



**CASER TITLE DEED**

**Owner's modality**

**General conditions**

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**CAJA DE SEGUROS REUNIDOS**

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**According to the 3<sup>rd</sup> Article of the Spanish Insurance Contract Law 50/80, of October 8<sup>th</sup>, the policy-holders' limitative clauses within the policy General Conditions, will appear in bold print.**

**This contract is under the Spanish Insurance Contract Law 50/1980, of October 8<sup>th</sup>, and also under the Spanish Royal Order in Council 6/2004, of October 29<sup>th</sup>, by which the Spanish Ruling and Supervision Law of Private Insurances consolidated version is passed.**

**The Department of Insurances Retirement Plans of the Ministry of Economy and Taxation is the authority in charge of controlling this activity.**



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## GENERAL CONDITIONS

### PRELIMINARY ARTICLES – DEFINITIONS

This insurance contract is subject to the Spanish Insurance Contract Law 50/1980, of October 8<sup>th</sup> (published in the Official Spanish Gazette on October 17<sup>th</sup>, 1980); under the Spanish Royal Order in Council 6/2004, of October 29<sup>th</sup>, by which the Spanish Ruling and Supervision of Private Insurances Law consolidated version is passed; and also under the General and Particular Conditions herein agreed.

**By signing the application form, the Particular Conditions or the insurance certificate, the Policy-holder specifically accepts the limitative clauses within the policy General Conditions, which appear in bold print.**

In this contract:

- 1. The INSURER:** is CAJA DE SEGUROS REUNIDOS, *Compañía de Seguros y Reaseguros, S. A. –CASER–*, hereinafter called "the Insurer". The insurer issues the policy, assuming the risks coverage and guaranteeing the monies or the rendering of services, subject-matter of the contract, according to its General and Particular Conditions.
- 2. The POLICY HOLDER:** is the individual or the corporate person, who signs the contract with the Insurer, and assumes all the rights and liabilities arising out of it, except those ones which due to its origin, concern the Insurer.
- 3. The ASSURED:** is the owner, either the individual or the body corporate, of the real estate designated in the Particular conditions, and in the absence of the Policy-holder, will assume all the liabilities arising out of the contract.  
  
There may be two or more Assured persons in the same policy. If this were the case, both must be co-owners of the same real estate, as defined in this article. In order to tell the Assured person apart, they will be called first Assured, second Assured and so forth. There may be as many Assured persons as co-owners.
- 4. The BENEFICIARY:** is the individual or the body corporate, if previously assigned by the Assured, who is entitled to the right of indemnity.
- 5. The MORTGAGEE:** is the holder of a real right of mortgage of the real estate designated in the Particular Conditions.
- 6. The POLICY:** is the set of documents in which the ruling conditions of the insurance are stated. The insurance application form, the General Conditions, the Especial Conditions, the Particular Conditions which customize the risk, and the Supplements which may be issued to amend it while in force are part of the policy.
- 7. The PREMIUM:** is the price of the insurance, which will be added all legal surcharges and taxes.

**8. The LOSS:** is the result of a sudden and unexpected event. Its damaging economic consequences are covered by all the insurance warranties. All property damages arising out of the same source will be considered as a unique loss. The date of the loss will be the one in which the first damage was produced.

**9. The INSURED SUM:** is the maximum sum of the indemnity guaranteed by the Insurer. The sum is stated in the Particular Conditions of this policy. The insured amount must coincide with the net purchase price of the real estate which appears in the deed under which the said real estate has been purchased by the Assured, taking into consideration the definition of real estate in this Article, unless the net price of the above mentioned purchase, in the deed is higher than the 360,000 €, in which case the insured sum will be 360,000 €.

**In any case, the insured sum will be unique, independently of how many Assureds this policy has. Thereafter there is not an Insured sum for each Assured person.**

**10. The INDEMNITY:** is either the rendering of services or monies, which will be guaranteed by the Insurer, in case of any loss covered by this insurance, with a maximum amount which is stated in the Particular Conditions of the policy.

**11. The INSURED PROPERTY:** is the real estate which belongs to the Assured, as proved by the deed. It is the Assured's personal warranty and property.

**12. The REAL ESTATE:** is the house purchased by the Assured by deed, and if applicable, the junk room and/or the garage or parking space attached to the aforementioned house, also purchased by the Assured simultaneously in the same act. These are specified in the Particular Conditions of the policy, and also, they may be mortgaged.

**13. The GARAGE:** is the premise where to park one or more cars. Together with the house, it is specified in the Particular Conditions of the policy.

**14. The PARKING SPACES:** are the places duly marked where the cars are intended to be parked. Together with the house, those are stated in the Particular Conditions of the policy.

**15. The MORTGAGE:** the real estate is subject to the mortgage as stated in the Particular Conditions of the policy, as defined in this article, the Assured must fulfill the payment of the loan granted to buy the real estate.

The mortgage must be registered in the relevant Land Registry.

**16. The LOAN:** is the contract whereby an individual or a body corporate gives the Assured money to purchase a real estate. The Assured is obliged to give it back and pay, where it is the case, the agreed interests.

