

Guide to the policy conditions

- Art. 1 Definitions of terms
- Art. 2 Extent of cover
- Art. 3 Extension of cover
- Art. 4 Payments over and above the insured sum
- Art. 5 Limitations
- Art. 6 Exclusions
- Art. 7 Knowledge of and changes to risk
- Art. 8 Valuation
- Art. 9 Loss assessment
- Art. 10 Compensation
- Art. 11 Guarantee against underinsurance
Clause Schedule to House Insurance

HOUSE INSURANCE CONDITIONS

KOV OPS

In case of doubt or discussion, the stipulations in the Dutch version shall apply.

The special conditions below apply only if the policy schedule shows that this module is co-insured. If provisions of these special conditions differ from the provisions of the applicable general conditions KOV ALG, the provisions of these special conditions will prevail.

Art. 1 Definitions of terms

1.1 Construction and alteration

Construction and alteration are involved at any rate as long as the building has not been not fully glazed, made windproof and waterproof and/or has not been provided with locks/fences, heating, water supply and ready-to-use sanitary and kitchen facilities.

1.2 Occupied

A building is considered occupied if as a rule someone is present in the building day and night in a permissible manner.

1.3 Excess

The standard excess is stated on the policy schedule.

For storm damage, an excess of € 250.00 per event applies.

If an extra voluntary excess was chosen, this is stated on the policy schedule. We add the voluntary excess to the already effective excess.

We deduct the excess from the compensation amount. No excess applies to glass damage.

1.4 Foundations

The structure on which the building rests, counting from the bottom of the lowest passable floor.

1.5 Building

An immovable property which according to its nature and structure is intended to remain permanently in place.

1.6 Glass

All glass for the purpose of translucence, including multilayer, insulating glass, leaded glass and secondary glazing, as well as roofs, attic windows and plastic domelights present in the house specified on the policy schedule, including:

- a. stained, curved or etched glass;
- b. worked glass, which means glass with paintings, inscriptions, decorations and etching;
- c. film, alarm strips and suchlike affixed to the glass;
- d. glass in windscreens and in balcony and site partitions and in curio cupboards.



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1.7 Reinstatement value

The sum needed to rebuild the house in the same place and with the same designated use.

1.8 Building improvements / owner's fixtures and fittings

Renovations, improvements, panelling, etc. made in/to the building at the account and risk of the policyholder as the party entitled to an apartment right.

1.9 Loss

Erosion of an insured's assets through damage to or loss of the insured house.

1.10 Sale value

The value of the house upon sale, less the value of the land.

1.11 Insured

The policyholder and/or the natural or legal person referred to as such on the policy schedule, in so far as he/she has an interest in retaining the insured property.

1.12 House

The building referred to on the policy schedule, including its (plastic) glazing, with its:

- sheds, storage spaces, garages and other outbuildings, lean-tos and site separations which form part thereof according to generally prevailing opinion and serve mainly for household use; provided not consisting of plants, trees, shrubs and reed mats;
- sheds, storage spaces, garages and other outbuildings, with a different address which is covered by the insurance and owned by the insured if stated on the policy schedule.
- swimming pools and Jacuzzis with the accompanying systems including permanently mounted covers and roofs;
- bridges serving as fixed wall connections;
- foundations are considered part of the building;
- sun blinds, roller shutters and aerials are co-insured only if they are not insured under a home contents policy.

Art. 2 Extent of cover

The insurance covers material damage to the insured house (including glass), during the term of the insurance, caused or ensuing from any external contingency, even if this damage is the consequence of an inherent defect. The limitations and exclusions stipulated in the general and /or special terms and conditions remain in force.

Art. 3 Extension of cover

3.1 Water and frost damage

In the event of water and/or frost damage, a right will also exist to reimbursement of:

- a. the costs of detecting the defect, breaking out and repairing walls, floors and other parts of the house;
- b. the costs of repairing pipes, systems and appliances;
- c. repair of the demolition work;

provided this relates to the above-mentioned cause of damage.

