Compulsory automobile civil liability policy

Compulsory Automobile Civil Liability Policy

General Conditions of the Policy
Preliminary Clause

1. Between and by Euro Insurances DAC trading as LeasePlan Insurance, hereinafter called the Insurer, and the policyholder as identified in the Specific Conditions, is entered a contract of insurance that will apply according to these present General Conditions and by the Particular Conditions and also, if hired, by the Special Conditions.

2. The individualization of this present contract is made in the Particular Conditions, with, among others, the identification of the parties and their respective domicile, the data of the insured person, the data of the representative of the insured company for purposes of events, and the determination of the premium or respective formula for calculation.

3. The Special Conditions take into account the coverage of other risks or guarantees other than those identified in these present General Conditions and need to be duly specified in the Particular Conditions.

4. Also part of this present contract, besides those Conditions identified in the previous numbers and part of this policy, are the documents set out in Clause 21, as well as the concrete and objective publicity materials, except if those are more favorable to the policyholder or the aggrieved third party.

5. It will not apply whatever is identified in the previous number in relation to publicity material whose purpose of issuance took place over one year before the entry of the contract, or the materials themselves have a set time of validity and the contract was entered out of that time.

6. The policy describes the Internet site of the Insurer in the text of Chapter III of Title II of Decree-Law 291/2007, as of 21 de August is of easy access, free and able to be printed.

CHAPTER I
Definitions, Object and Guarantees of the Contract

Clause 1
Definitions

For the effect of this present contract the following meanings apply:

Policy: set of Conditions identified in the previous clause and in which the contract of insurance is entered;

Insurer/Insurance Company: the entity legally authorized for operating the compulsory automobile civil liability insurance, subscribing this present contract;

Policyholder: the person or entity hiring from the insurer, being charged for the payment of the premium;

Insured: the person or entity entitled to the insurance;

Third Party: the injured one, in consequence of a contingent event covered by this contract, within the terms of civil law and of this policy, to be remedied or compensated;

Contingent Event: the realization, total or partial, of the event causing the use of the coverage of risk identified in the contract, taking into account as a single contingent event the event itself or a series of events resulting from the same cause;

Bodily Injury: damage resulting from lesion to physical or mental health;

Material Damage: damage resulting from lesion to the mobile or immobile thing or animal;

Deductibles: value of regularization of the contingent event in the term of the insurance contract that is not charged to the insurer.

Clause 2
Object of the contract

1. This present contract shall follow the obligation of automobile civil liability insurance, as of article 4, Decree-Law 291/2007, of 21 August.

2. This present contract guarantees, up to the limits and legal conditions:

a) The civil liability of the policyholder, owner of the vehicle, user, acquirer with reservation of title, lessee, as well as the legitimate holders and drivers, for damages, bodily and material, caused to the third party;

b) Compensation of repair due by the agents of theft, robbery, unauthorized use of vehicles or driving accidents on malicious cause.

Clause 3
Temporal and Territorial Scope

1. This present contract covers the civil liability emergent from accidents that took place:

a) Anywhere within the territories of countries whose national services of insurance belong to the Agreement entered by and between the national services of insurances, including the permanence of the vehicle in one of these places during the contract term of duration;

b) In the way that connects directly both territories where the Agreement of European Economic Space is applicable, when in such location there is no national service of insurance.

2. The countries referred to in section a) of the previous number are, in fact, the State members of the European Union, the other countries members of the European Economic Space (Island, Liechtenstein and Norway), and also Switzerland, Croatia, Faeroe Islands, English Channel Islands, Gibraltar, Isle of Man, Republic of San Marino, the State of Vatican and Andorra, as well as with other countries that may eventually be identified in the contract or in other respective proof documents.

3. The contract may also cover civil liability due to the circulation of the vehicle in other territories not mentioned in nr 1, that is, in the States where there is a national service of insurance agreed

with section II of the Regulations annexed to the Agreement entered by and between the nationals services of insurance by means of an international certificate of insurance (“green card”) valid for circulation in those countries.

