

MENORA MIVTACHIM INSURANCE LTD

TOP FOR APARTMENTS

Home and Contents Insurance Policy

Chapter 1 - Home Insurance	6
Chapter 2 - Additional Insurance Amount for the Apartment Building	9
Chapter 3 - Contents Insurance	10
Chapter 4 - Liability Insurance	14
• Third party liability Insurance	14
• Employers liability insurance for household employees	15
Chapter 5 - Extensions and Additional Coverage	18
• Expansion for insurance of terrorist acts	18
• Expansion for insurance of warehouse, swimming pool, gardens and auxiliary buildings that are not fixed or attached to the apartment by a permanent connection, in homes that are not apartment buildings	19
• Expansion of insurance for accidental breakage of sanitary tools, granite countertops and glass	20
• Expansion for an "all risks" insurance for the structure	21
• Expansion for an "all risks" insurance for the contents	23
• Expansion for accidental breakage insurance for stationary home electronic equipment	25
• Expansion of the insurance for third party liability in respect of accidental firing from a gun held with a license and "all risks" insurance for said gun	27
• Insurance of bicycle and/or domestic lawn mower	29
• Expansion of the insurance for garden furniture and equipment	30
• Coverage for the costs of recovery of documents	30

• Expansion for an “all risks” insurance for jewelry and valuables	30
• Expansion for an “all risks” insurance for valuables outside the geographical area	34
• Expansion of the insurance for business activity in the apartment	34
• Expansion of the insurance for certain items outside the apartment	35
• Insurance of contents of a bank safe	36
• Expansion of the insurance for a home photovoltaic device for generating electricity	37
• Expansion of the insurance for electronic equipment and computer systems	38

Chapter 6 - General Conditions for all Policy Chapters 42

Letters of Service:

• Emergency Services	55
• “Complementary Plumbing” Service	58
• “Dry Roof” Service	63
• Visiting Doctor Service	67
• Maintenance and repair services for electrical and electronic appliances	74
• Repair service for electric and solar water heaters	94

MENORA MIVTACHIM INSURANCE LTD

TOP FOR APARTMENTS Home and Contents Insurance Policy

המהדורה הקובעת הנה המהדורה שנכתבה בעברית

The determining edition is the Hebrew edition

This policy is worded in the masculine form but refers to men and women alike

Edition: August 2015

MENORA MIVTACHIM INSURANCE LTD.

Head office, 115 Allenby Road, Tel Aviv 61008

Customer Service: 1700-70-74-74 | Fax: 03-7107788

www.menoramivt.co.il | *2000

TOP FOR APARTMENTS

Home and Contents Insurance Policy

This policy is a contract between
Menora Mivtachim Insurance Ltd. (hereinafter - "the Insurer")
And
The insured whose name is specified in the specifications
(hereinafter - the "Insured")

Whereby the Insurer agrees to make indemnity payments to the Insured for on the occurrence of an insured event during the period of insurance, within the limits of liability, in consideration of payment of the insurance premiums. The insurance premiums, the insurance period and insurance amounts quoted in the specification, which constitutes an integral part of this policy.

In this policy -

- a. **"Apartment Building"** – a home registered as an apartment building in the Land Registry and a home that is not registered in such manner, provided that it contains at least two apartments.
- b. **"Family members"** - spouse, children, parents or other relatives of the Insured who live with him on a permanent basis in the apartment.
- c. **"Bank"** - a banking corporation authorized to act under the Banking (Licensing) Law, 5741 - 1981.
- d. **"Apartment"** - the apartment or home structure mentioned in the specification and whose primary use is residential, including balconies, plumbing (including gas piping), sewage and plumbing installations, heating installations, air conditioning systems, water heaters, solar water heating systems, telephone and power systems belonging to the apartment and gates, fences and paved roads belonging to the apartment and all fixed parts of the apartment or parts attached thereto in a permanent manner; and if the apartment is in an apartment building - also including the Insured's share in the common property of the apartment building and any special attachments to the apartment (including storeroom).
- e. **"Unoccupied Apartment"** - an apartment that is unoccupied for more than 60 consecutive days or not lived in regularly for more than 60 consecutive days, unless a longer period was expressly agreed and specified in the specification where only for a period exceeding the apartment shall be deemed as unoccupied, and pursuant to the terms of agreement.
- f. **"Domestic employee"** – an employee working directly under the Insured residing in the insured apartment.

Chapter 1 - Home Insurance

This chapter is in effect only if expressly stated in the specification

1. The insurance event

The insurance event is loss or damage caused to the apartment during the insurance period as a result of one or more of the risks listed below:

- a. Fire, lightning, thunder and smoke that is an unusual and irregular phenomenon;
- b. An explosion or fire;
- c. Wind exceeding 30 knots, including rain falling at the time, snow or hail, and excluding rainwater leaking through the walls or ceiling or their absorption therein;
- d. Aircraft crash, objects falling from an aircraft, supersonic boom caused by an aircraft;
- e. Contact or collision between a vehicle and the apartment;
- f. Malicious acts, excluding:
 - 1) Malicious acts committed on an unoccupied apartment;
 - 2) Malicious acts committed by the Insured or his family, or with their consent;
 - 3) Malicious acts committed by people living in the apartment with the Insured's permission or his consent;
- g. Theft, robbery, burglary, or attempted to perpetrate them, except when the apartment is unoccupied;
- h. Illegal gathering and rioting;
- i. An earthquake including a tsunami generated by an earthquake, provided that the Insured did not waive coverage against this risk, in the manner provided in Article 5a to the Supervision of Insurance Business (Conditions of a Contract to Insure Homes and their Contents) Regulations, 5746 – 1986; in respect of the deductible in damage as a result of this risk, earthquakes that occurred for 72 consecutive hours after the initial earthquake, shall be considered as a single event;
- j. A flood or flooding from an external water source excluding a tsunami as provided in paragraph (i).

The Insured may, during the proposal stage, by explicit notification that is documented by the Insurer and be specified in the specification, waive the coverage provided in paragraph (g).

2. Risks not covered

This chapter does not cover loss or damage caused by one or more of the following causes:

- a. War, enemy actions, terrorist attacks;
- b. Civil war, rebellion, military or popular uprising, revolution;
- c. Ionizing radiation, radioactive contamination, nuclear reactions, nuclear material or nuclear waste;

- d. Seizure, requisitioning, confiscation, destruction or demolition of property by the government, the military, local authority, or a person acting under the law.

2a. Calculation of the compensation

- a. Indemnity payments owed to the Insured under this chapter shall be calculated and paid according to the value of the loss or damage to the apartment, however, no payment will be made of an amount exceeding the sum of the specified in the specifications as the apartment's insurance sum, all subject to the provisions of section 2 of Chapter 6 below.
- b. The indemnity payments will be calculated in a manner that brings the Insured, to the extent possible, to the state he would have been in, had the insured event never occurred.
- c. The indemnity payments paid pursuant to this chapter, subject to the provisions of subsection (a), shall also include:
 - 1) Expenses for the services provided by architects, appraisers, building consultants, engineers and contractors, and legal costs incurred in order to repair, renovate or reconstruct the apartment or part thereof, provided that prior notice was given to the Insurer.
 - 2) Expenses for clearing the debris, cleaning the apartment, its plastering and re-connecting to the electricity, telephone, water, gas and sewage systems.
 - 3) Compensation for loss of income from rent of the apartment or rental expenses for the purpose of the residence of the Insured and his family, as long as the apartment is not suitable for living as determined by a licensing engineer, as defined by the Engineers and Architects Law, 5718 – 1958 (hereinafter - the Engineers and Architects Law); compensation under this paragraph shall be calculated as customary rent for an apartment similar to the apartment insured under this policy, for a maximum period of 12 months, commencing on the date of occurrence of the insured event, or a maximum amount not exceeding 15% of the insurance amount, the lower of the two, even if the total compensation exceeds the amount of apartment's insurance; payment for rental costs under this section is contingent on reasonable evidence that the rent for the alternative place of residence was indeed spent in practice.

2b. Non-applicability of underinsurance

Article 60 of the Insurance Contract Law, 5741 – 1981 (hereinafter - the Insurance Contract Law), shall not apply to this chapter.

3. Expansion of the insurance for water damage and damage from other liquids to the apartment

- a. If expressly stated in the specifications, this chapter will be expanded to also include coverage for loss or damage first discovered during the insurance period and caused to the apartment structure, as a

result of escape or leakage of water or any other liquid from the plumbing and heating installations of the apartment or of another property in the apartment building, including splitting, blockage or overflowing of water heaters and piping, but not:

- 1) cost of the water.
 - 2) wear, corrosion and rust caused to water heaters, pipes and plumbing installations themselves.
 - 3) loss or damage caused when the apartment was unoccupied.
- b. Pursuant to paragraph (a) above, in respect of damage from “another property in the apartment building”, unless expressly stated otherwise in the specification, the coverage is limited to only one event during the insurance period.

c. Indemnity payments

Pursuant to the provisions of section 1 in Chapter 6 – General conditions for all chapters of the policy, upon the occurrence of an insured event to the apartment, the Insurer may compensate the Insured by way of repair, according to one of the two options listed below, as elected by the Insured and as noted on the proposal form:

Option A: Repair the damage through a service provider – in the event the Insured selected the option of repairing the damage to the apartment through a service provider whose name is indicated in the specification, the Insured shall give immediate notice to the service provider, and the repair will be carried out by the service provider.

Option B: Repair the damage through a plumber at the Insured’s discretion – in the event the Insured selected the option of repairing the damage to the apartment through a plumber of his choice, he will be entitled to make the repairs using a plumber he selected, and submit a claim for indemnification for the costs of the repair, provided that he allow the Insurer to inspect the damage before its repair.

Chapter 2 - Additional Insurance Amount for the Apartment Building

This chapter is in effect only if expressly stated in the specification

1. The insurance event

The insurance event is damage to an apartment in the apartment building, which is owned by the Insured or leased to him in a long term lease, as a result of an earthquake risk as provided in section 1(i) of Chapter 1 - Home Insurance, at a rate no less than 70% of the amount of insurance of the apartment, as specified in the specification, and according to the determination of a real estate appraisers, as defined in the Real Estate Appraisers Law, 5761 – 2001, or a registered engineer, as defined in the Engineers and Architects Law, as applicable, or if a result of the damage caused as stated above, a demolition order is issued to the apartment building.

2. Calculation of the compensation

- a. After the occurrence of an insurance event, the indemnity payments owed to the Insured under this chapter shall be calculated and paid according to the amount of additional insurance mentioned in the specification, all subject to the provisions of section 2 of Chapter 6 below.
- b. The amount of the additional insurance will be equal to 100% at least of the insurance amount specified in the policy specification.

3. Non-applicability of underinsurance

Article 60 of the Insurance Contract Law shall not apply to this chapter.

Chapter 3 - Contents Insurance

This chapter is in effect only if expressly stated in the specification

In respect of this policy, "contents" shall mean – any thing and any object found in the apartment, that is owned by, in the possession of or under the responsibility of the Insured or his family members and with the exception of:

- a. Motor vehicles, caravans, trailers, vessels and aircraft;**
- b. Animals;**
- c. Securities, bonds, share certificates, accompanying documents;**
- d. Contracts, liability documents, deeds of sale, papers and documents of all kinds;**
- e. Gold, silver or precious metal, when in raw state, diamonds and precious stones that are not part of piece of jewelry;**
- f. Weapons, ammunition and explosives;**
- g. Manuscripts, plans, sketches, drawings, models, patterns;**
- h. Financial records and other businesses records;**
- i. Equipment and inventory used only for business purposes, unless otherwise specified in the specification;**
- j. Checks, traveler's checks, postal orders, promissory notes and bills of all kinds, airline tickets, cruise tickets, credit cards and lottery tickets.**
- k. Things or objects found in the garden, in the stairwell, on fences or paved roads that are part of the apartment, provided they are not usually to be found outside the apartment; Coverage under this section for the things or objects which are usually found outside the apartment will be limited to 2% of the contents insurance;**

1. The insurance event

The insurance event is loss or damage caused to the contents during the insurance period as a result of one or more of the risks listed below:

- a. Fire, lightning, thunder and smoke that is an unusual and irregular phenomenon;**
- b. An explosion or fire;**
- c. Wind exceeding 30 knots, including rain falling at the time, snow or hail, and excluding rainwater leaking through the walls or ceiling or their absorption therein;**
- d. Aircraft crash, objects falling from an aircraft, supersonic boom caused by an aircraft;**
- e. Contact or collision between a vehicle and the apartment;**
- f. Malicious acts, excluding:**
 - 1) Malicious acts committed on an unoccupied apartment;**
 - 2) Malicious acts committed by the Insured or his family, or with their consent;**

- 3) Malicious acts committed by people living in the apartment with the Insured's permission or his consent;
- g. Theft, robbery, burglary, or attempted to perpetrate them, except:
 - 1) When the apartment is unoccupied;
 - 2) Business contents when the apartment is not used for residential purposes only;
 - 3) If committed by a member of the family of the Insured or by a person living in the apartment with the Insured's permission or his consent;
 - 4) Contents found on an open terrace, a roof or a floor on the ground floor and is not usually to be found outside the apartment;
- h. Illegal gathering and rioting;
- i. An earthquake including a tsunami generated by an earthquake, provided that the Insured did not waive coverage against this risk, in the manner provided in Article 5a to the Supervision of Insurance Business (Conditions of a Contract to Insure Homes and their Contents) Regulations, 5746 – 1986; in respect of the deductible in damage as a result of this risk, earthquakes that occurred for 72 consecutive hours after the initial earthquake, shall be considered as a single event;
- j. A flood or flooding from an external water source excluding a tsunami as provided in paragraph (i).

The Insured may, during the proposal stage, by explicit notification that is documented by the Insurer and be specified in the specification, waive the coverage provided in paragraph (g) or for items stated in sections 5 (h) and 5 (i) below, in whole or in part;

2. Risks not covered

This chapter does not cover loss or damage caused by one or more of the following causes:

- a. War, enemy actions, terrorist attacks;**
- b. Civil war, rebellion, military or popular uprising, revolution;**
- c. Ionizing radiation, radioactive contamination, nuclear reactions, nuclear material or nuclear waste;**
- d. Seizure, requisitioning, confiscation, destruction or demolition of property by the government, the military, local authority, or a person acting under the law.**

3. Calculation of the compensation

- (1) Indemnity payments owed to the Insured under this chapter shall be calculated and paid according to the value of the loss or damage; however, no payment will be made of an amount exceeding the sum of the specified in the specifications as the content's insurance

sum, all subject to the provisions of section 2 of Chapter 6 below. The indemnity payments due to the loss of damage to several items shall not exceed the amount specified in the specifications, if specified, as the insurance amount of the items.

- (1) The indemnity payments will be calculated in a manner that brings the Insured, to the extent possible, to the state he would have been in, had the insured event never occurred.
- (3) The indemnity payments paid shall also include loss or damage to the clothing and personal belongings of the Insured's household employees when found in an apartment in an amount not exceeding 5% of the insurance amount in respect of contents.

4. Underinsurance

In the event that at the time of execution of the insurance contract, the amount of contents insurance is lower than value of the contents by 15% or less, the Insurer's liability shall go down by the relative rate equal to the ratio between the amount of insurance and the value of the contents at the time of execution of the contract; any item has a separate insurance amount set for it in the specifications, is subject to this condition separately; This provision shall not apply to the liability limits set out in the policy or in the event the contents insurance amount is determined by the Insurer or anyone on his behalf.

5. Limitation of liability of the Insurer concerning specific content items

If special insurance amounts for the content items listed below are not explicitly mentioned in the specification, the indemnity payments for loss or damage for each of them will be up to the following amounts:

- (2) Cash or gift certificates - **up to 0.5% of the contents insurance amount;**
- (b) Money - **up to 10% of the contents insurance amount;**
- (c) Sculptures, photographs, works of art, antiques and collections of historical, scientific or artistic value - **up to 10% of the contents insurance amount;**
- (d) Carpets - **up to 10% of the contents insurance amount;**
- (e) Furs - **up to 10% of the contents insurance amount;**
- (f) Stamp collection - **up to 5% of the contents insurance amount;**
- (g) Coins collection - **up to 5% of the contents insurance amount;**
- (h) Jewelry and gold - **up to 10% of the contents insurance amount;**
- (i) Wristwatches - **up to 10% of the contents insurance amount.**

The amounts of the items in sections a through i, if they are within the limits specified in each of them, shall not be subject to Article 60 of the Insurance Contract Law.

6. Coverage for part of the contents outside the apartment

- (a) clothing, jewelry and personal items of the Insured and his family, will be covered when outside the apartment, against the risks included in this section, except for the risk of theft, but not when they are located in any vehicle, or when they are outside to Israel.
- (b) Compensation under this section is limited to 5% of contents insurance amount.

7. Water damage insurance for contents

- (a) If expressly stated in the specifications, this chapter will be expanded to also include coverage for loss or damage first discovered during the insurance period and caused to the contents, as a result of escape or leakage of water or any other liquid from the plumbing and heating installations of the apartment or of another property in the apartment building, including splitting, blockage or overflowing of water heaters and piping, but not:
 - (1) cost of the water.**
 - (2) wear, corrosion and rust caused to water heaters, pipes and plumbing installations themselves.**
 - (3) loss or damage caused when the apartment was unoccupied for more than 60 days.**
- (b) Pursuant to paragraph (a) above, in respect of damage from "another property in the apartment building", unless expressly stated otherwise in the specification, the coverage is limited to only one event during the insurance period.

