# GENERAL TERMS AND CONDITIONS

## Preliminary Clause

1. Between Mudum - Companhia de Seguros, S.A., hereinafter referred to as the Insurance Company, and the policyholder mentioned in the Specific Conditions, an insurance contract is established that is governed by these General Terms and Conditions and the Specific Conditions, and also, if agreed, by the Special Conditions.
2. The individual details of this agreement shall be established in the Individual Terms and Conditions, including the identification of the parties and their legal domiciles, the information on the insured person, the information on the insurer's representatives for the purpose of accident claims, the determination of the premium or formula for its calculation, and other details.
3. For the insured asset (portion or set of autonomous units of the building in horizontal ownership and its respective common areas), the contract shall specify:
   a) The type, construction material and its existing condition, as well as its location, name or identification number;
   b) Its destination and use;
   c) The nature and use of adjacent properties, where these circumstances may influence the risk.
4. The Special Conditions provide for specific coverage schemes provided for in these General Terms and Conditions or coverage for risks and guarantees other than those provided for, and need to be specifically identified in the Specific Conditions.
5. In addition to the Terms and Conditions provided for in the previous paragraphs, which comprise the policy, this contract furthermore consists of the concrete and objective advertising messages that contradict the terms of the policy, unless these are more favourable to the Policyholder, the Insured Person or the Beneficiary.
6. The provisions of the above paragraph shall not apply to advertising messages whose broadcasting ended more than one year prior to signing the contract, or when those messages establish a specific term of the contract and the contract was signed outside of that term.

## CHAPTER I- Definitions, Purpose and Coverage of the Contract

### Clause 1 Definitions

The following definitions shall apply for the purposes of this contract:

**Policy:** Set of terms and conditions referred to in the previous clause and for which the formal insurance contract is signed.

**Special Terms and Conditions:** Clauses intended to clarify, supplement or specify the provisions of the General Terms and Conditions.

**General Terms and Conditions:** Series of clauses that define and govern the general and common obligations associated with an area or type of insurance.

**Specific Terms and Conditions** Document where the specific and individual parts of the Contract are found, which distinguish it from all others.

**Insurer:** The entity legally authorised to provide mandatory fire insurance, which signs this contract.

**Policyholder:** The person or entity in the contractual agreement with the Insurance Company and responsible for paying the premiums.

**Insured Party:** The person or entity holding the insured interest.

**Beneficiary:** The person or entity in whose favour the Insurance Company’s payment is provided under the coverage anticipated in the contract.

**Fire:** Accidental combustion, with the development of flames, foreign to a normal source of fire, although this may originate it, and which can spread by its own means.

**Mechanical action of a lightning strike:** An atmospheric discharge occurring between a cloud and the ground, consisting of one or more current impulses that give the phenomenon its characteristic luminosity


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(lightning), and which causes permanent mechanical deformation to the insured property.

**Explosion:** The sudden and violent action of gas or steam pressure or depression.

**Claim:** The verification, in whole or in part, of the event triggering the risk coverage provided for in the contract.

**Deductible:** Amount of the claim settlement under the insurance contract that is not the responsibility of the Insurance Company.

**Risk Location:** The location, expressly stated in the Specific Terms and Conditions, where the Insured Person carries out their business activities and where the property is deemed to be insured.

**Insured Assets:** Movable or immovable property described in the Specific Terms and Conditions.

**Building:** The set of structural elements and associated fixed installations, specifically those for water, gas, electricity, telephone, air-conditioning and similar systems, lifts, hoists, escalators, solar panels, image and sound reception antennas, boundary and retaining walls, as well as annexed structures belonging to the insured building (such as storage rooms, garages, swimming pools and tanks). It also includes all elements permanently affixed to the insured building by its owner (such as floorboards, flooring and cupboards), as well as permanent improvements made to the insured building by its owner.

**Contents**: All property belonging to the Policyholder located at the risk location specified in the Specific Terms and Conditions, namely: non-built in furniture, carpets, electronic equipment; other equipment specific to the insured activity (devices, engines, machinery, tools and workshop or industrial equipment); raw materials, finished or work-in-progress products, packaging, goods and/or items relating to the Insured Person's business.

**Jewellery and Precious Objects:** Items containing precious metals, precious stones, or other materials which, due to their rarity, are of high value.

**Valuables:** All objects which, due to their characteristics, are classified as works of art, paintings, sculptures, or collections of any kind; or any antiques, rare objects, or items of museum interest.

**Salvage Items**: Insured Assets that, that as a result of a claim, are damaged, and after the occurrence, their value can be deducted from the compensation to which the Insured Person is entitled.

### Clause 2 - Contract Purpose and Coverage

1. **The purpose of this contract is to fulfil the obligation of insuring buildings incorporated under a commonhold ownership regime, both for autonomous units and for common areas identified in the policy, against the risk of fire, even if there has been negligence on the part of the Insured Person or of the person for whom the Insured Person is responsible.**
2. **In addition to covering the damage provided for in the previous paragraph, this contract also guarantees damages caused to the insured property as a result of the fire-fighting methods used, as well as damage derived from heat, smoke, steam or explosion as a result of fire and further removals or destruction carried out by order of the competent authority or carried out for the purpose of rescue, if they are carried out due to fire or any of the foregoing facts.**
3. **Unless otherwise agreed, this contract also covers damages caused by the mechanical impact of a lightning strike, explosion or other similar accident, even if not accompanied by fire.**

### Clause 3 - Exclusions from Mandatory Coverage

**Mandatory insurance coverage is excluded with respect to damage arising directly or indirectly from:**


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a) War, declared or not, invasion, act of a foreign enemy, hostilities or warlike operations, civil war, insurrection, rebellion or revolution;

b) Military uprising or act of legitimate or usurped military power;

c) Confiscation, requisition, destruction or damage to the insured property, by order of the government, in law or in fact, or of any authority established, except in the event of removals or destruction provided for in Clause 2.2;

d) Strikes, riots and changes in public order, acts of terrorism, vandalism, malicious acts or sabotage;

e) Explosion, release of heat and radiation from the fission of atoms or radioactive and those from radiation caused by artificial acceleration of particles;

f) Fire arising from seismic phenomena, earth tremors, earthquakes and volcanic eruptions, tsunamis or underground fire;

g) Direct effects of electric current on appliances, electrical installations and their accessories, including over-voltage and over-intensity, including those produced by atmospheric electricity, such as lightning, and short-circuit, even if fire occurs in them;

h) Intentional acts or omissions of the Policyholder, the Insured or persons for whom they are civilly liable;

i) Lost profits or similar losses;

j) Loss, theft or robbery of the insured property, when committed during or following any covered claim.

## CHAPTER II – Initial and Subsequent Risk Statement

### Clause 4 - Obligation to Provide an Initial Risk Statement

1. The Policyholder or the Insured Person is obliged, before signing the contract, to accurately declare all circumstances that they are aware of and reasonably consider to be significant for the risk assessment by the Insurance Company.

2. The provisions set forth in the previous paragraph are also applicable to circumstances whose reference is not requested in a questionnaire eventually provided by the Insurance Company for this purpose.

3. An Insurance Company that has accepted the contract, except in the event of fraud by the Policyholder or Insured Person aimed at obtaining an advantage, may not make use of:

   a) The omission of responses to questions on the questionnaire;

   b) Inaccurate responses to questions stated in overly generalised terms;

   c) Inconsistencies or clear contradictions in questionnaire responses;

   d) Any fact that its representative knows is inaccurate or has been omitted at the time of signing the contract;

   e) Circumstances known by the Insurance Company, particularly those which are publicly known.


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4. Prior to signing the contract, the Insurance Company shall inform the Policyholder or Insured Person of the obligation referred to in paragraph 1, together with the procedure in the event of breach, under penalty of being held civilly liable in general terms.

**Clause 5 - Fraudulent Breach of the Obligation to Provide an Initial Risk Statement**

1. In the event of fraudulent breach of the duty referred to in paragraph 1 of the previous clause, the contract shall be cancelled through a declaration sent by the Insurance Company to the Policyholder.
2. If there have been no claims, the notice referred to in the above paragraph shall be sent within three months of becoming aware of the breach.
3. The Insurance Company shall not be required to cover accident claims occurring prior to becoming aware of the fraudulent breach referred to in paragraph 1, or within the time period referred to in the above paragraph, subject to the general cancellation scheme.
4. The Insurance Company shall be entitled to the premium due through the end of the time period referred to in paragraph 2, except if there has been fraud or gross negligence on the part of the Insurance Company or its representative.
5. In the event of fraud by the Policyholder or Insured Person aimed at obtaining an advantage, the premium shall be due until the end of the contract.

**Clause 6 - Negligent Breach of the Obligation to Provide an Initial Risk Statement**

1. In the event of negligent breach of the obligation referred to in Clause 4(1), the Insurance Company may, via notice sent to the Policyholder within three months of becoming aware of the breach:
   a) Propose a contractual amendment establishing a time period of at least 14 days to provide written acceptance or, if admissible, a counterproposal;
   b) Terminate the contract, by demonstrating that under no circumstances shall it sign contracts to cover risks related to the omitted or inaccurately stated fact.
2. The contract shall become null and void 30 days after sending the notice of termination, or 20 days after the Policyholder's receipt of the proposed amendment, if the latter fails to respond or rejects it.
3. In the case referred to in the previous paragraph, the premium shall be returned *pro rata temporis* in relation to the coverage.
4. If a Claim occurs before the termination or amendment of the contract, whose occurrence or consequences were influenced by a fact subject to negligent inaccuracies or omissions:
   a) The Insurance Company shall cover the claim proportionally to the difference between the premium paid and the premium that would be due if, at the time of signing the contract, the Insurance Company had been aware of the omitted or inaccurately stated fact;
   b) By demonstrating that under no circumstances would it have signed the contract if it had been aware of the omitted or inaccurately stated fact, the Insurance Company shall not cover the claim, and shall only be obliged to reimburse the premium.

