

Insurance Package Special Conditions 2006 Home Insurance 1-01

The English translation has no legal force and is provided to the customer for convenience only. The conditions in the Dutch language shall be binding and prevail in all respects. The law of the Netherlands shall apply.

The general conditions and special conditions shall form a whole. In the event of any conflict between these conditions, the special conditions shall take precedence.

Section 1 Definitions

The dwelling

The residential premises (including any space for use as an office and/or surgery) referred to in the schedule as well as

- awnings and fencing installed at the policyholder's expense;
- outhouses;
- garages situated close to the dwelling solely for private use;
- foundations, where the schedule states that these are covered.

The land shall not be considered to form part of the dwelling.

Reinstatement value

The cost of reinstating the dwelling immediately after the occurrence, at the same location and for the same use.

Market value

The value of the dwelling (excluding land) when put up for sale.

Section 2 Description of cover

(The terms marked with a * are explained in section 5, Further definitions)

2.A Scope of the cover

The insurance shall cover damage to the dwelling caused by:

2.A.1 Fire*

2.A.2 Singeing, scorching, melting, charring and overheating

by heat radiation from a burning, glowing or hot object or by contact with such an object.

2.A.3 Lightning and induction*

2.A.4 Explosion*

2.A.5 Aircraft*

2.A.6 Storm*

A deductible of 2% of the sum insured shall apply, with a minimum of EUR 226 and a maximum of EUR 453 per event. This deductible shall not apply to damage to awnings.

2.A.7 Water or steam

unexpectedly escaping and/or overflowing from

- water pipes inside and outside the dwelling;
- supply and waste pipes, installations and sanitary ware connected to these;
- the central heating, air conditioning or sprinkler systems;
- drains or sewers;
- aquaria, or seating or beds filled with water, due to a sudden defect.

The costs of locating and repairing the defect in the pipes inside the dwelling, and the associated demolition and repair works to the dwelling are also covered, provided the unexpected escape and/or overflow of water or steam has caused damage to the dwelling and the defect is not the result of wear and tear. The costs of removing blockages are excluded.

The insurance also covers loss or damage caused by freezing of the water pipes inside the dwelling, the installations and sanitary ware connected to these, including connected supply and waste pipes, as well as the central heating, air conditioning or sprinkler systems. However there is no cover if the freezing is attributable to negligence or carelessness in taking preventive measures.

2.A.8 Precipitation (rain, snow, hail, melt water)

unexpectedly penetrating into the dwelling.

This shall not include loss or damage caused by:

- precipitation entering through open windows, doors or shutters;
- walls allowing moisture to enter;
- structural defects or poor maintenance of the dwelling;
- groundwater unless it enters through waste pipes and connected sanitary and other installations;
- the collapse of the dwelling due to excessive pressure resulting from precipitation.

The costs of repairs to roof coverings, gutters, and drainpipes are also excluded.

2.A.9 Glass shards

due to the breakage of glass in windows in the dwelling (including aquarium glass) and of glass in mirrors, paintings and etchings affixed in the dwelling.

2.A.10 Oil

unexpectedly flowing from a heating system connected to the chimney, including pipes and tanks.

2.A.11 Smoke and soot

suddenly emitted from a heating system connected to the chimney.

2.A.12 Theft

of items forming part of the dwelling.

2.A.13 Burglary**2.A.14 Vandalism**

by a person entering the dwelling unlawfully.

2.A.15 Collisions with vehicles or vessels

including loss or damage caused by loads being dropped or escaping.

2.A.16 Falling

of cranes, pile frames, tower wagons or trees (including the breaking off of branches).

2.A.17 Riots, strikes, disturbances and looting**2.A.18 Aerials falling or breaking****2.B Extensions**

The costs referred to below shall also be reimbursed in addition to the sum insured, to the extent that these are connected with a circumstance mentioned in section 2.A.

With no maximum sum:

2.B.1 Experts' fees and measures to prevent or reduce the loss or damage*

To a maximum of 10% of the sum insured for each category:

2.B.2 Costs of garden restoration

The insurance does not cover loss or damage caused by storms, precipitation, theft or vandalism. These costs will only be reimbursed if the policyholder is liable to pay them.

2.B.3 Debris removal costs***2.B.4 Decontamination costs*****2.B.5 Extra costs**

for necessary improvements and emergency measures in relation to the dwelling ordered by the authorities.

2.B.6 Loss of rent

due to the dwelling being rendered wholly or partially uninhabitable during the period necessary for full reinstatement or rebuilding. Reimbursement shall be made even if the dwelling or part of it is used by the policyholder. If the dwelling is not reinstated or rebuilt, loss of rent shall be reimbursed for a maximum period of three months.

