

# **INSURANCE POLICY FOR PRIVATE AND COMMERCIAL VEHICLES UP TO 3.5 TONS**

**June 2023 Edition**

## **TRANSLATION**

**This document has been made only for your convenience  
In the case of any discrepancy the only binding document is the Hebrew version of  
the original policy.**

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**PART 1 – COMPULSORY INSURANCE**

**Vehicle Compulsory Insurance Policy**

(in accordance with the requirements of the  
Motor Vehicle Insurance Ordinance (New Version) 5730-1970).

**This Policy is a contract between**

**Harel Insurance Company Ltd. (hereinafter “the Insurer”)**

and

**The policy owner**

**In terms of which subject to the conditions of this policy, the insurer agrees to pay insurance benefits, upon the occurrence of an insured event during the insurance period.**

**1. Definitions in this Policy –**

**“The Policy Owner”** – Whomsoever enters into ties with the insurer in this policy and whose name appears on the insurance certificate as the policy owner.

**“The Insured”** - The owner of the policy, the vehicle owner, the lawful holder of the vehicle and anyone making use of the vehicle with the permission of whomsoever of them.

**“The Insurer”** - Harel Insurance Company.

**“The Commissioner”** - As defined in the Financial Services Supervision Law (insurance) 5741 – 1981.

**“The Vehicle”** - The motor vehicle whose details on the insurance certificate.

**“Compensation Law”** - The Road Accident Victims Compensation Law 5735-1975.

**“Insured Event”** - A road accident involving the vehicle, while serving the insured for one or more of the insured objectives in accordance with the conditions of the policy, in whose framework bodily injuries are sustained by an injured party as well as an occurrence, the liability for which is covered in accordance with paragraph 3.2 of this policy.

**“Bodily Injury”** - Death, illness, injury or bodily, mental or psychological damage or impairment, including damage to an accessory required for operation of one of the body organs which was connected to the injured party’s body at the time of the road accident.

**“Injured Party”** - A person sustaining bodily injuries in a road accident, except if caused due to hostile injury as defined in the Victims of Hostilities Compensation Law 5730-1970.

**“Use of a motorized vehicle”** - Traveling in a vehicle, entering or exiting the vehicle, parking pushing or towing the vehicle, roadside service or roadside repair in the vehicle, effected by the user or by another person not in the framework of its work, including rolling down or overturning of the vehicle or disconnection or dropping of a part of the vehicle or its cargo while traveling and disconnection or dropping as aforementioned, from a parked or stationary vehicle, not in the course of the vehicle being serviced by a person in the framework of its work and excluding the loading or offloading of cargo, while the vehicle is stationary.

**“Road Accident”** - An occurrence in whose framework a person sustains bodily injuries due to the use of the motorized vehicle for transportation purposes. An occurrence occurring due to the combustion or explosion of the vehicle, caused due to a component of the vehicle or due to another substance which are vital to its traveling ability shall also be deemed to be a road accident, even if same occurred due to a cause outside the vehicle, as well as an occurrence caused due to damage to a vehicle parked in a prohibited parking space, or an occurrence caused due to the exploitation of the mechanical force of the vehicle, provided that during the use as aforementioned, the vehicle did not change its original objective. However, an occurrence occurring as a result of an act which was deliberately perpetrated in order to cause damage to the person or property of that person – and the damage is caused by the act itself and not by the influence of the act on the use of the motor vehicle – shall not be deemed to be a road accident.

**“The Insurance Ordinance”** - The Motor Vehicle Insurance Ordinance (New Version) 5730-1970.

**“Insurance Benefits”** - Sums which the insurer is obliged to pay in respect of bodily injuries caused to the injured party upon the occurrence of an insured event in accordance with the conditions of this policy.

**“The Insurance Certificate”** - The certificate issued by the insurer in regard to this policy in accordance with paragraph 9 of the Insurance Ordinance or in accordance with paragraph 7 of the Provisions Regarding Supervision of Financial Services (Insurance) (Motor Vehicle Compulsory Insurance Contract Conditions) 5770-2010, which constitutes an integral part of this policy.