**Clause 7 - Aggravation of Risk**

1. The Policyholder or the Insured Person is obligated notify the insurer of any circumstances aggravating the risk during the performance of the contract, within 14 days of


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**becoming aware of the fact, provided that these circumstances, if known by the insurer at the time of signing the agreement, could have influenced the decision to enter into the agreement or the agreement's terms and conditions.becoming aware of the fact, provided that these circumstances, if known by the insurer at the time of signing the agreement, could have influenced the decision to enter into the agreement or the agreement's terms and conditions.**

**2. Within 30 days of becoming aware of the aggravation of risk, the Insurance Company may:**

**a) Submit a proposal to modify the contract to the Policyholder, who shall accept or refuse it within the same time period, at the end of which the proposed amendment shall be considered tacitly accepted;**

**Terminate the contract, by demonstrating that under no circumstances shall it sign contracts to cover risks with the characteristics resulting from this aggravation of risk.**

**3. The termination shall take effect 15 days after the date of its communication.**

**Clause 8 - Claims and Aggravation of Risk**

**1. If, prior to the termination or amendment of the contract pursuant to the terms of the above clause, an accident claim occurs whose occurrence or consequences were influenced by the aggravation of risk, the Insurance Company:**

**a) Shall cover the risk by making the agreed payment if the aggravation was correctly and promptly reported before the claim or prior to the end of the time period provided for in paragraph 1 of the previous clause;**

**b) Shall partially cover the risk, reducing its payment proportionally between the premium actually charged and the premium that would be due according to the actual circumstances of the risk, if the aggravated risk was not properly and promptly notified prior to the accident claim;**

**c) May refuse coverage in the event of fraudulent conduct of the Policyholder or the Insured Person for the purpose of obtaining an advantage, while retaining the right to expired premiums.**

**2. In the situation provided for in subparagraphs a) and b) of the previous paragraph, if the aggravation of risk arises from an act of the Policyholder or the Insured Person, the Insurance Company is not obliged to pay the benefit if it proves that, under any circumstances, it has signed contracts covering risks with the characteristics resulting from such an aggravated risk.**

**CHAPTER III - Payment and Alteration of the Premiums**

**Clause 9 - Premium Due Dates**

1. Unless agreed otherwise, the initial premium or its first instalment shall be due on the date of signing the contract.
2. The subsequent instalments of the initial premium, the premium for subsequent annuities and the successive instalments thereof shall be due on the dates indicated in the respective payment notices, which may be up to eight days before the period of validity to which the premium relates.
3. The portion of the variable premium to adjust the amount and, when applicable, the portion of the premium for contractual amendments shall be due on the dates specified in the respective notices.

**Clause 10 - Coverage**

**The coverage of risks shall depend on the prior payment of the premium.**

**Clause 11 - Notice of Premium Payments**


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1. **For the duration of the contract, the Insurance Company shall notify the Policyholder in writing of the value payable, payment method and payment location at least 30 days in advance of the due date of the premium or its instalments.**
2. This notice shall include a legible description of the consequences of failing to pay the premium or its instalments.
3. In insurance contracts with premium payments made in instalments of less than three months, and whose contractual documentation specifies the due dates of the premium's instalments and the amounts due, together with the consequences of failing to pay, the Insurance Company may choose not to send the notice referred to in paragraph 1; in such case, the Insurance Company shall be responsible for proving the issuance, acceptance and transmission of the contractual documentation referred to in this paragraph to the Policyholder.

**Clause 12 - Failure to Pay Premiums**

1. Any failure to pay the initial premium or its first instalment before the due date shall result in the automatic termination of the contract beginning on the date it was signed.
2. Any failure to pay the subsequent annuities premium or its first instalment before the due date shall result in the contract not being renewed.
3. Any failure to pay shall result in the automatic termination of the contract on the due date of:
   a) An instalment of the premium over the course of an annuity;
   b) An additional premium resulting from a contractual amendment for subsequent aggravation of risk.
4. Any failure to pay an additional premium for a contractual amendment before its due date shall result in the annulment of the amendment, together with the reinstatement of the contract under the terms and conditions in effect prior to the amendment, unless it is impossible to continue the contract, in which case it shall be terminated on the due date of the unpaid premium.

**Clause 13 - Alteration of the Premium**

If there is no alteration of risk, the premium applicable to the contract may only be altered after the following annual expiry.

**CHAPTER IV – Entry into Force, Duration And Amendments**

**Clause 14 – Start of Coverage and Entry info Force**

1. The date and time of the start of coverage of the risks shall be indicated in the contract, taking into account the provisions of clause 10.
2. The provisions of the above paragraph shall also apply to the entry into force of the contract, if different from the initial coverage of risks.

**Clause 15 - Term**

1. **The duration of the contract, which may be for a fixed term (temporary insurance) or for one year with one-year renewals, shall be specified in the contract.**
2. **The contract shall become null and void at midnight on its expiry date.**
3. **The renewal provided for in paragraph 1 shall not take place if either party terminates the contract at least 30 days before the date of renewal, or if the Policyholder fails to pay the premium.**

**Clause 16 - Termination of the Contract**

1. **The contract may be terminated by the parties at any time, with just cause, via registered mail.**
2. **The Insurance Company may invoke the occurrence of a succession of claims in the policy year as relevant cause for the purpose provided for in the previous paragraph.**
3. **The amount of the premium to be refunded to the Policyholder in the event of**

**early termination of the contract shall be calculated in proportion to the period of time that would have elapsed from the date of termination of the coverage until expiry date of the contract, unless the parties agree on a different calculation based on a reasonable ratio, such as the guarantee of technical separation between annual insurance charges and temporary insurance.**

4. **The termination of the contract shall take effect within 24 hours of its effective date.**
5. **Whenever the Policyholder is different from the Insured Person, the Insurance Company shall notify the Insured Person of the termination of the contract as soon as possible, and no later than 20 days after the non-renewal or termination.**
6. **The termination shall take effect 15 days after the date of its communication.**

**Clause 17 - Transfer of ownership of the insured asset, or the insured interest**

1. Unless otherwise agreed, in the event of the transfer of ownership of the insured asset or the insured party's interest in the same, the Insurance Company's obligation towards the new owner or person concerned depends on their notification by the Policyholder, by the Insured or by their legal representatives, notwithstanding the legal system of aggravation of risk.
2. If the transfer of ownership of the insured asset or interest occurs due to the Insured Person's death, the Insurance Company's liability remains with the heirs while the respective premiums are paid.
3. Unless otherwise agreed, in the event of insolvency of the Policyholder or the Insured, the Insurance Company's liability remains with the bankruptcy estate, assuming that the declaration of insolvency is a factor of aggravated risk.

**CHAPTER V - Main Insurance Payment from Insurer**

**Clause 18 - Insured Capital**

1. The Policyholder is always responsible for determining the insured capital, at the beginning and during the contract, and must take into account, in the section referring to the insured assets, the provisions of the following paragraphs.
2. **The value of the insured capital for buildings shall correspond to the market cost of its reconstruction, taking into account the type of construction or other factors that may influence that cost, or the property value in relation to buildings for expropriation or demolition.**
3. **Except for the value of land, all elements constituted or incorporated by the owner or the holder of the insured interest, including the proportional value of the common areas, in the case of commonhold properties, shall be taken into account in the determination of the insured capital referred to in the previous paragraph.**
4. **For the coverage contained in the respective Special Terms and Conditions, and for which the capital in the contract as defined in the above paragraphs are not applicable, the values mentioned in the Specific Terms and Conditions shall be considered as insured capital.**

**Clause 19 - Insufficient or Excess Capital**

1. **Unless otherwise agreed, if the insured capital under this contract at the date of the accident is less than that determined under paragraphs 2 to 4 of the previous clause, the Insurance Company shall only be liable for the damage in proportion thereto, while the Policyholder or the Insured shall be responsible for the remaining part of the losses as if it were the**


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**Insurance Company.**

2. When the contract is renewed, the Insurance Company shall inform the Policyholder of the provisions of the previous paragraph and paragraph 4 of the previous clause, as well as of the insured value of the property, to be considered for compensation in the event of a total loss, and of the criteria for its updating, under penalty of non-application of the proportional reduction provided for in the previous paragraph, based on the extent of the breach.
3. **Unless otherwise agreed, if the insured capital under this contract is, at the date of the accident, higher than that determined under paragraphs 2 to 4 of the preceding clause, the compensation payable by the Insurance Company does not exceed the reconstruction cost or property value provided for in the same figures.**
4. In the case provided for in the previous paragraph, the Policyholder or the Insured may always request a reduction of the contract, which, in good faith of both, determines the return of the premiums that have been paid in the two years before the request for reduction, less the proportionally calculated acquisition costs.
5. If several assets are held for separately designated amounts and funds, the contract shall establish whether or not the provisions of the previous paragraphs apply to each of them as if they were separately insured.

**Clause 20 – Multiple Insurance Policies**

1. Where the same risk relating to the same interest and for the same period is insured by several Insurance Companies, the Policyholder or the Insured shall inform the Insurance Company thereof as soon as they become aware of its verification, as well as when the claim notification is filed.
2. The fraudulent omission of the information referred to in the previous paragraph exempts the Insurance Company from providing the respective payment.
3. At the choice of the Insured, any Insurance Company shall pay the compensation under the contracts referred to in paragraph 1 within the limits of its respective obligation.