4. This present contract covers civil liability for accidents taken place during the validity of the contract within the applicable legal terms.

Clause 4
Material Scope

1. The present contract covers:
a) In relation to accidents in the territory of Portugal the obligation to indemnity as set out for civil law;

b) In relation to accidents in the other territories of countries whose national services of insurance are part of the Agreement with the national services of insurance, the obligation to indemnity as set out by the applicable law as for accidents in territories of the Agreement of European Economic Space, is replaced by the Portuguese law whenever this law sets a higher value of coverage;

c) In relation to accidents in the way set in previous section b) of nr 1 of the previous clause, only the damages to residents in the States Members and countries whose national services of insurance are part of the Agreement with the national services of insurance and in accordance with the Portuguese law.

2. The present contract covers damages to pedestrians, cyclists and other users not driving a vehicle on the roads only to the extent in which the applicable law to civil liability for an automobile accident requests compensation for damages.

Clause 5
Exclusions of compulsory guarantee

1. The compulsory guarantee of insurance does not cover bodily damages to the driver of the insured vehicle who caused the accident as well as the damages resulting from this accident.

2. Also the compulsory guarantee of insurance does not cover material damages to the following persons:
a) Driver of the vehicle who caused the accident;
b) Policyholder;
c) All those whose liability is, according to legal terms, guaranteed and identified as owners of the insured vehicle;
d) Corporations or legal representatives of person collectively responsible for the accident when in process of their functions;
e) Spouse, off-springs, descendents or adopted persons of the person identified in sections a) and c), as well as other relatives or relations up to 3rd degree, but, these latter, only if they live together or are supported by them;
f) Those who, according to terms of Articles 495, 496 and 499 of the Civil Code, benefit from an indemnity resultant from linkage to any of the persons identified in the previous sections;
g) Passengers, when transported against rules of transportation set in the Code of Road Traffic, and the special rule for the inadequate way of transport of children, motorcycles, tricycles and mopeds.

3. In case of death, due to the accident, of any person identified in sections e) and f) of the previous number, no indemnity applies to the one responsible for the accident.

4. Also excluded from the compulsory guarantee of insurance are:
a) Damages to the own insured vehicle;

b) Damages caused to goods transported in the insured vehicle, either during transport or operation of load and unload;

c) Any damage caused to third party in consequence of operations of load and unload;

d) Damages due, directly or indirectly, to explosion, release of heat or radiation, as a consequence of disintegration or fusion of atoms, artificial acceleration of particles or radioactivity;

e) Any damage occurred during sports competitions and respective official trainings, except in case of insurance for sports competitions with the adaptations set for this effect by the parties.

5. In case of theft, robbery or unauthorized use of vehicles and driving accidents maliciously caused, the insurance does not guarantee indemnity due by the agents and accomplices in favour of the owner, user, acquirer with reservation of title, lessee, nor by the agents and accomplices in favour of the passengers being transported and who were aware of the illegal possession of the vehicle and who voluntarily accepted to be transported.

CHAPTER II

Initial and Supervenient Statement of Risk

Clause 6
Obligation of initial statement of risk

1. The policyholder or the insured is obliged to, before entering the contract, declare with accuracy all the circumstances known and that may be reasonably significant for the appreciation of risk by the insurer.

2. The same as mentioned in the previous number applies to circumstances whose mention is not requested in questionnaire eventually supplied by the insurer for that purpose.

3. The insurer who accepted the contract, except in case of malice on the part of the policyholder or the insured in order to obtain advantage, shall not benefit:

a) from the omission of answer to the question in the questionnaire;

b) from imprecise answer to question elaborated in vague terms;

c) from incoherence or contradiction evident in the answers to the questionnaire;

d) from the fact that the respondent, when entering the contract, knows that the information given is not precise or that the information was omitted;

e) from circumstances known by the insurer, in particular when public or notorious.

