



LIABILITY PROTECT

GENERAL TERMS AND CONDITIONS OF THIRD PARTY LIABILITY
INSURANCE IN CONNECTION WITH CONDUCTING BUSINESS
OPERATIONS AND POSSESSING PROPERTY

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THIRD PARTY LIABILITY

Colonnade provides an extensive and flexible insurance coverage, providing, as a standard service, the following insurance cover:

- third party liability in tort and contract
- third party liability for losses arising from completed service due to its defectiveness
- third party liability for losses caused by gross negligence
- third party liability for losses caused in any country, except for the United States and Canada; the governing law and jurisdiction in accordance with the territorial scope of the insurance cover
- cross liability
- a wide range of benefits related to legal assistance costs
- covering the costs of appraisers
- third party liability for losses arising in connection with business trips, including a territory of United States and Canada
- third party liability for subcontractors
- tenant's third party liability
- liability for losses resulting from Employees of the Insured having participated in fairs, exhibitions and conferences
- event organizer's third party liability
- third party liability for losses caused by the risk of liquid backflow in the sewage systems
- third party liability for losses caused by vehicles which are not subject to compulsory third party liability insurance
- third party liability for losses caused during loading or unloading operations
- third party liability for losses to underground installations
- third party liability for losses arising from the use of heavy construction equipment, in particular pneumatic hammers, pile drivers or other similar machinery and equipment
- third party liability for losses caused by food poisoning

Information note

1. Conditions for payment of indemnity are described in the following parts of the general terms and conditions:

Section I General provisions: § 1 Definitions: Event, § 2, § 4.2, § 5;

Section II Third party liability for conducting business activity and possessing property: § 7, § 9, § 10.1;

Section III Product liability: § 11, § 13;

Section IV Employer's liability: § 14;

Section V Environmental liability: § 16;

Section VI Provisions applicable to all Sections: § 20.2 and 8;

Section VII Additional endorsements: Endorsement No 1.1, Endorsement No 2.1, Endorsement No 3, Endorsement No 4a.1, Endorsement No 4b.1 and 2, Endorsement No 4c.1 and 2, Endorsement No 5, Endorsement No 6.1 and 3, Endorsement No 7.1 and 3 and 6, Endorsement No 8.1, Endorsement No 9.1, Endorsement No 10, Endorsement No 11.1 and 3.

2. Information on the limitation and exclusion of the insurance company's liability, used as a basis for refusal or limitation of indemnity, is contained in the following parts of the general terms and conditions:

Section I General provisions: § 1 Definitions: Deductible, Limit of Liability, Sublimit, § 2.1, § 2.7, § 2.10, § 2.12 and 13, § 3.3, § 4.2, § 5.2 and 3, § 6;

Section II Third party liability for conducting business activity and possessing property: § 8, § 10.2;

Section III Product liability: § 12, § 13;

Section IV Employer's liability: § 15;

Section V Environmental liability: § 17;

Section VI Provisions applicable to all Sections: § 18.3, § 18.5 to 9, § 18.15, § 19.2, § 19.6 and 7, § 20.7, § 20.8 and 10;

Section VII Additional Endorsements: Endorsement No 1.2 and 3, Endorsement No 2.1 and 3, Endorsement No 3, Endorsement No 4a.2, Endorsement No 4b.3, Endorsement No 4c.3, Endorsement No 6.2 and 4, Endorsement No 7.2, Endorsement No 7.4, Endorsement No 7.5 and 6, Endorsement No 8.2 and 4, Endorsement No 9.2, Endorsement No 11.2.4), Endorsement No 11.2.10), Endorsement No 11.3.3), Endorsement No 11.4 and 5.

COLONNADE INSURANCE SOCIETE ANONYME BRANCH IN POLAND

GENERAL TERMS AND CONDITIONS OF THIRD PARTY LIABILITY INSURANCE IN CONNECTION WITH CONDUCTING BUSINESS OPERATIONS AND POSSESSING PROPERTY

approved on 12 February 2018 by the Director of Colonnade Insurance Société Anonyme, Branch in Poland, based in Warsaw, applicable to any insurance contract concluded from 12 February 2018.

SECTION I GENERAL PROVISIONS

§ 1. Definitions

1. The following terms used in the Insurance Contract or any statements made in connection therewith shall have the following meanings, unless otherwise stated in the Insurance Contract:

Act of Terrorism means the act of violence or the threat of violence in order to attain goals that are religious, ideological, ethnic or similar in nature through instilling fear among any group of people, committed both by those acting in collaboration with any organization or government, or independently of them.

Colonnade means Colonnade Insurance S.A., a company incorporated in Luxembourg under number B 61605, having its central headquarters at the following address: 1, rue Jean Piret, L-2350 Luxembourg, operating in Poland through Colonnade Insurance Société Anonyme, Branch in Poland, registered with the District Court for the Capital City of Warsaw, 12th Commercial Division of the National Court Register (Krajowy Rejestr Sądowy, KRS) under KRS No 0000678377, Tax ID No (NIP) 1070038451, having its registered office at ul. Marszałkowska 111, 00-102 Warsaw.

Pure Financial Loss means a financial loss other than Bodily Injury, Property Damage or Advertising Injury. A loss of property shall not be considered a Pure Financial Loss.

Deductible means an amount or a percentage specified in the Policy by which the value of indemnity payable by Colonnade is reduced each time. If the value of Loss does not exceed the specified Deductible, Colonnade shall be exempt from liability and relieved of its obligation to provide any insurance obligations.

Unless the parties to the Insurance Contract otherwise agree:

- 1) Deductible shall apply only to Property Damages, Advertising Injuries and Pure Financial Losses;
- 2) Deductible shall apply to each Event;
- 3) Deductible shall not apply to Legal Assistance Costs.

If, under the provisions of the Insurance Contract, Colonnade may reduce indemnity payment by two different Deductibles, each of which specified for a different risk, the lower Deductible shall apply.

Legal Assistance Costs means the following costs incurred by the Insured, with the consent of Colonnade, in connection with the proceedings concerning the Insured's liability for the Loss:

- 1) remuneration of external legal representatives; the Insured shall be responsible for appointing legal representatives;
- 2) court costs of all instances;
- 3) the costs incurred in reaching and executing a settlement agreement;
- 4) the costs of expert opinions, appraisers or experts and the costs of translating documents necessary to defend the legal interests of the Insured;
- 5) the costs incurred by the opposing party in connection with the defense of its legal interests, provided that the Insured is obliged to cover these costs by a final court judgment;

- 6) the costs of travel to the court incurred by Employees of the Insured and the costs of a return journey to the Insured's premises, if they must appear in court as a party, witness, suspect, accused or a defendant.

Legal Assistance Costs also include costs incurred by the Insured or Employees of the Insured in criminal or administrative proceedings, provided that these proceedings are conducted with a view to establish the liability of the Insured for Loss or the amount of Loss covered by insurance.

If the liability of the Insured is established in proceedings before an arbitration court, the costs related to the participation of the Insured in such proceedings shall be covered to the extent and up to the amount specified in the provisions on court costs incurred in proceedings before common courts.

Limit of Liability means the upper limit of Colonnade's liability for one or all of the Events occurring during the insurance period. The Limit of Liability shall be reduced by the amount of benefits provided by Colonnade, including where the benefits reducing the Sublimit are provided. The Limit of Liability shall be each time specified in the Policy. Once the Limit of Liability is exhausted, Colonnade's liability shall cease to apply. The Limits of Liability established for subsequent periods of insurance shall not summed up.

At the request of the Policyholder, with the consent of Colonnade and subject to payment of an additional premium, the Limit of Liability reduced by payment of a benefit may be restored during the insurance period.

Close Relative means a spouse or former spouse of the Insured, children of the Insured's spouse who are not relatives of the Insured in the descending line, cohabitant, siblings, ascendants, descendants, relatives in the same line or degree, adoptive parents and adopted children, foster children, parents in law, sons-in-law, daughters-in-law.

Third Party means any person other than Colonnade, the Policyholder, the Insured or an Employee of the Insured.

GTC shall mean these general terms and conditions.

Sublimit means the upper limit of Colonnade's liability in respect of any risk or losses types specified in the Insurance Contract for one or all of the Events occurring during the insurance period. The Sublimit may not exceed the Limit of Liability. The Sublimit shall be reduced by the amount of benefits received. Payments having the effect of reducing the Sublimit will also reduce the Limit of Liability. Once the Sublimit for a specific risk or loss type is reached, Colonnade's liability for any such risk or loss will cease to apply.

At the request of the Policyholder, with the consent of Colonnade and subject to payment of an additional premium, the Sublimit reduced following the payment of a benefit may be restored during the insurance period.

If indemnity is paid in respect of the risk subject to two different Sublimits, Colonnade shall be liable up to the amount equal to the higher of these Sublimits.

Policy means an insurance document issued by Colonnade and served on the Policyholder confirming conclusion of the Insurance Contract, together with appendices and schedules amending its original content.

Unless otherwise agreed by the parties to the Insurance Contract, the content of the Insurance Contract shall be determined on the basis of the Policy.

Employee means any natural person employed by the Insured under a contract of employment or on the basis of an appointment, election, designation or cooperative contract of employment.

The term "Employees" shall also refer to the following natural persons:

- 1) apprentices, volunteers and trainees;
- 2) persons cooperating with the Insured under service contracts, contracts for specific work or any other civil law contract of a similar nature, including those carrying out activities for the benefit of the Insured beyond the scope of their obligations resulting from the employment contract (e.g. on the basis of a management contract), including on the basis of self-employment;
- 3) those employed by temporary employment agencies, assigned to perform work the scope of which has been agreed with the Insured;
- 4) persons carrying out work for the benefit of the Insured in connection with any rental of the machinery or equipment by the Insured, which is necessary to perform the Insured Activity, provided that such persons are made available under a rental contract for machinery or equipment;
- 5) persons employed to work as a substitute;
- 6) persons undergoing the recruitment process;

who carry out activities under the supervision of and on behalf of the Insured, provided that these activities are related to the Insured Activity and that these persons are required to follow the instructions of the Insured.

