



GENERAL AND SPECIAL TERMS AND CONDITIONS OF LIABILITY INSURANCE (FÁBF and FKBF 2022)

Unless otherwise provided for by the insurance contract, the General Terms and Conditions of Liability Insurance (FÁBF) and Special Terms and Conditions of Liability Insurance (FKBF) shall be applied.

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General Terms and Conditions of Liability Insurance (FÁBF)

1. Article Insured events and the insurance cover

1. Insured event

1.1 Insured event shall mean the occurrence of the obligation to pay compensation and to make restitution in respect of damage caused to a third party (other than the Insurance Company or the Policyholder/Insured) or the violation of the personality rights of such party for which the Insured of this insurance contract under the applicable laws and regulations shall be held liable and in respect of which the Insured shall have the right to claim indemnification from the Insurance Company in accordance with paragraph 2 of this Article.

1.2 Series of loss

For the purposes of these insurance terms and conditions any series of loss shall constitute one single insured event. Series of loss shall mean losses attributable to the same wrongful conduct and arising out of the same cause but occurring at different times, provided that there is a legal, economic or technical relationship between the cause and effect.

2. Subject of the insurance coverage

2.1 In the event of the occurrence of an insured event, the Insurance Company undertakes to indemnify the Policyholder up to the sum insured (limit of indemnity) specified by the insurance contract (insurance policy)

2.1.1 for damages and restitution claimed for causing bodily injury, property damage or any other financial loss attributable thereto to third parties for which the Policyholder shall assume liability in his capacity as indicated in the insurance contract in accordance with the applicable laws and regulations (hereinafter referred to as: Indemnification Obligation). Under this insurance contract, pure financial losses (which result from neither bodily injury, nor property damage) shall not be covered, unless specifically provided for in the insurance contract;

2.1.2 for the costs of verification of and defence against any Indemnification Obligation alleged by a third party in accordance with paragraph 5 of Article 5, including in particular any defence costs incurred in connection with the claim of the claimant under the guidance of the Insurance Company or upon its prior consent, and any costs which shall be reimbursed to the claimant by the Insured in virtue of the final decision of the court.

2.2 Compensation for loss, restitution, costs and the default interest thereof stipulated in paragraphs 2.1.1 and 2.1.2 above shall be considered as part of the sum insured, and the payment thereof shall reduce the limit of indemnity. If the claim exceeds the applicable limit of indemnity, the indemnification of the Insurance Company shall bear the same proportion as the limit of indemnity in relation to the total amount of the claim.

2.3 Liability for the loss or disappearance of articles shall not be covered, unless a separate agreement has been concluded with the Insurance Company in accordance with the Special Terms and Conditions of Liability Insurance (FKBF), or a special clause is attached to the insurance contract to that end. In such cases the provisions on property damage claim settlement shall be applied.

2.4 Bodily injury shall mean death, bodily injury or health damage sustained by humans. Property damage is damage to or destruction of articles. Loss of, changes to or non-availability of data on electronic storage media shall not be considered as property damage.

2. Article

Aggravation of the covered risks during the effective period of the insurance contract

1. This insurance cover is extended to the increase in the level and the qualitative or quantitative expansion of the risks insured.
2. If the insured risk is aggravated due to new or amended legislation, the Insurance Company shall be entitled to terminate the insurance contract by registered letter subject to one month's notice within one year of the legislation coming into effect.

3. Article

Territorial scope of the insurance coverage

1. Unless otherwise agreed, this insurance shall cover the insured events occurring within the territory of Hungary. Any damage and restitution claims arising out of any loss or damage or the violation of personality rights which are enforced by legal proceedings under US, Canadian or Australian law on the basis of any jurisdiction shall be excluded from the insurance cover.

4. Article

Temporal scope of the insurance

1. This insurance covers those insured events which occur during the effective period of insurance (term of validity of the insurance contract). Insured events which occur during the effective period of insurance, but the time of the occurrence of the cause of which falls before the date of the conclusion of the insurance contract are covered only if the Policyholder and/or the Insured did not know, or ought not reasonably to have known that such cause would lead to an insured event.
2. Date of the occurrence of a series of loss is the time of the occurrence of the first event of loss of such series of loss. Insurance terms and conditions and limits of indemnity valid at the time of the occurrence of the first event of loss shall be applied to series of losses. If the Insurance Company terminates the insurance contract in accordance with Article 12 or the risk ceases to exist (paragraph 4 of Article 12), the insurance cover remains in force not only in respect of those losses which occur during the period of insurance, but also of those which occur after the termination of the insurance contract (but pertain to a series of losses which have begun during the period of insurance).

If the first event of loss of a series occurred prior to the conclusion of the insurance contract and the Policyholder and/or the Insured did not know, or ought not to have known of the series of loss, the commencement date thereof shall be the date of the occurrence of the first event of loss falling within the effective period of the insurance, unless such event of loss is covered under any other insurance policy. If the first event of loss of a series occurred during a period which is covered by none of the insurance policies of the Policyholder or the Insured, and none of them knew or ought to have known of the occurrence of such series of losses, the first event of loss of such series shall be the loss which occurs first after the date of commencement of the insurance coverage.

3. If the date of the occurrence is disputed in case of bodily injuries, such date shall be the date of the first verifiable diagnosis of the health damage by a physician.

5. Article Sum insured (Limit of indemnity)

1. The limit of indemnity per each and every occurrence shall be the maximum amount payable by the Insurance Company in respect of an insured event and the compensation for damages, restitution, costs and the default interests thereof stipulated in paragraph 2.1. The amount of compensation shall not exceed the limit of indemnity, even if the insurance covers more than one liable person as Insured or more than one claimant enforce claims.

If an aggregate limit of indemnity has been agreed according to the insurance contract, it shall include any and all limits specified for bodily injury, property damage and pure financial loss resulting from the bodily injury or property damage of one and the same Insured.

2. The maximum amount payable by the Insurance Company for any and all insured events occurring within any one policy year shall be limited to 3 times the applicable limit of indemnity per occurrence. The policy year shall begin on the calendar date of the anniversary of the commencement date of insurance.
3. If the Policyholder is required by law or court order to furnish bail bond or place deposit to cover an obligation to compensate damages, the Insurance Company shall bear the costs thereof to the same extent as it shall pay indemnification.
4. If the Policyholder is required to pay an annuity and the capital value of such annuity exceeds the limit of indemnity or any part of the limit of indemnity remaining after deducting any other payments with respect to the same insured event, the Insurance Company shall indemnify for the annuity only in the proportion that the limit of indemnity or the remaining amount thereof bears to the capital value of the annuity. For this purpose, the capital value of the annuity shall be calculated on the basis of the agreed annuity table by discounting with an interest rate of 3 % per annum.
5. The sum insured (limit of indemnity) shall be reduced by the amount of compensation, defence costs, procedural costs and interest paid for the current policy year. The Insurance Company excludes restoration of limits.
6. Mitigation costs; legal expenses
 - 6.1 This insurance shall cover the reimbursement of mitigation costs.
 - 6.2 Furthermore, up to the limit of indemnity, this insurance shall cover any reasonable and necessary in-court and out-of-court costs of verification of and defence against any indemnification obligation alleged by a third party, even if the claim proves to be unfounded.
 - 6.3 Furthermore, up to the limit of indemnity, this insurance shall cover any defence costs incurred in connection with civil and criminal proceedings under the guidance of the Insurance Company. (See paragraph 1.5 of Article 8)

All costs and expenses under paragraphs 6.1 to 6.2 and interest shall be reimbursed as part of the limit of indemnity.

7. In case the Insurance Company intends to discharge a liability claim by way of admission of liability and satisfaction or settlement, and it is frustrated as a result of the resistance of the Policyholder, however, the Insurance Company keeps available his contractual share in the damages and costs and notifies the Policyholder thereon in a registered mail, the Insurance Company shall not be liable to pay any additional amounts of indemnification, interests or costs incurred after the receipt of the notification.

8. If the Insured disputes its liability for claims laid against it or the amount of its indemnification obligation in an evidently unfounded manner, the Insurance Company shall have the right to pay the compensation directly to the claimant. Any additional costs incurred as a result of denying liability shall be borne by the Insured. If such cost have been paid by the Insurance Company, the Insured shall reimburse it.

6. Article

Environmental liability insurance covering property damage

This insurance shall cover any property damage arising out of environmental impairment (including soil or water pollution) only upon a separate agreement of the Parties, subject to the following terms and conditions:

1. Environmental impairment is the decrease in air, soil or water quality by external forces.
2. This insurance shall cover property damage due to environmental impairment – including the contamination of soil or water – only if the environmental impairment is caused by such single, sudden and accidental incident which deviates from the undisrupted normal business processes.

Accordingly, no insurance coverage shall be provided if an environmental impairment is triggered only by multiple events having similar effects (such as slow leaks, continuous evaporation) and would not have occurred as a result of one single event of such kind.

Paragraph 11 of Article 7 shall not apply.

3. Special provisions on the insurance coverage referred to in paragraph 2.

3.1 Insured event

- 3.1.1 By way of derogation from paragraph 1 of Article 1, an insured event shall be the first occurrence of an environmental impairment verifiable by test results due to which the indemnification obligation of the Policyholder arises or may arise.

3.1.2 Series of loss

By way of derogation from paragraph 1.2 of Article 1, several occurrences of environmental impairment attributable to one and the same event shall qualify as one single loss. Furthermore, several occurrences of environmental impairment which are attributable to similar, time-related causes shall qualify as one single insured event, provided that there is a legal, economic or technical relationship between such causes.

Paragraph 2 of Article 4 of FÁBF shall be applied correspondingly.

3.2 Territorial scope

By way of derogation from Article 3, insurance cover shall be provided only if the harmful consequences of the environmental impairment occur within the territory of Hungary; the restriction stipulated in paragraphs 1 and 2 of Article 2 of FÁBF applies.