3.2 Construction and alteration

During the time the house is being constructed or altered, the construction materials on or near the construction site, as well as the items that have to be placed or installed in the house and will subsequently remain a permanent part of the house, will be co-insured. Loss due to theft of the items to be placed or installed in the house will be compensated only if they were kept in a locked room of the house at the time the damage occurred and:

- others than the insured or the contractor/subcontractor do not have access to the buildings,
- the occupant or operator or the latter's husband/wife or partner administer the keys, and
- there are traces of forcible entry on the house.

Items which are located outside the locked space(s) are insured only for damage resulting from:

- a. fire (see more detailed descriptions in the general conditions) and nearby fire;
- b. fire extinguishing;
- c. smoke and soot, if suddenly emitted by a heating system connected to the chimney of the building;
- d. explosion (see more detailed descriptions in the general conditions);
- e. lightning stroke, whether or not resulting in fire;
- f. storm (see more detailed descriptions in the general conditions), provided the items of property are



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located in the house.

3.3 Leaking glass

Damage to the insured glass caused by springing a leak, within 10 years of the date of manufacture, up to a maximum € 500 per event. Leakage means reduction of view by condensation or deposit of dust particles on the inside of insulating glass. If the policyholder can claim compensation under a warranty given by the supplier and/or manufacturer, the damage will not be compensated.

3.4 In case of glass damage, cover is also provided for:

- a. the costs of emergency measures taken after glass breakage;
- b. the costs for the use of suspended scaffolds, scaffolds, tower wagons, tackle etc. etc., if this extra equipment is required to repair the damage, up to a maximum amount of € 500 per event;
- c. debris removal costs up to a maximum of € 500 per event.

Art. 4 Compensation over and above the insured sum

4.1 In the case of a covered event, over and above the insured sum, the company will compensate:

- a. salvage costs (see more detailed descriptions in the general conditions);
- b. loss assessment costs (see more detailed descriptions in the general conditions).

4.2 In the case of a covered event, the insurance will provide cover up to a maximum of 10 % of the insured sum for:

- a. Debris removal costs (see more detailed descriptions in the general conditions);
- b. Decontamination costs (see more detailed descriptions in the general conditions); if the covered damage has resulted in an increase in already existing contamination, decontamination costs will be compensated only in so far as these costs exceed the costs for removing the existing contamination. Decontamination costs will be compensated on condition that the decontamination is reported to the insurer within one year of the damage that caused it;
- c. Garden landscaping; the costs of restoring the garden landscaping and plants of the garden belonging to the house after damage by fire, fire extinguishing, explosion, lightning stroke, accident and collision or crashing of aircraft;
- d. Loss of rental income; based on the rental value of the house for the period that the house remains unfit for occupancy because of damage, for a period of 52 weeks at most if it is repaired or rebuilt. If the house is not repaired or rebuilt, the benefit period will be a maximum of 12 weeks. If the insured occupies the house him/herself, this payment will also be calculated on the basis of the rental value.
- e. Costs of necessary repairs to the damaged part of the house, which the insured must make by order of the government to prevent danger to public safety;
- f. Property of third parties if attached to the house. This damage will qualify for compensation only if not covered by other insurance and/or in so far as the insured does not bear the risk and is not liable for its maintenance;

4.3 If the Insurance relates to a house that is exclusively occupied by the insured himself, the insured is entitled, for a covered event, to an extra payment in accordance with the table below.

Claim amount (excl. costs)	Extra payment
Up to € 25,000.00	Nil
From € 25,000.00 to € 50,000.00	€ 1,000.00
From € 50,000.00 to € 100,000.00	€ 1,500.00
From € 100,000.00	€ 2,000.00

This additional cover does not apply to glass damage.

Art. 5 Limitations

5.1 A fixed excess of € 250 per event applies to storm damage to the house. No excess applies to glass damage, even in case of storm damage.



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5.2 In case of damage to sun blinds, the repair costs will be compensated and if repair is not possible, the purchase value. For each month, counting from the date on which the sun blinds have been installed for 1 year, 2% will be deducted from this value. The compensation will, however, amount to at least 30% of the purchase costs.

