfillment.
3. If the policy holder does not fulfill some of other obligations after the onset of the insured event (e.g. the obligation to report the damage), he is obliged to compensate to the insurer the damage the insurer had due to that.

Article 19

Insurance compensation

1. When the insured event occurs, the insurer is obliged to pay the insurance compensation within the term of 14 days, reckoning from the day when the insurer received the notification that the insured event had happened.
2. If a certain time is necessary to determine the existence of the insurer's liability or its amount, the insurer is obliged to pay the insurance compensation within the term of 30 days from the day of the receipt of the damage claim or to notify him within the same term that his claim is not founded.
3. If the amount of the insurer's liability is not determined in the terms from Paragraph 1 and 2, the insurer is obliged to pay the amount of the undisputable part of his liability without delay as an advance payment.
4. If the insurer does not fulfill his obligation in the terms from this Article, he owes the default interest from the day of the receipt of the notification about the insured event to the insured person, as well as the compensation of the damage that was caused to him due to that.
5. In determining the amount of the damage, the lost profit is taken into account only if that was specifically contracted.

Article 20

Excess (deductible)

If it is contracted that the insured person covers a part of the damage himself (excess), the insurance compensation is reduced by the contracted excess (the participation of the insured person in the damage).

Article 21

Insurer's liabilities in preventing insured event and salvaging

1. The insurer is obliged to compensate the expenses, losses, as well as other damages caused by an attempt to remove an immediate danger of arising of the insured event, and an attempt to limit its harmful consequences, even when those attempts remained unsuccessful, providing that the insured person proceeded in accordance with Articles 17 and 18 or according to the order, i.e. with the consent of the insurer.
2. The insurer is obliged to pay that compensation even if, together with the compensation of the damage from the insured event, the same exceeds the amount of the insurance.
3. If the insured person does not fulfill his obligation to prevent the onset of the insured event or the obligation of salvaging from Articles 17, i.e. 18, and he has no justification for that, the insurer's liability is reduced by the amount by which the damage is greater due to that unfulfillment.

Article 22

Ceding of damaged object

Unless it is contracted otherwise, the insured person is not entitled to cede the damaged object to the insurer after the onset of the insured event and to request payment of the full amount of the insurance from him.

Article 23

Transfer of insured person's rights towards responsible person to insurer (subrogation)

1. By payment of the insurance compensation, all the rights of the insured person's towards the person that is responsible for the damage on any basis are transferred to the insurer, by force of law, up to the amount of the paid compensation.
2. If this transfer of the rights to the insurer is, completely or partially, prevented by fault of the insured person, the insurer is relieved of his liability towards the insured person in the corresponding extent.
3. Transfer of the rights from the insured person to the insurer may not be at the expense of the insured person, so that, if the compensation that the insured person received from the insurer is lower than the damage he suffered for any reason, the insured person is entitled to have the rest of the compensation paid to him from the funds of the responsible person before payment of the insurer's claim on the basis of the rights that were transferred to him.
4. Exceptionally from the rules about the transfer of the insured person's rights to the insurer, those rights are not transferred to the insurer if the damage was caused by the person related to the insured person in the direct line or the person for whose actions the insured person is responsible, or that lives with him in the same household, or the person who is a worker of the insured person, except if those persons caused the damage intentionally.
5. But if some of the persons mentioned in Paragraph 4 of this Article was insured, the insurer may request the compensation of the amount he paid to the insured person from his/her insurer.

Article 24

Overinsurance

1. If one party resorts to fraud during concluding of the contract and thus contracts the amount of the insurance greater than the actual value of the insured object, the other party may request the cancellation of the contract.
2. In case of the cancellation of the contract, the insurer is entitled to keep and collect the premiums for the period until the day when the request for cancellation of the contract is submitted, but he is obliged to pay the insurance compensation up to the actual value of the insured object if the insured event occurs until that day.
3. If the insurance amount greater than the value of the insured object is contracted, and none of the parties acted negligently, the contract remains in force, the insurance amount is reduced to the amount of the actual value of the insured object, and the premium is proportionally reduced.

Article 25

Underinsurance

1. When it is ascertained that the value of the insured object is at the moment of the realization of the insured event greater than the insurance amount, the insurance compensation is reduced proportionally to the value of the insured object at the moment of the onset of the insured event.
2. The insurer is obliged to pay the complete insurance compensation all up to the insurance amount, if it is contracted that the relationship between the value of the object and the amount of the insurance sum

is of no significance for determining of the amount of the insurance compensation.

Article 26

Subsequent reduction of value

If the insured value is reduced during the insurance period, every contract party is entitled to a corresponding reduction of the insured amount and of the premium, starting from the day when it informed the other party of its request for a reduction.

