

TRANSLATION

In the case of any discrepancy between the text of this document and the original policy issued in Hebrew, the latter will prevail.



MIGDAL HOME

HOME INSURANCE POLICY

04/2022 EDITION



MIGDAL HOME INSURANCE POLICY

(April 2022 edition)

Home insurance policy in accordance with the Supervision of Insurance Business Regulations (Home Buildings and Contents Insurance Contract Conditions) – 1986 and other optional extensions to the buildings and contents cover.



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**This policy is a contract between Migdal Insurance Company Ltd.
(Hereinafter “the insurer”)**

and

The insured whose name is stated in the schedule (Hereinafter “the insured”)

According to which the insurer agrees, in consideration of the premium, to indemnify the insured for insured events which occur during the period of insurance, up to the sums insured stated in the schedule.

The premium, the period of insurance and the sums insured stated in the schedule constitute an integral part of this policy.

In this policy –

- “Apartment building” -** A building registered as an apartment building in the land registry or a building containing two or more apartments which is not registered as aforementioned;
- “Family members” -** The spouse, children, parents or other family members of the insured, living permanently with the insured in the home;
- “Home building” -** The structure of the apartment or the house stated in the schedule whose main use is residential, including balconies, plumbing apparatus (including gas plumbing), sewage and drainage facilities, central heating appliances, air conditioning systems, boilers, solar energy systems for heating water, telephone and electricity apparatus belonging to the home, gates, fences and paved surfaces belonging to the home and all of the permanent fixtures and fittings of the home; and if the home is in an apartment building – also including the share of the insured in the common parts of the apartment building as well as any special annexes to the home (including storerooms);
- “Unoccupied home” -** A home which has been unoccupied for more than 60 consecutive days or has not been lived in on a regular basis for more than 60 days;
- “Domestic staff member” -** An employee in the direct service of the insured who lives in the insured home.



SECTION A – HOME BUILDINGS INSURANCE

This section is valid only if stated in the schedule

1. The insured event

The insured event is loss or damage caused to the home during the period of insurance as a consequence of one or more of the following perils:

- A. Fire, lightning, thunder as well as smoke which is an extraordinary phenomenon and not a regular phenomenon.
- B. Explosion or conflagration.
- C. Wind whose speed exceeds 30 knots including rain falling at the same time, snow and hail, **other than the seepage of rainwater via walls or ceilings, or its absorption therein.**
- D. Falling aircraft, items falling from aircraft, supersonic boom caused by aircraft.
- E. Collision or impact of vehicles into the home.
- F. Malicious damage **other than:**
 - 1) **Malicious damage to an unoccupied home.**
 - 2) **Malicious damage caused by the insured or family members of the insured, or with their consent.**
 - 3) **Malicious damage caused by individuals living in the home with the permission or consent of the insured.**
- G. Theft, robbery, burglary or attempt thereof, **other than when the home is unoccupied. The insured is entitled at the stage of submitting the proposal form, by express notice that will be documented by the insurer and will be stated in the schedule, to waive the cover referred to in this clause (paragraph G).**
- H. Riots, strikes and civil commotion.
- I. Earthquake including tsunami which is created by an earthquake, **provided that the insured has not waived the cover against this peril, in the manner stated in Regulation 5A of the Supervision of Insurance Business Regulations (Home Buildings and Contents Insurance Contract Conditions) – 1986 (hereinafter: “the regulations”).**

For the purpose of the deductible for damage as a consequence of this peril, all earthquakes which occur within a period of 72 consecutive hours after the first earthquake is registered will be considered to be a single event.



- J. Flood or inundation from an external source of water, other than tsunami as stated in clause I.**

2. Excluded perils

This policy does not cover loss or damage occurring as a consequence any of the following causes:

- A. War, hostilities, acts of terrorism.**
- B. Civil war, rebellion, military or civil uprising, revolution.**
- C. Ionising radiation, radioactive pollution, nuclear processes, nuclear material or nuclear waste.**
- D. Seizure, expropriation, confiscation, destruction or the demolition of property by the government, the military, a local authority or anyone acting in accordance with the law.**

3. Calculation of indemnity

- A. The indemnity payments due to the insured in accordance with this section will be calculated and paid in accordance with the value of the loss or damage to the home building, however no payment will be made in excess of the sum insured stated in the schedule as the buildings sum insured, all subject to clause 3 in Section I – General conditions applicable to all sections of the policy.**
- B. The indemnity payments will be calculated in such a way as to bring the insured, as far as possible, to the situation which would have applied were it not for the occurrence of the insured event.**
- C. The indemnity payments payable under this section will also include, subject to that stated in sub-clause (A):**
 - 1) Expenses for services rendered by architects, surveyors, building consultants, engineers and contractors, as well as legal expenses incurred for the purpose of the repair, renovation or reconstruction of the home or part thereof, on condition that prior notice is submitted to the insurer;**
 - 2) Expenses for the removal of debris, cleaning the home, painting it and reconnecting to the electricity, telephone, water, gas and sewage networks;**



- 3) **Compensation for loss of income from rent of the home or expenses for the insured and their family to rent accommodation for as long as the home is uninhabitable based on the determination of a licensed civil engineer, as defined in the Engineers and Architects Act – 1958 (hereinafter: “the Engineers and Architects Act”).**

The compensation in accordance with this clause will be calculated in accordance with the usual rent for a similar home to that covered under this policy, for a maximum period of 12 months from the occurrence date of the insured event or for a maximum sum not exceeding 15% of the buildings sum insured, the lower of the two, and this even if the total compensation exceeds the buildings sums insured; payment for rent in accordance with this clause is subject to reasonable evidence that the rent for the alternative accommodation has indeed been paid.

4. Non-application of underinsurance

Section 60 of the Insurance Contract Act – 1981 (hereinafter: “the Insurance Contract Act”) will not apply to this section.



SECTION A1 – EXTENSIONS TO HOME BUILDINGS INSURANCE – SECTION A

The following extensions will only apply if stated in the schedule

1. Optional extension for damage by water and other liquids

A. **The insured event** – Loss or damage which is first discovered during the period of insurance, and which affects the home as a consequence of the escape or leakage of water or any other liquid from the plumbing and central heating apparatus of the home or from another property in an apartment building, including implosion, blockage or overflowing of boilers and pipes, **however excluding:**

- 1) **The cost of the water.**
- 2) **Wear and tear, corrosion and rust caused to the actual boilers, pipes and plumbing apparatus.**

B. **In the case of damage arising in another property in an apartment building, the scope of the cover will be limited to one insured event for the entire period of insurance.**

C. **The cover for water and other liquids will not apply if the home is unoccupied. In this regard “unoccupied home” means one which has been unoccupied for more than 60 consecutive days or has not been lived in on a regular basis for more than 60 days.**

D. **Indemnity payments**

Without derogating from that stated in clause 1, sub-clause B in Section I of the policy, in the case of an insured event which is covered under this extension the insurer will indemnify the insured by one of the following two options, **that will be selected by the insured at the time of arranging the policy**, as stated in the schedule.

Option A – Repair of the damage by a service provider selected by the insured (hereinafter: “**private plumber**”), if the insured has selected repair of damage covered under this extension by a private plumber, the insured will act in accordance with clause 5 in section I – General conditions applicable to all sections of the policy.

Option B – Repair of the damage by a plumber or plumbing company working with the insurer, as stated in the schedule (hereinafter: “**pre-approved plumber**”) - if the insured has selected the pre-approved plumber option at the time of arranging the policy, they will select a plumber from a list of pre-approved plumbers which is updated from time to time and can be downloaded from the internet site www.migdal.co.il. The insured will be



indemnified by repairing the damage covered under the policy. It is clarified that the cost of the repair will be paid to the pre-approved plumber by the insurer subject to pay of the deductible as stated in clause 10 C in Section I – “General conditions applying to all sections of the policy”.

If the insured has selected this option, the provisions of Endorsement A to this policy – “Repair of damage by a pre-approved plumber” will apply.

2. Extension for repairing sealing damages in bathrooms, toilets and kitchens

This extension is applicable only if the insured has purchased Extension 1 above (“**Optional extension for damage by water and other liquids**”) and does not derogate from the cover in accordance with the said extension. For the sake of avoidance of doubt, it is hereby clarified that this extension is a separate and independent extension which shall apply only if it has been purchased by the insured, **in addition** to purchasing Extension 1 (“Extension for damage by water and other liquids”), and only if this **is stated expressly in the policy schedule**.

2.1 Definitions

In this extension the following terms will have the meanings ascribed to time:

“**Fixtures and fittings**” – The parts of the home which are permanently fitted to it.

“**The insured event**” – Water damage or dampness which is first discovered during the period of insurance, and which affects the home of the insured – other than common parts and the fixtures and fittings – as a consequence of the escape of water or other liquids, due to defective or insufficient seal, in the places specified hereunder and these only (hereinafter: “the services”):

2.1.1 Damp in bathrooms and toilets – Due to faulty seal around the bath, basins, toilets, wash bowls and sanitary fittings.

2.1.2 Damp in kitchens – Due to the seepage of water or via worktops of the kitchen or other liquids into utility cupboards.

2.2 The insurance cover

2.2.1 Repair or renewal of the seal where required until complete cessation of the entry of water or other liquids, all of which with the use of sealing methods and/or materials usually available in the market for such purposes.

2.2.2 Repairing the associated damages including damage to paint and whitewash to the building and/or to the fixtures and fittings of the insured home as a consequence of the occurrence of the insured event.



2.3 The limit of liability

The limit of liability for this extension is NIS 15,000 (fifteen thousand New Israeli Shekels) per occurrence and in the aggregate for the period of insurance.

2.4 Deductible

2.4.1 In the event of a claim under this extension, the insured shall pay the following deductible:

2.4.1.1 For repairing the source of the damage, including resealing, renewing seal and stopping the water leak a deductible of NIS 200 will apply.

2.4.1.2 If in addition to that stated in sub-clause A above, damages to the building and/or fixtures and fittings of the home insured are also be repaired, including painting and whitewashing, the deductible applicable to water damage as stated in the policy schedule shall apply.

2.5 Exclusions:

This exclusion shall not cover the following events and/or damages:

2.5.1 Replacement of the sanitary fittings themselves, including basins, sinks, baths, shower cubicles, work surfaces and stone surfaces fitted in kitchen cabinets, cupboards, baths and utility cabinets, taps etc.

2.5.2 Dealing with defective sealing arising from faulty installation of baths / jacuzzis or in breach of the building standards.