2.C Special provisions**2.C.1 Items elsewhere in Benelux or Germany**

insofar as these items belong to the dwelling and are temporarily elsewhere for repairs, are insured against loss or damage arising out of the causes mentioned in section 2.A.1 to 2.A.5 (inclusive).

2.C.2 Extensions and alterations

While it is being extended or altered, the dwelling shall only be insured against loss or damage arising from the circumstances mentioned in section 2.A.1 to 2.A.6 (inclusive), 2.A.15 and 2.A.16.

During construction works, sheds and huts on the site shall also be insured against loss or damage arising from the circumstances mentioned in section 2.A.1 to 2.A.6 (inclusive), 2.A.15 and 2.A.16. This shall also apply to building materials, clothing and tools of workmen in or near the dwelling or such sheds and huts.

Such loss or damage shall not be compensated where it is covered under any other policy.

2.D Exclusions

Loss or damage shall not be covered where it is caused by:

2.D.1 Earthquake

See definition in the general conditions.

2.D.2 Nuclear reaction

See definition in the general conditions.

2.D.3 Acts of war

See definition in the general conditions.

2.D.4 Flooding

See definition in the general conditions.

2.D.5 Air pollution

Air pollution resulting from airborne pollutants and/or damaging substances from elsewhere, or resulting from acid deposits (to be taken to mean deposits from the air, of substances directly or indirectly affecting the acidity of soil or surface water).

2.D.6 Unlawful activities

Damage or loss (partly) caused by, arising from or aggravated by unlawful activities on the part of the policyholder and/or insured person(s).

Section 3 Valuation**3.A Assessment of loss or damage**

Loss or damage shall be assessed as the difference between value immediately prior to the occurrence and immediately after it, taking into account the following.

Claims shall be assessed on the basis of:

- reinstatement value, if the policyholder commences reinstatement or rebuilding of the dwelling (for the same purpose) within three years, provided the policyholder notifies the insurer of the intended reconstruction or reinstatement or rebuilding in writing within one year of the date of loss or damage;
- market value, if the above does not apply or if, even before the loss or damage:
 - the policyholder intended to demolish the dwelling;
 - the dwelling was scheduled for demolition or expropriation;
 - the authorities had declared the dwelling uninhabitable or unusable;

- a part of the dwelling identifiable as a separate unit was unoccupied;
- the dwelling had not been in use for over 60 days, and in addition the dwelling was offered for sale;
- all or part of the dwelling was squatted, unless the policyholder is under an obligation to reinstate the dwelling.

Claims shall be assessed on the basis of the reinstatement value in any event if this is lower than the market value.

Awnings shall be reimbursed on a new-for-old basis with a deduction for depreciation due to age or wear and tear.

3.B Claim settlement

After the damage to the dwelling has been assessed according to reinstatement value, the insurer shall be entitled to make a payment first on the basis of market value and to pay any remaining sum on the basis of invoices submitted by the policyholder. The amount paid shall not exceed either the costs actually incurred or the amount due on a reinstatement value basis.

Where the policyholder is entitled to payment calculated according to market value, the amount calculated shall be paid out in one lump sum.

3.C Indexation

Each year on the review date, the sum insured shall be increased or reduced in accordance with the most recent construction costs index calculated by the Dutch Central Bureau of Statistics (*Centraal Bureau voor de Statistiek*), and the premium payments shall be adjusted accordingly.

The experts appointed to assess the claim shall also estimate the price index at the time of the loss or damage. If that price index is higher than the index reached on the previous review date of the sum insured, then for the purpose of settling the claim the sum insured shall be taken to be the amount corresponding to the price index at the time the loss or damage occurred, subject to a maximum of 125% of the sum insured on the previous review date.

Section 4 Policyholder's obligations in the event of changes in risk

The policyholder shall notify the insurer in writing:

- if the purpose or construction of the dwelling is altered;
- if the dwelling or a part of it identifiable as a separate unit is left unoccupied and is likely to remain so for a continuous period of more than 60 days;
- if the dwelling or a part of it identifiable as a separate unit is left unoccupied;
- if all or part of the dwelling is squatted.

The insurer shall be informed as quickly as possible, and in any event within 60 days of any of the above circumstances occurring, unless the policyholder was not and could not reasonably have been expected to be aware of the occurrence of those circumstances.

As soon as any situation referred to in this section occurs, cover shall be limited to loss or damage resulting from the causes referred to in section 2.A.1 to 2.A.5 (inclusive), with immediate effect.