**CHAPTER VI - Obligations and Rights of the Parties**

## Clause 21 – Obligations of the Policyholder and the Insured Person

1. In the event of a claim covered by this contract, the Policyholder or the Insured Person are under obligation:
   a) **To communicate this fact in writing to the Insurance Company, as soon as possible, never more than 8 days from the day of occurrence or the day on which they become aware of it, explaining its circumstances, possible causes and consequences;**
   b) To take the measures within their power to prevent or limit the consequences of the claim, which include, to the extent reasonable, either the non-removal or non-alteration, or not consenting to the removal or alteration of any traces of the claim, without the prior agreement of the Insurance Company, whether this concerns the custody or the preservation of the salvaged items;
   c) To provide the Insurance Company with the information it requests concerning the claim and its consequences;
   d) **Not to prejudice the right to subrogation of the Insurance Company in the rights of the Insured Person against the third party responsible for the claim, arising from the coverage of the claim by the latter.**

      **The subrogation only applies to fixed monetary benefits, unless otherwise agreed;**
   e) To comply with the safety requirements that are imposed by the law, legal regulations or provisions of this contract.
2. The Policyholder or the Insured Person shall also:
   a) Not increase the consequences of the accident on a voluntary basis, or intentionally hinder the salvaging of the insured


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assets;

b) Not subtract, conceal, hide or dispose of salvaged items;

c) Not prevent, hinder or fail to cooperate with the Insurance Company in determining the cause of the claim or in the preservation, improvement or sale of the salvaged items;

d) Not to exaggerate, in bad faith, the amount of damage or to indicate things falsely affected by the accident;

e) Not to use fraud, simulation, falsehood or any other malicious means, as well as false documents, to justify the claim.

f) Not to settle or pay any out-of-court compensation, enter into any commitments or advance any sums on behalf of the Insurer;

g) To report any thefts or robberies of which they are the victims to the relevant authorities as soon as possible, and to provide the Insurer with the relevant supporting documentation, where coverage for theft or robbery has been taken out;

h) To notify the Insurer upon becoming aware aware of the recovery of stolen or lost property.

3. Failure to comply with paragraph 1 a) to c) shall determine, except as provided for in the following paragraph:

a) The reduction of the payment by the Insurance Company given the damage that non-compliance may cause;

b) The loss of coverage if it is intentional and is of significant damage to the Insurance Company.

4. **In the event of failure to comply with the provisions of paragraph 1, a) and c), the penalty provided for in the previous paragraph shall not apply if the Insurance Company becomes aware of the Claim by another channel during the 8 days provided for in that paragraph, or the reporting obligation proves that it could not reasonably have made the communication due prior to the time when it did so.**

5. Failure to comply with the provisions of the other sub-paragraphs of paragraphs 1 and 2 shall determine the liability for losses and damages of the non-compliant party.

**Clause 22 – Repayment obligation by the Insurance Company of expenses incurred in the removal and mitigation of the claim**

1. The Insurance Company pays the Policyholder or the Insured Person the expenses incurred in compliance with the duty established in paragraph 1 b) of the previous clause, provided that they are reasonable and proportionate, even if the methods used prove to be ineffective.

2. The expenses indicated in the previous paragraph must be paid by the Insurance Company before the date of settlement of the claim, when the Policyholder or the Insured Person requires reimbursement, the circumstances do not prevent it, and the claim is covered by the insurance.

3. The amount payable by the Insurance Company pursuant to the terms of paragraph 1 shall be subtracted from the available insured amount, except when involving expenses to fulfil specific instructions of the Insurance Company, or when covered separately under the contract.

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4. In the event of insurance for less than the insured interest at the time of the claim, the payment to be made by the Insurance Company pursuant to paragraph 1 shall be reduced in proportion to the interest covered and the interests at risk, unless the expenses to be paid arise from the fulfilment of specific determinations of the Insurance Company, or its autonomous coverage arises from the contract.

**Clause 23 – Inspection of the Risk Location**

1. **The Insurance Company may have the insured assets inspected by an accredited and mandated representative and verify that the contractual conditions are met, and the Policyholder or the Insured Person are under obligation to provide the information requested.**

2. The unwarranted refusal of the Policyholder or the Insured Party, or of those who represent them, to allow



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the use of the mentioned option gives the Insurance Company the right to terminate the contract on justified grounds, in accordance with Clause 16.

**Clause 24 - Obligations of the Insurance Company**

1. The investigations and expertise necessary for the recognition of the claim and the assessment of damages must be carried out by the Insurance Company with adequate promptness and diligence, under penalty of being held liable for losses and damages.
2. The Insurance Company shall pay the compensation, or authorise the repair or reconstruction, as soon as the investigations and expertise necessary for the acknowledgement of the claim and the establishment of the amount of the damages have been completed, notwithstanding any advance payments, whenever it is acknowledged that they must take place.
3. After 30 days have elapsed since the conclusions provided for in the previous paragraph without the compensation having been paid or the repair or reconstruction being authorised, for unjustified reasons or reasons attributable to the Insurance Company, interest shall be due at the legal rate in force, respectively, on the amount of the same, or the average market value price of repair or reconstruction.

**CHAPTER VII – Processing of Compensation, Repair or Construction**

**Clause 25 – Determination of the Amount of Compensation, Repair or Reconstruction**

1. In the event of a claim, the assessment of the value of the insured assets as well as of the damage shall be carried out between the Insured Person and the Insurance Company, even if the contract produces effects in favour of a third party.
2. Unless otherwise agreed, the Insurance Company shall not compensate for any increase in the cost of repairing or rebuilding the insured property as a result of a change in alignment or changes to the characteristics of its construction.

**Clause 26 – Form of Payment of Compensation**

1. The Insurance Company shall pay the compensation in cash, whenever it is not possible to replace, reinstall, repair or rebuild the insured assets that have been destroyed or damaged, or it does not fully repair the damage, or it is excessively costly for the debtor.
2. Where no compensation is established in cash, and under the penalty of being held liable for losses and damages, the Insured Person shall reasonably cooperate with the Insurance Company, or whoever it appoints, so as to ensure the prompt recovery of the situation prior to the claim.

**Clause 27 – Automatic Reduction of the Insured Capital**

Unless otherwise agreed, after the occurrence of a claim, and until the contract has expired, the insured capital shall be automatically deducted from the amount corresponding to the value of the compensation paid out, without the occurrence of a premium chargeback.

**Chapter VIII - Miscellaneous Provisions**

**Clause 28 - Intervention of the Insurance Intermediary**

1. No insurance broker shall be authorised, on behalf of the Insurance Company, to enter into or terminate insurance contracts, contradict or change the obligations arising therefrom or validate additional statements, except as provided for in the following paragraphs.
2. Insurance brokers who have been granted the necessary rights by the Insurance Company, in writing, may enter into insurance contracts, contract or change the obligations arising therefrom or validate additional statements on behalf of the Insurance Company.
3. Notwithstanding the requirements of specific powers on the part of the insurance broker, the insurance shall be considered effective where there are weighty reasons, objectively assessed, taking into account the circumstances of the case, which justify the confidence of the Policyholder in good faith in the legitimacy of the broker, provided that the Insurance Company has also contributed to establishing the trust of the Policyholder.

**Clause 29 – Communications and Notices between the Parties**

**1. The communications or notices of the Policyholder or the Insured Person provided for in this policy shall be considered valid and effective if they are made to the head office of the Insurance Company or branch, as the case may be.**

2. **Communications and notices made pursuant to the terms of the above paragraph to the address of the Insurance Company's representative outside of Portugal related to claims covered by this policy shall also be considered valid and effective.**
3. **Communications under this contract shall be made in writing or by other means that ensure they are permanently set on record.**
4. **The Insurance Company shall only be obligated to send the communications provided for under this contract if the recipient is duly identified in the contract; such notices shall be considered valid and effective when sent to the address shown in the policy.**

**Clause 30 - Applicable Law and Arbitration**

1. Portuguese law shall apply to this contract.
2. Complaints may be submitted within the scope of this contract to the Insurance Company departments shown in the contract, and to the Insurance and Pension Funds Supervisory Authority (www.asf.com.pt).
3. Any disputes arising from this contract may be settled by arbitration, pursuant to the terms of the law.

**Clause 31 – Governing Law**

The governing law for settling any disputes arising from this contract shall be that established by civil law.

**Clause 32 – International Sanctions**

1. **Mudum - Companhia de Seguros, S.A. complies with legislation and rules on international sanctions, defined by laws or restrictive measures imposing economic, financial or commercial sanctions (including any sanctions or measures related to an embargo, the blocking of economic assets or resources, restrictions on transactions with persons - physical or legal, or relating to certain goods or territories) issued, administered or executed by the United Nations Security Council, the European Union, France, the United States of America (including the measures issued by the Office of Foreign Assets Control or OFAC, under the Department of the Treasury), or any other competent authority that has the power to issue such sanctions.**
2. **No payment can be made in relation to the performance of the insurance contract, if this violates the provisions mentioned in the previous paragraph, when applicable in accordance with the Portuguese legal system.**



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# SPECIAL TERMS AND CONDITIONS (Optional Insurance)

## Preliminary Provision

The provisions of these General Terms and Conditions shall apply to coverages contained in these Special Terms and Conditions in the part not specifically regulated.

### Territorial Scope

Unless expressly stated otherwise in the Special Terms and Conditions, this Contract shall only apply to damages occurring in the territory of mainland Portugal and the Autonomous Regions of the Azores and Madeira.

### General Coverage and Exclusions

**1.** What is Covered

**1.1.** In addition to covering the risks provided for in the General Terms and Conditions, the Contract also covers the risks contained in the Special Terms and Conditions when expressly agreed and described in the Specific Terms and Conditions.

**1.2.** The Contract can thus guarantee compensation for:

a) Damage to the movable or immovable assets described in the Specific Terms and Conditions;

b) Civil Liability for damages caused to third parties;

c) Financial losses;

d) Other risks.

