

ANADOLU SİGORTA

GENERAL CONDITION - THEFT

A. Extent of Cover

A.1. Subject of Insurance

This insurance shall cover material losses and damages incurring directly on the insured assets in the insured place stipulated in the policy in case of theft or attempted theft by;

- 1.1.** *Entrance through breaking, piercing, demolishing, overturning and by force,*
- 1.2.** *Climbing or crossing by making use of related equipment/devices or physical agility,*
- 1.3.** *Opening locks by using a previously lost, stolen or unfairly acquired original key or a key fabricated for this purpose or any other equipment/devices or passwords,*
- 1.4.** *Secretly entering the insured place and then hiding there,*
- 1.5.** *Murdering or injuring other persons and by using force, violence and threats,*

Provided that it is duly noted in the policy, the cover could include only one or more of the hazard groups listed above.

A.2. Extent of the Amount of Insurance

Any insurable assets owned by the Insured, the people permanently living under the same roof with the Insured and his/her employees shall be covered by the insurance.

In case any insurable assets in the insured places are,

- a. *classified into units or groups in terms of their qualities, or*
- b. *stipulated within the framework of a single amount of insurance,*

then each and everything either included in the said units or groups, or covered by the definition of the said single amount shall be covered by the insurance whether or not separately stipulated in the policy, and even if acquired afterwards.

Any damages incurring during the entrance of the thieves into the places where the insured assets are situated, or the opening up of said places shall also be covered by the insurance.

Special provisions concerning the preservation and protection of insured assets could be included in the insurance agreement. In this case, the Insurer shall in no way be entitled to refrain from paying indemnity unless it is proven that the said assets are not preserved as anticipated in the insurance agreement.

A.3. Assets to be Included in the Cover with a Complementary Agreement

Although the following assets are not normally covered by the insurance, they could be included in the cover by conducting a complementary agreement and by stipulating the amounts of insurance separately in the policy:

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- 3.1.** *Furs and silk carpets and antique paintings, collections, statues, trinkets, pictures, books, engravings, pieces of writing, carpets and similar objects,*
 - 3.2.** *Models, moulds, plans and sketches, copyrights, trade books and similar objects,*
 - 3.3.** *Land, sea and air vehicles within the places stipulated in the insurance agreement and their loads,*
 - 3.4.** *Goods displayed in shop windows not connected to the place of business,*
 - 3.5.** *Cash, shares, bonds and negotiable securities and precious metals such as gold, silver etc. and any goods and jewellery made of these, and precious stones and pearls etc.,*
 - 3.6.** *Goods in the place stipulated in the insurance agreement not owned by the Insured, the persons living under the same roof with the Insured or his/her employees,*
 - 3.7.** *The following goods having their amount of insurance exceeding the below-mentioned total amount of insurance,*
 - a. *The part exceeding 5% of the total amount of insurance of the value of paintings, collections, statues, trinkets, pictures, books, engravings, pieces of writing, carpets etc. that are considered to be antiques or pieces of art,*
 - b. *The part exceeding 5% of the total amount of insurance of the value of precious metals such as gold, silver etc. and any goods and jewellery made of these, and precious stones and pearls etc,*
 - c. *The part exceeding 10% of the total amount of insurance of the value of computers, video players, video recorders, wireless radios, televisions, radios, record players, cassette players, music sets, cameras, movie players and recorders, field glasses and microscopes (accessories and equipment included),*
 - d. *The part exceeding 5% of the total amount of insurance of the value of furs and silk carpets.*

Special provisions concerning the preservation and protection of insured assets could be included in the insurance agreement. In this case, the Insurer shall in no way be entitled to refrain from paying indemnity unless it is proven that the said assets are not preserved as anticipated in the insurance agreement.

A.4. Circumstances to be Included in the Cover With a Complementary Agreement

Any damages arising out of actual or attempted theft and looting by taking advantage of the presence of the following circumstances shall not be covered by the insurance, and could be included in the cover only by a complementary agreement:

- 4.1.** *Absence of any person within the places stipulated in the insurance agreement for a continuous period lasting longer than 30 days,*
- 4.2.** *Removal of assets from places stipulated in the policy, and keeping of them in addresses outside the said places,*
- 4.3.** *Strikes, lock-outs, civil commotions and subsequent military and disciplinary actions,*
- 4.4.** *Fire, lightning, explosion, earthquake, volcano eruption, torrent, storm, landslide, weight of snow,*
- 4.5.** *Theft and damage caused by persons employed by the Insured,*
- 4.6.** *Theft by altering one's appearance or putting on an act without being authorised,*
- 4.7.** *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.