4. The insurer, before entering the contract, must explain to the policyholder or the insured the duties set in nr 1, as well as the regime of default, under penalty of civil liability, in general terms.

Clause 7
Malicious default of duty to initial statement of risk

1. In case of malicious default of duty to what is set in nr 1 of the previous clause, the contract is likely to be considered null upon statement sent by the insurer to the policyholder.

2. If no contingent event takes place, the statement referred to in the previous number must be sent within three months upon acknowledgement of such default.

3. The insurer is not obliged to cover the contingent event that takes place before being aware of the malicious default a set in nr 1 or during the time set in the previous number, following the general regime of nullity.

4. The insurer has the right to the premium due till the end period set or in nr 2, except if in case of malicious damage or gross negligence of the insurer or its representative.

5. In case of deception by the policyholder or the insured with the purpose to obtain advantage, the premium is due till the end of the contract.

Clause 8
Negligent default of duty to initial statement of risk

1. In case of negligent default of duty referred to in nr 1 of Clause 6, the insurer may, upon statement sent to the policyholder, within three months after acknowledgement:

a) Propose an alteration of contract, establishing a time, not shorter than 14 days, for sending the acceptance or a counter-proposal;

b) Cancel the contract, evidencing that in no case a contract is entered for coverage of risks identified with the fact that was omitted or not declared properly.

2. The contact is no longer valid 30 days after sending the statement of cessation or 20 days after the policyholder receives the proposal of alteration and gives no reply or accepts it.

3. In case of what is set in the previous number, the premium is returned pro rata temporis in relation to the coverage hired.

4. If, before the cessation or alteration of the contract, a contingent event takes place whose verification or consequences are due to the fact related to the negligent omission or inaccuracy of information:
a) The insurer covers the contingent event at the proportion of the difference between the premium already paid and the remaining premium, if there is any, when the contract was entered and he was aware of the fact that was omitted or declared not properly;
b) The insurer, showing that, in no case, would he have entered the contract if he knew about the fact that was omitted or declared not properly, does not cover the contingent event and shall only return the premium.

Clause 9
Aggravation of risk

1. The policyholder or the insured has the right to, during the validity of the contract, within 14 days upon the acknowledgment of the event, notify the insurer of all the circumstances that may aggravate the risk, as long as these circumstances, if known by the insurer at the time the contract was entered, could influence on the decision to hire the contract or affect the conditions of the contract.

2. Within 30 days, starting on the day the aggravation of risk is acknowledged, the insurer may:
a) Present the policyholder a proposal to modify the contract, and the policyholder shall either accept or refuse within a period of the same length, and at the end of this period, this alteration may be considered accepted;
b) Cancel the contract, evidencing that, in no case, contracts covering risks with characteristics resulting from the aggravation of the risk are entered.

3. There is a reasonable period of time for effective statement of contract cancellation.

Clause 10
Contingent event and aggravation of risk

1. If before the cessation or alteration of the contract as established in the previous clause, a contingent event takes place and its verification or consequence was due to aggravation of risk, the insurer may:

a) Cover the risk, by paying what has been set out, if notification about the aggravation was not duly and timely made before the occurrence of the contingent event or before the elapsed time set in nr 1 of the previous clause;

b) Cover the risk partially, by reducing its liquidation to the proportion between the premium effectively charged and the premium that would have been charged in consequence of the real circumstances of risk, if notification about the aggravation was not duly and timely made before the occurrence of the contingent event:

c) Refuse the coverage in case of malice by the policyholder or the insured with the purpose to obtain advantage, withholding the right to due premiums.

2. In case as set in sections a) and b) of the previous number, if the aggravation of risk resultant from the fact that the policyholder or the insured, the insurer is not obliged to the coverage if it is evidenced that, in no case, contracts that cover risks with characteristics resulting from this aggravation of risk are no entered.