Product means any movable property placed on the market as part of the Insured Activity, over which the Insured has intentionally lost actual control, either permanently or temporarily, in particular the right to exercise control over the property and its usage, for which the Insured is liable in respect of its manufacture, sale, delivery, distribution, lease, repair, maintenance, installation, supervision, cleaning, adjustment, processing or any change thereof.

"Product" also means any individual or bulk packaging of the Product, provided that it has been packed by the Insured or under its supervision, as well as any labels and instructions accompanying the Product.

"Product" also refers to electricity or heat, as well as gas, water and steam.

The following shall not be considered to be "Products" under the GTC:

- 1) natural resources;
- 2) human blood, plasma, blood derivatives and internal organs;
- 3) intellectual property rights.

Advertising means any publication, including website publications, advertisements, articles, radio or television broadcasts with content intended to advertise the Insured Activity or the Product.

Year means 365 days or, where the insurance period covers the leap day 29 February – 366 days.

Vendor means any Third Party responsible for the sale, delivery or distribution of the Product.

Substance means any hazardous substance that pollutes the environment in the form of a smoke, fume, soot, exhaust, acid, base, liquid, gas, waste or another irritant that can cause contamination or pollution of water, soil or air.

Loss means any Bodily Injury, Property Damage, Pure Financial Loss or Advertising Injury.

Bodily Injury means any financial or non-financial damage caused by death, bodily injury or health disorder of a Third Party, including any harm suffered by the injured party or any of its closest family members, giving rise to the obligation to pay indemnity.

"Bodily Injury" also means lost profits, i.e. the profits that a Third Party could have achieved, had it not suffered bodily injury or health disorder.

Property Damage means any financial damage arising from damage to or destruction of property.

"Property Damage" also refers to lost profits, i.e. the profits that could have been achieved by a Third Party, had there been no damage to or destruction of property.

Advertising Injury means any financial or non-financial damage to a Third Party's property, incurred as a result of the Advertising being made public.

Policyholder means a person who concludes the Insurance Contract with Colonnade that is obliged to pay the insurance premium.

Insured Activity means the business activity conducted by the Insured as defined in the Insurance Contract. Unless otherwise agreed by the parties to the Insurance Contract, the Insured Activity shall also include:

- 1) possession of a property by the Insured and any related maintenance activities, including current minor repairs or upgrades not regarded as construction work under the Construction Law Act of 7 July 1994; this also covers any premises or their equipment not rented by the Insured, but which may be temporarily occupied by the Insured for a short period of time in connection with the Insured Activity, and the Insured's liability for losses resulting from malfunction of water supply, sewage, central heating, gas and electricity equipment;
- 2) participation in exhibitions, fairs or conferences;
- 3) any social, cultural, educational, recreational or sports activity of the Insured and any other similar activities undertaken for the benefit of Employees;
- 4) lease of property to Third Parties, including sublease of the property rented by the Insured;
- 5) the use of any Third Party property, if the Insured is legally required as part of the Insured Activity to repair the Property Damage caused to such Third Party property or any part thereof, which has been used by the Insured under a rental, tenancy or usage agreement, or under any other civil law contract of a similar nature, including Property Damages resulting from adaptation or renovation works performed by the Insured;
- 6) the use of heavy construction equipment, in particular pneumatic hammers, piledrivers or any other similar machinery and equipment;
- 7) works or other activities that have been completed by the Insured and accepted by the principal under a relevant works contract.

Insured means the person identified in the Policy on whose account the Insurance Contract has been concluded. Any Policyholder entering into the Insurance Contract on its own account shall be regarded as an Insured.

Insurance Contract means the agreement concluded on the basis of these GTC, confirmed by the Policy.

Monetary Values mean national or foreign banknotes and coins, checks, promissory notes, other documents used as a substitute for cash payments, credit cards, credit and debit cards, as well as gold, silver, platinum and other platinum metals, precious stones and pearls, as well as any goods made of these materials.

Event means the occurrence of the Loss to the Third Party that is covered by insurance, for which the Insured shall hold third party liability.

Where there is doubt as to when the Bodily Injury occurred, the Bodily Injury shall be considered to have arisen when the injured party first contacted a doctor in connection with the symptoms that gave rise to a claim with the Insured.

Where one or more Losses arises due to the same reason, e.g. due to the same structural error or the same defect occurring in a series of products being marketed, these shall be treated as a single Event, and the Event occurrence date shall be the day on which the first of the Loss occurred, regardless of when and where these Losses actually occurred or what the actual number of injured parties was. All Losses from such series will be covered by insurance, provided that the first of them occurs during the insurance period. With regard to any such Event the Deductible shall be deducted on a one-off basis, regardless of the number of injured parties.

If the Insurance Contract concluded on the basis of these GTC represents the continuation of a previous agreement or agreements concluded with Colonnade, and provided that there has been no inter-

ruption between consecutive periods of insurance, the start of the insurance period referred to in the preceding Paragraph shall be the start of the insurance period specified in the first of the agreements, of which the contract concluded on the basis of these GTC is a continuation, provided that all previous contracts were concluded with Colonnade.

2. Except as otherwise expressly provided in other provisions of the GTC, all terms used herein shall have the same meaning in all contexts, regardless of whether they are used in the singular or plural.
3. For the purposes of these GTC, any terms used herein that are defined under common law or not defined thereunder, and have the commonly accepted meaning shall have the meaning given to them by law or custom, unless the GTCs expressly provide otherwise.

§ 2. Insurance cover, territorial scope and jurisdiction

1. The insurance coverage provided under these GTC may include the following types of third party liability:
 - 1) for conducting business activity and possessing property (Section II of the GTC);
 - 2) Product liability (Section III);
 - 3) liability for losses caused to employees of the Insured (Section IV);
 - 4) environmental liability (Section V).

Failure to include in the Insurance Contract (i.e. to indicate in the Policy) any of the Sections listed in subpoints 1) to 4) above shall result in the Loss covered by these Sections being excluded from insurance coverage.

Unless otherwise agreed by the parties to the Insurance Contract, the Limit of Liability shall be common to all the Sections contained in the Insurance Contract and indicated in the Policy.

2. By mutual agreement between the parties to the Insurance Contract, subject to payment of an additional premium, the insurance coverage provided by Colonnade may be extended to include the cases defined in the endorsements contained in Section VII of the GTC.
3. **Duration of insurance cover**
Colonnade shall provide insurance cover for the Insured in respect of its third party liability for Events occurring during the insurance period specified in the Policy.
4. Colonnade shall conclude Insurance Contracts with entrepreneurs.
5. The Insurance Contract under these GTC may be concluded for the account of a third party.
6. For avoidance of doubt, it is clarified that any responsibilities, duties and powers of the Insured resulting from the GTC or the Insurance Contract shall under Insurance Contracts apply to the Policyholder.
7. Where an allegation is made that affects Colonnade's liability, Colonnade may also make that allegation against the Insured. The Insured is entitled to request the benefit due directly from Colonnade.

8. Liability in tort and contract, coincidence of claims

The insurance cover shall include third party liability for losses resulting from any tort committed by the Insured (third party liability in tort) and third party liability for failure to perform or improper performance of any obligation on the part of the Insured (third party liability in contract), also in the case of coincidence of claims.

To the extent specified in the GTC, the insurance shall cover losses resulting from failure to perform or improper performance of an obligation, if such failure to perform or improper performance is due to circumstances for which the Insured is liable.

9. Gross negligence

The insurance cover includes third party liability for losses caused by gross negligence on the part of the Insured.

10. Persons covered by insurance:

- 1) the insurance cover also includes third party liability of Employees and members of the Management Board and other governing bodies of the Insured, as well as its proxies and legal representatives, in respect of any Loss arising from the actual performance of official duties or any actually performed and legal acts undertaken on its behalf;
- 2) the insurance cover also includes third party liability of the Insured for Losses caused to Third Parties by subcontractors in respect of any tasks assigned to them by the Insured.

The cover does not include third party liability for losses caused by subcontractors to other subcontractors.

11. Cross liability

Where more than one Insured is covered by insurance, the insurance shall cover any counterclaims between the Insureds and insurance benefits shall be paid as if each of the Insureds had been covered by a separate Insurance Contract up to the Limit of Liability and the Sublimits set out in the Policy. The Limit of Liability and the Sublimits are determined jointly to all Insureds.

12. Territorial scope and jurisdiction

The insurance cover includes third party liability for losses incurred all over the world, excluding the United States of America (or its dependencies) and Canada.

The insurance covers any claims pursued:

- 1) under the laws of any country, except for the United States of America and Canada, or
- 2) before a court or state authority of any country, except for the United States of America and Canada.

13. Colonnade will not be required to provide insurance cover, pay any claim or provide any benefit specified in the Insurance Contract to extent that the payment of such indemnity or provision of such benefit would expose Colonnade or its holding companies (having direct or indirect control) to any sanction, prohibition or restriction under United Nations decisions (resolutions) or the economic sanctions, laws or regulations of the European Union, United States of America, as well as the Polish law.

§ 3. Insurance contract conclusion

1. The Insurance Contract is concluded through negotiations. Unless otherwise specifically agreed by the parties to the Insurance Contract, the Insurance Contract shall be deemed to have been concluded on or after the date of receipt of the Policy by the Policyholder.
2. The Policyholder is obliged to inform Colonnade of any circumstances known to it, which may be subject to a written enquiry from Colonnade prior to the conclusion of the Insurance Contract. If the Policyholder concludes the Insurance Contract through an insurance intermediary, the above obligation shall also apply to that insurance intermediary and shall additionally cover circumstances known to the intermediary. During the insurance period, the Policyholder is required to report to Colonnade any changes in these circumstances immediately upon receipt of a relevant notice. As regards the Insurance Contracts concluded for the account of a third party, these obligations of the Policyholder also apply to the Insured, unless the Insured is not aware of the Insurance Contract. Should the above obligation be imposed on the Insured who is a person other than the Policyholder, the Insured is also obliged to provide Colonnade with any information known to the Insured, but unknown to the Policyholder.
3. Colonnade is not responsible for any consequences resulting from circumstances not notified to Colonnade in breach of point 2 of this Paragraph. If the breach of this obligation is caused by willful misconduct, in case of doubt, it is assumed that the Event and its consequences result from the circumstances referred to in point 2 of this Paragraph.
4. However, if Colonnade concludes the Insurance Contract in the absence of any reply to its written inquiry submitted prior to entering into such contract, the omitted circumstances shall be considered negligible, whereas the Policyholder and the Insured shall have no obligation to notify Colonnade of any changes to these circumstances.

