

# TERMS AND CONDITIONS OF GUESTS' PRIVATE LIABILITY INSURANCE AGAINST DAMAGE TO RENTERS' PROPERTY



**HOK  
OSIGURANJE**

*hrvatska osiguravajuća kuća d.d.*

Joint-stock insurance company • Statistical Register Identification Number (MB - issued by the Croatian Bureau of Statistics) 1578740 • Tax Number (OIB - issued by the Croatian Tax Administration) 00432869176 • 10000 Zagreb • Capraška 6 • Telephone: 01/ 5392-500

## Explanation of terminology

### Article 1

- [1] Certain terms in these Terms and Conditions shall have the following meaning:
- 1] **Insurer** - Hrvatska osiguravajuća kuća d.d., Zagreb, Capraška ulica 6, OIB: 00432869176, joint-stock insurance company with whom the insurance contract is concluded
  - 2] **Policyholder** - the person who concludes the insurance contract with the Insurer
  - 3] **Insured** - the person(s) who uses/use accommodation (overnight stay) services in the facility for a fee and is/are duly registered in the guest book and with the competent tourist board;
  - 4] **policy** - a document detailing the concluded insurance contract;
  - 5] **premium** - the amount of money that the Policyholder or another interested party pays to the Insurer for the assumption of risk in accordance with the insurance contract
  - 6] **sum insured** - the amount for which the property interest is insured, i.e., the maximum amount of the Insurer's liability per one insured event.
  - 7] **coverage limit** - the maximum amount of the Insurer's liability per one insured event
  - 8] **deductible** - the amount of damage that the Insured agrees to pay as their obligation to participate in the damage occurred
  - 9] **insured event** - an event caused by an insured peril which must be future, uncertain and independent of the exclusive will of the Policyholder or the Insured
  - 10] **insurance compensation** - the amount that the Insurer is obliged to pay upon the occurrence of an insured event, specified in the insurance contract
  - 11] **accommodation facility** - a facility providing accommodation (overnight stay) to guests. Studio apartments, boarding houses, rooms and houses for rent are also considered accommodation facilities.
  - 12] **guest** - the person(s) who uses/use accommodation (overnight stay) services in the facility for a fee and is/are duly registered with the competent tourist board and logged in the guest book
  - 13] **insurance beneficiary** - the person to whom the insurance compensation or indemnity is paid in accordance with the insurance contract. For the purpose of these Terms and Conditions, the insurance beneficiary is the owner of the accommodation facility.

## Conclusion of the contract

### Article 2

- [1] The insurance contract is concluded upon the acceptance of terms and conditions and payment of the premium.
- [2] In the event of discrepancy between a provision in these Terms and Conditions and a provision in the policy, the provisions of the policy shall apply.

## Commencement and termination of the Insurer's liability

### Article 3

- [1] The Insurer's liability commences at 00:00 hours on the day indicated in the policy as the beginning of the insurance if the insurance premium is paid in full by the end of the day agreed as the day of payment of the premium.
- [2] The Insurer's liability terminates at midnight on the day indicated in the policy as insurance expiry date.

## Law applicable to the insurance contract

### Article 4

According to these Terms and Conditions, the law applicable to the insurance contract is the law of the Republic of Croatia.

## Insurance location

### Article 5

The insurance is valid in the Republic of Croatia and at the address indicated in the insurance policy as the insurance location.

## Subject of insurance

### Article 6

- [1] The insurance under these Terms and Conditions covers the non-contractual civil liability of the Insured for losses caused to the property of the rented accommodation facility due to damage or destruction of items (facility and/or household items), which arises from:
  - 1] characteristics of a private person in everyday life outside the performance of a craft activity and all activities by which they earn a living;
  - 2] ownership and use of a bicycle without a motor;
  - 3] amateur sports practice, apart from hunting and martial arts;
  - 4] ownership and keeping of indoor domestic animals permitted by legal regulations and only if the animals are not kept for the purpose of farming;