**1.3.** The Contract may also cover the provision of services expressly referred to in the Specific Conditions.

**2. What is Not Covered**

**2.1. When the Contract applies to non-compulsory coverage risks, it never covers damages caused by:**

**a) War, declared or not, invasion, act of foreign enemy, hostilities or warfare, civil war, insurrection, rebellion or revolution, as well as damage caused accidentally by explosive or incendiary devices;**

**b) Military uprising or act of legitimate or usurped military power;**

**c) Confiscation, requisition, destruction or damage to the insured assets, by order of the Government, in law or in fact, or of any authority established, except when carried out for the purpose of salvage due to any risk covered by the Contract;**

**d) Explosion, release of heat and radiation from the fission of atoms or radioactivity and those from radiation caused by artificial acceleration of particles;**

**e) Pollution or contamination of any kind;**

**f) Acts or omissions intentionally committed by the Policyholder, the Insured party or persons for whom the same is civilly liable, for the purpose of producing damage;**

**g) Theft, robbery or loss of insured objects when committed during or following any other claim covered by the Contract, unless it occurs as a result of a claim covered by the Accidental Glass, Mirror and Ornamental Stone Breaking Coverage, when so agreed.**


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2.2. The Contract does not cover damages:

a) In structures of recognised fragility (such as wood or plastic panels);

b) In buildings that are in a state of recognised degradation at the time of the occurrence;

c) Resulting from the decrease in the estimated value or depreciation of a collection due to the loss of any of the units;

d) Suffered by animals or plants owned by the Insured party;

e) Affecting any land, water or air vehicles for which specific insurance can be obtained to cover their damage;

f) Affecting the assets owned by any guests residing, by contract or free of charge, in the insured place;

g) Arising from the loss, destruction or misuse of debit or credit cards, cheques and cash;

h) Affecting the land or gardens in which the insured property is integrated.

2.3. The Contract also does not cover losses arising directly or indirectly from repair work, improvement or reconstruction of the building in which the insured assets are located.

2.4. Unless expressly agreed otherwise in the Specific Terms and Conditions, and in accordance with the provisions of the respective Special Terms and Conditions when so agreed, the Contract does not cover losses or damages arising directly or indirectly from:

a) Strikes, riots and changes in public order, acts of terrorism, vandalism, malicious acts or sabotage, even if they result in damage possibly covered by other insurance;

b) Fire arising from seismic phenomena, earth tremors, earthquakes and volcanic eruptions, tsunamis or underground fire;

c) Arising from the loss, destruction or use of documents;

d) Indirect losses, such as loss of earnings or income.

2.5. The contract also does not cover any other risks foreseen in the Special Terms and Conditions that are not expressly described in the Specific Terms and Conditions.

Insured Values

1. The Capital of the Contract

1.1. Notwithstanding the provisions of Clause 18 of the General Terms and Conditions, applicable to coverage of a mandatory nature, the values insured by this Contract, when applicable to coverage of an optional nature, shall be determined taking into account the following criteria:

a) <u>Regarding the Building</u> - They correspond to the respective cost of construction, under the terms provided for by law.

All elements constituted or incorporated by the owner shall be taken into account, as well as the proportional value of the common areas.

The value of the land shall not be considered.



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**As regards buildings for expropriation or demolition, the compensation limit shall correspond to their property value.**

**b) <u>Regarding Contents</u> - This corresponds to the new value of the respective property, notwithstanding the compensation limit that may be set in the Specific Terms and Conditions of the Policy.**

**For machinery, electrical and electronic equipment, the insured value corresponds to the cost of the equipment when new, less depreciation arising from its use and condition.**

**For Merchandise, the insured value corresponds to the current purchase price for the Insured Person or, in the case of products manufactured by the Insured, to the value of the materials transformed and/or incorporated, plus manufacturing costs.**

**1.2. <u>Other Capital</u> - For the coverage contained in the respective Special Terms Conditions, and for which the insured values as defined in item 1.1 are not applicable, the insured values mentioned in the Specific Terms and Conditions will be considered.**

**2. Automatic Replenishment of Insured Values**

**In the event of an accident, the insured values shall be automatically replenished to the amount corresponding to the losses incurred, with the exception of Civil Liability; Storms; Floods; and Earthquakes.**

**Compensation**

**1. Payment of Compensation**

Notwithstanding Chapters VI and VII of the General Terms and Conditions, the following rules shall also apply to the payment of damages due as a result of a claim covered by the Contract:

a) The compensation payable shall be limited to that laid down in the Specific Conditions for each cover, deducting the respective deductible, if any;

b) If, as a result of the same claim, more than one coverage of the Contract is affected, and for which various deductibles are established, the higher value deductible will be exclusively applicable (with the exception of specific Assistance coverage deductibles).

**2. Expert valuation of the Insured Assets**

The Insurance Company has the duty to carry out the investigations and expert valuation necessary for the recognition of the claim and the assessment of damages, with adequate promptness and diligence.

**2.1. Assessment of the Insured Assets**

The insured assets and losses shall be assessed with the agreement of the Insured Person, in accordance with the criteria established for the determination of the insured values, and in accordance with the following rules:

a) Building insurance - Reconstruction value, determined according to the criteria set out in Clause 18 of the General Terms and Conditions;

b) Contents Insurance – Replacement value at current market value, subject to the exceptions set out in the chapter on ‘Insured Values’.

**FIRE, LIGHTNING STRIKE AND EXPLOSION (OPTIONAL INSURANCE)**

**1. What is Covered**

1.1. Damage directly caused to the insured assets identified in the Specific Conditions as a result of Fire, Lightning Strike and Explosion is covered;



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1.2. The coverage extends to damage resulting from fire or methods used to combat it, heat, smoke or steam resulting immediately from fire, mechanical action of lightning, explosion and further removals or destruction carried out by order of the competent authority or carried out for the purpose of rescue, if they are carried out due to any of the foregoing facts.

**STORMS**

**1. What is Covered**

1.1. The damage caused to the insured assets as a direct consequence of Storms is covered;

1.2. The coverage shall extend to damage resulting from:

a) Typhoons, cyclones, tornadoes and all direct action of strong winds or collision of objects thrown or projected by them (where their violent action destroys or damages several buildings of good construction, objects or trees within a radius of 5 km surrounding the insured assets);

b) Flooding by rain, snow or hail, provided that these atmospheric agents penetrate the interior of the building as a result of damage caused by the risks mentioned in the previous point, provided that this damage occurs within 72 hours of the partial destruction of the building.

1.3. Damage occurring within 72 hours following the time when the insured assets were first damaged shall be considered as a single and same claim.

**2. What is Not Covered**

**The following losses or damages are not covered:**

**a) When they are caused by the action of the sea and other maritime areas of natural or artificial water of any nature, even if these events result from storms;**

**b) In outdoor movable property;**

**c) Caused by the entry of rainwater through roofs, doors, windows, skylights, terraces and marquees, as well as the backflow of water from pipes or sewers not belonging to the building;**

**d) That result from infiltration through walls, ceilings, moisture or condensation, except in the event of damage resulting from this cover.**

**FLOODS**

**1. What is Covered**

1.1. The damage caused to the insured assets as a direct consequence of Floods is covered.

1.2. The coverage shall extend to damage resulting from Floods, caused by:

a) Waterspout or torrential rainfall - “precipitation of more than 10 millimetres in ten minutes in the rainfall gauge”;

b) Burst pipelines, drains, dykes and dams;

c) Torrent or overflow of a natural or artificial water course.

1.3. Damage occurring within 72 hours following the time when the insured assets were first damaged shall be considered as a single and same claim.

**2. What is Not Covered**

**The following losses or damages are not covered:**

**a) When they are caused by the action of the sea and other maritime areas of natural or artificial water of any nature;**

**b) In outdoor movable property;**

**c) That result from infiltration through walls, ceilings, moisture or condensation, except in the event of**



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**damage resulting from this coverage;**

**d) When they result from landslides as a result of flooding of the same.**

**LANDSLIDES**

**1. What is Covered**

Damage incurred by insured assets as a direct result of the following geological phenomena is covered: Landslides, Subsidence, Rockfalls and Sinkholes.

**2. What is Not Covered**

**Damages are not covered when:**

**a) Resulting from total or partial collapse of the insured structures, not related to the covered geological risks;**

**b) Incurred by buildings or other insured assets resting on foundations that contravene technical standards or best engineering practices for their execution, depending on the characteristics of the land and the type of building or property involved in this coverage;**

**c) Resulting from faulty construction, design, land quality or other characteristics of the risk, which were or should have been known to the Insured Person in advance, as well as damage to insured assets subject to the continuous action of erosion and water, unless the Insured Party proves that the damage has nothing to do with these phenomena;**

**d) In the insured assets if, at the time of the event, the building was already damaged, collapsed or displaced from its foundations, walls, ceilings, gutters or roofs.**

**e) Caused by the settlement or compaction of the land on which the insured assets are located;**

**f) Caused by the saturation of the ground as a result of rainfall, namely cracks and fissures in walls or pavements.**

**WATER DAMAGE**

**1. What is Covered**

1.1. Water Damage directly caused to the insured property is covered;

1.2. The coverage extends to sudden and unforeseen damage arising from rupture, defect, clogging or transfer of the internal water and sewage distribution system of the building, including the storm water sewage system, where the insured property is located, as well as equipment or apparatus connected to the water distribution system of the same building and its respective connections;

**2. What is Not Covered**

**The following losses or damages are not covered:**

**a) In outdoor movable property;**

**b) Caused by taps left open, except where there has been a lack of water supply;**

**c) That result from infiltration through walls, ceilings, moisture or condensation, except in the event of damage resulting from this coverage;**

**d) Resulting from the location or repair of breakages, defects or clogging, unless the respective expenses are necessary for the repair of the insured building.**

**THEFT OR ROBBERY**



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## 1. Definitions

For the purpose of covering this risk, the following definitions shall apply:

1.1.1. Tampering - the breach, breakage or destruction, in whole or in part, of any element or mechanism which is used to close or prevent entry to or from the insured property or enclosed place dependent thereon, or of furniture intended for the storage of any objects;

1.1.2. Unlawful entry - the introduction into the insured property or enclosed property dependent thereon, by roofs, doors, windows, walls or any construction that serves to close or prevent entry or passage, and also by underground opening not intended for entry;

1.1.3. False keys:

- Imitation, counterfeit or altered key;
- Real keys, when accidentally or surreptitiously, they are not in the possession of whoever has the right to use them;
- Lock pick or other instrument that can be used to open locks or other security devices.

