

LOT C

**MULTIRISK
INSURANCE POLICY FOR DWELLINGS**

This policy is agreed between

**EUROPEAN UNIVERSITY INSTITUTE
VIA DEI ROCCETTINI, 9
50014 SAN DOMENICO DI FIESOLE (Florence)
Tax ID 80020410488**

and

the Insurance Company

.....

(Branch)

.....

Duration of the contract
From 24.00:00 on: 01/07/2021
To 24.00:00 on: 30/06/2026

With periods of insurance
after the first one fixed
At 24.00 of every 30/06

SECTION 1

DEFINITIONS AND DESCRIPTION OF ACTIVITY

Art.1 - Definitions

the Parties attribute the following meaning to the terms below:

INSURANCE: the insurance contract.

CONTRACTOR: the entity that takes out the insurance shown on the cover page of this policy.

INSURED: natural or legal person whose interest is protected by the insurance.

COMPANY: the insurance firm and the coinsurers.

BROKER: ALPHA International Insurance Brokers S.r.l.

POLICY: a document proving the insurance.

DEDUCTIBLE: the fixed amount of compensation to be paid by the Insured.

EXCESS: the percentage of compensation that remains to be paid by the Insured.

PREMIUM: the amount owed by the Contractor to the Company.

RISK: the probability of the harmful event occurring.

INSURED PROPERTY: items covered by the insurance: known also as insured entities.

CLAIM/DAMAGE: occurrence of the harmful event for which the insurance is provided

DIRECT DAMAGE: material damage that insured property suffers as a result of an event for which the insurance is provided.

INDIRECT DAMAGE: suspension of activities or any damage that does not affect the materiality of the insured property.

CONSEQUENTIAL DAMAGE: damage to insured property not caused directly by the insured event but suffered as a result of said event.

COMPENSATION: the amount due by the Company in the event of a harmful event.

INSURANCE PERIOD: The period of 12 months or less between the effective date and the expiry or termination date of the insurance.

PREMISES: All the premises where the Insured's assets are located, even occasionally, or with Third Parties, through which the insured carries out its principal or secondary activity, ancillary activities, etc., or in any case where it has an insurable interest. Enclosed areas belonging to the same are also equated to the premises.

BUILDINGS: By way of non-limiting examples, the "Buildings" lot includes all those buildings, including any inflatable outbuildings and the like, owned or leased, rented, used or in any case available to the Insured, completed or in the course of construction or restructuring or repair, with related fixtures and fittings, all parts and works of masonry and finishing which are not natural, a complement to individual machines and appliances, foundation or underground works, chimneys, tunnels for communication between the various buildings, and any shares payable by the common parts in the case of buildings in a condominium or in joint ownership; water and toilet installations, fixed electrical installations, heating and air-conditioning systems; the term "buildings" also includes those used for any other ancillary activities of the Institute. The definition of buildings also includes enclosure walls in general, as well as tall trees, walkways, bridges and works of an engineering nature in general.

CONTENTS: By way of non-limiting examples, the following shall be included in the Contents:

machinery, mechanisms, equipment, installations (including all parts and masonry which are a natural complement to them), computers, processors and processing or automated plants, whether or not used for individual machinery and equipment and related control and handling units; means of locomotion not registered in the Public Vehicle Register and the property of the Insured; tools, furniture and furnishings, paintings and works of art, collections in general, works of embellishment and utility, office machinery, shelving, benches, systems and tools for lifting, weighing, transport and packaging; portable air-conditioning or heating systems; registers, stationery, and anything similar, and everything generally belonging to technical and administrative offices, test and experimental laboratories, annexes in general for recreational activities, general services, housing, goods in general, including foodstuffs and materials in general and anything else, even if not expressly mentioned, which is necessary for the Insured to carry out its business; special goods and flammable goods included; and anything else which does not find a precise location in the policy lots, or whose location is doubtful or debatable.

ELECTRONIC EQUIPMENT: By way of non-limiting examples, the electronic equipment included in the Contents means: electronic data processing systems and related peripheral and data transmission and reception units, personal computers including monitors and printers, mini computers, electronic typewriters, photocopiers, fax machines, telephone exchanges, external conductors and other electronic machines or instruments, topographical instruments in use by the Insured, even if owned by Third Parties, tested and ready for the use for which they are intended, including internal telecommunications networks in terms of hardware.

VALUABLES: By way of non-limiting examples, the Valuables lot includes: cash, credit papers, credit securities in general, Italian and foreign currencies, precious and/or rare metals for industrial use, precious items and the like, savings books, stock certificates, shares, bonds, land records, coupons and any other name or bearer title, bills of lading, receipts and deposits, cheques, bills of exchange, postal money orders, stamps, bills, meal vouchers, fuel vouchers, petty cash, insurance policies and all other securities or bonds of negotiable and non-negotiable money, and all other documents representing a value.

TELLURIC MOVEMENT: sudden and unexpected movement of the earth's crust due to endogenous causes; for the purposes of applying any deductibles and/or compensation limits envisaged for "telluric movement", it is agreed that the aftershocks recorded within 72 hours of each event giving rise to a claim are attributed to the same telluric episode and the related damage is therefore considered "a single harmful event".

INUNDATIONS AND FLOODING: the overflowing of rivers, canals, lakes, basins and waterways from their usual embankments or basins, with or without the breaking of banks, dams, barriers and the like.

FLASH FLOOD: any spreading and/or pouring of water, other than flooding.

TERRORISM AND SABOTAGE: any act (including the use or threat of the use of force or violence) carried out by any person or group of persons acting alone or on behalf of or in connection with any organization for political, religious or ideological purposes, including the intention to influence any government or to frighten the population or part of it

SELF-COMBUSTION: spontaneous combustion without development of a flame.

FERMENTATION: chemical transformation of organic matter.

THEFT: The offence as defined by Art. 624 of the Penal Code

ROBBERY: The offence as defined by Art. 628 of the Penal Code

EXTORTION: The offence as defined by Art. 629 of the Penal Code

EMPLOYEES' DUPLICITY: theft and/or misappropriation by employees and/or their complicity

EMPLOYEES: The subordinate, para-subordinate and associate staff who carry out work on behalf of the European University Institute in various ways; for the purposes of cover against theft, extortion, or robbery, administrators, collaborators, students and interns are treated like employees of the Institute.

Art. 2 – Activities of the Contractor/Insured (by way of non-limiting examples)

The cover of this policy is effective in relation to the exercise of all activities that institutionally fall within the remit of the European University Institute, exercised by it in accordance with the law, regulations or acts in general, including measures issued by its own bodies, as well as any present and future modifications and/or additions.

All activities carried out in any case and in any place and by any means deemed useful or necessary, including the use of Third Parties or contractors/subcontractors.

The insurance shall also cover all ancillary, complementary, connected and related activities, preliminary and consequent to the principal activities listed above, in any case and wherever carried out, none excluded or excepted.

Art. 3 – Risk characteristics (by way of non-limiting examples)

This policy is agreed by the Contractor in its own name and in the interests of the person/s responsible and its object is all the property constituting the entire movable and real estate assets, whether owned or leased, operated, on long or short-term loan, in safekeeping and deposit, concession or in use or possession in any way, used directly or indirectly through Third Parties for the activities of the Contractor, except as expressly excluded.