3.3 Temporal scope

By way of derogation from Article 4, this insurance shall also cover such environmental damage which is identified and reported during the effective period of the insurance or no later than within two years thereafter (paragraph 3.1.1). This insurance shall cover only those losses which occur during the effective period of the insurance.

Environmental damage which is identified during the effective period of the insurance but arose out of such loss which had occurred before the conclusion of the insurance contract shall be covered only if such loss had occurred not earlier than two years prior to the conclusion of the contract and the Policyholder or the

Insured was not and could not have been aware of the loss or the environmental damage at the time the insurance contract was concluded.

Paragraph 2 of Article 4 of FÁBF shall be applied correspondingly.

3.4 Obligations of the Policyholder

The Policyholder shall:

- 3.4.1 comply with any and all the pertinent acts, decrees, standards, official requirements and orders, laws and regulations;
- 3.4.2 perform or arrange for expert maintenance of environmentally hazardous facilities and other environmentally hazardous equipments and to carry out all necessary repair and maintenance work without delay.

Unless a shorter interval is prescribed by law or the authorities, these facilities and equipments shall be inspected by experts at least every five years. Irrespective of the inception date of the insurance, this interval shall commence with the date of commissioning the facility or installing the equipment or the most recent inspection thereof.

3.5 Retention

Retention of the Policyholder per each and every insured event is 10 % of the claim and of the expenses under paragraph 5 of Article 5 of FÁBF.

3.6 Exclusions

This insurance shall not cover sewage treatment equipments, water treatment plants, waste treatment facilities, nor the interim or ultimate storage facilities of hazardous waste of any kind (e.g. landfills).

7. Article Exclusions

- 1. The insurance provided under Article 1 shall not cover
 - 1.1 warranty claims against defect;
 - 1.2 claims for losses payable under any liability obligation assumed by the Insured in contract or a separate agreement that is stricter than its liability under the relevant legal provisions.
 - 1.3 claims for performance of contracts or for compensation in lieu of such performance.
- 2. This insurance shall not cover any loss caused wilfully and any violation of personality rights.

Wilful intent shall include

 - 2.1 any act or omission as a result of which loss or damage is likely to occur (e.g. choosing less time or cost consuming workflow).
 - 2.2 any knowledge of the defective or harmful nature of goods manufactured or delivered, or work performed.
- 3. This insurance shall not cover such liability for damages which official or public service bodies shall assume on the grounds of damage caused while acting in their capacities.

4. This insurance shall not cover losses being in direct or indirect connection with any effects of nuclear energy, in particular with
- 4.1 reactions of fissile or fusible nuclear fuels;
 - 4.2 radiation of radioactive substances or the effects of radiation generated by the acceleration of charged particulate matter;
 - 4.3 contamination caused by radioactive substances.

5. This insurance shall not cover claims arising from such loss which was caused by the Policyholder or persons acting on its behalf by way of operating or using

- 5.1 aircrafts,
- 5.2 other aviation or hovering equipment, devices

and

- 5.3 motor vehicles or trailers which shall carry or actually carry official vehicle registration plates according to their production type, equipment or intended use. However, this exclusion shall not apply to the use of motor vehicles operated as a stationary power source.

As regards the scope of aircrafts, aviation equipment and devices, motor vehicles and trailers, the relevant provisions of the legislation in force shall govern.

6. This insurance shall not cover any loss caused

- 6.1 to the Policyholder(s) or the Insured(s);
- 6.2 by the Policyholder to his/her relatives (relatives shall mean the spouse, ascendants and descendants, father-in-law, mother-in-law, foster and step-parents, siblings living in the common household; extra-marital life partnership is deemed to be equal in effect to marriage);
- 6.3 by the Policyholder to its owners or to their relatives (paragraph 6.2);
- 6.4 by the Policyholder to such companies in which the Policyholder or his relatives (paragraph 6.2) have participating interest, in the proportion of the percentage of the Policyholder's and his relatives (paragraph 6.2) participating interest in such companies; also

by the Policyholder to companies which belong to the same company group as the Policyholder, or which belong to a company group in which the Policyholder's relative (6.2) has holdings, in the proportion of the percentage of the direct and/or indirect participating interest in such companies held by the Policyholder's owner or the company group in which the relative (paragraph 6.2) has holdings.

In case of legal persons and private individuals without or with limited legal capacity, their legal representatives and relatives shall be treated in the same way as the Policyholder and his relatives.

7. This insurance shall not cover any loss arising out of changes to the genotype of human germ cells or embryos, irrespective of whether the change occurs as a result of the transfer or indirect action of transgenic material or direct intervention for genetic or reproductive purposes.

This insurance shall not cover losses in connection with genetically modified organisms.

8. The Insurance Company provides no insurance cover for any loss arising out of acts of violence of or against a sovereign state or its authorities; acts of violence of political and terrorist organisations; and acts of violence in connection with public assemblies and marches, strikes, riots, civil commotions, revolutions.

9. This insurance shall not cover liability for loss and damage to articles manufactured, marketed or transported or to any work performed by the Policyholder (or by any third party acting on its/his behalf by virtue of his/its authorization) on the grounds that the loss or damage is attributable to manufacturing or delivery.
10. This insurance shall not cover liability for loss or damage to
 - 10.1 any articles borrowed, rented, leased by the Policyholder or by any third party acting on its/his behalf by virtue of his/its authorization;
 - 10.2 any articles taken over by the Policyholder or any third party acting on its/his behalf by virtue of his/its authorization in order to hold them in responsible custody, even if such custody is a collateral obligation of a contract (e.g. assets handed over for repair);
 - 10.3 any articles, the possession of which have been transferred to the Policyholder or any third party acting on its/his behalf by virtue of his/its authorization by way of courtesy;
 - 10.4 any movable assets caused during their use, transportation, processing or any other activities performed on or with them;
 - 10.5 those parts of immovable assets which are direct subjects of processing, use or any other activity.
11. This insurance shall not cover any liability for loss or damage arising out of gradual emission or the gradual effects of heat, gas, vapour, liquid, moisture or non-atmospheric precipitation (such as smoke, soot, dust etc.) during a slow process.
12. This insurance shall not cover any liability for loss or damage to property due to flood by artificial or natural still waters or streams, provided that the loss or damage was caused by such equipment of or by any measures taken by the Policyholder which are subject to authorization under the legislation in force. Likewise, nor shall this insurance cover any liability for loss or damage arising out of the direct participation of the Policyholder in the manufacturing, transportation, maintenance or repair of such equipments.
13. This insurance shall not cover liability for loss or damage being directly or indirectly in connection with the effects of electromagnetic fields.
14. This insurance shall not cover liability for such loss or damage which is directly or indirectly attributable to or otherwise in connection with asbestos or materials containing asbestos.
15. This insurance shall not cover liability for property damage and/or pure financial loss falling within the scope of paragraph 4 of Article 2 of Section A of FKBF (Extended product liability insurance).
16. This insurance shall not cover obligations to make restitution for the violation of personality rights, excluding the obligation to make restitution if such violation of the personality rights is in connection with bodily injury and property damage.
17. This insurance shall not cover claims enforced on the grounds of hostility, mobbing, unequal treatment or any other discrimination.
18. This insurance shall not cover claims enforced against the Policyholder due to the work accident or occupational disease of its/his employees, members, agents etc. (see Pt. 20 of the present Article), even if the Policyholder shall be held liable for such occupational accidents or diseases in accordance with the Hungarian laws and regulations.
19. For the purposes of this Article, loss shall mean any disadvantage suffered due to the violation of personality rights as well

20. For the purposes of this Article labour relation shall mean any of and only the following legal relationships: employment, status as civil and public servant, labour relation as member of a co-operative society, labour relation as pupil, student, practical trainee and labour relation based on criminal enforcement proceedings or on administrative decision.

8. Article

Obligations of the Policyholder / Insured; the power of representation of the Insurance Company

1. Obligations of the Policyholder

Unless the Parties agree otherwise, in case of breaching the following obligations, the Insurance Company shall be exempted from its indemnification obligation:

- 1.1 For the purpose of maintaining the balance between the covered risks and the insurance premium, the Policyholder shall provide the Insurance Company with true and accurate information as stipulated in paragraph 3.1 of Article 11.
- 1.2 At the time of conclusion of the contract the Insured (Policyholder) shall disclose to the Insurance Company any and all material circumstances in terms of providing the insurance coverage, on which the Insurance Company raises questions, and of which it/he is or should be aware. The Insured (Policyholder) shall facilitate the Insurance Company to verify the information that have been provided.
- 1.3 If the Parties agree that the Policyholder and the Insured shall have the obligation to notify the Insurance Company in writing of changes in specific material circumstances, the Insured (Policyholder) shall report such changes within 8 days.
- 1.4 The Policyholder and the Insured both shall be bound by the obligation of disclosure and notification of changes, and none of them shall be entitled to refer to such circumstances that either one had neglected to disclose or report to the Insurance Company though it/he should have known about it and should have disclosed or reported it.
- 1.5 In the event of any breach of the obligation of disclosure and notification of changes, the obligation of the Insurance Company shall not take effect, unless the Policyholder is able to prove that the Insurance Company was aware of the concealed or undisclosed circumstance when the contract was concluded or that such circumstance had no influence on the occurrence of the insured event.
- 1.6 The Policyholder shall rectify within a reasonable period of time any circumstance identified as a particular hazard and which may be or are rightly demanded to be rectified by the Insurance Company. In case of doubt, any circumstances that have already resulted in an event of loss are deemed to represent an identified hazard.
- 1.7 The Policyholder shall take any and all reasonable measures to identify the causes, source and consequences of the insured event and to keep the extent of the loss at a minimum.
- 1.8 The Policyholder shall inform the Insurance Company in detail, without delay but not later than within 30 days of becoming aware of the loss and in writing, and if necessary also by telephone or by text message.