## 2. What is Covered

**2.1.** The Theft or Robbery of the insured assets is covered, as described below and in accordance with the limits set in the Specific Conditions;

**2.2.** The coverage extends to losses or damages resulting from Theft or Robbery (attempted, foiled or consummated) within the place or places of risk, including any garages, storage spaces and closed annexes, in any of the following circumstances:

a) With break-in, unlawful entry and false keys;

b) When the perpetrator or perpetrators sneak into the place or hide in it with intent to steal;

c) With violence against people who live in or are at the risk location or through threats with imminent danger to their physical integrity, or that make it, in any way, impossible for them to resist.

**2.3.** The damages caused to the Insured Person's Building located at the risk location are covered;

**2.4.** The coverage extends to the payment of the costs of repair or replacement of the assets that are an integral part of the Building and that are affected as a result of the Theft or Robbery;

**2.5.** The above payment can only be made upon presentation of a document showing proof of the expenses incurred.

## 3. The following is also Covered

**3.1.** Cash in till or safe:

Whenever Contents are insured, the Insurer covers payment, up to the limit stated in the Specific Terms and Conditions, for losses arising from theft or robbery of money, cheques or other payment instruments, up to the contracted limits, when kept in:

a) Cash registers, provided that the incident occurs during the establishment's normal operating hours or during its closure for meal breaks;

b) Safes affixed to the wall and/or floor, or weighing more than 150 kg.

## 4. What is Not Covered

**4.1. The following situations are not covered:**

a) **Unexplained disappearances, losses, misplacements, shortages or damage to inventory;**

b) **Removals of any kind or Thefts or Robberies committed by family members or persons linked to the Insured Person through partnership, contract or employment contract;**

c) **Cash in till or in a safe, the movement of which has not been recorded in the accounts;**


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d) **Theft or robbery of tobacco;**

e) **Items located outdoors, in unclosed annexes or balconies, or in places with access not intended for the exclusive use of the Insured Person and that are not fully enclosed, through doors or gates that separating them from public or common spaces.**

f) **Theft or Robberies of Jewellery and Precious Objects, as defined in the General Terms and Conditions;**

g) **Thefts or Robberies of Valuables, as defined in the General Terms and Conditions, in Annexes or storage spaces outside the risk location.**

**ELECTRICAL RISKS**

**1. What is Covered**

Under the terms of this coverage, losses or damages caused to any electrical machines, transformers, appliances and electrical installations and their accessories are covered, provided that they are considered as Insured Assets in the Policy, due to direct electric current effects, namely over-voltage and over-current, including those produced by atmospheric electricity or short circuits, even when it does not result in a fire.

**2. What is Not Covered**

**The following losses or damages are not covered:**

a) **Those due to wear and tear or any mechanical malfunction;**

b) **Those caused to boards and transformers of more than 500 kWh and engines over 10 HP;**

c) **Those resulting from the reconstitution of damaged software or computer files.**

**CIVIL LIABILITY OF THE OWNER OR TENANT/OCCUPANT**

**1. What is Covered**

1.1. The Insured Person's civil liability arising from non-contractual matters, in their capacity as owner or tenant/occupier, is covered.

1.2. The coverage includes, up to the limit of the insured capital stated in the Specific Terms and Conditions, pecuniary and non-pecuniary losses directly arising from bodily injury or property damage caused to third parties as a consequence of the ownership of the insured property, as well as losses arising from the Insured Person's capacity as tenant or occupier of the risk location.

**2. What is Not Covered**

**The following are excluded from this coverage:**

a) **Damages suffered by the Insured party and their household, as well as those who have employment relationships with the same;**

b) **Intentional or reckless acts of the Policyholder or the Insured party as well as those performed in a state of voluntarily acquired unconsciousness;**

c) **Fines of any kind and financial consequences of criminal proceedings or litigation in bad faith;**

d) **Damage caused by failure to comply with safety precautions imposed by law or regulation.**

**CIVIL LIABILITY FOR BUSINESS OPERATIONS**

**1. What is Covered**

**1.1.** The Insured Person's civil liability arising from the normal operation of the insured activity on the insured premises is covered.

**1.2.** The coverage includes, up to the capital limit



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as set out in the Specific Terms and Conditions, pecuniary or non-pecuniary losses arising directly from bodily injury or damages to property caused to third parties as a result of the normal course of the insured activity.

## 2. What is Not Covered

**The following are excluded from this coverage:**

**a) Damages arising from professional civil liability;**

**b) Civil liability arising from family matters or from one's private life;**

**c) Criminal liability as well as all damages arising from the commission of a crime;**

**d) Intentional or reckless acts of the Insured Persons and acts committed while in a state of voluntary unconsciousness;**

**e) Damage caused to objects or animals entrusted to the Insured Person's custody or hired by the Insured Person, and also damages to items delivered to the Insured Person for transport, handling or use;**

**f) Damage suffered by Insured Persons, as well as persons having employment relationships with the same;**

**g) Fines of any kind and financial consequences of criminal proceedings or litigation in bad faith;**

**h) Damage caused by changes to the environment, in particular damage caused directly or indirectly by pollution and/or contamination of the soil, water or the atmosphere;**

**i) The driving or ownership of any water, air or land vehicle when regulated by the Highway Code or official regulations;**

**j) Damage caused by food poisoning resulting from drinks and/or food prepared and/or supplied by the Insured Person;**

**k) Damage caused by failure to comply with safety precautions imposed by law or regulation.**

### COLLISION OR IMPACT OF LAND VEHICLES OR SOLID OBJECTS

## 1. What is Covered

**1.1.** The damages caused to the insured assets as a direct consequence of the Collision or Impact of Land Vehicles or Solid Objects are covered.

## 2. What is Not Covered

**2.1. Coverage does not include damages caused by collision or impact of land vehicles when driven by the Policyholder, the Insured Person, their employees or persons for whom they are civilly liable;**

**2.2. Damages occurring or caused during works at the risk location.**

### FALLING AIRCRAFT

## 1. What is Covered

1.1. The damage caused to the insured assets as a direct consequence of an Aircraft Crash is covered;

1.2. The coverage includes damages caused by impact or a fall of all or part of aircraft and spacecraft equipment and devices



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or objects falling from or jettisoned by them, as well as vibrations or shocks resulting from aircraft breaking the sound barrier.

**ACCIDENTAL BREAKAGE OF GLASS, MIRRORS, ORNAMENTAL STONES, SIGNAGE AND ILLUMINATED SIGNS**

**1. What is Covered**

**1.1.** Breakage of Glass, Mirrors, Ornamental Stones, Signage and Illuminated Signs are covered.

**1.2.** The coverage referred to in the previous paragraph shall extend to:

a) Where the Building is insured, damages caused to glass, mirrors, fixed glass plates, ornamental stones, signage and illuminated signs as a result of accidental breakage, if they are in the risk location and belong to the Policyholder or the Insured Person;

b) Where the Contents are insured, the damages caused to movable glass.

**2. What is Not Covered**

**2.1. The following damages are not covered:**

**a) Those which, as a result of the Breakage of Glass, Mirrors, Ornamental Stones, Signage and Illuminated Signs are caused to any other insured assets;**

**b) Those which do not consist of breakage or shattering;**

**c) Those caused directly or indirectly by a heat source;**

**d) Those resulting from a defect in the product, its placement, or the assembly or dismantling of the parts;**

**e) Those caused to the assets covered herein, which are not placed on an appropriate stand;**

**f) Those on stands, brackets or frames of the assets covered herein;**

**g) Those on glass or mirrors forming part of lamps, as well as those caused to decorative objects, optical crystals and imaging and sound equipment;**

**h) On ceramic hobs;**

**i) Those in motor vehicles;**

**j) Those in porcelain or glass sets or any other glassware pieces;**

**k) Those in bottles and their contents;**

**l) Those caused in the course of assembly, dismantling and repair operations or of any works underway at the insured place.**

**BREAKAGE OR FALL OF ANTENNAS AND BREAKAGE OR FALL OF SOLAR PANELS**

**1. What is Covered**

**1.1.** Damages caused to the insured assets as a direct consequence of the Breakage or Fall of Antennas is covered:

a) Where the Building is insured, the damage caused to the Building as a result of accidental breakage or fall of external antennas receiving image and sound (TV, TSF, and Parabolic) as well as their masts and poles, including damage affecting the actual installations;

b) Where the Contents are insured, only the damages caused to the assets that integrate them;

c) Where both the Building and the Contents are insured, the damages caused to all the insured assets that integrate them.

1.2. The damages caused to the insured assets as a direct consequence of Breakage or



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Fall of Solar Panels:

a) Where the Building is insured, the damage caused to the Building as a result of the accidental breakage or fall of solar energy panels installed for the use by the Insured party, including damage affecting the actual installations;

b) Where the Contents are insured, only the damage caused to the assets that integrate them;

c) Where both the Building and the Contents are insured, the damages caused to all the insured assets that integrate them.