When a loan is guaranteed by a mortgaged real estate, for the effects of this contract, it will be called mortgage loan.



**17. The OWNER:** is the individual or body corporate, holder or co holder of the real estate ownership.

**18. The CLAIM:** is when the Policy-holder, the Assured or the Beneficiary informs the Insurer of the occurrence of any risk, defined in 1<sup>st</sup> Article of these General Conditions, which may affect the real estate.

**19. The DEED OF SALE:** is a public deed of sale of a real estate, by virtue of which the owner purchases the right of ownership of the said real estate.

**20. LAND CHARGES OR TAXES:** Are the rights third parties have on the real estate deed of sale, on the ownership of the real estate and/or on the real estate itself (attachment of real property, real property rights, etc.).

**21. The EFFECTIVE DATE:** is the starting date of the coverage of this insurance policy. The date is stated in the Particular Conditions, and it can not be earlier than the date of the deed of sale of the insured Real Estate.

**22. The REAL ESTATE MARKET VALUE:** is the appraisal value of the real estate, which is registered as such appraisal value in the mortgage loan deed or mortgage loan subrogation signed by the Assured in order to purchase the said real estate.

Failing to have the said appraisal value of the real estate, the real estate market value will be the price of the purchase of free occupation real estates without charges, in the same geographical area, with the same features, taking as a reference the surface area, the number of rooms, the equipment, the state of repair and any other feature or objective reference which may help the Insurer determine more accurately the real estate market value when the Assured purchases the real estate. **Any expenses, or taxes not concerning the strict value as such, even though, for some reason, they may arise out of the purchase of the real estate, will be excluded of the market value.**

**23. The PECUNIARY LOSS:** is a property damage or loss affecting the Assured, as a result of the occurrence of any risks guaranteed by this policy.

**24. HIDDEN DEFECTS:** will be, in this contract, any defects or imperfections regarding the Assured title, as personal warranty: the property.

**25. OFFENCE AGAINST THE ENVIRONMENT OR POLLUTION:** is the emission, dispersion, expulsion or storing of any solid, liquid or gaseous substance out in the atmosphere, ground or water. It is also the odours, vibrations, temperature changes, waves or radiations which exceed the levels legally allowed.

## **1<sup>ST</sup> ARTICLE – COVERED RISKS**

1. The Insurer guarantees the Assured the rendering of services and money mentioned in 19<sup>th</sup> Article of this General Conditions, exclusively in case the right of ownership and/or the Assured's deed of sale of the real estate specified in the Particular Conditions, may be affected by the occurrence of any events stated in this Article. Such events must cause the Assured an unexpected pecuniary loss by any of the following reasons:

- Hidden defect which affects the insured property.
- By third parties' dishonest acts, which affect the insured property during the coverage term.

2. The following events, specifically guaranteed, which may cause the Assured any unexpected pecuniary loss by:

### **2.1. Problems regarding the writing of the deed of sale and its entry in the Land Registry**

- Rejection of the entry of the title by the Land Registry, in which case the policy will guarantee the defence of the rights of the Assured.
- Absence and/or loss or of any needed document to validate the aforementioned title, by the Land Registry to enter the deed of sale and/or by the Notary Public's Office in which the deed of sale was granted.
- When the Land registrar may have made any mistake in the entry of the deed of sale of the Assured real estate.
- Irregularity or interruption in the procedure of the previous registry titles of the real estate herein insured, failing the Assured to enter the deed of sale in the Land Registry, provided the previous the deed of sale is still unresolved by the Land Registrar, or the deeds are supposed to be granted just before de purchase or simultaneously.
- Existence of previous charges on the insured real estate, dating before the deed of sale, provided that the notary public in charge of authorising the deed, had not noticed the existence of the said charges, and a search was made in the Land Registry to check on the possible existence of charges as stated in the 175<sup>th</sup> Article of the current Notary Public Law, or it was not legally necessary.
- When the deed of sale has a defect or may result imprecise in regard to the purchase intention of the Assured, who having known so, would have not granted it, or would have paid less, providing that the defect or imprecision may not result noticeable, or the Assured, due to his/her profession should easily know.
- When the vendor of the real estate herein insured stated, in the deed of sale, that the said real estate is not his/her usual family home, and the said statement were wrong or false.
- When a charge or Registry tax on the insured real estate herein insured is entered, after the Notary Public has granted the deed of sale, due to the delay in the producing of necessary documents to the Land Registry or the notary Public's office, in order to validate the said deed of sale and its registration, provided the Assured is not responsible for that delay.

### **2.2. Inappropriate real estate operations**

- When purchasing the real estate herein insured, the Assured is victim of dishonest real estate operations of someone who falsely claimed to have the right of disposition of the real estate herein insured, making use of several false documents.
- When, before the handing of the real estate herein insured, a second deed of sale on the same real estate is granted between the vendor and a another vendee , being the Assured, at least, one of the two vendees.
- When a person, impersonating the Assured and pretending to be the legal owner of the real estate herein insured, sells the said real estate to a third person.
- When the vendor of the real estate is represented in the deed of sale by another person, individual or body corporate, by virtue of a power of attorney, and this power of attorney was annulled by the Assured on the date of the purchase of the real estate.
- The vendor's lack of capacity to act, legal incapacity in order to sell the real estate herein insured.
- When the assured vendee is given a real estate different to the one herein insured.