CHAPTER III

Payment and Alteration of Premiums

Clause 11
Due date of the premiums
1. Except otherwise established, the initial premium, or its first instalment, is due on the date the contract is entered.

2. The following instalments of the initial premium, the premium for subsequent years and successive instalments are due on the dates set out in the contract.

3. The portion of the premium which is variable according to establishment of the value and, if this is the case, the portion of the premium corresponding to alterations made to the contract are due on the dates set in their respective notices.

Clause 12
Coverage

The coverage of risks depends on the advanced payment of the premium.

Clause 13
Notice of payment of premiums

1. During the validity of the contract, the insurer must notify, in writing, the policyholder of the amount to be paid, as well as the way and place for collection, at least 30 days in advance to the due date of the premium or of its instalments.

2. The notice must also contain, in a readable way, information about the consequences for default payment of the premium or of its instalments.

3. For contracts of insurance in which the payment of the premium in a number of instalments equal or below three months is set and whose documents contain the due dates for the following instalments and their respective amounts, as well as the consequences for default, the insurer may send the notice as identified in nr 1, and the insurer is liable to provide evidence of sending and receiving of such notice on the part of the policyholder of such documents.

Clause 14
Default of payment of premiums

1. The default of payment for the initial premium, or for its first installment, leads to automatic cancelation of the contract staring on the date it was entered.

2. The default of payment for the premium of subsequent years, for its first installment, on due date, does not allow for the prorogation of the contract.

3. The default for payment leads to automatic cancellation of the contract on the due date of:

a) one instalment of the premium during the term of a year;

b) a whole premium or part of a premium of variable amount;

c) an additional premium resultant from a modification of contract based on supervening aggravation of risk.

4. The default for payment, up to the due date, of an additional premium resulting from a modification of contract makes such alteration ineffective, and the original contract shall rule with all the terms and conditions originally set out before the proposed alterations, unless such original

contract proves not applicable, and in such case, it will be considered cancelled on the due date of the premium that was not paid.

Clause 15
Alteration of premium

1. If there is no alteration of risk, any alteration of the premium applicable to the contract may only be effective on the annual and following due date.

2. The alteration of the premium by means of bonuses for lack of contingent events or due to aggravation by damages, as established in Chapter VIII, is applicable on the due date following the date of acknowledgement of such fact.

CHAPTER IV

Effective Date, Duration and Changes of Contract

Clause 16
Start of coverage and of effects

1. The date and time of start of coverage for risks are identified in the contract, and the date on the insurance document, as established in clause 12.

2. What is set out in the previous number is also applicable to the start of the effects of the contract, if distinct from the start of the coverage for risks.

Clause 17
Duration

1. The duration of the contract is identified herein and in the insurance document, and this duration may be for a fixed and determined time (temporary insurance) or for a year extendable for new periods of a year.

2. The effects of the contact will terminate at 24:00 hours of the late date of its duration.

3. The extension as in No. 1 will not apply if any of the parties give notice within at least 30 days in advance in regard to the extension date, or if the policyholder does not pay the premium.

Clause 18
Termination of the contract

1. The contract may be terminated by the parties at any time, with just cause, upon registered mail.

2. The insurer may not use the occurrence of a contingent event as the relevant reason for what is set out in the previous number.

3. The amount of premium to be returned to the policyholder in case of advanced termination of the contract is calculated at the proportion of the period of time to be elapsed from the date of termination up to the end date of the contract, except if otherwise agreed in legal terms.

4. Whenever the contract is terminated, the policyholder will return to the insurer the certificate and the badge that evidence the existence of the insurance, if their validity date expires after the date of the termination, within 8 days from the effective date of such termination.

5. The return of the documents as set in the previous number is a suspending condition of return of premium, except in case of a reasonable motive for no return.