## 2. What is Not Covered

### 2.1. The following damages are not covered:

a) **Those resulting from a defect in the product, its placement, or the assembly or dismantling of the parts;**

b) **Those caused to the assets covered herein, which are not placed on an appropriate stand;**

c) **Those caused in the course of assembly, dismantling and repair operations or of any works underway at the insured place.**

## STRIKES, RIOTS AND CHANGES IN PUBLIC ORDER

### 1. What is Covered

1.1. The losses or damages directly caused to the insured assets as a result of strikes, riots and changes in public order are covered;

1.2. The coverage extends to the damage to the insured assets:

a) By persons taking part in strikes, work disturbances, riots, uprisings and changes in public order;

b) By any legally constituted authority, as a result of measures taken at the time of the occurrences mentioned in a), for the safeguarding or protection of persons and assets.

### 2. What is Not Covered

**Damage are not covered when resulting from depreciation, delay, deterioration, changes in temperature, humidity or environmental conditions, interference with normal operations, loss of production or market, or any other consequential or indirect losses of any kind.**

## ACTS OF VANDALISM OR MALICE

### 1. What is Covered

The coverage extends to losses or damages caused directly to the insured assets as a result of:

a) **Acts of Vandalism or Malice -** Deliberate acts of destruction of insured property, committed by an individual or group of individuals with the intention of destroying it, in whole or in part, damaging, defacing or rendering it unusable;

b) Acts carried out by any legally constituted authority, as a result of measures taken at the time of the occurrences mentioned in the previous paragraphs, for the safeguarding or protection of persons and assets.

### 2. What is Not Covered

**Losses or damages are not covered when the acts referred to in the preceding paragraph have been committed:**

**a) By any member of the Household or by any person who has a relationship of direct kinship or affinity up to the third degree of the collateral line with the Policyholder or Insured party;**

**b) By any person, in addition to those referred to in the previous paragraph, to whom the Policyholder or Insured Person has granted the use of the insured place, free of charge or in return for payment.**



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c) **Total or partial interruption of work or termination of any ongoing process of work, delay or loss of market and/or any other indirect or similar losses;**

d) **Acts of terrorism and sabotage, as defined under current criminal law.**

**DEMOLITION AND REMOVAL OF DEBRIS**

**1. What is Covered**

1.1. Coverage is extended to Demolition and Removal of Debris that is not covered under clause 2.2 of the General Terms and Conditions.

1.2. The coverage extends to the payment, up to the amount for the purpose described in the Specific Terms and Conditions, of the expenses incurred in the demolition and removal of debris caused by the occurrence of any claim covered by this Policy, that does not fall within the coverage of clause 2.2 of the General Terms and Conditions.

**TEMPORARY DEPRIVATION OF USE OF RISK LOCATION**

**1. What is Covered**

**1.1.** Losses are covered as a direct consequence of Temporary Deprivation of Use of the place of risk;

**1.2.** In the event of a claim covered by the Contract, which gives rise to the temporary deprivation of use of the place of risk, the Insurance Company shall pay compensation, within the limits set in the Specific Conditions:

a) When the Property is insured: Expenses incurred in connection with the Insured Person's temporary work at another location;

b) When the Contents are insured: The costs of transporting the insured items that have not been destroyed and their respective storage.

**1.3.** This coverage shall be valid for the period necessary for the Insured party to be resettled at the place where the claim occurred;

**1.4.** The compensation shall be paid against documentary evidence of the expenses incurred, after deduction of the charges which the Insured party would have been subject to if the claim had not occurred and which, in the meantime, were not paid;

**1.5.** The insured assets that are transferred for a period not exceeding 60 days to any other place located in the Country where the Insured party has established their residence temporarily are covered.

**2. Extension of Coverage**

Insured assets that have been transferred to another risk location under this coverage shall remain covered under the same conditions as this Policy, notwithstanding the rectification of the premium to that corresponding to the new risk location.

**3. What is Not Covered**

**3.1. Items transferred for sale, loan, repair, exposure or storage are not covered;**

**3.2. If the transferred property is covered by any other insurance, this policy, in the event of a covered claim, is only liable for the shortfall of the other insurance.**

**AESTHETIC DAMAGE**

**1. What is Covered**

1.1. The coverage extends to the payment of additional expenses for the repair or replacement of the insured assets, which result directly from any claim covered as agreed and contained in the Specific Terms and Conditions of the Policy, which do not fall within the coverage of clause 2.2 of the General Terms and Conditions.

1.2. Notwithstanding the limits that may be set in the Specific Terms and Conditions of the Policy, the coverage extends to the costs necessary to maintain the continuity and aesthetic coherence

of the insured building existing immediately prior to the occurrence of the claim, which do not fall within the coverage of Clause 2.2 of the General Terms and Conditions.

**2. What is Not Covered**

**The losses or damages caused to any components of the Contents at the risk location are not covered.**

**BUSINESS INTERRUPTION**

**1. What is Covered**

1.1. Losses resulting directly from a business interruption are covered.

1.2. In the event of a Claim covered by the Contract that results in the total interruption of the business activity engaged in by the Insured Person at the risk location, the Insurance Company shall pay compensation, within the limits set in the Specific Terms and Conditions.

**REOPENING COSTS**

**1. What is Covered**

Advertising expenses, provided that the Insured can prove they have been paid, incurred in connection with the resumption of their business shall be covered, up to the limit specified in the Specific Terms and Conditions, provided that the interruption of business was caused by the occurrence of any loss covered by this policy.

**MACHINERY BREAKDOWN**

**2. What is Covered**

Cover is provided, up to the limit specified in the Specific Terms and Conditions, for the repair or replacement of machinery owned by or under the responsibility of the Policyholder or the Insured Person (if different), where such machinery is suddenly and unexpectedly damaged or destroyed as a result of:

a) Operating errors, incompetence or negligence on the part of the Policyholder or the Insured Person, or of a person in their service;

b) Direct effects of electric current, overvoltage and overcurrent, short circuits, arcing and all other electrical phenomena, including the effects of atmospheric electricity;

c) Lack of water in boilers or vessels that require it for normal operation;

d) Vibrations, misalignment or detachment of parts, abnormal loads, molecular fatigue, centrifugal force, excessive speed, defective lubrication, seizure, water hammer, overheating, failure or defect of protective, measuring or regulating instruments;

e) Falling, impact, collision or entry of foreign bodies into the insured property;

f) Design faults, material defects, manufacturing defects or assembly defects.

**3.** For the purposes of this coverage, 'Breakdown' means sudden and unforeseen loss or damage that prevents the insured machinery or installations from operating normally, requiring them to be repaired or replaced, and which occurs while they are in operation, at rest, being dismantled, moved or reassembled for the purposes of cleaning, inspection, repair or installation in another location.

**4. What is Not Covered**

**The following losses or damages are not covered when resulting from:**

**a) Any defects, faults or deficiencies existing at the date of inception of the insurance, whether or not known to the Policyholder or the Insured;**

**b) Situations in which legal or contractual liability is attributed to the designer, manufacturer, representative, supplier, installer or maintenance technician;**

**c) Machinery and equipment in storage;**

**(d) Wear and tear, deterioration or**



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**deformation resulting from normal use or operation;**

**e) Gradual development of deformations, distortions, cracks, fractures, blisters, delaminations, fissures or grooves, unless these defects result in a breakdown covered by this policy;**

**f) Corrosion, erosion, cavitation, rust, scaling, oxidation or deterioration caused by disuse or atmospheric conditions;**

**g) Aesthetic defects, namely, scratches or scuffs on painted, polished or varnished surfaces;**

**h) Any modifications, improvements or alterations requested by the Insured Person during the course of repairs resulting from a covered risk;**

**i) Expenses incurred by the Insured Person for the purpose of rectifying operational faults, unless such faults were caused by losses and damages to the insured property and are covered by this policy;**

**j) Expenses incurred for maintenance, including parts replaced during such maintenance operations;**

**k) Losses and damages occurring during operational tests and start-up trials;**

**l) Failure to carry out the maintenance recommended by the manufacturers or suppliers of the insured property, or in the absence of such recommendations, the minimum maintenance that the Insured Person should ensure in order to keep the insured property in good condition;**

**m) Intentional overloading or any experiments or tests involving abnormal operating conditions, with the exception of actions taken to verify the correct operation of the insured goods or their safety devices;**

**n) Use outside the scope for which they were built;**

**o) Electrical installations that are insufficient, inadequate, or that have not been installed in accordance with technical safety standards;**

**p) Directly resulting from accidents on public roads;**

**q) Use of unauthorised software.**

## RECONSTRUCTION OF DRAWINGS, DOCUMENTS AND SOFTWARE

1. **What is Covered**

   Damages resulting from a claim covered by this policy and stated in the Specific Terms and Conditions are covered when affecting the following property:

   a) Manuscripts, plans and designs;

   b) Deeds and other official documents, including their seals;

   c) Computer media and other forms of data storage.

2. When this coverage has been taken out and the claim relates to damage to the insured building under this policy and is included in the Fire, Lightning and Explosion coverage, the settlement of claims for the preparation of the plans and documents required for the reconstruction of the insured building shall be carried out in accordance with the terms of this coverage.

3. When calculating the compensation, only the actual cost incurred in reconstructing or reissuing the said documents shall be taken into account, provided that the need for such



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reproduction is justified.

4. Compensation will be paid upon presentation of proof of the expenses actually incurred by the Insured Person, provided that no more than 12 months have elapsed since the claim was verified.

**NON-CONTRACTUAL CIVIL LIABILITY FOR FOOD POISONING**

**1. What is Covered**

This coverage includes, up to the limit of the insured capital stated in the Specific Terms and Conditions, the non-contractual civil liability attributable to the Insured Person for damages caused by food poisoning resulting from beverages and/or food prepared and/or supplied by the Insured Person, provided that the poisoning is clinically proven and that the manifestation of the damage occurs no later than 72 hours after consumption.