### **2.3. Space defect**

2.3.1. If the real estate had been purchased prior to its construction, when handed in or when granted the deed of sale, it had a defect of space of more than 10% over what it is stated by the plans approved by the relevant professional association.

2.3.2. If the real estate had been purchased by deed of sale, having the Assured visited it, and the space handed in were smaller than when visited, and it could be duly proved. Witnesses will not be accepted.

2.3.3. If the parking space purchased together with the real estate herein insured, had been purchased prior to its construction, and its dimensions were smaller than the smallest ones in the following list:

- Measures in the official plans by the architect in charge of the relevant work,
- Measures in the relevant local bylaw, or
- 4.50 metres long, 2.25 metres wide and 2.00 metres high or less, provided the manoeuvrability within the parking space is not affected.

**The warranty will cover the losses only if they are notified within a maximum of sixty days, starting the following day this insurance becomes effective.**

**2.4. The Assured physical or legal impossibility to access the real estate,** and in case there were a garage or a parking space for cars, physical or legal impossibility to access the garage or the parking space by car, due to:

- The non existence of accesses, blocked accesses to the real estate, the garage or the parking space, or





- The vendor or other persons related to him/her by contract or by relationship, refusing to leave the real estate.

#### **2.5. Claims**

- If the real estate herein insured is claimed by the previous owners of the said real estate, or if the Assured is deprived of the whole or a part of the real estate, in virtue of a third party's right before the purchase.
- If the Assured is sued by third parties, regarding the bounds of the insured property.
- If there are non-registered or non-revealed rights of way or light on the real estate, or on adjacent real estates which affect or may affect the right of property in regard to the insured real estate.

#### **2.6. Existence of tenants**

- If the real estate herein insured is rented, and in the deed of sale it is proved that the tenant has been notified the decision of selling it, its price and the other basic transmission conditions, the tenants exercises his/her right of redemption after closing the purchase.
- Existence of tenants in the real estate herein insured, even though the vendor did not state it when granting the deed of sale.

#### **2.7. Procedures**

2.7.1. Existence of a administrative procedure or legal proceeding on the real estate herein insured, prior to the granting of the deed of sale, which may firmly and definitively result in:

- the total or partial legal or physical loss of the said real estate, due to expropriation, ruin, etc., in exchange (or not) of any consideration, or
- the imposition of any right (of way, light, etc.) which limits the right of property on the real state of the Assured, or
- the obligation of the Assured to pay any amount of money as a result of his/her condition of owner of the real estate affected by the relevant legal proceeding or administrative procedure.

2.7.2. When the purchase of the real estate herein insured is declared void as a result of the retroactive effects of the vendor's report of bankruptcy.

#### **2.8. Money claims**

- When there are money claims against the Assured, relating the terms whereby the deed of sale has been granted, and it is proved that such claims are contrary to correct procedure.



- Existence of ordinary or extraordinary community or owners association costs, of local, regional or state taxes which affect the real estate herein insured, due to be paid when granting the deed of sale, and thereafter earned before the said granting.

## **2.9. Lack of licences**

Lack of building licence, work licence, or any other failure as a result of not fulfilling the required obligations to obtain a licence to build or modify the real estate, as well as the lack of occupancy permit.

## **2<sup>ND</sup> ARTICLE – EXCLUDED RISKS**

**This contract will not cover any risks which are not specifically stated in the 1<sup>st</sup> Article of these General Conditions. The following losses will not be covered either if they arise as a result of:**

- a) **The Assured deliberated or dishonest act or omission.**
- b) **Any event or occurrence covered by this insurance, which the Assured may have been aware of or may have known about, by rational means, before the granting of the deed of sale and the effective date of this policy, in case it were after the granting of the deed of sale.**
- c) **Real or legal changes in the description, and state of charges or rights (of way, light, etc.) of the real estate herein insured, produced by events, contracts or agreements, legal acts, administrative or court decisions, entries and/or registry entries, occurred, celebrated, adjudicated and/or entered respectively, by town halls, regional governments, public or private authorities, courts, commissioners for oath, or the Assured, or in general anybody legally capacitated to do so, after the granting of the deed of sale.**
- d) **Any defect, imperfection, damage or claim, created, constituted, accepted or authorised by the Assured, which affects the real estate, the right of property on the real estate, and/or the deed of sale.**
- e) **Any defect, imperfection, damage or claim relating the real estate and/or the deed of sale and/or the right of property on the real estate, which do not cause any pecuniary loss to the Assured.**
- f) **Any change in the real estate value due to real estate market fluctuations.**
- g) **Any penalty foreseen in the loan or mortgage loan, subscribed by the Assured to purchase the real estate.**
- h) **Any damage, arising directly or indirectly out of any covered losses in this contract, not specifically covered by the said contract such as temporary rehousing expenses.**
- i) **Any damage which affects any object in the real estate, as a result of a loss covered by this policy.**