6. The termination of the contract is effective at 24:00 hours of the date of its effective term.

7. Whenever the policyholder is not the same as the insured, the insurer must notify the insured of the termination of the contract as soon as possible, no later than 20 days after the termination or no extension.

8. There is a reasonable time for effective statement of termination of contract.

Clause 19
Alienation of the vehicle

1. The insurance contract is not transferred in case of alienation of the vehicle, and its effects are terminated at 24:00 hours of the date of alienation, except if such alienation is used by the policyholder in order to insure a new vehicle.

2. The policyholder shall notify the insurer, in writing, about the alienation of the vehicle, within the following 24 hours of such alienation, and enclose the provisional certificate of insurance, the certificate of civil liability or the notice-receipt and the international certificate of insurance ("green card").

3. In case of default for what is set in the previous number, the insurer is entitled to an indemnity at the same amount of the premium corresponding to the period of time elapsed from the moment of alienation of the vehicle and the year term of the insurance, with no prejudice to the effects of the contract, in term of what is set in nr. 1.

4. The parties may limit the sanction established in the previous number in terms of the effective time of duration of the default.

5. Upon notice of alienation of the vehicle to the insurer, the policyholder may request the suspension of the effects of the contract, until the replacement of the vehicle, with extension of the validity of the policy.

6. If there is no replacement of the vehicle within 120 days from the date of the request for suspension, no extension of time is granted as the contract will be considered terminated from the date of the suspension, and the premium to be returned to the insurer will be calculated according to nr 3 of the previous clause.

Clause 20
Transfer of rights

Except if otherwise agreed, the death of the policyholder will not make the contract null, and the respective heirs will succeed in the rights and liabilities according to the law.

CHAPTER V

Clause 21
Proof of Insurance

1. The following will be considered documentary proof of this present contract of insurance:
a) As for vehicles habitually used in Portugal, the international certificate of insurance (green card), the provisional certificate, the notice-receipt, or the certificate of civil liability, if valid;

b) As for vehicles habitually used outside the European Economic Space, the documents as established in the previous section and also the certificate of insurance of frontier, if valid.

2. In case of a contract whose payment of the premium is made in instalments i a number lower than three months and if the insurer has decided to automatic issue of only provisional certificates, the policyholder has the right to request an international certificate of insurance, which shall be issued within 5 working days and with no additional charges.

Clause 22
Intervention of insurance mediator

1. No insurance mediator may be authorized, on behalf of the insurer, to enter or terminate contracts of insurance, to enter or alter the obligations or validate additional statements, except for what is set in the following numbers.

2. Permission is given for entering contracts of insurance, entering or altering obligation or validating additional statements, on behalf of the insurer, to the mediator of insurance if such permission is given in writing and with definition of required powers.

3. Regardless of lack of specific powers for the effect of the part on the mediator of insurance, the insurance will be considered effective when there are reasons, objectively considered, taking into account the circumstances of the case, that justify the bona fide trust of the policyholder on the mediator, as long as the insurer has contributed for such trust the policyholder has on the mediator.

CHAPTER VI

Main Liability of the Insurer

Clause 23
Limits of Liability

1. The insurer’s liability will always be limited to the maximum amount set out in the Particular Conditions of the Policy, regardless of the number of aggrieved persons in the contingent event, and corresponds, for each moment, to at least the minimum compulsory capital.

2. Except otherwise agreed, whatever is established in the Particular Conditions:

a) When the indemnity to aggrieved person is equal or above the insurance capital, the insurer will not be charged for legal fees and expenses;

b) When the indemnity to aggrieved person is inferior, the insurer is liable to the indemnity and to the same expenses up tot the limit of the insurance capital;

Clause 24
Deductibles

1. Upon written agreement, the policyholder or the insured may be liable to part of the indemnity due to the third party, but such limitation of guarantee shall not be in opposition to the third party.