2.5.3 The supply and fitting of flooring, laminate or parquet floors, ceramics, tiles and various types or coatings, including marble and/or granite porcelain surfaces.

2.5.4 Any damage to third parties as a consequence of the insured event as defined in this extension.

2.5.5 Damages arising from any of the following causes:

Seepage of rainwater or any other water from external (envelope) walls, the external side of closed and/or open balconies, roofs or ceilings of the insured home, including damp which comes through external windows, or any type of swimming pool.

2.5.6 Damage occurring to an unoccupied home, as defined in the policy.



2.5.7 Damage caused to the contents of the home.

2.5.8 Damage caused to common property in an apartment building.

3. Extension for damage to domestic water heating boilers

This extension for damage to domestic water boilers or to domestic solar boilers applies only if extension 1 above has been purchased (“Optional extension for damage by water and other liquids”) and does not derogate from the cover under the said extension. For the sake of avoidance of doubt, it is hereby clarified that this extension is a separate and stand-alone extension which shall apply only if it has been purchased by the insured, in addition to selecting extension 1 (Extension for damage by water and other liquids) and provided that this is stated expressly in the policy schedule.

3.1 Definitions

3.1.1 Domestic water boilers

A domestic water boiler, with an Israeli stamp of approval, with a maximum capacity of 200 litres, fitted in the insured home which is operated by one of the following heating systems, or by a system that integrates them (hereinafter: “**the boiler**”):

3.1.1.1 **Electrical boiler** – That heats water by an internal electrical heating element.

3.1.1.2 **Solar boiler** – That heats water by a solar heating panel system.

For the sake of avoidance of doubt, it is hereby clarified that any other boiler or heating system of any type which does not comply with the definition of a “boiler” as defined above is not covered under this extension.

3.2 The insured event

Sudden and unforeseen physical damage due to any cause during the period of insurance to the boiler or its components, provided that this cause does not appear in clause 2 in Section A – Buildings Insurance – “Uninsured Perils” and/or in any of the exclusions to this extension.

3.3 The limit of liability

The maximum limit of liability of the insurer in respect of an insured event under this extension is limited to NIS 3,500 (three thousand five hundred



New Israeli Shekels) per occurrence and in the aggregate for the period of insurance.

3.4 The deductible

In the event of a claim under this extension, the insured shall pay the deductible stated in the policy schedule. If damages to the home and/or to the fixtures and fittings to the home are also repaired, including painting works, a single deductible shall apply, for water damage, as stated in the policy schedule.

For the sake of avoidance of doubt, it is hereby clarified that if a pre-approved tradesman visits the home and it transpires that there is no need for any repair or if the event is not covered under this extension – the insured shall pay the call-out fee as stated in the policy schedule.

3.5 Handling claims by the insured

3.5.1 The insurer shall arrange for claims by the insured in respect of an **insured event** covered under this extension to be dealt with by a tradesmen from a company which has been pre-authorised by the insurer (hereinafter: “**the authorised company**”) whose contact details appear in the policy schedule.

3.5.2 In the case of a claim under this extension, the insured shall contact a representative of the authorised company by calling the telephone number appearing in the policy schedule, notify them and act in accordance with their instructions.

3.5.3 If the call-out is made before noon on a weekday or by 10 a.m. on a Friday – the service will be provided on the same day, otherwise on the next business day of the date when the insured provides notice of the damage, or at a later time which is arranged with the agreement of the insured, in order to ascertain the damage and repair it or replace it with a new **boiler** of the same type, as applicable.

3.6 Indemnity payments

3.6.1 The insurer is entitled at its discretion to indemnify the insured by arranging for the damage to be repaired by a service provider or by paying monetary compensation.

3.6.2 In the event of loss or damage, the insurer shall have discretion in choosing the replacement parts or products for the lost or damaged boiler, including choosing the manufacturer and fitting method,



provided that the replacement products have a suitable stamp of approval.

3.7 Exclusions to the cover

- 3.7.1 Loss or damage which is caused directly or indirectly due to the perils which are covered or can be covered under Section A – Buildings Insurance, including the additional covers and extensions therein and/or loss and/or damage to a boiler which occurs due to any cause which is excluded from the cover by the exclusions to Section A – Buildings Insurance.**
- 3.7.2 Loss or damage to the boiler which occurs in an unoccupied property as defined in this policy.**
- 3.7.3 Loss or damage which is caused by and/or arises from frost, freezing or irregular atmospheric conditions.**
- 3.7.4 Loss or damage caused maliciously by the insured and/or anyone acting on their behalf.**
- 3.7.5 Loss or damage caused directly to the boiler due to the execution of building works or renovations or repairs being carried out in the home.**
- 3.7.6 Loss or damage arising from relocation of the boiler and/or the solar panel system situated anywhere else in the home or apartment building.**
- 3.7.7 Damage to the water and/or electrical system of the home, including the loss of water or any other liquid from the boiler or the water plumbing of the home.**
- 3.7.8 Damage to central heating systems.**
- 3.7.9 Defective installation of the boiler before occurrence of the insured event.**
- 3.7.10 Repair of the loss or damage which is not carried out by a tradesman from the authorised company.**
- 3.7.11 Loss or damage for which a manufacturer or supplier is liable – other than in a case where the manufacturer or supplier repudiates their liability. In such a case, and provided that the insured event is covered under this extension, the insurer shall provide the insurance cover and deal with the claim by the insured, subject to subrogating the rights of the insured in accordance with their warranty certificate to the insurer.**



3.7.12 Consequential loss of any type.

4. Extension for domestic photovoltaic apparatus to generate electricity (hereinafter: "P.V. apparatus")

For the purpose of this extension, the following terms will have the meaning ascribed to them:

"P.V. domestic apparatus" – A photo voltaic domestic facility for generating electricity, which is permanently fitted to the roof of the home, in respect of which the insured has a valid agreement with the Israel Electric Corporation (hereinafter: "I.E.C.") to connect the facility to the electrical grid of the I.E.C. after having been passed by the I.E.C. – according to the said agreement and in accordance with its conditions.

"Accidental breakage" – A sudden and unforeseen event preventing the domestic P.V. apparatus from supplying any energy to the electrical grid of the I.E.C.

- A. **"The insured event"** – Loss or damage to the domestic P.V. apparatus during the period of insurance as a consequence of one or more of the perils specified in clause 1 to Section A – Home buildings insurance, **other than the theft peril** (sub-clause G).
- B. **All of the exclusions to the cover applicable to Section A of the policy – Home buildings insurance, will also apply to this extension. The cover under this extension is extended to also include accidental breakage of the domestic P.V. apparatus, other than damage caused directly or indirectly as a consequence of repairs or renovations to the home and/or to the domestic P.V. apparatus. In any event the cover for accidental breakage will only be provided for domestic P.V. apparatus up to the age of 15 years.**
- C. **The cover under this extension is extended to also cover the insured against loss of profits sustained by the insured due to an insured event as defined in this extension due to which the domestic P.V. apparatus is completely unable to supply electricity to the electrical grid of the I.E.C. and this for up to 30 days only.**
- D. **The compensation payable to the insured in respect of loss of profits, as defined in clause C above will be calculated as follows:**
 - 1) **The average daily amount of kilowatts measured in the electricity meter of the domestic P.V. apparatus in the three months which preceded the occurrence date of the insured event, multiplied by the sale price per kilowatt in accordance with the agreement between the insured and the I.E.C.**



- 2) The amount in accordance with clause D1 less the average daily amount of kilowatts measured in the electricity meter of the home in the three months which preceded the occurrence date of the insured event, multiplied by the average cost per kilowatts in accordance with the electricity consumption reports of the I.E.C. for the insured building in the same period.
- 3) The amount in accordance with clause D2 multiplied by the number of days in which the domestic P.V. apparatus did not supply electricity to the I.E.C. network due to the insured event, provided that the number of days does not exceed 30.

E. Deductible –

- 1) In respect of damage to the domestic P.V. apparatus itself – in accordance with the amount stated in the schedule.
- 2) In respect of loss of profits in accordance with sub-clauses C and D above: The damage caused in the first 3 days after occurrence of the insured event.

5. Extension of cover for yards / gardens

This insurance is extended to cover damage as a consequence of fire, lightning and explosion only:

- 5.1 To plants, lawns, trees, bushes;
- 5.2 To irrigation systems belonging to the home, pergolas, fountains, roofing and shading means situated on the premises of the insured.

The liability of the insurer in accordance with clause 5.1 is limited to 0.5% of the sum insured per item and in respect of clause 5.2 above up to 10% of the sum insured under Section A – Home buildings insurance.

6. Insurance for glass, baths, toilets, washing bowls, sinks, stone surfaces

6.1 The insured event:

The insurer will indemnify the insured for damage occurring as a consequence of sudden and unforeseen breakage of:

- 6.1.1 Glass fixed in window panes and doors of the building
- 6.1.2 Baths, toilet bowls, washing bowls, sinks as well as marble surfaces in kitchens and bathrooms forming part of the home building.

“**Breakage**” for the purpose of this extension means a crack that passes through the entire depth of the insured item.



6.2 Expenses for assembly and installation:

On the occurrence of an insured event the insurer will also indemnify the insured for the expenses involved in assembling and installing the property that replaces the damaged property.

6.3 Exclusions:

This insurance does not cover:

6.3.1 Breakage caused by a malicious act of the insured or their family members or with their assistance or agreement.

6.3.2 Glass frames or mirrors or mountings or holders of any type or coatings or ornaments or inscriptions of any type.

6.3.3 Costs for transporting or replacing frames or parts of the structure of the building.

6.3.4 Cracked or defective items.

6.3.5 Breakages caused due to faulty or defective installation.

6.4 Limits of liability

The liability of the insurer in respect of damage covered under this extension is limited to 2% of the buildings sum insured per item with a maximum of 5% of the buildings sum insured in the aggregate for the period of insurance.

The aforementioned sub-limit shall not apply if the “All Risks Extension for Home Contents” has been arranged.

6.5 Underinsurance

Section 60 of the Insurance Contract Act will not apply to this extension.