5.3 If the building referred to on the policy schedule is placed on the Historic Buildings Register and the rules relating to the Preservation of Historic Buildings and Sites apply, the following will hold: The experts will deduct the contributions received from the State Inspectorate for the Preservation of Historic Buildings and Sites or other bodies towards repair of the damage incurred from the determined amount of the claim. If at the time the claim is determined, the above-mentioned contributions have not yet been determined or paid, the policyholder will have to assign his/her rights to such contributions to the company. The policyholder will also have to cooperate fully in obtaining these contributions.

Art. 6 Exclusions

Not insured is damage:

- 6.1** caused by animals of the policyholder that reside at the home address referred to in the policy schedule as well as damage caused by vermin or mould;
- 6.2** which is the result of insufficient maintenance, wear and tear and/or construction defects;
- 6.3** which is the result of slow-working (weather) conditions;
- 6.4** caused by moisture permeating through floors, walls or in cellars;
- 6.5** caused by rain, hailstones, snow or meltwater entering through open windows, doors or hatches;
- 6.6** to the insured glass, during the time that the house, which is being restored or renovated, is empty or being squatted, as well as during the time that the glass is moved, placed or modified.

Art. 7 Knowledge of and changes to risks

- 7.1** The description of the risk on the policy schedule is deemed to have come from the policyholder.
- 7.2** The company considers itself sufficiently familiar with the situation, type of construction, structure, layout, heating, lighting and use of the house, as they were at the time the insurance was taken out, as well as with the adjoining properties.
- 7.3** The insured will be at liberty to add on, alter, replace, extend, demolish, internally relocate and make other changes to the house described on the policy schedule, provided they remain within the boundaries of the policy description.
- 7.4** The policyholder must notify the company in writing of:
 - a. changes to the described intended use or nature of construction of the house, for example, the possibility that the thatched roof is no longer impregnated or that the fire-extinguishing system on the thatched roof is no longer working (properly);
 - b. vacancy of the house or a part of it that can be considered independent;
 - c. disuse of the house or a part of it that can be considered independent for a consecutive period expected to last more than 60 days;
 - d. squatting of all or part of the house.

After one of these changes is made, except for a change to the type of construction, the insurance will cover only damage by fire, fire extinguishing, explosion, lightning stroke, storm and aircraft. The report must be made within 60 days after one of these changes is made, unless the policyholder was not aware that one of said changes had been made and could not reasonably have been so.

After receiving the report of the change of risk, the company will notify the policyholder whether the insurance will be continued unchanged or the premium and/or conditions will be revised.

If agreement is not reached with the policyholder on this, the company will terminate the insurance, observing a notice period of 30 days.



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If the company is not informed in writing within 60 days from the time of a change of risk, the right to compensation will lapse. The right to compensation will, however, continue to exist should the company have continued the insurance unchanged after a report. Should the company have continued the insurance at a higher premium, the right to compensation will be in the ratio of the original to the new premium.

7.5 Transfer of ownership

The policyholder must inform the company as soon as reasonably possible of a transfer of ownership of the house.

If ownership of the house has been transferred other than through death, the cover will remain in force for another 30 days. After this period, the insurance will lapse by operation of law, unless the new owner states to the company within this period that he/she will continue the insurance. In that case, the company may terminate the insurance within two months after the statement is made, with due observance of a notice period of one month. The insurance will lapse immediately if the new owner insures the house elsewhere.

The insurance remains in force after the death of the policyholder. The company can cancel the insurance in writing subject to a period of notice of one month within nine months of having been informed of the death. The heirs can cancel the insurance without a period of notification being required.

