

# **First Clal for a Safe Home**

## **The Apartment Insurance Policy**

It is hereby noted and agreed that the following policy version is translation from Hebrew.

In case of any discrepancies, the Hebrew version will prevail.

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This Policy Witnesses a Contract

**Between**

“Clal” Insurance Co. Ltd. 48 Menachem Begin Road, Tel Aviv,  
herein after "The Insurer" or "The Company"

**And**

The insured whose name is written in the Schedule, herein after "The Insured"

Whereby The Insurer agrees to pay the Insured Insurance benefits in respect of the insured events which occurred during the period of insurance, within the limits of the Sums Insured, in consideration of the premium and subject to all the definitions, exceptions, limitations, exclusions and general terms and conditions included in his Policy and/or in the Schedule.

**The insurance cover under each of the Chapters of this Policy and/or part of any of the Chapters of the Policy and/or additional covers noted in the Policy, will take effect only if it is expressly written in the Policy and/or in the Schedule that the insurance cover therefor is valid or inclusive.**

The above introduction, the Proposal form and the Schedule attached hereto, constitute an integral part of this Policy.



- 1 | **Accidental** - Sudden and unforeseen.
- 2 | **Additional Covers** - The clauses in the Chapters of the Policy in which additional insurance cover is granted, at the Insured's choice for **additional premium** and which are listed in the Schedule.
- 3 | **Apartment** - The building of the insured Apartment or the house described in the Schedule, balconies, pipes and sewerage and plumbing installations, heating installations, boilers, solar systems and telephone and electricity installations belonging to the Apartment, gates, fences and paved ways belonging to the Apartment, and all the fixed parts of the Apartment or which are permanently affixed to it, **but not parts of the Apartment used for a business only, unless written otherwise in the Schedule**. If the Apartment is in a Condominium, then the Apartment includes also the Insured's part in the common property of the Condominium, as well as the special fixtures of the Apartment.
- 4 | **Appraisal** - A document signed by an expert assessor which was submitted to the Company prior to occurrence of the insured event, describing every item mentioned therein and its value.
- 5 | **Burglary** - For the matter of insurance of business activities in an apartment, "Clal Home Businesses" only, Burglary means theft of the insured property from the insured Apartment, where entry into the Apartment or exit from the Apartment was effected with violence and leaving signs thereof.
- 6 | **Condominium** - A house registered in the Lands Register as a Condominium, and a dwelling unit containing two or more apartments and not registered as such.
- 7 | **Contents** - Any thing or object inside the Apartment building, **except those in the garden, the stairwell, on fences or on paved ways**, and which are owned by, in the possession of or the responsibility of the Insured or the Members of his Family, except for:
- a | **Motor vehicles, caravans, trailers, sea-craft and aircraft;**
  - b | **Animals;**
  - c | **Cheques and travelers cheques, travel, flight and sailing tickets, credit cards and lottery tickets;**
  - d | **Securities, bonds, share certificates, loan certificates;**
  - e | **Contracts, promissory notes, bills of sale, various certificates and documents;**
  - f | **Revenue stamps and postage stamps which are not part of a stamp collection;**
  - g | **Gold, silver or precious metal, in their crude state, diamonds and precious stones which are not part of a piece of jewellery;**
  - h | **Weapons, except for a personal weapon held under license, ammunition and explosives;**
  - i | **Manuscripts, plans, drawings, models, molds;**
  - j | **Books of account and other business books;**
  - k | **Equipment and stock used for a business, unless cover was purchased for business contents under Chapter 2 - "Comprehensive Insurance for Apartment Contents", and expressly written in the Schedule;**
  - l | **Items held on commission.**

- 8 | **Extension Clauses** - The clauses in the Chapters of the Policy granting insurance cover, without additional premium beyond the basic cover of the relevant Chapter.
- 9 | **Geographical Area** - The territory of the State of Israel and the territories it administers.
- 10 | **Indemnity Value** - The real value of the property at the time of occurrence of the insured event, taking into consideration wear and tear and depreciation, subject to Clause 5 - "Calculation of Indemnity (Indemnity Value)", in Part D - "General Terms and Conditions for all Chapters of the Policy".
- 11 | **Insured** - Anyone whose name is written in the Schedule as an Insured.
- 12 | **Insurance Benefits** - The amount which the Company will pay the Insured or the beneficiary, or in the name of the Insured to an employee or to a third party, upon the occurrence of the insured event which is insured under this Policy.
- 13 | **Insured Property** - The Apartment and/or the contents of the Apartment as defined and listed in the Schedule. The Insured Property for the matter of the Chapters, the extensions and/or the additional covers, shall be according to the definitions and provisions of each Chapter, each extension and/or each additional cover.
- 14 | **Period of Insurance** - The period in which this Policy is in force, starting on the date written in the Schedule as the date of the start of the insurance, and ending on the date written in the Schedule as the date on which the insurance ends.
- 15 | **Reinstatement Value** - Restoration, repair or replacement with new property of the same type and quality as the property which was lost or damaged, subject to Clause 4 - "Reinstatement value (new for old)", of the terms appearing in Part D - "General Terms and Conditions for all Chapters of the Policy".
- 16 | **Robbery** - For the matter of insurance of business activities in an apartment, "Clal Home Businesses" only, Robbery means penetration into the insured Apartment and theft of property therefrom, using violence or the threat of violence towards the Insured, Members of his Family, his guests or his housekeeping staff.
- 17 | **Schedule** - The document attached to this Policy, setting out the items and property of the Insured, the liabilities imposed upon him, the premium and the period of insurance, which constitutes an integral part of the Policy.
- 18 | **Sums Insured** - The amounts appearing in the Schedule, relating separately to the Apartment, the items of the property, the contents or to each item, type of item or any other Chapter in this Policy. [Upon the occurrence of the insured event, the Insured must prove the amount of his loss, its extent, its percentage, except for cases where stated otherwise in the Policy.](#)
- 19 | **The Insured's Family or Members of his Family** - The spouse of the Insured, his children, his parents or other relatives of the Insured, who live permanently together with the Insured in the Apartment.
- 20 | **Unoccupied Apartment** - An Apartment which is insured under this Policy and which has not actually been lived in regularly for more than 60 consecutive days.
- 21 | **Valuables** - Jewellery and gold and silver items, clocks, furs, stills cameras video cameras, musical instruments, medals, coins, stamps, pictures, works of art, carpets and statues.

**Part A -**  
General  
Definitions for  
all Parts of  
the Policy  
- Continuation



The insurance under this Chapter is valid only if purchased and the purchase is expressly written in the Schedule.

### The Insured Event

Loss or damage sustained by the Apartment during the Period of Insurance as a result of one or more of the risks listed below:

- 1 | Fire, lightning, thunder, as well as smoke which is exceptional and not a permanent feature.
- 2 | Explosion or combustion.
- 3 | Storm, including rain, snow and hail occurring during a storm, **excluding leakage of rainwater through the walls or ceiling or its absorption in them, and excluding damage to fences and gates.**
- 4 | Flooding or inundation from an external source of water.
- 5 | Falling aircraft, falling items from an aircraft, supersonic boom caused by aircraft.
- 6 | Contact or impact of vehicles with the Apartment, **except when the vehicle is driven by the Insured or Members of his Family.**
- 7 | Malicious acts,  
**but not -**
  - a | Malicious acts perpetrated when the Apartment is unoccupied;
  - b | Malicious acts perpetrated by the Insured or Members of his Family or with their consent;
  - c | Malicious acts perpetrated by persons who reside in the Apartment with the permission or the consent of the Insured.
- 8 | Theft, Robbery, Burglary or an attempt to perpetrate them, **but not when the Apartment is unoccupied.**
- 9 | Unlawful assembly or rioting.
- 10 | Earthquake, including any damage caused by earthquake, **unless the Insured waived this cover by signing a separate appendix to the Proposal form ("the Earthquake Appendix") and the waiver is written in the Schedule.** In case of loss or damage, the Insured shall bear a deductible at 10% of the Sum insured unless written otherwise in the Schedule.

### Special Term

The risks listed in Clause 7 and Clause 8 above shall be included in this Chapter, unless the Insured waived these covers in the Proposal form and the waiver was written in the Schedule.

### Extension Clauses

#### 1 | Expenses for architects

Expenses borne by the Insured due to the insured event, for the fees of architects, assessors, consultants, engineers, contractors, as well as legal expenses incurred for the repair, renovation or rebuilding of the insured building or part thereof, provided that the Company gave its consent in advance to the type of expense and its amount.

#### 2 | Expenses for removal of debris

Expenses borne by the Insured due to the insured event, for the removal of debris, cleaning and painting the damaged Apartment, reconnection to the electricity grid, the telephone network, the water grid, the sewerage system and the cables.