7. Extension of cover for an unoccupied home

The insurance under this clause is extended to cover the home building during the period stated in the policy schedule as an “unoccupied home” as defined in the policy, provided that this period occurs during the period of insurance, and shall cover any of the following perils which are selected by the insured and are stated in the policy schedule:

7.1 Burglary provided that signs attesting to the use of force or violence to or from the insured property are found.

7.2 Damage by water and other liquids.



SECTION A2 – ADDITIONAL SUM INSURED IN AN APARTMENT BUILDING – EARTHQUAKE COVER

This section is only valid if stated in the schedule

1. The insured event

The insured event is damage caused to an apartment in an apartment building, which is owned outright by the insured or on a perpetual lease to the insured, as a consequence of earthquake, as stated in clause 1I in Section A – Home buildings insurance, at a rate of at least 70% of the buildings sum insured stated, as in the schedule, and as determined by a quantity surveyor, as defined in the Quantity Surveyors Act – 2001, or a licensing engineer, as defined in the Engineers and Architects Act, as applicable, or if following the damage caused as aforementioned, a demolition order has been issued for the apartment building.

2. Calculation of indemnity

- A. Following the occurrence of an insured event, the indemnity payments due to the insured under this extension will be calculated and paid in accordance with the additional sum insured stated in the schedule, all subject to that stated in clause 3 in Section I – General conditions applicable to all sections of the policy.**
- B. The additional sum insured will be at least 100% of the buildings sum insured stated in the policy schedule.**

3. Non-application of underinsurance

Section 60 of the Insurance Contract Law will not apply to this section.



SECTION A3 – ADDITIONAL SUM INSURED IN AN APARTMENT BUILDING – EARTHQUAKE AND FIRE COVER

This section is only valid if stated in the schedule

1. The insured event:

The insured event is damage occurring to an apartment in an apartment block, which is owned outright by the insured or under a perpetual lease, as a consequence of damage by **earthquake, fire, lightning, thunder and smoke being an extraordinary phenomenon rather than a regular phenomenon, explosion or conflagration** as stated in clause 1 in Section A – **Buildings insurance**, at a rate of at least 70% of the buildings sum insured stated in the schedule, and as determined by a land surveyor, as defined in the Land Surveyors Act – 2001, or by a licensing engineer, as defined in the Engineers and Architects Act, as applicable, or if following the damage caused as aforesaid, a demolition order was issued for the apartment building.

2. Calculation of the compensation:

- A. Following occurrence of the insured event, the indemnity payments due to the insured in accordance with this section will be calculated and paid according to the additional sum insured stated in the schedule, all being subject to that stated in clause 3 in Section I – General conditions applicable to all sections of the policy.
- B. The additional sum insured will be at a rate of at least 100% of the buildings sum insured stated in the policy schedule.

3. Non-application of underinsurance:

Section 60 of the Insurance Contract Law will not apply to this section.



SECTION A4 – ADDITIONAL SUM INSURED IN AN APARTMENT BUILDING – EXTENDED COVER

This section is only valid if stated in the schedule

1. The insured event

The insured event is damage caused to an apartment in an apartment building, which is owned outright by the insured or on a perpetual lease to the insured, as a consequence of a peril covered under clause 1 in Section A – Home buildings insurance, at a rate of at least 70% of the buildings sum insured stated, as in the schedule, and as determined by a quantity surveyor, as defined in the Quantity Surveyors Act – 2001, or a licensing engineer, as defined in the Engineers and Architects Act, as applicable, or if following the damage caused as aforementioned, a demolition order has been issued for the apartment building.

2. Calculation of indemnity

- C. Following the occurrence of an insured event, the indemnity payments due to the insured under this extension will be calculated and paid in accordance with the additional sum insured stated in the schedule, all subject to that stated in clause 3 in Section I – General conditions applicable to all sections of the policy.**
- D. The additional sum insured will be at least 100% of the buildings sum insured stated in the policy schedule.**

3. Non-application of underinsurance

Section 60 of the Insurance Contract Law will not apply to this section.



SECTION B – CONTENTS INSURANCE

The section is valid only if stated expressly in the schedule

1. The contents

For the purpose of this policy “contents” means – any item or article located in the home, which is owned or under the care, custody or control of the insured or their family members, **but excluding:**

- A. Mechanically propelled vehicles, caravans, trailers, watercraft and aircraft.
- B. Animals.
- C. Securities, debentures, share certificates, loan certificates.
- D. Contracts, letters of undertaking, sale deeds, any type of certificate or document.
- E. Gold, silver or precious metal as raw materials, diamonds and precious stones which are not part of an item of jewellery.
- F. Weapons, ammunition and explosives.
- G. Manuscripts, plans, blueprints, diagrams, samples, imprinted moulds.
- H. Accounting records and other business records.
- I. Equipment and stock used purely for business, other than if stated otherwise in the schedule.
- J. Cheques, traveller’s cheques, postal cheques, promissory notes and any type of bond, travel, flight and sailing tickets, credit cards and lottery tickets.
- K. Items or articles in a garden, staircase, on fences or on paved surfaces which are part of the home if such items or articles are not usually kept away from the home;

The cover under this clause for items or articles which are usually kept away from the home is limited to 2% of the contents sum insured.

2. Limit of the liability of the insurer in respect of certain items of contents

If specific sums insured are not stated in the schedule in respect of the following items of contents, the indemnity payments for loss or damage to any of them will be limited to the following amounts:

- A. Cash and money including shopping vouchers - **up to 0.5% of the contents sum insured.**



- B. Silverware - up to 10% of the contents sum insured.**
- C. Statues, paintings, works of art, antiques and collections having a historical, scientific or artistic value - up to 10% of the contents sum insured and up to 5% per single item.**
- D. Carpets and rugs - up to 10% of the contents sum insured.**
- E. Furs - up to 10% of the content sum insured.**
- F. Stamp collections - up to 5% of the contents sum insured.**
- G. Coin collections - up to 5% of the contents sum insured.**
- H. Jewellery and items of gold - up to 10% of the contents sum insured.**
- I. Wristwatches - up to 10% of the contents sum insured.**

The amounts stated in paragraphs A-I are not subject to Section 60 the Insurance Contract Act (Underinsurance), provided they are within the respective limits.

3. The insured event

The insured event is loss or damage to the contents during the period of insurance as a consequence of one or more of the following perils:

- A. Fire, lightning, thunder as well as smoke which is an extraordinary phenomenon and not a regular phenomenon.**
- B. Explosion or conflagration.**
- C. Wind whose speed exceeds 30 knots including rain falling at the same time, snow and hail, other than the seepage of rainwater via walls or ceilings, or its absorption therein.**
- D. Storm, including rain, snow and hail falling during a storm, other than the seepage of rainwater via walls or ceilings, or its absorption therein.**
- E. Falling aircraft, items falling from aircraft, supersonic boom caused by aircraft.**
- F. Collision or impact of vehicles into the home.**
- G. Malicious damage other than:**
 - 1) Malicious damage occurring whilst the home is unoccupied.**
 - 2) Malicious damage caused by the insured or by family members of the insured or with their consent.**
 - 3) Malicious damage caused by individuals living in the home with the permission of the insured or with the consent of the insured.**



- H. Theft, robbery, burglary or attempt thereof **other than:**
- 1) **When the home is unoccupied.**
 - 2) **Business contents if the home is not used only for residential purposes.**
 - 3) **If committed by one of the family members of the insured or by a person living in the home with the permission or consent of the insured.**
 - 4) **Contents situated on open balconies, on roofs or on the ground if they are not by nature usually left away from the home.**
- I. Riots, strikes and civil commotion.
- J. Earthquake including tsunami which is created by an earthquake, **and provided that the insured has not waived the cover against this peril, in the manner stated in Regulation 5A of the Supervision of Insurance Business Regulations (Home Buildings and Contents Insurance Contract Conditions) 1986 (hereinafter: “the regulations”).**
- For the purpose of the deductible for damage as a consequence of this peril, all earthquakes which occur within a period of 72 consecutive hours after the first earthquake is registered will be considered to be a single event.**
- K. Flood or inundation from an external source of water, other than tsunami as stated in clause I.

The insured is entitled at the stage of submitting the proposal form, by express notice that will be documented by the insurer and will be stated in the schedule, to waive all or part of the cover referred to in clause G or for items of contents as stated in clauses 2 H and 2 I.

4. EXCLUDED PERILS

This policy does not cover loss or damage occurring as a consequence any of the following causes:

- A. **War, hostilities, acts of terrorism.**
- B. **Civil war, rebellion, military or civil uprising, revolution.**
- C. **Ionising radiation, radioactive pollution, nuclear processes and any loss or damage due to nuclear material or nuclear waste.**
- D. **Seizure, expropriation, confiscation, destruction or the demolition of property by the government, the army, a local authority or any individual acting in accordance with the law.**



5. **Cover for certain contents away from the home**

- A. Clothing, personal effects, jewellery of the insured and their family members will be covered away from the home, against the perils covered under this section, **other than the theft peril, however not they are left in any vehicle, or whilst situated outside of Israel.**
- B. The compensation in accordance with this clause is limited to 5% of the contents sum insured.

6. **Calculation of indemnity**

- A. The indemnity payments due to the insured in accordance with this section will be calculated and paid in accordance with the value of the loss or damage, however no payment will be made in excess of the sum insured stated in the schedule as the contents sum insured, all subject to the provisions of clause 3 in Section I General conditions applicable to all sections of the policy; the indemnity payments for loss or damage to several items will not exceed the amount stated in the schedule, if stated, as the sum insured of these items.
- B. The indemnity payments will be calculated in such a way as to bring the insured, insofar as possible, to the situation they would have been in were it not for the occurrence of the insured event.
- C. Compensation will also include loss or damage to clothing and personal effects of the domestic staff of the insured, which they are in the home, up to 5% of the contents sum insured.

7. **Underinsurance**

If at the time of arranging the policy, the contents sum insured was more than 15% less than the value of the contents, the liability of the insurer will be reduced by the ratio between the sum insured and the value of the contents at the time of arranging the contract; each item for which a separate sum insured is stated in the schedule is subject to this condition separately; the provisions of this clause will not apply to sub-limits stated in the policy or if the contents sum insured has been set by or on behalf of the insurer.



SECTION B1 – SPECIAL EXTENSIONS TO SECTION B

The following extensions are valid only if stated expressly in the schedule

1. Optional extension for damage by water and other liquids

- A. The insured event** – Loss or damage to the contents which is first discovered during the period of insurance, as a consequence of the escape or leakage of water, or any other liquid from the plumbing and central heating apparatus of the home or of another property in an apartment building, including implosion, blockage or overflowing of boilers and pipes, **excluding:**
- 1) The cost of the water.**
 - 2) Wear and tear, corrosion and rust caused to the actual boilers, pipes and plumbing apparatus.**
- B. In the case of damage arising in another property in an apartment building, the scope of the cover will be limited to one insured event for the entire period of insurance.**
- C.** The cover for water and other liquids will not apply if the home is unoccupied. In this regard “**unoccupied home**” means one which has been unoccupied for more than 60 consecutive days or has not been lived in on a regular basis for more than 60 days.