**j) Any damage caused by the State, regional government or relevant town hall and in general by any relevant public authority, exercising their right on the ground, subsoil, or airspace (mines, quarries, roads or streets, etc.) of the real estate after the granting of the deed of sale.**

**k) Any claims of the Assured based on the existence of:**

- **Electromagnetic fields and waves.**
- **Asbestos or any other harmful elements for human or animal health.**
- **An environmental offence.**
- **Damages caused by insects.**
- **A building defect**

**l) Any risk which have to be covered by the reinsurance pool, according to the law in force when the loss occurs.**

**m) Any claim to benefit any employee, on the pay of the policy-holder and/or any Assured in this insurance, or on the pay of the owner or co-owner, before the former, of the real estate herein insured.**

**n) Damages caused or aggravated by:**

- **Any nuclear fuel, radioactive product or junk, or by any source of ionic radiations which may come (or not) exclusively from any nuclear power station.**
- **Any source of ionic radiation (radio-isotopes) coming from a nuclear power station.**

**o) Any loss as a result of the abeyance of the registry notarisation, as stated in 205<sup>th</sup> and 207<sup>th</sup> Articles of the current Mortgage Law.**

**p) Any claims based upon the total or partial occupation of the real estate herein insured, by persons not related with the vendor by contract or relationship.**

**q) All losses stemming from a declaration of nullity, revocation, annulment, invalidation or suspension of part or all of any General or Partial Urban Development Plan covering the dwelling which is the subject matter of the present insurance policy are excluded.**

**r) Any other risk excluded in the Particular Conditions or in a Policy Supplement.**

### **3<sup>RD</sup> ARTICLE – OBJECT OF THE INSURANCE**

1. The object of this contract is to guarantee the right of property and the deed of sale of the Assured in regard to the real estate designated in the Particular Conditions, in case any of the risks defined in the 1<sup>st</sup> Article may occur and cause unexpected and pecuniary loss to the Assured.

2. In case there were two or more Assureds in this policy, the indemnity stated in the 19<sup>th</sup> Article, paragraph 1.2. of these General Conditions, will be paid, respectively, according to the share of property on the real estate designated in the Particular Conditions.

**3. The insured sum stated on the Particular Conditions is the maximum amount of the indemnities guaranteed by the Insurer during the effectiveness of the insurance, including all possible annual extensions.**

### **4<sup>TH</sup> ARTICLE – APPLICABLE SCOPE OF THE INSURANCE**

The risks covered by this policy, and stated in the 1<sup>st</sup> Article of this General Conditions, **refer to real estates in the Spanish territory.**

### **5<sup>TH</sup> ARTICLE- TIME EXTENSION**

The risks covered by this policy, refer to the losses which may occur during the effectiveness of this policy.

### **6<sup>TH</sup> ARTICLE – TERM OF THE POLICY**

1. The term of this policy will be twenty years, from the starting date of effectiveness of the insurance, specifically stated in the General Conditions.

These twenty years are distributed in an initial term of the contract for ten years and an automatic extension, after the initial ten year period, for a year and so on up to reaching the twenty year term, counting and including in the said twenty year period the initial period of term of the policy and each of its successive annual extensions.

2. The insurance policy will terminate, when any of these events first occur:

2.1. When the Assured legally and totally loses the right of property on the real estate herein insured, without the occurrence of any of the risks covered in the 1<sup>st</sup> Article of these General Conditions.

2.2. When the insured sum indicated in the Particular Conditions, decreases up to reach zero pesetas or euros, as a result of the indemnities referred to in the 19<sup>th</sup> Article, paragraph 1.2., of these General Conditions.

2.3. In case the Policy-holder refuses to continue with the annual extension above mentioned, the Insurer must give the Policy-holder the proportion of the single premium which corresponds to the insurance annuity due, from the cesser of the insurance policy to the end of the twenty year period above mentioned.

2.4. At the end of the twenty year effectiveness of the insurance policy.

## **7<sup>TH</sup> ARTICLE – RISK DECLARATIONS**

1. The risk declaration or form filled in by the Policy-holder, and if appropriate, by the Assured, and the rest of data stated in the Insurance Application Form, the insurance proposal, together with these General Conditions, Especial Conditions, Particular Conditions, and if appropriate, the Supplements of the above mentioned list, make a whole unit which is the base of the insurance, which only applies to, within the agreed limits, the estate and risks thereto specified.
2. If the contents of the policy differ from the Insurance Application Form, the insurance proposal or the agreed clauses, the Policy-holder may ask the Insurer to correct the existing divergences, within a month from the producing of the policy. After that time, if no action has been taken by the Policy-holder, the contents of the policy will be effective.
3. The insurance contract as well as its amendments or additions will be executed in writing.
4. This policy has been agreed upon the Policy-holder and Assured declarations, by filling in a form submitted by the Insurer, whereby the Insurer accepts the risk and the obligations which arise out of the contract and the setting of the premium.
5. The Policy-holder and the Assured are obliged, unless otherwise agreed in writing, to inform the Insurer immediately of the existence or conclusion of other policies contracted with different Insurers, covering the effects that a same risk makes cause to the same element during the effectiveness of this insurance. When informing the Insurer, the business name of the Insurers with whom the others insurances may have been contracted, and the insured amounts as well as the basic features of the said insurances. If the Assured, fraudulently, did not inform the Insurer, about this, and a loss occurred in case of overinsurance, the Insurer is not obliged to fulfill the indemnity.