If a particular item does not find a precise allocation in one of the lots of this policy or such assignment is doubtful or controversial, said item shall be attributed to the "Contents" lot.

It is understood that reference will be made to the accounting and administrative records, documents and/or acts of the Contractor to identify the insured items.

All buildings are generally of non-combustible construction and covering, however the existence of buildings (to a non-predominant extent), made in whole or in part of combustible materials, is not excluded.

Damage to property insured during and/or due to movement within private areas is also included.

Art. 4 – Insurance location (by way of non-limiting examples)

The insured real estate assets referred to in the previous Art. 3 are located in the Municipalities of Florence and Fiesole (FI).

Under the conditions of insurance and within the limits specified in the following sections of this contract, the assets insured under this policy are covered:

1. inside any real estate/location where the Insured carries out its business, whether its own or of Third Parties, including employees, managed on its own and/or by Third Parties.
2. outdoors and/or on board vehicles for the time strictly necessary for loading and unloading operations, as well as during temporary parking awaiting the start of a journey or unloading operations.
3. during and/or due to their movement within private areas;
4. located anywhere if intended by their nature for mobile use;
5. outdoors for their intended use.

SECTION 2 - RULES GOVERNING THE CONTRACT IN GENERAL

Art. 1 - Statements relating to risk circumstances

Incorrect or incomplete declarations made by the Contractor and the Insured, relating to circumstances affecting the risk assessment, may result in the total or partial loss of the right to compensation and termination of the insurance pursuant to Arts. 1892, 1893, 1894, of the Italian Civil Code

The Contractor shall notify the Company of any risk aggravation. Any risk aggravation not known to or not accepted by the Company may result in the total or partial loss of the right to compensation and termination of the Insurance pursuant to Art. 1898 of the Italian Civil Code. The Company has the right to receive the difference in premium corresponding to the greatest risk from the moment when the circumstance occurred.

The Contractor shall be exempt from the obligation to declare whether, outside insured establishments or in third-party buildings containing insured items, there are things or conditions which might aggravate the risk.

The Contractor shall also be exempt from the obligation to notify the Company of any expansion, increase, demolition, transformation, addition and maintenance operations, including extraordinary ones.

Buildings and goods forming part of the contained lot.

In the event of a risk reduction, the Company is required to reduce the premium or premium instalments following notice from the Contractor, pursuant to Art. 1897 of the Italian Civil Code, and waives the relative right of withdrawal.

However, any omission, incompleteness or inaccuracy of the declaration by the Contractor and/or

the Insured of a circumstance which may increase the risk, during the period of validity of this policy as well as at the time of its signing, shall not affect the right to compensation, provided that such omissions, incomplete or incorrect statements have been made in good faith.

The Contractor and the Insured are exempted from any obligation to declare damage that have affected the policies they have underwritten to cover the same risks prior to the conclusion of this insurance policy.

Art. 2 – Other insurance policies

It is agreed between the Parties that if it is revealed that other policies exist or are concluded subsequently directly by the Contractor or by Third Parties who have had an interest in them for the same entities covered by this Agreement, any damage reported by the Insured covered by this policy shall be settled and compensated by the Company directly to the Insured, regardless of the existence of other insurance contracts, without prejudice to the Company for any other rights deriving from the law (Art. 1910 of the Italian Civil Code).

The Contractor is exempted from giving prior notice to the Company of any existing policies and/or any taken out subsequently for the same risks as those covered by this contract; the Insured shall have the obligation to do so in the event of a claim, should it be aware of this.

Art. 3 – Duration of the contract

The contract shall be of the duration indicated on the title page and shall terminate irrevocably upon expiry of said period. However, the Parties are granted the right to withdraw from the contract at each annual maturity by registered letter to be sent 120 days before said deadline.

It is also the right of the Contractor, with notice of not less than 30 days before the expiry date, to request from the Company a temporary extension of this insurance, for the execution or completion of the procedures to provide a new insurance policy. The Company, in response to the payment of the corresponding premium instalment, undertakes to extend the insurance under the same contractual and economic conditions for a period of 180 days from the due date.

Art. 4 – Payment of the premium and start of the cover

The insurance cover shall take effect from 24.00 hours on the day indicated in the policy, provided that the premium has been paid within 30 days of the same.

Exceptions to the payment terms referred to in the first paragraph of this Article shall also apply to each annex for consideration issued as a result of a change in the contract.

Should the Contractor not pay the premium or the following premium instalments, the insurance shall be suspended from 24.00 hours on the 30th day after the due date and shall take effect from 24.00 hours on the day of payment, without prejudice to the subsequent deadlines and the right of the Company to payment of the expired premiums pursuant to Art. 1901 of the Italian Civil Code.

Premiums shall be paid directly to the Insurance Company.

Art. 5 – Adjustment of the premium

In relation to active and passive changes in this policy, the amounts insured under this contract are subject to a premium adjustment at the end of each annual insurance period to the following extent:

- a) for entities that are newly acquired or sold by the Contractor, the latter shall notify, within 120 days of the expiry of each insurance period, of their assessment. On the basis of the available data, the Company will adjust the premium for changes during the past insurance period as follows:
 - the balances of the increasing values shall be calculated at 50 % of the annual premium to be paid by the Contractor;
 - the Company undertakes to repay 50% of the premium for the year in progress.
- b) for entities acquired temporarily by the Contractor during the insurance period, the Contractor shall inform, within 120 days of the expiry of each insurance period, the value of such entities and the actual period of holding of such entities. On the basis of the data provided, the Company will compute the premium due by the Insured by applying the policy rate on the actual duration of the holding (pro-rata).

At the same time, the Company will adjust the following annual premium on the basis of variations in the values of the individual lots, calculating the active or passive differences on the basis of 100% of the annual premium for each lot.

The active/passive differences resulting from the adjustment of the premium must be paid within 60 days following receipt by the Contractor of the adjustment annex issued by the Company and deemed formally correct.

Art. 6 – Withdrawal in the event of a claim

After each claim and up to the 60th day after payment or refusal of compensation, the Company and the Contractor may withdraw from the contract with 120 (one hundred and twenty) days' notice to be given by registered letter. The 120 (one hundred and twenty) days shall be calculated from the date of receipt of said registered letter.

In both cases of withdrawal, the Company shall refund to the Contractor the premium instalments paid and not used, excluding taxes, where due.

The Company may not withdraw from the cover of individual risks or parts of the insurance, unless expressly accepted by the Insured and with a consequent reduction of the premium.

Art. 7 – Amendments to the insurance

Any amendments to the insurance must be confirmed in writing.

Art. 8 – Form of Contractor's communications to the Company

All communications which the Contractor is required to make must be made by registered letter (including by hand) or by other means suitable to prove the date and content (fax, certified e-mail, etc.) addressed to the Company or Broker whom the Contractor has assigned to manage the policy.

Art. 9 – Tax expenses

All present and future taxes relating to the premium, compensation, policy and acts of the same shall be borne by the Contractor even if the payment has been advanced by the Company.

Any taxes owing on the insurance shall be borne by the Contractor.

Art. 10 – Competent court

For disputes relating to this contract, the judicial authority where the Contractor has its registered office shall be solely responsible.

Art. 11 – Reference to the law

For everything not otherwise regulated here, the rules of law shall apply.

Art. 12 – Interpretation of the contract

It is agreed between the Parties that the most extensive and most favourable interpretation shall be given to the Insured on what is covered by all the policy conditions.