2. Restoration of documents

This extension covers reasonable and essential expenses which are actually incurred by the insured or their family members for the restoration of personal certificates and personal documents due to an insured event covered under this section. **The liability of the insurer is limited to 2% of the contents sum insured, but not more than NIS 7,500 in the in the aggregate for the period of insurance for this extension.**

3. Garden furniture and equipment insurance

It is agreed that the policy is extended to cover damage caused to garden furniture and equipment forming part of the contents of the home, as well as the contents of a portable storeroom situated on the grounds of the insured's home as a consequence of the perils of fire, lightning and explosion only, **up to 25% of the sum insured for Section B – Contents Insurance.**



4. Extension of cover for the breakage of domestic electrical appliances

4.1 The insured event:

Accidental unforeseen physical breakage due to any external and visible cause to television sets of any type (including plasma, LED, LCD and the like), projectors, audio systems, home game consoles (permanently connected to a screen) streamers (DMRs), electrical amplifiers, desktop home computers and printers (hereinafter: “**domestics electrical appliances**”) forming part of the contents of the home insured, on condition that the damage occurs whilst they are kept in the insured home, up to NIS 12,000 per item, other than if stated otherwise expressly in the schedule in respect of this extension.

4.2 Exclusions to the extension:

This extension does not cover:

- 4.2.1 Damage caused by or as a consequence of machinery breakdown, mechanical or electrical breakdown and electrical damages, short circuit, overloading or voltage spikes.**
- 4.2.2 Records, cassettes, record players, discs, diskettes and their accessories, drives and external data storage media of any type and description including the data stored therein.**
- 4.2.3 Electrical appliances which are designed to be mobile or portable.**
- 4.2.4 Electrical appliances which are designed for or are used for the business of the insured.**
- 4.2.5 Damage caused by or as a consequence of moth, worms, rodents, gradual deterioration, humidity, rusting and the effects of regular climatic conditions.**
- 4.2.6 Damage occurring as a consequence of assembly, erection, repair or dismantling of the insured property.**
- 4.2.7 Magnetic heads of video systems and printer heads.**
- 4.2.8 Any expenses involved in the restoration of data.**
- 4.2.9 Any insured event caused by a malicious act of the insured or their family members or with their assistance or consent.**

4.3 Indemnity payments:

The indemnity payments under this extension will be calculated as follows:



- 4.3.1 In respect of appliances whose age of the occurrence date of the insured event is 5 years or less – On a new for old basis, on condition that the insured did not waive the cover on a new for old basis as stated in clause 2 to Section I – General conditions applicable to all sections of the policy.
- 4.3.2 In respect of appliances whose age of the occurrence date of the insured event is more than 5 years – the indemnity will be calculated according to the actual value of the appliance damaged due to the occurrence of the insured event or the new replacement value less wear and tear.

5. Insurance cover for electric bicycles / electrical scooters / hoverboards / lawnmowers / mobility scooters

5.1 The insured event:

Notwithstanding that stated in clause 1 A in Section B – “Contents Insurance”, the policy is extended to cover physical loss or damage caused to electric bicycles and/or electrical scooters and/or hoverboards and/or lawnmowers and/or mobility scooters whose details and sums insured are stated in the policy schedule, whilst in the home insured (lawnmowers and/or mobility scooters shall also be covered whilst stored in a locked storeroom) as a consequence of the perils covered under clause 3 in Section B – “Contents Insurance”, other than loss or damage as a consequence of theft which does not involve signs remaining of forcible or violent entry or exit to or from the insured property.

5.2 Exclusions to this extension: This extension does not cover:

5.2.1 Loss or damage to batteries, chargers or any associated equipment.

5.2.2 Loss or damage due to the use of a charger and/or battery that was not supplied by the manufacturer of the insured property.

6. Insurance for glass, mirrors, glazed or ceramic or crystal surfaces

6.1 The insured event:

The insurer will indemnify the insured for damage occurring as a consequence of sudden and unforeseen breakage of:



6.1.1 Glass, mirrors, glazed surfaces used as tables or fitted in furniture forming an integral part of the contents insured, whilst situated in the insured home.

6.1.2 Crystal or ceramic stoves or aquariums forming an integral part of the contents insured, whilst situated in the insured home.

“**Breakage**” for the purpose of this extension means a crack that passes through the entire depth of the insured item.

6.2 Exclusions:

This insurance does not cover:

6.2.1 **Breakage caused by any malicious act of the insured or their family members or with their assistance or agreement.**

6.2.2 **Glass frames or mirrors or mountings or holders or ornaments or inscriptions of any type.**

6.2.3 **Cracked or defective items.**

6.2.4 **Breakages caused due to faulty or defective installation.**

6.3 Limits of liability

The liability of the insurer in respect of damage covered under this extension is limited to 2% of the sum insured per item with a maximum of 5% of the contents sum insured in the aggregate for the period of insurance.

The aforementioned sub-limit shall not apply if the “All Risks Extension for Home Contents” has been arranged.

6.4 Underinsurance

Section 60 of the Insurance Contract Act will not apply to this extension.

7. Extension for business activity in the home

7.1 The insured event

7.2 **For the purpose of this extension, “business contents” means contents used for the business of the insured, including furniture, general equipment and electronic equipment such as desktop and laptop computers, monitors, scanners, fax machines, printers and photocopiers, as stated in the schedule.**



7.3 Exclusions to this extension

7.3.1 Theft of the insured property without signs remaining attesting to forcible violent entry or exit.

7.3.2 Business contents as defined in clause 7.2 which is not owned by the insured.

7.4 Sub-limit

The maximum sum insured for this extension is as stated in the schedule, however not exceeding **NIS 50,000**.



SECTION C - ALL RISKS EXTENSION FOR JEWELLERY, VALUABLES AND PORTABLE ITEMS

This section is valid only if stated expressly in the schedule

1. The insured property

The property insured under this extension is one or more of the following items belonging to the insured and/or their family members, **on condition that it is stated expressly in the schedule and on condition the insurer has been provided with a detailed valuation from a specialist appraiser regarding the value of the items, or purchase receipts of the item/s, all before inception of the period of insurance:**

- A. Jewellery, gold and wristwatches.
- B. Stamp, coin and medallion collections.
- C. Painting, rugs and carpets and works of art.
- D. Furs.
- E. Cameras, camcorders and laptop computers.
- F. Musical instruments.

2. The insured event

Any physical loss or damage to the insured property described in clause 1 above whilst situated in the home or temporarily away of the home anywhere in the State of Israel, during the period of insurance **and subject to the following:**

- A. **Notwithstanding the aforementioned the property insured under clause 1 C above (Painting, rugs and carpets and works of art) is covered only whilst situated in the home,** other than if stated expressly otherwise in the schedule.
- B. Notwithstanding the aforementioned, the property covered under clause 1 E (Cameras, camcorders and laptop computers) and clause 1 F (Musical instruments) is also covered whilst situated outside of the State of Israel.
- C. Notwithstanding the aforementioned, the insured event may also include cover outside of the State of Israel for the items specified in clause 1 on condition that it is stated expressly in the schedule.



3. Extension for jewellery, gold and wristwatches

If no detailed valuation from an expert appraiser or purchase receipt of the item/s has been submitted to the insurer before occurrence of the insured event, the cover under this section will be extended to include jewellery, gold and wristwatches up to 10% of the contents sum insured with a maximum of 1% of the contents sum insured per single item.

4. Extension of cover for firearms

The insurer shall indemnify the insured for loss or damage due to an insured to private firearms, namely a gun or rifle, whose details are stated in the policy schedule, other than loss or damage due to theft without signs attesting to forcible and violent entry to or from the insured property.

4.1 Exclusions to this extension

4.1.1 The insured holds a valid weapons license.

4.1.2 Failure to comply with the Firearms Act – 1949 and/or the directives of the Internal Security Ministry and/or any other directive of any other government ministry responsible matters pertaining to the possession of weapons.

4.1.3 Weapons used by the insured for their business or occupation including as a soldier, security forces personnel, policeman or security guard.

4.2 Indemnity payments

The indemnity payments under this extension shall be calculated in accordance with the actual value of the weapon damages at the time of the insured event however not exceeding the sum insured stated in the policy schedule.

5. Exclusions

The insurer will not be liable for any loss or damage under this section which occurs as a consequence of one or more of the following causes:

- A. Moth, worms, rodents, gradual deterioration, humidity, rusting or regular climatic conditions.**
- B. Depreciation and wear and tear, other than loss or damage caused to any item as a consequence of the loosening of a catch, holder or base.**
- C. Any process of cleaning, repair, renewal or colouring.**
- D. Internal damage to wristwatches other than if caused by a knock which leaves an external sign.**



- E. **Loss or damage to the insured property away from the insured home if they are not under the supervision of the insured and/or their family members. Notwithstanding that stated in this exclusion, the insured items are covered against theft from a locked hotel room or a locked apartment (which does not belong to the insured), provided that the theft occurs during a burglary into a hotel room or locked apartment and signs of violent entry remain.**
- F. **Internal damage to cameras and/or the breakage of camera lenses, other than if caused by fire, theft, burglary or a knock which leaves an external sign.**
- G. **Mechanical or electrical breakdown of any type.**
- H. **Loss or damage to property used by the insured for business or professional purposes, other than if stated expressly otherwise in the schedule**
- I. **Loss or damage caused whilst the insured home is unoccupied.**
- J. **Loss or damage to gold, silver or other precious metals as raw materials as well as loss or damage of precious stones and gems which are not inlaid in an item of jewellery.**
- K. **Damage to strings and cords, or damage by scratches or indentation or laceration of the musical instrument.**

6. Indemnity payments

The indemnity payments due to loss or damage under this section will be calculated in accordance with clauses 5A and 5B in Section B – Contents Insurance, **other than as stated hereunder:**

- A. **Insured items which form part of a set, series or pair of items shall be limited to the value of the proportional share of the item which has been lost or damaged out of the entire set, series or pair or items.**
- B. **Foreign stamps will be calculated at 75% of their value in the latest Stanley Gibbons catalogue at the time of the insured event.**
- C. **Cameras and camcorders up to 5 years old at the time of the insured event – on a new for old, on condition that the insured did not waive the cover on a new for old basis in relation to Section B – Contents Insurance.**

In the case of the aforementioned items which are over 5 years old at the time of the insured event; the payments will be calculated in accordance with the actual value of the damaged item at the of the insured event or its new replacement value less wear and tear.