#### 3 | Loss of rent

Loss of rent of the insured Apartment or the expense in respect of rent actually incurred following the insured event, for accommodation for the Insured and the Members of his Family, as long as actions are taken in the Apartment for its repair, renovation, reinstatement and rebuilding, and as long as the Apartment is unfit for residence.

The compensation under this Extension Clause will be calculated at the customary rent for an apartment similar to the Apartment insured under this Policy, for a maximum period of six months starting on the date of occurrence of the insured event, or in a maximum amount not exceeding 10% of the sum insured of the Apartment - whichever is the lower amount, and that even if the total compensation exceeds the Sum insured of the Apartment. **The Insured shall not be entitled to Insurance benefits under this Extension Clause if it proves impossible to rebuild the Apartment for any reason.**

#### 4 | 10% Additional insurance

The cover under this Extension Clause is extended to include an additional sum insured exceeding the Sum insured written in the Schedule, the source of which is unexpected changes, extensions and physical additions to the insured property which were made in the Period of Insurance, provided that the Insured undertakes to pay the proportional part of the premium in respect of those changes. The maximum sum which The Insurer will pay in respect of this Extension Clause shall not exceed 10% of the Sum insured for the Apartment.

#### 5 | Store-room, auxiliary buildings and swimming pool

If the Apartment is not a Condominium, then the cover is extended under this Extension Clause to include damage to a store-room, swimming pool and other auxiliary buildings which are not affixed to the Apartment, including damage to an irrigation system, trees, bushes, plants, lawns caused by these risks only: fire, lightning, explosion, falling aircraft, objects falling from aircraft, supersonic boom caused by aircraft, impact of a vehicle with the Apartment, **excluding if the vehicle is driven by the Insured or by Members of his Family**, and against earthquake risk of purchased as aforesaid. The maximum amount which The Insurer will pay under this Extension Clause shall not exceed 0.5% of the Sum insured of the Apartment for a single item in respect of trees, bushes and plants and 5% of the Sum insured of the Apartment for all the occurrences which the Company will pay during the Period of Insurance, even in excess of the Sum insured written in the Schedule.

#### Additional Covers

The insurance for these covers shall take effect only if purchased and the purchase is expressly written in the Schedule.

#### 1 | Insurance of the value of the land of the Apartment in a condominium

##### Extent of Cover

If the Schedule states that this cover is valid, the Insured will be paid, upon the occurrence of the insured event and subject to the terms and conditions and exclusions below, the difference between the market value of the Apartment including the land

component at its value at the time of occurrence of the insured event, and the rebuilding value of the Apartment at that time, provided that direct damage was sustained by the Apartment at a rate of not less than 75% of the rebuilding value of the Apartment.

**The Sum insured** in respect of this cover will reflect the total and acceptable difference between a decrease of the market value of the insured Apartment, including the land component at the time of occurrence of the insured event, , from the restoration value of the insured Apartment at that time. Clause 20 - "Average" (Underinsurance), of Part D - "General Terms and conditions for all Chapters of the Policy", does not apply to this cover.

#### Special Terms

The Insured shall be entitled to Insurance benefits under this Chapter only if:

- a | He proved to the satisfaction of the Company that he did not receive and could not have received a lawful building permit and all the approvals required by law for reinstatement of the Apartment, or that there is another impediment to the reasonable reinstatement of the Apartment, provided that non-receipt of the permits and approvals, or the existence of another impediment as aforesaid, are reasons which are not dependent upon the Insured, and the Insured has no control thereof, and that the Insured's inability to restore the Apartment has continued for at least 6 consecutive months;
- b | He purchased a replacement apartment of the same kind and value, elsewhere in Israel;
- c | The Insured owns the Apartment and is not a tenant in perpetuity;
- d | It is expressly stipulated that:

- 11) The Insured undertakes to transfer, upon the occasion of receipt of the Insurance benefits under this cover, upon the Company's demand, his full rights in the Apartment which was damaged, including his share in the land on which the building was erected, where the rights and/or the Insured's share in the land are free of any debt, pledge,

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Insurance of the Building of the "Apartment"

- Continuation

mortgage, attachment or any third party right (herein- after “Transfer of the Rights”). Transfer of the Rights shall be effected by the Insured in favour of the Company or in favour of whoever the Company shall instruct;

- 12) For Transfer of the Rights, the Insured hereby undertakes that on the occasion of receipt of the Insurance benefits under this cover, he will convey to the Company irrevocable power of attorney over his signature, as well as official approvals that all the payments, taxes and levies on the Apartment have been paid, and will sign any document required, in the opinion of the Company, for Transfer of the Rights. For the matter of this clause, the payments shall also include the taxes and levies and land betterment tax, and consent fees, if and insofar as they are applicable to the Apartment, as well as any debt, fee or tax, the payment of which is required for Transfer of the Rights, except for acquisition tax;
- 13) The Insurer may offset from the Insurance benefits paid under this cover, any payment, tax or levy in connection with his rights in the Apartment and which apply to the Insured under the Policy and by law.

### **Exclusions from Cover**

The Insurer will not pay Insurance benefits if:

- a | The Insured did not reinstate the entire Apartment or part of it due the lack of sufficient funds;
- b | The Insured does not reinstate the insured Apartment at the address written in the Schedule;
- c | Prior to the occurrence of the insured event, a demolition order was given for the building in which the Apartment is located;
- d | The Insured is not the owner of the Apartment or is not a tenant in perpetuity.

## **2 | Insurance of damage caused by water and other liquids**

**The Insured Event** - Loss or damage sustained by the Apartment as a result of

escape or leakage of water, kerosene oil, diesel oil, or any other liquid from the plumbing and heating installations of the Apartment, including bursting or overflow of boilers and pipes, but not:

- a | The cost of the water;
- b | Damage of wear and tear, corrosion processes and rust of the boilers, pipes and of the plumbing installations themselves;
- c | When the Apartment is unoccupied.

### **Insurance Benefits**

Pursuant to Clause 1 - “Ways of Compensation, in Part D - “General Terms and Conditions for all Chapters of the Policy”, upon the occurrence of the insured event to the Apartment, the Insured shall be indemnified in one of two alternatives hereunder, as he chooses and as will be written in the Proposal form:

#### **Alternative A -**

#### **Repair of the damage by an independent plumber selected by the Insured**

If the Insured chooses the alternative of repair of the damage to the Apartment by an independent plumber, the Insured shall act in accordance with Clause 6 - “Claim for Insurance benefits”, and Clause 7 - “Submitting the Claim”, in Part D - “General Terms and Conditions for all Chapters of the Policy”.

#### **Alternative B -**

#### **Repair of the damage by the service provider**

If the Insured chooses the alternative of repair of the damage to the Apartment by the service provider whose name is written in the Schedule, the Insured shall submit immediate notice to the service provider and the Insurance benefits will be in the form of repair of the Apartment and restoring it, as far as possible, to its condition prior to the occurrence of the loss or damage.

### **Limitation of liability**

For the removal of doubt, the Company's liability due to damage caused by water or other liquids for swimming pools or a Jacuzzi in the courtyard of the Apartment, is in respect of the pipes which carry the liquids from the central heating room to and from the pool, and from the central heating room to and from the Apartment.



The insurance under this Chapter is valid only if purchased and the purchase is expressly written in the Schedule.

### The Insured Event

Loss or damage sustained by the Contents during the Period of Insurance, as a result of one or more of the risks listed below:

- 1 | Fire, lightning, thunder, as well as smoke which is exceptional and not a permanent feature.
- 2 | Explosion or combustion.
- 3 | Storm, including rain, snow and hail occurring during a storm, **excluding leakage of rainwater through the walls or ceiling or its absorption in them.**
- 4 | Flooding or inundation from an external source of water.
- 5 | Falling aircraft, falling items from an aircraft, supersonic boom caused by aircraft.
- 6 | Contact or impact of vehicles with the Apartment, **except when the vehicle is driven by the Insured or Members of his Family.**
- 7 | Malicious acts, **but not -**
  - a | Malicious acts perpetrated when the Apartment is unoccupied;
  - b | Malicious acts perpetrated by the Insured or Members of his Family or with their consent;
  - c | Malicious acts perpetrated by persons who reside in the Apartment with the permission or the consent of the Insured.
- 8 | Theft, Robbery, Burglary or an attempt to perpetrate them, **excluding:**
  - a | Theft when the Apartment is not used for dwelling only;
  - b | When the Apartment is unoccupied;
  - c | Perpetration by one of the Members of the Insured's family or by a person living in the Apartment with the permission or consent of the Insured;
  - d | Contents which are on an open balcony.
- 9 | Unlawful assembly or rioting.
- 10 | Earthquake, including any damage caused by earthquake, **unless the Insured waived this cover by signing a separate appendix to the Proposal form ("the Earthquake**

Appendix") and the waiver is written in the Schedule. In case of loss or damage, the Insured shall bear a deductible at 10% of the Sum insured unless written otherwise in the Schedule.