Article 27

Multiple and double insurance

1. If an object is insured by two or more insurers from the same risk, for the same interest, during the same time and for the same insured person, so that the sum of the insured amounts does not exceed the value of that object (multiple insurance), each insurer is responsible for complete fulfillment of the obligations arisen from the contract that he concluded.
2. If the sum of the insured amounts exceeds the value of the insured object (double insurance), and the policy holder did not act negligently during that, all those insurances are legally valid and every insurer is entitled to the contracted premium for the insurance period under way, and the insured person is entitled to request from each particular insurer the compensation according to the contract concluded with him, but not more than the amount of the damage in all.
3. When the insured event occurs, the policy holder is obliged to notify about that every insurer of the same risk and inform him of the names and addresses of other insurers and the amounts of the insurance of particular contracts concluded with them.
4. After payment of the compensation to the insured person, every insurer covers the part of the compensation in the proportion of the amount of the insurance to which he obliged himself towards the total sum of the insurance amounts, and the insurer that paid more is entitled to request the compensation of the overpaid amount from other insurers.
5. If a contract is concluded without the designation of the amount of the insurance or with an unlimited coverage, it is considered as the contract concluded with the highest amount of the insurance.
6. For the part of the insurers that cannot pay, other insurers are responsible proportionally to their parts.
7. If the policy holder concluded the insurance contract by which the double insurance arose without knowing about the insurance concluded earlier, regardless whether the former insurance was concluded by him or by somebody else, within the term one month from when he learned about that insurance, he may request a corresponding reduction of the amount of the insurance and the premiums of the latter insurance, but the insurer keeps the received premiums and is entitled to the premium for the current period.
8. If the double insurance arose due to a reduction of the value of the insured object during the insurance period, the policy holder is entitled to corresponding reductions of the amount of the insurance and the premiums, starting from the day when he informed the insurer of his request for the reductions.
9. If the policy holder acted negligently during arising of the double insurance, each insurer may request the cancellation of the contract.

Article 28

Destruction of insured object (subject of insurance)

1. If the subject of the insurance is destroyed before of the beginning of the insurance, there is no obligation of the policy holder to pay the premium, and the insurer is obliged to refund the amount of the collected premium to the policy holder.
2. If the insured object is destroyed during the insurance period, due to an event that is not anticipated in the insurance contract, the insurance contract ceases to be valid in relation to that object as of the day of its destruction. The insurer's liability to refund part of the premium proportionally to the remaining time of the insurance period matures on the day when the insurer received a written notification of the policy holder about the destruction of the insured object.
3. If the insured object is destroyed during the insurance period due to an event that was anticipated in the insurance contract, the insurer is entitled to the whole amount of the premium for the current insurance period.
4. When one or more objects comprised by a single insurance contract is destroyed due to an event that is not anticipated in the insurance contract, the contract remains in force regarding the other insured objects with necessary modifications due to the reduction of the subject of the insurance.

Article 29

Transfer of contract to acquirer of insured object

1. In case of the disposal of the insured object, the rights and the obligations of the policy holder are transferred to the acquirer by force of law.
2. However, if only a part of the insured objects is disposed of, which do not make a whole regarding the insurance, the insurance contract is terminated regarding the objects disposed of by force of law.
3. When the probability of the onset of the insured event is increased or reduced due to the disposal of the object, the general provisions about the increase or reduction of the risk shall apply.
4. The policy holder that does not notify the insurer that the insured object has been disposed of remains obliged to pay the premiums that mature even after the day of the disposal.
5. The insurer and the acquirer of the insured object may desist from the insurance with the notice period of 15 days providing that they are obliged to submit the cancellation within the term of 30 days from the day of learning about the disposal.
6. The provisions of this Article shall also apply in case of sale of the insured object in the enforcement proceedings.

Article 30

Expertise

1. Expertise procedure must be conducted if that is requested by one of the contract parties. In the expertise procedure, only the cause and the amount of the damage can be determined. The expert's decision is binding for both contract parties, unless it is proved that it considerably deviates from the actual state of the affairs. The policy holder may address the competent court only in that case or if the experts cannot, do not want to or procrastinate to make the decision.
2. For the expertise procedure, the following provisions shall apply:
 - 2.1. Every contract party appoints one expert from the list of authorized court experts for the field that is the subject of the expertise.
 - 2.2. Every contract party may ask the other contract party in writing to appoint the other expert. If the other contract party does not appoint the expert within the term of two weeks from the receipt of the request,

the expertise procedure will be conducted by the only appointed expert.