Chapter 4 - Liability Insurance

This chapter is in effect only if expressly stated in the specification

a. Third Party Liability Insurance
Coverage is in effect only if expressly stated in the specification.

1. The insurance event

An insurance event is the liability of the Insured or his family, including his household employees, to pay a third party in accordance with the Torts Ordinance [New Version], subject to the limits of liability stated in the specifications due to an accident that occurred in Israel or in the "territories" as defined in the Law for Amending and Extending the Validity of Emergency Regulations (Judea and Samaria – Jurisdiction in Offenses and Legal Aid), 5767 – 2007, and causing:

- (a) death, illness, injury, physical impairment, mental deficiency or mental impairment;
- (b) the damage or loss to the property of a third party.

2. Handling of claims

- (a) The Insurer may, and at the request of a third party – he is obliged to, pay the third party the indemnity payments which the Insurer owes the Insured, and provided that the Insured was notified in writing as provided in subsection (b), and the Insured did not object to as specified in said section; However, any argument the Insured may have against the Insured he shall also have against third parties.
- (b) In the event that a third-party demanded from the Insurer indemnity payments under subsection (a), the Insurer shall inform the Insured in writing within 7 business days of the demand of such demand and that unless the Insured shall note his objection to the payment of the indemnity within 30 days, the Insurer will pay the third party the indemnity payments he owes the Insured, if he is obliged to make them.
- (c) The Insurer may take upon itself or manage on behalf of the Insured the defense in all claims and the Insured will give the Insurer, at its request, the assistance required for the Insurer to settle the claim of any third party.
- (d) In the event of a claim or claims against the Insured arising from one insurance event or a series of events that can be attributed to one source or one cause, and are covered under this chapter of the policy, the Insurer may pay the Insured the full insurance amount under this chapter, and after such payment the Insurer shall be exempt from the management

of the said claim or claims and the Insurer shall not bear any further liability in connection therewith, except for court costs determined by a court or reasonable expenses incurred in connection with these claims.

3. Coverage of legal expenses

In the event of a claim for indemnity payments under this chapter, the Insurer shall bear reasonable legal expenses the Insurer must incur due to his liability, even beyond the limit of liability under this chapter.

4. Exclusions to liability towards third parties

The Insurer will not be liable to indemnify the Insured due to an amount levied upon him or incurred by him if the cause of which is due to one of the following:

- (a) Liability towards employees where there is between them and the Insured an employer-employee relationship;**
- (b) Damage caused to the family of the Insured or to a household employee of the Insured;**
- (c) The Insured's liability towards a third party related directly to the profession or occupation of the Insured, unless coverage for this activity has been explicitly noted in the specification;**
- (d) The Insured's professional liability or liability arising from products manufactured, handled, marketed or maintained by the Insured as part of any business activity;**
- (e) A vehicle as defined in the Compensation of Victims of Traffic Accidents Law, 5735 – 1975, a crane, lifting apparatus, aircraft, watercraft, motorized vessels used for travel;**
- (f) The use of weapons;**
- (g) Animals that are not domestic pets, a dangerous dog or dangerous breed, as defined by Supervision and Regulation of Dogs Law, 5763 – 2002;**
- (h) Use of a swimming pool that contains a filtration system, jacuzzi or sauna outside the apartment structure, unless otherwise specified in the specification;**
- (i) Performance of works in the apartment by a professional and the duration of work exceeds two weeks from the start of actual work;**
- (j) Claims filed against the Insured in a court outside Israel's borders.**

5. Non-applicability of underinsurance

Article 60 of the Insurance Contract Law shall not apply to this chapter.

b. Employers liability insurance for household employees

Coverage is in effect only if expressly stated in the specification.

1. The insurance article

The **Insurer** will indemnify the **Insured** under this chapter, up to the **limits of the Insurer's liability for the insurance event and the insurance period**, in respect of amounts which the Insured shall be obliged to pay to any of his household employees as compensation under **law**, due to an **insured event** that occurred during the **insurance period** specified in the **specification**, subject to the **policy's** conditions and restrictions, including deductibles. In addition, the **Insurer** will indemnify the **Insured** for all reasonable legal costs, in the defense against a claim for compensation for an **insured event** and even exceeding the limit of liability.

2. Definitions

- a. The Law – the Torts Ordinance (New Version), 5728 – 1968.
- b. Insurance event – physical, emotional or mental harm or death resulting from an accident or illness to one or more employees of the Insured's household, in the direct service of the Insured and receiving payment from him, which occurred during or because of his work in the insured apartment.
- c. Reasonable legal expenses -
 - (1) reasonable expenses, necessary for defense against the claim, minus the deductible.
 - (2) reasonable litigation expenses, necessary for defense against investigative procedures, minus the deductible.
- d. Limits of liability – the amounts noted in the specification as limits of liability per insurance event, and for the insurance period, in respect of this chapter.

3. Exclusions

The Insurer will not be liable under this chapter for:

- (1) An undertaking or liability the Insured or a family member assumed according to an agreement, unless such an undertaking or liability was imposed on the Insured even in the absence of such an agreement.**
- (2) Any amount demanded from the Insured by the National Insurance Institute.**
- (3) Any amount the payment of which is imposed on him by the National Insurance Institute for on insurance event and which he paid, or that was imposed on him by the National Insurance Institute but was not paid due to non-compliance with a provision or provisions of the National Insurance Law (Consolidated Version), 5728 – 1968 (hereinafter: the "National**

Insurance Law”) or its regulations or because the claim was not served to him at all.

- (4) Any amount, the Insured will be obliged to pay due to an Insured event within the framework of this policy to compensate an employee, in respect of which the Insured is not required to pay national insurance benefits or the National Insurance Institute will not recognize as an occupational accident. In such cases, the Insurer shall compensate the Insured for such claims only in excess of what might have been paid by the National Insurance Institute in accordance with the National Insurance Law.
- (5) Any liability in respect of youth employed against the laws and/or regulations concerning the employment of youth, or not in accordance with them.
- (6) Any liability whose insurance is mandated under any law for the use of a motor vehicle and/or any liability insured under compulsory motor vehicle insurance, including bodies and institutions that are exempt from the obligation of insurance pursuant to the Motor Vehicle Insurance Ordinance [New Version].
- (7) Liability for the use of a scooter of any kind.
- (8) Liability for the use of bicycles and/or scooters and/or all auxiliary motors.
- (9) Silicosis or asbestosis.
- (10) An insurance event the occurred to an employee of the Insured who is not a household employee, but is employed by the Insured for the purpose of the Insured’s business in the apartment, unless an expansion was purchased for business activities in the apartment.
- (11) Liability for gross negligence of the Insured accompanied by a mental element of recklessness that caused or contributed to the occurrence of the Insured event.
In this regard, “gross negligence” means: a serious deviation from the standard of care of a reasonable Insured.

Chapter 5 - Extensions and Additional Coverage

Definitions

Regarding this policy the following terms shall have the meaning set forth alongside them:

- a. **"Geographical area"** – the territory of the State of Israel or the "territories" as defined in the Law for Amending and Extending the Validity of Emergency Regulations (Judea and Samaria – Jurisdiction in Offenses and Legal Aid) – 2007.

1. Expansion for insurance of terrorist acts

This coverage is in effect only if expressly stated in the specification.

a. The insurance event

If expressly stated in the specification, if coverage was purchased under Chapter 1 and/or Chapter 3, the coverage in respect of the chapters that were purchased will be expanded to include compensation for loss or physical damage caused directly or indirectly to the Insured's property, as defined below, when in the apartment, as a result of a terrorist act.

b. Definitions

- (1) **"Terrorism"** - sabotage or action detrimental to the Insured property committed with violence for political ends, or for the purpose of intimidating the public or in part by a person or body of persons, whether they are acting on behalf of or in connection with any organization, and whether or not, hostile to the State of Israel and due to this hostility.
- (2) **"The insured property"** - the apartment structure if insured under Chapter 1 - Home Insurance, or the contents if insured under Chapter 3 - Contents Insurance.
- (3) **"The Law"** - the Property Tax and Compensation Fund Law, 5721 – 1961 and its regulations.
- (4) **"Physical Damage"** - tangible damage to Insured property. For the avoidance of doubt, it is hereby clarified that physical damage does not include any kind of depreciation and inability to use.

c. Prerequisite for the Insurer's liability

A prerequisite for the Insurer's liability under this chapter is the existence of explicit approval of the Israel Police

or the Ministry of Defense or the Director of the Property Tax and Compensation Fund as defined by law on all of its amendments, confirming that the damage was caused directly by an act of terrorism as defined in the law.

d. Indemnity payments

Indemnity payments payable to the Insured for an insurance event covered under this chapter shall be as specified below:

- (1)** Coverage under this Chapter shall be for the amount of excess damage, above the amount of compensation that the Insured is entitled to receive under the Law.
- (2)** For the avoidance of doubt, the Insurer shall not be responsible for any amount the Insured is entitled to under the Law that has not been paid to the Insured by the Property Tax and Compensation Fund, due to failure to comply with any provision of the Law or because the claim was not submitted to the Property Tax and Compensation Fund.
- (3)** The total indemnity payments payable under this part shall not exceed the total amount of insurance specified in the specification in respect of this chapter.

e. Exclusions

This chapter does not cover loss or damage:

- (1)** Caused or resulting from requisition, confiscation or seizure of the Insured property or the premises in which it is located.
- (2)** Consequential of any kind, except as stated in the policy regarding the loss of rent or rent expenses for residential purposes due to the insured event.
- (3)** Incurred due to an insurance event arising from or caused, directly or indirectly by use of chemical, biological or nuclear materials.
- (4)** That is glass or windows breakage, if only these were damaged.

f. The remaining terms of coverage according to these chapters, if purchased, will continue to apply.

2. Expansion for insurance of warehouse, swimming pool, gardens and auxiliary buildings that are not fixed or attached to the apartment by a permanent connection, in homes that are not apartment buildings

This coverage is in effect only if expressly stated in the specification.

- a. If this expansion was purchased and noted explicitly in the specification**, and subject to the following terms, coverage under Chapter 1 is expanded to also include coverage for loss or damage to a warehouse, swimming pool and other auxiliary buildings that are not fixed or attached to the apartment in a permanent manner, including damage to the irrigation system, trees, shrubs, plants and lawns, as a result of one or more of the risks listed below:

- (1) fire, lightning, explosion.
- (2) aircraft crash, falling objects from an aircraft.
- (3) the collision of a vehicle, **unless the vehicle is driven by the Insured or his family member.**
- (4) earthquake, including a tsunami generated by an earthquake, **if coverage was purchased for earthquake risks under Chapter 1- Home Insurance, and it was stated in the specification.**

- b.** The maximum amount the **Insurer** will pay as indemnity payments according to this expansion **shall not exceed a maximum of 0.5% of the home insurance amount**, per insurance event, and **shall not exceed a total of 2% of the home insurance amount** under Chapter 1 - Home Insurance, for the total **insured events** during the insurance period, **unless explicitly stated otherwise in the specification.**

c. Exclusions

Loss or damage to the pool plumbing, furnace room/ machines and all damage caused by the pool plumbing is not covered under this policy.

For the avoidance of doubt, pipelines transporting liquids from the furnace room/ machinery to and from the pool, and from the furnace room/ machinery to the apartment and from it, is covered.

3. Expansion of insurance for accidental breakage of sanitary tools, granite countertops and glass

This coverage is in effect only if expressly stated in the specification.

a. The insurance event

Loss or damage as a result of accidental breakage to:

- (1) Glass affixed in any windows, doors and frames, including mirrors.
- (2) Baths, toilets, washing basins, sinks and granite countertops in the kitchen and baths, constituting part of the **apartment.**

b. Definitions

"Breakage" - running throughout the entire thickness of the item insured.

c. The insurance amount

- (1) The indemnity payments, **including assembly and installation of the lost or damaged property**, shall not exceed the insurance amount for this coverage.
- (2) The maximum amount the **Insurer** will pay as indemnity payments according to this coverage shall not exceed a maximum of **1% of the home insurance amount**, per insurance event, and **shall not exceed a total of 2% of the home insurance amount** under Chapter 1 - Home Insurance, for the total **insured events** during the insurance period, **unless explicitly stated otherwise in the specification**.
- (3) The Insurer's liability for loss or damage covered under this expansion is on the basis of first loss.

d. Exclusions

According to this expansion, coverage does not include compensation for:

- (1) **loss of or damage to frames, inlays, coatings, decorations and inscriptions of any kind.**
- (2) **damage to cracked or defective property item.**
- (3) **transfer or evacuation expenses.**
- (4) **an insured event caused by a malicious act of the Insured or his family or anyone living in an apartment with their consent, including with their assistance or permission.**
- (5) **an insurance event caused directly by a process of repair or renovation.**

4. Expansion for an "all risks" insurance for the structure

This coverage is in effect only if expressly stated in the specification.

a. The insurance event

Loss or **accidental physical damage** for any reason, which occurred during the **insurance period**, to the insured property in accordance with Chapter 1, unless expressly excluded in the exclusions section below.

Regarding this coverage, **"physical damage"** means tangible damage to Insured property. For the avoidance of doubt, it is

hereby clarified that physical damage does not include any kind of depreciation and inability to use.

b. The insurance amount

- (1) The amount of insurance for this coverage shall stand at 20,000 ILS per event and per insurance period, unless stated otherwise in the specification.
- (2) The Insurer's liability for loss or damage covered under this expansion is on the basis of first loss.

c. Exclusions

This expansion does not cover:

- (1) **damage resulting from displacement and/or land subsidence and/or flaws in the design and/or construction and/or poor workmanship.**
- (2) **damage caused during or due to cleaning, renovation, repair or painting.**
- (3) **scratches and/or splitting of coating/ cladding.**
- (4) **consequential damage.**
- (5) **damage as a result of malicious acts committed by the Insured or his family, or with their consent;**
- (6) **a covered insured event or for which coverage could have been purchased under another chapter and/or expansion of this policy.**
- (7) **damage due to moth, insects, worms, scale insects, rodents (including by scratch, bite or gnawing), moisture, gradual destruction, atmospheric or climatic factors of gradual effect, depreciation, wear and tear, rust.**
- (8) **loss or damage as a result of breach of trust, fraud, dishonesty and deceit.**
- (9) **structural damage to the apartment belonging to a business activity.**
- (10) **breakage (including cracks) of: glass, toilets, sinks, marble countertops and ceramics, and the like.**
- (11) **breakdown of a mechanical and/or electrical and/or electronic system, etc., including a computerized system for a "Smart House".**
- (12) **damage to the pool and/or jacuzzi and/or sauna and their attachments.**
- (13) **damage due to leakage of rainwater through the walls or ceiling or their absorption in them;**

- (14) damage due to malicious actions perpetrated in an unoccupied apartment;
- (15) damage due to malicious acts committed by the Insured or his family, or with their consent;
- (16) loss due to malicious acts committed by people living in the apartment with the Insured's permission or with his consent;
- (17) damage due to theft, robbery, burglary, or attempts to perpetrate them, when the apartment is unoccupied;
- (18) damage due to war, enemy actions, terrorist attacks;
- (19) damage due to civil war, rebellion, military or popular uprising, revolution;
- (20) damage resulting from ionizing radiation, radioactive contamination, nuclear reactions, nuclear material or nuclear waste;
- (21) damage due to the seizure, requisitioning, confiscation, destruction or demolition of property by the government, the military, local authority, or a person acting under the law.

5. Expansion for an "all risks" insurance for the contents

This coverage is in effect only if expressly stated in the specification.

a. The insurance event

Loss or **accidental physical damage** for any reason, which occurred in the **apartment** during the **insurance period**, to the insured contents in accordance with Chapter 2, unless expressly excluded in the exclusions section below.

Regarding this coverage, "physical damage" means tangible damage to Insured property. For the avoidance of doubt, it is hereby clarified that physical damage does not include any kind of depreciation and inability to use.

b. The insurance amount

- (1) The amount of insurance for this coverage shall stand at 20,000 ILS per event and per insurance period, unless stated otherwise in the specification.
- (2) The Insurer's liability for loss or damage covered under this expansion is on the basis of first loss.

c. Exclusions

This expansion does not cover:

- (1) a covered insured event or for which coverage could

have been purchased under another chapter and/or expansion of this policy.