The following information shall be reported:

- 1.8.1 description of the insured event (circumstances of the tort);
- 1.8.2 data of the claimant and details of its/his claim;

- 1.8.3 information on any penalty imposed on the Policyholder or the Insured in connection with the claim, and on any criminal, administrative or disciplinary proceedings;
- 1.8.4 any and all measures taken by the claimant to secure the lawful enforcement of its claim for damages.
- 1.9 The Policyholder shall support the Insurance Company, provide the information necessary and facilitate any inspections and investigations during the assessment of the insured event, ascertainment and adjustment or rejection of the claim.
- 1.9.1 The Policyholder shall provide the legal expert (legal counsel, attorney-at-law, forensic expert) appointed by the Insurance Company with a written power of attorney, and with any and all information necessary, and entrust him with the conduct of the proceedings.
- 1.9.2 If the Policyholder is unable to obtain the Insurance Company's instructions in time, it/he shall, on its/his own initiative, take all reasonable and necessary procedural actions (including appealing against condemnation) within the prescribed periods.
- 1.9.3 The Policyholder shall not be entitled to acknowledge (unless it would be patently inequitable to refuse its/his acknowledgement) or to compensate the claim in whole or in part without the Insurance Company's prior consent.
- 1.9.4 The Policyholder shall inform the Insurance Company without delay but within 5 days the latest on any circumstance which has come to its/his knowledge that may give rise to a claim against it/him in the future.
- 1.9.5 The Policyholder shall take all reasonable measures to assist the Insurance Company in exercising its subrogation rights against any responsible third party. The Policyholder shall be held liable for damages if it/he culpably breaches its obligation which results in the Insurance Company failing to exercise its subrogation rights.
2. The power of representation of the Insurance Company

Upon concluding an insurance contract with reference to these insurance terms and conditions, the Policyholder authorizes the Insurance Company to make any and all statements on behalf of the Policyholder and/or the Insureds in connection with the settlement of or defence against claims of the claimant(s) which it deems expedient as a reasonable insurance company and which are not against the interests of the Policyholder and the Insureds.

9. Article Assignment of claims

The Policyholder may not assign or pledge any of its/his claims against the Insurance Company without the express consent of the Insurance Company before the final verification thereof.

10. Article Insuring third persons' interests

In case this insurance covers any third person's liability for damages besides the Policyholder's own, all provisions of the insurance contract referring to the Policyholder shall be applied correspondingly to that person. Such person shall be responsible to the same extent as the Policyholder for fulfilling the obligations of the insurance contract. However, solely the Policyholder shall be entitled to exercise the rights deriving from the insurance contract.

11. Article

Conclusion of the insurance contract, policy period; insurance premium, commencement of the insurance cover; insurance premium adjustment

1. The insurance contract is to be concluded upon the written agreement of the Parties. The conclusion of the insurance contract may be initiated by a written insurance proposal. Unless otherwise agreed by the Parties, the offeror shall be bound by the proposal for a period of fifteen days of the time when it has been made. If the Insurance Company expressly accepts the proposal of the offeror by its written statement within fifteen days of the time when it has been made, the insurance contract is concluded on the effective date of the acceptance of the proposal. The insurance contract shall not be executed if the Insurance Company rejects or does not respond to the proposal within fifteen days of the time of receipt thereof.
2. The insurance cover shall be provided by the Insurance Company from the date specified on the proposal and/or the insurance contract (insurance policy) as the commencement of the insurance cover, but not earlier than at 00:00 a.m. on the following day on which the first or single insurance premium payment is received by the Insurance Company.
3. Policy period
Unless this insurance contract is concluded for a shorter policy period, the policy period shall be one year.
4. Payment and consequences of non-payment of the insurance premium
 - 4.1 The first instalment of the insurance premium or the single premium payment shall be due at a time agreed upon by the Parties or, failing this, at the time the contract is concluded, and any subsequent premium payments shall be due on the first day of the period defined in advance by the Policyholder to which they pertain.
 - 4.2 In the event of non-payment of the insurance premium as due, the Insurance Company shall dispatch within thirty days from the due date a written request for payment to the Policyholder in default - indicating the potential legal consequences - with an additional thirty-day deadline from the date when the warning has been dispatched. In the event of non-payment within the additional period, the contract shall be terminated with retroactive effect to the original due date, except if the Insurance Company forthwith enforces its claim by judicial process.
 - 4.3 In the event of default in payment of the insurance premium and in the absence of the request for payment set out in paragraph 4.2, the insurance contract shall terminate on the renewal date following the due date of the premium the latest.
 - 4.4 In case the insurance contract terminates by non-payment of the subsequent regular premium as specified under paragraph 4.2, the Policyholder may request the Insurance Company within one hundred and twenty days from the date of termination to reinstate the insurance cover. The Insurance Company may reinstate the insurance cover under the terms and conditions of the terminated contract, if the overdue premium is paid and a no claims declaration is made.
 - 4.5 The insurance premium, including any other charges, shall be paid until the due date agreed.
5. Insurance premium adjustment
 - 3.1 If the insurance contract provides for the premium to be calculated on the basis of payroll, turnover or other quantitative parameters, the amount of premium shall be assessed on the basis of the expected magnitude of those parameters. The insurance premium obtained by this method is provisional.

At the end of each policy period, the Policyholder shall provide and, upon request of the Insurance Company, substantiate the actual figures pertaining to the given period, and shall further advise whether and, if so, to which extent the covered risks have been affected by any changes or whether the scope of business or its activity has been expanded. The Policyholder must fulfil this obligation within one month of receipt of the Insurance Company's enquiry.

Upon receipt of the Policyholder's information, the Insurance Company shall draw up the final accounts. Any arrears and surplus shall be due one month after the receipt of such accounts.

- 3.2 If the Policyholder fails to provide the information necessary to calculate the insurance premium despite the Insurance Company's reminder, the Insurance Company has the option of taking legal action to obtain the information or of charging a default premium.

The amount of the default premium shall be equal to the annual insurance premium in the first year, to the first insurance premium instalment in case of any insurance concluded for a period of less than one year, and to the insurance premium of the preceding year for any consecutive years. If the information is provided by the Policyholder later, but still within two months of receipt of the request for payment of the default premium, the Insurance Company shall refund any excess amount paid.

The default premium shall be deemed to be insurance premium. Therefore, provisions stipulated in paragraph 4 shall be applied correspondingly.

- 3.3 The right of access of the Insurance Company; consequences of providing incorrect information

The Insurance Company is entitled to verify the information provided by the Policyholder. For this purpose, the Policyholder shall grant the Insurance Company access to all of its/his data, records, books, documents considered important by the Insurance Company.

It shall constitute a breach of obligations (paragraph 1.1. of Article 8), if the Policyholder has provided incorrect information for reasons directly attributable to him/it.

4. Definitions

- 4.1 Payroll

Payroll shall include all wages, salaries, commissions, remunerations paid under employment contracts or otherwise to any and all the persons employed in the business (including home-based employment, etc).

Payroll shall also include the fees paid under agency agreements and/or royalties paid to persons working for the Policyholder, and any fees and other charges paid to temporary work agencies.

These shall not depend on whether an employment relationship exists.

Payroll shall not include any contributions to the social security payable by the employer; regular family and child allowances; one-off payments in respect of marriage, birth, accident or death allowances, or premiums paid on the occasion of company events, employment anniversaries; redundancy benefits; family and housing supports.

- 4.2 Turnover

Annual turnover shall mean the sum of any and all consideration paid in respect of deliveries and other services performed by a company in the countries forming the territorial scope of the insurance cover, calculated before value-added tax, except for revenues from licences, from the sale of a business or parts thereof, or from the sale of fixed assets.

12. Article

Duration and termination of the insurance contract, cessation of covered risks

1. Duration of the contract (policy period)

If the agreed policy period is at least one year, the insurance contract concluded for an indefinite period of time is automatically renewed for the subsequent year, provided that none of the contracting Parties cancel the contract in writing at least 30 days prior to the renewal date thereof (Termination for convenience / Ordinary termination). Any legal declarations made in writing on termination for convenience shall be delivered to the Insurance Company's address 30 days before the renewal date of the insurance contract

the latest. In case of insurance contracts concluded for the purposes other than the Policyholder's business operations (consumer contracts), prior to the commencement of the notice period the Insurance Company shall draw particular attention of the Policyholder to the legal consequences of the automatically performed renewal in the absence of cancellation. If the policy period is less than one year, the contract terminates automatically on the expiration date.

2. Termination after the occurrence of an insured event (Extraordinary termination)

After the occurrence of an insured event

2.1 the Policyholder may terminate the insurance contract with effect as of such date which falls before the renewal date if the Insurance Company rejects, delays or unreasonably procrastinates the acknowledgement of a properly substantiated claim in whole or in part.

The notice of termination shall be provided in accordance with the following:

- within 30 days of the date on which the Insurance Company rejected to perform its insurance service (indemnity payment);
- if a lawsuit had been brought, within 30 days of the date on which the decision of the court was rendered final;
- if the Insurance Company delays or unreasonably procrastinates to acknowledge the claim, within 30 days of the date on which the performance of its insurance service (indemnity payment) became due.

If the Insurance Company delays or unreasonably procrastinates the acknowledgement of a properly substantiated claim, and the Policyholder fails to terminate the contract within 30 days of the date on which the performance of the insurance service (indemnity payment) became due, and thereafter the Insurance Company rejects the claim, the Policyholder shall have a further period of 30 days to terminate the insurance contract.

Termination after the occurrence of an insured event may not take effect on a later date than the expiration date of the ongoing policy period.

2.2 the Insurance Company may terminate the contract with effect as of such date which falls before the renewal date if it has acknowledged the claim or has paid the indemnity or the Policyholder reported the unsubstantiated claim in bad faith.