## **8<sup>TH</sup> ARTICLE – RESERVE OR INEXACTITUDE**

1. The Policy-holder must inform the Insurer of all circumstances known by him/her which may affect the risk assessment, before the end of the contract term, according to the form submitted by the Insurer to the Policy-holder. The Policy-holder will be exonerated from that obligation if the Insurer does not submit him/her any form or if in spite of doing so, there were circumstances which may affect the risk assessment and they are not thereto incorporated.
2. The Insurer may cancel the contract by a report addressed to the insurance Policy-holder within a month after acknowledging the reserve or inexactitude of the insurance Policy-holder. From this moment onwards, the Insurer will keep the premiums related to the current period, unless the Insurer is found responsible for fraud or gross indecency.
3. If the loss occurred before the Insurer had made the above mentioned report, the indemnity will be reduced to the same existent proportion between the premium agreed by the policy and the relevant one according to the real risk institution. When the reserve or inexactitude may have occurred due to the Policy-holder's fraud or gross indecency, the Insurer will be free of fulfilling the indemnity.



## **9<sup>TH</sup> ARTICLE – PERFECTION, EFFECTIVENESS AND TERM OF THE CONTRACT**

1. The contract will be perfected by expressed consent when both contracting parties sign the policy. The contracted coverage will not take effect unless the single premium had been paid, unless otherwise agreed as opposed to the Particular Conditions.

In case of delay in the fulfilling of the aforementioned requirements, the Insurer's obligations will start twenty-four hours after the signing of the policy and the payment of the single premium.

**2. The policy warranties will be effective on the effective date stated in the Particular Conditions, and will terminate in the date therein stated, unless before the said date any of the termination or expiration causes occur, according to these General Conditions.**

**3. The policy Supplements will take effect twenty-four hours after the date therein stated, unless otherwise stated in the supplement.**

## **10<sup>TH</sup> ARTICLE – PAYMENT OF THE PREMIUM**

1. The policy-holder will be obliged to pay for one single premium at the start of the initial effective date of the insurance contract together with all the charges and taxes involved within the perfection of the contract, independently of what the term of the said contract is, according to the above mentioned 9<sup>th</sup> Article, paragraph 2. The amount to be paid is stated in the Particular Conditions.

2. The single premium will be paid in the place specified in the Particular Conditions. In case there is not a specified place in the Particular Conditions, it is understood that the payment will take place in the Policy-holder's home address.

3. If the single premium has not been paid by the Policy-holder, the Insurer will have the right to cancel the contract or to claim the payment of the premium by enforcement procedure. Unless otherwise agreed in writing, by the Insurer and the Policy-holder, the Insurer will be free of his/her obligation, if the single premium has not been paid before the occurrence of any loss.

4. According to this contract, any Policy-holder's payments must be made directly to the Insurer.

5. The single premium banker's order payment might be agreed in the Particular Conditions of the policy.

6. If single premium banker's order payment is agreed in the Particular Conditions, the following rules, apart from the ones in this Article, will be also applicable:

- The Policy-holder will inform the bank or savings bank of the said single premium banker's order payment, in writing.
- The receipt will be sent to the bank or savings bank, from its effective date, to be billed in the account where the insurance will be paid.



- If for any reason the receipt was sent back or was not totally paid, the Insurer will inform, the Policy-holder, in writing, of the non-payment, and if applicable will resend the receipt to be paid.
- If the Policy-holder did not respond to this second attempt of charge, or the Insurer did not resend the receipt to be paid, the Insurer will have the right to cancel the contract or to demand the payment of the premium due, by enforcement procedure, as stated in the policy.

### **11<sup>TH</sup> ARTICLE – CONTRACT NULLITY**

The contract will be null and void if at the time of its termination there were no risk, or in case a loss had occurred or if the Assured were not interested in receiving the damage indemnity.

### **12<sup>TH</sup> ARTICLE – TRANSFER OF TITLE**

In case of transfer of title, it is herein specifically agreed between the Insurer, the Policy-holder and the Assured, that subrogation stated in 34<sup>th</sup> Article of Insurance Contract Law 50/1980, of October 8<sup>th</sup>, will not take place

### **13<sup>TH</sup> ARTICLE – COMMUNICATION**

1. Communication to the Insurer from the Policy-holder, the Assured or the Beneficiary, will be at the Insurer's business address, herein stated.
2. Communication from the Insurer to the Policy-holder, the Assured or the Beneficiary, will be at their home address, stated in the Particular Conditions, unless they had informed the Insurer of any change of home address.
3. Communication carried out from an insurance agent or an insurance agent's office mediating in the contract, to the Insurer, on behalf of the Policy-holder or the Assured, will take the same effect as it were carried out by the Policy-holder, or the Assured, unless otherwise stated by them.