- D. Laptop computers whose age at the time of the insured event is 3 years or less – on a new for old on condition that the insured did not waive cover on a new for old basis in relation to Section B – Contents Insurance.

For the aforementioned items whose age at the time of the insured event exceeds 3 years – the payments will be calculated in accordance with the actual value of the item at the time of the insured event or its new replacement value less wear and tear.



SECTION D – ALL RISKS INSURANCE FOR BUILDINGS AND CONTENTS

This section is valid only if stated expressly in the schedule

The liability of the insurer in respect of this extension is limited to NIS 25,000 per occurrence and in the aggregate for the period of insurance, other than if stated expressly otherwise in the schedule.

Section 60 of the Insurance Contract Act (Underinsurance) will not apply to this section.

1. The insured property

The home described in the schedule on condition that insurance cover under Section A – Home Buildings has been arranged, and/or the contents described in the schedule, on condition that insurance cover under Section B – Home Contents has been arranged, **other than the following items:**

- A. Spectacles, contact lenses, hearing aids, dentures.**
- B. Mobile / cellular telephones and electronic diaries.**

2. The insured event

Accidental and unforeseen physical loss or damage to the insured property which occurs during the period of insurance due to any cause whilst situated in the insured home, other than as detailed hereunder:

- A. An insured event which is covered or can be covered under one of the following sections: Section A (Buildings Insurance), Section A1 (Extension of the basic cover under Section A), Sections A2 and A3 (Additional sum insured in an apartment building), Section B (Contents Insurance), Section B1 (Special extensions to Section B), and Section C (All Risks for jewellery, valuables and portable items), or any event which is included in the exclusions to these sections.**
- B. Machinery breakdown or electrical or electronic breakdown of any type.**
- C. Scratches or buckling of plating of furniture or domestic refrigerators or enamel coatings of any type.**
- D. Wear and tear, humidity, rusting and processes of corrosion, gradual deterioration and atmospheric or climatic causes having a gradual effect.**
- E. Moth, other insects, worm, rodents.**



- F. **Damage arising from landslide, heave and/or subsidence.**
- G. **Damage arising from faulty planning and/or faulty construction and/or faulty workmanship.**
- H. **Any process of cleaning, renewal, repair or painting.**
- I. **Consequential loss.**
- J. **Defective seal.**

3. Extension of cover for bicycles without an auxiliary motor

3.1 The insured event

- 3.1.1 Accidental damage to bicycles forming part of the contents of the home insured whilst away from the home and used by the insured or their family members, including whilst being transported in a motor vehicle **provided that the bicycle is being transported in a standard truck-mounted bike rack which has been safely and securely fitted.**
- 3.1.2 Theft of the entire bicycle **provided that at the time of the theft the bicycle was chained and locked to a post anchored into the ground, a wall or in a locked storeroom.**

3.2 The limit of liability

The liability of the insurer in respect of this extension is limited to NIS 3,000 other than if stated otherwise in the policy schedule. In the case of a bicycle valued over NIS 3,000 (provided it is stated in the policy schedule that there is cover for a bicycle valued over NIS 3,000), a deductible of 10% of the value of the vehicle or the deductible stated in the policy schedule shall apply to each and every event of loss or damage covered under Section B of this policy – Contents Insurance – the higher of the two.

3.3 Indemnity payments

Bicycles up to 5 years old at the time of the insured event – on a new replacement value provided the insured has not waived the cover on a new replacement value for Section B – Contents Insurance/

In the case of a bicycle over the age of 5 years the indemnity payments shall be calculated according to the actual value of the damaged item at the time of the insured event or on a new replacement value less wear and tear.

3.4 Exclusions to the extension



- 3.4.1 A bicycle with an auxiliary motor of any type and description or any electrical bicycle.**
- 3.4.2 The use of a bicycle during a race, rally or for extreme sports.**
- 3.4.3 Theft or attempted theft of part of the bicycle.**



SECTION E – INSURANCE FOR THE CONTENTS OF BANK SAFES

This section is valid only if stated expressly in the schedule

1. The insured property

The insured property for the purpose of this section is one or more of the following items kept in a locked bank safe described in the schedule: Jewellery, money, stamp collections, promissory notes as well as any item with a financial value **other than the value of the intrinsic information in the documents.**

2. The insured event

The insured event is accidental and unforeseen physical loss or damage to the insured property during the period of insurance **other than damage as a consequence of the following causes:**

- A. Wear and tear, moth, aphids, worms, rodents, gradual deterioration or regular climatic conditions.**
- B. Theft with the use of the key (or a duplicate key) of the safe described in the schedule, other than if the key was obtained by threat or physical violence, or deception or theft.**
- C. Unexplained disappearance of the property or shortages which cannot be attributed to accidental physical damage.**
- D. Consequential loss as a result of an insured event including changes to share values or changes in foreign currency exchange rates.**

3. The indemnity payments

The indemnity payments payable to the insured on the occurrence of an insured event under this section will be calculated in accordance with clause 6A and 6B in Section B – Contents Insurance, other than as follows:

- A. Non-Israeli stamp collections will be calculated at 75% of their value in the latest Stanley Gibbons catalogue at the time of the insured event.**
- B. Israeli stamp collections will be calculated at 80% of their value at the time of the insured event.**
- C. Securities in accordance with their commercial value of these securities at the time of the insured event.**
- D. Cash, shopping vouchers, cheques and bank notes in accordance with their face value.**



SECTION F1 – TERRORISM INSURANCE

The section is valid only if stated expressly in the schedule

1. Definition

“Acts of terrorism” for the purpose of this section means sabotage or a harmful act to the insured property, including an act of terrorism which is committed with violence for political aims, including the use of violence in order to intimidate the public or part thereof, by a person or group of persons, regardless of whether they are a member of any organisation or not, which is hostile to the State of Israel and due to such hostility.

2. Special condition applicable to the cover under this section

A precondition to the cover under this section is that the insured presents to the insurer a certificate from the Ministry of Defence or from the Manager of the Property Tax and Compensation Fund confirming that the property insured under the policy was damaged by an act of terrorism, as defined in the Property Tax and Compensation Fund Act – 1961 (hereinafter: “The Property Tax Act”) and its regulations.

3. The insured event

Physical loss or damage due to an act of terrorism to the home, on condition that insurance cover for the buildings has been purchased under Section A – Buildings Insurance and/or for the contents under Section B – Contents Insurance.

4. Exclusions

This section does not cover loss or damage –

- A. Which is caused or arises from robbery, burglary or theft which is not part of an act of terrorism.**
- B. Consequential loss of any type, other than loss of rent or expenses for renting alternative accommodation due to the occurrence of an insured event, and in such a case the provisions of clause 3C (3) in Section A – Home Buildings Insurance will apply.**
- C. Which is caused directly or indirectly by the use of chemical, biological or nuclear materials.**
- D. Which is excluded from the cover under clause A to Section H – Excluded perils, other than the words “acts of terrorism”.**



5. Indemnity payments

Indemnity payments payable to the insured due to an insured event covered under this section are subject to the following limitations:

- A. The cover in accordance with this section will only apply for the surplus amount of the damage exceeding the compensation amount that the insured is entitled to receive under the Property Tax and Compensation Act and its regulations or by virtue of any other legislation.**
- B. The insurer will not be liable to pay amount to the insured which the insured would have been entitled to receive under the Property Tax Act, but which is not paid to the insured by the Property Tax and Compensation Fund, due to non-compliance with any of the provisions of the Property Tax Act or due to the fact that a claim was not made with the Property Tax and Compensation Fund, or for any other reason.**
- C. The total indemnity payable in accordance with this section will not exceed the total sum insured stated in the schedule for this section.**



SECTION F2 – WAR AND TERRORISM INSURANCE

The section is valid only if stated expressly in the schedule

1. The insured event

Physical loss to the home building or contents as defined in this policy, due to war, hostilities, sabotage, belligerent acts, acts of terrorism; provided that the insurance cover under Section A – Buildings Insurance and under Section B – Contents Insurance, has been purchased, as applicable.

2. Definition

“Acts of terrorism” for the purpose of this section means sabotage or a harmful act to the insured property, including an act of terrorism which is committed with violence for political aims, including the use of violence in order to intimidate the public or part thereof, by a person or group of persons, regardless of whether they are a member of any organisation or not, which is hostile to the State of Israel and due to such hostility.

3. A precondition to the cover under this section is that the insured presents to the insurer a certificate from the Ministry of Defence or from the Manager of the Property Tax and Compensation Fund confirming that the property insured under the policy was damaged by an act of terrorism, as defined in the Property Tax and Compensation Fund Act – 1961 (hereinafter: “The Property Tax Act”) and its regulations.

4. Exclusions

This section does not cover loss or damage –

- 4.1 Which is caused or arises from robbery, burglary or theft which is not part of an act of terrorism.**
- 4.2 Consequential loss of any type, other than loss of rent or expenses for renting alternative accommodation due to the occurrence of an insured event, and in such a case the provisions of clause 3C (3) in Section A – Home Buildings Insurance will apply.**
- 4.3 Which is caused directly or indirectly by the use of chemical, biological or nuclear materials.**

5. Indemnity payments

Indemnity payments payable to the insured due to an insured event covered under this section are subject to the following limitations:



- A. The cover in accordance with this section will only apply for the surplus amount of the damage exceeding the compensation amount that the insured is entitled to receive under the Property Tax and Compensation Act and its regulations or by virtue of any other legislation.**
- B. The insurer will not be liable to pay amount to the insured which the insured would have been entitled to receive under the Property Tax Act, but which is not paid to the insured by the Property Tax and Compensation Fund, due to non-compliance with any of the provisions of the Property Tax Act or due to the fact that a claim was not made with the Property Tax and Compensation Fund, or for any other reason.**
- C. The total indemnity payable in accordance with this section will not exceed the total sum insured stated in the schedule for this section.**



SECTION G – LIABILITY INSURANCE

SECTION G1 - THIRD PARTY LIABILITY INSURANCE

This section is valid only if stated expressly in the schedule

1. The insured event

The insured event is the liability of the insured or their family members, including their domestic staff, to compensate a third party in accordance with the Torts Ordinance [New Version], subject to the limits of liability stated in the schedule per accidental event which occurs in the State of Israel or in an “area” as defined in the Amendment and Extension of the Validity of Emergency Regulations (Judea and Samaria – Jurisdiction for Offences and Legal Aid) Act – 2007 and which causes:

A. Death, illness, bodily or psychiatric impairment or injury.

B. Loss or damage to third party property.

2. Claims handling

A. The insurer is entitled, and at the demand of the third party – is liable, to pay indemnity to the third party which the insurer is due to pay to the insured, provided that it notifies the insured in writing as stated in sub-clause B hereunder and provided that the insured does not oppose such payment as stated in the clause; however any allegation which the insurer may invoke against the insured will also apply against the third party.