A.5. Exclusions

The following events and circumstances shall be excluded from the cover of the insurance:

- 5.1.** All kinds of damages arising out of actual or attempted theft and looting by taking advantage of war, invasion, acts of foreign enemies, civil war, revolution, rebellion and military measures,
- 5.2.** All kinds of damages arising out of actual or attempted theft and looting by taking advantage of any kind of nuclear fuel or nuclear waste forming as a result of the burning of a nuclear fuel, or ionising radiation or radioactivity contamination brought about by reasons attributed to them and consequent necessary disciplinary and military measures (for the purposes of this paragraph, the term "burning" shall be deemed to include any self-continuing fission events),
- 5.3.** All kinds of damages arising out of actual or attempted theft and looting by taking advantage of disposals performed by public authorities on insured assets.
- 5.4.** Theft and damages caused by persons living under the same roof with or employed by the Insured,
- 5.5.** Fire, explosion and internal water damages caused by thieves,
- 5.6.** Inventory deficits.

A.6. Under-insurance

Unless otherwise agreed upon, in case the amount of insurance stipulated in the policy is lower than the value of the insured benefit at the moment on which the damage has materialised, then the indemnity shall be paid on the basis of the rate of the amount of insurance and value of insurance.

The Insured shall be entitled to amend the insurance agreement in such a way so as to have the Insurer pay the entire damages not exceeding the amount of insurance. In the event that the Insured informs the Insurer about conducting such an amendment on the agreement by making a notarised formal complaint before the materialisation of the hazard, then the provisions of the agreement shall be deemed to be automatically amended from the day after the date of the notice in such a way so as to have the Insurer liable for the entire damages not exceeding the amount of insurance. The Insured shall be liable to pay the extra premium on the basis of principles concerning the payment of the essential premium.

A.7. Over-insurance

In the event that the amount of insurance or the amount to be paid by the Insurer for damages exceeds the value of the insured benefit, then part of the insurance exceeding the said value shall be inapplicable.

The Insurer who is duly informed during the term of insurance shall be liable to report the state of affairs to the Insured, to reduce the amount of insurance and part of the premium for the said excessive amount, and to return the excess to the Insured.

A.8. Deductible

The parties shall be entitled to agree upon that damages up to a certain percentage of the amount of insurance or a certain percentage and/or amount the damage shall not be covered by the Insurer.

The rates or amounts of such deductibles shall be duly noted in the policy.

A.9. Start and Expiry of Insurance

Unless otherwise mentioned, the insurance shall start at 12.00 noon Turkish time on the

date stipulated hereunder as the date of beginning and end at 12.00 on the date stipulated hereunder as the date of expiry.

B. Damage and Indemnity

B.1. Liabilities of the Insured Upon the Materialisation of the Hazard

In case the hazard materialises, the Insured shall be liable:

- 1.1.** *To inform the Insurer within a maximum of 5 days from being informed about the materialisation of the hazard,*
- 1.2.** *To duly inform the legal authorities immediately after being informed about the materialisation of the hazard, and to file applications with relevant offices to prevent the circulation and payment of stolen negotiable securities, if any,*
- 1.3.** *To take the necessary protective measures just as if the related assets are not insured, and to follow any instructions by the Insurer as far as possible,*
- 1.4.** *Not to make any changes on the damaged places or goods if not absolutely necessary,*
- 1.5.** *To provide any information and documentation available to the Insured and necessary to ascertain under which conditions the damage has occurred and to determine the amount and extent of the loss and damage as well as related evidence, as soon as possible upon the Insurer's request, and to supply and maintain all kinds of information and documentation necessary to exert the right of recourse,*
- 1.6.** *To submit a written declaration specifying the estimated amount of the loss and damage to the Insurer within a reasonable period of time.*
- 1.7.** *To permit the agents of the Insurer authorised to conduct research and inspection procedures on the insured place or goods and relevant documentation for the purpose of ascertaining the extent of the indemnity liability and the rights of recourse,*
- 1.8.** *To inform the Insurer about other relevant insurance agreements, if any.*

B.2. Protective Measures

The Insured shall be liable to take measures to prevent, extenuate and reduce damages upon the materialisation of the hazards stipulated in the insurance policy. The expenses for the said protective measures shall be on the Insurer's account even if the said measures are of no use. In case of under-insurance, then the Insurer shall pay the said expenses on the basis of the ratio of the amount of insurance to the value of insurance.