- (2) direct damage of mechanical failure or electrical or electronic malfunction.
- (3) scratches or cracking of coating of furniture or household refrigerators or any coatings, including enamel coatings.
- (4) damage caused during or due to cleaning, renovation, repair or painting.
- (5) damage due to moth, insects, worms, scale insects, rodents (including by scratch, bite or gnawing), moisture, gradual destruction, atmospheric or climatic factors of gradual effect, depreciation, wear and tear, rust.
- (6) damage resulting from displacement and/or land subsidence and/or flaws in the design and/or construction and/or poor workmanship.
- (7) damage to eyeglasses, contact lenses, hearing aids and dentures.
- (8) damage cell phones and their accessories, including devices that include cell phones, handheld devices and satellite navigation devices, tablets, laptops and the like.
- (9) consequential damage.
- (10) damage due to malicious acts committed by the Insured or his family, or with their consent;
- (11) damage to contents belonging to the business activity in the apartment.
- (12) damage to jewelry, cameras, camera lenses, film cameras, musical instruments and/or other valuables.
- (13) damage as a result of breach of trust, fraud, dishonesty and deceit.
- (14) breakage (including cracks) of: glass, toilets, sinks, marble countertops and ceramics, and the like.
- (15) breakdown of a mechanical and/or electrical and/or electronic system, etc., including a computerized system for a "Smart House".
- (16) loss or damage as a result of malicious acts perpetrated when the apartment is unoccupied;
- (17) loss or damage as a result of malicious acts perpetrated by people living in the apartment with the Insured's permission or with his consent;

- (18) damage due to theft, robbery, burglary or attempts to perpetrate them when the apartment is unoccupied;
- (19) damage due to theft, robbery, burglary or attempts to perpetrate them if committed by a member of the family of the Insured or by a person who lives in the apartment with the Insured's permission or with his consent;
- (20) damage due to theft, robbery, burglary or attempts to perpetrate them, to contents found in an open terrace, a roof or a floor on the ground floor and are not usually to be found outside the apartment;
- (21) damage due to leakage of rainwater through the walls or ceiling or the absorption in them;
- (22) damage due to the war, enemy actions, terrorist attacks;
- (23) damage due to the civil war, rebellion, military or popular uprising, revolution;
- (24) damage resulting from ionizing radiation, radioactive contamination, nuclear reactions, nuclear material or nuclear waste;
- (25) damage due to the seizure, requisitioning, confiscation, destruction or demolition of property by the government, the military, local authority, or a person acting under the law.

6. Expansion for accidental breakage insurance for stationary home electronic equipment

This coverage is in effect only if expressly stated in the specification.

a. The insurance event

Accidental breakage to home electronic equipment items, which by its nature is stationary only, for non-professional use, as follows: televisions, plasma screens LCD, etc., sound systems, VCRs, tape recorders, personal computer, printer, scanner, fax machine, DVD and projectors, belonging to the **Insured** and that are part of the **insured contents of the apartment**, provided that the damage occurred when located in the Insured apartment.

b. This coverage does not include:

- 1. damage caused by or as a result of mechanical or electrical breakage or mechanical or electrical malfunction and electricity damage including an electrical short circuit or high voltage.
- 2. damage to plasma screens, LCD, and TVs over 50" and/

or an overhead projector, unless stated otherwise in the specification.

3. damage to cathode-ray tube and other tubes, being out of the TV set.
4. damage to the magnetic head of a video system and printer print heads.
5. damage to records, CDs, tapes, disks and drives of any type and any type of means of storage, including information stored on them.
6. damage to electrical appliances that are mobile or movable of any kind or are for professional use.
7. due to moth, insects, worms, scale insects, rodents, moisture, rust, decay, gradual wear and the effect of normal climatic conditions.
8. loss of or damage during or due to assembly, construction, repair or dismantling of the insured property.
9. data recovery.
10. consequential damage.
11. damage resulting from an act of malice by the Insured or his family or anyone living in an apartment with the Insured's permission or consent.
12. depreciation, wear and tear.
13. impairment.

c. Indemnity payments

1. The maximum amount the **Insurer** will pay as indemnity payments under this coverage **shall not exceed 10,000 ILS per item, unless otherwise expressly stated in the specifications.**
2. The indemnity payments under this expansion will be calculated as follows:
 - (a) in respect of appliances whose age on the date of the **insured event** is five years or less - the indemnity payments will be calculated according to the **replacement value** or based on the **indemnity value**, at the election of the Insured regarding the contents coverage under Chapter 3 of this policy.
 - (b) in respect of appliances whose age on the date of the **insured event** is over 5 years, the indemnity payments will be calculated according to the **indemnity value**.

For the purpose of this section, **"indemnity value"** - the actual value of the assets upon the occurrence of the **insured event** taking into account wear and tear and subject to the terms of this **policy**.

7. Expansion of the insurance for third party liability in respect of accidental firing from a gun held with a license and "all risks" insurance for said gun

This coverage is in effect only if expressly stated in the specification.

a. Definitions

- (1) **"The Insured"** – the person whose details are noted in the specification as the Insured person according to this coverage, who upon the occurrence of the insurance event held the insured gun.
- (2) **"The Insured Gun"** - a private gun held by the Insured with a valid license, whose information and license details are noted in the specification.

7a. Insurance for third party liability in respect of accidental firing from a gun

- a. Subject to the conditions and exclusions set forth in Chapter 4a – Third Party Liability, and subject to the deductible in respect of this expansion, the exclusion specified in section 4(f) of Chapter 4a shall be restricted, so that Chapter 4a shall be expanded to cover third party liability in respect of an accidental event of unintentional firing of the Insured Gun, when held by the Insured during the insurance period and within the geographic area, causing:

- (1) **physical harm, death, illness, injury or physical, emotional or mental harm except for harm to the Insured's family and/or his household employees.**
- (2) **damageto property, except for property owned by the Insured or under the Insured's responsibility and/or his family members and/or household employees;**

b. Deductible

The amount which the Insured will bear out of the indemnity payments and expenses for the settlement of claims and legal costs to be paid by the Insurer according to this expansion.

c. Maintaining safety conditions

The Insured must comply with all the provisions of the law applicable to the maintenance, preservation and use of weapons, including those in the license to carry a gun, and he must take reasonable measures to prevent the insurance event.

7b. "All risks" insurance for the insured gun

- a. The insurance event:** loss or **accidental physical damage** for any reason, to the **insured gun**, which occurred in the **geographical area**, during the **insurance period**, unless expressly excluded in the exclusions section below.

Regarding this coverage, "**physical damage**" means tangible damage to Insured property. For the avoidance of doubt, it is hereby clarified that physical damage does not include any kind of depreciation and inability to use.

b. Indemnity payments

Indemnity payments will be equal to the repair cost - in case of partial damage, or according to the market value of the gun according to indemnity value - in case of full damage, in no event more than the gun's insurance amount, **as noted in the specification**.

For the purposes of this section "indemnity value" - the actual value of the assets upon the occurrence of the **insured event** taking into account wear and tear and subject to the terms of this **policy**.

c. Exclusions

The Insurer shall not be responsible for:

- 1. damage caused directly or indirectly by or resulting from: gradual damaging, moisture, rust, atmospheric or climatic factors, breakage of any kind, cleaning, repair or renovation.**
- 2. any and all damages resulting from the Insured's compliance with all the provisions of the law applicable to the maintenance, preservation and use of weapons, including those in the license to carry a gun.**
- 3. damage the gun's mechanism.**
- 4. damage due to an act of malice or criminal act of the Insured or anyone on his behalf.**

d. Deductible

The Insured shall bear the deductible as noted in the specification, for any damage to the gun, covered under all risks covered according to this section.

e. Police notification

The Insured shall notify the police in any case of loss of the gun.

8. Insurance of bicycle and/or domestic lawn mower

This coverage is in effect only if expressly stated in the specification.

a. The insurance event

Loss of or physical damage within the **geographical area**, to a bicycle and/or domestic lawn mower, belonging to the **Insured** or to a member of his **family**, due to one or more of the following risks:

- (1) accidental damage to the bicycle and/or lawnmower.
- (2) theft of the bicycle and/or lawnmower in its entirety.

Regarding this coverage, "**physical damage**" means tangible damage to Insured property. For the avoidance of doubt, it is hereby clarified that physical damage does not include any kind of depreciation and inability to use.

b. Exclusions

Coverage under this section shall not apply to:

- 1. during transport, when the bike is not being led through a standard car installation, properly tied and secured.**
- 2. bicycle with an auxiliary motor of any kind and electric bicycles.**
- 3. damage to the tire/s only.**
- 4. Theft of bicycle parts and/or of lawn mower parts.**
- 5. damage arising from the use of bicycles during racing, competition, loan or rental.**
- 6. natural wear and tear, depreciation and amortization or any type of breakdowns.**
- 7. lawnmower operated by a driver.**
- 8. bicycle and/or lawnmower that do not belong to the Insured or his family.**
- 9. malicious actions to the bicycles and/or lawnmower caused by the Insured or his family or by a person who lives in an apartment with the Insured's permission or with his consent.**

c. The insurance amount

The maximum amount the **Insurer** will pay as indemnity payments under this coverage **shall not exceed 3,000 ILS**, for all **insured events** during the insurance period, **unless expressly stated otherwise in the specifications.**

9. Expansion of the insurance for garden furniture and equipment

This coverage is in effect only if expressly stated in the specification.

- a. The **policy** is expanded to cover damage to garden furniture and equipment and portable storage contents owned by the Insured when on the **Insured's** premises situated outside the **apartment**, as a result of the **risks of fire, lightning and explosion alone**.
- b. The maximum amount paid by the **Insurer** for this expansion shall not exceed 5% **of the contents insurance amount – Chapter 3, unless stated otherwise in the specification**.

10. Coverage for the costs of recovery of documents

This coverage is in effect only if expressly stated in the specification.

- a. **If expressly stated in the specification**, the policy will be expanded to cover reasonable and necessary expenses incurred in practice by the **Insured** or his **family**, to recover personal documents and certificates that were damaged due to an **insured event** covered under Chapter 3 of this policy.
- b. The maximum amount paid by the **Insurer** for this expansion for the entire **insurance period** shall not exceed 2% of the insurance sum for Chapter 3 or 7500 ILS, the lower of the two.

11. Expansion for an "all risks" insurance for jewelry and valuables

This coverage is in effect only if expressly stated in the specification.

a. The insurance event

- (1) physical damage or loss caused to **jewelry and other valuables** belonging to the **Insured** or to a member of his **family**, when they are located in the apartment or temporarily outside it, within the **geographic area**, in respect of which detailing, including their value and their descriptions is noted in the **specification** and the valuation prepared by a qualified valuator, or in respect of which proof of purchase was presented before the occurrence of the insured event.

Regarding this coverage, "Jewelry and valuables" shall mean items that fall within one of the categories below, in respect

of which details were noted in the specifications:

- (a) jewelry, gold and watches belonging to the Insured.
- (b) stamps, coins and medals collections belonging to the Insured.
- (c) pictures, rugs and works of art belonging to the Insured.
- (d) furs.
- (e) cameras, camcorders and DVD, personal laptop computer.
- (f) Musical instruments.

Regarding this coverage, “**physical damage**” means tangible damage to Insured property. For the avoidance of doubt, it is hereby clarified that physical damage does not include any kind of depreciation and inability to use.

- (2) If expansion for this coverage was purchased as provided in section 13 of this Chapter and **subject to its conditions**, and if explicitly noted in the specification, the insured event will be expanded to include coverage for loss or damage as described above occurring outside the **geographical area**.

b. The insurance amount

The Insurer’s liability regarding any of the categories listed in the definition of “jewelry and valuables,” above, will be in accordance with a detailed evaluation prepared by an expert valuator or proof of purchase of the item for insurance, made before the occurrence of the insured event.

In the event that no such evaluation or reference was attached, unless stated otherwise in the specifications, the Insurer’s liability for the item under this expansion will not exceed 2% of the **contents insurance amount**. The Insurer’s liability in respect of the total items damaged in an insurance event, shall not exceed 10% of the **contents insurance amount**.

c. Property not covered under this expansion:

- (1) **property used for the business or profession of the Insured.**
- (2) **gold, silver or other precious metals used as raw material, as well as precious stones and gemstones that are not set in jewelry.**
- (3) **musical Instruments in venues including discos, and clubs.**
- (4) **loss or damage to the contents of a safe deposit box.**

d. Exclusions

This expansion shall not apply to:

- 1. items under subsection (b) of the definition of "Jewelry and valuables" (collections of stamps, coins and medals), and pursuant to subsection (c) of said definition (pictures, rugs and artwork), when they are located outside the Insured apartment, unless stated otherwise in the specification. For the avoidance of doubt, the remaining items will be covered when they are located in the apartment and when temporarily outside the apartment, within the geographic area.**
- 2. loss or damage as a result of moth, insects, worms, gradual destruction, moisture, rust and corrosion, atmospheric or climatic factors with a gradual impact.**
- 3. loss or damage as a result of depreciation and amortization.**
- 4. loss or damage as a result of a breach of trust, fraud, dishonesty and deceit.**
- 5. loosening caused to a clasp, holder or base.**
- 6. loss or damage as a result of a mechanical, electronic or electrical failure.**
- 7. loss or damage resulting from or due to cleaning, renovation or painting.**
- 8. loss or damage as a result of overstretching of the spring or internal damage to the watch.**
- 9. mechanical failure of any kind.**
- 10. breakage or damage to the mechanism and/or the glass of a watch or its coating.**
- 11. malfunctions of any kind and any cessation of activity for any reason whatsoever of cameras, video cameras and musical instruments, with the exception of damage caused directly by lightning.**
- 12. damage to a camera lens, when there is no damage to the device or the entire accessory.**
- 13. loss or damage caused to property in an unmanned parked car and/or damage caused to property when transported or shipped.**
- 14. damage to stings and a scratch or bite or injury damage or the external crushing of a musical instrument.**

15. **loss or damage caused to property when not in the possession of the Insured.**
16. **loss or damage caused when the apartment is unoccupied.**
17. **theft or embezzlement by a tenant of the Insured or a member of his family or household employee of such tenant.**
18. **loss or damage caused outside the geographical area, unless an expansion was purchased under section 13 below and it was noted in the specification.**

e. **Indemnity payments**

1. the indemnity payments for loss of or damage to jewelry, gold, art, stamps, coins, and medals if the item lost is part of a set or a pair of items, will be limited to the proportional covered material share of the item lost or damaged in a set or a pair of such items.
2. The indemnity payments due to an insurance event caused to stamps, coins, medals and musical instruments will be according to an assessment made by an expert appraiser before the occurrence of the insured event, which was attached to the policy, and in the absence of such a valuation - according to market prices.
3. The indemnity payments for cameras and video cameras will be calculated based on:
 - (a) for cameras and video cameras who on the date of occurrence of the **insured event** were five years old or less – the indemnity payments will be calculated according to the **replacement value** or based on the **indemnity value**, as elected by the Insured in respect of the coverage for contents under Chapter 2 of this policy.
 - (b) for cameras and video cameras that on the date of occurrence of the **insured event** were more than five years old – the indemnity payments will be calculated according to the **indemnity value**.
4. The indemnity payments for laptop computers and tablets:
 - (a) for mobile computers and tablets who on the date of occurrence of the **insured event** were three years old or less – the indemnity payments will be calculated according to the **replacement value** or based on the **indemnity value**, as elected by the Insured in

respect of the coverage for contents under Chapter 2 of this policy.

- (b) for mobile computers and tablets that on the date of occurrence of the **insured event** were more than three years old – the indemnity payments will be calculated according to the **indemnity value**.

For the purposes of this section "**indemnity value**" - the actual value of assets at the time of occurrence of the insured event while taking into account wear and tear and subject to the terms of this policy.

12. Expansion for an "all risks" insurance for valuables outside the geographical area

This coverage is in effect only if expressly stated in the specification.

If expansion was purchased under section 12, if expressly stated in the **specifications**, coverage will be extended under section 12 above, to include coverage for **jewelry and other valuables** belonging to the **Insured** or his **family**, even when they are temporarily located outside the **geographical area** provided that the Insured will carry them next to his person or deposit them in a safe or in another secure location, whenever he is outside the geographical area.

13. Expansion of the insurance for business activity in the apartment

This coverage is in effect only if expressly stated in the specification.

- a. **If expressly stated in the specification, if the coverage was purchased in accordance with Chapter 3 and/or 4a and/or 4b, the coverage may be expanded, as follows, in respect of the chapters purchased:**

- (1) The coverage under Chapter 3 of the **policy** will be expanded to cover loss or damage, except for theft, incurred to business contents in the apartment during the **insurance period**.
- (2) Exclusion 4(c) of Chapter 4a shall be limited, and the coverage under Chapter 4a of the **policy** will be expanded to cover third party liability in respect of an insurance event the apartment to an employee of the Insured who is not a household employee, but is employed by the Insured for the Insured's business in the apartment.
- (3) Coverage under Chapter 4b of the **policy** will be expanded to cover also the legal liability of the **Insured** in respect of an insurance event the occurred in the apartment, in

respect of one employee only - unless stated otherwise in the specification – employed by him for **his business activities in the apartment**, in secretarial work, as assistant and/or for cleaning work.

The remaining terms of coverage according to these chapters, if purchased, will continue to apply.

b. **Definitions**

- (1) **Business activity** – the Insured’s business activity conducted in his apartment insured in accordance with this **policy**, as defined in the specification, and provided that the **Insured** lives in this apartment.
- (2) **Business contents** - contents, as **described in the specification**, which is used for the purpose of business of the **Insured**, including medical equipment, furniture, equipment and stationary electronic equipment such as a desktop computer, office equipment, scanner, fax machine, printer and copier, excluding business inventory.

c. **Insurance amounts of and limits of liability**

- (1) The expansion under subsection a(1) does not increase the amount of **the contents insurance**, unless noted otherwise in the specification.
- (2) The Insurer’s liability for coverage in respect of the expansion under subsection a(2) above is limited to total of 500,000 ILS, unless noted otherwise in the specifications in respect of such expansion.
- (3) The Insurer’s liability for coverage in respect of the expansion under subsection a(3) above, is limited to total of 500,000 ILS, unless noted otherwise in the specifications in respect of such expansion.

14. Expansion of the insurance for certain items outside the apartment

This coverage is in effect only if expressly stated in the specification.