B. If the third party claims indemnity as stated in sub-clause A above, the insurer will notify the insured in writing with 7 business days of the date of the claim as aforementioned and if the insured does not notify the insurer that they object to payment of compensation within 30 days – the insurer will pay the indemnity to the third party which it owes the insured, if the insured is liable to make such payment.

C. The insurer is entitled to take over and conduct in the name of the insured the defence of any claim and the insured must provide the insurer, on demand, with the assistance required by the insurer to settle the third party claim.

D. The insurer undertakes to work in conjunction with the insured in an attempt to maintain the legitimate interests of the insured including their reputation.



- E. If a claim or series of claims against the insured arising from a single insured event or from a series of events that can be attributed to a single originating cause, which is covered under this section of the policy, the insurer will be entitled pay the insured the total limit of liability under this section and after such payment the insurer will be exempt from handling the claim or claims as aforementioned and the insurer will have no further liability in respect thereof other than for legal expenses which a court determines or for reasonable expenses incurred in connection with the said claims.

3. Cover for legal expenses

In the event of a claim for indemnity payments under this section, the insurer will pay reasonable legal expenses incurred by the insured due to their liability and this in excess of the limit of liability under this section.

4. Exclusions to the Third Party Liability section

The insurer will not be liable to indemnify the insured for any amount imposed on them or which they incur if the cause of action arises from any of the following:

- A. Liability to anyone having employment relations with the insured;**
- B. Injury to the family members of the insured or to the domestic staff of the insured;**
- C. The liability of the insured to third parties related directly to the profession or business of the insured, other than if it stated in the schedule that cover for this activity is expressly included;**
- D. The professional liability of the insured or liability arising from products manufactured, handled, marketed or serviced by the insured in the framework of any business activity;**
- E. Motor vehicles as defined in the Compensation for Victims of Road Accidents Act – 1975, cranes, lifting apparatus, aircraft, watercraft and motor vehicles;**
- F. The use of weapons;**
- G. Animals other than domestic pets, dangerous dogs or dangerous breeds as defined in the Regulation of Control of Dogs Act – 2002;**
- H. The use of any swimming pool containing a filtration system, jacuzzi or sauna outside of the building insured, other than if stated otherwise in the schedule;**



- I. **Performing works in the home by a tradesman where the duration of the works exceeds two weeks from the time when the actual work commences;**
- J. **Any claim brought against the insured in a court outside of the State of Israel.**

5. Extensions to the Third Party Liability section

The cover in accordance with the following extensions is valid solely if stated expressly in the schedule. The limits of liability for this extension form part of the limit of liability of this section as stated in the policy schedule and are not in addition thereto.

5.1 Business activity in the insured home

The cover under this section is extended to include the legal liability of the insured to third parties **as defined in clause 1 above (“The insured event”)** in the framework of the business activity of the insured as stated in the policy schedule **in the insured home.**

It is hereby clarified that this policy does not cover the legal liability of the insured in connection with and/or in respect of any manufacturing activity and/or any other business activity which is not specified in the policy schedule.

The liability of the insurer in respect of this extension is limited to NIS 250,000 per occurrence and in the aggregate for the period of insurance.

5.2 Swimming pools with filtration systems / outdoor jacuzzis

Notwithstanding that stated in clause 4H above, if stated expressly in the policy schedule, the cover under this section is extended to include the legal liability of the insured to third parties as defined in clause 1 above (**“The insured event”**) as the owners and/or occupants of a private swimming pool with a filtration system or outdoor jacuzzi in the grounds of the insured home.

5.2.1 Exclusions to the liability of the insurer

The insurer shall not cover any event as defined in clause 1 above due to loss or damage caused to the body and/or property of a third party as a consequence of and/or due to and/or in respect of:



- 5.2.1.1 Any outdoor swimming pool or jacuzzi whose entrance is not closed and locked (or covered with a hard or flexible waterproof covering) to prevent the entry of anyone without the permission of the insured.
- 5.2.1.2 The type of materials and/or their concentration in the outdoor swimming pool or jacuzzi water.
- 5.2.1.3 The use of any outdoor swimming pool and/or jacuzzi during the course of any business activity.
- 5.2.1.4 Any swimming pool which does not have an upper cover in any home which is unoccupied for more than 30 consecutive days.
- 5.2.1.5 The entry of anyone into the swimming pool or jacuzzi under the age of 10 years old without the supervision of an adult.

5.3 Domestic lifting apparatus

Notwithstanding exclusion 4 E in Section G 1 – “Third Party Liability”, the cover under this section is extended to include an insured event which occurs due to the use of domestic lifting equipment.

5.3.1 “Domestic lifting equipment” for the purpose of this extension means any of the following:

- 5.3.1.1 “Parking stacker” – A stacker parking system in the home of the insured in a private house and/or an individual stacker parking device belonging to the apartment of the insured in an apartment building which is owned by the insured and/or their family members.
- 5.3.1.2 “Wheelchair lift” – A wheelchair lift / stair lift connected to a rail fitted on the stairs of the apartment insured, which is owned by the insured and/or their family members.
- 5.3.1.3 “Lift” – A private lift fitted in an apartment which is not an apartment in an apartment building which is owned by the insured and/or their family members.

5.3.2 Exclusions to the liability of the insurer

5.3.3 The insurer shall not cover any insured event occurring as a consequence of and/or in connection with and/or due to and/or in respect of:



- 5.3.3.1 The use of lifting apparatus was not manufactured in accordance with the Israeli standard and/or which was not inspected and passed by the Standards Institution of Israel.
- 5.3.3.2 The use of lifting apparatus which was built and/or fitted by a company which does not hold a valid license from the competent authorities to fit lifting devices of the type covered.
- 5.3.3.3 The use of lifting apparatus which does not undergo a periodic inspection by a qualified inspector in accordance with legal provisions.
- 5.3.3.4 Defective use and/or overloading and/or use by anyone who is not authorised to use the lifting apparatus due to regulatory restrictions and/or the use of a lifting device other than for its designated use and/or unreasonable use of the device.

The liability of the insurer in respect of this extension is limited to NIS 750,000 per occurrence and in the aggregate for the period of insurance.

6. Firearms

- 6.1 Notwithstanding exclusion 4 F in Section G 1 – “Third Party Liability”, the cover under this section is extended to include an insured event which occurs due to the use of firearms as defined.
- 6.2 “Firearms” for the purpose of this extension means a private gun or rifle.
- 6.3 Exclusions to the liability of the insurer
 - 6.3.1 Damage occurring due to the use of firearms where the insured does not hold a valid weapons license.
 - 6.3.2 Damage occurring due to the use of weapons by any family member of the insured either if living in the home insured or anywhere else.
 - 6.3.3 Damage due to the of firearms due to any criminal activity by the insured and/or their family members and/or anyone representing them.



6.3.4 Failure to comply with the Firearms Act – 1949 and/or the directives of the Internal Security Ministry and/or any other directive of any other government ministry responsible matters pertaining to the possession of weapons.

6.3.5 Weapons used by the insured for their business or occupation including as a soldier, security forces personnel, policeman or security guard.

The liability of the insurer in respect of this extension is limited to NIS 750,000 per occurrence and in the aggregate for the period of insurance.

7. Non-application of underinsurance

Section 60 of the Insurance Contract Act – 1981 (hereinafter: “the Insurance Contract Act”) will not apply to this section.



SECTION G2 – EMPLOYERS LIABILITY INSURANCE FOR DOMESTIC STAFF

This section is valid only if stated expressly in the schedule

1. The insured event

The liability of the insured in accordance with the Torts Ordinance (New Version) – 1968, subject to the limits of liability stated in the schedule, due to a case of death or bodily injury which occurs during the period of insurance as a consequence of an accident or illness to any of the domestic staff of the insured whilst in the direct service of the insured during and due to their work in the home of the insured.

For the purpose of this section, “**domestic staff**” also includes an employee who does not live in the home of the insured.

2. Cover for legal expenses

In the event of a claim for compensation under this section, the insurer will pay reasonable legal expenses which the insured incurs due to their liability in excess of the limits of liability of this section.

3. Exclusions

This insurer will not be liable under this section for:

- A. Liability arising from any agreement, other than if it would have applied even if such an agreement would not exist.**
- B. Any amount which the National Insurance Institute claims from the insured.**
- C. Any amount paid by the National Insurance Institute due to injury, death or illness, or any amount as aforementioned which the insured is entitled to from the National Insurance Institute, including any amount which the insured would have been entitled to receive if they or the insured would have complied with the legal directives.**
- D. Any liability in respect of youth employed in breach of legal provisions regarding the employment of youth or not in compliance with the law.**
- E. Any liability in respect of a claim arising directly or indirectly from the Compensation for Road Accident Victims Act – 1975.**
- F. Silicosis or asbestosis.**
- G. An insured event involving an employee of the insured in the framework of the business of the insured in the home of the insured.**



H. Any liability arising directly or indirectly from sexual harassment.

4. Non-reinstatement of the limit of liability

Notwithstanding that stated in clause 9 in Section I (General conditions applicable to all sections of the policy), following payment of indemnity under this section, the insurer will not reinstate the scope of liability under this section to the level which applied before occurrence of the insured event.



SECTION H – EXCLUDED PERILS UNDER SECTIONS A1, B1, C, D, E, F1 AND G2 OF THE POLICY

This policy does not cover loss, damage or liability occurring a consequence any of the following causes:

- A. War, hostilities, acts of terrorism (other than acts of terrorism if the cover has been purchased under Section F).**
- B. Civil war, mutiny, military or civil uprising, revolution.**
- C. Ionising radiation, radioactive pollution, nuclear processes, any nuclear material or nuclear waste.**
- D. Seizure, expropriation, confiscation, destruction or the demolition of property by the government, the military, a local authority or any individual acting in accordance with the law.**



SECTION I – GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS OF THE POLICY

1. How compensation will be paid

The insurer may, at its discretion, select one or more of the following methods of compensation:

- A. Payment of the value of the loss or damage in cash.
- B. Repair of the home buildings or contents which have been lost or damaged and bring them to a similar condition which prevailed immediately prior to the occurrence of the loss or damage.
- C. Replacement of the contents or parts thereof or replacement of parts of the home with parts of the same type and quality as those which were lost or damaged, and in the case of jewellery – subject to the agreement of the insured and on condition that they can be identified or replaced with similar jewellery.

