

ANADOLU SİGORTA

GENERAL CONDITIONS OF THIRD-PARTY LIABILITY INSURANCE

Scope of the Coverage :

Article 1

This policy provides coverage for the consequences of claims for losses or damage which may be lodged by third parties against the insured on account of the capacities, activities, and legal relationships shown in this policy which may result from:

- a. the death or wounding of third parties or the impairment of their health, and*
- b. losses and damage (material losses and damage) caused to properties belonging to third parties within the framework of the provisions of the laws of the Republic of Turkey concerning legal responsibility and up to the sums stipulated herein.*

While this policy shall protect the insured against justified claims, it shall also protect him against groundless and excessive claims as well.

Article 2

In cases where the insured is a legal entity, this coverage also extend to financial liabilities resulting from losses and damage caused to third parties by the organisations of the insured on account of the performance of their assigned duties.

Article 3

- A.** *This insurance does not cover claims pertaining to the following losses or damage:*
- 1. claims put forth for losses and damage resulting from events which are the result of premeditation or are caused deliberately;*
 - 2. claims which are based on the performance of a contract or special agreement but which exceed the insured's degree of legal liability;*
 - 3. claims made by persons who have a service or power of attorney relationship with the insured or by members of the insured's family. (For the purposes of this clause, "family members" shall include the insured's spouse, parents, and offspring (including adopted persons as well); and in cases where they reside together with the insured, siblings, sons-in-law, daughters-in-law, and any other relatives whose care he provides, the parents, offspring, and siblings of the insured's spouse. If the insured is a company, the claims of any limited liability partners in the company and of the members of their family (as defined herein) shall also be excluded from the scope of this coverage.);*
 - 4. claims put forth against the operators or owners (possessors) of motor vehicles, of tractors, of motorcycles, and of all forms of aircraft;*
 - 5. claims arising from participation in competitions (including training sessions) involving automobiles, motorcycles, bicycles, bobsleds, motor boats, horses as well as boxing, or wrestling;*

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6. *claims pertaining to wars, revolutions, uprisings, riots, or strikes, or from their repression or from acts of seizure;*
 7. *claims arising from losses and damage sustained on account of earthquakes, floods, inundations, avalanches, landslides, volcanic eruptions, explosions, fires, smoke, fog, steam, water, rotting or the intrusion of water;*
 8.
 - a. *claims arising from losses or damage sustained by properties which belong to third parties and which are being held by or which are in the care of the insured, or of the members of his family, or of his employees on loan, on lease, in trust, or for the purpose of being stored, shipped, repaired, or processed, or for any other reason whatsoever;*
 - b. *in the case of objects which are manufactured or delivered or processed by the insured or by his employees or by persons working on his account or of installations in which such objects have a functional relationship, or of the installations themselves, claims arising from losses or damage which occur because the work or the delivery was deficient or flawed;*
 - a. *claims arising from losses and damage sustained by buildings or land in which the same persons work.*
 9. *Damages occurring as a result of terrorist acts stated in The Prevention of Terrorism Act No: 3713 and sabotage resulting from these acts and intervention by authorized bodies for the purpose of preventing or diminishing the consequences of these terrorist acts.*

- B.** *Unless agreed to the contrary, the following matters shall also be excluded from coverage;*
1. *if the insured has been provided coverage as the owner of real estate or as a contractor or as the owner of a business, any financial liabilities arising on account of losses or damage sustained by third parties on elevators or escalators located in the properties specified in the policy or employed in the activities of the enterprise;*
 2. *financial liabilities incurred by hotel owners in accordance with Articles 478, 479, and 480 of the Code of Obligations concerning baggage and animals brought in or vehicles left in trust by travellers.*

Declaration of the Insured:

Article 4

- A.** *At the time of contract:*

The insurer has agreed to this insurance policy on the basis of the written declaration made by the policyholder in which he had the special conditions included for the purpose of stating the true circumstances with regard to risk.

However, if the statements of the risk made in the special conditions which the policyholder should have had included are contrary to fact or responded to deficiently or left unanswered, then;

- a. *if the insured acted with premeditation or out of gross negligence, then the insurer shall be relieved of his liability;*
- b. *if the insurer did not act with premeditation or out of gross negligence, then the insurer shall decide whether to continue the policy's validity by means of collecting a difference in premium corresponding to the size of the risk or else to cancel the policy. In the case of cancellation, he shall advise the insured of the situation within one month of the date of his cognisance. Coverage shall terminate at 12:00 noon fifteen days following the date on which it is communicated to the insured, and any premiums*

applicable to the remaining term of the policy shall be refunded.

B. After the conclusion of contract:

Any and all manner of changes which may occur in the matters specified in (A) above after the contract has been concluded must be declared to the insurer within eight days of their occurrence, if they are made by the insured himself, or if they are beyond his control, then immediately he becomes aware of them.

If the changes are such as to increase the gravity of the risk, the insurer may if he wishes,

- a. agree to continue the coverage by collecting a supplementary premium, or
- b. cancel the policy within eight days following the date on which he becomes advised of the situation.

In the later case, the policy shall terminate at 12:00 noon fifteen days following communication of the notice of cancellation.

If the changes are such as to lessen the risk and a reduction in premiums is necessary, then any differences in premiums shall be refunded to the insured effective the occurrence of the new circumstances.

Rights to cancel which are not exercised in due time shall become null and void. If an agreement cannot be reached on the payment of supplementary premiums, the insured may also exercise his right to cancel the insurance contract. In such cases, the policy shall terminate effective the date of cancellation, and any outstanding unused premiums shall be refunded.