### **14<sup>TH</sup> ARTICLE – TAXES AND CHARGES**

All taxes and charges imposed to this contract and its premium, provided that they can be legally paid by someone else, will be paid by the Policy-holder or the Beneficiary, as per law.

### **15<sup>TH</sup> ARTICLE – LOSS OR DESTRUCTION OF THE POLICY**

In case of loss or destruction of the policy, the Insurer, upon the Policy-holder's request or by default, upon the Assured or the Beneficiary's request, will have the obligation of issuing a copy or a duplicate of the policy, which will take the same effect as the original one. The request in which the reasons of the case are explained proves of having informed the other policy holders are provided, and whereby the petitioner commits to give the original policy back in case it appears, and indemnify the Insurer for the damage that may arise out of claim of a third party, will be in writing.



## **16<sup>TH</sup> ARTICLE – OBLIGATIONS OF THE POLICY-HOLDER AND/OR ASSURED**

1. The Policy-holder and the Assured must do their best to lessen the consequences of the loss. If they fail to do this, the Insurer will have the right to reduce his/her rendering to a relevant proportion, taking into consideration the importance of the arisen damages and the degree of responsibility of the Policy-holder and/or Assured. If this non-fulfilment clearly intended to damage or cheat the Insurer, the said Insurer will be free of rendering as a result of the loss.

2. The Policy-holder, the Assured or the Beneficiary must inform the Insurer of the occurrence of the loss, they will have to address a claim to the Insurer, within a maximum of seven days of knowing it, that is to say: seven days starting from the same moment the occurrence of any of the contingencies defined in the 1<sup>st</sup> Article is known, in which the right of property of the Assured and/or the deed of sale of the real estate might be affected. They must also state the policy number and the possible existence of other insurance contracts which cover the same risk.

3. The Policy-holder or the Assured must also provide the Insurer with all kind of information and proves of the circumstances and consequences of the loss.

If this duty is not fulfilled, the loss of the indemnity right will only occur in case the said loss might have occurred fraudulently.

4. If the Policy-holder or the Assured or the Beneficiary fail to inform the Insured of the occurrence of a loss within the period of time above mentioned in paragraph 2, the Insurer will be empowered to claim a compensation for the possible damages arisen out of that lack of information.

## **17<sup>TH</sup> ARTICLE – RIGHT OF ACCESS**

In case of loss, the Insurer will have the right access the real estate in order to have a extra item of scrutiny to deal with the loss.

## **18<sup>TH</sup> ARTICLE – DETERMINATION OF THE INDEMNITY**

1. The Insurance can not be a source of unfair enrichment for the Assured.

2. If the same declared property and risks were insured by several insurances, the Insurer will contribute to the indemnity in proportion to the insured sum, not exceeding the damage sum, without detriment to what is stated in the 7<sup>th</sup> Article, paragraph 2, of these General Conditions.

## **19<sup>TH</sup> ARTICLE – INDEMNITY AND EVALUATION CRITERIA**

### **I. INDEMNITY CRITERIA**

1. The Insurer guarantees the Assured the rendering of the services below mentioned, exclusively on the assumption that the right of property on the real estate and/or the



deed of sale of the Assured might be affected by the occurrence of any of the risks stated in the 1<sup>st</sup> Article:

1.1. Within a maximum of six months, starting when the Insurer acknowledges receipt of the claim, the Insurer must try to solve the loss, making, in his/her opinion, the most suitable arrangements for the repair of the damage.

The arrangements above mentioned will not be the ones stated in a legal defence insurance.

1.2. If at the end of the six month period stated in the previous paragraph, the loss had not been solved, independently of the state of the loss procedure, the Insurer will have to indemnify the Assured according to the following terms:

1.2.1. The insurer must pay an amount, as an indemnity, for the pecuniary loss suffered by the Assured. The Insurer will evaluate that amount according to the suffered pecuniary loss, taking into consideration that the said amount will not exceed the following amounts:

- The amount of the insured sum specified in the Particular Conditions or the insured sum when the pecuniary loss occurred, in case the insured sum might have been reduced according to what is foreseen in paragraph 2 of this Article.
- The real estate market value when the pecuniary loss occurred, such as real estate market value is defined in these General Conditions.

1.2.2. Or, if the Insurer chooses to do so, he/she might offer the Assured the purchase of the real estate herein insured, at the maximum price of the insured sum stated in the Particular Conditions, unless:

- The amount of the insured sum specified in the Particular Conditions might have decreased according to what is foreseen in the paragraph 2 of this Article, in which case the Insurer will purchase the real estate at the price of the insured sum in force when the said loss occurred.
- And/or the amount of the insured sum stated in the Particular Conditions or the amount in force of the said insured sum when the loss occurred, as foreseen in paragraph 2 of this Article, is higher than the real estate market value, as defined in these General Conditions, in which case the Insurer will purchase the real estate at the said real estate market value.