- 11 | Escape or leakage of water, kerosene oil, diesel oil, or any other liquid from the plumbing and heating installations of the Apartment, including bursting or overflow of boilers and pipes, **but not:**
  - a | The cost of the water;
  - b | Damage of wear and tear, corrosion processes and rust of the boilers, pipes and the plumbing installations themselves;
  - c | When the Apartment is unoccupied.

### Special Term

The risks listed in Clause 7 and Clause 8 above shall be included in this Chapter, unless the Insured waived these covers in the Proposal form and the waiver was written in the Schedule.

### Limitation of The Insurer's liability for Content Items

Unless written otherwise in the Schedule, or in the absence of an Appraisal, the Insurance benefits for loss or damage for each of the items of the Contents listed below is limited as part of the Sum insured of the Contents, to the percentages listed below:

- 1 | Cash and/or purchase vouchers - up to 1% of the Sum insured.
- 2 | Silver items- up to 10% of the Sum insured and up to 5% per item.
- 3 | Jewellery and gold items - up to 10% of the Sum insured for Contents and up to 2% per item.
- 4 | Sculpture, pictures, works of art, antiquities and collections of historical, scientific or artistic value - up to 10% of the Sum insured for Contents and up to 5% per item.
- 5 | Dinner services - up to 5% of the Sum insured for Contents.
- 6 | Carpets and furs - up to 10% of the Sum insured for Contents for each category.
- 7 | Stamp collect, coin collection - up to 5% of the Sum insured for Contents for each collection.

## Chapter 2 - Extension Clauses

Comprehensive Insurance for Apartment Contents  
- Continuation

Clause 12 - "Automatic Reinstatement of the Sum insured", in Part D - "General terms and Conditions for all Chapters of the Policy", shall not apply in respect of Extension Clauses 3 to 9 below:

### 1 | Breakage of mirrors, window panes, marble surfaces, glass and plumbing installations

**The Insured Event** - Loss or damage as a result of breakage which penetrates the entire thickness of "the insured property" installed in the Apartment and listed below:

**The Insured Property** - Glass fixed in windows and doors, mirrors, lampshades and glass surfaces used as tables or assembled in furniture, baths, wash-basins, toilet-bowls and marble surfaces in the kitchen and bathroom.

#### The cover under this Extension Clause does not include:

Damage to frames, settings, coatings, decorations and inscriptions of any kind whatsoever, and items of property which are cracked or defective, or expenses for transfer or replacement of frames or other apartment parts.

#### Limitation of Liability

Unless written otherwise in the Schedule, the limit of liability of the Company under this clause shall not exceed:

- a | 2% of the Sum insured for Contents per single item;
- b | 5% of the Sum insured for Contents for all the occurrences which the Company will pay throughout the Period of Insurance.

#### Special Terms

- a | Clause 20 - "Average Clause (Underinsurance)", in Part D - "General terms and Conditions for all Chapters of the Policy", does not apply to this Extension Clause;
- b | The limitation of liability at the percentages stated in this Extension Clause shall not apply if supplementary cover was purchased for All Risks to Apartment Contents under this Chapter.

### 2 | Accidental damage to fixed domestic electronic equipment

**The insured event** - Accidental physical loss or damage deriving from an external cause, to domestic electronic equipment which, by its nature, is fixed only, which is not in professional use: projectors, DVD equipment, television sets, video recorders, audio systems, personal computer, printer, scanner, facsimile machine, which are part of the Contents of the insured Apartment, when they are in the insured Apartment.

**Insurance benefits** - The Insurance benefits to which the Insured will be entitled under this Extension Clause shall be at reinstatement value, unless the item is more than five years old. **If these items are more than five years old at the time of occurrence of the insured event, the Insurance benefits will be paid at Indemnity Value.**

#### The cover under this Extension Clause does not include:

- a | Damage caused by or as a result of mechanical, electronic or electrical breakdown, including short circuit or high-voltage.
- b | Damage to CDs, cassettes, mouse, remote control device and drives of any kind;
- c | Mobile items of any kind, including stills cameras, video cameras, radio-tapes and CD players, hand-held computers, cordless telephones, telephones and two-way radios, laptop computer;
- d | Damage to items of property having a value in excess of NIS 10,000, unless cover was purchased in respect thereof and the purchase is written in the Schedule;
- e | Any damage to external data media, including the information stored therein.

### 3 | Loss or damage to clothing and personal effects of the domestic employees of the Insured

This Extension Clause covers damage to clothing and personal effects of the domestic employees of the Insured and his guests as a result of the insured event, when they are in the Apartment, in an amount not exceeding 5% of the Sum insured for Contents.

**4 | Personal effects outside the Apartment**

Damage to clothing, personal effects and jewellery of the Insured and Members of his Family will be covered when outside the Apartment within the Geographical Area, deriving from the insured event, **except for theft, and except when inside a vehicle**. The limit of liability for compensation under this clause is 5% of the Sum insured for Contents.

**5 | Key expenses**

This Extension Clause covers expenses actually incurred by the Insured or Members of his Family, due to loss or damage to any key, which was caused due to the insured event under this Chapter, which occurred in the insured Apartment, for the purpose of replacing keys or locks to outside doors of the residential Apartment or to other property belonging to the Insured or used by him, including a remote control device for a car or an electrically- controlled gate. **The maximum compensation in respect of this Extension Clause shall not exceed NIS 1,000 any one occurrence or for all the occurrences paid during the Period of Insurance**. This Extension Clause does not derogate from or limit the right of the Insured to Insurance benefits for an insured event to a key or lock under this Chapter.

**6 | Restoration of documents**

This Extension Clause covers reasonable and essential expenses actually incurred by the Insured or Members of his Family, for the reinstatement of personal certificates and personal documents due to the insured event under this Chapter. This Extension Clause does not cover the cost of the information which was lost or damaged. **The Company's liability is limited to 2% of the Sum insured for Contents, maximum NIS 7,500, in respect of all the occurrences paid during the entire Period of Insurance**.

**7 | The insured's liability as a tenant**

This Extension Clause covers the Insured's liability as a tenant occupying a rented apartment with an unprotected tenancy, due to damage to service rooms, garages and the auxiliary buildings which are property of the owner of the apartment who is not the Insured, or to the fixtures and accessories of the apartment owner which are in them and affixed to them, at a rate not exceeding 10% of the Sum insured for Contents, and which was

caused directly by the risks insured in the Chapter 1 - "Insurance of the Building of the 'Apartment' ", **except for earthquake, and when the apartment is occupied by the Insured. This Extension Clause does not constitute an additional sum insured.**

**8 | Property on the premises**

This Extension Clause covers loss or damage to the insured Contents when the Contents are outside the Apartment: in service rooms, a store-room or an auxiliary building which are at the insured address, at a rate not exceeding 10% of the Sum insured for the insured Contents, and provided that the aforementioned buildings are constructed of bricks or blocks or concrete or other massive construction and all their openings are locked, **but not:**

- a | **Loss or damage caused as a result of theft not in the course of Burglary;**
- b | **Loss or damage to business contents;**
- c | **Cash, electronic equipment, jewellery and valuables of any kind.**

**9 | 10% Additional insurance**

This Extension Clause covers an additional sum insured not exceeding 10% of the sum for the insured Contents, beyond the Sum insured stated in the Schedule in relation to the Contents of the Apartment, in respect of the causes listed below, provided that the Insured undertakes to pay the Company the additional proportional part of the premium in respect of changes arising from one of these:

- a | **An increase in the value of the Contents of the Apartment which occurred during the Period of Insurance;**
- b | **Improvements, additions and purchase of additional items to the Contents of the Apartment, made during the Period of Insurance.**

**10 | Agreed Value**

The Sums Insured and the Insurance benefits for jewellery, gold and silver items, carpets, medals, pictures and works of art only, shall be in accordance with their value as written in the Appraisal, provided it was made not more than two years prior to the date of the start of the present insurance. The terms of Clause 20 - "Average Clause (Underinsurance)", in Part D - "General Terms and Conditions for all Chapters of the Policy", shall not apply in respect of this clause.

## Additional Covers

These covers will take effect only if purchased and the purchase is expressly written in the Schedule.