The Insurance Company may terminate the contract with 30 days' notice at least 30 days after the acknowledgement of the claim, payment of indemnity or rejection of the unsubstantiated claim. The Insurance Company may terminate the insurance contract with immediate effect in case the Policyholder reports an unsubstantiated claim in bad faith.

3. Bankruptcy, liquidation

In case a bankruptcy or liquidation proceeding is initiated against the Policyholder, the Insurance Company shall be entitled to terminate the insurance contract with 30 days' notice from the date of commencement of such proceedings.

4. Lapse of coverage

If a covered risk completely and permanently ceases to exist (e.g. lapse of interest), the relevant part of the insurance cover with regard to that risk lapses.

A restriction on the scope of an operating permit restricts the insurance cover to the same extent.

5. The Insurance Company shall be entitled to the insurance premium due for the period ending on the date of termination of the insurance contract.

6. In case of a termination in accordance with paragraphs 1 and 2 or a lapse of coverage as provided for in paragraph 4, paragraph 5 of Article 11 shall remain applicable.
7. If the Insurance Company has granted a premium discount on the basis of the agreed contract period, it shall be entitled to demand the subsequent payment of the amount by which the insurance premium would have been higher if the contract had been concluded only for the period for which it was actually in force. However, such reimbursement of the premium discount may not be claimed if the Policyholder exercises its right of termination in accordance with paragraph 2 or the insurance contract is terminated as provided for in paragraph 3.

13. Article

Governing law and jurisdiction

1. To settle any disputes that may arise out of or in connection with any and all insurance contracts concluded with reference to these insurance terms and conditions or the breach, termination, validity or interpretation thereof, the Hungarian courts shall have jurisdiction in accordance with the applicable procedural rules as amended.
2. With respect to any matters not regulated in FÁBF, FKBF or any separate agreements of the Parties, any and all insurance contracts concluded with reference to these insurance terms and conditions shall be governed by and interpreted in accordance with the Hungarian laws and regulations, in particular the provisions of Act V of 2013 on the Civil Code.

14. Article

Written form of declarations of the Policyholder

Unless otherwise provided for in the terms and conditions or the insurance contract, all communications and declarations of the Policyholder to the Insurance Company shall be made in writing.

Article 15

The Insurance Company's right of recourse

1. The Insurance Company shall be entitled to claim the reimbursement of any indemnity or restitution paid from the Insured if the Insured has caused the loss by gross negligence.
2. For the purposes of these insurance terms and conditions, gross negligence shall particularly mean the following:
 - a) the liable person caused the loss or damage under the influence of alcohol or of any other intoxicating agent, which has contributed to the occurrence of the loss or damage;
 - b) the Insured pursued the activity causing the loss or damage without the licences required;
 - c) the Insured pursued its activity without meeting the resource requirements in staff and equipment stipulated by the laws and regulations, which has contributed to the occurrence of the loss or damage;
 - d) the Insured pursued its activity failing to comply with an official decision or order of the supervisory authority, which has contributed to the occurrence of the loss or damage
 - e) the court declares in its final judgement that the loss or damage was caused by gross negligence.

Article 16

Derogations from the provisions governing insurance contracts

In accordance with the Hungarian Civil Code, we would like to specifically draw the attention of our Clients to such provisions of these insurance terms and conditions which substantially deviate from the provisions of the Hungarian Civil Code as amended:

1. Legal defence costs and default interest incurred by the Insured shall be covered up to the limit of indemnity

By way of derogation from paragraph 3 of Article 6:470 of the Hungarian Civil Code, according to paragraph 1 of Article 4 of these terms and conditions, legal defence costs and default interest incurred by the Insured causing the loss or damage are covered up to the limit of indemnity per claim and in the aggregate, even if the total sum of such costs, interest and the amount of indemnity exceeds these limits of indemnity.

2. Exclusion of restoration of limits

By way of derogation from Article 6:461 of the Hungarian Civil Code, according to paragraph 5 of Article 5 of these terms and conditions, the contracting Parties may not restore the limits, i.e. the insurance contract remains in force until the end of the ongoing policy period with such limits of indemnity that is reduced by the amount paid due to an insured event which occurred during the same policy period, and the Policyholder shall not be entitled to restore the limit of indemnity to its original amount by paying the appropriate additional insurance premium.

3. Extraordinary termination of the insurance contract

By way of derogation from paragraph 1 of Article 6:466 of the Hungarian Civil Code, according to paragraph 2 and 3 of Article 12 of these terms and conditions, the contracting Parties are not only entitled to cancel the insurance contract with effect as of the renewal date, but also to terminate the contract with effect as of such date which falls before the renewal date (extraordinary termination), (i) if the Insurance Company rejects, delays or unreasonably procrastinates the acknowledgement of a properly substantiated claim in whole or in part (termination of the Policyholder); or (ii) if the Insurance Company has acknowledged the claim or has paid the indemnity or the Policyholder reported the unsubstantiated claim in bad faith (termination of the Insurance Company); or (iii) in case a bankruptcy or liquidation proceeding is initiated against the Policyholder (termination of the Insurance Company).

Supplementary General Terms and Conditions of Liability Insurance (FKBF)

Section A

General provisions on liability insurance covering business risks

1. Extension of the insurance cover

1. With respect to the risks arising out of the activities declared in the insurance contract (Article 1 of FÁBF), the Insurance Company undertakes to indemnify the Policyholder for such damages for which it shall assume liability in its capacity as the owner or user of any and all tools and equipment of its business (buildings, constructions, machinery, equipment, tools, stocks etc.) according to the applicable laws and regulations.

Likewise, this insurance shall cover liability for damages arising out of non-commercial letting and lending of machinery and equipment. Commercial activities shall be covered by this insurance subject to a separate agreement only.

2. This insurance shall cover the Policyholder's liability arising out of the following:
 - 2.1 exhibiting its own products, organizing a product exhibition and using the showroom, and any plant visits organized at the insured business premises, organizing and presenting a product exhibition;
 - 2.2 participating in and preparing for product exhibitions and trade fairs.
 - 2.3 possessing plots of land, buildings or premises used solely for the operations or activities of the insured business and/or for residential purposes by the Policyholder (paragraph 4 of Section B of FKBF applies);
 - 2.4 possessing the accommodation (flats and houses) provided by the employer to the managers and employees of the insured business. (paragraph 4 of Section B of FKBF applies);
 - 2.5 operating any advertising equipment, even if located outside the business premises;
 - 2.6 operating a company fire brigade (exercise and deployment, assistance to third parties (paragraph 6 of Article B of FKBF applies);
 - 2.7 possessing and using for business purposes in relation with the insured activities fencing swords, cutting and thrusting weapons and firearms by the Policyholder or any persons appointed by it/him, provided that the pertinent legal and official regulations are complied with (excluding the use of weapons for hunting purposes);
 - 2.8 providing medical care for employees. This insurance shall also cover the legal liability of physicians in connection with their activities pursued for the business, unless such liability is covered under another insurance.
 - 2.9 operating social facilities for employees, such as company canteens, swimming pools, recreation areas, child care facilities and company sports facilities, even if such facilities are open as well to persons having no connection with the business. (paragraph 8 of Section B of FKBF applies correspondingly to swimming pools, paragraph 7 to recreation areas, and paragraph 14 to company sports facilities);
 - 2.10 organizing and managing company events. This insurance shall also cover the personal liability of the employees of the insured business in connection with the event (paragraph 3 applies correspondingly);
 - 2.11 producing livestock for business purposes. (paragraph 12 of Section B of FKBF applies).

3. In the context of paragraphs 1 and 2, this insurance shall also cover the liability
 - 3.1 of the Policyholder's legal representatives and of those persons who are employed to manage or supervise the insured business in whole or in part;
 - 3.2 of all other employees for loss or damage caused during the performance of their duties, excluding any personal injuries of employees arising out of work-related accidents (occupational diseases) which shall be governed by the Act on Social Security.

Family members employed in the business of the Policyholder are covered according to paragraph 3.1 or 3.2 even in the absence of an employment contract.

2. Product liability

Product liability is covered in accordance with FÁBF and FKBF and in particular with the following terms and conditions:

1. Definitions

Product liability is the overall legal liability for loss or damage arising out of the defects of a product or deficiencies of the work performed after being delivered.

Defects and deficiencies shall mean any defects and deficiencies in concept, design, manufacture, processing, repair, storage, delivery, instructions for use, advertising or the provision of advice.

Products shall mean any and all physical items (finished and semi-finished products) or any parts thereof that qualify as commercial goods, including any of their accessories or packaging.

Delivery shall mean the actual transmission of the product performed by the Policyholder to a third party, irrespective of its legal title. Such delivery shall be deemed to have been performed when the Policyholder lost the actual power of disposition over the product, i.e. the ability to have any influence on the product or its use.

Delivery of a work performed shall mean the full completion and the actual acceptance of such work by the customer or its/his authorized representative.

2. Insurance cover

- 2.1 At the time of making the insurance proposal, the Policyholder shall provide the Insurance Company with complete information on its/his current products manufactured and marketed, on the scope of its activities, and on its production and activities planned during the given policy period. The insurance cover is provided in accordance with the above information declared in the insurance proposal.

- 2.2 In respect of product liability, Article 2 of FÁBF shall be subject to such restriction that this insurance shall cover only quantitative aggravation of the covered risk (due to the expansion of business).

3. Insurance cover for indirect exports

- 3.1 By way of derogation from paragraph 1 of Article 3 of FÁBF, this insurance shall cover losses occurring in any country of the world, except for the USA, Canada and Australia, provided that neither the Policyholder nor its authorized representative knew or could have known that its products delivered (whether incorporated or processed) and/or works performed were intended to be exported. The restriction stipulated in the second sentence of paragraph 1 of Article 3 of FÁBF shall be applied.