- 2.3. Before of the beginning of the expertise, both experts select the third expert as the chairman.
- 2.4. The experts are obliged to deliver their decisions to the policy holder and to the insurer at the same time. If the decisions of the experts differ, then the insurer is obliged to deliver them to the third expert – chairman - without delay. He decides on the matters at issue within those decisions and delivers his decision to the policy holder and to the insurer at the same time.
- 2.5. The contract parties cover the expenses of the expertise proportionally to the achieved success.
3. The amount of the compensation is calculated on the basis of the decision of the expert, i.e. chairman.
4. During the expertise procedure, all the legal and contractual obligations of the policy holder after the onset of the insured event remain in force.
5. The insurer and the policy holder may determine in mutual agreement that only one expert is to make the binding decision.

Article 31

Form of expression of will

1. All the reports, requests and notifications regarding the insurance contract must be in writing. Statements of the insurer are legally valid only if they are in writing. The written communications of the policy holder and of the insured person enter into force only after they reach the business premises of the insurer.
2. After the receipt of the offer for concluding of the insurance contract, the insurer is entitled to request certain supplements and explanations from the person submitting the offer. In that case, the offer is considered received only when all the requested supplements and explanations have been delivered to the insurer.

Article 32

Change of policy holder's address and personal name (company name)

1. The policy holder is obliged to notify the insurer without delay about every change of the residence, home address, seat, i.e. the address for which he requested to have the written communications delivered to it by the insurer.
2. The policy holder is obliged to notify the insurer without delay about every change of the personal name, i.e. company name.
3. The delivery of all the written communications sent by the insurer will be considered duly carried out with the expiry of the term of eight days from the day when the written communications were sent by registered mail to the last reported address of the policy holder.
4. When the policy holder contracted e-communication (communication by electronic mail) with the insurer, he is obliged to notify the insurer about the change of the e-mail address for e-communication without delay. The delivery of all the insurer's notifications by electronic mail will be considered duly done on the day of their sending to the e-mail address which the policy holder stated for e-communication.

Article 33

Currency clause

1. All the payments of the premiums and the insurance amounts according to the insurance contract that are denominated in a foreign currency shall be done by monetary units of the Republic of Croatia according to the average rate of exchange of the Croatian National Bank on the day of the maturity.

2. The insurer is entitled to claim from the policy holder the difference between the amount of the corresponding value of the foreign currency according to the average rate of exchange of the Croatian National Bank on the day of the maturity and its value according to the average rate of exchange of the Croatian National Bank on the day of payment.

Article 34

Terms of limitations in case of insurance contract

1. The claims of the policy holder become obsolete in three years reckoning from the first day after the expiry of the calendar year in which the claim arose.
2. If the interested person proves that he did not know that the insured event had occurred until the day determined in Paragraph 1 of this Article, the limitation begins from the day when he learned about that, providing that, in any case, the claim becomes obsolete in five years from the day determined in Paragraph 1 of this Article.
3. The claims of the insurer from the insurance contract become obsolete in three years.
4. When, in case of the third party liability insurance, the damaged person requests a compensation from the insured person or receives it from him, the limitation of the insured person's claim from the insurer begins from the day when the damaged person requested a compensation from the insured person in court, i.e. when the insured person compensated the damage to him.
5. A direct claim of a third damaged person from the insurer becomes obsolete in the same time in which his claim from the insured person responsible for the damage becomes obsolete.
6. The limitation of the claim from the third person responsible for the onset of the insured event to which the insurer is entitled begins to be reckoned at the same time as the limitation of the claim of the insured person from that person and it shall be completed in the same term.

Article 35

Solving of disputes

1. The contract parties will endeavour to solve all the disputes arising from this the insurance contract or in connection with this insurance contract and all its subsequent amendments, including also the disputes that refer to the issues of its valid making, violation, termination or interpretation primarily by mutual agreement, according to the rules of the insurer about the internal procedure of solving the complaints of the clients, and, if they do not succeed in that, they may continue the proceedings within the out-of-court solving of disputes with the Insurance Ombudsman, i.e. the Mediation Centre of the Croatian Insurance Bureau.
2. If the contract parties do not succeed to solve the dispute in the way described in previous paragraph, the territorial jurisdiction of the court with in rem jurisdiction in Zagreb is stipulated for solving of all the disputes.

Article 36

Application of Civil Obligations Act

1. The insurance contract is governed by the law of the Republic of Croatia.
2. The relations between the insurer, the insured person, the policy holder and other persons whom it concerns which are not stipulated by the Terms and Conditions of the insurance shall be adequately governed by the provisions of the Civil Obligations Act.

Applied since: 21 May 2020