### 1 | 10% All risks for jewellery and valuables

The cover under this clause will cover physical loss or damage sustained by the valuables owned by the Insured: **jewellery, clocks, gold objects, furs, cameras and video cameras only**, as listed in the Schedule and in the Appraisal, at a rate not exceeding 10% of the Sum insured for the Contents, while they are in the Apartment or temporarily outside the insured Apartment, provided that this sum is included in the Sum insured for the Contents. In the absence of an Appraisal, the compensation for a single item is limited to the sum of NIS 1,250.

If supplementary all risks insurance for the contents of an apartment is purchased, the extent of the cover under this clause will be 20% of the Sum insured for Contents.

The insured event, the terms and conditions, the limit of liability and the exclusions applicable to this clause are as stated in Chapter 3 - "All Risks Insurance for Valuable".

### 2 | Bicycle insurance

**The Insured Property** - Bicycles of any kind which are listed in the Schedule, **except for mopeds (motorized bicycles)**.

**The insured Event** - Accidental loss or damage to the insured property which is owned by the Insured or Members of his Family, anywhere in the State of Israel.

#### Exclusions from Cover

The Insurer will not pay Insurance benefits for or in respect of:

- a | The use of the insured property for racing, competition or hiring out;
- b | Theft of parts of the insured property unless the property was in a closed and locked place;
- c | Theft of the property when it was not secured with a chain or was not locked;
- d | The use of the insured property when it was not in good working order;
- e | The insured property when on loan to others.

#### Sum Insured and Insurance Benefits

The sum insured for the insured property and the Insurance benefits to which the Insured will be entitled under this cover, are based on reinstatement value.

### 3 | Insurance of business activities in the Apartment - "Cial Home Business"

The Company will indemnify the Insured upon the occurrence of the insured event under this Chapter, subject to the terms below, for damage sustained by the Business Contents as defined below, which are used for the business activities of the Insured as operator of an office or clinic which is managed in the insured Apartment named in this Policy.

#### Definition

**Business Contents** - Contents used for the business of the Insured, including furniture, equipment and fixed electronic equipment such as a computer, scanner, facsimile machine, printer, photocopy machine, etc.

#### Limitation of Liability

The maximum sum insured according to this chapter will not be more than NIS 50,000.

#### Exclusion from cover

The Insurer will not pay Insurance benefits under this clause for loss or damage due to theft.

### 4 | Lap-top computer insurance

The Company will indemnify the Insured in respect accidental of loss or damage to a lap-top computer, the details of which are listed in the Schedule, which is owned by the Insured or used by him for any purpose, or for which he is responsible, while it is in the Geographical Area. The insured event, the Insurance benefits and the exclusions from the cover which apply to this cover, are as stated in Clause 2 of the extensions to this Chapter - Accidental damage to fixed domestic electronic equipment, with the following changes:

- a | The words "lap-top computer in Exclusion c of Clause 2 of the extensions to this Chapter, are void;
- b | If the age of the item at the time of occurrence of the insured event is more than 3 years, the Insurance benefits will be paid at Indemnity Value.

#### Exclusion from Cover

The Insurer shall not be liable for theft of the computer from a parked and unattended vehicle, or for damage sustained by the computer during transfer or shipment unaccompanied by the Insured or a person acting on his behalf.

## 5 | Supplementary insurance - All risks for Apartment contents

The Company will indemnify the Insured under this cover for accidental physical loss or damage, from any cause not included in the risks listed in the insured event and the Extension Clauses of this Chapter, to the Contents of the Apartment at the address written in the Schedule, from any cause whatsoever which is not excluded under the exclusions and limitations of this Chapter and the exclusions listed in Part C of this Policy - "General Exclusions for all Chapters of the Policy".

### Precondition for insurance cover under this Chapter:

Appraisal of the Contents by a qualified appraiser and determination of the Sums Insured according to the Appraisal.

### Extension Clause for deterioration of the contents of a refrigerator

The Company will indemnify the Insured under this Extension Clause in respect of deterioration of the contents of a refrigerator caused due to interruption of the operation of the refrigerator as a result of the insured event, including interruption of operation due to mechanical or electrical breakdown of any kind. The amount of compensation under this Extension Clause shall not exceed NIS 2,000 any one occurrence and for all occurrences during the Period of Insurance.

### Limitation of Liability

The Company's liability for:

- a | Items of Contents and valuables in respect of which the Company's liability is limited under this Chapter, is limited up to the sum of the limitation;
- b | The Extension Clauses listed in this Chapter is up to the limit of liability stated for each Extension Clause;
- c | A collection of non-Israeli stamps shall not exceed 60% of the value stated in the latest Stanley Gibbons catalogue. Israeli stamps will be valued at current market prices but not higher than the Sum insured;
- d | An item or items which are part of a series or set, is limited to loss or damage sustained by the item/s which were damaged, irrespective of any decrease in value of the series as a result of such loss or damage.

## Exclusions from Cover

The Insurer shall not pay Insurance benefits under this Chapter for loss and/or damage caused by and/or deriving from one or more of the following causes:

- a | Cover 2 - "Bicycle insurance", Cover 4 - "Lap-top computer insurance", which can be purchased under this Chapter;
- b | Any event which was defined as an insured event under Chapter 3 - "All Risks Insurance for Valuables", Chapter 4 - "Insurance of Property in a Bank Safe Deposit Box", Chapter 5 - "Insurance of damages from acts of terrorism", Chapter 6 - "Third Party Legal Liability Insurance", Chapter 7 - "Employers' Liability Insurance", and which can be purchased in consideration of additional premium;
- c | Wear and tear caused by a cleaning, repair or renewal process;
- d | Splitting open, overwinding or internal damage to a clock;
- e | Scratches or cracking of the coating of furniture or domestic electrical appliances or any coatings;
- f | Damage to banknotes, securities and cash;
- g | Damage to strings and damage by scratching, biting or damaging of a musical instrument, unless caused as a result of the standard risks in this Chapter;
- h | Damage to Contents of the Apartment used for the business or profession of the Insured, even if insurance for business activities in the Apartment under this Chapter was purchased;
- i | Contact lenses and glasses of any kind, pens, dentures, including false teeth and hearing aids, wigs, mobile telephones and palm computers;
- j | Property anywhere outside the Apartment.

## Sums Insured and Insurance Benefits

The Sums Insured and the Insurance benefits to which the Insured will be entitled under this Chapter are based on reinstatement value.

## Chapter 2 -

Comprehensive Insurance for Apartment Contents

- Continuation



The insurance under this Chapter is valid only if purchased and the purchase is expressly written in the Schedule.

### The Insured Event

Physical loss or damage sustained by the valuables listed in the Schedule and in the Appraisal, which are owned by the Insured and the Members of his Family, when they are in the insured Apartment or temporarily outside the insured Apartment in the Geographical Area.

### Cover for Valuables Outside the Geographical Area

If specifically written in the Schedule and in consideration of payment of additional premium, the insured event will be extended to include valuables owned by the Insured or Members of his Family when they are temporarily outside the Geographical Area defined under this Policy.

### Limitation of Liability

The Company's liability under this clause is limited as follows:

- 1 | If an item which was lost or damaged constitutes part of a set of items, a series or a pair, the Company's liability shall be limited to the insured material proportional part of the item which was lost or damaged in that set of items.
- 2 | For a stamp collection of the Insured, the Company's liability shall be limited to 60% of the value stated in the latest Stanley Gibbons catalogue. Israeli stamps will be valued at current market prices but not more than the Sum insured.
- 3 | To the sum stated in the Appraisal or the real value of the item on the date of occurrence of the insured event, whichever is the lower amount.

### Exclusions from Cover

The Insurer will not pay Insurance benefits for loss or damage which is caused by, derives from or is due to:

- 1 | A cleaning, renewal or painting process, internal damage to clocks, and damage to their glass or coatings, for any reason whatsoever.
- 2 | Damage to property used by the Insured for the purposes of his business or profession.

- 3 | Damage sustained by property when loaned to another.
- 4 | Damage caused when the Apartment is unoccupied.
- 5 | Damage to precious stones and semi-precious stones which are not set in a piece of jewellery.
- 6 | Damage to stamps due to being touched by hand.
- 7 | Damage to strings and damage caused by scratching or biting or damaging of musical instruments, unless the damage was caused as a result of the standard risks of Chapter 2 - "Comprehensive Insurance for Apartment Contents".
- 8 | Theft of the property from an unattended parked vehicle, and damage to the property during transfer or shipment not accompanied by the Insured or a person acting on his behalf.

### Agreed Value

The Sums Insured and the Insurance benefits for jewellery, gold and silver items, carpets, medals, pictures and works of art only, shall be in accordance with their value as written in the Appraisal, provided it was made not more than two years prior to the date of the start of the present insurance. The terms of Clause 20 - "Average Clause (Underinsurance)", in Part D - "General Terms and Conditions for all Chapters of the Policy", shall not apply in respect of this clause.