Art. 13 – Obligation to provide data on risk history

The Company undertakes to provide the Contractor with details (date, number, summary description) of any claims at annual intervals, divided as follows:

- reserved claims (with indication of the amount in reserve);
- settled claims (with an indication of the amount settled);
- outstanding/rejected claims (with statement of reasons if requested);

The obligations described above do not prevent the Contractor from requesting and obtaining an update in the manner set out above on dates other than those indicated.

Art. 14 – Ownership of the rights arising from the policy

This policy is agreed by the Contractor in its own name and in the interests of the person/s responsible.

The actions, reasons and rights arising from the policy can only be exercised by the Contractor and the Company.

In particular, it is the responsibility of the Contractor to carry out the necessary activities to determine and settle the compensation.

The investigation and settlement of the damages thus effected are also binding on any Third Parties concerned, without prejudice to their right of appeal. However, compensation settled in terms of the policy may not be paid except with the consent of the holders of the insured interest.

Art. 15 – Inspection of insured property

The Company shall always have the right to inspect insured property and the Insured is obliged to provide all necessary details and information on it.

Art. 16 – Coinsurance and delegation (valid only in the case of coinsurance)

The insurance is divided into shares between the companies indicated in the Premium Section; each of whom is required to make provisions in proportion to the respective share as shown in the contract.

The Contractor hereby declares that it has entrusted the management of this contract to ALPHA International Insurance Brokers S.r.l. and that the insurance companies have agreed to entrust the delegation of this contract to the Company named on the front page of this policy; consequently, all reports inherent to this insurance shall be carried out on behalf of the Contractor and the Insured by ALPHA International Insurance Brokers S.r.l., which will deal with the delegated undertaking and inform the Coinsurers.

In particular, all communications relating to the Contract, including those relating to the withdrawal or cancellation and management of claims, are intended to be made or received by the assignee in the name and on behalf of all the Coinsurers.

The Coinsurers recognize as valid and effective also in their own regard all the management tasks executed by the Leading Insurer in the joint interest, except for collection of the insurance premiums, payment of which shall be made by each Company.

The undersigned Leading Insurer declares that it has received a mandate from the Coinsurers indicated in the above documents (policy and annexes) to also sign in their name and on their behalf.

Therefore, the signature of the Leading Insurer on the insurance documents, makes them valid to any effect, also for the Coinsurers' shares.

Art. 17 – Broker clause

ALPHA International Insurance Brokers S.r.l. is entrusted with the management and execution of this insurance cover as a Broker, pursuant to Articles 108 et seq. of Italian Legislative Decree no. 209/2005.

The Contractor and the Company acknowledge to each other that any communication concerning the performance of this insurance shall be through the Broker responsible.

Therefore, for the purposes of the terms of this policy, the Company acknowledges that any communication made by the Contractor/Insured to the Broker shall be understood as being made to the Company itself and vice versa; just as any communication made by the Broker to the Company shall be understood as being made by the Contractor/Insured itself.

In the other areas of compliance provided for by the law in force, it is specified that, with reference to article 118 of Italian Legislative Decree no. 209/2005 and Art. 5 of the ISVAP Regulation No 2006, the Broker is authorized to collect the premiums.

The remuneration of the Broker shall not be borne by the contracting companies, since the powers will be borne by the Contractor in accordance with the terms laid down in procedure no. NP/NPEUI/REFS/2017/005 published on 16 June 2017 for the provision of insurance brokerage services.

Art. 18 - Tax exemption

The Contractor declares to be exempt from payment of taxes to the Italian State pursuant to agreements between the Government of the Italian Republic and the European University Institute referred to in Decree no. 990 of the President of the Italian Republic dated 13/10/1976, and published in the Official Journal of 19/12/1977.

SECTION 3 - RULES GOVERNING ALL-RISKS FIRE INSURANCE

Art. 1 – Object of the Insurance

Within the following limits and conditions, the Company shall compensate for all material damage, losses and/or deterioration, both direct and consequential, caused to the insured property by any event (including frescoes and statues of artistic value), whatever the cause thereof, except as excluded in Art. 2 below “Exclusions”.

Damage to property shall be equated to property damage caused to the insured property on the order of the Authority in order to prevent or arrest any harmful event liable to be compensated under the terms of the policy.

Art. 2 – Exclusions

The Company, except as expressly derogated in the following sections, is not obliged solely to compensate for damage caused by:

- 1) acts of war, of insurrection, of military occupation, of invasion, of measures of any government or authority, even local, whether legal or *de facto*. It should be noted that the actions of terrorist and/or political organizations, even if under investigation for armed insurrection against established powers or similar imputations, are not considered “acts of war or insurrection”;
- 2) acts of terrorism and/or organized sabotage, inundations, flooding; earthquakes, structural failure and collapse, volcanic eruptions, bradyseism, sea storms, subsidence, landslips, avalanches, landslides
- 3) theft, robbery, employees’ duplicity, misappropriation, loss, looting, shortages and/or disappearances of assets found in the course of inventories (N.B.: for the purposes of this paragraph, “employees’ duplicity” means theft and/or misappropriation carried out by employees and/or with their complicity);
- 4) explosions or the emanation of heat or radiation from transmutation of the nucleus of an atom, as well as in the case of radiation caused by artificial acceleration of atomic particles;
- 5) the liability of the Contractor and/or the Insured; gross negligence of said persons, on the other hand, does not prejudice the compensation of any claims;
- 6) deterioration, wear and tear caused by natural use or operation;
- 7) gradual deterioration due to: state of repair, wear, dryness, rust, corrosion or intrinsic oxidation of the object, exposure to frost, atmospheric humidity, heat, temperature or pressure variation, dust or impurities in the air, light radiation; unless such damage results as a result of damage to the air-conditioning equipment caused by an event not excluded;
- 8) woodworm, moths or other insects;
- 9) any chemical, biological, biochemical or electromagnetic weapons
- 10) exposure to the optical and thermal radiation of light, both natural and artificial, used to illuminate the items themselves.
- 11) indirect damage of any kind;
- 12) transport of insured items outside private areas;
- 13) air, water, soil pollution;
- 14) machine breakdowns;
- 15) construction, modification and transformation of buildings; assembly, disassembly, maintenance and overhauling of machinery, except as covered by the “Risk Innovations” condition (and up to the relevant compensation limit). Neither fire, explosion, blasts or other damage not directly and exclusively caused by construction, assembly or overhauling works are excluded (and shall therefore not be limited by the above compensation limit);
- 16) operations of restoration (even if of simple cleaning, repair or refurbishment) carried out by unskilled personnel or with unsuitable means and methods; equally, damage due to quality defects or failure to achieve the purpose of the work carried out to restore, repair or maintain insured items shall be excluded;
- 17) normal settling, shrinking or expansion of foundations, walls, floors, paving, ceilings and roofs;
- 18) execution of orders of the authorities or of laws regulating the construction, reconstruction or demolition of the buildings and/or machinery insured, except as provided for in the conditions “Demolition and clearance costs for waste from the harmful event” referred to in the Art. “Urban planning fees / Authority Ordinances”;
- 19) design errors, use of defective goods or machinery, failure to manoeuvre or control, voluntary suspension of work by workers.