## Exclusions

### Article 7

- [1] The insurance does not cover:
  - 1] the loss suffered by the Policyholder, the Insured, the Insured's spouse or cohabiting partner, children and other persons staying in the accommodation facility with the Insured;
  - 2] liability for losses caused by keeping and using motor vehicles and other vehicles with a motor (tractors, cultivators, self-propelled machines) when they may be covered by motor liability insurance;
  - 3] liability for losses resulting from the ownership or use of aircrafts, vessels and crafts of any kind;
  - 4] the loss caused by injury to the body or health of a third party, violation of the right to personality (non-pecuniary damage) and all claims arising from violations of the right to dignity, reputation, honour, business secret, freedom of economic activity and the like.
  - 5] the loss caused by cold steel and weapons in general;
  - 6] consequential damage due to loss of earnings, contractual and other penalties, loss of market, pecuniary fines and penalties;
  - 7] liability for damaged items or executed works made or delivered by the Insured, or any other person acting on his order or behalf, if the cause of damage is in the manufacture or delivery;
  - 8] liability for losses for which the Insured is liable as an investor;
  - 9] liability resulting from the contractual extension of the Insured's liability to claims for which he is not liable by law (e.g. claims arising from non-performance of the contract);
  - 10] liability for purely material losses, i.e. losses that are not caused by injury to the body, damage to health, nor destruction or damage to the property of a third party.
  - 11] liability for losses caused by faulty products;
  - 12] liability for losses incurred in course of or in relation to the performance of a certain activity;
  - 13] liability for losses suffered as a consequence of knowingly acting contrary to regulations or rules;
  - 14] the loss incurred as a consequence of criminal offence or misdemeanour;
  - 15] environmental damage (air, water and soil pollution, etc.) and imminent threat of such damage as well as for all costs related to taking measures to eliminate the threat of damage or pollution defined by the Environmental Protection Act, except for

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compensation for sudden damage caused to physical and legal entities when causing damage to the environment (compensation for other damages incurred during the occurrence of environmental damage);

- 16] damage to property due to subsidence, landslides, floods of stagnant, running and groundwater;
  - 17] damage to property due to permanent effects of gas temperature, steam, moisture, smoke, soot, dust;
  - 18] damage to property due to mould, mildew, noise etc. resulting in gradual occurrence of damage;
  - 19] liability for damage that occurred gradually and not suddenly;
  - 20] liability for losses directly related to the use of nuclear energy or related to high-energy ionizing radiation, and for losses that are a direct or indirect consequence of the action of magnetic, electromagnetic fields or nuclear radiation, regardless of their source or origin;
  - 21] liability for damage directly or indirectly caused by asbestos, asbestos products or materials of any kind or in connection with it.
- [2] The following damage to property is not covered:
- 1] losses due to normal wear, aging and non-maintenance of the item if this is the most important cause of damage;
  - 2] losses due to normal weather conditions that have to be taken into consideration in certain seasons or locations;
  - 3] losses due to the natural properties of things;
  - 4] losses due to energy supply or energy shortage;
- [3] The Insurer is not liable to pay indemnity for losses resulting from:
- 1] military operations, rebellion, war, hostilities or operations similar to war, civil war, revolution, uprising, riots arising from such events, mines, torpedoes, bombs or other weapons of war, through capturing, confiscations, seizures, limitations or retentions and effects of these events, or attempts to accomplish that through acts of sabotage or terrorism for political motives, by explosive detonation, if the person in question is acting maliciously or for political motives, civil riots, violence or other similar events, confiscation, requisition or other similar measures implemented or intended to be implemented by an authority or an organisation fighting for power or the one that is in power.
  - 2] terrorist acts.
- [4] If the Policyholder, the Insured or the Beneficiary caused an insured event intentionally or by fraud, the Insurer shall not be obligated to pay any kind of compensation, and the contractual provision to the contrary shall have no legal effect.

#### **Sum insured and deductible**

##### Article 8

- [1] The sum insured indicated in the insurance policy represents the maximum amount of the Insurer's liability per one insured event and in total per that policy.
- [2] The compensation shall be reduced by a 50 EUR deductible (proportion of the loss paid by the Insured).
- [3] The sum paid for indemnity cannot be higher than the actual value of the damaged insured item.

#### **Declaration of damage**

##### Article 9

- [1] In the event of damage, the Insured or the Beneficiary is obligated to:
  - 1] take all the possible measures to reduce the damage and to prevent further damage if possible;
  - 2] in the event of fire, explosion, theft, burglary, robbery or vandalism, report the event to competent police authorities and specify which items have been destroyed, damaged or have disappeared during the occurrence of the loss;
  - 3] photograph the scene of the event and the caused damage, if possible, immediately after the occurrence of damage;
  - 4] complete the Record of damage incurred (the Insurer's form) with the Renter. The form must be signed by both parties, the Renter and the Guest.

5] inform the Insurer about the occurrence of the insured event within three days of learning about the event.

- [2] Each loss must be recorded in the record of damage incurred, completed and signed by the Guest and by the Renter's representative (insurance beneficiary), or through a police report (hereinafter: the Record).
- [3] The Record, attached to these Terms and Conditions, is an integral part of the insurance contract and it is given to the Policyholder by the Insurer when issuing the insurance policy.
- [4] When notifying of the insured event, the Policyholder of the Beneficiary shall submit the Record to the Insurer. If the Insurer does not receive the completed Record of damage incurred, signed by the Guest and the Beneficiary, or a police report, as stated in paragraph (1), the Insurer is not obligated to compensate for the damage.