The insurance under this Chapter is valid only if purchased and the purchase is expressly written in the Schedule.

**The Insured Property** - Contents of the safe deposit box registered in the name of the Insured in the bank, detailed in the Schedule, including jewellery, precious stones, coins and stamps, the description and value of which appear in the Appraisal, registered securities, bearer securities, cash, purchase vouchers, cheques and notes.

**The Insured Event** - Accidental loss or damage sustained by the insured property while it was in a safe deposit box in a bank in the Geographical Area.

### Exclusions from Cover

The Insurer will not pay Insurance benefits for:

- 1 | Unexplained disappearance, shortage or loss.
- 2 | Theft which is not a Burglary using force and violence, except for use of the key to the safe deposit box which was obtained unlawfully.
- 3 | Dishonesty or fraud of a bank employee acting alone or through others.
- 4 | The value of the information stored in documents, contracts, maps, plans, tape recordings and photographs.
- 5 | Consequential loss incurred by the Insured, Members of his Family or a beneficiary as a result of the insured event, including a change in the price of securities or a change in the value of the currency.

### Limitation of Liability

The Company's liability in respect of:

- 1 | A stamp collection comprising non-Israeli stamps shall not exceed 60% of their value as stated in the latest Stanley Gibbons catalogue.
- 2 | A collection of Israeli stamps shall not exceed 80% of their market value of the date of the event.
- 3 | Securities are limited to the market value of those securities on the date of the event.

- 4 | Cash, purchase vouchers, cheques and notes are limited to their face value.
- 5 | Jewellery, precious stones and semi-precious stones are limited to their market value on the date of the event.

### Special Term

Clause 20 - "Average Clause (Underinsurance)", of Part D - "General Terms and Conditions for all Chapters of the Policy", shall not apply under this Chapter.



The insurance under this Chapter is valid only if purchased and the purchase is expressly written in the Schedule.

The insurance under this Chapter covers loss or damage upon the occurrence of the insured event, subject to the following definitions and terms:

### Definitions

**The Insured Event** - Physical loss or damage to the insured property when it is in the Apartment named in the Schedule, caused as a result of an Act of Terrorism as defined below.

**The Insured Property** - The Apartment and/or its Contents at the address written in the Schedule under Chapter 1 - "Insurance of the Building of the 'Apartment' " and/or Chapter 2 - "Comprehensive Insurance of Apartment Contents", respectively, provided that the insurance cover for those Chapters was purchased. Accordingly, the words "terrorist attacks" appearing in Clause 1 of Part C - "General Exclusions for all Chapters of the Policy", are hereby voided with regard to Chapter 1 - "Insurance of the Building of the 'Apartment' ", and Chapter 2 - "Comprehensive Insurance for Apartment Contents".

**The Law** - The Property Tax and Compensation Fund Law, 5731-1961, and its Regulations.

**Act of Terrorism** - Sabotage or an act harmful to the Insured Property, which was perpetrated with violence for political purposes, including the use of violence for the purpose of intimidation of the public or part of the public, by a person or persons, whether acting in the name of or in connection with any organization and not, and including acts perpetrated in order to advance the uprising known as the "intifada".

In the matter of this Chapter, an "Act of Terrorism" is also loss or physical damage deriving directly from the action of a competent legal authority for purposes of repression, minimization or prevention of the results of an Act of Terrorism.

### Exclusions from Cover

The Insurer shall not pay Insurance benefits for loss or damage:

- 1 | Caused by or deriving from Burglary or theft by persons taking part in an Act of Terrorism.
- 2 | Caused by or deriving from the requisition, sequestration or seizure of the property described or the premises in which it is found.

- 3 | Caused directly or indirectly by an act, action or incident in connection with war, invasion, a foreign enemy, including acts of hostility or acts similar to acts of war, whether declared or not, which were perpetrated by the forces of a country which is a member state of the United Nations and has voting rights in the General Assembly of that organization.

- 4 | Which is a consequential loss of any kind, except as stated in the Policy regarding loss of rent or expenses in respect of rent for residence due to the insured event.

### Limitation of Liability

The Company's liability under this Chapter is limited only to the amount of the difference between the reinstatement value of the Insured Property as defined in Part A - "General Definitions for all Chapters of the Policy", and the compensation due to the Insured pursuant to the Law, and the Company shall not be liable to pay any amount which was paid by the Property Tax and Compensation Fund or would have been paid by them but was not paid due to non-compliance with the provisions of the Law or because of failure to submit a claim to the Property Tax and Compensation Fund.

In any case, the Insurance benefits under this Chapter shall not be less than 10% of the sum actually paid by the Property Tax and Compensation Fund.

### Special Term - Duty of Proof

In any claim for Insurance benefits, the burden of proof that the damage is damage caused by an Act of Terrorism, is imposed upon the Insured. In proof thereof, the Insured will present to the Company written confirmation from the competent entities, confirming that the damage was caused by an Act of Terrorism.



The insurance under this Chapter is valid only if purchased and the purchase is expressly written in the Schedule.

The Company will indemnify the Insured in respect of amounts which he is required to pay as compensation to a third party pursuant to the Law, in respect of the insured event which occurs within the Period of Insurance in the Geographical Area, all within the limits of liability written in the Schedule.

### Definitions

**The Law** - The Torts Ordinance (New Version), 5728-1968.

**The Insured** - The Insured under this Chapter is the Insured and Members of his Family.

**The Insured Event** - An unforeseen event causing:

- 1 | Death, sickness, physical injury to the body, psychological or mental impairment.
- 2 | Physical damage to property.

### Legal Expenses

The Company will indemnify the Insured for reasonable legal expenses which the Insured must bear due to the Insured event, **even in excess of the limit of liability**.

### Exclusions from The Insurer's Liability

This insurance does not cover the liability of the Insured due to the harm of damage listed below and/or deriving from, directly or indirectly, due to, by, out of or in connection with:

- 1 | Any crane, lifting machine, motor vehicle or any means of transportation including sea-craft.
- 2 | Any agreement which imposes upon the Insured a liability, without which the liability would not apply.
- 3 | An animal, except for domestic dogs and cats, regarding which the Insured complied with the provisions of the Law and of the competent authorities. The cover for domestic dogs does not include Rotweiler and Amstaff (pit bull terrier) dogs, unless stated otherwise in the Schedule.
- 4 | Damage which can be insured under the property insurances in this Policy.
- 5 | Damage to an employee of the Insured.

- 6 | Damage to anyone who resides permanently with the Insured in the Apartment, and damage to the parents of the Insured even if they do not reside permanently with the Insured.
- 7 | Damage to property owned by or under the supervision, responsibility, control or in the possession of the Insured.
- 8 | Any damage to property which the Insured operated on the time of occurrence of the Insured event.
- 9 | Performance of works, changes, repairs, additions in the premises and any damage to the property or building which are adjacent to the premises of the Insured, which is caused as a result thereof, unless the duration of the works does not exceed two weeks. In any case, the works will be carried out in accordance with the law and with a license, as required, and by a skilled workman.
- 10 | The profession or occupation of the Insured, unless the Insured purchased cover for business in the home under Chapter 2 - "Comprehensive Insurance for Apartment Contents", and the purchase is written expressly in the Schedule.
- 11 | The professional liability of the Insured or any person acting on his behalf.
- 12 | Any liability which can apply to the Insured in connection with products which were manufactured, sold, supplied, installed, handled, assembled, marketed or imported by the Insured or any person acting on his behalf after they left his possession.
- 13 | The Insured's liability as owner of holder of an apartment or building or property which are not insured under this Policy.
- 14 | Liability in respect of a personal weapon which is not held by the Insured under license or which is unlawfully operated.



The insurance under this Chapter is valid only if expressly written in the Schedule.

The Company shall indemnify the Insured under this Chapter in amounts which the Insured will be found liable to pay as compensation to his employees, pursuant to the Law, in respect of the Insured event, which occurs within the Period of Insurance in the place described in the Schedule and in the Geographical Area, all within the limits of liability stated below.

### Definitions

**The Law** - The Torts Ordinance (New Version), 5728 -1968.

**The Insured Event** - Death, physical, mental or psychological injury as a result of sickness or accident, caused during the Period of Insurance to an employee of the Insured while in the direct service of the Insured and receiving his salary from him, in the course of and due to his work.