- (1) Coverage under Chapter 3 of the policy will be expanded to cover loss or accidental physical damage or resulting from theft of a “shtreimel” hat, “spodik” hat, hair wigs for women, prayer shawl and phylacteries, owned by the **Insured and his family**, when outside the apartment, in the **geographic area** in accordance with the terms of Chapter 3.

In respect of this expansion, “**physical damage**” means tangible damage to the Insured property. For the avoidance

of doubt, it is hereby clarified that physical damage does not include any kind of depreciation and inability to use of any kind.

- (2) **Unless otherwise noted in the specification, compensation under this section is limited to 2% of the contents insurance, and no more than 2,000 ILS per item and per insurance event, minus wear and tear, and subject to the deductible listed in the specification.**

15. Insurance of contents of a bank safe

This coverage is in effect only if expressly stated in the specification.

a. The insurance event

Loss or accidental physical damage which occurred to **the insured property** when locked in a bank safe in the **geographic area** during the **insurance period**.

Definitions:

For the purposes of this coverage “the insured property” – the contents of a safe registered in the name of the **Insured** at a bank described in the **specification**, including valuables whose descriptions and values are detailed in an assessment, securities, stocks, bonds, debentures and valuable documents, cash, gift certificates, checks and bills.

In respect of this expansion, “**physical damage**” means tangible damage to the Insured property. For the avoidance of doubt, it is hereby clarified that physical damage does not include any kind of depreciation and inability to use of any kind.

b. Exclusions

The Insurer will not pay indemnity payments for:

- 1. Fracture, depreciation, wear and tear, destruction due to non-operation, moths, insects, worms, rodents, aphids, moisture, mold, rusting, gradual wear and tear, atmospheric or climatic factors that have a gradual effect.**
- 2. Theft by use of a key (or copying thereof) of the safe as described in the specification, unless the key has been obtained as a result of threat or violence or fraud or theft.**
- 3. A mysterious unexplained disappearance of the insured property or a shortage that cannot be attributed to accidental physical damage.**

4. **The value of the information stored in documents, maps, plans, video recording and photography and any damage resulting from the loss of such value.**
 5. **Consequential damage caused to the Insured, his family or a beneficiary resulting from the insurance event including a change in the exchange rate of securities or changes in currency value.**
 6. **Damage to inventory and/or raw materials used in the Insured's business.**
 7. **Defect resulting from the nature of the insured property.**
- c. **The indemnity payments**
Indemnity payments in respect of this expansion shall not exceed the insurance amount specified in respect of this expansion.
- d. **Non-applicability of underinsurance**
Article 60 of the Insurance Contract Law shall not apply to this chapter

16. Expansion of the insurance for a home photovoltaic device for generating electricity (hereinafter – the PV device)

This coverage is in effect only if expressly stated in the specification.

- a. For an additional premium as specified in the specification and **subject to the conditions of coverage listed below**, Chapter 1 Home Insurance is expanded to include coverage for accidental breakage and/or damage to the home PV device installed and connected with a permanent connection to the roof of the insured apartment, resulting from one or more of the risks listed in Chapter 1 section 1 of the **policy**, except for the risk of theft (with no signs of forced entry).

In respect of this expansion, covered "breakage" is only such causing the PV device to be unable to provide any energy to the power grid of Israel Electric Corporation Limited.

- b. The insurance amount to cover the PV device is as registered in the specification.
- c. **Exclusions**
- (1) **All of the exclusions to coverage that apply under Chapter 1 - Home Insurance, will also apply to this expansion.**
 - (2) **The coverage on the basis of this expansion does not include:**
 - (a) **coverage for consequential damage.**

- (b) **damage caused directly or indirectly due to:**
 - 1) **gradual land subsidence of the apartment building or of the building infrastructure.**
 - 2) **damage caused by a process of repair or renovation of the insured property.**
 - 3) **loosening of the anchoring of the device to the structure.**

17. Expansion of the insurance for electronic equipment and computer systems

This coverage is in effect only if expressly stated in the specification.

a. The insurance event

If expressly stated in the specification, and subject to the conditions of this coverage below, the policy will be expanded to include coverage as follows:

- (1) Coverage for loss or **accidental physical damage to the insured property caused in the apartment (unless stated otherwise in the specification)**, for any reason not expressly excluded;

In respect of this expansion, “**physical damage**” means tangible damage to the Insured property. For the avoidance of doubt, it is hereby clarified that physical damage does not include any kind of depreciation and inability to use of any kind.

- (2) Reasonable and necessary expenses incurred in practice by the **Insured** or his **family**, for recovery of **data stored on data storage media damaged due to the insured** event covered under Chapter 3 of this policy.

b. In respect of this coverage, the “insured property” means:

- (1) **Electronic equipment** - appliances, machinery and electrical, mechanical and/or electronic equipment belonging to the **Insured** or his **family**, including electric typewriters, adding machines, computers, PCs, word processing computers, laptop, tablet, telefax and fax machines, electronic telephone exchanges, electronic control devices, including peripheral equipment used by the above except for pocket calculators, beepers, cell phones and their accessories, appliances including cell phones, handheld devices and satellite navigation devices and the like.
- (2) **Data storage systems** - external means of storing data and information including, cards, magnetic tapes, CDs and discs, which belong to the **Insured** or his **family**, except for

the information stored in them.

c. Indemnity payments for loss or damage to property

The Insurer may, at its discretion, select one or more of these methods of compensation:

- (1) Replacing the insured property or parts thereof** - the indemnity payments in case of replacing the **insured property** shall be the replacement cost of the **insured property** with property of the same type and quality of the property lost or damaged and with the same production or operation capacity **but not enhanced**.
- (2) Repair** - in cases where the damaged insured item can be repaired, the **Insurer** will pay all necessary expenses to return the item within a reasonable time, to a state of operation similar to its state on the eve of the occurrence of the **insured event**. In addition, the Insurer will pay the costs of dismantling and reassembling incurred for the purpose of carrying out the repairs and regular freight costs to the **apartment**, if any.

In the event the cost of return to proper operating condition would entail the replacement of electric winding, or of parts worn due to their use, appropriate deduction will be made for wear and tear.

The Insurer will not pay for modifications, additions, improvements or renovations that will be carried out when making the repairs covered under this insurance.

- (3) Payment for loss in the event of a total loss** - if an item from the **insured property** has been destroyed, the **Insurer** will pay the actual monetary value of the item as it was close to the occurrence of the **insurance event**, and in any event no more than the insurance amount noted in the **specification** in respect of the item in question.

In respect of this coverage, "total loss" means the complete destruction of the insured item or a state where the cost of repairing the item, as specified in subsection (2) above, exceeds or is equal to the actual value of the item before the occurrence of the **insurance event**.

d. Indemnity payments for restoring information stored in means of data storage

- (1)** The **Insurer** shall compensate the **Insured** for the expenses of restoring the information stored in the means of data

storage, provided that such restoring is possible and would be carried out within 6 months from the occurrence of the insured event or a longer period if the Insurer expressly agreed to it in writing.

- (2) The **Insurer's** liability shall not exceed **20% of the insurance amount** in respect of this expansion, for all insured events during the **insurance period**.
- (3) **The Insured must comply precisely and completely with the manufacturer's instructions.**

e. Exclusions

The insurance under this section does not apply to:

1. **Expenses for temporary repairs of any kind, unless they are part of the final cost of the repairs covered under this chapter.**
2. **Loss or damage caused directly or indirectly as a result of defects or flaws that existed on the date of this policy's entry into effect, unless they were not known to the Insured at that time.**
3. **Loss or damage caused directly or indirectly from failure or irregularity in the power supply, unless there is an orderly proper UPS system or the like, to which the devices are connected On-Line, and provided that this system was installed by an authorized installer and underwent periodic inspections in accordance with the manufacturer's instructions.**
4. **Loss or damage due to wear and tear, wear, corrosion, rust of any part of the insured property, whether caused naturally or due to normal use or normal work or whose cause is gradual deterioration and/or breakdown, or caused by scratches to painted or polished surfaces. This exclusion is limited to the part that has been lost or damaged as a result of these causes.**
5. **Consequential damage.**
6. **Any loss or damage to software.**
7. **Any loss or damage to games of any type, and any loss or damage caused due to them.**
8. **Any loss or damage due to the value of information, including its deletion.**
9. **All expenses related to maintenance of the insured**

property. This exclusion also applies to expenses in respect of parts that were replaced as part of maintenance works.

10. All costs involved in and related to repairing operational defects and/or their removal, except for defects created due to an insurance event covered under this policy.
11. Loss of or damage to one or more of the following: magnetic or optical heads, light bulbs, tubes, films.
12. Any expense arising from one or more of the following: flaws in programming, in punching, sorting, retrieval, construction, changes resulting from an exchange or cancellation of records and files.
13. An incident that occurred outside the apartment.
14. Malicious damage.
15. Loss due to strikes or lockouts.
16. Loss or damage as a result of moth, insects, worms, aphids, humidity, gradual wear and tear, atmospheric or climatic factors that have a gradual effect.
17. Cleaning, repair or renovation.
18. Mechanical or electrical malfunction of any kind.
19. Theft or embezzlement by a tenant of the Insured or a member of his family or a household employee of such tenant.
20. The equipment used for the business of the Insured, or belonging to the Insured's business, unless otherwise stated in the specification.
21. Even if the coverage was expanded to cover loss or damage outside the apartment in the geographical area, the policy does not cover loss or damage to equipment during transport or shipping that was not accompanied by the Insured or a person acting on his behalf.

Chapter 6 - General Conditions for all Policy Chapters

1. Methods of compensation

The Insurer may, at its discretion, select one or more of these methods of compensation:

- a. Payment of loss or damage value in cash;
- b. Repair of the apartment or the contents lost or damaged and reinstating them to their state on the eve of the occurrence of the loss or damage;
- c. Replacing the contents or parts thereof or replacing parts of the apartment with items of the same kind and quality to those lost or damaged and in respect of jewelry, subject to the consent of the Insured and provided they can be identified or replaced by identical jewels.

2. Indexation of the insurance amounts

- a. The insurance amounts determined in this policy will vary based on the difference in the Consumer Price Index published by the Central Bureau of Statistics (hereinafter – the CPI), last published before the beginning of the insurance period and the index last published before the occurrence of the insured event except for the insurance amounts under Chapter 1 that shall change according to changes in the price index of input in residential building published by the Central Bureau of Statistics (hereinafter - the building index), last published before the beginning of the insurance period and the building index last published before the occurrence of the insured event.
- b. If during the insurance period the amount of insurance shall increase at the request of the Insured, and not as a result from linkage to the index or the building index, each such increase shall constitute an additional basic sum subject to the linkage terms described above, and the base for increase shall be the index or the building index, as applicable, last published before the effective date of increase.

3. Linkage and interest on the indemnity payments

- a. The indemnity payments due to the Insured following the occurrence of an insured event will vary depending on changes in the index last published before the occurrence of the insured event and the index last published before the payment to the Insured, except for indemnity payments

under Chapter 1 that will vary depending on changes in the building index, last published before the occurrence of the insured event and the building index last published before payment to the Insured.

- b. The indemnity payments shall bear interest at the rate prescribed under the definition of "Linkage and interest differentials" in Article 1 of the Adjudication of Interest and Linkage Law, 5721 – 1961 (hereinafter - the Interest Adjudication Law), after 30 days of delivery of a claim for payment of indemnity payments under this policy; this provision shall not derogate from the authority of the court under said Law.

4. Reinstatement value

- a. Upon the occurrence of an insured event to the apartment or the contents the indemnity payments will be according to the reinstatement value of the apartment or the contents, **unless the Insured waived this coverage and it was documented by the Insurer and noted in the policy specification.** In this regard, "reinstatement" - reestablishing, repair or replacement by new property of the same type of quality of the property lost or damaged.
- b. Indemnity payments according to reinstatement value due to an insurance event are contingent on the re-construction or repair or replacement of lost or damaged property by the Insured, without changes in the quality and type of property compared to the property lost or damaged; in the event the lost or damaged property was not rebuilt, repaired or replaced, the indemnity payments shall be based on the value of indemnity.
- c. In the event that a separate insurance amount was set for an item from the contents, the indemnity payments for the loss or damage caused it shall not exceed the amount prescribed for it in the specification.
- d. In the event that a separate insurance amount was not set for an item from the contents, but the specification states that the indemnity payments shall be based on reinstatement value, the indemnity payments for loss or damage incurred shall be according to reinstatement value.
- e. Indemnity payments shall not be paid at reinstatement value for loss or damage to clothing only.

Indemnity payments under this section shall be paid according to the value of the new asset on the date of reinstatement, or according to its value as new on the day of payment of the

indemnity payments, the earlier of the two dates.

- f. Reinstatement must begin within a reasonable time after the occurrence of the loss or damage, and in any case must be completed in respect of the apartment within 12 months from the date of occurrence of the insured event and in respect of the contents - within 90 days of the occurrence of the insured event; in the event that completing the reinstatement within the period prescribed is not possible for reasons beyond the Insured's control, the reinstatement execution period will be extended in coordination between the Insured and the Insurer.
- g. The Insurer's liability under this section shall not exceed the amount of insurance specified in the specification regarding the apartment, contents, or item, as applicable.

5. A claim for indemnity payments

- a. Upon the occurrence of an insurance event, the Insured shall notify the Insurer immediately after learning of it.
- b. A claim for payment of indemnity payments under the policy will be documented by the Insurer; this shall not prevent the Insurer from demanding that the claim be submitted in writing.
- c. The Insured must provide the Insurer, within a reasonable time after being so requested, the information and documents required to clarify the liability and its scope, and if not in his possession, he must help the Insurer obtain them, if possible.
- d. The Insurer, immediately after receiving notice from the Insured regarding the insurance event, will take the necessary steps to ascertain its liability.
- e. Indemnity payments shall be paid within 30 days of the date on which the Insurer had the information and documents necessary to ascertain its liability.

6. Notice to the police in cases of malicious acts, burglary, robbery or theft

The Insured must notify the police in every case of loss or damage arising in his opinion from malicious acts, burglary, robbery or theft.

7. Finding property

- a. In the event that stolen property was found before indemnity payments were made under this policy, the property will be returned to the Insured and the Insurer shall not pay indemnity payments unless the property returned was damaged.
- b. In the event that stolen property was found after indemnity payments were made in its respect, the Insurer shall notify

the Insured or vice versa; the recovered property will pass on to the ownership of the Insurer unless the Insured notified the Insurer within 30 days of the notice of the Insurer or the Insured, as applicable, that he wishes to receive the recovered property in return for the repayment of the indemnity payments to the Insurer in said period.

8. Advance and undisputed payments

- a. Upon the occurrence of an insured event the Insured shall be entitled to receive an advance payment from the Insurer or financial commitment that will allow him to receive service to repair the damage or loss, on account of the money he shall receive from the Insurer under the terms of this policy;
- b. In the event that the Insurer had paid an advance on indemnity payments, this advance will be deducted from the final amount to be paid to the Insured; Calculation of the deduction will be done while linking the advance to the index or the building index, as applicable, from the date of payment of the advance until the final payment.
- c. Indemnity payments that are undisputed will be paid within 30 days of the day the Insured submits a claim in accordance with section 5b for the payment of the indemnity payments, and they may be claimed separately from the other payments.

9. Returning the insurance amounts to their previous sum

- a. After the payment of indemnity payments to the Insured due to an insurance event, the Insurer will return the scope of its liability pursuant to this policy back to its previous state as it was immediately before the occurrence of the insured event.
- b. The Insurer may charge additional premiums for the return of the insurance to its previous state from the date of occurrence of an insurance event until the end of the insurance period; For purposes of calculating the insurance premiums the Insured must pay for the restoration of the insurance amount to its previous state, only the indemnity payments paid by the Insurer in practice will be taken into account.
- c. Below is the formula for calculating the premiums for the restoration of the insurance amounts to their previous state

B C

A * ---*---

D E

A = annual insurance premiums

B = claim amount minus the deductible

C = the number of days remaining from the date of the damage until the date of end of the insurance

D = the insurance amount

E = 365

10. Deductible

- a. Upon the occurrence of an insured event covered under this policy, the deductible amount will be deducted from the indemnity payments prescribed in the specification for each claim.
- b. If a deductible amount was determined for a particular insured event as a percentage of the insurance amount, the deductible amount will be calculated separately for each chapter of the policy.
- c. Without prejudice to subsections a and b, upon the occurrence of an insured event covered under Chapters 1 and 3 of this policy, the Insured will be charged for one of the deductibles, which shall not exceed the higher of the amounts set out in the specification.

11. Payment of insurance premiums and other fees

- a. Premiums and any other amounts due from the Insured to the Insurer in connection with this policy will be paid in the manner and time set forth in the specification.
- b. In respect of this policy, the premiums are the total payments the Insurer may charge the Insured, all according to the specification.
- c. In the event that any amount due from the Insured to the Insurer was not paid on time, the amount in arrears shall bear interest at a fixed rate as determined in the Interest Adjudication Law and in accordance with changes in an index between the index last published before the date designated for payment and the index last published before the actual payment date.
- d. In the event that any amount arrears was not paid within fifteen days after the Insurer demanded from the Insured to pay it in writing, the Insurer may notify the Insured in writing that the insurance will be canceled after 21 additional days, if the amount in arrears is not paid beforehand; If a beneficiary

other than the Insured was set, and the determination was irrevocable, the Insurer may cancel the insurance if the beneficiary has been given notice as to the said arrears and the beneficiary has not paid the amount in arrears within fifteen days of the time said notice was delivered to him.