Art.16 - Entities excluded from the insurance coverage

The Company is not obliged to compensate for damage suffered by:

- A) Jewellery, precious stones and metals;
- B) Roads and land outside the insured buildings;
- C) Outdoor entities not for a natural purpose or function and use;
- D) Aircraft, boats and their accessories;
- E) Crops and animals in general;

COVER EXTENSIONS AND LIMITS

To supplement and/or delimit and/or derogate (partially or totally) from the contents of Art. 1 “Object of the Insurance” and Art. 2 “Exclusions”, and to the extent specified in the “Limits of Compensation / Deductibles and Excesses” Section, the following clauses shall be deemed to apply:

Art. 4 – Third party appeal

The Company undertakes to keep the Insured free, up to the maximum amount agreed on in the relevant lot, of the amounts to be paid by capital, interest and expense – as legally liable – for direct material damage caused to third party property from a claim that can be compensated under the terms of the policy.

The insurance shall cover damages resulting from stoppages or suspensions – total or partial – of industrial, commercial, trade, agriculture activities or services, up to the limit set and up to a maximum of 10% of the ceiling.

The insurance shall not cover any damage resulting from:

- items which the Insured has in delivery or custody or holds in any way, except for the vehicles of the Insured or of Third Parties and means of transport loaded and unloaded, or parked in the context of the aforementioned operations, and the goods carried on the same means;
- of any nature resulting from pollution of water, air and soil.

However, the following shall not be considered as Third Parties:

- the spouse, parents and children of the Insured, as well as any other relative or relative cohabiting with the Insured;
- where the Insured is not a natural person, the legal representative, the unlimited liability shareholder, the director and the persons with the relationships set forth in the previous paragraph;
- Companies which, in respect of the Insured, which is not a natural person, can be classified as Holding, Subsidiary or Affiliate Companies, according to Art. 2359 of the Italian Civil Code in the text of Law 127/1991, as well as the directors of the same.

The Insured must immediately inform the Company of any civil or criminal proceedings against it, providing all the documents and evidence useful for its defence and the Company shall have the power to take up the cause and defence of the insured.

The Insured shall refrain from any transaction or acknowledgement of its own responsibility without the consent of the Company.

As regards legal expenses, Art. 1917 of the Italian Civil Code shall apply.

Art. 5 – Loss of rental income

In the event of a loss liable to be compensated under the policy which has affected the lot “Intangible Assets”, such as to render them totally or partially unfit for use, the Company shall pay that part of the rental income relating to the damaged premises, if legally rented, which are no longer usable as a result of this ineligibility for the time necessary for their restoration, but not exceeding the limit of one year, however.

Art. 6 – Demolition and clearance costs (including dangerous, toxic, and harmful substances)

The Company, without application of the proportional rule and up to the sum of 10% of the damages that can be awarded, shall compensate for the costs necessary to demolish, clear, treat, destroy, transport and unload to the nearest available and/or authorized dump the remains of the harmful event, including the costs to dispose of the same. The foregoing without prejudice to the provisions of Art. 1914 of the Italian Civil Code regarding the compensation of salvage costs.

Art. 7 – Removal, transport and relocation costs

With regard to the costs incurred in removing, transporting and relocating – including assembly and disassembly – insured movable items that are not affected by the harmful event or partially damaged, the same are compensated by the Company if their removal is essential to carry out the repair of the buildings and the damaged machinery, without application of the provisions of Art. 10 Section 5 “Partial Insurance” and Art. 1907 of the Italian Civil Code, and, for each claim occurring during the insurance period, up to the amount indicated in the policy.

Art. 8- Urban planning fees / Authority Ordinances

In the event of a claim, this policy covers the higher costs, including urban planning fees, which are necessary and unavoidable for compliance with state or local laws, regulations and ordinances governing the repair and/or construction of buildings (or their structures) or machinery and the use of the land provided that the reconstruction work is actually carried out in the same or another location, up to the amount laid down in the policy for each harmful event during the insurance period, without application of the provisions of Art. 10 Section 5 “Partial Insurance” and Art. 1907 of the Italian Civil Code, and without prejudice to the provisions of Art. 11 Section 5 “Maximum limit of the compensation”.

This extension also covers the costs of demolition, clearing and other costs as set out in the preceding article, as well as the costs of dismantling, clearing or scrapping undamaged assets as a result of the imposition of any law or order regulating or requiring such operations.

The existence of this clause does not entail any derogation from the aforementioned Art. 11 “ Maximum limit of the compensation ”, except for salvage costs.

Art. 9 – Foundation works

The Company is liable, in addition to the compensation calculated on the basis of the provisions of Art. 9 of Section 5, of the costs necessary for the complete construction of foundations which have been left unclaimed after damage which can be compensated under the terms of this policy, but which cannot be used, in part or in full, as a result of:

- changed construction criteria suggested by the technique or the needs of the Insured;
- state or local laws, regulations and ordinances governing the construction or repair of buildings;

also in the case of reconstruction in other areas of the national territory.

This cover is provided without application of the proportional rule as per Art. 1907 of the Italian Civil Code with limits, deductibles and excesses provided for in the policy.

Art. 10 – Equation of damage

Without regard to the provisions of Art. 1 “Object of the Insurance” of this Section and in addition thereto, the types of damage insured in addition to defects caused by the authorities, shall be equated to those not inappropriately produced by the Contractor, the Insured or Third Parties in order to prevent or put an end to the harmful event covered by the insurance.

Art. 11 – Risk innovations

Without regard to all policy exclusions, in the case of modifications and/or transformations of existing buildings and/or plants and machinery, as well as in the case of new constructions and/or the installation and/or testing of new machinery and/or new plants/equipment, whether in existing locations or involving the construction of new locations and related buildings, plant, machinery, equipment, the insurance stipulated in this policy is extended to the damage suffered by all insured items and/or lots as a result of events not excluded from the policy itself, even if they originate because of and/or in connection with the above circumstances and is valid both for new entities, at whatever stage the work is found, and for the materials required and located within the perimeter of the installation and/or in the vicinity of it, of whatever kind they are, both for construction machinery and equipment – including that of Third Parties – if there is an interest in them or if the Insured – before the harmful event – has assumed the responsibility and/or commitment to insure them.

In no case shall the Company pay, for a claim occurring during the period of insurance, a sum greater than that indicated in Section 5, without application of the provisions of Art. 10 “Partial insurance” and without regard to the provisions of Art. 11 “Maximum limit of the compensation”.

For new constructions and/or installations that may exceed the automatically covered compensation limit as above, the cover shall be subject to prior agreement between the Parties.

Art. 12 – Electrical phenomenon

Damage from surges, lightning strikes or other electrical phenomena liable to be compensated under the terms of this policy caused by surges, lightning strikes or other electrical phenomena for any reason caused shall be excluded when:

- caused by wear, or failure to comply with the manufacturer's or installer's instructions on use and maintenance;
- due to defects for which the manufacturer or supplier must answer by law or contract;
- occurring as a result of assembly and disassembly not related to maintenance or overhauls, and as a result of inspections, tests and experiments.

This extension of cover shall be provided up to the amount indicated in the insurance policy for each claim occurring during the insurance period.

Art. 13 – Vehicle collisions

The Company is liable for material and direct damage, even when there is no development of fire, caused to the insured entities by the impact of vehicles, even if belonging to the Insured, in transit on public roads and equivalent areas.