- 3.2 The insurance cover provided for in paragraph 3.1 shall not be valid if the Insurance Company is prevented by any public authority, third party or the Policyholder from investigating the circumstances of the loss, clarifying the legal basis, settling the claim or fulfilling any other duties.
4. Product liability risks coverable only upon a separate agreement (Extended product liability insurance)
- 4.1 By way of derogation from Article 1 and paragraph 14 of Article 7 of FÁBF, irrespective whether within the meaning of the insurance terms and conditions property damage or pure financial loss was caused, this insurance shall cover only upon a separate agreement of the parties such product liability which arises out of the following:
- 4.1.1 losses to third parties (other than the Policyholder/Insured and the Insurance Company) resulting from deficiencies in products delivered by the Policyholder which have been inseparably combined, blended, mixed or processed with other products, namely
- 4.1.1.1 as a result of the other products becoming unusable;
- 4.1.1.2 as a result of the costs incurred in connection with manufacturing the final product, excluding the value of the defective product delivered by the Policyholder;
- as a result of any further economic loss arising out of the final product being unsalable. If the final product can be sold only at a reduced price, the Insurance Company shall pay as indemnification the (value) difference between the expected revenue from the delivery of non-defective final products and the sales price of defective products in lieu of the indemnity payable under paragraphs 4.1.1.1 and 4.1.1.2.
- However, the Insurance Company shall not pay an indemnity for the value of the product delivered by the Policyholder in the portion of the value difference between the non-defective and the defective final product.
- 4.1.1.3 as a result of the expenses incurred in connection with the lawful and economical repair of the final product or the rectification of the loss or damage otherwise. However, the Insurance Company shall not pay an indemnity for such expenses in the proportion that the value of the product delivered by the Policyholder bears to the value of the non-defective final product;
- 4.1.1.4 as a result of the costs incurred by the direct recipient of the products delivered by the Policyholder in connection with cleaning and repairing the machinery and equipment.
- 4.1.2 losses to third parties resulting from a defective product delivered by the Policyholder being further processed or treated without combining, blending, mixing or processing it with any other products, namely
- 4.1.2.1 solely as a result of the costs incurred in connection with manufacturing the final product, excluding the replacement value of the defective product of the Policyholder;
- solely as a result of any further economic loss arising out of the final product being unsalable. If the final product can be sold only at a reduced price, the Insurance Company shall pay an indemnification for the (value) difference between the expected revenue from the delivery of non-defective final products and the sales price of defective products in lieu of the indemnity payable under paragraph 4.1.2.1.
- However, the Insurance Company shall not pay an indemnity for the value of the product delivered by the Policyholder in the portion of the value difference between the non-defective and the defective final product.
- 4.1.2.2 as a result of the expenses incurred in connection with the lawful and economical repair of the final product or the rectification of the loss or damage otherwise. However, the Insurance Company shall not pay an indemnity in respect of such expenses in the proportion that the value of the product delivered by the Policyholder bears to the value of the non-defective final product
- 4.1.2.3 as a result of the costs incurred by the direct recipient of the products delivered by the Policyholder in connection with cleaning and repairing machinery and equipment.

4.1.3 as a result of the costs incurred by third parties in connection with removing, dismantling and uncovering defective products and for installing, attaching, or fitting non-defective (replacement) products, except for the price and transport costs of the replacement products (parts etc.).

If the defect in the product can be remedied by various measures, the insurance covers only the insured costs of the most economical remedy.

No insurance cover shall be provided

4.1.3.1 if the defective products were brought, installed, attached or fitted in by, on behalf or on the account of the Policyholder or the authorized persons acting on its/his behalf.

4.1.4 for losses to third parties resulting from the fact that the machinery delivered (or maintained or repaired) by the Policyholder manufactures or processes defective products without causing any property damage as defined in paragraph 2.3 of Article 1 of FÁBF, namely

4.1.4.1 as a result of the products inserted into the machine becoming unusable;

4.1.4.2 as a result of the cost incurred in connection with manufacturing or processing;

4.1.4.3 as a result of any further economic loss arising out of the final product being unsalable. If the final product can be sold only at a reduced price, the Insurance Company shall pay as indemnification the (value) difference between the expected revenue from the delivery of non-defective final products and the sales price of defective products lieu of the indemnity payable under paragraphs 4.1.4.1 and 4.1.4.2.

4.1.4.4 as a result of the expenses incurred in connection with the lawful and economical repair of the final product or the rectification of the loss or damage otherwise.

4.1.4.5 as a result of the costs incurred by the direct recipient of the products delivered by the Policyholder in connection with cleaning and repairing machinery and equipment.

4.2 Special provisions applicable to paragraph 4.1.

4.2.1 By way of derogation from paragraph 1 of Article 1 of FÁBF, an insured event shall mean the liability for loss or damage arising out of the delivery of a defective product or a deficient work (hereinafter referred to as "delivery") under the applicable laws and regulations.

4.2.2 Territorial scope

By way of derogation from Article 3 of FÁBF, as regards paragraphs 4.1.1 to 4.1.4, this insurance shall cover deliveries made within the territory of Hungary. Provisions set out in paragraph 3 shall be applied mutatis mutandis.

4.2.3 Temporal scope

By way of derogation from Article 4 of FÁBF, this insurance shall cover those deliveries which are performed during the policy period, provided that the claim is reported to the Insurance Company no later than within two years of the termination of the insurance contract.

4.2.4 Series of loss

By way of derogation from paragraph 1.2 of Article 1 of FÁBF, several deliveries of similar products shall qualify as one single insured event if the liability for damages is resulting from the same cause. Furthermore, losses arising out of several deliveries and attributable to similar causes shall qualify as one single insured event, provided that there is a legal, economic or technical relationship between such causes.

Paragraph 2 of Article 4 of FÁBF shall be applied correspondingly to this paragraph.

4.2.5 Retention

Retention of the Policyholder in respect of each and every insured event is 10 % of the claim and of the expenses under paragraph 5 of Article 5 of FÁBF but minimum 100,000 HUF.

Unless otherwise agreed by the Parties, the following shall be excluded from the insurance coverage:

5. Exclusions from the insurance coverage

5.1 The following shall be excluded from the insurance coverage, even in case of a separate agreement of the Parties referred to in paragraph 4.

5.1.1 warranty claims against defect, except for the insured events explicitly stipulated in paragraph 4.1. Paragraphs 1.1 and 1.3 and 9 of Article 7 of FÁBF shall also be applied in this case.

5.1.2 Guarantee claims, claims arising from guarantee agreements or from normal wear and tear;

5.1.3 claims arising from losses caused by such products or work, the use or effect of which had not been adequately tested before delivery in accordance with the state of the art to verify their suitability for the specific purpose for which they were to be used. In any case, testing shall not be deemed performed in an adequate manner if any approval or licence prescribed by statutory or official regulations for the use of the product has not been granted;

5.1.4 claims arising from losses attributable to such products or work, the licence (right to manufacture or duty of performance) of which has been transferred by the Policyholder to a third party;

5.1.5 claims arising from

5.1.5.1 the design, development, manufacture or transportation of aircrafts or spacecrafts or any components thereof, provided that such components shall or will evidently be integrated in the aircraft or spacecraft;

5.1.5.2 the design or manufacture of motor vehicle components, and the design, manufacture or transportation of aircrafts, watercrafts, railway vehicles, spacecrafts and funicular railways, provided that such components shall or will evidently be integrated therein.

5.1.5.3 activities performed on aircrafts or spacecrafts or on the components thereof, irrespective whether the loss or damage is caused by or to such aircrafts or spacecrafts (including the occupants and any items transported).

5.2 For the purposes of insurances concluded by way of the separate agreement of the Parties provided for in paragraph 4, consequential damages, such as business interruption or loss of production income, shall not be covered.

3. Wilful violation of regulations

It shall be deemed gross negligence within the scope of business risks, and the Insurance Company shall be exempted from its indemnification obligation if the Policyholder, its legal representatives, directors and officers, or any employees under their instructions or with their consent infringed the laws and regulations and official requirements applicable to the conduct of business or its activities, particularly for the sake of saving time and/or expense, and as a consequence, liability for damages has arisen.

4. Transfer of business

If the Policyholder transfers the business under a purchase, leasing or usufruct contract, or, under any other contractual agreement, bestows, donates the business or grants the right of use thereof, the third party assuming the risk of loss replaces the Policyholder with respect to the rights and obligations arising out of the insurance contract.

Section B

Supplementary provisions on special business and non-business risks

1. Pure financial loss cover

Unless otherwise agreed, this insurance shall also cover pure financial losses in case of the separate agreement of the Parties declared in the insurance contract, under the following terms and conditions:

1. Pure financial loss shall mean such loss which not constitutes personal injury or property damage, nor derives from such injury or damage.
2. By way of derogation from Article 1 of FÁBF, an insured event shall mean the misdemeanour (act or omission) of the Policyholder in connection with the insured activities, which entails the liability of the Policyholder for damages.
 - 2.1. Series of loss The following shall qualify as one single insured event:
 - 2.1.1. any and all consequences of a misdemeanour (act or omission);
 - 2.1.2. any and all consequences of misdemeanours (acts or omissions) attributable to the same cause
 - 2.1.3. and any and all time-related misdemeanours (acts or omissions) attributable to the same cause, provided that there is a legal, economic or technical relationship between them.

Paragraph 2 of Article 4 of FÁBF shall be applied correspondingly.

3. By way of derogation from paragraph 3 of FÁBF, this insurance shall only cover a misdemeanour (wrongful act or omission) only if it is committed, its economic effects occur, and the claim is enforced within the territorial scope of cover.
4. By way of derogation from Article 4 of FÁBF, this insurance shall only cover a misdemeanour (act or omission) only if it is committed within the policy period, provided that the claim is reported to the Insurance Company no later than within two years after the termination of the insurance contract.
 - 4.1. In case the insured event occurs as a result of an omission, and the date of the occurrence is disputed, such date shall be the date on which the omitted action should have been taken the latest in order to prevent the loss.
5. This insurance shall not cover any shortfalls in cash management, errors in payment transactions, or any losses arising out of the misappropriation of the employees or other persons acting on behalf of the Policyholder, or any loss or disappearance of money, securities, valuables, precious metals or any articles made thereof, furthermore, any losses arising out of exceeding the limits of appropriations, cost estimates and credit limits.