**Any expenses, charges or taxes not strictly involved in the price, will be excluded of the purchase price the Insurer will pay, even if those arise out as a result of the purchase for any reasons or grounds.**

1.3. In spite of what is stated above, if within the six first months referred to in paragraph 1.1 of this Article, it was not possible to solve the loss, it will not be necessary to wait those six first months for the Insurer to indemnify the Assured as stated in paragraph 1.2 of this Article. From that moment on, actions will be taken as foreseen in paragraph 1.2.

2. The insured sum stated in the Particular Conditions is the maximum limit of the indemnities guaranteed by the Insurer during the effectiveness of this insurance. The maximum amount of the insured sum will decrease, as indemnities are given by the Insurer, in each policy loss, up to reach zero pesetas or euros.

The amount of all the expenses incurred by the Insured to solve the loss during the six first months referred to in paragraph 1.1. of this Article, will be paid by the Insurer, thus those expenses will not be deducted from the amount of the insured sum stated in the Particular Conditions.

## II. EVALUATION CRITERIA

When indemnifying the loss, the Insurer will take into consideration the following criteria:

**1. For the real estate market value:** the definition of such real estate market value which is stated in these General Conditions.

**2. For the pecuniary loss:** the one determined by the relevant claim adjuster, designated by the Insurer, depending on the type of loss. If the Assured disagreed with the pecuniary loss evaluated by the said claim adjuster, what is stated in the 38<sup>th</sup> Article of the Insurance Contract Law 50/1980, of October 8<sup>th</sup>, will be applicable.

## 20<sup>TH</sup> ARTICLE – PAYMENT OF INDEMNITIES

1. The Insurer is obliged to pay the indemnity when research to determine the existence of loss and the needed assessment to determine the damages caused by the said loss, have finished. In any case, the Insurer must pay the Assured the minimum amount of what is owed by the Insurer, according to his/her knowledge, within the forty days after acknowledging receipt of the loss report.

The Insurer will repair or replace the damaged item instead of paying the indemnity, in case the nature of the insurance allows to do so and the Assured agrees with it.

Given the nature and features of this insurance, for the foreseen purposes stated in the two last paragraphs, it is understood that the payment of the minimum amount which the Insurer may owe, will be:

- During the initial six month period stated in the 19<sup>th</sup> Article, paragraph 1.1., since during the said period the rendering of the Insurer consists in the repair of the loss and not in the payment of any indemnity, the Insurer must initiate the procedures to repair the loss within the next forty days after acknowledging the Assured's claim.
- Once those six months above mentioned have passed, and since in this case, the Insurer's rendering consists of the rendering of money stated in the 19<sup>th</sup> Article, paragraph 1.2., the Insurer must pay the minimum amount of what he/she might owe within the next forty days within the said six months after acknowledging the said Assured's claim.



2. If in any moment, the parties agreed on the amount and the way the indemnity is sorted, the Insurer must pay the indemnity stated in the 19<sup>th</sup> Article, paragraph 1.2. within forty days after the parties signed the agreement.

3. If the parties did not agree on the above mentioned paragraph, each party will designate a claim adjuster, having a written acceptance of the parties, within forty days after the six months after the acknowledge of receipt of the claim or loss report, referred to in the 19<sup>th</sup> Article, paragraph 1.1. If one of the parties had not made any designation, it will be obliged to do so within the following eight days after the date the other party had made its designation, and if failing to do so in this last period, it is understood that the claim adjuster's report is accepted and it will be binding.

In case the claim adjusters reach an agreement, it will be reflected on a joint document, in which the following will appear: the causes of the loss, the evaluation of the pecuniary loss and the real estate market price, and other circumstances which may affect the indemnity, and also its net amount.

If the claim adjusters do not reach an agreement, both parties will agree on the designation of a third claim adjuster, and in case of not agreeing on this, an examining magistrate of the place where the real estate is will designate this third claim adjuster, in an act of voluntary jurisdiction and according to the procedures foreseen in the Civil Procedure Law for the balloting of the claim adjusters. In this case, the claim adjuster's report will be issued within the period agreed by the parties, or by default, within thirty days after the third claim adjuster has accepted his/her designation.

The claim adjuster's report, unanimously or by majority, will be notified to the parties immediately and beyond any doubt within the thirty day period for the Insurer and hundred and eighty days for the Assured, starting both periods from its date of notice, and will be binding for them. If the relevant action is not interrupted during the said periods, the claim adjuster's report will be irrefutable.

Each of the party will pay for his/her claim adjuster's fees and other expenses caused by the claim adjuster's report, will be paid, share and share alike by the Insurer and the Assured. However, if this claim adjuster's report was necessary due to any of the parties keeping a clear incommensurate assessment of the pecuniary loss or the real estate value, that party will have to pay for those expenses.