B.3. Ascertaining the Damage

Within the framework of this policy, the loss and damage on the insured assets and the insured place arising out of the actual or attempted theft of the said insured assets shall be ascertained by mutual agreement of the parties.

In case the parties fail to reach such an agreement, the extent of the loss and damage shall be ascertained by as arbitrators-experts in compliance with the following terms and conditions, and the indemnity shall be established on the basis of the report of the arbitrators-experts in case a indemnity is claimed or a suit is filed against the Insurer. However, in the event that the said report is not issued within a maximum of three months from the appointment of a single arbitrator-expert, or the appointment of the third arbitrator-expert, and within a maximum of six months from the materialisation of the hazard in any case; then the parties shall be entitled to prove the extent of damage by using all kinds of exhibits and evidence.

In the event that the parties fail to reach a mutual agreement for the appointment of a single arbitrator-expert, then each of the parties shall be entitled to appoint a separate

arbitrator-expert and inform the other party about the state of affairs through a notary public. The arbitrators-experts of the parties shall appoint a third and impartial arbitrator-expert within a maximum of 7 days from the appointment of the said arbitrators-experts and before the start of the investigation procedures, and the said state of affairs shall be established by an official report. The said third arbitrator-expert shall be entitled to draw up a single report along with the other arbitrators-experts only in so far as the arbitrators-experts of the parties fail to reach an agreement, and to the extent which the said arbitrators-experts fail to agree. The report of the arbitrators-experts shall be submitted to the parties simultaneously.

In the event that one of the parties fails to appoint an arbitrator-expert within a maximum of 15 days from the service of the related notice by the other party, or the arbitrators-experts of the parties fail to reach a mutual agreement about the election of the third arbitrator-expert within a maximum of 7 days, then the arbitrator-expert of the related party or the third arbitrator-expert shall be appointed by the chairman of the local court authorised to hear commercial cases from among impartial specialists.

Objections could be raised against arbitrators-experts on the grounds of lack of specialisation. Any rights of objection not exerted within a maximum of seven days from being informed about the identity of an arbitrator-expert shall become nil and void.

If the said arbitrators-experts pass away, withdraw or are refused, then the new arbitrators-experts shall be duly appointed in compliance with related procedures, and the ascertaining process shall be carried on as before.

While ascertaining the loss and damage, the arbitrators-experts shall be entitled to request necessary evidence as well as records and documentation to be used to ascertain the value of the insured goods at the time of the occurrence of the damage; and also to conduct inspection procedures at the site.

The decision concerning the extent of the loss and damages to be adopted by the arbitrator-expert, or arbitrators-experts or the third arbitrator-expert shall be final and binding for the parties.

Objections could be filed against the decisions of arbitrators-experts only if the decisions are manifestly and significantly far from reflecting the real situation. Under the said circumstances, the related party shall be entitled to request the local court authorised to hear commercial cases to annul the said decisions within a maximum of seven days from the submission of the report.

The parties shall be liable to cover the expenses of their own arbitrators-experts. The expenses of either a single or the third arbitrator-expert shall be paid jointly by the parties in equal amounts.

Ascertaining the losses and damages shall in no way affect the provisions, terms and conditions in this policy and related legislation.

B.4. Calculation of the Indemnity

The calculation of the insurance indemnity shall be based on the compensatory value of the insured assets at the moment on which the hazard has materialised. The compensatory value shall be calculated as follows.

For trade goods, the calculation shall be based on the market purchase price applicable on the work day immediately preceding the day on which the hazard has materialised.

For materials and substances under production in factories and works, the indemnity shall be calculated by adding the related share of the production costs incurred so far and general overhead expenses to the costs of raw materials and prices paid to purchase the materials on the work day immediately preceding the day on which the hazard has

materialised. However, the compensatory value thus calculated shall in no way exceed the market purchase price of the said materials and substances applicable on the work day immediately preceding the day on which the hazard has materialised.