§ 4. Rights and obligations arising from insurance contract

1. Colonnade has the right to visually inspect, at its own expense, the property of the Insured used for the purposes of the Insured Activity in order to assess the risk of loss or make recommendations on risk management at any time during the Insurance Contract. Subject to universally applicable provisions, the Insured is obliged to provide Colonnade with means to carry out visual inspection and assist as needed.
2. For the duration of the Insurance Contract the Insured is obliged to:
 - 1) take preventive measures and precautions to minimize the risk of loss or any increase thereof;
 - 2) eliminate the risks set out in the recommendations contained in the Policy or the correspondence addressed to the Insured, as requested by Colonnade.

If the Insured fails to meet the obligations set forth in this Paragraph, Colonnade may refuse to pay indemnity or reduce its amount, unless such failure has not increased the risk or level of loss.

3. In the event that any circumstances that significantly increase or decrease the likelihood of an Event are disclosed, each party to the Insurance Contract may request a change in the amount of premium, starting from when such circumstances occurred.

§ 5. Benefits provided by Colonnade

1. Within the Limit of Liability defined in the Policy, Colonnade is obliged to:

- 1) examine the validity of claims filed against the Insured;
- 2) pay indemnity within the limits of the Insured's statutory liability and within those resulting from the insurance cover provided under the Insurance Contract;
- 3) reimburse the costs incurred by the Insured to reduce the level of loss covered by insurance following the Event, as appropriate and even if such measures prove ineffective;
- 4) incur the costs of employing experts appointed by Colonnade or with its consent to establish the facts of the event, the validity of claims raised and the amount of benefit payable.

2. The total amount of Colonnade's benefits referred to in point 1, incurred for the Event covered by insurance or any Event covered by insurance during the insurance period specified in the Policy, can not exceed the Limit of Liability. Any benefit paid by Colonnade reduces the amount available under the Limit of Liability.

3. Legal Assistance Costs

In addition, Colonnade is obliged to pay any Legal Assistance Costs up to the Limit of Liability or the Sublimit applicable to a particular Event.

If any claim in respect of the Event exceeds the Limit of Liability or the Sublimit, Colonnade shall cover a portion of Legal Assistance Costs which corresponds to the ratio between the Limit of Liability or the Sublimit and the value of indemnity payable in respect of the Event.

§ 6. Insurance coverage exclusions

Colonnade shall not provide insurance for claims:

- 1) **harmful substances** – resulting from:

- a) asbestos exposure – regardless of its form, in particular in connection with:
 - its production, use, sale, installation, handling, delivery, processing, disposal, storage, encapsulation, distribution, and in connection with the manufacture of asbestos, asbestos products and products containing asbestos,
 - the storage of asbestos and waste containing asbestos, including any court or administrative costs or other charges incurred in connection with asbestos claims;

however this exclusion of liability shall not apply to the Bodily Injury caused by substances containing asbestos, where there is no link between the presence of asbestos and the cause of Loss;

- b) the consumption (active or passive) or use of the tobacco products manufactured, distributed, sold or supplied by the Insured, including any court or administrative costs or other charges incurred in connection with claims relating to such tobacco products;

- 2) **war and terrorism** – resulting from losses incurred during, by or in connection with any warlike activities, irrespective of whether the war, armed invasion or any other military action is formally declared or announced, martial law or state of emergency, armed seizure of power, civil war, revolt, revolution, uprisings, protests, riots or social unrest, strikes, as well as Acts of Terrorism;

- 3) **extending the liability of the Insured beyond the statutory requirements, liquidated damages and punitive or exemplary damages:**

- a) to the extent that the obligation of the Insured to cover these liabilities exceeds the limits prescribed by law, e.g. due to the Insured having entered into a contract or taken any other legal action, in particular any stipulations of liquidated damages or other forms of indemnification payable on a lump sum basis, unless liability would apply in the absence of such a contract or legal action;

the insurance does not cover claims relating to any liabilities incurred by the Insured due to the contractual assumption of any Third Party liability,

- b) in respect of any fines, administrative or court penalties, penal measures of a financial nature such as an obligation to remedy or compensate for damage suffered, pecuniary claims, including punitive or exemplary damages or other liabilities of a similar nature payable by the Insured;

- 4) **performance of obligations** – for performance or proper performance of any obligation, or for any substitute performance, as well as claims arising under the provisions on warranty or non-conformity of goods or quality guarantee;

- 5) **willful misconduct** – for losses caused intentionally; any marketing of the Product or provision of the services despite being aware of their defects shall be treated as willful misconduct;

- 6) **discrimination** – for losses arising from hostile attitudes, harassment, unequal treatment, bullying or discrimination of any kind;

- 7) **HIV, BSE, TSE viruses and damage to the genetic material** – for compensation for losses caused by HIV, BSE or TSE viruses (causing spongiform encephalopathies), including their mutations, as well as losses resulting from damage to the genetic material;

- 8) **damage covered by compulsory insurance scheme** – arising from damage covered by compulsory insurance scheme, including where a public administration body or another institution is obliged to provide compensation benefits due to failure by the Insured to comply with the insurance obligation; the provision contained in this subpoint also applies to any claims in excess of the limits of liability specified in compulsory insurance schemes;

- 9) **losses arising from performance of professional activities:**

- a) for losses resulting from professional activities that can only be performed by those with appropriate professional qualifications as required by law or under obligation of concluding third party liability insurance contract,

- b) the exclusion defined in (a) does not apply to design activities carried out as part of the Product manufacturing process, provided that these are not performed on a self-employed basis, irrespective of whether the Product manufactured by the Insured has been placed on the market; losses to Product shall be excluded. Furthermore, the exclusion of liability does not apply, if the design activities are carried out as part of the erection of a building by the Insured, with losses to the erection service being excluded;

- 10) **nuclear or radioactive contamination, electromagnetic field** – arising in connection with ionizing radiation or the effects of nuclear energy or nuclear fuel, as well as any nuclear waste generated as a result of nuclear fuel use, radioactive contamination, explosion of any substance having radioactive properties, laser or maser radiation, electromagnetic or magnetic field interference;

- 11) **clinical trials and medical malpractice** – in respect of clinical trials or medical services;

- 12) **mining damage** – for losses resulting from mining plant activities;

- 13) **intellectual property rights and personal data** – in respect of any infringement of copyright, industrial property rights, including patents, trademarks and trade names, licences, as well as for breach of the provisions on personal data protection and unfair competition;

the insurance cover does not include claims in respect of false accusations, slander, defamation, denigration, libel or actions of a similar nature;

- 14) **gradual exposure and vibrations** – providing cover for losses:

- a) caused by fungal attack or gradual exposure to heat, noise, gas, fumes, moisture, and smoke deposits, soot or dust,

- b) caused by vibrations or shock, weakening of the supporting structure of a building or a structure, landslides or reductions in soil bearing capacity, flooding by standing or flowing water;

- 15) **off-shore activities** – regarding all off-shore activities of the Insured, as well as the work carried out on any structure, platform, installation, equipment or means of transport, including a trip to the mainland, and the return journey between the above-mentioned locations;

- 16) **ecological liability** – for compensation for losses to the extent that the Insured is liable for losses under the provisions incorporating Directive of the European Parliament and of the Council of 21 April 2004 on environmental liability with regard to the prevention and remedying of environmental losses into local law and under the provisions of the Act of 13 April 2007 on preventing environmental losses and compensation of such losses, as amended;
if a jurisdiction other than the one of other countries which incorporated the provisions of the above-mentioned Directive applies to the loss concerned, the liability of Colonnade shall be established, as if the liability of the Insured was governed by the provisions of the Directive;
- 17) **explosives or pyrotechnics** – in respect of the production, possession, use, transport, storage, sale or marketing of explosives or pyrotechnics, ammunition or fireworks;
- 18) **Pure Financial Losses** – for compensation for Pure Financial Losses;
- 19) **Close Relatives** – made by the Close Relatives of the Insured;
- 20) **failure to supply energy** – in respect of failure to supply electricity or heat or failure to comply with appropriate energy parameters when supplying such electricity or heat;
- 21) **Advertising Injury** – for compensation in respect of any Advertising Injury;
- 22) **airports and flying or floating objects:**
 - a) arising from ownership, possession or use of airports or landing places, aircraft or flying craft, vessels or floating craft, including hovercraft,
 - b) the insurance cover does not include claims for compensation for losses to aircraft or flying craft and vessels or floating craft.

SECTION II THIRD PARTY LIABILITY FOR CONDUCTING BUSINESS ACTIVITY AND POSSESSING PROPERTY

§ 7. Insurance cover

Colonnade's insurance cover shall include third party liability of the Insured to the extent specified by legislation in respect of any Property Damage or Bodily Injury caused to Third Parties in connection with the Insured Activity and arising from ownership of the property used for the performance of the Insured Activity.

§ 8. Insurance coverage restrictions

In addition, with regard to the exclusions defined in § 6 of the GTC, the insurance coverage specified in this Section does not include claims:

- 1) **motor vehicles:**
 - a) for losses arising from ownership, possession, use or other disposal of a motor vehicle or a trailer; however, this exclusion does not apply to:
 - any vehicles or trailers which are not subject to compulsory civil liability insurance required by the laws of their country of registration or use provided that the country concerned has implemented such a compulsory insurance scheme covering civil liability of vehicle and trailer owners,
 - for losses resulting from the use of equipment forming part of a motor vehicle or installed on such a motor vehicle or a trailer, provided that the vehicle is not moving at the time of loss,
 - losses caused during loading or unloading operations onto and from a means of transport,
 - b) for compensation for loss arising from the vehicle motion or operation referred to in (a) first indent above, machinery or equipment by persons who at the time of the Event were not entitled to drive or operate such equipment, unless the Insured – having exercised due diligence to verify whether the person who caused the loss has these entitlements – could have reasonably expected that the person concerned has appropriate entitlements; Colonnade shall retain the right of recourse with regard to the aforementioned persons – vehicle drivers or machine/equipment operators;
- 2) **property which is hired, controlled and the subject of the service** – for compensation in respect of any Property Damage to the movable property owned by a Third Party:
 - a) which has been used by the Insured under a rental, tenancy, leasing or lending contract or other civil law contract of a similar nature,

- b) made available to the Insured for the provision of any processing, cleaning or repair services or other services of a similar nature,
- c) submitted to the Insured for storage, which is in the custody or control of the Insured;
- 3) **Monetary Values, documents and works of art** – for compensation for Property Damage to Monetary Values, securities, archival collections, collections of philatelic or numismatic interest, works of art and jewellery, as well as items of historical, artistic or unique value;
- 4) **loss to service** – for compensation for any loss to the service completed;
- 5) **apparent defect** – for compensation for loss caused by a defective service, submitted while informing about the defect.