**2. What is Not Covered**

**In addition to the exclusions set out in the Civil Liability for Business Operations coverage, the following losses and damages are also not covered:**

**a) Caused by food allergies;**

**b) Caused by poor hygiene and sanitary conditions in food preparation.**

**DETERIORATION OF REFRIGERATED GOODS**

**1. What is Covered**

1.1. Coverage is provided for damages to refrigerated or frozen goods.

1.2. The coverage applies to damages caused to foodstuffs sold by the Insured Person, stored in refrigerators and freezers, solely and exclusively when such damages result directly from:

a) Breakdown of the appliance;

b) Accidental loss of refrigerant;

c) Interruption, without prior warning and duly proven, of the public energy supply, for not less than 24 hours;

d) Interruption of the electricity supply to the appliance containing the goods due to a claim covered by the policy.

**2. What is Not Covered**

**The following damages are not covered:**

**a) Resulting from mishandling;**

**b) Due to insufficient cooling appliance performance;**

**c) Due to faulty or poorly installed equipment;**

**d) Due to power cuts caused by the Insured Person.**

**SEISMIC PHENOMENA**

**1. What is Covered**

1.1. This Special Condition covers damage to the insured assets as a result of direct action of earth tremors, earthquakes, volcanic eruptions, tsunamis and underground fires, as well as fire resulting from these phenomena;

1.2. Phenomena occurring within a period of 72 hours following the discovery of the initial loss caused to the insured assets shall be considered as a single claim.

**2. What is Not Covered**

**The following losses or damages are not covered:**

**a) Existing on the date of the accident;**

**b) In the insured assets if, at the time of the event, the building was already damaged, defective, collapsed or displaced from its foundations in such a way that its overall stability and security were affected;**

**c) For which a third party, as a supplier, installer, builder or designer, is contractually responsible.**

**c)**

## LEASED EQUIPMENT

### 1. What is Covered

**1.1.** This Special Condition covers damages caused to the specifically designated insured property, up to the sum insured stated in the Specific Terms and Conditions, as a result of an claim covered by the agreed coverage.

**1.2.** For the purposes of this Special Condition, the machinery or equipment listed and valued in the Specific Terms and Conditions, and which are subject to a leasing agreement between the lessor and the lessee, shall be deemed to be insured property.

**1.3.** Insured Capital – The sum to be insured, set for each item of insured property covered by this policy, must correspond to its replacement value, i.e. the cost of replacing it with a new item of identical characteristics and capacity.

**1.4. Compensation – For the purposes of this special condition, the compensation shall be paid to the policyholder or the insured person, as specified by the lessor of the insured property, who shall always be consulted, except in cases of total loss of the insured property, in which case the compensation shall be paid to the lessor.**

### 2. What is Not Covered

**Without prejudice to the exclusions in the General Terms and Conditions applicable to this coverage, the following losses and damages are not covered:**

**a) Damages caused by road accidents due to vehicles which, under the terms of the legislation in force, are required to have civil liability insurance;**

**b) Caused by the use of insured property outside the risk location specified in the policy.**

## ASSISTANCE

## ASSISTANCE TO THE ESTABLISHMENT

### 1. Definitions

**For the purpose of covering this risk, the following definitions shall apply:**

a) **Insured Establishment:** the business premises situated at the risk location specified in the Specific Terms and Conditions, provided it is legally authorised for the specific activity carried out there by the Insured. **The Insured Establishment must be located in Portugal.**

b) **Assistance Service:** entity that organises and provides the cash benefits or services under the Policy, on behalf of the Insurance Company and in favour of the Insured Persons.

### 2. What is Covered

In the event of a claim covered by any of the Policy's coverages when contracted, occurring at the Insured Establishment, the Assistance Service shall provide the following coverage, up to the Policy's Capital Limits:

#### 2.1. Dispatch of a Technician

The Assistance Service covers the dispatch of qualified professionals to the Insured Establishment to contain and repair the type of damage in question.

**The cost of labour and materials used is to be paid by the Insured Person.**

How the coverage works:

*24-hour services*: plumbers, drain-clearing technicians, electricians and locksmiths.

*Daytime services*: bricklayers, carpenters, painters, plasterers, carpet fitters, shutter technicians, TV technicians, appliance technicians, alarm technicians and IT support.

In the event of an emergency, Insured Persons may contact the Assistance Service 24 hours a day, including at weekends and on public holidays.


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For non-urgent cases, it is recommended that the service be requested Monday to Friday, from 9:00 to 18:00.

Repairs carried out by the dispatched professionals are guaranteed for a period of 3 months. This does not include IT support services, which are guaranteed for 30 days. If the IT problem reoccurs, the assistance will be free of charge.

The minimum charge payable by the Insured Person will always be equivalent to one hour's labour and the associated call-out fee; thereafter, charges may be calculated in 30-minute increments.

The Assistance Service is not liable for any delays or failures to perform its duties due to force majeure, or administrative or political constraints.

The right to request the intervention of a professional does not imply that the claim is covered under this or any other policy coverage, nor that the Insured Persons are entitled to reimbursement of the repair costs.

The Assistance Service reserves the right to assess the consequences of an incident, whenever it deems necessary, by sending a technician to the scene.

### 2.2. Replacement of locks

If, as a result of the loss or theft of the keys to the main door of the Insured Establishment, it is not possible to gain entry, the Assistance Service will cover the expenses for replacing the lock.

### 2.3. Security guard service in the event of burglary, robbery or vandalism

In the event of theft, burglary or vandalism affecting the Insured Establishment, should the premises become accessible from the outside or the main entrance lock is rendered inoperable, the Assistance Service will cover the expenses for a security guard to protect the Insured Establishment, where such security is necessary to prevent unauthorised entry.

### 2.4. Graffiti Cleaning or Poster Removal Service

The Assistance Service covers the labour and travel costs of qualified professionals to the Insured Establishment for the cleaning of *graffiti* or the removal of posters, provided these have been displayed without the prior authorisation of the Policyholder or the Insured Person.

### 2.5. Computer Assistance

a) The Assistance Service covers the dispatch of qualified professionals to the Insured Establishment for the installation of computer components and applications, as well as to resolve performance and configuration issues affecting computers and data networks.

b) The cost of the first visit will be paid by the Assistance Service, with the Insured Person being responsible for the cost of any subsequent visits. The Insured Person will also be responsible for the costs of hardware, peripherals, software and labour.

### 2.6. Temporary Relocation

If, as a result of an insured event occurring at the Insured Establishment, the Policyholder is unable to continue carrying out their professional activities, the Assistance Service shall:

a) Organise the search for new premises in conjunction with the Policyholder, within a radius of less than 50 km, for a maximum period of 15 days, for the temporary relocation of the establishment;

b) Cover the costs of hiring a vehicle to transport furniture, equipment and goods to the temporary premises, in order to ensure the continuity of business operations;

c) Ensure the storage of items and assets not transferred to temporary premises for a maximum period of 60 days.

d) Cover the costs of transporting furniture, equipment and merchandise back to the risk location once it is restored, or to a new location in Portugal, within 90 days of the occurrence of the claim, if that place is located within a radius of less than 50 km from the risk location.



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### 2.7. Security Technicians

The Assistance Service will arrange for security technicians to visit the Insured Establishment to advise on appropriate measures for protection against theft, fire and medical emergencies, taking into account the premises' specific characteristics. The cost of this visit will be paid by the Assistance Service.

### 2.8. Dispatch of a Cleaning Team

Following a claim occurring at the Insured Establishment, the Assistance Service will organise and pay for the cost of dispatching a professional cleaning team to the site of the claim, or to the new location if it is within 50 km of the risk location, and will cover the labour hours defined in the Capital Limits.

## 3. Exclusions

**In addition to the exclusions set forth in the General Terms and Conditions, the following are not covered by this contract:**

**a) Expenses resulting from the eviction, inventory, confiscation or requisition of property, by order of administrative, judicial or military authorities;**

**b) Support and/or installation of software that is not genuine, is not licensed, or is freeware;**

**c) Installation of telephone lines as part of the internet setup**.

**d) This Policy does not provide coverage for Assistance benefits that have not previously been requested by the Assistance Service or have been executed without its prior consent, except in cases of force majeure or demonstrated material impossibility.**

## 4. Other Provisions

a) If it is not possible for the Assistance Service to organise the benefits due within the defined territorial scope, it shall reimburse the Insured Person for the expenses s/he has incurred, within the limits defined by this insurance and the applicable guarantees.

b) The processing of any reimbursement shall require the Insured Person to present their original documentation proving the expenses incurred.

## LEGAL PROTECTION FOR THE ESTABLISHMENT

### 1. Definitions

The following definitions shall apply for the purposes of this Special Condition:

**a) Insured:** the person in whose favour the Insurance Contract is entered into, who may be:

i) The person identified as such in the Specific Terms and Conditions, who is legally authorised to engage in the business activities;

ii) The legal representatives of the Insured, when the Insured is a legal person, who is registered as such with the Commercial Registry in accordance with the law and the articles of association.

**b) Insured Establishment:**
the business premises situated at the risk location specified in the Specific Terms and Conditions, provided it is legally authorised for the specific activity carried out there by the Insured. The Insured Establishment must be located in Portugal.

**c) Dispute:** a disagreement or conflict, documented where possible, in which the Insured asserts a right, contests a claim made by another party, or defends themselves in court.

**d) Threshold for Intervention:** The amount of damages in dispute from which the coverage under this Special Condition become applicable.

**e) Legal Protection Service:** company legally distinct from the Insurer that manages and settles Legal Protection claims on the Insurer's behalf.

**f) Third party:** a legal entity, natural or legal, different from the Insurance Company, Policyholder or Insured Persons, which is the plaintiff or the defendant, as the case may be, of a Dispute covered by this Policy.


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## 2. What is Covered

2.1. The Insurer undertakes to provide the Insured with the appropriate services for the out-of-court or judicial resolution of a covered Dispute and to pay the corresponding expenses.