- e. The cancellation of insurance under this section shall not derogate from the Insured's obligation to pay the amount in arrears for the period until the cancellation of the above, as well as the Insurer's expenses.

12. Disclosure and changes concerning a material fact

- a. This policy was issued based on the answers given by the Insured, in writing or in any other manner documented by the Insurer, to the questions asked in the proposal that served as the basis for the policy, and based on the assumption of the Insurer that the Insured answered complete and honest answers to the questions asked, did not conceal with fraudulent intent anything he knows that is material to the Insurer in order to assess the risks insured and has taken measures to prevent damages which the Insurer demanded to be taken to alleviate the risks insured in accordance with this policy.
- b. A material fact is a fact in respect of which a question was posed in the insurance proposal in writing or in any other manner documented by the Insurer; And without limitation these matters as well:
 - (1) in respect of the apartment: the address of the apartment, the apartment value, type of building, construction material, location of the apartment building, security measures of any type, age of the apartment, apartment size, number of rooms, number of people living there permanently, special modifications and additions;
 - (2) in respect of the contents: a description of items comprising the content, content value, details of the electric appliances: their type, their manufacturer, their age and value, and details of valuables;
 - (3) in respect of the apartment and contents: damage occurred in the last three years as a result of risks covered under this policy as well as details of previous Insurers who insured or refused to insure the apartment or the contents, in the last three years.
- c. In the event the Insured did not respond full and honest answers to questions on material matters, or concealed from the Insurer with fraudulent intent a material fact, or did not

take steps to alleviate the insured as required by the Insurer in accordance with this policy, the Insurer shall follow the provisions of the Insurance Contracts Law; This section shall not prejudice the Insurer's right to any remedy given to it by law.

- d. The Insured shall notify the Insurer throughout the policy period of any change in a material matter, immediately upon becoming aware of it; If the Insured did not disclose such change to the Insurer, the Insurer may cancel the policy or reduce the scope of its liability under the provisions of the Insurance Contracts Law.

13. Cancellation of the policy

- a. The Insured may cancel the policy at any time before the end of the insurance period, at his discretion; The insurance will be canceled on the date the notice was delivered to the Insurer or at a later date as requested by the Insured.
- b. Without prejudice to the Insurer's rights under law, the Insurer may cancel the insurance before the end of the insurance period due to fraud on the part of the Insured or due to lack of proper disclosure of information when asked about it before issuing the policy, provided that notice of the fact, which will include the reasons for the cancellation, is sent to the Insured via registered mail 30 days at least before the date on which the insurance will be canceled.
- c. In the event the Insured announced the cancellation of the policy as stated in subsection a or the Insurer announced the cancellation of the policy as stated in subsection b, the Insurer will return to the Insured at the earliest possible time and no later than 14 days from the date on which the cancellation came into effect, the relative share of the insurance premiums paid; The said relative share shall be calculated by multiplying the premiums that the Insurer collected by the ratio between the number of days remaining, at the cancellation date, until the conclusion of the original insurance period, and the number of days in the original insurance period.
- d. All amounts returned under this section will vary depending on changes in the index between the index published before the date of payment of insurance premiums and the index last published before the return of the premiums; If the premiums were paid in installments, each amount will change
- e. depending on changes in the index from the index published prior to the date of payment and the index last published before the refund of the premiums.

- f. Notwithstanding the provisions of this section, a mortgaged policy shall be canceled 30 days after giving notification of cancellation to the beneficiary.

14. Double insurance

- a. If the apartment or the contents were insured against the risks included in this policy by more than one Insurer for overlapping periods, the Insured shall notify the Insurer immediately after the double insurance was made or immediately upon becoming aware of it.
- b. In case of double insurance the Insurers are responsible separately towards the Insured for the full amount, and among themselves they will bear the payment of indemnity payments according to the ratio of the amounts of insurance.

15. Replacement of the apartment

- a. In the event the Insured replaced the apartment during the policy period and moved to another apartment (hereinafter - the new apartment) the Insured may, by notice to the Insurer and with his consent, transfer the coverage pursuant to this policy to the new apartment and the coverage for the apartment and contents will remain in effect in the new apartment, according to the Insured's notice under the terms of the existing policy; Notwithstanding the provisions of this subsection, coverage for contents will be in effect in both apartments for a period of up to 3 days.
- b. In the event that the value of new apartment or new content is higher than the value of the apartment or the contents on the day of move to the new apartment, the Insured will increase accordingly the insurance sums and will pay the Insurer within 30 days from said day the relative premium differences for the increase in the amounts of insurance; Calculation of premiums for increased insurance amounts will take into account the increase in value of the apartment or the contents from the beginning of the insurance period to the date of the move.
- c. In the event that the value of new apartment or new content is lower than the value of the apartment or the contents on the day of move to the new apartment, the Insured will decrease accordingly the insurance sums and will receive from the Insurer within 30 days from said day the relative premium differences for the decrease in the amounts of insurance; Calculation of premiums for the decreased insurance amounts will take into account the decrease in value of the apartment or the contents from the beginning of the insurance period to the date of the move.

16. Subrogation

- a. In the event the Insured had, due to an insurance event, the right to compensation or indemnity against a third person, not by virtue of an insurance contract, the right passes to the Insurer once he has paid the Insured the insurance payments and in the scope paid.
- b. The Insurer may not exercise the right passed to him under this clause in a manner impairing the right of the Insured to collect from the third person compensating in excess of the benefits received from the Insurer.
- c. If the Insured receives from the third party compensation or indemnity that is owed to the Insurer under this section, he must transfer it to the Insurer; in the event of a compromise, waiver or any other act impairing the right passed on to the Insurer, he shall compensate him for it.
- d. This provision shall not apply if the Insured event was caused unintentionally by a person who the Insured would likely have not sued for compensation or indemnification by reason of kinship or work relations or for relations between tenant and landlord and the tenant and the provided that the landlord and tenant waived the right of subrogation against each other.

17. Prescription

The prescription period of the claim for compensation pursuant to this policy will be in accordance with the prescribed period in the Insurance Contracts Law.

18. Consequential damage

The Insurer shall not be liable for any consequential damage caused to the Insured or a beneficiary, as a result of the risks covered by the policy, unless otherwise provided by this policy.

19. Notices

- a. A notice by the Insured or the beneficiary to the Insurer shall be delivered to the Insurer in one of the following manners:
 - (1) To the address of the Insurer's office, as indicated in the heading of this policy or to any other address in Israel to be informed by the Insurer, to the Insured or the beneficiary, from time to time;
 - (2) The office of the insurance agent recorded in the policy - at the address as set forth therein or any other address in Israel

to be informed by said insurance broker or Insurer, to the Insured or the beneficiary, from time to time.

- b. A notice by the Insured or the beneficiary to the Insurer may be delivered in another matter than as stated in subsection (a), which the Insurer shall notify the Insured or beneficiary from time to time.





Letters of Service for Home Insurance

Edition - 9/2015

Letters of Service

Coverage is in effect only if specifically indicated in the specification

Emergency Services

Emergency services provided 24 hours a day. Malfunctions in plumbing, sewage systems, electrical systems and opening locked doors at the home by a locksmith.

"Complementary Plumbing" Service

Supplementary service for the repair of water damage as a result of faulty waterproofing.

"Dry Roof" Service

Complementary service for owners of private houses and penthouse apartments – Repair service to the sealing of the roof of the building.

Visiting Doctor Service

Medical consultation services via phone, doctor's visits, and blood test "up to the house"

Maintenance and repair services for electrical and electronic appliances

"Perfect Electrical" - repair service and replacement of parts of home electrical and electronic devices

"Limited Electrical" - the service includes TV, video/ DVD and microwave **only**.

Repair service for electric and solar water heaters

Repair of damage to electric water heaters, solar water heaters and solar panels, belonging to the insured apartment

Details of the coverage and conditions, including deductibles, are specified in the service.

Letter of Service - Emergency Services

Coverage is in effect only if expressly stated in the specification.

1. in this letter of service the following terms shall have the special meaning alongside them:
 - 1.1 **"The Company"** – Menora Mivtachim Insurance Limited.
 - 1.2 **"The Insurance Policy"** - a policy of the Company for an apartment and/or its contents, under which coverage was purchase under this letter of service.
 - 1.3 **"Insured"** – a holder of a valid insurance policy.
 - 1.4 **"The Service Provider"** - as defined in the specification.
 - 1.5 **"The Apartment"** – the Insured's address under the Insurance Policy.
 - 1.6 **"The Call center"** - a national call center operated by the Service Provider 24 hours a day, excluding Yom Kippur.

2. **The emergency services which the recipient of the service is entitled to under this letter of service are as follows:**

2.1 **Plumbing repairs in the system transporting hot and cold water;**

- 2.1.1 In the event of a water leak **when the leaking pipe is external** (exposed), a temporary repair will be carried out to stop the leak.
- 2.1.2 In the event of a water leak when **the leaking pipe is hidden or internal**, and to the extent that for the repair, opening walls or flooring is not required, the damaged section will be cut off from the water system in the apartment.
- 2.1.3 In the event of a water leak from the hot water heater or furnace facilities, the water heater in the apartment will be disconnected.
- 2.1.4 For the avoidance of doubt, the service does not include repair of malfunctions in the hot and cold water system, which is part of external devices that are not part of the plumbing of the apartment, including various washing systems (such as a dishwasher, washing machine) and/or filtration devices, cooling and heating of drinking water (for example: various water bars, refrigerator, coffee machine).

2.2 **Opening a blockage in the sewage or waste water system using a "spring":**

- 2.2.1 In the event of a blockage in the sewage or waste water system, an attempt will be made to unblock the waste water system 2" or sewage 4" inside the apartment itself.
- 2.2.2 The service does not include the opening of blockages in common lines and the sewage pools.
- 2.2.3 In any case, the repair will include an attempt to open using a manual "spring" only, to the extent possible.

2.3 Handling malfunctions in the electrical system;

- 2.3.1 The services include handling malfunctions that cause a general power outage in the apartment: locating the source of the malfunction, its isolation and the restoration of the power system.
- 2.3.2 The service does not include repair of malfunctions that are under the responsibility of the IEC.

2.4 Opening locked doors:

- 2.4.1 In the event of the locking of exterior doors and interior doors of the rooms where a person is trapped, the opening of the lock will be performed by a suitable key or breaking the door with the approval of the recipient of the service.
- 2.4.2 The service includes handling of opening and breaking in only, and does not include repairs to damage created by the break-in, such as damage to the crossbar, breaking the lock and so on.

3. Warranty

- 3.1 For the provision of services and/or quality of services a warranty shall be given by the Service Provider for the damage repaired by the Service Provider only for a period of 12 months from the date of the service being provided for the first time.
- 3.2 Under the warranty the Service Provider will perform a repeat repairing of returning damage without collecting an additional deductible from the Insured.

4. General

- 4.1 In the event the recipient of the service needed emergency services as stated in this letter of expansion, he will turn via telephone to the call center of the Service Provider as defined in the specification, will identify by name, address, policy number with the company (if known) and ID number and describe the problem in detail and as accurately as possible.
- 4.2 The services will be offered 24 hours a day, all year round, except on the eve of Yom Kippur (from 14:00) to for two

hours after the end of the fast.

- 4.3 The services will be offered through skilled professionals, sent for the provision of the services.
- 4.4 Service will be provided inside the State of Israel or the "territories" as defined in the Law for Amending and Extending the Validity of Emergency Regulations (Judea and Samaria – Jurisdiction in Offenses and Legal Aid), 5767 – 2007.
- 4.5 In cases where the service cannot be performed by the Service Provider, the recipient of the service will be directed to a private service provider funded by the Service Provider. For the avoidance of doubt, in any case, the referral shall be made by the service call center and after prior approval and coordination.**
- 4.6 If the service will require replacement parts, the recipient of the service will be charged for the cost of the spare parts in accordance with the Levi Yitzchak "parts and labor" tariff.**

5. Deductible

- 5.1 In any case of receipt of service under this letter of service, the service recipient will pay a deductible of 120 ILS (one hundred and twenty ILS) including VAT, unless otherwise stated in the specification.**
- 5.2 The deductible specified in this letter of service, will be linked to the consumer price index, starting from June 2015 up to the known index on the date of beginning of the policy, accompanied by this letter of service. For the avoidance of doubt, no indexation will be made of the deductible throughout the coverage period.**

"Complementary Plumbing" – Expansion for service for pipe damage

Coverage is in effect only if expressly stated in the specification.

1. Definitions

In this letter of service the following terms shall have the special meaning alongside them:

- 1.1 **"The Insured Apartment"** – the Insured's apartment insured under the Insurance Policy whose details are listed in the specification.
- 1.2 **"The Policy"** - a policy of the Company for the insurance of an apartment and/or its contents, under which coverage was purchase under this letter of service.
- 1.3 **"The Company"** – Menora Mivtachim Insurance Limited.
- 1.4 **"The Insured"** – anyone listed as an insured party in the specifications or deemed as an insured party under the policy.
- 1.5 **"The Service Provider"** - as defined in the specification.
- 1.6 **"The Call center"** - a call center operated by the Service Provider as defined in the specification. The Call center will operate 7 days a week, 24 hours a day, except on the eve of Yom Kippur (from 14:00) to for two hours after the end of the fast and except for New Year's eve and Passover eve.
- 1.7 **"Working Day"** - Sunday through Thursday that is not holiday eve or a holiday or a sabbatical by law.
- 1.8 **"The CPI"** - the Consumer Price Index published monthly by the Central Bureau of Statistics or by any other body empowered by the state to do so.
- 1.9 **"The Base Index"** - for this letter of service, the CPI published on July 15th 2015.
- 1.10 **"Agreed Price List"** – the Levi Yitzchak apartments and renovation pricelist updated to the date the damage occurred.

2. The services

Subject to payment of deductibles, limits of liability and the rest of the terms of the letter of service listed below, the Insured is entitled under this letter of service to the following services:

- 2.1. Repair of water damage caused to the Insured's apartment as defined in the insurance policy, as a result of the penetration of water and/or other fluids originating from faulty or incomplete sealing in the apartment, including and not limited to:
 - Moisture in the bathrooms and toilets, sealing around the bath, sinks, washbasins etc.
 - Moisture in kitchens, water penetration through granite

countertops in the kitchen or into service cabinets, etc.
Sealing problems in the apartment flooring treated using grout.

For the avoidance of doubt this service is complementary service in excess to coverage the subject of section 3 of Chapter 1 of the policy, and does not replace the said coverage.

2.2. The repair will include:

- a. Repair or renewal of the required sealing, by using accepted methods and sealants in market for these purposes until complete cessation of water penetration.
- b. Repair of the accompanying damage caused **to the insured apartment and/or linked to the building's adjacent structures** as a result of missing or inadequate sealing, using accepted methods and materials in the market for these purposes.
- c. The Service Provider reserves the right to decide whether to repair the actual damage, or compensate the Insured with money for the damage caused to him, in accordance with the cost of the repair in accordance with the agreed price list.

2.3. Limit of liability

The scope of services per one event shall not exceed a total cost of 18,500 ILS (eighteen thousand five hundred ILS) according to the agreed price list.

2.4. The services will not include:

- a. **Repair, replacement or compensation for damage to the sanitary appliances themselves, including sinks, wash basins, bathtubs, shower stalls, and so on.**
- b. **Repair, replacement or compensation for damage to tiles, ceramics, marble tiles and marble surfaces (including marble in the kitchen).**

2.5. Exclusions for the coverage:

This letter of service does not apply:

- (1) **In the event of moisture resulting from the absorption of rainwater or any water from external walls (casing) and the ceilings of the insured apartment including moisture from external windows and doors, open and closed balconies.**
- (2) **Damage that occurred in an unoccupied apartment, unless an expansion was purchased and noted in**

the specification for an unoccupied apartment. In this regard, "an unoccupied apartment" - as defined in the policy.

(3) If the damage occurred before the entry into force of this letter of service.

(4) For damage to the contents of the apartment.

2.6. The services will be provided by the Service Provider through skilled professionals.

3. Payment of deductible by the Insured

3.1 In the event of receiving service under this letter of service, the Insured shall pay deductibles as follows:

(a) For the repair or renovation of the sealing, until stopping the penetration of water, and repairing the moisture except for its plastering and paint, a deductible of 120 ILS shall apply, unless stated otherwise in the specification.

(b) If in addition to the provisions of section 3.1 (a) repairs will also be carried out for damages to the structure and/or structures adjacent to it, including plastering and paint, a deductible of up to 490 ILS shall apply, unless stated otherwise in the specification.

3.2 If the cost of repair, according to the agreed price list, will be lower than the deductible, the Insured will pay the lower of the two. In any case the payment to the Service Provider shall not exceed the price of the service in accordance with the agreed list price.

3.3 The Service Provider undertakes to update the Insured of the cost of repairs/ deductible, before providing the service, and to have him sign an authorization form for the performing of the sealing work. In the event the Insured did not sign the authorization form, no repair will be made and the Insured will be charged for an idle call as described in section 3.4 below.

3.4 Idle call: For a visit only of a representative of the Service Provider to the Insured's apartment, in the event the representative was not asked by the Insured to perform the service at the end of the examination, or if according to the results of the examination the damage is not covered by the letter of service, the Insured will pay the Service Provider a total of 120 (one hundred and twenty) ILS, unless stated otherwise in the specification.