Art. 14 – Socio-political events

In partial derogation from points 2 and 3 of the previous Art. 2 “Exclusions”, the Company is liable for losses, damage costs and/or expenses of any kind connected and/or occurring as a result of popular riots, strikes, riots, sabotage, vandalism and acts of violence, including theft and robbery (attempted or committed), to the extent provided for in the policy.

Art. 15 – Terrorism and/or organized sabotage

In partial derogation from point 2 of the previous Art. 2 “Exclusions”, the Company is liable for losses, damage costs and/or expenses of any kind caused directly or indirectly by acts of terrorism or organized sabotage.

For the purposes of this clause:

- a) an act of terrorism is any act, inclusive but not limited to the use of force or violence and/or threat, by any person or group of persons, whether acting on their own account or on behalf of others, or in reference to or in connection with any organization or government, committed for political, religious, ideological or similar purposes, including the intention to influence any government and/or elicit or provoke a state of terror or fear among the population or part of it.
- b) organized sabotage means an act of those who, for political, military, religious or similar reasons, destroy, damage or render unserviceable insured entities solely for the purpose of preventing, obstructing, disturbing or slowing down the normal course of activity.

The Company and the Contractor may, at any time, withdraw from the guarantees covered by this clause with 15 days' notice starting from the date of receipt of the relevant communication, to be made by registered letter with notice of receipt. Should the Company avail itself of the right of withdrawal, the Insured may request, by registered letter to be sent within 60 days from receipt of the notice of withdrawal by the Company, a full transfer of the contract and the Company shall, within 15 days from the date of the transfer, refund the portion of the premium paid and not used (excluding government taxes). In the event that the Contractor exercises such an option, the Company shall reduce the premium on the basis of the taxable amount indicated above from the expiration of the premium following the above notice.

Art. 16 – Atmospheric events

The Company is liable for material and direct damage caused to insured items by hurricanes, blizzards, storms, wind and things dragged by it, whirlwinds, hail, and rain, with the exception of those suffered by:

- “assets” outdoors not destined to be used, doors and windows and skylights in general;
- slabs of asbestos cement or other artificial conglomerates and plastic articles, for hail only;

- buildings under construction or open on one or more sides or incomplete in their roofing or windows, even if for temporary needs for restoration, maintenance or reconstruction, canopies, sheds and/or wooden or plastic constructions, and whatever these contain;
- “goods”, even if loaded on vehicles, located outdoors.

Insured items placed under the buildings described in the policy shall be included in the cover only if rain or hail have penetrated said buildings through breaks, breaches and cracks caused to the roof, walls or windows by the violence of the events mentioned above.

In no event shall the Company pay, for each loss occurring during the period of insurance, a sum greater than that indicated in the policy.

Art. 17 – Hail (falling on fragile items)

In partial derogation from the provisions of Art. 16 “Atmospheric Events”, the Company compensates for material damage caused by hail to:

- a) doors and windows and skylights in general;
- b) slabs of asbestos cement, or other artificial conglomerates, and articles of plastics, whether or not forming part of buildings or roofs open on one or more sides.

Art. 18 – Snow, ice, and frost

The Company is liable for the damage suffered by the insured property as a result of:

- a) total or partial collapse of or cracks in buildings, masonry or constructions in general, caused by the weight of snow, sleet, ice or hail, including damage to said structures;
- b) falling items, structures or parts thereof, trees, branches caused by the weight of snow, sleet, ice or hail;
- c) infiltrations of snow, sleet, ice, hail and water into buildings, penetrated by cracks, breaches or breaks caused by the above-mentioned atmospheric phenomena;
- d) frost causing the breakage of water, sanitation, technological and piping systems in general, at the service of buildings and/or activities described in the policy, provided that the activity carried out in such buildings has not been suspended for more than 48 hours before the harmful event.

Art. 19 – Mains water

Water or other liquid damage caused by accidental breakage or occlusion of water, sanitation, technical and processing, heating, conditioning and extinguishing systems eligible to be compensated under the terms of the policy, however, damage suffered by insured “goods” whose base is at a height less than 12cm from the floor are excluded. This includes accidental breakage of plumbed equipment (washing machines, air conditioners, water heaters and the like) and of the associated mobile fittings.

Art. 20 – Costs of finding and repairing breakages

As regards the costs necessarily incurred in the search for and repair of broken water, sanitation, technical and processing, heating, conditioning and extinguishing systems which have caused damage due to leakage of the fluid conducted by them or contained therein, these shall be compensated by the Company, exclusively for the demolition and restoration of building parts and for the repair of such plants, without application of the provisions of Art. 10 Section III “Partial insurance” and Art. 1907 of the Italian Civil Code, and up to the amount indicated in the policy for each claim occurring during the insurance period.

Art. 21 – Clogged gutters and downspouts

The Company is liable for direct and material damage caused to insured property by water entering the building, due to the clogging of gutters and downspouts (drainpipes) caused by hail or snow.

Damage caused to the insured property is also covered if the clogging of gutters is caused by insufficient drainage of the same in the event of exceptional rainfall.

Art. 22 – Leakage of liquids

The Company shall compensate for material damage caused by the dispersion of liquid located in tanks or containers, of a capacity not less than 300 litres, caused by the accidental breakage of said tanks or containers, or of the relative valves or shut-off elements.

Damage is excluded:

- a) from oozing, dripping, and due to corrosion, wear or imperfect structural sealing;
- b) caused by frost;
- c) if occurring during ordinary and extraordinary maintenance, assembly, disassembly, testing or audits.

Expenditure incurred in the search for and repair of the breakage is also excluded.

Art. 23 – Inundations and flooding

In partial derogation from the provisions of paragraph 2 of the previous Art. 2 “Exclusions”, the Company shall compensate for the material damage suffered by insured property as a result of flooding, meaning that: the outflow of rivers, canals, lakes, basins and streams from their usual embankments or invaded, with or without breaking of embankments, dams, barriers and the like, and any spreading and/or pouring of water, other than floods and/or floods, even if such events are caused by an earthquake.

However, damage to items whose base is placed at a height less than 12cm from the floor is excluded.

Art. 24 – Subsidence and landslides

In partial derogation from the provisions of paragraph 2 of the previous Art. 2 “Exclusions”, the Company undertakes to compensate the Insured for material and direct damage suffered by insured entities as a result of subsidence and landslides, including the costs incurred by the Contractor/Insured for the land restoration operations necessary to repair the network. In addition, the costs incurred in restoring the land, even in the absence of damage, shall be deemed to be covered where such operations are clearly necessary in order to prevent or reduce damage to insured entities. In the latter case, the insurance company’s right to sue the person responsible for the event, if any, remains without prejudice to the right of subrogation. The insurance is provided without application of Art. 1907 of the Italian Civil Code up to the level of the sum and with deductibles and excesses provided for in the policy.

Art. 25 – Earthquakes

In partial derogation from the provisions of paragraph 2 of the previous Art. 2 “Exclusions”, the Company also indemnifies any material damage suffered by the insured property as a result of an earthquake, meaning a sudden and unexpected movement of the earth's crust due to endogenous causes.

Aftershocks recorded within 72 hours of each event giving rise to a claim are attributed to the same telluric episode and the related damage is therefore considered “a single harmful event”;

Art. 26 – Percentage of additional compensation

The Company, in partial derogation from paragraph 11 of the preceding Art. 2 “Exclusions”, in the event of a claim that can be compensated under the terms of the policy, is liable for indirect damages in a flat-rate form with an additional compensation corresponding to 15% (fifteen per cent) of the amount paid under the terms of the policy.