§ 9. Business travel – worldwide

1. Where the insurance cover is provided as specified in Section II of the GTC, Colonnade shall provide insurance cover for the Insured in respect of its third party liability, if Employees, whilst on a business trip in connection with the performance of their official duties or when performing these duties, cause any Bodily Injury or Property Damage.
2. With regard to any claims made against the Insured in respect of its third party liability for any Loss caused during the business trips of Employees, the insurance cover includes claims for losses incurred anywhere in the world or recovered in legal proceedings under the law of any country.

§ 10. Event organizer's liability

1. Where the insurance cover is provided as specified in Section II of the GTC, Colonnade shall also provide insurance cover for the Insured in respect of its third party liability to compensate for Bodily Injury or Property Damage caused to event participants by the Insured in connection with event organization activities. "Event participant" refers to any Third Party or Employee on the event site, subject to applicable event organization regulations.
2. In addition, with regard to the exclusions contained in § 6 and 8 of the GTC, the insurance does not include injured parties' claims:
 - 1) if the main business of the Insured is the organization of events;
 - 2) if the event meets the criteria for a mass event as defined by the Act of 20 March 2009 on the safety of mass events;
 - 3) for compensation for losses arising from organization of fireworks shows;
 - 4) who are members of the inspection or security staff.

SECTION III PRODUCT LIABILITY

§ 11. Insurance cover

Colonnade's insurance cover shall include third party liability of the Insured to the extent specified by legislation in respect of any Property Damage or Bodily Injury caused to Third Parties, if the Insured is obliged, for the purposes of marketing the Product or upon delivery of a Product not meeting the agreed criteria, to repair any Bodily Injury or Property Damage caused to Third Parties by that Product.

§ 12. Insurance coverage restrictions

In addition, with regard to the exclusions defined in § 6 of the GTC, the insurance cover does not include claims:

- 1) **Damage to Product** – for compensation for loss to Product;
- 2) **products used in aviation** – arising from losses caused by the Products used or installed in aircraft, flight systems or spacecraft;
- 3) **products dangerous for health** – arising in connection with the effects of these products or substances contained in the Product:
 - a) polychlorinated biphenyls (PCB),
 - b) genetically modified organisms (GMOs),
 - c) tobacco products,
 - d) formaldehyde,
 - e) silicon or silicon compounds, including quartz dust or quartz fibres,
 - f) dioxins;

- 4) **medicinal products** – for losses caused by medicinal products within the meaning of the Pharmaceutical Law Act of 6 September 2001 or by medical devices as defined in the Act of 20 May 2010 on medical devices;
- 5) **apparent defect** – for compensation for losses caused by a defective Product marketed as having the defect concerned and any Product not having a valid marketing authorisation, provided that such authorisation is required by the law of the country in which the Product is marketed, shall be considered defective, regardless of whether it has been marketed as having this defect;
- 6) **product misuse or use contrary to the user manual** – in respect of losses caused by the Product as a result of its misuse, use contrary to the attached user manual or another document describing the features and proper use of the Product;
- 7) **Product combining, mixing and processing** – for compensation for losses suffered by recipients of the Product for whom it is an element or component of the finished product, if the Product has been combined or mixed with other items or the Product has undergone further processing or treatment;
however, the insurance includes Bodily Injury and Property Damage caused by a defective finished product;
- 8) **removal and replacement** – in respect of any costs of detection, replacement, disclosure or removal of defective Products or services, as well as any resulting losses;
- 9) **delivery, repair or maintenance of machinery** – for compensation for losses suffered by Third Parties due to defects in manufactured goods, treated or processed by machinery or equipment, or any parts supplied by the Insured, as well as any machinery or equipment serviced by the Insured;
this exclusion does not apply to Bodily Injury and Property Damage caused by defective machinery, equipment or any parts thereof;
- 10) **Product Recall** – for losses arising from the Product or any part thereof being withdrawn from the market, regardless of the cause and method of withdrawal or whether or not the Product caused damage.

§ 13. Vendors

The insurance coverage specified in Section III includes Vendors as an Insured party, but only in respect of their third party liability for Bodily Injury and Property Damage arising out of distribution or sale of Products, provided that the coverage does not include claims:

- 1) arising out of a contract or other legal action by the Vendor, unless the Vendor is liable for loss in the absence of such contract or action;
- 2) arising out of a guarantee granted without the knowledge and consent of the Insured, subject to the exclusion defined in § 6(4) remaining in force;
- 3) resulting from any physical or chemical change in the Product introduced by the Vendor;
- 4) resulting from the Product being repackaged, unless this has been done solely for inspection, sample testing, demonstration and parts replacement purposes in accordance with the instructions of the Insured, and provided that the Product is then re-packed in its original packaging;
- 5) resulting from negligence on the part of the Vendor who failed to inspect, adjust, test or repair the Product, despite being contractually required to do so as part of its economic activities in connection with the sale or distribution of the Product;
- 6) resulting from demonstration, assembly, inspection or repair, except where such activities are carried out on the premises of the Vendor in connection with the sale of the Product;
- 7) caused by a Product which has been labelled with the Vendor's own brand name or used by the Vendor as packaging or an element of another product, or has been processed by the Vendor to produce another product.

The insurance coverage provided under this Paragraph does not apply to claims by persons from whom the Insured has purchased the Product, any component or part of the Product, or the packaging of the Product.

SECTION IV EMPLOYER'S LIABILITY

§ 14. Insurance cover

Colonnade's insurance cover shall include third party liability of the Insured to the extent specified by legislation, if the Insured is obliged in connection with the Insured Activity to repair losses caused to the Employee in the following cases:

- 1) Bodily Injury incurred as a result of an accident at work;
the insurance cover also includes third party liability of the Insured for Losses to Third Parties, in particular to a family member of the Employee, suffered as a result of his or her death;
- 2) Property Damage suffered by an Employee;
- 3) Pure Financial Loss suffered by an Employee as a result of the breach of personal data protection provisions – the exclusion defined in § 6.18) of the GTC does not apply to these cases.

§ 15. Insurance coverage restrictions

1. In addition, with regard to the exclusions defined in § 6 of the GTC, the insurance coverage does not include claims:
 - 1) arising out of occupational diseases;
 - 2) made by public entities liable to pay benefits in respect of accidents at work;
 - 3) arising from the obligations of the Insured towards Employees to the extent specified in the Act of 30 October 2002 on social insurance for accidents at work and occupational diseases;
 - 4) for losses to Monetary Values;
 - 5) for losses to items left behind in motor vehicles.
2. As regards the Events occurring outside Poland, if the liability of the Insured is claimed under the law of a country other than Poland, the insurance coverage shall be provided only to the extent that the claim cannot be satisfied through compulsory employer's liability (regardless of whether a compulsory insurance contract has been concluded), which the Insured was required to obtain prior to sending an Employee to work outside Poland.

SECTION V ENVIRONMENTAL LIABILITY

§ 16. Insurance cover

1. Colonnade's insurance cover shall include third party liability of the Insured to the extent specified by legislation, if the Insured is obliged in connection with the Insured Activity to repair any Property Damage or Bodily Injury caused to a Third Party as a result of the leakage, emission, evaporation or other release of Substance into water, soil or air (**Release**).
2. In addition, the insurance cover includes third party liability of the Insured towards Third Parties in respect of any costs incurred to neutralize and dispose of the Substance.
3. The insurance cover is provided subject to fulfilment of the following conditions:
 - 1) The release of the harmful Substance occurred as a result of a sudden, accidental and unforeseeable Event, despite due diligence by the Insured, as specified for the professional nature of the economic activity carried out by the Insured, which could not reasonably have been foreseen by the Insured;
 - 2) The Substance release which caused loss started in the insurance period specified in the Insurance Contract.

§ 17. Insurance coverage restrictions

In addition, with regard to the exclusions defined in § 6 of the GTC, the insurance cover does not include:

- 1) the costs of neutralising or removing the Substance from the property, including from the groundwater of the Insured, except where necessary to reduce the loss caused to Third Parties or the costs defined in § 16.2 of these GTC;

- 2) fines, administrative or court penalties, penal measures of a financial nature such as an obligation to remedy or compensate for losses suffered, liquidated damages, resulting directly or indirectly from Substance Release;
- 3) the effects of Substance release occurring in the United States of America or their dependencies or in Canada.
9. Subject to 30 days' notice, Colonnade may terminate the contract for the following important reasons:
 - 1) cessation of Colonnade's liability due to the Limit of Liability being exceeded upon payment by Colonnade of the benefits provided under the Insurance Contract, or
 - 2) the Policyholder or the Insured has breached its obligations under the Insurance Contract due to gross negligence or willful misconduct.