2. The insurer, in case of request for indemnity by the third party, will be totally liable to such indemnity, with no prejudice of right to being reimbursed by the liable party as in the terms of nr 1 of the applicable deductibles.

Clause 25
Plurality of insurance plans

In case of, related to the same vehicle, there are several insurance plans, firstly and for all legal effects, the insurance for sports competitions or, if this insurance does not exit, the insurance for garage worker or, in case both do not exit, the insurance of driver or, in case all three do not exit, the residual contract, entered in accordance with nr 2 of article 6 of Decree-Law 291/2007, of 21 August or, in case these four do not exit, the insurance for vehicle owner or for other obliged to have an insurance, will be the insurance to be in effect.

Clause 26
Insufficiency of capital

1. If there are many aggrieved persons from the same contingent event with the right to indemnity that, globally, exceed the amount of the insurance capital, the rights of the aggrieved persons against the insurer will be reduced proportionally up to the concurrence of that amount.

2. In case the insurer, in bona fide and unaware of the existence of other pretensions, liquidates to one aggrieved person an indemnity of a higher value than it should legally be in terms of what is set in the previous number, the insurer will not be liable to the other aggrieved person but up to the remaining amount of the insurance capital.

CHAPTER VII

Obligations and Rights of the Parties

Clause 27
Obligations of the policyholder and of the insured

1. In case of a contingent event covered by this present contact, the policyholder or the insured, under penalty of being sued by losses and damages, are obliged:

a) To give notice, in writing, to the insurer, as soon as possible, no later than 8 days from the date of the occurrence or from the date acknowledgement was made of such event, supplying all and every indication and documentary and/or material proof for a correct determination of liabilities;

b) To take all possible actions in order to avoid or limit the consequences of the contingent event;

c) To provide the insurer with all the relevant information as requested by the insurer in relation to the contingent event and the consequences.

2. The notice about the contingent event, as set in section a) of the previous number, must be given in paper with letterhead furnished by the insurer or available on the internet site, our by any other means of communication that may be used without the physical and simultaneous presence of the parties, as far as a written or recorded register of it is made.

3. The liability for losses and damages as set in No. 1 is not applicable when the insurer becomes aware of the contingent event by other means within the eight days established in respective section a), or the person in charge of giving such notice proves the impossibility of doing that in a time before the time he effectively did it.

4. The policyholder and the insured may not, under penalty of losses and damages:
a) Waive extra-judicially the claimed indemnity or advance money, without written authorization;

b) Declare, even by omission or negligence, just cause to the third party or, whenever not giving notice to the insurer of the event, declare just cause to any judicial proceeding related to the contingent event covered by the policy entered against the insurer;

c) Jeopardise the right of sub-rogation of the insurer in the rights of the insured against the third party liable to the contingent event, resultant from the coverage of the contingent event.

Clause 28
Obligation of reimbursement by the insurer for expenses due to exclusion or mitigation of the contingent event

1. The insurer will pay to the policyholder or to the insured for all the expenses incurred as a consequence of what is established in section b) of nr. 1 of the previous clause, as long as these are reasonable and proportioned expenses, even if the adopted means prove to be ineffective.

2. The expenses due by the insurer and identified in the previous number must be paid by the insurer before the date of regularization of the contingent event, when the policyholder or the insured requests the reimbursement, the circumstances do not prevent the insurer to do so and the contingent event is covered by the insurance.

3. The amount due by the insurer as established in terms of nr. 1 is deduced from the amount of insurance capital available, except if it corresponds to the expenses incurred as a consequence of compliance with the concrete determinations of the insurer or if the autonomous coverage results from the contract.

Clause 29
Obligations of the insurer

1. The insurer replaces the insured in the amicable or litigious regularization of any contingent event that, as set in this present contract, takes place during the validity of this contract, subject to direct action of the aggrieved third party or their heirs.