2.2. The Insurer undertakes, subject to the Capital Limits set out in the Specific Terms and Conditions, and without prejudice to the provisions of points 3 and 4 of this Special Condition, to do the following:

a) **Criminal Defence:** Cover the costs associated with the Insured Person's criminal defence should criminal proceedings be brought against them on the grounds of negligent acts or omissions endangering the life or physical integrity of a person, or should proceedings be brought against them under the provisions of the Criminal Code and the Code of Criminal Procedure for acts related to, and arising from, the exercise of their activity.

b) **Claims for Damages:** Cover the costs associated with pursuing financial compensation for the losses suffered by the Insured, whether through judicial or out-of-court proceedings, provided that such losses are the responsibility of third parties and resulting from:

i. Bodily injuries sustained at the Insured Establishment;

ii. Material damage to movable property located inside the Insured Establishment;

iii. Material damage to the immovable property constituting the Insured Establishment.

2.3. **With regard to subparagraphs (ii) and (iii) of paragraph (b) above, the Insurer shall not be liable where the damage results from the non-performance or defective performance of verbal contracts.**

2.4. **The Insurer shall not cover the costs associated with any legal action where, on the basis of information obtained, the third party held liable is insolvent.**

## 3. Covered expenses

3.1. The Insurer undertakes, within the Capital Limits set out in the specific terms and conditions, and in accordance with Article 3 above, to reimburse or pay the following expenses:

**a)** **Fees for Lawyers**, provided they are duly registered with the Portuguese Bar Association, and Solicitors, when such services are required or necessary.

**b)** **Court costs** in accordance with the applicable law, in particular court fees.

**c)** **Posting of bail funds** to enable the Insured Person to remain at liberty during the course of the criminal investigation. Any bail posted will be provided as a loan, and **the Insured must reimburse the full amount within three (3) months of its posting, or upon reimbursement by the competent authorities, whichever occurs first. If the bail is forfeited, the Insured must immediately reimburse the Insurer for the full amount.**

3.2. Should the lawsuit be successful, the amount of the costs and respective attorney's fees must be reimbursed to the Insurance Company, whenever the latter has advanced the respective payment.

3.3. **Notwithstanding the Capital Limits set in the Policy, the lawyer's fees to be borne by the Insurance Company under this coverage, are subject to compliance with the legal and regulatory standards established in this regard by the Portuguese Bar Association. Any disagreements arising from their interpretation shall be referred**



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**to the competent body of the Portuguese Bar Association.**

3.4. If, by appointment of the Insured, more than one lawyer intervenes in the Dispute, the Insurer shall only be obligated to pay the fees of one of them, taking into account the extent to which each ensures, or would ensure, the defence of the Insured Person's interests.

**4. Exclusions**

**Notwithstanding the exclusions provided for in the General Terms and Conditions and other Conditions arising from these Special Terms and Conditions, this Special Condition never provides coverage for:**

**a) Disputes relating to occupational accidents;**

**b) Services not explicitly provided for in the coverage described above;**

**c) Disputes arising from any activity carried out under the influence of alcohol and/or psychotropic substances;**

**d) Disputes between the Policyholder, the Insured Persons and/or the Insurance Company, among themselves, notwithstanding the provisions of these General Terms and Conditions regarding the Resolution of Conflicts between the Parties;**

**e) Disputes between the Insured Persons and/or between the Insured Persons and their family members, including ascendants and descendants, up to the 1st degree, adopted children, stepchildren, relatives and collateral relatives up to the 3rd degree, as well as persons who live with them and/or are under their responsibility;**

**f) Amounts for which the Insured is ordered to pay in respect of the petition in the action, including interest, or for bad-faith litigation, including attorney's fees, compensation to the opposing party and costs of incidental proceedings;**

**g) Travel expenses and accommodation costs of the Policyholder, Insured Persons and their legal representatives in the context of proceedings or procedures taking place outside the respective districts of residence or the professional domicile of the designated legal representatives;**

**h) Lawyers' fees and court costs relating to actions brought by the Insured without the Insurer's prior agreement, without prejudice to Clause 8(3) of this Special Condition;**

**i) All expenses and fees related to legal consultations, facts or services incurred by the Insured without the Insurance Company's prior confirmation for the full activation of the coverage provided for in this Policy;**

**j) Disputes arising from rescue operations;**

**k) Defence in administrative offence proceedings;**

**l) Fines, penalties, taxes or fiscal charges;**

**m) Disputes arising from events occurring before the entry into force of this Special Condition;**

**n) Disputes where the Threshold for Intervention is less than €750.00.**

**5. Obligations of the Insured Person in the Event of a Dispute**

5.1. Should any event occur that may fall under this coverage, the Insured Person must notify the Insurance Company as soon as possible, in writing and in detail.

5.2. The claim report must be accompanied by all documents and information relating to the dispute.

5.3. The Insured Person must inform the Insurance Company of each new stage of the process.



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5.4. If the Insured Person intentionally provides inaccurate statements regarding the facts, circumstances or situation giving rise to the Dispute, or more generally regarding elements relevant to its resolution, this coverage shall have no effect in relation to that dispute, and the Insured Person shall be liable for the costs incurred by the Insurance Company.

**6. Free Choice of Lawyer**

6.1. The Insured Person has the right to free choice of lawyer currently registered with the Portuguese Bar Association or, if they prefer, with another person with the necessary legal qualification to protect or represent them, from the moment they are involved in a court, administrative or arbitration process that is included in the insurance coverage.

6.2. Before appointing the lawyer, the Insured Person shall inform the Legal Protection Service of the name of the chosen Lawyer or representative. Notwithstanding the provisions of the preceding paragraphs, the Legal Protection Service shall manage all the prior measures, negotiations and procedures before acceptance of the intervention of the Lawyers or Solicitors chosen by the Insured Person, as well as assess the feasibility and inclusion of the claim submitted in the coverage of this Policy.

6.3. The professionals appointed by the Insured Person shall enjoy all the freedom and autonomy in the technical direction of the dispute, without relying on any instructions from the Legal Protection Service, which shall also not be responsible for their performance or the final result of their acts.

**7. Insurance Company's Procedure in the Event of a Dispute**

7.1. Once the claim report for the Dispute is received, the Legal Protection Service will assess it and will inform the Insured Person, as soon as possible, in writing and in a justified manner, if it concludes that the event reported is not included in the coverage provided by this Special Condition or that the claim has no chance of success.

7.2. Where the event in question is covered, but the Legal Protection Service considers that the Insured Person's claim has no prospect of success, the Insurance Company may refuse to intervene, informing the Insured Person of this in writing and giving reasons for its decision.

7.3. In the situation described above in paragraph 2, the Insured Person may, without prejudice to arbitration, pursue the action at their own expense and risk. If their claim is subsequently upheld by a court to a degree qualitatively or quantitatively greater than that which gave rise to the disagreement with the Legal Protection Service, the Insured Person shall be reimbursed for the expenses incurred, within the contractual limits.

7.4. The procedure referred to in the preceding paragraph shall apply, with the necessary adaptations, in the event of a disagreement regarding filing an appeal against a court decision.

7.5. Once the management of the claim has been accepted, the Legal Protection Service shall exclusively carry out the measures it considers necessary and appropriate to the out-of-court composition of the dispute, in order to obtain, with the agreement of the Insured Person, a solution that safeguards the claims legitimately sustained by the same, and shall recommend the use of the courts, in accordance with the terms provided for in this Policy, when it considers the out-of-court settlement of the Dispute to be unfeasible.

7.6. In the event of a criminal defence, the Insured Person must activate coverage within five (5) days immediately following receipt of any communication from the competent authorities making him or her appear as a defendant in any criminal proceedings.

7.7. In the event of a civil claim for monetary compensation for damages, the Insured Person must prove that he or she has previously complained to the



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Third Party responsible, his or her Insurance Company or similar entity, and has obtained a negative response to this complaint, unless more than forty-five (45) days have elapsed between the date of the formal complaint and the date of activating this coverage without the entity subject to the complaint having formalised its position on the complaint lodged.

7.8. If bail funds are advanced, the Insured Person must provide documentary proof that he or she has previously requested the substitution of this type of monetary guarantee by another procedurally admissible and less onerous measure, and has been refused.

7.9. The Insured Person undertakes to consult the Legal Protection Service regarding any settlement proposals made to them and to keep the Service informed of all stages of the legal proceedings.

7.10. The Legal Protection Service may oppose the filing of an action whenever it considers the opposing party's proposal fair and adequate.

7.11. The provisions of the preceding paragraph do not preclude recourse to arbitration, nor do they prevent the Insured Person from filing or continuing legal proceedings in accordance with the provisions of paragraph 3 of this clause.

## 8. SUBROGATION

8.1. The Insurance Company is subrogated to all financial rights to which the Insured Person is entitled in the context of the legal proceedings covered by this policy, including the reimbursement of legal costs and other legal expenses.

8.2. The Insured Person shall be liable for any voluntary act or omission that may prevent or impair the exercise of these rights.

## 9. THRESHOLD FOR INTERVENTION

The coverages provided under this Special Condition may only be invoked if the amount in dispute exceeds €750.00.

## 10. TERRITORIAL SCOPE

This coverage only applies to disputes arising from events that have taken place in Portugal.

## 11. TIME SCOPE

**The Insured Person is only entitled to the coverage provided by the Insurance Company when the events giving rise to the dispute occurred after the coverage had entered into force and before the date on which it ceases to have effect, provided that the request for assistance from the Legal Protection Service is made during the coverage period or within one year from the date when coverage ceased to have effect.**

## 12. COMMENCEMENT, DURATION AND TERMINATION

The commencement, duration and termination of this coverage are governed by the corresponding provisions set out in the General and Special Conditions of the applicable **Commercial Combined** Insurance Contract, of which this coverage constitutes a Special Condition.



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