SECTION VI PROVISIONS APPLICABLE TO ALL SECTIONS

§ 18. Premium, insurance period, contract termination

1. Unless Colonnade and the Insured otherwise agree:
 - 1) the insurance period shall be one Year;
 - 2) the start and end date of the insurance period shall be determined in the Insurance Contract;
 - 3) the premium is payable in advance for the entire period of insurance and within the period or periods set out in the Insurance Contract;
 - 4) the premium should be paid upon execution of the Insurance Contract, and where such contract does not come into effect before the service of the Policy – within 14 days of its service;
 - 5) the insurance coverage shall commence on the first day of the insurance period specified in the Policy, no earlier however than the day following the day of payment of a premium or the first instalment thereof;
 - 6) the insurance cover shall commence at 00.00 of the first day of the insurance period and shall end at 11.59 PM of the last day of the insurance period.
2. The amount of premium is determined on the basis of an individual risk assessment, taking into account:
 - 1) the agreed Limit of Liability and Sublimits;
 - 2) Colonnade's liability under the Insurance Contract;
 - 3) the type of risk associated with a specific activity of the Insured, which is determined on the basis of the type and scale of the Insured Activity, the location and technical condition of the items owned by the Insured and its security and safety procedures.
3. The insurance period shall expire prior to the date of expiry specified in the Insurance Contract, if the Policyholder withdraws from the Insurance Contract, such a contract is terminated by notice or other circumstances occur, as prescribed by law or GTC, resulting in the earlier termination or expiration of the Insurance Contract.
4. If the Insurance Contract has been concluded for more than 6 months, the Policyholder may withdraw from the Insurance Contract within 7 days after its date. Such withdrawal does not release the Policyholder from the obligation to pay any premium due for the period for which Colonnade provided insurance coverage.
5. If the date of payment of a premium or the first instalment thereof has been set prior to the start of the insurance period, and the premium or the first premium instalment has not been paid, the insurance cover shall not commence and the Insurance Contract shall be automatically terminated.
6. Colonnade may terminate the Insurance Contract:
 - 1) due to delay in paying the premium, in accordance with the provisions of this Paragraph;
 - 2) where the Policyholder requests a premium reduction, in accordance with point 8 of this Paragraph;
 - 3) for important reasons, in accordance with point 9 of this Paragraph.
7. If Colonnade was held liable prior to payment of a premium or the first instalment thereof, and the premium or the first instalment thereof has not been paid in a timely manner, Colonnade may terminate the Insurance Contract with immediate effect and demand payment of the premium for the period for which it was held liable. If the Insurance Contract is not terminated, it shall expire at the end of the period for which the unpaid premium was due. In the event that a second or subsequent premium instalment is not paid in a timely manner, the provisions of point 15 shall apply.
8. Should the Policyholder request a premium reduction due to decreased risk of the Event (i.e. in the circumstances described in § 4.3), Colonnade may, within 14 days of receipt of such request, terminate the Insurance Contract with immediate effect.
10. The Policyholder may terminate the insurance contract with 30 days' notice.
11. Should Colonnade request a premium increase due to increased risk of the Event (i.e. in the circumstances described in § 4.3), the Policyholder may, within 14 days of receipt of such request, terminate the Insurance Contract with immediate effect.
12. The Contract expires on the last day of the notice period.
13. No termination shall be valid unless made in writing.
14. In the event that an insurance relationship is terminated before the end of the insurance period specified in the Policy, the Policyholder will be entitled to reimbursement of a premium payable for the period of the unused insurance cover.
15. If a premium is paid in instalments and the Policyholder fails to pay a second or subsequent premium instalment within the prescribed period, Colonnade will request the Policyholder in writing to pay the outstanding premium by allowing the Policyholder additional time for such payment of no less than 7 days after receipt of the request, while informing the Policyholder that any failure to pay the premium within that period will result in the cessation of Colonnade's liability. If the payment is not made within such additional period, Colonnade's liability shall cease to apply.
16. **Premium payment (stamp clause)**
Unless the parties to the Insurance Contract otherwise agree, a premium shall be payable by bank transfer to the account indicated by Colonnade in the Policy or another document.
If a premium payment is made by bank transfer or postal order, the date of payment shall be considered to be the date on which the bank transfer is effectively ordered or a date is stamped by the post on the postal order, provided that the amount of funds in the debtor's account is sufficient to execute the transaction. Otherwise, the premium is deemed to have been paid once Colonnade's account is credited with the premium amount.
17. In the event of termination of the Insurance Contract, the Policyholder is obliged to pay any premium due for the period in which Colonnade provided insurance cover, including a period of notice.

§ 19. Obligations of the parties arising from the Event

1. Where an Event occurs or the Policyholder becomes aware of a claim being filed against it by a Third Party in respect of the Event, the Policyholder shall immediately notify Colonnade of that fact, but not later than 7 days after the Event or becoming aware of its occurrence or becoming aware of any claims being filed against it by a Third Party, whichever is earlier.
Where the Insurance Contract is concluded on behalf of the Insured, the obligation referred to in the preceding sentence applies to the Insured, unless the Insured was unaware of the contract being concluded on its behalf.
2. In the event of a breach of the obligations set out in point 1 due to willful misconduct or gross negligence, Colonnade may reduce the amount of any payable benefit as appropriate, if, as a result of the breach, loss has been increased or Colonnade prevented from establishing the circumstances and effects of the Event.
3. The effects of failure to notify Colonnade about the Event do not apply, if Colonnade is informed of the notifiable circumstances within the agreed notification period.
4. Where an Event occurs, the Policyholder and the Insured are obliged to:
 - 1) use any means available to prevent or reduce the loss;
 - 2) ensure that any claims for losses against those liable for loss can be pursued and provide all necessary assistance to Colonnade to pursue claims against those liable for Loss, in particular to collect and place at the disposal of Colonnade any documents that can be used to ensure effective enforcement of recourse claims;

- 3) notify law enforcement authorities of the Event, if there are grounds to suspect that it occurred as a result of a prohibited act;
 - 4) give Colonnade all necessary clarifications and assistance to establish the facts of the Event, validity of the claims and the amount of benefit, and in particular to allow the visual inspection of the Event site, and to provide all data, information and evidence in the case and allow other actions necessary for this purpose to be carried out;
 - 5) immediately send to Colonnade copies of any pleadings, judgments and acts related to the occurrence of the Event, in particular to submit any court judgments or orders in sufficient time to allow Colonnade to express its opinion with regard to an appeal.
5. The Insured is exempt from the obligation to ensure that facts of the case remain unchanged following the occurrence of the Event or the recognition of its effects or scope, if:
- 1) the change of facts is necessary to secure the property remaining after the loss, reduce the loss or prevent any increase thereof;
 - 2) if this is necessary for safety reasons;
 - 3) the Insured is required to do so by national legislation, administrative or judicial decisions;
 - 4) if there is a risk that the Insured Activity may otherwise be terminated or disrupted.
6. If the Policyholder or the Insured, intentionally or through gross negligence, fail to apply measures as referred to in point 4.1), Colonnade shall not be liable for any resulting loss.
7. The Insured may not recognize liability, reach any settlement with a Third Party or pay any indemnity without the prior consent of Colonnade. Failure to obtain such consent will cause these actions by the Insured to have no effect on Colonnade's liability for the Insurance Contract.

§ 20. Payment of indemnity

1. Within 7 days following the receipt of a notice of the Event, Colonnade shall notify the Policyholder or the Insured of that fact, unless the Policyholder or the Insured is the person who sent the notice, and shall take measures to establish the facts of the Event, the validity of claims raised and the amount of benefit payable, while informing the claimant in writing or through other means as previously agreed with that person which documents are needed to establish the liability of Colonnade or the amount of benefit payable, where this is necessary to continue the procedure.
2. The Colonnade shall pay the benefit on the basis of a recognized claim, settlement or a final court judgement.
3. Colonnade is obliged to provide the benefit within 30 days after delivery of the notice of the Event.
4. Where it is impossible to clarify the facts necessary to establish the liability of Colonnade or the amount of payable benefit within the above-specified period, the benefit shall be paid within 14 days from the date on which these facts could be established on a best efforts basis. However, Colonnade will provide the undisputed part of the benefit by the deadline set out in point 3.
5. If Colonnade fails to pay the benefit within the period specified in point 3, Colonnade shall inform the Insured or the claimant in writing about the reasons for failure to satisfy its claims in whole or in part.
6. If the benefit is not payable or payable at a different rate than the one specified in the claim, Colonnade shall notify the Insured or the claimant accordingly, stating the facts and the legal basis for refusal to pay the benefit in whole or in part.
7. Unless the parties to the Insurance Contract otherwise agree, the indemnity due shall be, from time to time, reduced by the Deductible as specified in the Policy.
8. Where Colonnade considers that the sum of benefits arising from the Event has exceeded the Limit of Liability events or that any further defense against the claim is devoid of purpose, Colonnade may pay the Insured the amount of benefit up to the Limit of Liability (after deduction of any previous benefits and Deductible) or in the amount corresponding to the value of the claim. Upon payment of such benefit, Colonnade shall be exempt from the obligation to further defend the Insured against the claim.
9. Should the Insured disagree with the Colonnade's decision regarding the benefit, thus making it impossible to satisfy the claim, Colonnade shall not be liable for any resulting interest and additional costs, provided that it has given the Insured prior notice of this.

10. Should the Insured waive any of its rights against the Third Parties liable for Loss, Colonnade may seek reimbursement from the Insured of any benefits paid to the Third Party to the extent that the waiver by the Insured of these rights has contributed to the lack of effective pursuit of recourse claims against the Third Parties liable for Loss.

§ 21. Final provisions

1. The Insurance Contract shall be made in writing.
2. Any amendments to the Insurance Contract require the consent of Colonnade and the Policyholder and must be made in writing in order to be valid.
3. Any rights and obligations arising under the Insurance Contract concluded on the basis of these GTC may not be assigned without the consent of Colonnade.
4. Should any party to the Insurance Contract change its address without notifying the other party, any correspondence addressed to the last known address of the party to be notified shall take effect from the date on which that correspondence would have been delivered, had the party not changed its address. Likewise, any change of the registered office address of the party shall be governed by these provisions.
5. Any agreements concluded on the basis of these GTC shall be in accordance with Polish law.
6. Any action regarding the claims resulting from the Insurance Contract may be brought according to the principle of general jurisdiction or before a competent court having jurisdiction over the place of residence or the place of business of the Policyholder, Insured or any other person entitled under the Insurance Contract, as well as before a court having jurisdiction over the heirs of the Insured or any person entitled under the Insurance Contract.
7. All headings and titles of each section of these GTC are used for information purposes only and do not form part of the Insurance Contract.
8. In matters not provided for in the GTC, the provisions of Polish law shall apply.

SECTION VII ADDITIONAL ENDORSEMENTS

The provisions contained in the endorsements shall apply to the insurance contract only if the Policy or another document issued by Colonnade, and to the extent specified therein, so requires.