Art. 27 - Damage to plate glass and window panes

The Company is liable, within the limit provided for in the relevant section under the heading “Plate glass and window panes”, for material and direct damage arising for the Insured, for the replacement, due to breakage, whether accidental or attributable to third parties, of the plate glass and window panes with new or equivalent ones or ones with equivalent characteristics, including transport and installation costs. Chipping and scoring do not constitute breakages that can be compensated for under the terms of the policy.

Damage due to atmospheric phenomena and damage occurring during removals, repairs, and/or work in general requiring the presence of workers shall be excluded.

Art. 28 - Overflowing of drains

The Company is liable for damage resulting from the overflowing of drains and drainage systems forming part of the insured buildings, excluding public sewerage.

This cover shall be provided with the limits of compensation, deductibles and excesses, where provided for, set out in the appropriate chart 8 under the heading “Overflowing of drains”.

Art. 29 - Falling of lifts and hoists

The Company shall compensate for material damage caused to buildings by falling lifts and hoists, including damage to them as a result of accidental breakage of the relevant devices.

Art. 30 – Lease risk

The Company, in cases of liability of the Insured under the terms of Arts. 1588, 1589 and 1611 of the Italian Civil Code, is liable, in accordance with the rules governing Insurance in General and the rules governing the settlement envisaged, for direct and material damage caused by fire or other events covered by this policy, even if caused by gross negligence of the Contractor or the Insured, to premises leased by the Contractor or the Insured, without giving rise to the application of the proportional rule. Such compensation will be based on the “value as new” of the buildings.

SECTION 4 - RULES GOVERNING INSURANCE AGAINST THEFT

Art. 1 – Object of the Insurance

In partial derogation from point 3 of Art. 2 “Exclusions” of Section 3 of this policy, the Company shall compensate for damage and/or losses of insured “movable assets”, due to:

- a) loss or damage to property of the Insured caused by theft, robbery, extortion, and other crimes against property, even if only attempted;
- b) destruction, loss or damage to property and its fixtures and fittings (including gutters and downspouts) caused by theft or robbery committed or even attempted;
- c) vandalism committed by the perpetrators of the theft or robbery, even if only attempted.

All property owned by the contractor and supplied to the individual apartments forming the insured building, such as furniture, furnishings and other items related to domestic use, excluding furs, carpets, tapestries, paintings, sculptures and similar objects of art, silverware, precious goods, jewellery, money, negotiable instruments, credit securities in general, and collections.

Insurance is provided on a First Absolute Risk basis, i.e. without application of the proportional rule set out in Art. 1907 of the Italian Civil Code.

COVER EXTENSIONS AND LIMITS

Art. 2 – Obligations in the event of theft

In the event of attempted or committed theft (excluding cunning theft), the cover is effective provided that the protagonist has broken into the premises containing the insured items:

- a) by violating external protection by breaking, lock-picking, using false keys, picks or similar tools; fraudulent use of genuine keys is equivalent to using false keys; breaking and entry are valid even if perpetrated only on the internal access doors to the individual offices;
- b) in a way, other than the ordinary one, that requires overcoming obstacles or hindrances by use of artificial means or particular personal agility;
- c) in a clandestine way, provided that the removal of the stolen goods has subsequently taken place from secured rooms.

If, for all or part of the insured items, special internal protection is expected by the policy, the Company is obliged only if the perpetrator of the theft, after having entered the premises in one of the above ways, has infringed such protection as envisaged in paragraph a).

It is, however, admissible that, when people are present on the premises containing the insured goods, the usual means to protect and close the windows are not used. In this case, the compensation is paid in line with the terms of the policy, minus a 20% excess, which remains at the expense of the insured.

Art. 3 – Breakages caused by thieves

The Company is liable for breakages caused by thieves to the parts of the building that constitute the premises which contain the insured items and to the fixtures installed to hide and protect the accesses and openings of the rooms themselves, including armour-plated or safety boxes (excluding the contents) and the respective doors, safes and cabinets, as well as to means of prevention and alarm, in the case of theft or robbery, whether committed or attempted.

Art. 4 – Automatic reintegration

In the event of a claim, the limits for theft and robbery shall be reduced with immediate effect and until the end of the insurance period by an amount equal to the amount of damage that can be compensated under the terms of the policy. It is understood, however, that these limits shall be automatically reinstated from the occurrence of the damage, with the obligation of the Insured to pay the relevant premium rate with the application of the rate indicated in the policy within 30 days of presenting the relevant annex.

SECTION 5 - CLAIM MANAGEMENT

Art. 20 – Obligations in the event of a claim

In the event of a claim, the Insured must:

- a) do as much as possible to reduce the damage; the related costs shall be borne by the Company under the terms of Art. 1914 of the Italian Civil Code;
- b) within ten business days of knowing this, send written notice to the Broker or the Company.
- a) Failure to fulfil this obligation may result in the total or partial loss of the right to compensation pursuant to Art. 1915 of the Italian Civil Code.
- b) The Contractor shall also:
- c) In the case of claims of an allegedly malicious origin, and in any case for harmful events involving theft, robbery, bag-snatching, or extortion, make within the following five days a written declaration to the local police or judicial authority, giving the information at its disposal;
- d) keep, until a record has been made of the evidence of damage, any traces and any debris from the harmful event and any evidence of the offence committed, without in any way having the right to compensation;
- e) prepare, taking the time necessary, a list of the damage suffered with reference to the quality, quantity and value of the destroyed or damaged property, making available its records, accounts, invoices or any documents that may be requested by the Company or the Experts for the purposes of their investigations and verifications; The Company declares to accept, as evidence of damaged or destroyed assets, the accounting records and/or other records that the Contractor or the Insured are able to provide, or in their stead, witness statements.
- f) In the event of a loss of credit securities, the depreciation procedure shall be carried out if the law so permits and without prejudice to the right to refund the costs;

Subject to the provisions of this regulation, the Contractor shall be allowed to modify, after lodging the claim with the Company, the state of affairs to the extent necessary for resumption of business.

In addition, 10 days after lodging the claim, if the Company's Expert has not yet intervened, the Contractor may take all appropriate measures.

Art. 2 – Intentional exaggeration of damage

The Contractor or Insured who intentionally exaggerates the amount of damage, declares items as destroyed that did not exist at the time of the harmful event, who conceals, removes or tampers with salvaged items, uses as justification lies or fraudulent means or documents, intentionally alters the traces and any debris from the harmful event or facilitates the progress thereof, loses any right to compensation.

Art. 21 – Damage assessment procedure

The extent of the damage is agreed by the following means:

- a) directly by the Company, or by an Expert appointed by the Company, along with the Contractor or a person designated by it;
- b) or, at the request of one of the Parties, between two Experts, one appointed by the Company and one by the Contractor by a specific act.

The two Experts must appoint a third party when disagreement occurs between them or even before at the request of one of them. This third Expert intervenes only in the event of disagreement and decisions are taken by a majority.

Each expert has the right to be assisted and helped by other persons, who shall be able to intervene in the investigations, without having any deliberative vote.

If one of the parties fails to appoint his or her own Expert or if the Experts do not agree on the third party, such appointments shall be made, on the initiative of the most diligent party, by the Presiding Judge of the Court in whose jurisdiction the claim has occurred.