**“Period of Insurance”** - the period commencing on the date of the inception of the insurance noted on the insurance certificate however, not prior to the date on which the insurance certificate is stamped with the bank stamp and ending at midnight on the date of lapse of the insurance specified in the insurance certificate.  
For this purpose, “bank stamp” – including the stamp issued by the insurer in coordination with the bank, which the Commissioner, as defined in the Financial Services Supervision, confirming that same is sufficient to guarantee the objectives of the Insurance Ordinance.

## 2. Interpretation

Upon the occurrence of an insured event, a term which is not defined in paragraph 1 shall be interpreted in accordance with its meaning in the compensation Law or in the Insurance Ordinance as the case may be.

### **3. The insurer's liability**

Subject to the conditions of this policy, the insurer shall be held liable in accordance with the provisions of paragraph 3 of the Insurance Ordinance, meaning:

- 3.1 Any liability which the insured may bear in accordance with the Compensation Law.
- 3.2 Another liability – not in accordance with sub-paragraph 3.1 – which the insured may bear due to bodily injury caused to a person by the use of a motorized vehicle or due to the use thereof.
- 3.3 Bodily injuries caused to the insured in the framework of a road accident.

### **4. Deductible**

- 4.1 The insurer shall be entitled to set-off a deductible in regard to the driver whose name appears on the insurance certificate, upon fulfillment of the stipulation in regard to a deductible in accordance with the Motor Vehicle Insurance Regulations (Deductible) (Temporary Order) 5769-2008 including when the policy owner selects a policy which includes a stipulation in regard to a deductible, a choice which is documented by the insurer and the insurance certificate notes that the policy includes a deductible stipulation in accordance with the aforementioned Regulations.
- 4.2 The deductible which the insurer may set-off from the insurance benefits – upon the occurrence of an insured event which is covered by this policy, upon fulfillment of the conditions appearing in sub-paragraph 4.1 - shall be calculated in accordance with the type of damage caused and shall not exceed NIS 25,000 in regard to non-pecuniary damages and 7 working days in regard to loss of earnings.

### **5. Territorial applicability**

The insurer's liability in accordance with this policy shall apply if the insured event occurs within the boundaries of the State of Israel or the areas and territories detailed in paragraph 3(c) of the Insurance Ordinance, subject to whatsoever appearing therein, however, without derogating from the generalities of paragraph 2(a.1) of the Compensation Law.

### **6. Permitted objectives of use**

- 6.1 The insurer's liability according to this policy shall apply only if at the time of the occurrence of the insured event the vehicle serves the insured for one or more of the following objectives:
  - 6.1.1 Social, private or business objectives of the insured, which are not included in paragraphs 6.1.2 through 6.1.4 hereunder.
  - 6.1.2 A business objective – a driving test on behalf of the licensing authority and a business objective of teaching driving, which is not an advanced practical driving lessons in accordance with Regulation 213a of the Transportation

Regulations, provided that these objectives are expressly noted on the insurance certificate.

6.1.3 A business objective of transporting passengers in the vehicle for payment, a fee or other consideration, provided that the objective is expressly noted on the insurance certificate.

6.1.4 A business objective of salvage or towing of a motorized vehicle for payment, a fee or other consideration, provided that the objective is expressly noted on the insurance certificate.

6.2 Notwithstanding whatsoever appearing in sub-paragraph 6.1, this policy shall not cover use of a motorized vehicle on the basis of a lease contract, in the event that the lessee leased the vehicle in the framework of an occupation, unless this objective is expressly noted on the insurance certificate;

For this purpose, "lease contract" – except an operational leasing contract, or hire-purchase contract (financing leasing).

6.3 Notwithstanding whatsoever appearing in sub-paragraph 6.1, this policy does not cover use of a competitive vehicle, in regard to which a competitive vehicle license is granted, except use of the vehicle as aforementioned during sport driving – in the framework of a connecting leg or non-sport driving, permitted in accordance with paragraph 12(d) of the Sport Driving Law 5766-2005 (hereinafter the 'the Sport Driving Law') – and shall not cover use of a motorized vehicle for motor sport objectives, of racing vehicles contrary to the provisions of the Sport Driving Law;

For the purpose of this sub-paragraph "competitive vehicle", "sport driving" and "connecting leg" – as defined in the Sport Driving Law, and "competitive vehicle license" – as defined in paragraph 6 of the aforementioned law.