Endorsement No 1 – Losses incurred in the United States of America and Canada

1. Subject to the remaining provisions and exclusions contained in the GTC, contrary to the provisions of § 2.12 of the GTC, the insurance cover includes third party liability for losses incurred in all countries in the world, including the United States of America (or its dependencies) and Canada, and also includes any claims asserted:
 - 1) under the substantive law applicable in the United States of America and Canada, or
 - 2) before a court or state authority of the United States of America and Canada, regardless of where the loss was incurred.
2. In addition to other exclusions provided for in the GTC, the insurance cover does not include claims:
 - 1) against the organizational units of the Insured having their registered office or operating in the United States of America and Canada;
 - 2) in respect of liquidated damages, punitive or exemplary damages, administrative or court penalties, as well as any penal measures of a financial nature;
 - 3) arising out of ownership, rental or lease of premises for representative offices, warehouses, exhibition and conference rooms, production and service centers;
 - 4) arising from accidents at work or occupational diseases of Employees which occurred in the United States of America and Canada.
3. The exclusions set out in § 17.3) of the GTC and point 2.7) of Endorsement No 9 – Liability for Advertising Injury shall remain in force.

Endorsement No 2 – Representatives Clause

1. Subject to the remaining provisions and exclusions contained in the GTC, contrary to the provisions of § 6.5) of the GTC, Colonnade provides insurance cover for losses caused intentionally by Employees of the Insured, except for representatives defined as follows:
 - 1) at limited liability companies and joint-stock companies – board members or proxies;
 - 2) at limited partnerships or limited joint-stock partnerships – general partners or proxies;
 - 3) at registered partnerships – partners or proxies;
 - 4) at professional partnerships – partners or board members, proxies;
 - 5) at civil law partnerships – partners;
 - 6) at associations, cooperatives or foundations – board members.
2. Where loss is caused through willful misconduct, Colonnade shall retain the right of recourse against those who caused the loss.
3. The exclusion defined in § 19.2 of the GTC shall remain in force.

Endorsement No 3 – Pure Financial Losses

Subject to the remaining provisions and exclusions contained in the GTC, contrary to the provisions of § 6.18) of the GTC, the insurance cover shall include third party liability of the Insured for Pure Financial Losses, including those due to the inability to use property, if the effects of such restriction on the use of property are incurred as a direct result of any damage or destruction of Third Party property or property owned or used by the Insured, other than those arising from:

- 1) failure to meet deadlines or cost estimates;
- 2) exercise of functions as members of governing bodies of companies or other organisational units;
- 3) any activities related to money, credit, insurance or leasing transactions on the real estate market, and any payments or cash register activities, breach of trust or misappropriation;
- 4) storage, processing or provision of data in computer systems, including any loss of these data; the provisions of § 14.3) shall remain in force;
- 5) malfunction of any software or equipment on which it was installed, regardless of its cause;
- 6) failure by the Insured or its Employee to comply with the obligation to exercise care in the use of property;
- 7) the Product or service;
- 8) nuisance of any kind (e.g. noise, odour, vibration or shock);
- 9) activities in the field of consultancy, design, construction site or assembly management, control or surveillance, as well as from brokering activities of any kind;
- 10) defamation, slander, plagiarism, infringement of intellectual property rights, title rights, advertising slogan, infringement of patent law, competition and consumer protection laws, antitrust laws, infringement of an individual's right to privacy, as well as any rules governing personal data protection, and the provisions of Endorsement No 9 – Liability for Advertising Injury shall apply, if the endorsement is incorporated into the insurance contract;
- 11) loss of Monetary Values, savings books, documents, antiques and objects of historic value or securities;
- 12) the need to pay liquidated damages, fines, public-law debts, reimbursement of the price paid for the Product or any part thereof.

Endorsement No 4a – Damage to movable property leased

1. Subject to the remaining provisions and exclusions contained in the GTC, contrary to the provisions of § 8.2) a), the insurance cover shall be extended to include third party liability of the Insured for Property Damage to any movable property which has been used by the Insured to carry out the Insured Activity during the insurance period under any rental, tenancy, leasing or lending contract or any other civil law contract of a similar nature.
2. In addition, with regard to the exclusions defined in § 6 and § 8 of the GTC, the insurance does not cover losses:
 - 1) to motor vehicles, their equipment and any items left behind in these vehicles;
 - 2) to any items made of glass, porcelain, terracotta or ceramic, unless they form part of the item referred to in subpoint 1);
 - 3) caused by natural wear and tear.

Endorsement No 4b – Damage to property being subject of service

1. Subject to the remaining provisions and exclusions contained in the GTC, contrary to the provisions of § 8 (2)(b), the insurance cover shall be extended to include third party liability of the Insured for Property Damage to any movable property owned by Third Parties, if these items were made available to the Insured for the provision of any processing, cleaning or repair services or other services of a similar nature, incurred during the performance of the service, or if these items were stored by the Insured in connection with these services.
2. With regard to any risks covered by this endorsement, the definition of Property Damage is extended to include any financial damage caused by loss of property.
3. In addition, with regard to the exclusions defined in § 6 and § 8 of the GTC, the insurance does not cover losses:
 - 1) to motor vehicles, their equipment and any items left behind in these vehicles;
 - 2) to Monetary Values, documents and plans;
 - 3) to any items owned by the Insured in connection with the performance of any contract of storage;
 - 4) any movable property used by the Insured during the insurance period under any rental, tenancy, leasing or lending contract or any other civil law contract of a similar nature;
 - 5) to any means of transport and cargo;
 - 6) arising out of disappearance, swapping or inventory shortage of any item, as well as losses resulting from false statements, deception, extortion, blackmail, misappropriation, destruction, removal, concealment, alteration or forgery of any documents or identification marks, as well as misleading statements.

Endorsement No 4c – Damage caused to property delivered to the Insured for storage, under its custody or control

1. Subject to the remaining provisions and exclusions contained in the GTC, contrary to the provisions of § 8.2) c), the insurance cover shall be extended to include third party liability of the Insured for Property Damage to any movable property submitted to the Insured for storage, which is in the custody or control of the Insured.
2. With regard to any risks covered by this endorsement, the definition of Property Damage is extended to include any financial damage caused by loss of property.
3. In addition, with regard to the exclusions defined in § 6 and § 8 of the GTC, the insurance does not cover losses:
 - 1) to motor vehicles, their equipment and any items left behind in these vehicles;
 - 2) to Monetary Values and all kinds of documents;
 - 3) to securities, archival collections, collections of philatelic or numismatic interest, works of art and jewellery, as well as any items of historical, artistic or unique value;
 - 4) any movable property used by the Insured during the insurance period under any rental, tenancy, leasing or lending contract or any other civil law contract of a similar nature;
 - 5) to any movable property owned by Third Parties, if it was made available to the Insured for the provision of any processing, cleaning or repair services or other services of a similar nature;
 - 6) to any means of transport and cargo;
 - 7) arising out of disappearance, swapping or inventory shortage of any item, as well as losses resulting from false statements, deception, extortion, blackmail, misappropriation, destruction, removal, concealment, alteration or forgery of any documents or identification marks, as well as misleading statements.

Endorsement No 5 – Failure to supply energy or failure to supply energy in accordance with appropriate parameters

Subject to the remaining provisions and exclusions contained in the GTC, contrary to the provisions of § 6.20) of the GTC, the insurance cover shall be extended to include third party liability of the Insured for Property Damage or Bodily Injury resulting from failure to supply electricity, heat or utilities (gas, water or steam) or failure to comply with appropriate parameters when supplying such electricity, heat or utilities (gas, water, steam).

Endorsement No 6 – Mixing, blending and processing of the Product

1. Subject to the remaining provisions and exclusions contained in the GTC, contrary to the provisions of § 12.7) of the GTC, the insurance cover shall be extended to include third party liability of the Insured for losses suffered by Third Parties as a result of:
 - 1) **for mixing and combining** – defective products formed by combining or mixing the supplied Product with other items, or
 - 2) **for Product processing** – defective products formed by processing or working of a defective Product, unless it has been combined or mixed with other items, hereinafter referred to as finished products.
2. The insurance coverage shall be limited to:
 - 1) losses arising from damage to or destruction of the items combined or mixed with the Product of the Insured;
 - 2) the costs incurred for the production of finished products, excluding the costs of purchasing defective Products of the Insured and the costs of storing and disposing of a defective finished product;
 - 3) the additional costs incurred to remove defects in finished products to ensure their compliance with applicable legal or market requirements, and Colonnade shall not cover a portion of the costs, which corresponds to the ratio between the price of the supplied Product of the Insured and the sales price of a defect-free finished product;
 - 4) other losses incurred due to the fact that a finished product cannot be disposed of or can only be disposed of at a reduced price, and Colonnade shall not cover a portion of the losses which corresponds to the ratio between the purchase and sales price of the Product that could reasonably be charged for a non-defective finished product.
3. Within the scope of this endorsement, the exclusion of claims resulting from the provisions on warranty or non-conformity of goods, as specified in § 6.4), shall not apply.
4. The insurance does not cover:
 - 1) losses arising from any delay;
 - 2) the anticipated profit that was not achieved;
 - 3) any indirect losses other than that expressly covered by insurance;
 - 4) the costs incurred in removing, dismantling or disclosing defective Products and in replacing such Products with non-defective ones;
 - 5) the costs of product sorting and identifying, as well as the costs of repacking tested products, if necessary for sorting and identification purposes, unless the inclusion of these products was accepted by Colonnade.

Endorsement No 7 – Mantling and dismantling

1. Subject to the remaining provisions and exclusions contained in the GTC, contrary to the provisions of § 12.8) of the GTC, the insurance cover shall be extended to include third party liability of the Insured for the costs incurred by Third Parties due to the need to remove, dismantle or disclose defective Products and replace them through the assembly, placement or fixing of defect-free Products, provided that such replacement is feasible, cost-effective and justified.
2. The insurance coverage shall be limited to:
 - 1) the costs incurred by a Third Party to remove, dismantle, take out or clean a defective Product;
 - 2) the costs incurred by a Third Party to assemble or fasten a defect-free Product;
 - 3) the costs incurred by a Third Party when searching for a defective Product, including the costs of sorting in order to find a defective product, but only those incurred prior to installation.
3. Within the scope of this endorsement, the exclusion of claims resulting from the provisions on warranty or non-conformity of goods, as specified in § 6.4), shall not apply.
4. The insurance only covers the losses referred to in point 1 which is caused by the Product placed on the market following the extension of the insurance cover to include the provisions of this endorsement.