4. The evaluation of the pecuniary loss and the real estate market value will be done according to what is stated in the 19<sup>th</sup> Article.

## **21<sup>ST</sup> ARTICLE – PROCESS AND DOCUMENTS NEEDED BY THE INSURER FOR THE LOSS PAYMENT**

In order to process a loss herein guaranteed, and if applicable, indemnify the Assured as stated in this policy, the Policy-holder, the Assured or the Beneficiary must present in the Insurer's address, the following documents, or the relevant documents, according to the Insurer, depending on the type of loss occurred:

- Deed of sale of the real estate (property title).

- National Identity card (for individuals) or Identification code (for body corporate) of the Policy-holder, Assured and/or the Beneficiary, in case the Insurer did not have them before the loss.
- Public documents.
- Legal and administrative documents, with its firmness expressly stated, if applicable.
- Contracts, treaties, agreements or private documents, in which the Policy-holder, the Assured and/or the Beneficiary may have been involved.
- Tax documents, forms or declarations.
- Certificates, Land Registry notes, and any other documents which may be issued by the Land Registry.
- Sworn declaration of the Policy-holder, Assured and/or Beneficiary of the loss report.
- A certificate signed by the mortgagee, if existent, in order to certify the debit balance of the mortgage loan, debit balance updated to the relevant loss date.

The above mentioned documents, which may be required by the Insurer, will be adjusted to the relevant Spanish Law in force. The said documents must be original, copies authorised by a notary public, notarial certificates, photocopies legalised by a notary public or attested by the relevant civil servant.

## **22<sup>ND</sup> ARTICLE – SUBROGATION**

1. The Insurer, once the rendering, either the one stated in paragraph 1.1. or 1.2 of the 19<sup>th</sup> Article, has been executed, might exercise the rights and actions, which concern the Assured due to the loss, against the persons liable for the said loss, up to reach the indemnity limit. **The Assured will be liable for the damages which might be caused to the Insurer's right of subrogation, due to his/her acts or neglect acts.**

2. Unless the loss liability comes from a fraudulent act, or is covered by an insurance contract, the Insurer will not have the right of subrogation against any of the persons whose acts or neglect acts might be the source of the Assured's liability, nor against the causer of the relevant loss, with respect to himself/herself, direct or collateral relatives up to the third degree of consanguinity, adoptive father or adopted son who might live with the Assured.

If the liability mentioned in the above paragraph were covered by an insurance policy, the subrogation would be limited by the coverage guaranteed by the said policy.

**3. In case of joinder between the Insurer and the Assured against a third liable party, the recaption obtained will be shared between them according to their respective proportional interest.**



### **23<sup>RD</sup> ARTICLE – PRESCRIPTION**

The acts arisen out of this contract will prescribe within two years, starting when the said acts could be exercised.

### **24<sup>TH</sup> ARTICLE – JURISDICTION**

Any judge within the Assured's home place might be in charge of the acts arisen out of the insurance contract. If the Assured's home place were abroad, a home address in Spain would be designated for him/her.



## CUSTOMER'S SERVICE

1. Caser offers its customers its Customer's Service located at Avenida de Burgos, 109, 28050 Madrid. Fax: 91 595 54 96, e-mail: [atencionclientes@caser.es](mailto:atencionclientes@caser.es)

2. The said service will sort and solve the claims and complaints, according to the law in force, made directly by all individuals or body corporate or their identified representatives, insurance users and participants or beneficiaries of pension plans, and partners of Caser, when the said claims and complaints refer to interests and rights legally recognised in relation with its insurance operations and pensions plans, arising out of its own contracts, the transparency and customers' protection regulation or good practices and customs regulation, particularly the equity regulation.

Claims and complaints will be presented in writing, in any of the Company offices, by mail, by computer, electronic or telematic means, provided that those means allow its reading, printing and saving and meet the legal requirements and features stated in the regulations.

3. Once the resolution is obtained, and the claiming procedure in the Customer's service is exhausted, in case of disagreement with the said resolution or after two months since the date of receipt of the claim without any insurance solving, the claimant may present his/her claim to the Commissioner for the Defence of the Assured and Participants of Pensions Plans, located at Paseo de la Castellana, 44, 28046 Madrid, fax 91 339 71 13, whose decisions, however, are not binding. The Assured may take the above mentioned resolutions to the relevant courts.

4. In every Caser office, there are claim forms at the customer, user or injured party's disposal, as well as Caser's Code for the Defence of Customers, which regulates the Customer's Service and the features, presentation requirements an solving of claims and complaints.

5. The rights and obligations stated in the General, Particular and Especial Conditions of the contracts; the regulation of the insuring activity, the transparency and financial services customers' protection regulation (Insurance Contract Law, the new version of the Ruling and Supervision of Private Insurances Law, Financial System Amendment Law, Collective Investment Institutions Law, Royal Order in Council 303/2004, of February 20<sup>th</sup>, the Order ECO 734/2004, of March 11<sup>th</sup>, Users and Consumers Defence Law, and General Conditions Contracting Law), will be taken into consideration.