2. New for old

- A. **On the occurrence of an insured event affecting the home buildings or contents, the indemnity will be paid according to the new replacement cost of the buildings or contents, other than if the insured has waived this cover and this is documented by the insurer and stated in the policy schedule.**

In this regard, “replacement” means rebuilding, repair or replacement of the property with new property of the same type and quality which was lost or damaged.

- B. Indemnity on a new for old basis due to an insured event is **subject to the actual reconstruction by the insured or repair or replacement of the property which was lost or damaged, and this without any changes to the quality and the type of property compared to the property which was lost or damaged; if [the property] is not rebuilt, repaired or replaced – the indemnity for it will be on an actual value basis.**
- C. If a separate sum insured has been set for a certain item of contents, **the indemnity payable for loss or damage to it will not exceed the amount stated in the schedule.**
- D. If no separate sum insured has been set for a certain item of contents, however it states in the schedule that the compensation will be on a new for old basis, the indemnity will be paid for the loss or damage to it on a new for old basis.



- E. Compensation on a new for old basis will not be paid for loss or damage which occurs only to clothing.**
- F.** Compensation in accordance with this clause will be paid in accordance with the value of the property as new on the date on when the reinstatement take place, or in accordance with its new replacement value on date when the indemnity is paid – the earlier of the two dates.
- G.** The reinstatement works must commence within a reasonable period of time after occurrence of the loss or damage, and in any event must be completed within 12 months of the date of the insured event in the case of buildings, or within 90 days from the occurrence of the insured event in the case of contents. If it is not possible to complete the reinstatement within the aforementioned period due to reasons which are out of the insured's control, the period for completing the reinstatement will be extended by agreement between the insured and the insurer.
- H. The liability of the insurer in accordance with this clause will not exceed the sum insured stated in the schedule for buildings, contents, or per item, as applicable.**

3. Indexation of the sums insured

- A.** The sums insured stated in this policy will vary in accordance with the changes between the latest Consumer Price Index published by the Central Bureau of Statistics (hereinafter "the index") before inception of the period of insurance and the latest index published before occurrence of the insured event, other than sums insured in accordance with Section A, Section A2 and Section A3 which will vary in accordance with the changes to the latest Residential Building Input Index published by the Central Bureau of Statistics (hereinafter – the Building Input Index) published before the inception of the period of insurance and the latest Building Input Index published prior to the occurrence of the insured event.
- B.** If, during the period of insurance the sums insured are increased at the request of the insured, other than as a result of linkage to the index or to the Building Input Index, each such increase will constitute an additional basic sum to which the aforementioned indexation conditions will apply, and the basis for the increase will be the latest index or the Building Input Index, as aforementioned, which is published prior to the increase taking effect.



4. Indexation and interest on indemnity payments

- A.** The indemnity payable to the insured due to the occurrence of an insured event will vary in accordance with the changes between the latest index published before the occurrence of the insured event and the latest index published before payment is made to the insured, other than indemnity payments in accordance with Section A, Section A2 and Section A3 which will vary in accordance with the changes between the latest Building Input Index published before occurrence of the insured event and the latest Building Input Index published before payment is made to the insured.
- B.** Interest will be added to the indemnity payments at the rate set out in the definition of “Interest and indexation increments” in Section 1 of the Interest and Indexation Ruling Act – 1961 (hereinafter “Interest and Indexation Ruling Act”) after thirty days have elapsed from the date when the claim for indemnity under this policy is submitted. This directive does not derogate from the authority of a court in accordance with the said act.

5. Claims for indemnity payments

- A. If an insured event occurs, the insured must notify the insurer immediately on becoming aware of the same.**
- B. Claims for indemnity payments in accordance with the policy will be documented by the insurer. The aforementioned does not derogate from the right of the insurer to request the insured to make the claim in writing.**
- C.** The insured must supply the information and the documents required for the clarification of the liability and its scope to the insurer within a reasonable time after been requested to do so and if they are not in their possession – they must assist the insurer as far as possible to obtain them.
- D.** The insurer will take the necessary steps to clarify its liability, immediately on receipt of the notification from the insured of the insured event.
- E.** Indemnity payments will be made within 30 days of the date on which the insurer is in receipt of the information and documents required to clarify its liability.

6. Notice to the police

The insured must notify the police in any event of loss or damage which in the opinion of the insured arises from a malicious act or a burglary or theft.



7. Finding property

- A.** If stolen property is found before the indemnity payments are made in respect thereof under this policy, the property will be returned to the insured and the insurer will not make indemnity payments unless the returned property has been damaged.
- B.** If stolen property is found after the indemnity payments have been made, the insurer will notify the insured or vice-versa. The found property will be assigned to the ownership of the insurer other than if the insured notifies the insurer within 30 days of the date of the notice from the insurer or the insured, as applicable, that they wish to take possession of the found property in return for a refund of the indemnity payments paid by the insurer in the said period.

8. Interim payments and undisputed indemnity payments

- A.** On the occurrence of an insured event, the insured will be entitled to receive an interim payment or a financial undertaking from the insurer in order to enable them to obtain service to repair the damage or the loss, and this on account of the payment due to the insured in accordance with the conditions of this policy.
- B.** If the insurer makes an interim payment on account of the indemnity payments, this interim payment will be deducted from the final amount payable by the insurer. The calculation of the deduction will be made by indexing the interim payment to the index or to the Building Input Index, as applicable, from the date of the interim payment up until the final payment date.
- C.** Undisputed indemnity payments will be paid within 30 days after the claim is submitted to the insurer in accordance with clause 5B and which can be claimed separately from the other indemnity payments.

9. Reinstatement of the sums insured

- A.** After payment of indemnity to the insured due to an insured event, the insurer will reinstate the scope of its liability under this policy to the level that applied immediately before occurrence of the insured event.
- B.** The insurer is entitled to charge an additional premium for reinstatement of the sums insured from the occurrence date of the insured event until the expiry date of the period of insurance; for the purpose of calculating of premium which the insured must pay for the reinstatement, only the indemnity payments actually made by the insurer will be taken into account.



- C. Hereunder is the formula for calculating the premium for reinstating the sums insured:

A = The claim amount less the deductible

B = The annual premium

C = The number of days remaining from the date of the loss until the expiry of the period of insurance

D = The sum insured

E = 365

$$A \times \frac{B}{D} \times \frac{C}{E}$$

10. Deductible

- A. On the occurrence of an insured event under this policy, the deductible amount stated in the schedule will be deducted from the indemnity payments in respect of each and every claim.
- B. If a deductible for a specific insured event is expressed as a percentage of the sum insured, the amount the deductible will be calculated separately in respect of each section of the policy.
- C. If the insured is indemnified in accordance with the extension for damage by water and other liquids by a pre-approved plumber, the insured will be required to pay the deductible stated in the schedule to the insurer.
- D. Without derogating from that stated in sub-clauses A and B, on the occurrence of an insured event covered under Sections A, A2, A3 and B, C, D and G1 of this policy; the insurer will pay a single deductible not exceeding the highest applicable deductible.

11. Payment of the premium and other fees

- A. The premium and all other amounts due from the insured to the insurer in connection with this policy will be paid by the method and on the dates detailed in the policy.
- B. For the purpose of this policy the premium includes all payments that the insurer is entitled to charge the insured, all in accordance with that stated in the schedule.



- C. If any amount which is due from the insured to the insurer is not paid on time, the amount in arrears will bear annual interest as stated in the Interest and Indexation Ruling Act, according to the changes to the index, between the latest index published before the date on which the payment should have been made and the latest index last published before the actual payment date.
- D. If any amount in arrears as aforementioned is not paid within fifteen days after the insurer's written request to the insurer to make payment, the insurer is entitled to notify the insured in writing that the policy will be cancelled 21 days later if the amount in arrears is not settled beforehand; if a beneficiary other than the insured has been irrevocably designated, the insurer is entitled to cancel the policy provided that written notification is sent to the beneficiary regarding the aforementioned arrears if the beneficiary does not settle the amount in arrears within 15 days of the date after the said notice was sent.
- E. Nothing contained in the cancellation conditions in accordance with this clause derogates from the duty of the insured to settle the amount in arrears relating to the period up to the aforementioned cancellation as well as the insurer's expenses.

12. Disclosure and changes to material facts

- A. This policy was issued relying on the replies provided by the insured to the insurer in writing or in any other manner which is documented by the insurer in response to all of the questions which were posed in the proposal form which serves as the basis of the policy and relying on the insurer's assumption that the insured provided complete and honest replies to the questions which were posed as aforementioned and that the insured did not intentionally and fraudulently withhold any fact which they knew to be material to the insurer for the purpose of assessing the insured risks and similarly implemented measures to prevent losses which the insurer requested in writing to mitigate the risks covered in accordance with this policy.
- B. A material fact is a matter in respect of which a question was posed in writing in the proposal form or in any other manner which is documented by the insurer, and without derogating from the generality of the aforementioned, includes the following matters:



- 1) **In respect of the home buildings: The address of the home, the value of the home, the type of building, the position of the apartment in the building, safety measures of any type, the age of the home, the size of the home, the number of rooms, the number of people living permanent in the home, any special additions or alterations.**
 - 2) **In respect of the home contents: Description of the items forming the contents, the value of the contents, details of electrical appliances: their type, manufacturer, age and value, details of valuables.**
 - 3) **In respect of the home buildings and the contents: Losses which have occurred in the last three years as a consequence of the perils covered under this policy as well as details of previous insurers that insured or refused to insure the home buildings or contents in the last three years.**
- C. If the insured does not provide complete and honest replies to the questions relating to material facts, or withheld material facts from the insurer with fraudulent intent or failed to implement the measures which the insurer requested to mitigate the covered perils covered under this policy, the insurer is entitled to act in accordance with the directives of the Insurance Contract Act; the provisions of this clause do not affect the statutory rights of the insurer.**
- D. The insured must notify the insurer during the period of insurance of any change to material facts immediately on becoming aware of the same. If the insured does not disclose such alteration to the insurer, [the insurer] will be entitled to cancel the policy or to reduce the scope of its liability in accordance with the directives of the Insurance Contract Act.**

13. Cancellation of the policy

- A.** The insured may cancel the policy at any time before expiry of the period of insurance, at their discretion; the policy will be cancelled on the date when the notice reaches the insurer or on a later date at the request of the insured.
- B.** Without derogating from the statutory rights of the insurer, the insurer may cancel the policy before expiry of the period of insurance due to fraud by the insured or due to non-disclosure of facts they were asked about before the policy was issued, provided that notice to this effect including the reasons for the cancellation is sent to the insured by registered post at least 30 days before the date when the policy is due to be cancelled



- C. If the insured cancels the policy as stated in sub-clause A above or if the insurer cancels the policy in accordance with sub-clause B above, the insurer will make a pro-rata return premium to the insured as soon as possible, and within 14 days of the date when the cancellation takes effect; the pro-rata return premium as aforementioned will be calculated by multiplying the premium charged by the insurer by the ratio between the number of days remaining on the cancellation date until the expiry of the original period of insurance and the total number of days in the original period of insurance.
- D. All amounts refunded in accordance with this clause will vary in accordance with the changes to the index between the latest index published before the date when the premium was paid, and the latest index published before the date when the return premium is paid; if the premium was paid in instalments – each amount will vary in accordance with the changes to the index between the latest index published before each payment date and the latest index published before the return premium is paid.
- E. Notwithstanding the aforementioned, a policy which is subject to a mortgage clause will only be cancelled 30 days after notice has been sent to the beneficiary.