### Legal Expenses

The Company will indemnify the Insured in respect of reasonable legal expenses which the Insured must bear due to the Insured event, **even in excess of the limit of liability.**

### Limits of Liability

The Company's liability under this Chapter shall not exceed the amounts stated below:

- 1 | One Insured event which occurred to one employee in the Period of Insurance - shall not exceed the sum of NIS 20,000,000.
- 2 | One Insured event which occurred to several employees in the Period of Insurance - shall not exceed the sum of NIS 20,000,000.
- 3 | All the Insured events which occurred during the Period of Insurance - shall not exceed NIS 20,000,000.

### Exclusions from The Insurer's Liability

This insurance does not cover the liability of the Insured due to injury or damage deriving from, directly or indirectly, due to, by, out of or in connection with:

- 1 | Any agreement which imposes upon the Insured a liability, without which the liability would not apply.
- 2 | Any amount for which the Insured is sued by the National Insurance Institute.

- 3 | Any amount which was paid by the National Insurance Institute in respect of the injury, death or sickness, or which would have been paid by the National Insurance Institute but was not paid due to non-compliance with any of the provisions of the National Insurance Law or its Regulations, or because of failure to submit a claim to the National Insurance Institute.
- 4 | An accident or sickness suffered by a youth who was employed in contravention of the provisions, the laws or the regulations relating to the employment of youth or not in accordance with those laws or regulations.
- 5 | Any liability deriving from the use of motor vehicles, aircraft or sea-craft.
- 6 | Silicosis or asbestosis.
- 7 | An Insured event which occurred to an employee of the Insured who is employed by the Insured for the purpose of the Insured's occupation in the Apartment at the insured address, unless cover was purchased and the purchase is expressly written in the Schedule.

### Additional Cover

#### Business activities carried out from inside the insured Apartment

If a premium was paid and written in the Schedule, this Chapter shall cover the Insured's employees who are employed for the purpose of the Insured's business in the Apartment at the insured address, in clerical work, sales and/or cleaning, provided that the number of employees employed by him does not exceed three.



The Company shall not be liable under this Policy for any loss or damage or liability caused directly to indirectly by, by means of or as a result of:-

- 1 | War, enemy action, terrorist attacks.
- 2 | Civil war, rebellion, military or civilian uprising, revolution.
- 3 | Nuclear radiation, radioactive pollution, nuclear processes and any loss or damage due to nuclear material or nuclear waste.
- 4 | Seizure, expropriation, requisition or destruction of property by the government, the army, a local authority or any person acting lawfully.
- 5 | Loss or damage caused to electrical instruments and to electrical installations as a result of over-voltage, overload, short circuit, electric arc and self-heating.
- 6 | Mechanical or electronic breakdown or failure.
- 7 | Pollution of any kind except pollution resulting from a sudden accidental event.
- 8 | Natural wear and tear, amortization or deterioration of any kind whatsoever, rust, decrease of value, humidity or damage resulting from atmospheric or climatic factors of gradual effect.
- 9 | Loss or damage caused by or deriving from moth, other insects, worms, gradual deterioration and any defect which is inherent to the insured property.
- 10 | Fines, compensation, double Indemnity, punitive compensation imposed upon the Insured and any pure financial loss not deriving from damage or connected with the insured event.
- 11 | Breach of trust, deceit, dishonesty, fraud.
- 12 | Malicious acts perpetrated by the Insured or Members of his Family or with their consent or on their behalf.
- 13 | Motor vehicles. for the purpose of this exclusion, motorized gardening machines will not be taken into consideration.
- 14 | Any liability in respect of a claim deriving, directly or indirectly, from the Road Accidents Victims' Compensation Law, 5735 -1975.
- 15 | An insured event under a Chapter regarding which the insurance is not written in the Schedule as being valid.
- 16 | An event excluded from the insurance according to exclusions or in any other way in any Chapter or clause or extension or in the Schedule.



## 1 | Methods of compensation

**In case of damage to the insured property, insurance benefits may be effected at the choice of the company in one of the following ways:**

- a | Payment of the value of the loss or damage;
- b | Repair of the Apartment or the Contents lost or damaged, and their restoration to a condition similar to that prior to the occurrence of the loss or damage;
- c | Replacement of the Contents or parts of the Contents or replacement of parts in the Apartment with items of the same kind and quality as those which were lost or damaged.

## 2 | Linkage of the sums insured

- a | If this Policy states a Sum insured denominated in or linked to any currency, all the payments associated with and deriving from this Policy, including the premium, deductible and Insurance benefits, are denominated in or linked to the same currency;
- b | The Sums Insured stated in this Policy shall vary in accordance with changes between the Consumer Price Index ("the CPI") last published by the Central Bureau of Statistics prior to the start of the Period of Insurance, and the CPI last published prior to the occurrence of the insured event;
- c | At the Insured's request, as written in the Proposal form and in the Schedule, the Sums Insured will be linked to an agreed foreign currency ("the Agreed Currency") and will vary in accordance with the changes between the exchange rate of the Agreed Currency last published prior to the start of the Period of Insurance and the exchange rate of the Agreed Currency last published prior to the occurrence of the insured event;
- d | If during the Period of Insurance, the Sums Insured are increased at the request of the Insured, not as a consequence of the linkage to the CPI or to the Agreed Currency, any such increase shall constitute an additional basis upon which the above linkage terms will be based, and the basis for the increase will be the latest CPI or

exchange rate of the Agreed Currency published prior to the date on which the increase took effect.

## 3 | Linkage and interest on insurance benefits

- a | Insurance benefits payable to the Insured will be paid together with linkage differentials or exchange rate differentials from the date of occurrence of the insured event to the date of actual payment, computed by the method of linkage stated in the Policy and as set out in Clause 2 above - "Linkage of the Sums Insured", unless a different linkage method is expressly stated;
- b | Insurance benefits payable to the Insured due to the occurrence of an insured event will vary in accordance with the changes between the CPI or the exchange rate of the Agreed Currency, as the case may be, last published prior to the occurrence of the insured event, and the CPI or Agreed Currency exchange rate, as the case may be, last published prior to the payment to the Insured;
- c | Interest at the rate laid down in the Insurance Contract Law, 5741-1981 ("the Insurance Contract Law") shall be added to the Insurance benefits commencing 30 days after the date of submitting the claim.

## 4 | Reinstatement value (new for old)

At the request of the Insured as written in the insurance Proposal and noted in the Schedule, The Insurer shall indemnify the Insured upon the occurrence of an insured event to the Apartment or its Contents, at Reinstatement Value as defined in the Definitions Chapter of this Policy, on these conditions:

- a | **Payment of Insurance benefits at Reinstatement Value due to the insured event is contingent upon reinstatement by the Insured or repair or replacement of the property which was lost or damaged, with no change in the quality and type of property compared with the lost or damaged property. If the lost or damaged property is not reinstated, repaired or replaced, compensation in respect thereof shall be at Indemnity Value;**

b | Where a separate Sum insured is fixed for a specific item of the Contents, the Insurance benefits which will be paid due to loss or damage of that item shall not exceed the amount fixed therefor in the Schedule;

c | Where no separate Sum insured is fixed for a specific item of the Contents, but the Schedule states that compensation will be at Reinstatement Value, the Insurance benefits for the loss or damage caused will be paid at Reinstatement Value;

d | Insurance benefits will not be paid at Reinstatement Value for loss or damage to clothing only;

e | Insurance benefits under this clause shall be paid at the value of the property as new on the date of making the reinstatement, or at its value as new on the date of payment of the Insurance benefits, whichever is the earlier of the two dates;

f | Reinstatement must commence within a reasonable time after the occurrence of the loss or damage, and in any case must be completed, in respect of the Apartment, within six months from the date of occurrence of the insured event, and in respect of the Contents - within 60 days from the date of occurrence of the insured event. If reinstatement cannot be completed within the aforementioned periods for reasons beyond the control of the Insured, the reinstatement period shall be extended in coordination between the Insured and The Insurer;

g | The Insurer's liability under this clause shall not exceed the Sum insured written in the Schedule for the building, the Contents or the item, as the case may be.

## 5 | Computation of the compensation (Indemnity Value)

a | The Insurance benefits payable to the Insured under Chapter 1- "Insurance of the Building of the 'Apartment' ", and Chapter 2 - "Comprehensive Insurance of the Apartment Contents", of this Policy, will be computed and paid at the value of the loss or damage,

but no more than the Sum insured written in the Schedule as the Sum insured of the Apartment or the Contents, and all subject to Clause 2 above - "Linkage of the Sums Insured"; the Insurance benefits for loss or damage to an item or several items shall not exceed the sum written in the Schedule, if written, as the Sum insured of the items or of the items;

b | The Insurance benefits will be computed so as to bring the Insured as closely as possible to his situation had the insured event not occurred;

## 6 | Claim for insurance benefits

a | The Insured shall notify The Insurer immediately he becomes aware of the occurrence of an insured event;

b | Any claim for payment of Insurance benefits under this Policy , shall be submitted in writing;

c | The Insured must submit to The Insurer, within a reasonable time after being requested to do so, the information and documents required for ascertaining the liability and its extent, and if they are not in his possession, he must assist The Insurer to the best of his ability to obtain them;

d | Immediately after receipt of notice from the Insured of the occurrence of the insured event, The Insurer shall do what it necessary to ascertain their liability;

e | The Insurance benefits shall be paid within 30 days of the date on which The Insurer was in possession of the information and documents required for ascertaining his liability.