Furthermore, this insurance shall not cover the liability for damages being directly or indirectly in connection with the liability of former or current directors and officers for breach of duty arising from their function.

2. Railway sidings and rented storage areas

- 1.1 By way of derogation from paragraph 2 of Article 1 and paragraph 1.2 of Article 7 of FÁBF, liability insurance of operators of railway sidings shall also cover claims for which the Policyholder shall assume contractual liability in respect of losses and damages caused in its/his capacity as operator, except for losses caused in the railway itself or in its fixtures as a result of an accident which had no connection with the traffic.
- 1.2 By way of derogation from paragraphs 10.1 and 10.2 of Article 7 of FÁBF, this insurance shall also cover the Policyholder's delictual and contractual liability for damage to any means of transport on the railway sidings.

2. Rented storage areas

By way of derogation from paragraph 2 of Article 1 and paragraph 1.2 of Article 7 of FÁBF, this insurance shall also cover claims for which the Policyholder shall assume contractual liability in respect of losses and damages caused in its/his capacity as the lessee or user of railway storage areas, or as the lessee, user and keeper thereof, except for losses caused in the rented storage area itself.

3. Contractual liability for pure financial losses

The insurance provided for in paragraphs 1 and 2 shall also cover the Policyholder's contractual liability for pure financial losses resulting from its/his contractual obligations. The applicable limit of indemnity shall be 2.5% of and within the aggregate limit of indemnity.

4. Provisions stipulated in paragraphs 1 to 3 shall be applied as follows:

- 4.1 If it is justified that the damage occurred due to the fault of the railway company or any other company or organization thereof in whole or in part, the Insurance Company shall be exempted from its indemnity obligation or shall pay an indemnification to the extent the Policyholder shall be held liable. If such liability shall be held jointly and severally, this insurance shall not cover any additional obligations arising therefrom.
- 4.2 This insurance shall neither cover any additional costs of punitive damages imposed in connection with the defective performance or non-performance (fines, stranded wagon etc.), nor claims of the railway company in respect of manufacturing, repairing, maintaining or managing etc. the railway sidings, not even if performing such work would have been the contractual obligation of the Policyholder.
- 4.3 Over and above those provisions stipulated in paragraphs 1 to 3, the Insurance Company provides insurance cover for railway sidings, its fixtures and railway storage areas only upon the separate agreement of the Parties.

3. Building and construction industry and related trades

1. For the purposes of these terms and conditions, these trades include: civil engineering and construction companies (including steel and concrete construction companies), builders (masons), carpenters, well-drillers, water, moisture and water-pressure insulation fitters, black toppers, roofers, tilers, plumbers, gas and water system fitters, electrical fitters (electricians), heating, ventilation and air conditioning (HVAC) technicians, demolition contractors, excavators (dike drainage ditch diggers), sand and gravel producers, blasting contractors and blasters, quarry operators and deep-drilling contractors.
2. Subject to the scope of cover of FÁBF and of Section A of FKBF, this insurance shall also cover claims arising out of the following losses:

- 2.1 personal injury and property damage as a result of designing activities performed by the Policyholder, however, excluding any loss or damage caused to the designed object itself;
- 2.2 loss or damage to underground installations (such as power, gas, water lines, telecommunication cables, drainpipes), in respect of which paragraphs 10.2 and 10.3 of Article 7 of FÁBF shall not be applied;
- 2.3 damage as a result of any construction work performed under buildings and structures (underground walling or underpinning);
- 2.4 damage as a result of subsidence of land, including the subsidence of any structures or parts thereof erected thereon, and due to landslides;
- 2.5 damage to adjacent buildings, structures as a result of failure to provide adequate blinding, strutting, bracing work;
- 2.6 damage caused during blasting, subject to the following provisions:
 - 2.6.1 insurance cover is provided only if the blasting works are performed under the instructions of an authorized professional with the appropriate qualifications, by a trained explosives technician, in accordance with the applicable rules and regulations as amended within the meaning of the valid regulations.
 - 2.6.2 property damage occurring within a radius of 100 m from the point of the detonation shall be excluded from the insurance cover.
 - 2.6.3 furthermore, the Insurance Company provides no insurance cover for any property damage which shall typically be anticipated during blasting work despite compliance with the prescribed safety regulations.
3. The following retentions are applicable for such insured event:
 - 3.1 20 % of the claim and of the expenses but minimum 50.000 HUF and maximum 500.000 HUF in accordance with paragraph 5 of Article 5 of FÁBF for property damage to underground installations.
 - 3.2 20 % of the claim and of the expenses but minimum 50.000 HUF and maximum 500.000 HUF in accordance with paragraph 5 of Article 5 of FÁBF for any other property damage.
4. This insurance shall not cover liability for damages arising out of consortium membership. It shall not constitute a consortium membership, if the participant of a consortium performs its activities as the sub-constructor of such consortium under a written works contract.

4. Liability of automobile repair shops and similar businesses

Exclusion stipulated in paragraph 3 of Article 7 of FÁBF shall not be applied.

5. Liability of chimney sweepers

Exclusion stipulated in paragraph 3 of Article 7 of FÁBF shall not be applied.

6. Liability of businesses in agriculture and forestry

1. This insurance shall also cover the liability for damages arising from/in respect of the following, pursuant to the scope of coverage provided for in FÁBF and to Section A of FKBF:

- 1.1 Animal husbandry, regardless of its purpose (paragraph 12 of Section B of FKBF shall be applied).

This insurance shall cover losses to animals declared on the acknowledgement letter/receipt/policy or losses arising from the fact that any animals used for riding were given in the possession of a third person having no relation with the business.

Any losses caused to meadows/fields or cultivated plants by games, wild animals shall be excluded from the insurance cover.

1.2 Deforestation for its own purposes in owned or third parties' forests.

1.3 Any losses arising from performing pest control and using herbicides on the insured agricultural or forestry land, for which a retention of 20 % of the claim and of the expenses but minimum 20,000 HUF and maximum 400.000 HUF per claim shall be applied in accordance with paragraph 5 of Article 5 of FÁBF.

1.4 Any property damage caused by dung water, fertilizers or sewage of silos pursuant to Article 6 of FÁBF.

The applicable limit of indemnity is 10,000,000 HUF in the aggregate.

The applicable retention of the Insured per each and every claim is 100,000 HUF of the claim and of the expenses in accordance with paragraph 5 of Article 5 of FÁBF.

1.5 Blasting works for the purposes of the insured agricultural or forestry business, provided that it is performed by an explosives technician. Property damage occurring within a radius of 100 m from the point of the detonation shall be excluded from the insurance cover. Furthermore, the Insurance Company provides no insurance cover for any property damage which shall typically be anticipated during blasting works despite compliance with the prescribed safety regulations.

1.6 Construction of access roads, provided that its total cost (including own costs) does not exceed 4,000,000 HUF. Paragraph 2, third line of Section B of FKBF shall be applied. In case of such construction plans, the liability for damages of the Insured as the investor shall be covered under this insurance contract.

1.7 Activities performed as a subsidiary occupation, provided that the annual wage costs (including those in-kind) do not exceed 4,000,000 HUF. (Nevertheless, paragraph 1.1 of Article 2 shall be applied.)

1.8 Wineries, provided that the annual wage costs (including those in-kind) do not exceed 4,000,000 HUF.

1.9 Catering pursuant to paragraph 7 of Section B of FKBF, provided that no official license shall be obtained in order to conduct such business.

2. This insurance shall also cover the liability for damages of the Insured as a private person in accordance with paragraph 16 of Section B of FKBF, and also the liability for damages stipulated in paragraph 16 of Section B of FKBF and in paragraphs 3.1 and 3.2 on co-insureds.

3. This insurance shall cover the liability for damages only upon the separate agreement of the Parties in respect of the following:

3.1 Passenger transport by coach or sleigh of any kind;

3.2 Passenger transport for business purposes by trailer, provided that no statutory obligation to obtain a liability insurance is prescribed in such cases.

7. Catering

1. By way of derogation from paragraphs 10.4 to 10.2 of Article 7 of FÁBF, this insurance shall cover the Insured's liability for loss and damage caused to the articles brought by the guests. Articles brought in by the guests

shall mean those articles which are handed over to the Insured or its employee, or placed in a place/area designated by the Insured or which is used for such purpose.

2. This insurance shall also cover the liability only on the basis of a separate agreement of the Parties for the loss or disappearance of the articles stipulated in paragraph 1.

If an agreement is in place to that end, the Insured shall (notwithstanding the Insurance Company's right to assess the legal ground of the claim):

- 2.1 immediately report the loss or disappearance of the article to the competent authority,
- 2.2 if the catering business requires an official operating licence, display customer information in a clearly visible place in order to advise the guests to place their money, other means of payment (traveller's cheque) and any other valuables against receipt to the designated area of the insured establishment.

3. Exclusions from the insurance cover

This insurance shall not cover any claims for the following loss or damage in accordance with paragraphs 1 and 2:

- 3.1 Loss or damage to the articles brought by the guests arising out of the activities of the Insured or its employees other than transportation.
 - 3.2 Loss or damage to the motor vehicles or watercrafts brought by the guests, or the accessories and components thereof, or any articles placed in or on such motor vehicles or watercrafts.
4. By way of derogation from paragraph 2 of Article 1 of FÁBF, this insurance shall also cover liability for property damage up to 1,000,000 HUF limit of indemnity.