For the purposes of this article, raw materials and finished articles shall be considered to be trade goods regardless of whether they are within the main buildings, or extensions or any other place of factories and works.

For all kinds of machinery and installations, equipment and devices and fixtures, the compensatory value shall be based upon the price to be paid to purchase new articles. However, value reductions arising out of wear & tear and other reasons shall be duly deducted, and yield and quality differences, if any, of new articles shall be taken into account.

For all kinds of household and personal belongings, the compensatory value shall be based upon the price to be paid to purchase new articles. However, value reductions arising out of wear & tear and other reasons shall be duly deducted.

During the signing of the insurance agreement or the term of insurance, the compensatory value of the insured assets shall be ascertained by experts to be appointed with the mutual agreement of the Insured and the Insurer, and the parties shall in no way be entitled to raise any objections to this value after reaching a mutual agreement.

The value list to be drawn up for agreements based on the agreed value shall be applicable for a maximum insurance term of one year.

The expenses of the expert shall be covered by the party demanding to have the agreement based on the agreed value.

No agreements based on the agreed value shall be conducted for trade goods.

The value of any negotiable securities shall be ascertained by taking into account the exchange, market or current price of the said securities on the day preceding the day of theft.

In case it is possible to cancel or replace the negotiable securities, then the amount of indemnity shall be limited to the replacement costs.

For money, the said value shall be the nominal value of the money.

Insurer's liability: if a single value is anticipated for the entire insured assets, then the compensatory value shall be limited to the said single value. If the insured assets are classified into articles or groups in terms of their qualities, then the said value shall be limited to values anticipated for those articles and groups.

B.5. Payment of Indemnity

In case the insured assets are insured for several times, then the Insurer shall be liable to pay its own share after the amount of indemnity is ascertained in compliance with related legislation and the provisions stipulated hereunder.

The Insurer shall be liable to pay the ascertained indemnity to the Insured within a maximum of 30 days from receiving the information and documentation proving the materialisation of the hazard.

The Insurer shall be entitled to compensate for the loss of money and negotiable securities by replacing the money and negotiable securities.

However, if replacement costs are necessary for shares, bonds and other negotiable securities, then the Insurer shall be liable to monitor the replacement work and ensure that the said procedures are completed as soon as possible. Otherwise, any subsequent damages shall be under the Insurer's liability.

In case investigation procedures are being conducted about the Insured, then the Insurer shall be entitled to suspend the payment of indemnity until the said procedures are completed.

In the event all or part of the stolen assets are found, then the Insured shall be liable to immediately inform the Insurer about the state of affairs.

If the assets are found before the indemnity is paid, the Insured shall be liable to take them back.

If the assets are found after the indemnity is paid, the Insured shall either take the found articles back by paying their value or transfer the title of the said articles to the Insurer.

In case the Insured prefers to take the found articles back, then the Insurer shall be liable to cover damages arising out of theft, if any.

B.6. Decrease in or Becoming Invalid of the Right of Indemnity

In case the losses and damages increase because of the failure of the Insured to fulfil its liabilities upon the occurrence of damages, then the amount of increase shall be deducted from the indemnity to be paid by the Insurer.

In case the Insured intentionally causes the hazard to materialise or commits intentional acts so as to increase the extent of the loss and damage, then the Insured's rights arising out of this policy shall become nil and void.

B.7. Consequences of the Damage and Indemnity

From the legal point of view, the Insurer shall replace the Insured in direct proportion with the indemnity paid. The Insured shall be liable to supply the beneficial and available information for any lawsuits to be filed by the Insurer.

In case full damage has incurred upon the realisation of the stipulated hazard, then the insurance cover shall come to an end. In case of partial damage, the amount of insurance shall be reduced by the amount of indemnity paid from the date of the damage. The same provisions shall apply even if the amount of insurance is classified into articles or groups.

In cases when the amount of insurance is reduced, the amount of insurance could be restored to its former amount by charging premiums based on the number of days elapsing from the date requested by the Insured.