Art. 8 Valuation

- a. If the building is valued by one or more experts as referred to in Article 7:960 of the Netherlands Civil Code (BW), this valuation will be valid for 3 years, counting from the date of the report.
 1. If the indexation clause applies to the buildings valued in this way, the valuation will be valid for 6 years, counting from the date of the report. Increase or decrease of the insured sum as a result of indexation will be deemed to have been valued in the same way.
 2. If no new report is issued at the end of the aforementioned periods, the valuation will apply for a period of 6 months at most as a guideline, whereby the company will have the right to demonstrate the excessive value. Afterwards, the insured sum will be deemed to have been stated by the insured him/herself.
- b. The valuation will lose its force at all times:
 1. in case of vacancy, squatting, demolition or removal of the house;
 2. in case of transfer if the insured interest if the house is going to be used for other purposes;
 3. if the company is not informed in writing within 12 months of the date of damage that the house will be repaired or rebuilt on the same place and with the same designated use.
- c. If the policy shows that the buildings were valued by the parties themselves, that value will apply until the end of the insurance. The company will nevertheless retain the right to prove that that value was excessive at the time of the damage.

Art. 9 Loss assessment

9.1 Valuation in case of repair or rebuilding

If the building is valued by one or more experts as referred to in Article 7:960 of the Netherlands Civil Code:

- a. this report must be submitted in case of loss and
- b. the extent of the loss will be assessed on the basis of this same valuation and the new-sale value.

If the valuation has lost its force, the loss will be assessed in accordance with clause 9.3 'No repair or rebuilding', unless otherwise agreed.

The amount of the loss based on the valuation will be set as the difference between the amount of the valuation and the value of the remnants. The remnants will be valued on the same basis as the valuation. The amount of the loss based on sale value will be set at the difference between the sale value of the building immediately before the damage and of the remnants immediately afterwards.

9.2 Reinstatement value in the event of repair or rebuilding

The extent of the loss will be set at the difference between the reinstatement value of the house



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immediately before the event and the part of it remaining afterwards. The extent of the loss will also be determined on the basis of the difference between the sale value of the house (excluding the land) immediately before the event and the part remaining afterwards. This is on condition that the insured rebuilds on the same place within 3 years and with the same designated use or repairs the house, as well as on condition that the insured informs the company within 12 months of the date of the damage that he/she is planning to rebuild or repair the house.

9.3 No repair or rebuilding

The extent of the loss will be assessed on the basis of the sale value of the house immediately before the damage or on the basis of the reinstatement value if it is lower:

- a. if it is not repaired or rebuilt on the same place with the same designated use;
- b. if the insured fails to inform the company within 12 months of the date of the damage of his/her intention to repair or rebuild the house;
- c. in case of failure to meet the obligation in clause 7.1 of the applicable General Conditions.

9.4 Demolition, expropriation, vacancy and squatting

The extent of the loss will also be assessed on the basis of the sale value if:

- a. the intention was to demolish the house;
- b. the house was designated for demolition or expropriation;
- c. the municipality declared the house unfit for habitation or use.

Unless the insured is subject to an obligation to rebuild and/or the house is designated only for residential purposes, the sale value will also serve as the basis if:

- d. the house or part of it to be considered independent was vacant or out of use and offered for sale for more than 60 days;
- e. all or part of the house was squatted.

The amount of the loss will be set at the difference between the value of the house determined immediately before the damage and of the remnants immediately afterwards.

Art. 10 Compensation

10.1 The following applies with respect to **damage to the house**:

a. The presence of a thatch roof:

The insured must be able to present a valid thatched roofing certificate if requested, which shows that:

1. the thatched roof has been impregnated and/or
2. the presence of fire extinguishing equipment in good-working order and a maintenance contract.

b. Payment based on the reinstatement value or sales value:

After the damage has been assessed, according to the reinstatement value, the company will first be entitled to pay 50 % of the compensation determined on the basis of the reinstatement value, or 100 % of the compensation based on the sales value if this is less. The payment of any remainder will occur after the receipts have been submitted, while the payment for the last phase may be made after the policyholder has demonstrated sufficiently that further repair or rebuilding has started. The total compensation will never exceed the costs actually incurred for repair or rebuilding subject to a maximum of the amount determined on the basis of the reinstatement value.

If the insured is entitled to compensation calculated according to sale value, the thus determined compensation will be paid as a lump sum.