3.5 The deductible will be paid by the Insured to the actual

Service Provider, against a tax invoice.

3.6 These amounts include VAT.

3.7 The deductible will be paid for the repair of every damage separately.

3.8 The Insured will not be entitled to any payment from the Company if he elected to receive service which is the subject of this letter of service not through the Service Provider.

3.9 The deductible specified in this letter of service, will be linked to the consumer price index, starting from June 2015 up to the known index on the date of beginning of the policy, accompanied by this letter of service. For the avoidance of doubt, no indexation will be made of the deductible throughout the coverage period.

4. Manner of receipt of the service

4.1 In the event the Insured requires any of the services, he will turn via telephone to the call center as defined in the specification, will identify by name, policy number with the company (if known) and any other detail needed to identify him as an Insured entitled to receive the services under this letter of service.

4.2 The Service Provider undertakes to arrange a visit of its representatives to the Insured apartment no later than three working days after receiving the call.

5. Warranty

5.1 For the provision of services and/or quality of services a warranty shall be given by the Service Provider for the damage repaired by the Service Provider only for a period of 12 months from the date of the service being provided for the first time.

5.2 Under the warranty the Service Provider will perform a repeat repairing of returning damage without collecting an additional deductible from the Insured.

6. General

6.1 The Insured shall report to the call center upon first discovering the existence of the damage caused as a result of inadequate waterproofing or sealing.

6.2 Service will be provided inside the State of Israel or the "territories" as defined in the Law for Amending and Extending the Validity of Emergency Regulations (Judea and Samaria – Jurisdiction in Offenses and Legal Aid), 5767 – 2007.

7. The effect of the letter of service

- 7.1 This letter of service will be in effect as long as the policy is in force, unless the letter service has been canceled by the Insured.
- 7.2 Upon the termination of the policy, including by way of cancellation by the Company or the Insured, the letter of service will also be canceled without need for specific notice to the Insured by the Service Provider on the cancellation of the service.
- 7.3 Notwithstanding the provisions of section 7.1 the Insured will be entitled to service, provided he prove that the damage occurred and was discovered before the expiration of the policy.

8. Jurisdiction and the applicable law

Any dispute which may arise between the Insured and the Service Provider and/or the Company, only a court in Israel shall be competent to hear, according to Israeli law.

Letter of Service - "Dry Roof"

Coverage is in effect only if expressly stated in the specification.

1. Definitions

- 1.1 **"The Insured Apartment"** – the Insured's apartment insured under the Insurance Policy at the address as provided by the Company to the Insured.
- 1.2 **"The Policy"** - a policy of the Company for the insurance of an apartment and/or its contents, under which coverage was purchase under this letter of service.
- 1.3 **"The Company"** – Menora Mivtachim Insurance Limited.
- 1.4 **"The Insured"** – the insured party under the policy and as long as this policy and/or letter of service are in effect.
- 1.5 **"The Service Provider"** - as defined in the specification.
- 1.6 **"The Call center"** - a call center operated by the Service Provider as defined in the specification. The Call center will operate 7 days a week, 24 hours a day, except on the eve of Yom Kippur (from 14:00) to for two hours after the end of the fast and except for New Year's eve and Passover eve.
- 1.7 **"Working Day"** - Sunday through Thursday that is not holiday eve or a holiday or a sabbatical by law.
- 1.8 **"The CPI"** - the Consumer Price Index published monthly by the Central Bureau of Statistics or by any other body empowered by the state to do so.
- 1.9 **"The Base Index"** - for this letter of service, the CPI published on July 15th 2015.

2. The services

Subject to payment of deductibles, limits of liability and the rest of the terms of the letter of service listed below, the Insured is entitled under this letter of service to the following services:

- 2.1. Repair of the waterproofing system in the building's roof, resulting from the penetration of moisture, including the return of the roof to its previous state before the occurrence of the event.

The repair will include repair or renovation of required sealing, by accepted means of sealing only, until complete cessation of water penetration.

- 2.2. **Services will be provided by skilled professionals, sent**

for the purpose of providing the service.

2.3. The services will not include:

- (1) Replacement or repair of piping of any kind.**
- (2) Construction work and repair of constructive elements.**
- (3) Damages resulting from inadequate sealing.**

2.4. Service does not cover cases of lack of waterproofing or moisture resulting from:

- (1) The penetration of rainwater or any water from external walls (casing) including moisture from external windows and doors.**
- (2) Waterproofing and moisture damage in balconies/ paved roofs of the insured apartment, whether these are open or closed balconies.**

3. Payment of deductible by the Insured

- 3.1 In the event of receiving service under this letter of service, the Insured shall pay deductibles in the amount of 490 (four hundred and ninety) ILS (including VAT), unless stated otherwise in the specification.
- 3.2 The deductible will be paid by the Insured to the actual Service Provider, against a tax invoice.
- 3.3 The deductible will be paid for the repair of every damage separately.
- 3.4 In case the Service Provider's expert concludes that there are a number of points of damage, the Service Provider may not charge more than 3 deductibles for the event and up to 5 deductibles during the insurance period.
- 3.5 Idle call:** For a visit only of a representative of the Service Provider to the Insured's apartment, in the event the representative was not asked by the Insured to perform the service at the end of the examination, or if according to the results of the examination the damage is not covered by the letter of service, the Insured will pay the Service Provider a total of 120 ILS (one hundred and twenty) ILS, unless stated otherwise in the specification.
- 3.6 These amounts include VAT by law, in accordance with the VAT rate as of August 1st 2015. If the VAT rate changes, the amounts will be updated accordingly.
- 3.7 The Insured will not be entitled to any payment from the Company if he elected to receive a service which is the subject of this letter of service wrote not through the Service

provider.

- 3.8 The deductible specified in this letter of service, will be linked to the consumer price index, starting from June 2015 up to the known index on the date of beginning of the policy, accompanied by this letter of service. For the avoidance of doubt, no indexation will be made of the deductible throughout the coverage period.

4. Manner of receipt of the service

- 4.1 In the event the Insured requires any of the services, he will turn via telephone to the call center, will identify by name, policy number with the company (if known) and any other detail needed to identify him as an Insured entitled to receive the services under this letter of service.
- 4.2 The Service Provider undertakes to arrange a visit of its representatives to the Insured apartment no later than four working days after approval of the Insured's eligibility for services and provided that weather conditions will allow for the execution of the repair.
- 4.3 In case of emergency, the Service Provider undertakes to reach the apartment no later than 24 hours after the Insured's call for service.

5. Warranty

For the provision of services and/or quality of services a warranty shall be given by the Service Provider for the damage repaired by the Service Provider only for a period of 12 months from the date of the service being provided for the first time. Under the warranty the Service Provider will perform a repeat repairing of returning damage without collecting an additional deductible from the Insured.

6. Early damage

The Insured undertakes to inform the call center upon the opening of the call of the date on which he first discovered the existence of the damage caused by the lack of waterproofing.

7. The effect of the letter of service and determining the date of occurrence of the damage

- 7.1 This letter of service will be in effect as long as the policy is in force, and the premium for which is paid on time, according to the earlier of the two.
- 7.2 Upon notification from the Company to the Service Provider that the policy was canceled or that the Insured is not entitled to receive the aforementioned services under this letter of service, this letter of service shall automatically end as well

without any notice from the Service Provider to the Insured.

- 7.3 For the avoidance of doubt, the Insured will be entitled to receive service, provided he can prove that the damage was discovered before the expiry of the policy, and provided such request to the Service Provider was made within 60 days of the cancellation/ stop/ non-renewal notice of the policy.

8. Jurisdiction and the applicable law

Any dispute which may arise between the Insured and the Service Provider and/or the Company, only a court in Israel shall be competent to hear, according to Israeli law.

9. General

Service will be provided inside the State of Israel or the "territories" as defined in the Law for Amending and Extending the Validity of Emergency Regulations (Judea and Samaria – Jurisdiction in Offenses and Legal Aid), 5767 – 2007.

Letter of Service - "Visiting Doctor"

Coverage is in effect only if expressly stated in the specification.

1. Definitions

In this letter of service the following terms shall have the special meaning alongside them:

- 1.1 **"The Insurer"** or **"the Insurance Company"** – Menora Mivtachim Insurance Limited.
- 1.2 **"Service Provider"** or **"Provider"** - as stated in the specification.
- 1.3 **"Insurance policy"** - a policy of the insurance company, for the insurance of an apartment and/or its contents, for which coverage under the letter of this service was purchased.
- 1.4 **"the Insured"** - anyone whose name is listed in the specifications of the policy as an Insured party.
- 1.5 **"Subscriber"** or **"the Subscribing Family"** - the Insured and/or his/ her spouse and/or children, residing with them up to the age of 21.
- 1.6 **"Agreement Doctor"** - a person authorized and permitted to practice medicine in Israel under the Doctors' Ordinance (New Version), 5737 – 1976, except for a veterinarian and dentist, **with whom the supplier entered into an agreement for the provision of the services specified in this letter of service for the subscribers, provided that it was a party to an agreement with the supplier at the time the subscriber requested the service.**
- 1.7 **"Agreement Nurse"** - a person authorized and permitted to practice nursing in Israel, **with whom the supplier entered into an agreement for the provision of the services specified in this letter of service for the subscribers, provided that it was a party to an agreement with the supplier at the time the subscriber requested the service.**
- 1.8 **"Agreement Laboratory"** - a laboratory with which the Service Provider has entered into an agreement **to carry out laboratory tests for subscribers.**
- 1.9 **"Call Center"** - a phone line operated by the supplier for subscribers, whose number is detailed in the specification.
- 1.10 **"The CPI"** - the Consumer Price Index published monthly by the Central Bureau of Statistics or by any other body

empowered by the state to do so.

- 1.11 **"The Base Index"** - for this letter of service, the CPI published on July 15th 2015.
- 1.12 **"Holiday"** - including Saturday and Israeli holidays that are days of rest.

2. Details of the services

Subject to the conditions and exclusions of the letter the service, as described below, including the payment of a deductible, the subscriber will be entitled to receive the following services:

2.1 Call center for medical consultations:

- 2.1.1 The subscriber is eligible for the medical advice from an Agreement Doctor via telephone, through the call center.
- 2.1.2 The call center will be operated for the subscribers for consultations from the doctor under this section 2.1, all year round, 24 hours a day, **except on the eve of Yom Kippur at 14:00 and up two hours after the end of the fast.**
- 2.1.3 A consultation call with a doctor will take place as soon as possible, from the time of the subscriber's call to the call center.
- 2.1.4 **It is explicitly clarified that the consultation is by phone only, it does not include a face to face meeting with the doctor, and will be given at the discretion of the doctor deciding that the consultation in the matter required can be given via a telephone call, without an examination of the subscriber and meeting him face to face.**

2.2 "Doctor up to your home" service:

- 2.2.1 The subscriber will be entitled to receive the services listed in referred by the call center. The service will be provided in any place or town the subscriber is at, at the time he requires the service.
- 2.2.2 The services provided through the Agreement Doctor, up to the home, are:
 - 2.2.2.1 Receiving medical anamnesis (the medical history) from the subscriber patient (hereinafter: the **"Patient"**).
 - 2.2.2.2 Physical examination of the patient including

the use of auxiliary devices listed below: stethoscope, tongue depressors, flashlight, otoscope, reflex hammer, sphygmomanometer, cardiovascular beeper, all as may be required due to the patient's medical condition, at the discretion of the agreement doctor.

2.2.2.3 Determining medical diagnosis (diagnosis).

2.2.2.4 Receiving the initial medication and/or drugs prescription.

2.2.2.5 If necessary - referral for further treatment to the family doctor/ pediatrician and/ or other specialist treating the patient regularly at the HMO.

2.2.2.6 If necessary - referral of the patient to the emergency room at the hospital.

2.2.2.7 Providing a medical certificate.

2.2.3 These services listed in sections 2.2.2.2-2.2.2.7 are subject to the professional judgment of the agreement doctor, after examination of the subscriber.

2.2.4 Reimbursement of expenses in case of evacuation by ambulance – in the event that a doctor that examined the patient following his call to receive service decides to call for an ambulance, the supplier shall indemnify the subscriber for the amount he paid for the evacuation by ambulance, within 30 days from the date of delivery of the original receipt or a copy of the original receipt along with an explanation as to who was sent to the original receipt and the approval of said entity of the amount paid to the Insured for this receipt or together with an explanation as to who was sent the original receipt and details of the reason why the subscriber not provide it, provided the subscriber is not entitled to be reimbursed by the HMO.

2.2.5 Deductible - unless stated otherwise in the specification, the service pursuant to section 2.2 is subject to the payment of a deductible of 45 ILS per visit to be paid directly to the agreement doctor.

2.2.6 In addition to deductible, the subscriber will be required to pay directly to the agreement

doctor the consideration for the drug bottles or medicine ampoules or injections, in the event that such medicines will be given to him by the agreement doctor.

2.2.7 The service under section 2.2 will be given within three hours from the subscriber's call to the call center.

2.2.8 In exceptional cases where the supplier is unable to provide the service to the subscriber in accordance with the times specified in the letter of service, the call center shall inform the subscriber of the fact and the subscriber will be entitled to receive one of the following services at his choice;

2.2.8.1 Receiving the medical service from anyone else, including another provider, a medical center or an emergency room after receiving the approval of the supplier's call center prior to the referral to another provider.

2.2.8.2 Receive the service via telephone consultation with the supplier's doctor.

2.2.8.3 In the event the subscriber elected to receive services from another party as provided in section 2.2.8.1 above, the supplier shall indemnify the subscriber for **an amount not exceeding the amount of 250 ILS minus the deductible as provided in section 2.2.5 above**, within 30 days from the date of delivery of the original receipt or a copy of the original receipt along with an explanation as to who was sent to the original receipt and the approval of said entity of the amount paid to the Insured for this receipt or together with an explanation as to who was sent the original receipt and details of the reason why the subscriber not provide it.

2.2.9 At the end of the visit the subscriber or a family member on his behalf will sign the audit stub whereby he confirms that the agreement doctor held the home visit at the patient's home.

2.3 Blood testing services up to the home

2.3.1 The Subscriber shall be entitled to receive services

for taking **blood test** from home without any limitation of the number of requests, as follows:

- 2.3.1.1 The Service will be performed by an agreement doctor and/or agreement nurse, entitled under the law to perform the blood draw the subject of the letter of service (hereinafter: the "Performer of the Service"), and at their professional discretion. In the event the Performer of the Service believed that it is appropriate that the taking of the blood shall be carried out in the laboratory, he will be entitled not to provide the service.
- 2.3.1.2 Taking blood will be carried out by the Performer of the Service at the subscriber's home or place of work. The Performer of the Service shall send the blood test to one of the agreement laboratories.
- 2.3.1.3 The service will not be given to children under the age of 5.
- 2.3.2 This service does not include: checking acidity, ammonia, collecting urine, glucose tolerance, vaginal culture, urethral culture, insulin, fungi, lactate.
- 2.3.4 The service will be provided only upon presentation of a certificate which identifies the subscriber, and presentation of a blood test referral form, bearing the name of the subscriber, signed by the subscriber's attending physician, and only in respect of the tests included in the subscription service and noted in the referral form.
- 2.3.5 This service will be provided at the time coordinated with the subscriber between the hours 08:00 to 17:00 and on Fridays and holiday eves starting from 08:00 until 12:30.
- 2.3.6 The test results will be forwarded to the subscriber by mail or by fax, at his request.
- 2.3.6 Deductible - unless stated otherwise in the specification, the service pursuant to section 2.3 is subject to the payment of deductible of 45 ILS to be paid directly to the Performer of the Service.**

3. Manner of receipt of the service

- 3.1 In the event the subscriber needed the service under this letter of service, he shall contact the call center according to the phone number indicated in the specification, will identify by name, address, phone number where he can be reached, the name of the Insurer and the Insured and shall provide any other information needed to improve the efficiency of the provision of the service.
- 3.2 The call center will coordinate the provision of the relevant services between the subscriber and the agreement doctor or agreement nurse, as applicable.
- 3.3 The service center will operate all year round, 24 hours a day, **except on the eve of Yom Kippur at 14:00 and up two hours after the end of the fast.**
- 3.4 The supplier may change the phone number of the call center, with the Company's coordination and approval, provided he provides prior notice in writing to the subscribers.
- 3.5 The services specified in this letter of service will be provided upon presentation of identification to the service provider.
- 3.6 Service will be provided only inside the State of Israel or the occupied territories controlled by Israel.
- 3.7 In the event the subscriber asks to cancel the request for service under this letter of service, the subscriber will immediately inform the call center of the fact. The subscriber must notify the call center on the cancellation of his request even if he notified the cancellation of the request to the relevant service provider.
- 3.8 In order to provide the service the subscriber shall give the provider and/or the call center and/or provider of the service and/or the agreement doctor, as applicable, the full medical information known to him, required for the receipt of the service.

4. Exclusions

The supplier will not provide services under this letter of service, in the event that all of the supplier's operations or a significant part thereof is impaired by any entity who is not under the control of the supplier, including (but not only) due to war, revolution, riots, earthquakes and force majeure, during which the ability to provide the services under the letter of service is impaired. The company and/or supplier shall not be liable for any damages, if any, incurred as a result.