For partial damages, the parties shall be entitled to terminate the insurance agreement. The parties shall be entitled to make use of the said right of termination only before the indemnity is paid. The premium applicable for the period of time elapsing until the coming into force of the termination shall be calculated on a daily basis, and any excessive amounts shall be duly returned.

C. Concluding Provisions

C.1. Payment of the Insurance Premium, Beginning of the Insurer's Liability and Defaults of the Insured

In case the parties reach a mutual agreement concerning the payment of the entire insurance premium by instalments, then the down payment shall have to be made (the first instalment shall have to be paid) as soon as the agreement is concluded and against the delivery of the policy at the latest. Unless otherwise agreed upon, the Insurer's liability shall not start in case the premium or the amount of down payment is not paid even if the policy is delivered, and the said state of affairs shall be duly noted on the front page of the policy. In case the parties reach a mutual agreement concerning the payment of the insurance premium or premium in instalments, then the Insured shall be in default if he/she fails to make the down payment by the end of the day on which the insurance

policy is delivered at the latest. In the event that the Insured fails to pay the said premium debt within a maximum of 30 days from the date of default, then the insurance agreement shall be terminated without further notice. In cases when the parties reach a mutual agreement that the Insurer's liability shall start upon the delivery of the policy regardless of the payment or non-payment of the premium, then the Insurer's liability shall continue during the first fifteen days of the said one-month period.

If the parties agree to have the premium paid in instalments, the final due dates and amounts of instalments as well as the consequences of any payment defaults shall be noted on the policy or reported in writing to the Insured along with the policy. The Insured shall be deemed to be in default if he/she fails to pay any of the premium instalments, having their final due dates noted on the policy or reported in writing, by the end of the due date at the latest. In the event that the Insured fails to pay the premium within a maximum of fifteen days from the date of default, then the insurance cover shall be suspended. In case the premium is paid during the period of time when the cover is suspended, then the cover shall become effective once again provided that the hazard has not materialised meanwhile. However, if the said premium is not paid within a maximum of 15 days from the date on which the insurance cover is suspended, then the agreement shall be terminated without further notice.

Provided that it is duly noted on the front page of the policy, any portions of the premium instalments that have not yet become due not exceeding the amount of indemnity to be paid by the Insurer shall become immediately payable upon the materialisation of the risk.

In case the insurance agreement is terminated because of the provisions stipulated in this article, then the difference in premiums calculated on a daily basis for the period of time during which the Insurer's liability is effective shall be returned to the Insured.

C.2. Declaration Liability of the Insured While Signing the Agreement

This agreement is concluded on the basis of written declarations made by the Insured in the related written proposal, policy and annexes.

In cases when the Insured should not conclude the agreement or conclude it with heavier provisions if the Insured's declaration is untruthful or incomplete, the Insurer shall be entitled to withdraw from the agreement within a maximum of one month from being informed about the state of affairs or to keep the agreement in force by requesting an extra premium.

In the event that the Insured does not inform the Insurer about accepting the requested extra premium within a maximum of eight days, then the agreement shall be deemed to be terminated.

The premium applicable for the period of time elapsing until the coming into force of the withdrawal and termination shall be calculated on a daily basis and any excessive amounts shall be duly returned.

In cases when the Insured has acted intentionally, then the Insurer shall be entitled to withdraw from the agreement, not to pay indemnity and to receive the premium even if the hazard has materialised.

In cases when the Insured has acted unintentionally and if the hazard materialises before the Insurer is informed about the state of affairs or during the period of time when the Insurer is entitled to withdraw from or terminate the agreement or the period of time needed for the withdrawal or termination to take effect, then the Insurer shall pay a indemnity based on the ratio of any already accrued premiums and premiums required to accrue.

The right to withdraw or to demand extra premium not exerted on time shall become nil and void.

C.3. The Insured's Notice Liability within the Term of Insurance and Consequences

In case the place or condition of the insured assets declared in the written proposal, policy or annexes is changed after the conclusion of the agreement without the Insurer's consent, then the Insured shall be liable to inform the Insurer about the state of affairs within a maximum of eight days.

In the event that the Insurer feels compelled not to conclude this agreement or to conclude it with heavier provisions after being informed about the change, then the Insurer shall be entitled to either terminate the agreement, or to keep the agreement in force by demanding an extra premium.