Each party shall bear the expenses of its own Expert, while the expenses of the Third Party shall be divided in half, without prejudice, however, to the provisions of Art. 5 in Section 3 of this policy "Experts' Fees".

Art.4 – Mandate of the Experts

The Experts must:

- a) investigate the circumstances, cause, and modalities of the harmful event;
- b) verify the accuracy of the descriptions and declarations resulting from the contractual acts and report whether at the time of the harmful event there were circumstances which had changed the risk and had not been communicated, as well as checking whether the Contractor has fulfilled the obligations set out in Art. 1 of this Section "Obligations in the event of a claim".
- c) verify the existence, quality and quantity of insured items by determining the value of the insured items at the time of the harmful event according to the evaluation criteria in Art. 6 of this Section "Determination of damage (value as new)".
- d) estimate and settle the damage, including salvage, demolition and clearance costs.

In the case of a procedure to assess damage carried out pursuant to Art. 3 – letter b) of this Section "Damage assessment procedure", the results of the Experts' operations must be collected in a special report (with detailed estimates attached) to be drawn up in duplicate, one for each of the Parties.

The results of the operations referred to in points c) and d) shall be binding on the Parties, who shall immediately waive any challenge, except in the case of fraud, error, violence and breach of contractual agreements, without prejudice in any way to any action or exception relating to the compensation of damage.

A report by more than two Experts is deemed valid even if one dissenting Expert refuses to sign it; such refusal must be attested by the other Experts in the final report.

The Experts are exempted from observance of all judicial formalities.

Art.5 – The Experts' operations

It is agreed that, in the case of a loss affecting one or more departments or locations, the Experts' operations will be arranged and carried out in such a way as not to prejudice, as far as possible, the activity, even if reduced, carried out in areas that not directly affected by the harmful event or in the same usable portions of the departments or locations that have been damaged.

Art. 6 – Clarification for value added tax

In the event of damage, the VAT relating to the interventions on the institutions insured and affected by an insured harmful event is part of the compensation only to the extent that the VAT itself constitutes a cost factor for the insured, that is to say, it is not according to the law in whole or in part deductible from that due to the inland revenue under Art. 17 of Presidential Decree no. 633 of 26/10/1972 and subsequent amendments.

Should the above be the case, the relevant tax payable to the inland revenue and not deductible shall be added to the amount insured for each institution.

Art. 7 – Experts' fees

With regard to the expenses and fees of the Expert which the Contractor has chosen and appointed in accordance with the provisions of the Article "Damage assessment procedure" in the event of a claim eligible to be compensated under the terms of the policy, as well as that part of the costs and fees borne by the Contractor following the appointment of

the third Expert, the same shall be compensated by the Company within the limit provided for in the relevant Section, subject to the provisions of Art. 11 “Maximum limit of the compensation” and without application of the provisions of Art. 9 “Partial insurance”.

Art. 8 – Architects, engineers, and consultants fees

In respect of the costs effectively incurred by the Contractor or the Insured for the fees of engineers, architects, designers and consultants, deemed necessary to support the reconstruction or restoration of destroyed or damaged property, the same shall be compensated by the Company, within the limits of the rates established by the relevant professional orders, without application of the provisions of Articles 10 “Partial insurance” and 1907 of the Italian Civil Code, and up to the amount indicated in the policy, without prejudice to the provisions of Art. 11 “Maximum limit of the compensation”.

Art. 9 – Determination of damage (Value as New)

Given that the determination of damage is carried out separately for each lot of the policy, the attribution of the value that the insured items – whether unharmed, damaged or destroyed – had at the time of the harmful event is obtained according to the following criteria:

Buildings – the expenditure necessary for a completely new construction of the entire insured building is estimated, excluding only the value of the area, net of a depreciation established in relation to the degree of ageing, the state of repair, the mode of construction, the location, destination, use and any other concomitant circumstances.

Contents and other lots – the cost of replacing insured items is estimated with other new or equivalent items according to economic return, net of a depreciation established in relation to the type, quality, functional yield, maintenance status, and any other concomitant circumstances.

The extent of damage is determined:

- for buildings - by applying the depreciation referred to in point 1 to the expenditure necessary to rebuild the destroyed parts and to repair those only damaged, and deducting from this result the value of the remains;
- for content and other lots - deducting from the value of insured items the value of the unharmed and residual value of the damaged items and the taxes not due to the inland revenue.

The costs of dismantling and clearing any debris from the harmful event must be kept separate from the above estimates, since the provisions of the following Article do not concern them.

With regard to machinery, plants, equipment and furniture, etc., it is agreed that when the market does not offer the possibility of replacing a machine, piece of apparatus, plant or implement with another identical one, the replacement value will be estimated on the basis of the most similar item in terms of performance under the same conditions of use and destination, with appropriate corrective action if the similar item gives higher economic yield and higher performance.

Art. 10 – Partial insurance and derogation from proportionality

If it appears from the estimates made that the values of one or more lots, each taken separately, exceeded at the time of the claim the sums respectively insured for the lots themselves, the Company is liable for compensation in proportion to the ratio between the insured value and that resulting at the time of the claim.

If, in the event of a claim, partial insurance has been established for one or more separate lots, provided that the difference between the estimated value according to the evaluation criteria in Art. 6 of this Section “Determination of damage (value as new)” and the insured amount does not exceed 20% of the insured amount, the provisions of the preceding paragraph shall not apply; in the case of lots where this percentage is exceeded, the excess of the above 20% shall remain in full effect provided that, for each lot, the compensation does not exceed the amount insured.

The proportional rule referred to in the first paragraph of this Article shall not be applied in any case for claims in which compensation, net of any policy exemptions, does not exceed the sum of € XXXXXXXXXXXXX

Art. 11 – Maximum limit of the compensation

Except in the case envisaged by Art. 1914 of the Italian Civil Code, the Company may be required to pay more than the sum insured.

Art. 12 – Payment of compensation

Once the cover has been checked, the damage assessed, and the necessary documentation has been received, the Company shall pay the compensation within 20 days, provided that no objection has been raised. In the event of an objection by the Company, the Insured shall have the right, in the above terms, to partially settle the amount equal to the lesser amount proposed by the opponent, without prejudice to the mutual rights and obligations deriving from the objection.

If an investigation has been initiated by the authorities on the cause of the harmful event for suspicion of an offence, payment shall only be made if the documentation showing the result of the preliminary investigations does not reveal any case of fraud by the Insured or the Contractor.

In any case, it will be the Company's obligation to advance the amount agreed if the Insured presents specific bank or insurance guarantees for the entire amount anticipated.

Art. 13 – Separate compensation for each party

It is agreed between the Parties that, in the event of a claim, at the request of the Contractor, all the provisions of Art. 11 of this Section “Maximum limit of the compensation” shall be applied to each lot of the policy considered individually, as if, for each of these lots, a separate policy had been entered into.

To this end, the Experts responsible for the settlement of the compensation will either draw up an amicable settlement or an Experts’ report for each lot.

Payments made in accordance with the provisions will be considered an advance, and will therefore be subject to a settlement of the balance due by the Company as compensation for the harmful event.