5. The effect of the letter of service

- 5.1 This letter of service will be in force during the insurance period specified in the policy specification.
- 5.2 In the event the insurance policy was canceled, at the request of the Insured or at the request of the company, for any reason, or if the period of insurance has ended, this letter of service will also be canceled or ended, as applicable.
- 5.3 It is clarified that at the time of cancellation or termination of this letter of service, for whatever reason, any right of the subscriber for services on the basis of this letter of service ends as well. A subscriber who started receiving a service the subject of this letter of service before canceling the letter of service shall be entitled to complete it.

6. Miscellaneous

- 6.1 The right to receive services under this letter of service is personal, and the subscriber may not transfer it to another.
- 6.2 All payments specified in this letter of service include VAT by law, depending on the rate of VAT as of August 1st 2015. If the VAT rate changes, the amounts will be updated accordingly.
- 6.3 All amounts appearing in this letter of service, except for the deductible, will be linked to and be adjusted to the difference between the base index and the determining index on the date of payment.
- 6.4 The deductible specified in this letter of service, will be linked to the consumer price index, starting from June 2015 up to the known index on the date of beginning of the policy, accompanied by this letter of service. For the avoidance of doubt, no indexation will be made of the deductible throughout the coverage period.

7. Jurisdiction and the applicable law

Any dispute which may arise between the Insured and the Service Provider and/or the Company, only a court in Israel shall be competent to hear, according to Israeli law.

Letter of Service - Maintenance and repair services for home electrical and electronic appliances

This letter of service is in effect only if expressly stated in the schedule

1. Definitions

1.1	"Television"	A home color television set, with a lamp screen up to 34 inches (excluding LCD, plasma devices, various types of projectors and computer monitors)
1.2	"LCD type television and/or plasma and/or LED/ SMART TV"	LCD and/or LED/ SMART TV and/or plasma (except for computer screens, projectors of all kinds and computer monitors), the size of up to 50 inches, under the age of 7 years. The age of the appliance shall be determined according to the date of manufacture on the back of the appliance on the inside.
1.3	"Video"	A device that can receive and transmit movies using video tapes on the TV (excluding portable video devices, forming part of a video camera and camcorders)
1.4	"Equipment or equipment item"	A home computer and printer, as defined below, that are at the home of the Insured.
1.5	"Home computer system"	A stationary table PC , except for a Mac computer and/or Mac compatible, with a processor of level PENTIUM 2 or higher, and a single flat screen in size not exceeding 20" (twenty inches), and a stationary printer for home use, allowing printing on up to 12 pages per minute, as defined by the manufacturer, which has and/or its parts have a sales representative in Israel and with technical specifications as follows: fixed internal memory of any capacity, an internal fixed disk drive, any form of keyboard, any sound card, CD ROM drive and/or modem - fax modem if any, except for TV cards, video card, DVD drive, scanners, burners, joystick, mouse and keyboard.
1.6	"DVD"	A device capable of showing television films using CDs on the TV (excluding portable DVD devices powered by batteries) including an integrated DVD video.

1.7	"Refrigerator and freezer"	A home refrigerator and freezer up to 4 doors.
1.8	"Air conditioner"	A home air conditioner up to 5.5. Hp and a maximum output of 54,000 BTU for the entire air conditioner output (cooling and heating) (except for water-powered air-conditioning (chiller) and mobile air conditioner), installed in a way that allows reasonable access for the purpose of providing the service.
1.9	"Oven"	A home oven, powered by electricity only and an integrated microwave oven (except for ovens with a self-cleaning system, a toaster oven or a toaster of any kind).
1.10	"Microwave Oven/ Microwave"	A Microwave oven/ microwave for home, not for commercial use.
1.11	"Washing machine"	A washing machine and/or washing machine combined with dryer for home use up to 10 kg.
1.12	"Dryer"	A dryer for household use up to 10 kg, powered by electricity alone, not used for commercial use, whose manufacturing company has an importer and/or sales agent in Israel, and/or a services laboratory on their behalf, also providing maintenance services and spare parts for said model.
1.3	"Dishwasher"	A home dishwasher.
1.14	"Electric stove"	A home electric stove (including ceramic hob) operated by a heater.
1.15	"The devices"	Televisions, LCD, plasma, SMART TV/ LED (except for the various types of projectors and computer monitors) up to 50 inches, VCRs, DVD, refrigerator up to 4 doors, freezer up to 4 doors, air conditioner up to 5.5 kW, oven, microwave oven, microwave, washing machine up to 10 kg and dryer up to 10 kg, including an integrated product combining a washer and dryer, dishwasher, electric stove, printers and computers this letter of service covers, and that are found in the insured apartment specified in the list attached to the policy.

1.16	"The apartment"	The apartment insured in the policy, details of which appear in the specification, and in which the devices covered by this letter of service are found. A letter of service including more than one apartment - each apartment will be charged separately for the service to the devices in it .
1.17	"The policy"	The policy whereby the contents of the apartment are insured at "Menora Mivtachim Insurance Ltd" and to which this letter of service is attached.
1.18	"The specification"	The specification attached to the policy constituting an integral part thereof, as updated from time to time.
1.19	"Commercial use"	Use of a device for the purpose of business of the Insured.
	"Professional use"	A device designed for commercial and/or industrial use and not for private use.
1.20	"The recipient of the service"	The Insured under the policy, and anyone holding the apartment and/or using the devices in the apartment on behalf of the Insured.
1.21	"The supplier"	As defined in the specifications.
1.22	"Service Laboratory"/ "Service Laboratories"	As defined in the specifications and/or subcontractors performing for it the repairs.
1.23	"Call center"	The phone number of the call center: as defined in the specification on any change in the telephone number the subscribers shall be notified - in writing or by voicemail at the previous phone number of the call center that notifies of the new phone number.
1.24	"The effective date"	The date of entry into force of this letter of service in respect of the subscriber, as it appears in the specification.
1.25	"Deductible"	The amounts the subscriber is required to bear himself as a condition for receiving the services under this letter of service, as specified in the various service chapters.

2. Scope of the service

- 2.1 The service under this expansion will be given if expressly noted in the specification. The service under this letter of service will be provided and/or will be executed by the service laboratories.
- 2.2 This letter of service covers all maintenance services required for the proper operation of the devices, and for the repair of any malfunction or replacement of any part requiring replacement.
- 2.3 The recipient of the service will turn during the working hours to the service laboratories in order to receive the service.
- 2.4 The service will be performed by the service laboratories at the following times:

2.4.1 Refrigerator

2.4.1.1 In the event of a cessation in the cooling of in the refrigerator, or at any time when due to the malfunction an electric current passes to the body or the handle of the refrigerator and gives a shock or may give a shock anyone touching them - the starting time of the service will be no later than the next day following the day the services laboratory was requested to provide service by the recipient of the service.

2.4.1.2. In any other case:

2.4.1.2.1. Date of commencement of the service will be within 2 days of the time the service laboratory was requested to provide service to the recipient of the service, on condition that the location of the device is no more than 50 km from the service laboratory's location.

2.4.1.2.2. Date of commencement of the service will be within 4 days of the time the service laboratory was requested to provide

service to the recipient of the service, on condition that the location of the device is more than 50 km from the service laboratory's location.

2.4.1.3. Saturdays, general sabbaticals and holidays will not be counted in respect of this section.

2.4.1.4. The service will end after the execution of the maintenance and/or the repair and/or replacement of the parts within 30 work hours from the commencement time of the service (hereinafter: the "Service Completion Time"). If the service laboratory will not complete the service by the Service Completion Time, the recipient of the service will be entitled to receive within 48 hours from the passage of the said Service Completion Time, until the conclusion of the repair, a substitute device, even if of a different manufacturer, but similar in size to the original device.

2.4.1.5. For the purposes of this section - "work hours" – on weekdays, Sunday through Thursday from 08:00 to 17:00, and on Fridays and holiday eves from 08:00 to 12:00.

2.4.2. **Washing machine, clothes dryer, ovens, dishwasher, air conditioner, microwave, electric stove**

2.4.2.1. Date of commencement of the service will be within 3 days (for the air conditioner - within 2 days) from the date the service laboratory was requested to provide service to the recipient of the service, on condition that the location of the device is no more than 50 km from the service laboratory's location. The date of commencement of the service will be within 6 days (for the air conditioner - 4 days, and for microwave and TVs

- within 3 days) from the date the service laboratory was requested to provide service to the recipient of the service, on condition that the location of the device is more than 50 km from the service laboratory's location.

2.4.2.2. Saturdays, general sabbaticals and holidays will not be counted in respect of this section.

2.4.2.3. The service will end after the execution of the maintenance and/or the repair and/or replacement of the parts within 60 work hours (for an air conditioner - within 48 hours) from the commencement time of the service (hereinafter: the "Service Completion Time").

2.4.2.4. For the purposes of this section - "work hours" – on weekdays, Sunday through Thursday from 08:00 to 17:00, and on Fridays and holiday eves from 08:00 to 12:00.

2.4.2.5. If the device is brought by the Insured to the service laboratory, the date of commencement of the service will be on the same day.

2.4.2.6. In case the service laboratory does not return the microwave only within 7 days from the day the device was delivered for repair, the recipient of the service will be entitled to receive within 48 hours of the passage of said seventh day, until the completion of the repair a substitute device, even if of a different manufacturer, but similar in size to the original device. It is clarified that this does not apply to washing machines, clothes dryers, ovens, dishwashers and air conditioners.

2.4.3. **DVD devices**

2.4.3.1. in the event that the problem is with the laser system or the viewfinder, or that the device cannot be repaired

within 4 days from the date on which it was brought in for repair, the recipient of the service will be entitled to a new substitute device, even if of a different manufacturer, but with the same functions, for a deductible of 240 ILS, unless otherwise indicated in the specification.

2.4.4. TVs up to 34 inches

Up to 18 inches (inclusive) - the customer must bring the device to the laboratory near his residence. The handling of the device is up to 7 working days. Over 18 inches - the starting date of the service will be within 3 days from the date the service laboratory was asked to provide service to the recipient of the service, if the address of the device holder is in a place where there is a service laboratory, or in a place which is no more than 50 kilometers from a service laboratory. If the address of the device holder is where there is no service laboratory, and the distance from the service laboratory is more than 50 km - the starting date of the service will be more than 4 days.

2.4.5. LCD / Plasma/ LED TV/ SMART TV

- 2.4.5.1. A representative of the supplier will come to the service recipient's apartment within two business days of the time the supplier was requested to provide the service.
- 2.4.5.2. It is noted that the spare parts that will be replaced, if replaced, by a service laboratory, are not necessarily manufactured by the manufacturer, but will be compatible and of comparable quality to the original spare parts.
- 2.4.5.3. Days of rest and public holidays will not be counted for the purpose of the arrival of the representative of the supplier in respect of section 2.3.5.1 above.
- 2.4.5.4. The service provider must complete the execution of the work, including replacement of the parts, and bring the faulty device to work properly,

within 7 business days of the start of the service. It is hereby clarified that the starting time of service shall be the date of arrival of the technician and the taking of the device from the recipient of the service, and not before.

- 2.4.5.5. In the event that the service provider does not repair the device and/or return the device to the recipient of the service within seven days from the day of service/ pickup of the device from the recipient of the service, and/ or termination of delivery of the device for repair to the service provider – the recipient of the service will be entitled to receive another TV of up to 29” (twenty-nine inches), until completion of the repair and the return of the device to the recipient of the service. In any event, the repair time for the device and its return to the recipient of the service will not exceed 15 business days.

2.4.6. **Microwave, VCR, DVD**

The subscriber will bring the device to the service laboratory near his home.

2.4.7. **Home computers**

The services the recipient of services will be entitled to receive under this letter of service are as follows:

2.4.7.1. **Telephone assistance from the call center**

- 2.4.7.1.1. Telephone assistance from the technical center of the service provider regarding the operation of the equipment, as defined above, from HELP DESK hardware aspects.
- 2.4.7.1.2. A response to all the questions related to the operation of computers from hardware aspects.

- 2.4.7.1.3. Diagnosis and providing first aid in case of hardware failure.
- 2.4.7.1.4. It is hereby clarified that in case of telephone assistance – the deductible will not be charged.

2.4.7.2. **On-Site Service**

- 2.4.7.2.1. Repair of equipment breakdowns or malfunctions as defined above, all according to the terms of service set forth in this letter of service.
- 2.4.7.2.2. Repair of computer hardware malfunctions.
- 2.4.7.2.3. Repair of printers' malfunctions.
- 2.4.7.2.4. Repair/ replacement of modems in case of failure.
- 2.4.7.2.5. The repairs referred to in this section do not include the supply of spare parts needed to repair the malfunction and return to operation of the system.
- 2.4.7.2.6. Reinstalling service will be provided for operating systems with the software listed below, and these only: Windows 95/98 and Windows 2000 operating system, and any operating system that is distributed commercially in the market.
- 2.4.7.2.7. It is emphasized that the service for the operating software includes

the operating system recovery following a hardware failure, including reinstallation, if the customer is in possession at the time of provision of the service of **an available copy for the installation of the operating software and license for the operating system installed on the computer.**

2.4.7.3. **Response times for the handling a service call**

- 2.4.7.3.1. Telephone assistance up to 60 minutes after receiving the customer's call to the call center.
- 2.4.7.3.2. On-site service - the beginning of the service will be no later than two working days after the date of the customer's call to the call center, and provided that the call was made until 16:30. Calls received after 16:30 will be processed within three working days.

2.4.7.4. **General terms**

- 2.4.7.4.1. The scope of warranty of the performer of the service is three months for work and the spare part itself. For the avoidance of doubt, in the event of a return visit to the site not due to a fault in the spare part under said warranty – the service fee must be paid again.
- 2.4.7.4.2. The service provider is

not obliged to provide service to a customer who has not paid the deductible.

2.4.7.4.3. **Replacing a hard drive does not include the transfer of information stored on the old drive. The service provider shall inform the customer of the need for transferring data before replacement of the hard drive. The service provider shall not be liable for any outcome or problem, arising from the transfer of the information that was stored in the old drive.**

2.4.7.4.4. **It should be noted that the above coverage is for the hard drive, as a device only, and coverage does not include warranty for the information on it, including but not limited to - data recovery, software/files, bad sectors, defragmentation, backup, even if they are associated with the mechanical/electric malfunction.**

2.4.7.4.5. **The services under this letter of service do not include additions/ changes to the settings of the network software and/or existing hardware information,**

unless the additions/ changes are due to the service provided to the customer.

2.4.7.4.6. The services under this letter of service do not include software/ hardware installations, which are not included in the service under this letter of service.

- 2.5. This letter of service covers the service to all "devices" in the apartment, whose address is detailed in the specifications.
- 2.6. This letter of service is for the service period only.
- 2.7. Service under this letter of service is conditional, that in the beginning of the period of service the devices will be in working order and operate properly.
- 2.8. **It is clarified that the spare parts that will be replaced, if replaced, by a service laboratory, are not necessarily manufactured by the manufacturer, but be compatible and of comparable quality to original spare parts (applies to new parts and/or renovated parts).**
- 2.9. **It is clarified that the service laboratory is entitled, instead of repairing or replacing parts in the device, and at its professional discretion alone, provide the recipient of the service with a substitute device even if from a different manufacturer, whose value and quality are compatible with the device being replaced (not as the value of a new device), and in the event of a dispute over the value - it will be determined by a qualified appraiser. This section does not apply in the event that spare parts for the repair of the device cannot be obtained as noted in section 3.1.16.**
- 2.10. In the event the service laboratory was asked to repair made a repeat repair to the insured device within 6 months from the previous repair, and the repeat repair is due to the factor that caused the previous repair, or the repeat repair refers to work performed or parts of the previous repair - the service laboratory shall bear the full cost of the repair. The service laboratory will not charge the recipient of the services for parts if they were replaced in the previous repair, or for any

deductible amount.

- 2.11. In case of another malfunction in the device within 6 months from the previous repair, which is not related to the previous repair - the service recipient shall pay a total of up to 50% of the deductible, determined in this letter of service.

3. General exclusions

3.1 Under this letter of service, service related to damage and/or malfunction that occurred due to one or all or some of the following, will not be provided:

3.1.1. Electrical work outside the insured devices.

3.1.2. Using the device contrary to manufacturer's instructions.

3.1.3. The device was repaired or changes were made by an entity not authorized by the manufacturer to do so or by the service laboratories, when the service laboratory did not violate its obligations to repair and maintain the device as stated in section 2 above.

3.1.4. Failure or damage caused willfully or negligently by the recipient of the service or any third party.

The recipient of the service warrants that use made of the equipment will be strictly according to the manufacturer's instructions or those of his representative, or instructions he shall receive from the service provider.

3.1.5. Breakage or damage caused by moving the device from the residence of the device holder to another location.

3.1.6. Abnormalities in the electrical outlet connected to the device and/or failures and/or disruptions resulting from the home or public electricity network.

3.1.7. Damage caused by natural disasters.

3.1.8. Damage caused by rust, corrosion or decomposition.

3.1.9. Damage to parts and/or spare parts related to the manner of installation of the device, including exhaust pipes and water connections.