2. The insurer gives notice to the policyholder of the claims entered by the third party, stating that, in case of no participation in the contingent event, the policyholder will be liable to the sanction set in the final part of nr. 3, article 34 of Decree-Law 291/2007, of 21 August, or any other sanction set in the contract.

3. The insurer will provide the policyholder and the insured with all the explanations required for correct understanding of the procedures adopted in case of contingent event, making available information in writing as to the terms and types of contingent events.

Clause 30
Codes of conduct, conventions or agreements

The insurer provides information to the policyholder and to the insured about the adhesion to the code of conduct, convention or agreement set by the insurers for the regularization of contingent events, identifying the most agile procedures, the respective subscribers and further explanations for the correct understanding of its applicability.

Clause 31
Right to seek reimbursement of the insurer

Upon liquidation of indemnity, the insurer has only the right to seek reimbursement:
a) against the individual who caused the accident in a malicious way;

b) against the authors or accomplices of theft, robbery or unauthorized use of the vehicle who caused the accident, as well as the driver of the vehicle who jointly used the vehicle and was aware of the purpose of using that vehicle;

c) against the driver, when the driver caused the accident and as under the effect of alcohol in a rate above legal perdition or under the effect of drugs or toxic products;

d) against the driver, if the driver is not qualified for driving or has abandoned the aggrieved party;

e) against the one with civil liability for damages caused to the third party due to drop of loads not transported properly;

f) against the one in default of his obligation of insurance for civil liability of garage worker;

g) If the vehicle is under the protection of the garage worker, against the one with civil liability for damages caused by the use of the vehicle outside the scope the professional activity of the garage worker;

h) If the vehicle is under the protection of the garage worker, and in accordance with the right set in section b), against the individual responsible for the protection whose negligence allowed for theft, robbery or unauthorized use of the vehicle that caused the accident;

i) Against the one with civil liability for damages caused to the third party due to the use or driving of vehicles that do not comply with legal obligations of technical nature in relation to the state and conditions of safety of the vehicle, to the extent in which the accident was caused or aggravated by mal functioning of the vehicle;

j) Specially in relation to what is identified in the previous section, against the one responsible for bringing the vehicle to periodical inspection that, subordinate to the contract of insurance, has not followed the obligation for periodical presentation and the accident was caused or aggravated by mal functioning of the vehicle.

CHAPTER VIII

Bonus or Aggravations by Damages

Clause 32
Bonus or aggravation of premiums by damages

1. The bonuses for lack of damages and the aggravations by damages (bonus/malus) are ruled by the table and dispositions annexed to these General Conditions.

2. For effective regime of bonuses or aggravation, the only damage applicable is that leading to indemnity or the constitution of a provision, and in this last case, unless the insurer takes the corresponding liability.

3. In case of constitution of a provision, the insurer may suspend the attribution of bonuses during the period of up to two years, and, at the end of this period, the bonus must be returned with no prejudice in terms of tax to the policyholder, if the insurer has not taken the liability to the third party.

Clause 33
Certificate of taxation

The insurer will deliver to the policyholder a certificate corresponding to the past five years of the contract with the identification of existence or absence of damages involving civil liability caused by the vehicle or vehicles covered by the contract of insurance:

a) Whenever requested by the policyholder and within the limit of 15 days upon the request;

b) Whenever the termination of the contract is desired by the policyholder, within the period of 30 days upon notice of such desire

CHAPTER IX

Miscellaneous Dispositions

Clause 34
Communications and notices by and between the parties

1. The communications and notice by the policyholder or the insured as established in this policy will be considered valid and effective is delivered at the main office of the insurer or at its branch, as the case may be.

2. Equally valid and effective will be the communications and notices made in the terms of the previous number and sent to the address of the insurer’s representative not constituted in Portugal, in relation to damages covered by this policy.

3. The communications set in this present contract shall be in writing or delivered by other means of lasting record.

4. The insurer is only obliged to send communications as established in this present contract if the addressee is duly identified in the contract and they will be considered valid and effective if sent to the address identified in the policy.