14. Double insurance

- A. If the buildings or the contents were insured for the perils covered by this policy with more than one insurer for overlapping periods, the insured must notify the insurer of this immediately on arranging the double insurance or immediately on becoming aware of the same.
- B. In a situation of double insurance, the insurers are liable severally for the full amount and they will reconcile allocation of the indemnity payments between themselves according to the ratio between the respective sums insured.

15. Moving home

- A. If the insured moves to a new home during the period of insurance (hereinafter – “the new home”), the insured may, by notice to the insurer and with its agreement, transfer the cover under this policy to the new home and in such a case the cover for the new home buildings and contents will continue to be valid for the new home in accordance with the notice from the insured and in accordance with the existing policy conditions. Notwithstanding that stated in this sub-clause, the cover for the contents will continue to be valid in both homes for a period of up to 3 days.



- B. If the value of the new home buildings or contents exceeds the value of the [old] home buildings or contents on the date of the move to the new home, the insured will increase the sums insured accordingly and will pay the insurer the proportional difference in premium for increasing the sums insured within 30 days of the same date. The premium calculation for the increased sums insured will be made by taking into account the increase in the value of the home buildings or contents from the inception date of the period of insurance up to the date of the move.
- C. If the value of the new home buildings or contents is lower than the value of the [old] home on the date of the move, the insured will reduce the sums insured accordingly and will receive from the insurer the proportional difference in premium for reducing the sums insured within 30 days of the same date. The premium calculation for reducing the sums insured will be made by taking into account the reduction in the value of the home buildings or contents from the inception date of the period of insurance up to the date of the move.

16. Subrogation

- A. If, due to an insured event the insured is also entitled to compensation or indemnity from a third party other than by virtue of the insurance contract, this right is automatically assigned to the insurer as soon as the indemnity payments have been made to the insured for the amount of indemnity payments made.
- B. The insurer is not entitled to utilise the right assigned in accordance with this clause in a way that will prejudice the right of the insured to obtain compensation or indemnity from the third party in excess of the indemnity payments which they have received from the insurer.
- C. If the insured receives compensation or indemnity from a third party which was due to the insurer in accordance with this clause, they must remit it to the insurer; if the insured makes a compromise settlement, waiver or other action which prejudices the right assigned to the insurer, they must compensate the insurer for the same.
- D. **The directives of this clause do not apply if the insured event was caused unintentionally by an individual who a reasonable insured would not claim compensation or indemnity from due to family relations, employment relations or landlord and tenant relations between them, on condition that the landlord and tenant provided each other with a mutual waiver of subrogation.**



17. Statute of limitations

The prescription period of a claim for indemnity payments in accordance with this policy is in accordance with the period stated in the Insurance Contract Act.

18. Consequential loss

The insurer will not be liable for consequential loss of any type which is sustained by the insured or the beneficiary as a consequence of the perils covered under this policy, other than if stated otherwise in this policy.

19. Notices

A. Notice from the insured or the beneficiary to the insurer will be sent to one of the following addresses:

- 1) The address of the insurer's office as stated in the heading to this policy or to any other address in Israel which the insurer notifies the insured or the beneficiary of from time to time.**
- 2) The office of the insurance agent stated in the policy or to any other address in Israel which the insurance agent notifies the insured or the beneficiary of from time to time.**

B. Notice from the insured or the beneficiary to the insurer may be sent in any other manner not referred to in sub-clause A, which the insured notifies the insured or the beneficiary of from time to time.



ENDORSEMENT A – REPAIRING DAMAGE BY A PRE-APPROVED PLUMBER

This endorsement is valid only if stated expressly in the schedule that the cover for damage by water and other liquids has been purchased and that the insured has chosen the option for repair by a pre-approved plumber

1. Definitions

In this endorsement the following terms will have the meaning ascribed to them hereunder.

“The insured home” or “the home” – The home insured under the policy whose details are stated in the schedule.

“The insurer” – Migdal Insurance Company Ltd.

“The policy” – The policy covering the home with the insurer in the framework of which the extension for damage by water and other liquids has been purchased, and the option for repair by a pre-approved plumber has been selected and is stated expressly in the schedule.

“The policy schedule” – The policy schedule attached to the policy, constituting an integral part thereof.

“Business day” – Any day of the week other than Saturdays, public holidays and Jewish holidays specified in section 18A (A) of the Law and Order Ordinance – 1948 and the Independence Day.

“The customer” – The insured under the policy who has purchased the extension of cover for repairing damage by water and other liquids by a pre-approved plumber.

“Pre-approved plumber” – A plumber or plumbing company having a prior arrangement with the insurer.

“List of pre-approved plumbers” – A list of the plumbers is updated from time to time and can be found at www.migdal.co.il

“Private plumber” – Any plumber other than a pre-approved plumber.

“Plumbing fault” – The escape or leakage of water from the plumbing and central heating apparatus of the home or from another property in an apartment building, including implosion, blockage or overflowing of boilers and plumbing apparatus in accordance with the cover purchased.

“Water damage” – A plumbing fault as well as damage caused to the property of the insured due to a plumbing fault covered under clause 1 in Section A1 – Extensions to the basic cover under Section A.



“The services” – Repairing water damage.

“Call centre” – The designated call centre for this service operated by the insurer whose details are stated in the schedule.

2. Directives concerning the provision of services by a pre-approved plumber

A. In the event of water damage the insured must act as follows:

- 1) Contact a plumber from the list of pre-approved plumbers to make an appointment for the plumber to visit the home. The insured will contact the call centre of the insurer stated in the schedule to this endorsement and choose a pre-approved plumber from the list as stated above via the call centre.**

The damage will be repaired within two (2) business days after the insured has contacted a pre-approved plumber, other than if the insured agrees otherwise.

- 2) If the insured has contacted at least four pre-approved plumbers in succession and none of them is available to repair the damage within two (2) business days and provided that the insured notifies the insurer of this – the insurer will arrange an appointment for a plumber to visit the insured’s home within two (2) business days from the date when the insured notifies the insurer of the situation. If no appointment is made for a plumber to visit the home as aforementioned, the insured will be considered to have selected the “private plumber” option and the insured will pay the deductible as though the repair had been carried out by a pre-approved plumber.**
- 3) If an appointment is made for a pre-approved plumber to visit the home, the waiting time for the pre-approved plumber will not exceed two hours.**
- 4) If an appointment is made for a visit and the insurer or its representative may not notify the insured that the appointment has to be postponed after 8 p.m. on the day before the appointment., If the insurer notifies the insured that the appointment has to be postponed before 8 p.m. as aforementioned; the insurer will reschedule the appointment within one business day other than if the insured asks for a further delay; if the insurer notifies the insured that the appointment has to be postponed and the appointment is rescheduled – the insurer will not be entitled to postpone the time of the appointment again.**



- 5) **If an appointment is made and the pre-approved plumber does not arrive at the time arranged (hereinafter – “the first plumber”) without the prior approval of the insured or without notifying the insured that the appointment has to be postponed, the following directives will apply:**
- (A) If the waiting time for the first plumber was between 2-3 hours – the insured is entitled to choose another pre-approved plumber from the list of pre-approved plumbers to repair the water damage on condition that the first plumber has not arrived before the other plumber arrives;
 - (B) If the waiting time exceeds three hours, the insured must notify the call centre to arrange for the first plumber to visit the insured within three hours of the time when the insured provides notice or at another time if requested by the insured. If the first plumber does not arrive after making another appointment, the insured will be considered to have selected the “private plumber” option and the insured will pay the deductible as though the repair had been carried out by a pre-approved plumber.
- 6) **As soon as the service is completed the insured will be provided with a report containing details of the service provided. The report will contain the following information at the very least:**
- (A) **The findings of the plumber concerning the origin of the damage;**
 - (B) **The action required in the opinion of the plumber to repair the damage;**
 - (C) **Details of appointments made with the insured and repair work performed in each visit;**
 - (D) **If an appointment was made but did not take place or if no repairs were performed, the insurer will state the reason for this.**
- The document may be provided in handwriting or by e-mail at the choice of the insured.**
- 7) **Notwithstanding that stated in this endorsement and in the extension for damage by water and other liquids and/or implied therein, if the customer chooses a pre-approved plumber who is not a plumbing company as stated in the list of pre-approved plumbers, the plumber will only repair the plumbing fault or if he does not repair the water damage – the customer will be**



entitled to contact a plumbing company from the list of pre-approved plumber to repair the water damage.

If the customer does not contact a plumbing company as aforementioned, the insurer is entitled (but not obliged) to arrange for the repair to be completed by a tradesman of its choice.

3. General conditions

- A. The insurer will be responsible for the quality of the repair and the service provided to the insured by the pre-approved plumber, including the availability of the service and completion of the repairs in a reasonable time.
- B. If a pre-approved plumber visits the customer's home and it transpires that they are not entitled to water damage repairs and no repairs are performed, including because the cost of the repair is below the deductible or if it is not necessary to repair any water damage, for any reason, the customer will pay the call-out charge stated in the schedule to the plumber.



Migdal has been an integral part of the Israeli landscape since its establishment in 1934.

Over the years Migdal has maintained its status as one of the leading companies in the Israeli insurance, pensions and financial services industry.

Migdal is constantly developing solutions for the diverse needs of its customer base by devising innovative insurance products, pension schemes and advanced financial products, operating an extensive distribution network supported by state of the art infrastructures and professional and skilled human resources.