## 7. Persons permitted to drive the vehicle

7.1 Only the policy owner, the vehicle owner, the lawful holder of the vehicle and anyone making use of the vehicle, with the permission of whomsoever of them is permitted to drive the vehicle.

7.2 Notwithstanding whatsoever appearing in sub-paragraph 7.1, in the event that the insurance certificate - which is issued for a motorcycle or a vehicle classified as a "taxi" on the vehicle license – stipulates that the insurer's liability shall cover driving the vehicle only by the person whose name appears on the insurance certificate, the vehicle may only be driven by the person whose name appears on the insurance certificate as aforementioned.

7.3 In the event that the vehicle is driven by a person who may not drive the vehicle according to the provisions of this paragraph, the insurer shall be exempt of its liability in accordance with this policy.

**8. Driver's license**

- 8.1 **The insurer shall be exempt of its liability in accordance with this policy, if the person driving the vehicle does not possess a valid driving license in Israel for driving the vehicle of the type of the insured vehicle; and in regard to a motorcycle – possessing a driver's license of the appropriate category to the volume or output of the engine; for the purpose of this paragraph a breach of any of the conditions of the driving license shall not be deemed to be driving without a valid driving license.**
- 8.2 Notwithstanding whatsoever appearing in sub-paragraph 8.1 -
- 8.2.1 The insurer shall not be exempt of its liability according to this policy, in the event that the driver of the vehicle possessed a valid driving license as stated in sub-paragraph 8.1 at any time whatsoever during the 120 months preceding the date of the occurrence of the road accident, provided that at the time of the occurrence of the insured event, one of the following is fulfilled:
- 8.2.1.1 The driver of the vehicle was not disqualified from receiving or holding a driving license as stated, according to the provisions of legislation, a judgment, court decision or decision of another authorized authority, except a decision handed down by virtue of the Execution Law 5727 – 1967 and the Regulations promulgated by virtue thereof, as well as expiry of the driver's license due to non-payment of the fee.
- 8.2.1.2 According to the provisions of the law, the driver of the vehicle was not obliged to comply with one of the following requirements in order to obtain a driver's license: a theoretical driving test, a practical driving test, medical tests including cognitive ability and drug use test.
- 8.2.2 If the use of the motorized vehicle was for the objective of an advanced practical driving learning objective, in accordance with Regulation 213a of the Transportation Regulations, or a driving test on behalf of the licensing authority (hereinafter the 'test'), the insurer shall not be exempt of its liability according to this policy, provided that the driver of the vehicle is a learner driver accompanied by a certified driving teacher possessing a license to teach driving, or driving the vehicle during a test, accompanied by a tester certified on behalf of the Ministry of Transportation.

**9. Duty of disclosure and breach thereof**

- 9.1 In the event that the insurer presents a question to the policy owner – prior to the signing of the insurance contract – in a matter which may influence the willingness of a reasonable insurer to enter into the insurance contract, or a question requesting information which may influence the calculation of the insurance fees (hereinafter an 'underwriting question') the policy owner is obliged to respond to the underwriting question with a full and honest response.