In the event that the Insured does not inform the Insurer about accepting the requested extra premium within a maximum of eight days, then the agreement shall be deemed to be terminated.

The premium applicable for the period of time elapsing until the coming into force of the termination shall be calculated on a daily basis and any excessive amounts shall be duly returned.

The right to withdraw or to demand extra premium not exerted on time shall become nil and void.

In case the Insurer who is duly informed about any changes in the place or condition of the insured asset declared in the written proposal, policy and annexes acts in such a way so as to indicate he/she is willing to continue with the insurance agreement such as collecting the insurance premium, then the right of termination shall become nil and void.

In the event that such change is by nature found to be extenuating and requiring the application of a lower amount of premium, then the difference in premiums calculated on a daily basis from the date on which the change was made until the expiry of the agreement shall be returned to the Insured.

In the event that the Insurer feels compelled not to conclude this agreement or to conclude it with heavier provisions after being informed about the change, if the hazard materialises:

- a. Before the Insurer is informed about the state of affairs, or,*
- b. During the term during which the Insurer is entitled to serve a termination notice, or,*
- c. During the period of time needed to elapse for the said notice to come in force, then the Insurer shall be liable to pay the indemnity by taking into account the difference between any already accrued premiums and premiums required to accrue.*

C.4. Multiple Insurance

In case the Insured concludes other insurance agreements for the insured assets with other Insurers against the same hazards and during the same terms, then the Insured shall be liable to immediately inform all concerned Insurers about the state of affairs.

The Insurer shall be entitled to terminate the agreement within a maximum of 8 days from being thus informed. Any rights of termination not exerted in time shall become nil and void.

C.5. Change of Beneficiary or Ownership

In case the beneficiary or the ownership change (with the exception of death) during the term of the agreement, then the insurance agreement shall be terminated.

In case of death, the new right holder duly informed about the existence of the insurance shall be liable to inform the Insurer within a maximum of 15 days.

Change of Insurer; the new holder of the right shall be entitled to terminate the insurance within a maximum of 8 days from being informed about the existence of the insurance.

The premium applicable for the period of time elapsing until the coming into force of the termination shall be calculated on a daily basis and any excessive amounts shall be duly returned to the new right holder.

Any rights of termination not exerted in time shall become nil and void.

Upon any changes in the ownership of the insured assets, the Insured and the new owner not exerting the right to terminate shall be jointly liable for any existing premium obligations.

Upon the death of the owner of the insured assets, the legal heirs shall be liable to pay outstanding premiums, if any, and be entitled to receive returned premiums.

C.6. Change of the Insured Place

In case the place of the insured assets changes completely or partially, then the provisions of article C.3 shall be applicable.

C.7. Notices and Warnings

Any notices and warnings of the Insured shall be sent to the headquarters of the insurance company or the agency acting as an intermediary for the insurance agreement by means of a notary public or registered mail.

Any notices and warnings of the insurance company shall be similarly sent to the address of the Insured noted on the policy; or to the headquarters of the insurance company or the last address reported to the agency acting as an intermediary for the insurance agreement in case the said address has changed.

Any letters delivered by hand or against signature or sent via mail, cable, telex or fax to the parties shall be considered to be letters sent by registered mail.

Any termination notices sent by the Insurer to the Insured by registered mail or via a public notary shall be deemed to come into force at 12.00 noon on the 15th work day following the service of the said notice, while any such notices sent by the Insured to the Insurer by mail or via a notary public shall be deemed to come into force at 12.00 noon on the day following the service of the said notice.

C.8. Confidentiality of Trade and Professional Secrets

The Insurer and those acting on behalf of the Insurer shall be liable for damages arising out of the failure to keep any trade and professional secrets of the Insured confidential.

C.9. Authorised Court

In lawsuits to be filed against the insurance company because of any disagreements arising out of this policy, the authorised court shall be the commercial court of the place where the headquarters of the insurance company or the head office of the agency acting as an intermediary for the insurance agreement is situated or the damage has incurred. In lawsuits to be filed by the insurance company, the authorised court shall be the commercial court of the place where the defendant resides.

C.10. Statute of Limitation

All claims arising out of the insurance agreement shall be subject to the statute of limitation in 2 years.

C.11. Special Conditions

Any special conditions not violating the related clauses could be added to the said general conditions.