8. Liability of bathing facilities

1. By way of derogation from paragraphs 10.4 to 10.2 of Article 7 of FÁBF, this insurance shall also cover the Insured's liability for loss and damage caused to the articles brought by the guests, as the one holding them in responsible custody.
2. This insurance shall also cover the liability only upon the separate agreement of the Parties for the loss or disappearance of the articles brought by and placed in the cabins or wardrobes available at the swim facility by the guests, or articles of the guests taken over by the swim facility in its responsible custody.

If such agreement is in place to that end, the Insured shall (notwithstanding the Insurance Company's right to assess the legal ground of the claim):

- 2.1 immediately report the loss or disappearance of the article to the competent authority,
- 2.2. display customer information in a clearly visible place in order to advise the guests to place their money, other means of payment (traveller's cheque) and any other valuables against receipt at the cashier.
3. The extension of the insurance cover, in accordance with paragraphs 1 and 2, shall exclude claims for loss and damage to the motor vehicles or watercrafts brought by the guests, or the accessories and components thereof, or any articles placed in or on such motor vehicles or watercrafts.
4. Lines 1 and 3 of Section A of FKBF shall be applied.

9. Liability of physicians, dentists, veterinarians (animal clinics)

1. Section A of FKBF shall be applied.

2. Personal liability for damages of a representative shall be covered in case of sick-leave or vacation, provided that no other insurance is available which would cover such events.
3. By way of derogation from paragraph 2 of Article 1 of FÁBF, this insurance shall also cover liability for property damage up to 1,000,000 HUF limit of indemnity.
4. By way of derogation from Article 3 of FÁBF, this insurance shall also cover insured events occurring anywhere in the world, provided that the medical treatment causing the damage has been provided within the territory of Hungary. Restriction stipulated in sentence 2 of paragraph 1 of Article 3 of FÁBF shall be applied.

By way of derogation from Article 3 of FÁBF, territorial scope of this insurance shall be worldwide in respect of the liability of the physician for damages arising out of providing first aid. Restriction stipulated in sentence 2 of paragraph 1 of Article 3 of FÁBF shall not be applied.
5. By way of derogation from paragraph 10 of Article 7 of FÁBF, this insurance shall cover the liability of veterinarians and animal clinics (in respect of loss and damage to treated animals).
6. Exclusion stipulated in paragraph 3 of Article 7 of FÁBF shall not be valid.

10. Liability of medical care facilities, medical institutions, nursing homes, sanatoriums, retirement homes and similar facilities

1. Section A of FKBF shall be applied.
2. Guarantee concerning articles brought by the patients and the persons accompanying them:

Paragraph 7 of Section B of the FKBF shall be applied correspondingly.
3. By way of derogation from paragraph 2 of Article 1 of FÁBF, this insurance shall also cover liability for property damage up to 1,000,000 HUF limit of indemnity.
4. By way of derogation from Article 3 of FÁBF, this insurance shall also cover insured events occurring anywhere in the world, provided that the medical treatment causing the damage has been provided within the territory of Hungary. Restriction stipulated in sentence 2 of paragraph 1 of Article 3 of FÁBF shall be applied.

By way of derogation from Article 3 of FÁBF, territorial scope of this insurance shall be worldwide in respect of the liability of the physician for damages arising out of providing first aid, provided that no other insurance is available which would cover such events. Restriction stipulated in sentence 2 of paragraph 1 of Article 3 of FÁBF shall not be applied.
5. Exclusion stipulated in paragraph 3 of Article 7 of FÁBF shall not be valid.

11. Real estate

1. In accordance with the provisions set out in FÁBF, this insurance shall cover the liability of the Policyholder within the following scope:
 - 1.1 liability for damages in its/his capacity as the owner, user, tenant, operator, manager, caretaker or maintenance provider of the insured real estate, including the buildings, structures and facilities (elevators, heating, electricity, water, gas systems etc.), swimming pools, sports grounds, playgrounds, garden equipments situated in, on or at that real estate.

This insurance shall also cover private beaches being in direct spatial relation with the insured real estate.

1.2 liability for loss or damage caused during the performance of demolition, construction, repair, reconstruction, adaptation, maintenance and excavation works on the insured real estate, provided that the overall cost of such construction or work project (including any work performed and materials supplied for own account) does not exceed 10,000,000 HUF. For the purposes of the insurance cover, paragraph 2 of Article 2 of Section B of FKBF shall be applied. The Policyholder's liability as the investor of such construction projects is included in the insurance cover.

1.3 liability for damages arising out of the ad-hoc provision of accommodation to third parties on the insured real estate, provided that no official operational licence is required to carry out such activity;

1.4 liability for property damage due to environmental impairment resulting from the storage of mineral oil products up to a storage capacity of 100 litres, subject to the provisions of Article 3 of FÁBF.

The limit of indemnity specified for this insurance cover is 10,000,000 HUF within the aggregate.

By way of derogation from paragraph 3.5 of Article 6 of FÁBF, the Policyholder's retention is 100,000 HUF per insured event.

2. With respect to the insurance cover provided for in paragraph 1, this insurance shall also cover the liability of the following persons:

2.1 the owner or possessor of the building; In case of condominiums and housing cooperatives, the Policyholders shall be co-insured to the extent of their share of ownership with respect to common areas.

2.2 the manager and caretaker of the real estate;

2.3 persons acting under the instructions and on behalf of the Policyholder, provided that these activities relating to the real estate are not performed in the exercise of their profession or trade;

2.4 any and all persons replacing the Policyholder during the policy period by way of usufruct, receivership or enforcement procedure.

This insurance shall not cover compensation and recourse claims arising from work accidents suffered by the employees, members, agents etc. of the persons insured in accordance with paragraphs 2.1 to 2.4.

3. By way of derogation from Article 1 of FÁBF, the Insurance Company shall indemnify for damage caused by natural precipitation to wallpaper, indoor paintwork, stucco-work, wall linings, floors, electricity, telephone or other wiring and other fixtures in rented residential and business premises, except for damages to external closures of the building, even if the landlord shall not be held liable towards the tenant. The indemnity covers the cost of restoration work, but not such maintenance expenses which the landlord is obliged to bear by law.

If the aforementioned damage is caused by flood, groundwater or in connection with an earthquake, the Insurance Company shall indemnify the Insured in accordance with Article 1 of FÁBF.

4. This insurance shall cover the claims of the rental rightholders, homeowners, usufructuaries and their relatives (paragraph 6.2 of Article 7 of FÁBF), provided that these persons or their legal representatives are not themselves responsible for the damage and did not contribute in any way to the occurrence thereof.

The insurance cover stipulated in paragraph 3 shall apply correspondingly to the premises used for residential or business purposes by these persons.

12. Animal husbandry

1. The insurance shall cover the liability of the current caretaker, keeper or persons being entitled to such service.

This insurance shall also cover the liability only upon the separate agreement of the Parties for the loss or damage caused to the animals specified on the receipts/policies.

2. By way of derogation from Article 3 of FÁBF, this insurance shall also cover insured events occurring in Europe or in countries bordering the Mediterranean Sea. The second sentence of paragraph 1 of Article 3 of FÁBF shall be applied.

13. Watercrafts

1. This insurance shall cover the liability for damages of the owner, user and any persons who use or travel by these watercrafts with the permission of the user.
2. The skipper of the watercraft shall have an official skipper licence for the insured watercraft prescribed by the authorities. If violating this requirement, the Insurance Company may be exempted from its indemnification obligation within its discretion.
3. By way of derogation from paragraphs 10.2 to 10.4 of Article 7 of FÁBF, this insurance shall also cover the articles worn or taken with them as their baggage by the passengers of the watercraft.

14. Liability of associations

1. In virtue of the scope of coverage provided for in FÁBF, this insurance shall cover the liability for damages arising out of the following:
 - 1.1 Possession of real estates, buildings, premises, facilities, equipment and devices which are necessary to duly perform the activities of the Insured (line 11 of Section B of FKBF shall be applied).
 - 1.2 Organizing association events by the Insured, irrespective of the venue.
2. In virtue of the provisions set out in paragraph 1, this insurance shall also cover the liability for damages as follows:
 - 2.1 Liability of the legal or authorized representative of the Insured and of any persons appointed by the Insured to manage or supervise the association.
 - 2.2 Damage caused by any other employees of the Insured in the course of exercising their official duties at the association, except for bodily injuries constituting a work accident within the meaning of social security.
 - 2.3 Liability of any and all members of the association duly performing their activities in the association, at association events, and outside the association but on behalf thereof, provided that no other insurance is available which would cover such events.
3. This insurance shall cover the liability for damages arising out of the following, but only upon the separate agreement of the Parties:
 - 3.1 Possession or use of the following:
 - 3.1.1 tribunes and similar facilities
 - 3.1.2. Toboggan and sleigh tracks, diving towers, ski slopes, downhill courses
 - 3.2 Possession or use of the following:
 - 3.2.1 Animals,

3.2.2 watercrafts.

3.3 Organizing national, regional or international competitions.

4. Paragraph 3 of Section A of FKBF shall be applied.

15. Fire fighters and fire brigades

1. In accordance with the provisions set out in FÁBF, this insurance shall cover the liability of fire brigades operated by the Policyholder.
2. By way of derogation from Article 3 of FÁBF, in the case of international assignments and participation in international competitions, this insurance shall cover any insured events occurring within the territory of Europe.
3. This insurance shall not cover the loss or damage to such items which the fire brigade or service was called to rescue or protect.
4. This insurance shall cover only upon the separate agreement of the Parties the liability for damage to items placed at the Policyholder's disposal during loss prevention or mitigation or for the purposes of practicing such assignments.
5. Article 3 of Section A of FKBF shall be applied correspondingly to both company fire brigades and professional fire brigades.