If the situation of untrue declarations or of failure to declare changes which aggravate the risk is discovered after the occurrence of loss, then in cases involving premeditation or gross negligence, compensation shall not be paid. In other cases, a reduction shall be made in the amount of compensation corresponding to the ratio between the amount of premium collected and the amount which should have been collected.

Article 5

If the insured changes the title to of an object or enterprise which was provided coverage under the policy exclusively in his capacity as owner of the object or enterprise, his rights and obligations arising from this insurance policy shall be transferred to the new owner, except in cases where the new owner advises the insurer in writing that he does not agree to his assumption of the policy within fifteen days of the date on which he becomes cognisant of the insurance.

The insurer shall possess the right to cancel the policy within fifteen days following any change of ownership. The insurer's liability shall come to an end at 12:00 noon one month following the date on which notification of cancellation was given to the mails and any outstanding premiums shall be turned over to the new owner.

If the insured has taken out insurance in several capacities and if at a future date one or more of these capacities becomes inapplicable, premiums shall be adjusted in accordance with the remaining risk.

Payment of Premium and Inception of Liability of Insurer :

Article 6

Unless otherwise stipulated, the full insurance fee (or if payment has been instalments has been decided upon, the first instalment) must be paid as soon as the contract is concluded and against delivery of the policy.

The insurer's liability shall commence when the entire amount of insurance fee (or the first instalment) is paid. In cases where the insurance fee (or an instalment if instalments are

provided for) is not paid when due, the insurer shall send a registered letter to the most recent address declared by the insured advising him that the fee (or instalment) must be paid within one month otherwise the insurance policy will be cancelled. If the obligation is not paid at the end of this period, the policy shall be terminated. In this case, the policyholder shall be obliged to pay to the insurer all fees and other expenses up until the date of termination.

The date on which such notification is made shall be established by means of a postal receipt for a registered letter or notarised texts, the copy retained in the notary public's files.

The Circumstances of the Parties in the Event of Loss :

Article 7

The insured shall be obliged to advise the insurer in writing within five days of his cognisance of any event or occurrence which might entail an assumption of financial responsibility under the terms of this policy.

Such notification should include detailed and true information concerning the scene, date, and time of the accident; the possible causes of the accident and the conditions under which it occurred; the numbers of those killed or wounded; the properties damaged and their owners; the passage of time.

Article 8

In the event that the insured is faced with a demand for compensation or the target of punitive action on account of a loss, whether by suit or by other means, he shall be obliged to immediately present to the insurer any and all summonses, citations, subpoenas, warrants, writs, or other documents without waiting to be asked to do so. All information and documents which the insurer may request of the insured in writing (indicating at the same time the consequences of any delay) must be sent to the insurer within eight days at the latest.

The insured shall be obliged to do all he can to assist the insurer in his examination of claims of damage and loss and in his defence of his rights. Unless explicitly permitted by the insurer, the insured may not agree to any part whatsoever of the claim for damage and loss nor may he engage in any payment whatsoever related thereto.

Article 9

The insured shall have the right to establish contact and come to agreements directly with any third party making a claim of loss or damage. In the event that a suit is brought, the insurer shall prosecute the case on behalf of the insured. The insured must provide an attorney appointed by the insurer with whatever authority may be required in the matter. Legal costs shall be paid by the insurer, except that the total of such costs plus the amount of compensation payable to the claimant may not exceed the maximum amount specified in the insurance policy.

In cases where the insured or persons for whose actions he is responsible are the target of punitive action, the insurer shall -if he has explicitly undertaken the defence- pay for the attorney's fees but not any other expenses or possible fines.

Article 10

If the insured fails to fulfil any of his obligations in the occurrence of loss, the insured shall be relieved of his obligation to make compensation unless the insured is able to prove that his non-compliance did not result from his own negligence.

Article 11

In the event of the occurrence of any loss which leads to a claim of damages from the insurer, both the insured and the insurer shall possess the right to cancel the insurance contract for the remainder of its unexpired term. Rights to cancel which are not exercised prior to the payment of compensation however shall be null and void. If the insurer cancels the policy, it shall terminate at 12:00 noon fifteen days following notification made to the insured thereof, and any outstanding premium balances shall be refunded to the insured.

If the insured cancels the policy, it shall be terminated effective notification of such cancellation; in such a case however the right of the insurer to seek premiums for the remaining days of the insured term shall be reserved.

If the premiums for more than one insured term paid in advance, the insurer shall refund any premiums pertaining to terms which will not be used.

MISCELLANEOUS PROVISIONS

Notices to the Insurer :

Article 12

In order for any notice served by the insured as a requirement of this policy to be valid, it must be made to the headquarters of the insurance company or to the agent who signed the policy.

Legal Residence :

Article 13

When the insurance is concluded, the legal residence declared by the policyholder shall be included in the contract. If the insured should change his address of residence, he shall be obliged to provide the insurer with immediate notification of this by means of registered letter. In the contrary case, the insured shall be responsible for all consequences arising from failure of communications sent by the insurer to reach the insured.

Court of Jurisdiction :

Article 14

The court of jurisdiction shall be that of the insured's legal residence or of the insurer's headquarters or of the place in which the agent drawing up the policy is located.

Prescription :

Article 15

All claims arising out of this insurance policy shall become subject to the statute of limitations in two years' time.