Art. 14 – Waiver of subrogation

By way of a partial derogation from Art. 1916 of the Italian Civil Code, the Company waives the action of subrogation against the employees, customers, suppliers, contractors, subcontractors, technicians and collaborators in general (including volunteers) of the Contractor and/or the Insured, as well as associations, unions and non-profit-making entities in general that may cooperate with the Contractor in its business or use its premises, equipment or other property under this policy, except in the event of wilful misconduct.

Art. 15 – Compensation advance

The Insured is entitled to obtain, before the claim is settled, payment of an advance equal to 50% of the minimum amount which should be paid on the basis of the findings ascertained, provided that no dispute has been raised regarding the compensation for the harmful event and that the total compensation is expected to come to at least € 100,000.00.

The Company’s obligation shall take effect 90 days after the date of the claim, provided that at least 30 days have elapsed after the request for advance payment.

Art. 16 – Recoveries

In the event of the recovery of valuables or of what has been insured within the lot “Contents” whose loss has been compensated under this policy, the amount recovered, net of the costs incurred for this purpose, shall be broken down as follows:

- a) firstly, in order to repay the Insured for that part of the damage which, in excess of the amount of compensation paid by the Company, had been borne by it;
- b) secondly, to reduce the damage that can be compensated under the terms of the insurance policy or to reimburse the Company for the compensation paid to the Insured;
- c) Finally, to repay the Insured for that part of the damage which, as a result of the deductible or other deductions envisaged in the policy for the specific event, remained at its expense.

Art. 17 – Certificates issued by the Authority

Should the settlement of compensation require certificates of closed investigations or others issued by the Courts and/or competent Authorities, the Insurers undertake, 90 days after the event, to compensate for the damage even if

the Contractor is unable to submit the above certificates, without prejudice to the Contractor's commitment to deliver such documentation as soon as it is available to the Courts and/or Authorities.

It should also be noted that a Notification of Claim to the authorities and/or a certificate of a closed investigation and/or the like, will not in any case be considered necessary for the compensation of damage not attributable to "crimes" (e.g. whirlwinds, hail, falling aircraft, flooding, etc.)

SECTION 6 - AMOUNTS INSURED, SUB-LIMITS, DEDUCTIBLES AND EXCESSES

Art. 1 – Lots, amounts insured, and calculation of the premium

Insurance against fire and other ancillary cover provided for in the contract:

No.	Location, characteristics and destination of buildings, description of contents	Insured sum
1	<p><u>Pian di Mugnone Residence</u> Via Faentina 94/b – Pian di Mugnone – 50014 Fiesole (FI) A third-party property complex consisting of 3 buildings for exclusive use as residential buildings and related services.</p> <p>Building:</p> <p>Contents: a) living room furniture, bedroom furniture, kitchen furniture with electrical appliances, accessories, and crockery</p>	<p>€ 1,480,000</p> <p>a) € 200,000</p>
2	<p><u>Via Faentina Residence</u> Via Faentina 384/a – 50133 Florence (FI) Civil building with 3 storeys above ground consisting of 2 buildings for exclusive use as 60 residential units and related services. Year of construction 2010</p> <p>Building:</p> <p>Contents: a) living room furniture, bedroom furniture, kitchen furniture with electrical appliances, accessories, and crockery</p>	<p>€ 10,000,000</p> <p>a) € 600,000</p>
	<p>Total insured value of Buildings:</p> <p>Total insured value of Contents:</p>	<p>€ 11,480,000</p> <p>€ 800,000</p>

Total insured value:	€12,280,000
Additional allowance as a percentage (15%):	€1,842,000
General Total:	€14,122,000

Art.2 – Compensation sub-limits, excesses and deductibles

It is agreed that for the individual cover stated below, the relevant sub-limits for each harmful event and the related excesses and deductibles shall apply.

Note that the limits/sub-limits indicated below are to be intended as an increase on the agreed deductibles and excesses.

COVER	COMPENSATION CEILING	DEDUCTIBLE	EXCESS
For every damage, except as otherwise provided	-----	€ 250.00 per claim	-----
Mains water	€ 100,000 per claim € 200.000 per annum	€ 200.00 per claim	-----
Troubleshooting and repair costs	€ 15,000 per claim/year	€ 200.00 per claim	-----
Plate glass and window panes	€ 3.000 per harmful event with a limit of € 1,500 per sheet of glass and € 5,000 per year	€ 100.00 per claim	-----
Overflowing of drains	€ 10,000 per claim/year	€ 300.00 per claim	-----
Clogged gutters and downspouts	€ 10,000 per claim/year	€ 300.00 per claim	-----
Electrical phenomenon	€ 20,000 per claim/year	€ 200.00 per claim	-----
Demolition and clearing costs	10% of the amount of damage with a maximum of €100,000.00 per claim/year	-----	-----
Removal, transport and replacement costs	€ 50,000.00 per claim/year	-----	-----
Urban planning fees / Authority Ordinances	€ 15,000.00 per claim/year	-----	-----
Foundation works	€ 50,000.00 per claim/year	-----	-----
Vehicle collisions	€ 50,000.00 per claim/year	Frontal deductible	-----
Leaks of liquids	€ 50,000.00 per claim/year	Frontal deductible	-----
Hail falling on fragile items	€ 50,000.00 per claim/year	€ 1,500 per claim	-----
Experts' fees	€ 25,000.00 per claim	-----	-----
Architects, engineers, and consultants fees	€ 25,000.00 per claim	-----	-----
Third party appeal	€ 500,000.00 per location	-----	-----
Atmospheric events	80% per claim and per year	€ 300.00 per claim	-----
Snow, ice, and frost	€ 100,000.00 per claim and per annum	€ 300.00 per claim	-----
Socio-political events	80% per claim and per year	€ 300.00 per claim	-----
Terrorism and sabotage	50% per claim and per year	€ 1,500.00 per claim	-----
Inundations and flooding	€ 350.000 for location 1, € 100.000 for location 2	€ 300.00 per claim	-----
Extra expenses	€ 50,000.00 per claim and per annum	Frontal deductible	-----
Loss of rental income	Up to a maximum of 1 year of rental income per each damaged housing unit	-----	-----
Earthquake (location 2 only)	50% of insured sum	€ 10,000.00 per claim	-----
Subsidence and landslides (location 2 only)	30% per claim and per year	€ 5,000.00 per claim	-----
Breakages caused by thieves	€ 1,500.00 per claim max € 5,000 per annum	-----	-----

Theft/robbery	€ 5,000.00 per harmful event with a limit of € 10,000 per year	-----	-----
Theft of fixtures and fittings	€ 3,000.00 per harmful event with a limit of € 5,000 per year	€ 200.00 per claim	-----

No other limit, sub-limit, deductible or excess than those mentioned in this article may be applied to a claim eligible to be compensated under the terms of this policy.

Breakdown of the premium

Annual taxable amount € XXXXXXXXXXXXXXXXXXXX.=
Taxes € XXXXXXXXXXXXXXXXXXXX.=
TOTAL € XXXXXXXXXXXXXXXXXXXX.=

Art.3 – Coinsurance Section (valid only in case of coinsurance)

The risk is distributed among the following companies according to the following percentages:

Company	Branch	Percentage
XXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXX

Art. 4) Final provisions

It remains agreed that only these typewritten standards are to be understood as valid.
 The signature affixed by the Contractor to printed forms provided by the Insurance Company shall only be valid as endorsement of the Premium and the sharing of risk among the Companies participating in the coinsurance.

THE INSURED

THE COMPANY