## 7 | Submitting the claim

Submission of the claim is considered to be the date on which written notice of the insured event was conveyed by the Insured to the Company at its address as written in the Introduction to this Policy.

**Part D -**  
General  
Terms and  
conditions for  
all chapters of  
the Policy  
  
- Continuation

**Part D - 8 | Report to the police**

The Insured must report to the police on any occurrence of loss or damage deriving, in his opinion, from a malicious act, Burglary or theft, and shall do everything in his power to discover those involved in those acts.

**9 | Recovery of the property**

- a | If the stolen property is recovered before Insurance benefits therefor are paid in accordance with this Policy, the property shall be restored to the Insured and The Insurer shall not pay Insurance benefits unless the restored property is damaged;
- b | If the stolen property is recovered after Insurance benefits have been paid therefor, the property shall be transferred to The Insurer ownership and shall not be restored to the Insured, and the Insurance benefits shall not be refunded to The Insurer.

**10 | Advance payment**

Upon the occurrence of damage to the insured property according to this Policy as a result of one of the risks insured hereunder, the Insured shall be entitled to receive from the Company an advance payment or a financial undertaking which will enable him to receive service for repair of the damage, on account of the monies due to him from the Company under the terms and conditions of this Policy.

If The Insurer pays an advance on account of Insurance benefits, that advance shall be deducted from the final amount which will be paid to the Insured; calculation of the deduction will be made with linkage of the advance payment to the CPI or the Agreed Currency exchange rate, from the date of payment of the advance to the date of the final payment.

**11 | Insurance benefits not in dispute**

Insurance benefits to which the Insured is entitled pursuant to the terms and conditions of this Policy, which are not in dispute, shall be paid within 30 days from the date of submitting to the Company a written claim for payment of the Insurance benefits, and can be claimed independently of the remainder of the benefits.

**12 | Automatic reinstatement of the sum insured**

- a | In a case of loss or damage which is covered under the property chapters of this Policy, and restoration to its former condition, the Sum insured shall be reinsated automatically to its former level, as was before the occurrence of the insured event;
- b | After payment of the Insurance benefits, the Insured shall pay the premium in consideration of reinstatement of the Sum insured to its former level, from the date of the insured event to the end of the Period of Insurance; for the calculation of the premium which the Insured must pay for reinstatement of the Sum insured to its former level, only the Insurance benefits which The Insurer actually paid will be taken into account.

**13 | Deductible**

A deductible in the amount written in the Schedule belonging to the Chapter or to the clause, shall be deducted from the Insurance benefits in respect of any claim under this Policy.

- a | If the deductible for a particular occurrence is stated as a percentage of the Sum insured, the amount of the deductible will be calculated separately for each of the Chapters of the Policy;
- b | The amount of the deductible will vary in accordance with the ratio of the CPI or Agreed Currency exchange rate, as the case may be, last published prior to the start of the Period of Insurance, to the CPI or Agreed Currency exchange rate, as the case may be, last published prior to payment of the Insurance benefits.

**14 | Payment of the premium and other fees**

- a | The premium and all other amounts payable by the Insured to the Company shall be paid in one of the two following ways:
  - 11| In cash - within 28 (twenty-eight) days from the start of the period of Insurance;

- l2l In equal and consecutive monthly installments of a number not exceeding the number of months of the insurance or 12, whichever is the lower number, provided that the first of them is paid not later than 21 (twenty-one) days after the start of the period of Insurance or after the invoice was submitted to the Insured - whichever is the later date, and the last payment is made not later than 21 days prior to the end of the Period of Insurance. In a case of payment of the premium in installments, interest or collection fees shall be added, provided they (the interest and the collection fees) do not exceed 6% per annum for linkage to the CPI and 10% per annum for linkage to a foreign currency;
- b | For the matter of this Policy, the premium is the inclusive premium. i.e. including fees payable to the Company, as well as taxes and levies, all as written in the Schedule;
- c | If any amount payable by the Insured to The Insurer is not paid on time, the amount in arrears shall bear interest as laid down in the Adjudication of Interest and Linkage Law, 5721-1961, and linkage differentials in accordance with changes in the CPI or the Agreed Currency exchange rate, as the case may be, last published prior to the date fixed for payment, and the CPI or Agreed Currency exchange rate. as the case may be, last published before the date of actual payment;
- d | If any amount in arrears as aforesaid is not paid within 15 days after The Insurer have sent a written demand to the Insured for its payment, The Insurer may notify the Insured in writing that the insurance will be cancelled after the elapse of a further 21 days, if the amount in arrears is not cleared prior thereto; if a beneficiary is named who is not the Insured and that determination is irrevocable, The Insurer's may cancel the insurance if it gave the beneficiary written notice of the arrears and the beneficiary did not clear the amount in arrears within 15 days of the date which such notice was delivered to him;

- e | Cancellation of the insurance pursuant to this clause shall not derogate from the liability of the Insured to clear the amount in arrears relating to the period up to the aforesaid cancellation, and The Insurer's expenses.

## 15 | Disclosure and change in a material matter

- a | This Policy was issued on the basis of the written answers given by the Insured to all the questions asked in the Proposal which served as the basis for the Policy, or in any other manner, as requested, and on the basis of The Insurer's assumption that the Insured answered those questions fully and honestly, and did not conceal, with fraudulent intent, any matter which he knew to be material to The Insurer for assessing the insured risks, and took such steps to prevent damage as The Insurer demanded in writing be taken for minimization of the risks insured under this Policy;
- b | A material matter is a matter on which a question was asked in the insurance Proposal or in any other way, in writing, and without derogating from the generality of the aforesaid, including these matters:
- l1l With regard to the Apartment: the address of the Apartment, the value of the Apartment, the type of building, the construction material, the location of the Apartment in the building, safety measures of any kind whatsoever, the age of the Apartment, The size of the Apartment, the number of rooms, the number of persons permanently residing in it, special additions and modifications;
- l2l With regard to the Contents: a description of the items which comprise the Contents, the value of the Contents, details of electrical appliances - their type, manufacture, age and value, details of valuables such as carpets, furs, jewellery, works of art, dinner services and cutlery and collections;

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13| With regard to the Apartment and the Contents: damage thereto in the past three years as a result of risks which are covered by this Policy, as well as details of previous Insurers who insured or refused to insure the Apartment or the Contents.

- c | If the Insured failed to give full and honest answers to the questions on material matters, or concealed from The Insurer, with fraudulent intent, a material matter, or failed to take the steps required by Insures for minimization of the risks insured under this Policy, The Insurer may cancel the Policy or reduce the extent of their liability, all in accordance with the provisions of the Insurance Contract Law. This clause shall not deny The Insurer any remedy granted them by law;
- d | The Insured shall notify The Insurer during the Period of Insurance of any change which occurs in a material matter, immediately upon learning of the change. If the Insured fails to disclose such a change to The Insurer, The Insurer may cancel the Policy or reduce the extent of their liability in accordance with the provisions of the Insurance Contract Law.

**16 | Double insurance**

If the Apartment or the Contents were insured against the risks included in this Policy with more than one insurer for overlapping periods, the Insured shall notify The Insurer thereof immediately after the double insurance is effected or immediately after he learns of the double insurance; in double insurance, the Insurers are jointly and severally liable towards the Insured.

**17 | Change of apartment**

- a | If the Insured changes the Apartment during the Period of Insurance and moves to another apartment ("the New Apartment"), the insured can, by notice to The Insurer, transfer the cover under his Policy to the New Apartment and the cover for the Apartment and its Contents will continue in effect in the New Apartment;
- b | If the value of the New Apartment exceeds the value of the Apartment

on the date of moving to the New Apartment, the Insured shall increase the Sum insured accordingly and shall pay the Company, within 30 days from that date, the proportional difference in the premium for the increase in the Sum insured. Calculation of the premium for the increase in the Sum insured will take into account the increase in the value of the Apartment from the beginning of the Period of Insurance to the date of moving;

- c | If the value of the New Apartment is lower than the value of the Apartment on the date of moving, the Insured shall reduce the Sum insured for the New Apartment and shall receive from the Company, within 30 days from the date of notice of the difference in the values, the proportional premium differentials due to him for reduction of the Sum insured. Calculation of the premium differentials payable to the Insured will take into account the increase in the value of the Apartment from the beginning of the Period of Insurance to the date of moving;
- d | If the value of the New Apartment is the same as the value of the Apartment, the Insured shall pay the Company, within 30 days of moving to the New Apartment, payments to cover the Company's expenses for transfer of the cover under this Policy.