Should it appear during the loss assessment that the amounts of the loss assessed on the basis of the sale value exceed those of the reinstatement value, compensation will in all cases be paid on the basis of reinstatement value. This will be paid as a lump sum.

10.2 The following applies to **glass damage**:

In the event of damage, the glass will be replaced by glass of the same type, quality and dimensions. If the event of damage to horizontal glass, such as skylights, lean-to roofs and suchlike, compensation will be paid only if the breakage has resulted in leakage.

The insured may have cases of damage up to € 250 at most repaired without the company's prior



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knowledge by a locally established glass repair firm. A claim form with a specified invoice must, however be sent in. Should the damage amount to more than € 250, the company must give permission before the glass is replaced.

10.3 Indexation

The following applies:

- a. Each year, on the premium due date, the sum that the house is insured for and, in proportion to that, the premium, are adjusted to price developments in the building costs of houses, in accordance with a cost index for building costs determined by a recognised institute.
- b. If in the case of damage it appears that the insured value of the house is lower than the insured amount determined by the index, then the insured amount shall be increased by maximum 25 % for the purposes of settling the claim.
- c. If an insurance is temporarily effective elsewhere, which was not taken out on the terms of the index conditions, the aforementioned adjustment resulting from a change in the index will be applied to the total insured sum of the house, i.e. including the sum insured elsewhere.

10.4 Underinsurance

If in case of damage, the insured sum proves to be lower than the value assumed in assessing the extent of the loss, compensation will be paid in proportion to the insured sum up to that value immediately before the event. Loss assessment and salvage costs are always compensated in full, but taking account of the provisions in the applicable General Conditions.

Art. 11 Guarantee against underinsurance

If it is stated in the policy schedule that the house is insured with a guarantee against underinsurance, then the following provisions apply:

11.1 Value indicator

The insured sum stated on the policy schedule is determined based on a fully completed reinstatement indicator.

11.2 Underinsurance

In the case of a covered event, the full compensation amount is paid guaranteed, irrespective of whether the insured amount corresponds with the full value of the insured house. For as long as this guarantee applies, the provisions of article 10.3.b do not apply.

11.3 Indexing

In accordance with the provisions of article 10.3.a

11.4 Guarantee period

The guarantee applies for a period of 5 consecutive years, to be calculated from the date on which the reinstatement value indicator was completed.

In the following cases, the company reserves the right to ask the policyholder to revalue the house using the reinstatement value indicator:

- a. after alterations;
- b. after damage;
- c. after 5 years have past since the previous valuation.

If this request is not satisfied within a period of 2 months, the guarantee against underinsurance lapses.

From the time at which internal or external alterations occur during the guarantee period, the guarantee will lapse unless the value of the house has been/is adjusted to this.

If after damage it becomes apparent that the information provided, based on which the guarantee was issued by the company, is incorrect or incomplete, the guarantee will not apply.

The value guarantee does not apply to, for example converted farms, historic buildings and swimming pools.



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Clauses Schedule to House Insurance

If one or more of the following clause numbers are quoted on the policy schedule, the contents of the relevant clause will apply in addition to or as a replacement of the provisions of the general and/or special conditions.

The content of an applicable clause may entail an extension or limitation of the cover and therefore prevails over the provisions contained in the general and/or special conditions.

M5042 Spark screens

If the flues are connected to a fireplace (not being a gas-fired fireplace) or multi-fuel burner, these must be provided with sound, approved spark screens under penalty of losing one's right to compensation.

M5731 Owner's interest

The so-called '(Apartment) Ownership Interest' is insured as the 'Building' on the policy. The insured is the co-owner of the building. Costs to be incurred due to damage, by a covered event, to these improvements and provisions will be reimbursed insofar as the damage is not covered under an insurance taken out in the name of the Association of Owners and moreover, insofar as the Association is not obliged to take the damage at its expense (or have it taken at its expense). The determination of the damage is based on the amount required to make these improvements and provisions of the same type and quality or the costs of the repair if they are less.