#### **Obligations of the Insured after the occurrence of the insured event**

##### Article 10

- [1] The Insured is liable to inform the injured party that has filed a claim about their right to submit the claim directly to the Insurer.
- [2] The injured party can file the claim directly to the Insurer for compensation of the loss suffered by the event for which the Insured is liable, but only up to the amount of the Insurer's liability.
- [3] The Insured shall notify the Insurer about the occurrence of the insured event and the filed claim for damages no later than three days after learning about it.
- [4] The Insured is also obliged to inform the Insurer when the claim for damages against him is initiated in court, when he is placed in custody and when the procedure for securing evidence is initiated.
- [5] If an investigation has been carried out, an indictment has been filed or a decision on criminal proceedings has been made, the Insured is obliged to immediately inform the Insurer thereof, even if he has already reported the occurrence of damage or loss. Also, the Insured has to submit a report issued by a competent body in relation to the event of damage or loss.
- [6] The Insured's recognition of liability does not withdraw the Insurer's obligation to compensate for the damage or loss. The Insured is not authorized, without prior consent of the Insurer, to make declarations about the claim, nor to recognize it fully or in part, to settle about the claim or make any payments, unless, based on facts, the recognition, settlement or payment could not be refused without committing obvious injustice. The Insured shall not be justified if he was misled to believe that he was liable or that the facts were correctly established.
- [7] The Insured is obligated to inform the Insurer about the initiation of a lawsuit so that the Insurer can intervene on behalf of the Insured. The Insured can entrust the Insurer to conduct the lawsuit.
- [8] Should the Insured oppose the Insurer's proposal to settle the claim, the Insurer is not obligated to pay additional fees, interest and costs incurred thereupon.
- [9] If the injured party addresses the Insurer directly with a claim for compensation, the Insured is obliged to provide the Insurer with all evidence and data at his disposal, which are necessary to determine liability for the damage and to assess the merits of the claim, the scope and the amount of damage.
- [10] If the Insured fails to fulfil the obligations referred to in this Article, he shall bear the harmful consequences that arise as a result, unless they would have arisen even if he had fulfilled the obligations.

#### **Obligations of the Insurer**

##### Article 11

- [1] In relation to the claim presented by the injured party the Insurer is obligated to:
  - 1] undertake defensive measures, together with the Insured, against unfounded or excessive compensation claims (**legal protection**);
  - 2] meet founded compensation claims (**insurance compensation payment**);

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- 3] reimburse legal expenses (**reimbursement of legal expenses**);

#### **Legal protection**

##### Article 12

- [1] The Insurer's obligation to provide legal protection includes:
  - 1] determining whether the Insured was liable for the loss suffered;
  - 2] conducting a dispute on behalf of the Insured if the injured party exercises the right to compensation in civil proceedings against the Insurer directly;
  - 3] giving all statements on behalf of the Insured that the Insurer deems useful to satisfy or defend against an unfounded or excessive claim for damages.
- [2] With the consent and instructions of the Insurer, the conduct of the dispute may be entrusted to the Insured, who in such a case is obliged to comply with the instructions and orders of the Insurer regarding the conduct of litigation.
- [3] The Insurer may take over the conduct of the litigation or take the place of the Insured or participate as an intervener.

#### **Insurance compensation payment**

##### Article 13

- [1] The insurer is obligated to pay indemnity based on:
  - 1] given or approved recognition;
  - 2] agreed or accepted settlement;
  - 3] judicial decision.
- [2] The Insurer is authorized to deposit the sum insured to the Insured as compensation, in which case he is released from all obligations and procedures related to the insured event.

- [3] The Insurer participates in the deposit, in order to secure compensation for damages that the Insured would be obliged to deposit on the basis of legal regulations or a court decision, up to the amount of his liability for damages.

#### **Reimbursement of the costs of the proceedings**

##### Article 14

- [1] The Insurer shall bear, within the limits of the sum insured, the costs of the dispute and other justified costs for the purpose of determining the Insured's liability.
- [2] The insurance also reimburses the costs of measures taken at the request of the Insurer or in agreement with him, in order to protect against unjustified and excessive claims of third parties.
- [3] The Insurer shall not reimburse the costs of criminal proceedings nor the costs of representation in non-litigious proceedings.
- [4] All costs, including the insurance compensation (as well as interest), are reimbursed up to the sum insured specified in the insurance policy.
- [5] After the payment of the sum insured, the Insurer is exempt from further fees and costs.

#### **FINAL PROVISIONS**

##### Article 15

The Croatian Financial Services Supervisory Agency with seat in Zagreb is authorized to supervise the Insurer.

These Terms and Conditions apply as of 15/02/2021.