5. The insurance does not cover:
 - 1) the cost of re-delivering a defect-free Product, including the cost of transport to the person who suffered damage;
 - 2) lost profits that could have been achieved by a Third Party, had the Product been free of defects;
 - 3) any claims for damages resulting from a defective Product being assembled by the Insured through self-assembly, or where such Product is fitted at its request or on its behalf, provided that the exclusion does not apply to cases where the need for dismantling has arisen due to reasons other than the incorrect assembly of the Product.
6. Provided that a Third Party suffering damage can effectively seek repayment of the costs described in this endorsement from the Insured, the insurance cover shall include the costs of other appropriate replacement activities, including the cost of repairing a defective Product, where economically viable. In such case, the liability of Colonnade is limited to the amount that would be necessary to cover the costs of dismantling or replacing the defective Product. In all cases, these costs shall be reduced by the cost of re-delivering a defect-free Product, including the cost of transport.

Endorsement No 8 – Machinery Clause

1. **Insurance coverage**

Subject to the remaining provisions and exclusions contained in the GTC, contrary to the provisions of § 12.9) of the GTC, the insurance cover shall be extended to include third party liability of the Insured for losses suffered by Third Parties due to defects in items produced, worked or processed using the machinery, equipment or any parts thereof produced, delivered, mounted, repaired or maintained by the Insured.
2. The insurance coverage shall be limited to:
 - 1) losses arising from damage to or destruction of the items produced, worked or processed by such machinery or equipment;
 - 2) losses such as decrease in or loss of value of the items produced, worked or processed using such machinery or equipment;
 - 3) the costs incurred to produce, work or process the items described in (1) above;
 - 4) the additional costs incurred to remove defects in items produced, worked or processed using such machinery or equipment to ensure their compliance with applicable legal or market requirements;
 - 5) the costs incurred to identify and sort out defect-free items.
3. Under this endorsement, the date of loss shall be considered the date on which the item concerned is produced, worked or processed for the first time.
4. The insurance does not cover:
 - 1) losses arising from any delay;
 - 2) the anticipated profit that was not achieved;
 - 3) any indirect losses other than that expressly covered by insurance;
 - 4) the costs incurred in removing, dismantling or disclosing defective Products and in replacing such Products with non-defective ones.

Endorsement No 9 – Liability for Advertising Injury

1. Subject to the remaining provisions and exclusions contained in the GTC, contrary to the provisions of § 6.21) of the GTC, provided that the parties to the Insurance Contract have agreed to include Section II and Section III of the GTC therein, the insurance cover shall be extended to include third party liability of the Insured, if, due to the Advertising of the Insured Activity or the Product being made public, the Insured is required to repair the Advertising Injury as a result of any unintended and unforeseeable:
 - 1) defamation, slander or plagiarism, or
 - 2) infringement of intellectual property rights, title rights, advertising slogans or other intellectual property rights, or
 - 3) act of unfair competition or misappropriation of ideas, or
 - 4) infringement of an individual's right to privacy, committed through the Advertising.

2. In addition, with regard to the exclusions defined in § 6, § 8 and § 12 of the GTC, the insurance cover does not include claims for compensation for Advertising Injury:
 - 1) due to failure to perform or improper performance of a contract, with the exception of unauthorised misappropriation of any intellectual property right of the Third Party with whom the Insured has contracted;
 - 2) unrelated to the Advertising of the Insured Activity or the Products of the Insured;
 - 3) due to incorrect description or incorrectly stated price of the Product or the services provided or offered by the Insured;
 - 4) on the grounds that the advertised Insured Activity, the service of the Insured or the Product does not have the features or characteristics stated by the Advertising;
 - 5) which was first made public in a form accessible to Third Parties prior to entering into the Insurance Contract, and this exclusion does not apply, if an insurance contract previously concluded with Colonnade is continued without interruption and to the same extent as before over subsequent periods for a period of insurance of at least 3 months;
 - 6) caused by comparative advertising;
 - 7) caused by advertising broadcast in the United States of America or Canada, as well as any claims filed under the laws of the United States of America or Canada or before courts in the United States of America or Canada, or on the basis of judgments issued under the laws of the United States of America or Canada or by courts in the United States of America or Canada, whenever enforced;
 - 8) if the Insured Activity involves professional development of advertisements, publication of press or web releases, as well as production or broadcasting of radio or television programs.
- 2) **Consulting and Advisory Costs shall** mean any reasonable and necessary costs incurred by the Insured, with the written consent of Colonnade, to pay remuneration to consultants in respect of their product safety and hygiene services or public relation services provided in connection with the Insured Event;
- 3) **Product Recall Costs mean any reasonable and necessary costs** incurred by the Insured or any person acting on its behalf to remove or destroy the Product directly and solely due to the Insured Event; Product Recall Costs include, in particular:
 - a) the costs of advertising in newspapers, periodicals or other forms of printed advertising, announcements and advertisements in radio, television or electronic media, as well as the costs of correspondence necessary to effect Product Recall,
 - b) the transport and accommodation costs directly associated with Product Recall,
 - c) remuneration costs incurred to employ additional persons other than Employees solely to ensure Product Recall,
 - d) remuneration for overtime payable to Employees for the work carried out for the sole purpose of Product Recall,
 - e) business expenses repaid to those referred to in (c) and (d) who had covered such expenses from their own resources, including the cost of transport, incurred for the sole purpose of carrying out Product Recall,
 - f) the costs of renting additional warehouse space or storage area for Product Recall for a maximum period of 12 (twelve) months,
 - g) the costs of shipping the Product from purchasers, distributors or users to any location or locations indicated by the Insured,
 - h) the expenses incurred to properly dispose of any unused packaging and marketing materials regarding the withdrawn Product and intended for use by points of sale, unless such packaging or materials can be used or reused,
 - i) the actual costs of Product destruction or disposal, but only insofar as the application of a specific method, not typically used by the Insured for waste destruction or disposal, is necessary to avoid bodily injury, health disorder or death of any Third Party, or damage to or destruction of any Third Party item;

Endorsement No 10 – Civil liability for unfair practices by Employers

1. Subject to the remaining provisions and exclusions contained in the GTC, contrary to the provisions of § 6.6) of the GTC, Colonnade provides insurance cover for any Property Damage, Bodily Injury and Pure Financial Losses caused to Employees, both current and former, or any job applicants due to unfair practices by an Employer, for which the Insured can be held liable under civil liability.
2. Employers' unlawful practices shall mean in particular:
 - 1) unjustified, wrongful or unlawful termination of an employment contract;
 - 2) unjustified, wrongful or unlawful refusal to employ or unjustified deprivation of the right to be promoted;
 - 3) making misleading statements or posting misleading information in job advertisements;
 - 4) unlawful discrimination;
 - 5) sexual harassment, mobbing or any other workplace harassment;
 - 6) defamation;
 - 7) repression;
 - 8) causing traumatic experiences without justification and for no valid reason.
3. Colonnade shall cover Losses arising from the Events occurring during the insurance period and notified for the first time during the insurance period.
- 4) **Product Recall Costs Incurred by Third Parties** mean any reasonable and necessary Product Recall Costs Incurred by Third Parties, provided that the Product:
 - a) is manufactured on behalf of the Third Party solely for the purpose of sale or distribution under the Third Person brand, or
 - b) is a component of the product manufactured, processed, distributed or sold by the Third Party,
 provided that the Insured is legally obliged to reimburse the Third Person for any Product Recall Costs; Colonnade will pay indemnity in respect of any Product Recall Costs Incurred by Third Parties only up to the amount and to the extent that the Insured would have incurred, had it independently carried out Product Recall,
- 5) **Limit of Liability** means the upper limit of Colonnade's liability for one or all of the Losses, regardless of the number of:
 - a) Insured Events,
 - b) Insured persons,
 - c) Products;
- 6) **Product** means both the Non-Food Product of the Insured and the Food Product of the Insured;
- 7) **Non-Food Product** means:
 - a) any finished or semi-finished products and components notified to Colonnade through an insurance application for the period of insurance specified in this Insurance Contract or any appendices to such application, which meet the following criteria:
 - manufactured, processed or distributed by the Insured, or
 - manufactured by a subcontractor for the benefit of the Insured, or
 - sold or otherwise marketed by the Insured,
 - b) any new finished or semi-finished products and components not notified to Colonnade through an insurance application for

Endorsement No 11 – Product Recall Clause

1. Subject to the remaining provisions and exclusions contained in the GTC, contrary to the provisions of § 12(10) of the GTC, the insurance coverage shall be extended to include claims arising out of any Loss incurred as a result of the Product Recall due to the Insured Event, subject to the following provisions.
2. The definitions contained in this Endorsement apply only to the risks and insurance coverage specified therein:
 - 1) **Intentional Tampering with the Product** means any implied, actual or threatened, intentional and malicious or unlawful alteration or contamination of the Product by an Employee or any person who is not an Employee of the Insured with a view to making the Product unfit for use or dangerous to use or consume in accordance with its intended purpose, or creating such impression among the general public;

the period of insurance specified in this Insurance Contract or any appendices to such application, provided that:

- a written notification of these products is submitted to Colonnade at least 90 (ninety) days prior to them being placed on the market, and
- the Insured was not aware and, despite all due care, could not have been aware on the day of receipt of such written notification by Colonnade of the occurrence of any Defect or Intentional Tampering with the Product affecting the new Product, and
- Colonnade has agreed to include the new products in the insurance coverage and reserves the right to amend the Insurance Contract accordingly, including the premium provisions;

8) **Food Product** means:

- a) any current and digestible products of the Insured intended for human consumption or any of their ingredients, components or packaging, including any raw materials notified to Colonnade through an insurance application for the period of insurance specified in this Insurance Contract or any appendices to such application, which:
 - are in production, or
 - have been manufactured, processed, sold or distributed by the Insured, or
 - manufactured by a subcontractor for the benefit of the Insured, or
 - are prepared for sale or on sale,
- b) any new products not notified to Colonnade when signing the Insurance Contract, provided that:
 - a written notification of these products is submitted to Colonnade at least 90 (ninety) days prior to them being placed on the market, and
 - the Insured was not aware and, despite all due care, could not have been aware on the day of receipt of such written notification by Colonnade of the occurrence of any Accidental Contamination or Intentional Tampering with the Product affecting the new product, and
 - Colonnade has agreed to include the new products in the insurance coverage and reserves the right to amend the Insurance Contract accordingly, including the premium provisions;

9) **Accidental Contamination** means any unintentional contamination or improper labelling of the Food Product occurring during or as a direct result of its manufacture, preparation, processing, combining, mixing, packaging, sale or distribution, provided that the use or consumption of the Food Product:

- a) caused or could have caused diagnosable internal or external signs of bodily injury, health disorder or death of a Third Party within 360 (three hundred and sixty) days from its use or consumption,
- b) caused or could have caused any damage to or destruction of property;

10) **A Loss** includes the following reasonable and necessary:

- a) Product Recall Costs,
 - b) Product Recall Costs Incurred by Third Parties,
 - c) Consulting and Advisory Costs,
- incurred as a result of the Insured Event;

the loss includes only the expenses or costs incurred within 12 (twelve) months after the Insured has become aware of the Insured Event;

in the event that a claim is filed and a benefit received in respect of any Loss incurred in connection with the Product Recall caused by a single Insured Event, no benefit can be paid in respect of the same Product Recall in connection with another Insured Event;

- 11) **Defect** means any defects, deficiencies, shortages or defectiveness of a Non-Food Product posing a risk to users during use, or which caused or could have caused bodily injury, health disorder or death of a Third Party or any damage to or destruction of any Third Party property;
- 12) **Product Recall** means any withdrawal of a Product from the market due to the Insured Event directly related to the Product which:

- a) caused or could have caused bodily injury, health disorder or death of a Third Party, or
 - b) caused or could have caused any damage to or destruction of any Third Party property
- over which the Insured has intentionally lost actual control, either permanently or temporarily, in particular the right to exercise control over the property and its usage;

13) **Government Recall** means any Product Recall which meets the following criteria:

- a) withdrawal is ordered by a competent public administration body, or
- b) all conditions justifying the issue of a withdrawal order by a competent public administration body have been satisfied, despite there being no final administrative decision;

14) **Insured Event** means:

- a) Defect,
- b) Intentional Tampering with the Product,
- c) Accidental Contamination;

3. **Limit of Liability:**

- 1) the insurance covers any Loss in excess of the agreed Deductible and up to the Limit of Liability, which occurred as a result of any Insured Event occurring during the insurance period and notified to Colonnade in writing during the insurance period or within 30 (thirty) days after the end of the insurance period;
- 2) The Limit of Liability applies to all Losses arising during the period of insurance and notified to Colonnade during the insurance period or within 30 (thirty) days after the end of the insurance period;
- 3) The Limit of Liability shall be reduced by the amount of benefits provided by Colonnade, including where the benefits reducing the agreed Sublimits are provided; the Limit of Liability shall be from time to time specified in the Policy; once the Limit of Liability is exceeded, Colonnade's liability shall cease to apply; The Limits of Liability established for subsequent periods of insurance shall not add up.

4. **Deductible:**

- 1) means any amount or percentage specified in the Insurance Contract by which the indemnity payable by Colonnade in respect of any Loss covered by insurance is reduced each time;
- 2) the Insured shall be liable for any Losses up to the amount of Deductible; Colonnade shall be liable for any Losses in excess of the Deductible.

5. **Exclusions applicable only to this Endorsement**

In addition, with regard to the exclusions defined in the GTC, the insurance coverage specified in this Endorsement does not include any Losses or claims arising from:

- 1) withdrawal of a competing product similar to the Product;
- 2) any changes to customer preferences, economic conditions, competitive environment, population or seasonal fluctuations in sales;
- 3) natural decay, decomposition or any changes in chemical composition, including any changes to the combination of primary components, original packaging or its components or any reaction between them; this exclusion does not apply, if any decay, decomposition or change in chemical composition is directly caused by an error or omission in the Product manufacturing process;
- 4) non-compliance by persons other than the Insured with the latter's instructions for the storage, use or consumption of the Product;
- 5) fines, penalties, penal measures of a financial nature such as an obligation to remedy or compensate for damage suffered, pecuniary claims, including punitive or exemplary damages or other liabilities of a similar nature payable by the Insured;
- 6) a deliberate breach of any applicable laws or good market practices by the Insured or by the distributor to be complied with by the Policyholder in the following areas of activity:
 - a) testing, inspection, manufacture, storage, sale or distribution of the Product,
 - b) using the substances, components or packaging banned from use or identified as dangerous by relevant public administration bodies in order to prepare raw materials;

- c) keeping records of the production process in accordance with applicable legal standards;
- 7) any changes in legislation or individual consumer assessments regarding the safety of the Product or its ingredients;
- 8) any deliberate, malicious or unlawful action by Employees of the Insured, except for representatives defined as follows:
 - a) at limited liability companies and joint-stock companies – board members or proxies,
 - b) at limited partnerships or limited joint-stock partnerships – general partners or proxies,
 - c) at registered partnerships – partners or proxies,
 - d) at professional partnerships – partners or board members, proxies,
 - e) at civil law partnerships – partners,
 - f) at associations, cooperatives or foundations – board members,
 excluding any Intentional Tampering with the Product;
- 9) Any Product Recall initiated by a Third Party, or at the request of a Third Party, where such withdrawal is not due to the Insured Event;
- 10) Any Product Recall or Government Recall arising out of:
 - a) bioengineering, genetic engineering or genetic modification that any Product was subject to,
 - b) hormonal treatment that any Product has undergone,
 - c) irradiation that any Product has undergone,
 - d) BSE or TSE viruses (causing spongiform encephalopathies),
 - e) carcinogenic substances, regardless of whether these substances may also cause other non-carcinogenic effects;
- 11) exposure to asbestos and lead;
- 12) the events or circumstances relating to any defects or irregularities in the process of production, preparation and manufacturing of the Product that were known to the Insured prior to the beginning of the insurance period specified in the Policy, or of which the Insured could have been aware on a best efforts basis;
- 13) nuclear reactions, nuclear radiation or radioactive contamination, controlled or uncontrolled, regardless of whether such Loss results, directly or indirectly, in full or in part, from the Insured Event;
- 14) warlike activities, irrespective of whether the war, armed invasion or any other military action is formally declared, martial law or state of emergency, armed seizure of power, civil war, revolt, revolution, uprisings, protests, riots or social unrest, strikes, as well as Acts of Terrorism;
- 15) Product Recalls:
 - a) initiated due to the malfunction of the Product used for its intended purpose, including due to breach of any performance guarantee,
 - b) initiated due to the expiry date of the Product,
 - c) whose production, distribution or sale has been prohibited or which has been declared dangerous by a public administration body before the beginning of the insurance period,
 - d) due to the infringement of any copyrights, patents, trade secrets or trademark laws,
 - e) to the extent that the Insured's obligation to cover these liabilities exceeds the limits prescribed by law, e.g. due to the Insured having entered into a contract or taken another legal action, unless the liability would apply in the absence of such a contract or legal action.
- 16) counterclaims between persons Insured under the same Insurance Contract;
- 17) the need to pay the costs of designing, re-designing, creating or changing the design of the Product;

- 18) contamination of soil, groundwater, flora or fauna;
- 19) loss of revenue due to Product Recall.

6. Additional conditions

In addition to general insurance conditions, this Endorsement shall be governed by the following additional conditions:

1) Due diligence:

The Insured will exercise due care and diligence to avoid any Insured Event, and will make reasonable efforts to reduce the amount of Product Recall Costs arising from the Insured Event.

2) Obligations of the Insured upon occurrence of an Insured Event:

- a) where an Insured Event occurs, regardless of whether it is governed by the provisions of this Endorsement, the Insured shall immediately send, or arrange for others to send, a written notice to Colonnade containing the identification details of the Insured and stating the time, place and the specific circumstances of the Insured Event, as well as the estimated amount of Product Recall Costs; the Insured will immediately take all reasonable steps to minimize the associated costs and losses,
- b) the Insured will work with Colonnade and, at its request, provide assistance in the exercise of the right to seek payment of any excess of the benefit paid over the amount equal to the proportional share of the liability, and the right to seek exemption from liability, from persons or organizations other than the Insured under this Endorsement, which may be liable to the Insured for any incurred Product Recall Costs.

HANDLING OF COMPLAINTS

1. Colonnade will make every effort to ensure that its services, including any decision on pending claims, are provided to the highest industry standards, in accordance with the applicable insurance contracts and laws.
2. If you disagree with any decision made by Colonnade, please contact us for clarification and assistance in the amicable settlement of any disputes that may arise under the contract of insurance.
3. Any complaints by the Policyholder/the Insured, or any other person entitled to receive benefits under an insurance contract, who are individuals, should be submitted to the Insurer:
 - 1) in writing to the following address: Colonnade, ul. Marszałkowska 111, 00-102 Warsaw, or
 - 2) by phone: 22 528 51 00, or orally for the record during a visit to the Insurer's premises, or
 - 3) by e-mail: reklamacje@colonnade.pl.
4. The Insurer shall reply to any complaint in writing within 30 days of its receipt, and in particularly complex cases – within 60 days of its receipt. The response to the complaint may be sent by email, if the person submitting the complaint so requests and states the e-mail address.
5. In addition, you can submit your complaint to:
 - 1) Financial Ombudsman;
 - 2) The Polish Financial Supervision Authority which exercises control over the Insurer's activities in Poland;
 - 3) Municipal and District Consumer Advocates.
6. Notwithstanding the provisions of this Paragraph, the Policyholder/the Insured or any other person entitled to receive benefits shall have the right to assert and defend its claims by bringing an action before a court.
7. The Financial Ombudsman (www.rf.gov.pl) is authorised to carry out out-of-court settlement of consumer disputes.

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