- 3.1.10. Damage caused by rodents.**
- 3.1.11. Failures caused by faulty maintenance and/or as a result of improper storage, force majeure, disruption of electricity, including without limitation - even when falling, breaking, lightning strikes, fluids, fire, decay and natural disasters, smudge and/or scratch on the screen.**
- 3.1.12. Corruption and/or malfunction caused by a mechanical and/or electrical connection of the device to accompanying accessories and/or equipment, which are not approved by the manufacturer for use with the device.**
- 3.1.13. Body work and paint jobs.**
- 3.1.14. Installation and/or replacement of parts that do not match the specific model of the device and whose installation will require adjustments and/or reconfigurations that will affect the functioning of the device, partially or fully.**
- 3.1.15. It should be clarified that all the services specified in this letter of service will be provided to devices that are not intended for professional and/or commercial use and that the company that manufactures them has an available importer and/or agent for sales in Israel and/or a laboratory authorized on its behalf to provide service, maintenance and sale of spare parts for that model of the device.**
- 3.2. In addition, no service will be provided for any damage and/or malfunction that occurred or were caused to the devices as a result of one or more of the causes listed below:**
 - 3.2.1. TV, VCR:**
 - 3.2.1.1. The age of the device exceeds 15 years for television only.**
 - 3.2.1.2. The damage or defect is to the lamp screen of a TV over 34" inches, inclusive.**
 - 3.2.1.3. The damage or defect is to the magnetic head for a video, more than 7 years old.**
 - 3.2.1.4. Broken panels and/or parts of**

glass or plastic or various dishes.

3.2.1.5. Damage resulting from the penetration of fluids to the device.

3.2.2. LCD/ Plasma/ LED/ SMART TV

3.2.2.1. Damage and/or malfunction to sheet metal parts, plastic parts, glass, coatings, paint and corrosion in the device.

3.2.2.2. Damage to a device more than 7 years old and over 50" (fifty inches).

3.2.2.3. Abnormal pixels at a rate of 0.05 (half a promil) of the overall amount of pixels on the screen and/or any other malfunction stemming from the screen.

3.2.2.4. Damage caused by rodents.

3.2.2.5. It is hereby clarified that in the event that for safety reasons and/or for reasons of lack of access, and/or if there is need to dismantle the walls to allow direct access to the device, the recipient of the service must ensure the performance of the above work independently, at his own expense.

3.2.3. Refrigerator

3.2.3.1. Damage to the compressor – for a device more than 12 years old.

3.2.3.2. Insulation materials in the walls or inside the device.

3.2.3.3. Glass parts, plastic and rubber parts including various cells, inner plastic wall of the door including attached plastic accessories.

3.2.3.4. Rot/ damage to the gas pipeline of the device.

3.2.3.5. Producer of ice cubes and water in its entirety (kiosk in the refrigerator).

3.2.3.6. LED lighting and markings.

3.2.3.7. Damage or malfunction of parts of the external and internal sheet

of refrigerators.

3.2.4. Microwave

- 3.2.4.1.** Damage or malfunction to a mechanism more than 5 years old.
- 3.2.4.2.** The damage caused by the introduction of metals or molds, which are not designed for microwave ovens, or due to damage from the penetration of liquids to the device.
- 3.2.4.3.** Damage or loss of light bulbs in microwave ovens.
- 3.2.4.4.** Damage or malfunction of the command buttons.
- 3.2.4.5.** A breaking of panels and/or plastic parts.

3.2.5. Washing machines, dryers, dishwasher

- 3.2.5.1.** Engine – for device over 10 years old.
- 3.2.5.2.** Tools baskets.
- 3.2.5.3.** Sheet metal and/or damage to the drum and/or damage to the hinges.
- 3.2.5.4.** Glass parts.
- 3.2.5.5.** Rubber parts, including hoses and sealing rubber bands.

3.2.6. Air Conditioner

- 3.2.6.1.** Air-conditioned with a capacity of over 5.5 kW or above 54,000 BTU for the entire air conditioner output (cooling and heating).
- 3.2.6.2.** Compressor – for a device more than 12 years old.
- 3.2.6.3.** Plastic parts.
- 3.2.6.4.** Damage resulting from dismantling, assembly, damage to parts related to the installation (including pipes, ducts and blinds), control system that allows temperature regulation between rooms.

- 3.2.6.5. Damage to the control system allowing control at room temperature level.
- 3.2.6.6. Body work, paint and coatings, pertaining to the exterior and interior veneer of the device, as well as damage to the parts related to the installation (including pipes, ducts and blinds) for split air conditioners and central air conditioners.
- 3.2.6.7. The air conditioner is installed in a location endangering the technician, and/or a place that does not allow access. The customer will be required to provide the suitable conditions for a technician to repair the air conditioner that do not endanger the technician.
- 3.2.7. Oven and Stove
 - 3.2.7.1. Damage and/or loss of domes and/or burners.
 - 3.2.7.2. Damage and/or loss of oven mesh or baking pans.
 - 3.2.7.3. Damage to the various clocks and/or control system buttons.
 - 3.2.7.4. Halogen stove, caps and burners.
- 3.2.8. Home computers
 - 3.2.8.1. Service for breakage and/or malfunction resulting from consumable parts such as magnetic media, floppy disks, keyboards, mice, and external plastic parts.
 - 3.2.8.2. Damage and/or malfunction for a Macintosh type computer and/or Mac-compatible and/or computers used for business purposes.
 - 3.2.8.3. Service for breakage and/or malfunction resulting from the handling of the equipment and/or its repair and/or supply of spare parts, if the repairs and/or damage and/or malfunctions

and/or changes to this equipment were not performed by the service provider.

- 3.2.8.4. Damage caused by viruses, whether the client is equipped with virus protection software and whether he does not have such software.
- 3.2.8.5. The service does not include services stemming from the manner of running software and all types of computer games and so on.
- 3.2.8.6. The services do not include installation, software updates and/or software upgrades, except for operating system recovery, that was damaged due to a hardware failure.
- 3.2.8.7. The service framework for the telecommunications infrastructure and/or software.
- 3.2.8.8. The cost of reinstalling the operating software held by the Insured.

4. Deductible

- 4.1. The amount paid by the recipient of the service for each service call and/or repair in a laboratory of any device belonging to the apartment is 200 ILS, unless stated otherwise in the specification, except for air conditioners over 4.25 kW **or above 38,250 BTU** where the deductible is 360 ILS, unless stated otherwise in the specification.
- 4.2. Unless stated otherwise in the specification, the recipient of the service shall bear a reduced deductible amount of 80 ILS in the event of an idle call, a technician's visit even if not asked to make a repair, or if the device turns out to be in proper working order.
- 4.3. Unless stated otherwise in the specification, the maximum deductible for a specific device throughout the service period shall not exceed 400 ILS, except for air conditioners over 4.25 kW **or above 38,250 BTU** when the deductible may not exceed 720 ILS.
- 4.4. The deductible amount will be paid to the service provider

prior to providing the service and against a tax invoice.

5. Linkage

- 5.1. All of the amounts stated in the letter of service, except for the deductible, will be linked and will increase in relation to the new index compared to the base index.
- 5.2. The deductible, specified in this letter of service, will be linked to the index on the date of the commencement of the letter of service (first acquisition/ renovation). For the avoidance of doubt, linkage will not be executed for the deductible during the service period.
- 5.3. **"The Index"** – the CPI published monthly by the Central Bureau of Statistics or by any other body empowered by the state to do so.
- 5.4. The **"Base Index"** - for the purpose of this letter of service, the CPI published on July 15th 2015.

6. General terms

- 6.1. Coverage is conditional upon the recipient of the service contacting the call center and/or service laboratory, and the receipt of service from them.
- 6.2. The service will be carried out where possible at the location of the devices. If it is not possible to perform the service at the location of the devices – the devices will be transferred from their location to the service laboratory and back, by the service laboratory and at its expense (except with respect to a microwave as described below), all within the dates stated in section 2.3 above.
- 6.3. **Service for video, DVD, TVs sized 18" (eighteen inches) inclusive, remote control and microwave ovens - will be provided at the service laboratories. These devices will be delivered to the service laboratories directly by the recipient of the service and at his expense.**
- 6.4. **Coverage for all devices noted in this letter of service is conditional upon the possibility of purchasing in Israel suitable part for the repair of the device.**
- 6.5. The devices should be in a place where a technician could comfortably repair them (not hanging on an arm or rack). The dismantling and assembly of the devices will be dependent by the client only.

7. The service period

- 7.1. The service according to this letter of service is for the period recorded in the specification, as long as the policy is not

canceled by either party.

- 7.2. Notwithstanding the provisions of subsection 1 above, it should be clarified that the subscriber will be entitled to cancel the letter of service without being charged the annual subscription fees, provided the subscriber has not yet ordered service in accordance with the letter of service, and provided that less than 14 days have passed from the start of the original period. For the avoidance of doubt, it is clarified that if the subscriber received service according to this letter of service, the subscriber will be required to pay the full annual consideration, as stated above.
- 7.3. The service provider will be responsible only for direct damages caused to the covered device under this letter of service, as a result of the service and/or the negligence of the service provider and/or the negligence of anyone on his behalf, including but not limited to sub-contractors and/or service laboratories and/or employees of service providers. In the event the service provider repaired the device under the letter of service a repeat repair, or replaced it, he shall be viewed as having complied with the conditions of this section, and the recipient of the service will not be entitled to any additional other remedies from the provider of the service, in accordance with law.
- 7.4. The service provider and/or contractors on its behalf and/or anybody marketing this letter of service will not be responsible for any damage caused to the recipient of the service and/or any third party, that is not damage to the product covered under this letter of service, as a result of the existence or absence of the letter of service for any reason, such as consequential damages of any kind, and all, including but not limited to - the prevention of profit or expected shortages, or compensation following non-pecuniary damage, or any claims against the recipient of the service from any third party, even if the service provider was given written notice of the possibility of such damages, losses or claims. The limitation of liability stated above shall also apply to any of the employees or representatives or senders of the service provider and/or performer of the service, if in connection with the provision of the service.

8. Jurisdiction and the applicable law

Any dispute which may arise between the Insured and the Service Provider and/or the Company, only a court in Israel shall be competent to hear, according to Israeli law.

Letter of Service - Repair Services for Electric and Solar Water Heaters

Coverage is in effect only if expressly stated in the specification.

1. Definitions

In this letter of service the following terms shall have the special meaning alongside them:

- 1.1 **"The Insured Apartment"** – the Insured's apartment insured under the Insurance Policy whose details are noted in the specification.
- 1.2 **"The Policy"** - a policy of the Company for the insurance of an apartment and/or its contents, under which coverage was purchase under this letter of service.
- 1.3 **"The Company"** – Menora Mivtachim Insurance Limited.
- 1.4 **"The Insured"** – anyone recorded as the insured party in the specification or deemed as an Insured party under the policy.
- 1.5 **"The Service Provider"** - as defined in the specification.
- 1.6 **"The Call center"** - a call center operated by the Service Provider as defined in the specification. The Call center will operate 7 days a week, 24 hours a day, except on the eve of Yom Kippur (from 14:00) to for two hours after the end of the fast.
- 1.7 **"Working Day"** - Sunday through Thursday that is not holiday eve or a holiday or a sabbatical by law.

2. The services

- 2.1. Subject to the terms and exclusions of the letter of service, as described below, including the payment of the deductible, the subscriber will be entitled to receive damage repair services for apartment water heaters.

In this respect, the term "apartment water heaters" means, electric water heaters, solar water heaters and solar panels, belonging to the Insured's apartment, as defined in the insurance policy **without** age limit for the above assemblies.

For the avoidance of doubt this service is a supplementary service in excess to the letter of service "Repair of plumbing damage, sealing and emergency services" provided under the letter of service of the service provider as specified in section 1.5 above. The service is an expansion of the coverage for damage caused by water and other liquids in section 3 of Chapter 1 apartment insurance in the "Insurance policy for the apartment".

2.2. The repairs will include:

- 2.2.1. Returning the condition of the damaged apartment water heater to fully functional.
- 2.2.2. In the event it will not be possible to repair the damaged component or assembly and at the discretion of the service provider, the damaged water heater or panel or heater or flange will be replaced.
- 2.2.3. The service provider will be allowed to fix the damaged component or indemnify the Insured for the payment he will be required to make for the repair by any other party.

2.3. The services and repairs shall not include:

- a. **Damage caused maliciously.**
- b. **Repair of the plumbing and electrical system the water heater is connected to.**
- c. **Repair and replacement of pumps.**
- d. **The cost of water or any other liquid.**
- e. **Consequential damage to the property, third party and the contents.**
- f. **Damages covered under the home insurance policy or the letter of service for plumbing damage.**
- g. **Damage caused by natural disasters such as hail storm, cold, and so on.**

2.4. Exclusions to the coverage:

- a. **In the event that the replacement of a water heater or panel or heater or flange is required, the service provider has the absolute right to determine the type of water heater or panel or heater or flange required, the manufacturer and manner of installation, as long as they are of high standards and the installation will be standardized. In the event that the replacement of a heater or flange is required, these components will be replaced with components of similar type and quality.**
- b. **This service will not be given to water heaters whose capacity is over 200 liters and to any major water heating systems: solar, gas or diesel-based, electric etc.**
- c. **This service will not be given if the damage occurred**

in an unoccupied apartment. (For the purpose of this letter of service "An unoccupied apartment" means; an apartment that the Insured did not actually live in for 60 consecutive days). Unless "coverage for an unoccupied" was purchased under the policy and the Insured has met the requirements for coverage.

- d. This service will not be given if the damage occurred before the entry into force of this letter of service.**

2.5. The services will be provided by the service provider using skilled professionals.

3. Deductible by the Insured

- 3.1. In any case of receiving service under this letter of service, the Insured shall pay the deductible as specified in the specification.
- 3.2. If the actual repair cost will be lower than the deductible specified in the specification, the Insured will pay the lower of the two. The service provider undertakes to update the Insured of the cost of the repairs before service is provided, and have him sign an authorization form to carry out the work.
- 3.3 Idle call:** For a visit only of a representative of the Service Provider to the Insured's apartment, in the event the representative was not asked by the Insured to perform the service at the end of the examination, or if according to the results of the examination the damage is not covered by the letter of service, the Insured will pay the Service Provider a total of 120 ILS, unless stated otherwise in the specification.
- 3.4 The deductible will be paid by the Insured to the actual Service Provider, against a tax invoice.
- 3.5 These amounts include VAT.
- 3.6 Deductible fee will be charged in respect of the repair of every damage separately. However, in respect of one visit the deductible will not be charged more than once.
- 3.7 Warranty - For the provision of services and/or quality of services a warranty shall be given by the Service Provider for the damage repaired by the Service Provider only for a period of 12 months from the date of the service being provided for the first time. Under the warranty the Service Provider will perform a repeat repairing of returning damage without collecting an additional deductible from the Insured.

3.8 The Insured will not be entitled to any payment from the company if he elects to accept the service which is the subject of this letter of service, not in accordance with the instructions of the service provider as provided in section 2.2.3. This section shall apply even if the Insured acted in good faith, or did not know of the existence of this expansion in his insurance policy.

3.9 Price list: cost as described in the specification.

3.10 The deductible, specified in this letter of service, will be linked to the index on the date of the commencement of the letter of service (first acquisition/ renovation). For the avoidance of doubt, linkage will not be executed for the deductible during the service period.

Manner of receipt of the service

4.1 In the event the Insured requires any of the services, he will turn via telephone to the call center as defined in the specification, will identify by name, provide the policy number and any other detail needed to identify him as an Insured entitled to receive the services under this letter of service.

4.2 The Insured shall report to the call center at the date of the opening of the call, the date on which he first discovered the existence of the damage caused.

4.3 Service will be provided in accordance with the dates listed below:

- a. The call was received at the service provider's call center until 12:00 on Sunday through Thursday which are weekdays - the beginning of the service will be on that work day, unless another date was coordinated with the Insured.
- b. The call was received at the service provider's call center after 12:00 on Sunday through Thursday which are weekdays - the beginning of the service will be the next work day, unless another date was coordinated with the Insured.
- c. The call was received at the service provider's call center until 08:00 on Fridays and holiday eves - the beginning of the service will be on that work day, unless another date was coordinated with the Insured.
- d. The call was received at the service provider's call center until 08:00 on Fridays and holiday eves - the beginning

of the service will be on the next work day, unless another date was coordinated with the Insured.

5. Warranty

- 5.1. For the provision of services and/or quality of services a warranty shall be given by the Service Provider for the damage repaired by the Service Provider only for a period of 12 (twelve) months from the date of the service being provided for the first time. Under the warranty the Service Provider will perform a repeat repairing of returning damage without collecting an additional deductible from the Insured.
- 5.2 For the replacement of a water heater or solar panel, or their component, warranty shall be given by the Service Provider for 3 (three) years from the date of replacement of the replaced water heater, panel or component.

6. The effect of the letter of service

- 6.1 This letter of service will be in force during the insurance period specified in the policy specification.
- 6.2 The cancelation of the letter of service by the Insured shall be by written notice to the Company. The cancelation shall be from the time of the cancelation notice onwards.
- 6.3 In the event the insurance policy was canceled, at the request of the Insured or at the request of the company, for any reason, or if the period of insurance has ended, this letter of service will also be canceled or ended, as applicable.
- 6.4 It is clarified that at the time of cancellation or termination of this letter of service, for whatever reason, any right of the subscriber for services on the basis of this letter of service ends as well. A subscriber who started receiving a service the subject of this letter of service before canceling the letter of service shall be entitled to complete it.

It is clarified that the Insured will be entitled to receive service provided he proves that the damage occurred and was discovered before the expiration of the policy.

7. Geographical scope

Service will be provided inside the State of Israel or the "territories" as defined in the Law for Amending and Extending the Validity of Emergency Regulations (Judea and Samaria – Jurisdiction in Offenses and Legal Aid), 5767 – 2007.