Section 5 Further definitions

5.1 Fire

A fire caused by burning and accompanied by flames outside a fireplace, capable of spreading by itself. Fire does not therefore include:

- singeing, scorching, melting, charring, fermentation;
- burning out of electrical equipment or engines;
- overheating, burning out, breaking of ovens and boilers.

Loss or damage caused by fire shall also include loss or damage resulting from and arising during the extinguishing and fighting of the fire, as well as loss or damage arising from efforts to rescue insured items, loss or damage caused by items being lost or stolen and loss or damage resulting from measures taken by the competent authorities in order to stop the fire spreading. The insurance covers loss or damage caused both by fire in the dwelling and by fire in a nearby building.

5.2 Lightning

The discharge of atmospheric electricity towards the earth, resulting in demonstrable damage to the surface of the earth at the place struck by lightning and/or anything located on it.

5.3 Induction

Excessive voltage in the electricity grid and/or in electrical or electronic equipment, caused by lightning.

5.4 Explosion

A sudden and violent release of gases or vapours. The full text is set out in the general conditions.

5.5 Aircraft

An aircraft or spacecraft taking off, flying, landing or crashing, or an article which is attached thereto or becomes detached from it, is thrown from it or falls from it, or any other article struck by any article as referred to above.

5.6 Storm

Wind having a speed of at least 14 metres per second (wind force 7 or higher).

5.7 Experts' fees

The costs of all experts involved in settling the claim. The costs of the expert appointed by the policyholder shall be reimbursed to a maximum of the costs of the expert appointed by the insurer.

5.8 Measures to prevent or reduce the loss or damage

The costs of measures which are taken by or on behalf of you or an insured person during the period of validity of the insurance and which might reasonably be considered appropriate in order to avert the imminent danger of loss or damage which, if it were to occur, would be covered by the insurance, or to limit this loss or damage.

5.9 Debris removal costs

The costs, not included in the claim assessment, of demolishing, clearing away and removing the insured items, to the extent that the demolition, clearing and/or removal is the necessary consequence of loss or damage covered by the insurance and provided no treatment or processing of soil or water is required for this.

5.10 Decontamination costs

The costs, not included in the claim assessment, of decontaminating soil and water, where a degree of contamination has occurred which is not permitted under environmental laws and/or regulations based on these, as a direct result of any circumstance mentioned in section 2.A. Decontamination shall include investigation, cleaning, clearing, transporting, storing, destroying and replacing soil, ground water, surface water or sewage. If the insured occurrence has the effect of increasing existing contamination, reimbursement shall only cover the costs over and above the costs of removing the existing contamination.

Section 6 Optional provisions**6.1 Cover for glass**

If the schedule states that the policy 'includes cover for glass', the following provisions shall apply.

6.1.A Description of cover

The insurance covers breakage of glass serving to allow in light and forming part of windows, doors and cupolas belonging to the dwelling. The cover also applies to glass in windbreaks, balconies and boundaries belonging to the dwelling. Glass shall also include transparent or translucent plastic.

The deductible for storm damage shall not apply here. The insurance shall also cover the costs of emergency measures. This shall mean temporary measures taken after an insured occurrence to close off an opening left by that occurrence, until it can be dealt with permanently.

6.1.B Exclusions

Loss of or damage to the following shall be excluded:

- glass of / in greenhouses and similar;

- decorations on glass including etchings;
- stained glass;
- leaded glass, reinforced glass and plastic, as a result of an inherent defect;
- glass in shower cubicles, bath shields and similar;
- glass being moved, worked on or processed;
- glass while the dwelling is being extended, converted or is unoccupied.

6.1.C Indemnity

Indemnity shall include:

- the cost of glass of the same size, type and quality as the glass prior to the breakage, plus installation costs;
- expenses reasonably incurred by the policyholder in taking emergency measures.

6.2 10% supplementary benefit

Where the schedule states 'including 10% supplementary cover', the following shall apply:

In addition to the sum insured, a supplementary benefit is insured, of 10% of the amount paid out for loss or damage to the dwelling under section 2.A, less any applicable deductible.

6.3 Guarantee against underinsurance

Where the schedule states that the Home Guarantee applies, the following shall apply:

Loss or damage caused by an insured peril will be fully compensated, regardless of whether the sum insured corresponds to the actual value.

This guarantee shall apply for a period of ten years. After that period, the insurer may require a redetermination of the reinstatement value. The insurer shall also be entitled to require a redetermination of the reinstatement value after a claim is notified, the dwelling is extended or significantly altered, or at such other time as it may stipulate.

The sum insured shall be adjusted annually on the review date in accordance with the construction costs index referred to in section 3.C, and the premium payments shall be adjusted accordingly.