**18 | Subrogation**

- a | Where the Insured also has a right to compensation or indemnity against a third party due to the insured event which does not derive from an insurance contract, such right shall transfer to The Insurer after he paid the Insurance benefits to the insured and in the amount paid;
- b | The Insurer may not exercise a right which transferred to them pursuant to this clause, in a way which will prejudice the right of the Insured to collect compensation or indemnity from the third party, over and above the Insurance benefits he received from The Insurer;

- c | Where the Insured received from the third party compensation or indemnity which would have been payable to The Insurer under this clause, he must transfer it to The Insurer; where he made a settlement to waiver or took other action which prejudices the right which transferred to The Insurer, he must compensate them therefor.

The provisions of this clause shall not apply if the insured event was caused unintentionally by a person whom a reasonable insured would not have sued for compensation or indemnity by virtue of a family relationship or employer-employee relations between them.

## 19 | Cancellation of the Policy

- a | The Insured may cancel the Policy at any time prior to the end of the Period of Insurance, at his discretion, provided that notice thereof is sent to The Insurer by registered mail at least 21 days before the date on which the Policy will be cancelled. In such case, The Insurer shall retain for themselves premium calculated at 10% of the annual premium for each month of part of a month in which the Insurance under the Policy was valid, and in addition thereto, another 10% of the annual premium, and shall refund the balance to the Insured;
- b | Without derogating from the Insured's legal rights or under any other provision in this Policy, The Insurer' may cancel the insurance under this Policy at any time prior to the end of the Period of Insurance, at their discretion, provided that notice thereof is sent to the Insured by registered mail at least 21 days before the date on which the Policy will be cancelled. In such case, the Insured shall be entitled to a refund of the premium which was paid to the Company for the period subsequent to the cancellation of the Policy;
- c | Refund of the premium as aforesaid in sub-clauses la) and lb), shall be effected within 30 days from the date of cancellation of the Policy. The amount of the refund shall be calculated according to the changes in the CPI or in the Agreed Currency

exchange rate, from the CPI or Agreed Currency exchange rate last published before the start of the period of Insurance to the CPI or Agreed Currency exchange rate last published before refunding the premium;

- d | If The Insurer cancels the Policy before the end of the agreed Period of Insurance and the cause for cancellation is not that the Insured breached the contract or attempted to defraud The Insurer, The Insurer shall pay the Insured, at the time of refunding as provided in sub-section lb), the amount it would have demanded from a similar insured for the same insurance on the date of cancellation, pro rata to the period remaining until the end of the agreed Period of Insurance. Such payment shall be made within 30 days of the date of cancellation of the Policy.

## 20 | Average - Clause (Underinsurance)

- a | If at the time of the start of the Period of Insurance the Sum insured in respect of the Apartment or the Contents is less than the value of the Apartment or the Contents, The Insurer's liability shall be reduced proportionately by the same ratio as the Sum insured to the value of the Apartment or the Contents at the time of the start of the Period of Insurance. Any item for which a separate sum insured is specified, is subject to this term separately;
- b | If the value of the insured property increased during the Period of Insurance as a result of improvements or additions to the insured property or as a result of the purchase of additional assets, then the value of the insured property for the purpose of calculating the Insurance benefits, shall be calculated as if the improvement, the addition or the purchase, as the case may be, was made immediately prior to the start of the Period of Insurance.

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**Part D - 21 | Prescription**

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The period of prescription in respect of a claim for Insurance benefits for loss or damage to the insured property under this Policy, is three (3) years from the date of occurrence of the insured event.

The period of prescription of a claim for Insurance benefits in respect of the Insured's liability towards his employees or towards a third party which is covered under this Policy, shall coincide with the period of prescription applicable to a claim of the employee or third party against the Insured.

**22 | Consequential loss**

The Company shall not be liable for any consequential loss sustained by the Insured or the beneficiary as a result of the risks covered under the Policy, unless stated otherwise in this Policy.

**23 | Overinsurance**

If the Sum insured exceeds the value of the insured property, the Insured shall be entitled to demand that the sum insured be reduced, and the premium shall be reduced accordingly from the date of the demand.

**24 | Lien**

Upon the written request of the Insured, a lien will be imposed upon the Insurance benefits in accordance with the property chapters of the Policy and the Insurance benefits will be paid in favour of the holder of the lien whose name appears in the Schedule, at the rate indicated by the Insured, at the limits of liability of The Insurer and subject to any term in the Policy, including in the matter of the right of offset and a beneficiary who is not an insured. The provisions of this clause shall not be construed as extending The Insurer's liability under this Policy or as derogating from authority or any right granted to The Insurer, existing to future. In case of cancellation of the Policy due to non-payment of a premium or part of a premium, as provided in Clause 14 ldl of this Chapter, or in accordance with The Insurer's right under the clauses of the Policy and in law, the Policy shall be cancelled on the date appearing in the written notice which will be delivered by The Insurer to the Insured and to the holder of the lien, provided that

it is delivered not later than 30 days prior to the date on which the cancellation will take effect.

**25 | Right of offset**

The Company may offset against the Insurance benefits payable to the Insured upon the occurrence of the insured event, any amount which is due by the Insured to the Company, whether his debt relates to this Policy or otherwise.

In case of total loss of the insured property covered under this Policy, the Company may offset the balance of the premium payable to it, even if it is not yet due for payment.

**26 | Duty of care**

The Insured and Members of his Family must:

- a | Employ all reasonable means of care to prevent loss or damage which are covered under this Policy;
- b | Maintain the insured property in good and proper condition.

**27 | Non-admission (refers to all liability covers under this Policy)**

No admission, proposal, promise, undertaking or compensation shall be made or given by the Insured or on his behalf, without first obtaining the written consent of the Company.

The provisions of this clause shall not apply to making a statement to the policy or any competent authority pursuant to any law, or to giving testimony in court.

**28 | Notice in case of accident or damage (refers to all liability covers under this Policy)**

Without prejudice to the other terms in this Chapter, the Company shall be given written notice immediately after the occurrence of any accident, loss or damage and in case of any claim. Any letter, claim or legal notice shall be forwarded to the Company immediately after they are received by the Insured. In addition, written notice shall be given to the Company as soon as possible after the Insured learns that criminal legal proceedings, a legal investigation or an inquest are about to commence in connection with any event which is liable to lead to a claim by virtue of this Policy.

**29 | Payment of limit of indemnity (refers to all liability covers under this Policy)**

At any time after the occurrence of any event which is the subject of a claim or a series of claims according to the liabilities chapters of this Policy, the Company may pay the Insured the full amount of its liability under that clause and cease to manage any defence, arrangement or trial.

**30 | Beneficiary who is not an insured**

- a | The Insured under this Policy may not name an insured other than himself without first obtaining the written consent of the Company;
- b | If the Policy names a beneficiary who is not the Insured, and the compensation payable to him has been agreed between the Company and the Insured, that determination shall also bind the beneficiary.

**31 | Extension of the period of insurance**

Any extension of the Period of Insurance under this Policy requires the written consent of the Company given specifically for that purpose. The insurance cannot be extended by virtue of silence or other action of the Company (except its consent as aforesaid), even if the Insured notified the Company in any way and at any time of his wish to extend it. If the Period of Insurance was extended by renewal of the Policy, the insurance Proposal shall also constitute an integral part of the extension document. If this Policy is renewal of an earlier policy, the original insurance Proposal shall be deemed an integral part thereof.

**32 | Jurisdiction**

Disputes or claims deriving from or in connection with this Policy shall be heard only in one of the courts in Israel and shall be governed by Israeli law only.

**33 | Notices**

- a | Notice from the Insured to The Insurer shall be sent to The Insurer in writing to one of the these addresses:
  - 1| The address of The Insurer's offices, as written at the beginning of this Policy, or any other address in Israel of which The Insurer may

give written notice to the Insured from time to time;

- 2| The address of the office of the insurance agent whose name appears in the Policy, as written there, or any other address in Israel of which the insurance agent may give written notice to the Insured from time to time.

- b | Notice from The Insurer to the Insured shall be sent in writing to the address written in the Schedule or to any other address in Israel of which the Insured may give written notice to The Insurer from time to time.

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**כלל ביטוח**  
כלל חברה לביטוח בע"מ  
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