5. For effects of what is set out in Chapter III, Title II of Decree-Law 291/2007, of 21 August, the insurer may use other means of communication to be recorded if authorized to do so in terms of the law.

Clause 35
Claims and arbitrage

1. Claims may be entered within the scope of this present contract for services by the insurer as identified in the contract as well as for the Autoridade de Supervisão de Seguros e Fundos de Pensões (www.asf.com.pt).

2. In case of litigation out of this contract, arbitrage is allowed in terms of the law.

Clause 36
Jurisdiction

The competent venue for resolution of emergent litigations in this contact is that established by civil law.

ANNEX A

System of Bonuses and Aggravation by Damages (Bonus/Malus)

Definitions

1. For effective bonuses and/or aggravation of premium, only the damages that affect, at least one of the following coverage will be considered:

- "Compulsory Civil Liability";
- "Optional Civil Liability";
- "Crash, Collision and Overturn;
- "Fire, Lightning or Explosion";
- "Theft or Robbery";
- “Vandalism”;
- “Natural Phenomena”;
- “Isolated Breakage of Glass”.

Aggravation by Damages

2. In case of damage or damages leading to indemnity or provisions as set in the terms of previous nr. 1, the base premium related to the hired coverage and identified in nr. 1 will be modified in the following year, according to the nr. 8 of the Table annexed herein.

3. In case of an attempt or consumed act of fraud, if duly proven, an aggravation of 200% will apply and will be added to previous aggravations if the case may be.

Transfer of contract between Insurers

4. In case of transfer of contracts by and between insurers, the aggravations and bonuses to be applied will be determined by the table and by rules of transfer between classes of this insurer, taking into consideration the events of damages for the past five years immediately anterior, identified in the certificate of taxation.

5. The new contract will be subject to the order corresponding to the events of damages as identified in the previous insurer and with the application of discount/aggravation as corresponding to in our Table and to be improved up to 10% absorbable during the period of the subsequent years in accordance with the rules herein set.

New Contracts

6. Whenever a bonus percentage is applied to a new contract, this percentage will be absorbed in case of damage in the first year. In case of no event of damage leading to payment or provision as established in the previous rules, the contract will proceed to the next order and keep the bonus up to the corresponding order.7. Table and Rules of aggravations

7. Insurance on a yearly fixed Premium basis depending on the damage records (Fleet Aggravation), according to the following criteria:

Damage Rate	Premium Update
<=85%	0%
from 85% up to 100%	5%
from 100% up to 120%	15%
from 120% up to 150%	45%
>150%	70%

• Damage Rate = Damage Cost (Paid + Reserves – Reimbursements) / Premium received;

• This type of insurance is characterized by the possibility to maintain the amount of insurance premium unchangeable. To achieve it, the client damages rate should maintain below 85%;

• Damages are reviewed every six months and the possible change of premiums, for damages rate above 85%, shall affect the entire policies that have been contracted from January 1, 2003;

• The damages rate assessment is based on the 12 precedent months, with the minimum period of 6 months. Such assessments are made in January and July, and detailed information about the damages rate of each fleet is sent;

• Clients having a damages rate above 85% for the first time only receive a communication. This communication aims to warn the Client for the high level of damages rate which could lead to a change in the insurance premium;

• Only fleets having damage rate above 85% in two consecutive assessment periods will have the premium updated in the second assessment period.

7.1. Insurance on a variable Premium basis per damage and per vehicle (Aggravation vehicle per vehicle), the premium aggravation is effective from the second month following the damage with responsibility and invoiced at the end of the period of insurance involved, based on the following criteria:

No damages - No change to premium

1.º- 3.º damages – 20% over the premium in force

4.º and subsequent damages -30 % over the premium in force

The referred premiums are valid despite of the driver's characteristics; no aggravations shall be applied due to age or duration of the driver license.