16. Personal liability of private individuals

1. In virtue of the scope of coverage provided for in FÁBF, this insurance shall cover the liability of the Insured being a private individual arising out of the risks of everyday life, except for risks related to business, office or industrial activities. Activities qualifying as such in particular:
 - 1.1 Activities carried out as homeowners (but not a householder or a landowner) and as the employer of the house staff, including catering if it not requires a separate official operating licence (paragraph 7 of Article 2 of FKBF shall be applied).
 - 1.2 Possession or use of radios and televisions
 - 1.3 Possession or use of bicycles
 - 1.4 Non-professional sports activities, except for hunting
 - 1.5 Authorized possession of cutting and thrusting weapons and firearms, and the use thereof for sporting and self-defence
 - 1.6 Pet-keeping, except for dogs (paragraph 12 of Section B of FKBF shall be applied)
 - 1.7 Ad hoc use of electronic power boats and sailing boats, but not as the owner thereof (paragraph 13 of Section B of FKBF shall be applied)
 - 1.8 Possession and use of other non-motorized watercrafts and ship models. (paragraph 13 of Section B of FKBF shall be applied)
 - 1.9 By way of derogation from 5.2 of Article 7 of FKBF, possession and use of other non-motorized model airplanes up to 5 kg flying weight.

2. In virtue of Article 6 of FÁBF, in case of risks stipulated in paragraph 1, this insurance shall cover property damage arising out of environmental impairment.

The applicable limit of indemnity is 10,000,000 HUF within the aggregate.

The applicable retention of the Insured per each and every claim is 100,000 HUF of the claim and of the expenses in accordance with paragraph 5 of Article 5 of FÁBF.

3. This insurance shall cover:

3.1 the spouse or partner of the Insured living in the common household

3.2 the children (including grandchildren, adopted, dependent children or stepchildren) of the Insured or of his/her spouse or partner living in the common household. These children shall remain insured until reaching 25 years of age, provided that they do not have their own household and a regular income.

3.3 the persons who perform housework tasks by courtesy or on a contractual basis in the home owned by the Insured. 2.2 Those bodily injuries shall be excluded from the insurance cover which constitute a work accident within the meaning of social security.

4. By way of derogation from Article 3 of FÁBF, this insurance shall also cover insured events occurring in Europe or in non-European countries bordering the Mediterranean Sea. The second sentence of paragraph 1 of Article 3 of FÁBF shall be applied.

17. Extended personal liability of private individuals

1. In virtue of the scope of coverage provided for in FÁBF, this insurance shall cover the liability of the Insured being a private individual arising out of the risks of everyday life, except for risks related to business, office or industrial activities. Activities qualifying as such in particular:

1.1 Activities carried out as homeowners (but not a householder or a landowner) and as the employer of the house staff, including catering if it not requires a separate official operating licence (paragraph 7 of Article 2 of FKBF shall be applied).

1.2 Possession or use of radios and televisions

1.3 Possession or use of bicycles

1.4 Non-professional sports activities, except for hunting

1.5 Authorized possession of cutting and thrusting weapons and firearms, and the use thereof for sporting and self-defence

1.6 Pet-keeping, except for dogs (paragraph 12 of Section B of FKBF shall be applied)

1.7 Ad hoc use of electronic power boats and sailing boats, but not as the owner thereof (paragraph 13 of Section B of FKBF shall be applied)

1.8 Possession and use of other non-motorized watercrafts and ship models. (paragraph 13 of Section B of FKBF shall be applied)

1.9 By way of derogation from paragraph 5.2 of Article 7 of FKBF, possession and use of other non-motorized model airplanes up to 5 kg flying weight.

2. In virtue of Article 6 of FÁBF, in case of risks stipulated in paragraph 1, this insurance shall cover property damage arising out of environmental impairment.

The applicable limit of indemnity is 10,000,000 HUF within the aggregate.

The applicable retention of the Insured per each and every claim is 100,000 HUF of the claim and of the expenses in accordance with paragraph 5 of Article 5 of FÁBF.

3. Paragraph 10 of Article 7 of FÁBF shall be applied only if the articles of the Insured or any co-insured are borrowed, rented, leased from them, or handed over to the Insured or any co-insured by way of courtesy, furthermore if such articles are handed over in trust or to be modified (in particular repaired or maintained).
4. By way of derogation from paragraph 10.1 of Article 7 of FÁBF, this insurance shall cover any damage to the rented premises and to any fixtures therein.

This insurance shall be valid only if the period of the rental relationship does not exceed 1 month.

5. This insurance shall cover:

- 5.1 the liability insurance of the spouse or partner of the Insured living in the common household
 - 5.2 the children (including grandchildren, adopted, dependent children or stepchildren) of the Insured or of his/her spouse or partner living in the common household. These children shall remain insured until reaching 25 years of age, provided that they do not have their own household and a regular income.
 - 5.3 the persons who perform housework tasks by courtesy or on a contractual basis in the home owned by the Insured. 2.2 Those bodily injuries shall be excluded from the insurance cover which constitute a work accident within the meaning of social security.
6. By way of derogation from paragraph 6.2 of Article 7 of FÁBF, only the liability for damages of the insured persons specified in paragraphs 5.1 and 5.2 shall be excluded from the insurance cover.
 7. By way of derogation from Article 3 of FÁBF, the territorial scope of the insurance cover shall be worldwide. Restriction stipulated in sentence 2 of paragraph 1 of Article 3 of FÁBF shall be applied, if the insured event occurs within the territory of any country other than the USA, Canada or Australia.

18. Educational institutions

1. Schools and educational institutions

1.1 Section A of FKBF shall be applied.

1.2 By way of derogation from paragraphs 10.4 to 10.2 of Article 7 of FÁBF, this insurance shall also cover the Insured's liability for loss and damage caused to the personal property of the students or supervised children.

2. Teachers and supervisors

In virtue of the scope of coverage provided for in FÁBF, this insurance shall cover the liability of the Insured for damages arising from its educational activity.

3. This insurance shall cover the organization of school events (including graduation trips/school trips), even if the event is organized out of the scope of the curriculum but with the approval of the school leaders.

By way of derogation from Article 3 of FÁBF, this insurance shall also cover insured events occurring during the aforementioned events in Europe or in non-European countries bordering the Mediterranean Sea. The second sentence of paragraph 1 of Article 3 of FÁBF shall be applied.

4. By way of derogation from paragraph 3 of Article 7 of FÁBF, this insurance shall also cover liability for pure financial loss up to 7,500 EUR limit of indemnity.

19. Special schools

The following provisions shall apply to special schools, such as driving, flight, motorboat, water skiing, sailing, surfing, riding and ski schools:

1. Section A of FKBF shall be applied.
2. Line 18 of Section B of FKBF shall not be applied.
3. In accordance with paragraph 5 of Article 7 of FKBF, motor vehicles, trailers, aircrafts and other means of transport by air shall be excluded from the insurance coverage.

Practical training related thereto or travelling thereon shall be deemed equivalent to the use thereof, therefore shall be excluded from this insurance.

Within the scope of the insurance coverage, this insurance shall cover any educational or supervisory activities and practical trainings if motorboats, sailing boats, surfing equipment or saddle horses are used in the course of such activities.

20. Teachers providing special training

The following provisions shall apply to teachers providing special training (such as driving, flying (including skydiving), steering a motorboat, water skiing, sailing, surfing, horse riding and skiing) and mountain tour guides:

1. Paragraph 3 of Section A of FKBF shall be applied.
2. Paragraph 18 of Section B of FKBF shall not be applied.
3. This insurance shall cover any activity for which the Insured obtains an official licence in accordance with the laws and regulations of its/his profession.
4. A qualification of a climbing association shall qualify as a formal qualification.
5. In accordance with paragraph 5 of Article 7 of FÁBF, possession or use of motor vehicles, trailers, aircrafts and other means of transport by air shall be excluded from the insurance coverage.

Practical training related thereto or travelling thereon shall be deemed equivalent to the use thereof, therefore shall be excluded from this insurance.

Within the scope of the insurance coverage, this insurance shall cover any educational or supervisory activities and practical trainings if motorboats, sailing boats, surfing equipment or saddle horses are used in the course of such activities.

21. Municipalities

1. In virtue of the scope of coverage provided for in FÁBF, this insurance shall also cover the liability of communities for damages arising from the following:
 - 1.1 Buildings and possessed lands, provided that none of them are used for forestry, agricultural, industrial purposes or let by lease. Possessing or operating cemeteries or crematoria (paragraph 11 of Section B of FKBF shall not be applied).

1.2 Such construction works solely for the purposes of constructing or reconstructing public roads, squares or bridges, the necessary cost of which are settled solely from the financial resources of the community (paragraph 3 of Section B of FKBF shall be applied).

Possessing or operating construction sites, quarries, gravel-pits, sand-pits, provided that such is necessary to perform the activities stipulated in paragraph 1 and 2. (Paragraph 3 of Section B of FKBF shall be applied.)

1.4 Waste collection of the community

This insurance shall cover only upon the separate agreement of the Parties landfill and incineration sites owned by the community and the possession or operation of water/wastewater/treatment facilities.

2. This insurance shall also cover any blue collar workers.

3. In virtue of Article 6 of FÁBF, this insurance shall cover material damage arising out of environmental impairment only upon the special agreement of the Parties.

22. Churches and cultural institutions

1. In virtue of the scope of coverage provided for in FÁBF, this insurance shall cover the liability for damages arising out of the following:

1.1 Performing the general tasks of religious or cultural communities

1.2 Organizing events by the Insured, irrespective of the venue

1.3 Possessing or using plots of land, buildings, premises, facilities, equipment and devices, provided that none of them are used for forestry or agricultural purposes or let by lease. Possessing or operating cemeteries or crematoria (paragraph 11 of Section B of FKBF shall not be applied).

2. In virtue of paragraph 1, this insurance shall cover the liability of the legal representatives of the Insured or of any persons acting by or on behalf of the Insured.