- 9.2 Underwriting questions and the policy owner's responses thereto shall be documented by the insurer and detailed in an addendum, to be annexed to the insurance certificate (hereinafter the '**addendum**'), in the format instructed by the insurance Commissioner; in the event that the insurer fails to act in accordance with the provision of this sub-paragraph, it shall not be entitled to the reliefs detailed in sub-paragraph 9.3.
- 9.3 In the event that the policy owner responds to an underwriting question with a response which was not full and honest at the time same was given and due to the response insurance fees were set which were lower than the insurance fees which would have been set had the policy owner provided a full and honest response, or that the insurer agreed to enter into the insurance contract due to the response as aforementioned, although it would not have done so had a full and honest response been given – and an insured event occurs prior to the insurance contract having been cancelled – the following provisions shall apply:**
- 9.3.1 In the event that the policy owner sustains injury as a result of an insured event, the policy owner shall pay the insurer agreed compensation, in a sum equal to the compensation due to the policy owner in regard to non-pecuniary damages in accordance with paragraph 4(a)(3) of the Compensation Law, however, no more than NIS 10,000.**
  - 9.3.2 Without derogating from whatsoever appearing in paragraph 9.3.1, the policy owner shall pay the insurer agreed compensation in a sum of NIS 2,500 in respect of each injured person who is not the policy owner – who is compensated by the insurer due to the insured event – however, no more than half the compensation sum paid to each injured person as aforementioned, provided that the inclusive agreed compensation sum according to this paragraph shall not exceed NIS 10,000.**
- 9.4 The insurer may set-off the agreed compensation sums according to sub-paragraph 9.3 from the insurance benefits due to the policy owner in regard to non-pecuniary damages following injury in the framework of an accident, provided that the insurer provides the policy owner with a set-off notice, detailing the insurer's reasons for its intention of setting off the sums as aforementioned.**
- 9.5 The insurer shall not be entitled to the agreed compensation in accordance with sub-paragraph 9.3, in the event that it was aware or could have been aware at the time of signing the insurance contract that the policy owner's response to an underwriting question as detailed in the addendum was not full and honest or caused the policy owner's response not to be full and honest.
- 9.6 The insurer shall not be entitled to any relief or remedy – except for the agreed compensation in accordance with the provisions of sub-paragraph 9.3, insofar as the insurer is entitled thereto in accordance with the provisions of that sub-paragraph – in everything relating to the policy owner's duties of disclosure and notice, including due to any of the following:
- 9.6.1 Improper disclosure of details in regard to which a question was posed to the policy owner.**

- 9.6.2 Withholding information by the policy owner.
  - 9.6.3 Provision of an incorrect response by the policy owner.
  - 9.6.4 Non-provision of a notice by the policy owner in regard to aggravation of the risk.
10. **Notice in regard to the occurrence of an insured event and clarification of the insurer's liability**
- 10.1 In the event of the occurrence of an insured event, the insured shall provide notice thereof to the insurer, immediately after learning of same.
  - 10.2 The insured shall provide the insurer – within a reasonable time after having been demanded to do so – with the information and documents necessary to clarify the liability and scope thereof. In the event that same are not in the insured's possession, it shall be obliged to assist the insurer to obtain same.
  - 10.3 After the insurer receives a notice from the insured or from any other source of the occurrence of an insured event, the insurer shall immediately do everything necessary to clarify its liability and inform the insured whether it decides to recognize its liability to cover the insured event; a copy of the insurer's notice shall also be sent to the injured party and to any third party claiming insurance benefits from the insurer in regard to the insured event.
11. **Handling third party claims**
- 11.1 The insurer may assume handling of any claim or legal process, which are filed or may be filed against the insured, or to conduct same in the name of the insured. In addition, the insurer may file a legal process in the name of the insured which is necessary to defend the insurer's rights
  - 11.2 The insurer shall have full discretion in the conduct of the proceedings detailed in sub-paragraph 11.1 and in the settlement of any process as aforementioned, including by way of compromise in the insured's name – provided that same does not impose liability on the insured which will not be covered by the insurer, except the agreed compensation in accordance with paragraph 9.3.
  - 11.3 The insured shall cooperate with the insurer in order to guarantee and realize the insurer's authorities as detailed in this paragraph.
12. **Frequent payment**  
The injured party is entitled to receive frequent payments from the insurer on account of his claim, under the circumstances and conditions set down in paragraph 5 of the Compensation Law and its Regulations.
13. **Exclusions to the insurance according to this policy**
- 13.1 **Without derogating from whatsoever appearing in this policy, the insurer shall not be obliged to make payments of insurance benefits in accordance with the policy to the following injured parties:**

- 13.1.1 Whomsoever deliberately causes the accident.**
- 13.1.2 Whomsoever complies with whatsoever appearing in paragraph 7(2) of the Compensation Law – i.e. a person driving the vehicle without obtaining the permission from the vehicle owner or whomsoever is the lawful holder of the vehicle, and whomsoever is in the vehicle knowing that same is being driven as aforementioned.**
- 13.1.3 Whomsoever uses the vehicle or is assisted by it to perpetrate a criminal offence punishable by an imprisonment period exceeding 3 years (a crime offense).**
- 13.2 The insurer shall not be obliged to make any payment whatsoever in accordance with the policy due to a liability in a contact other than the policy.**
- 14. Death of the policy owner**
- 14.1 In the event that the policy owner dies, the ownership of the policy shall transfer to the heir of the vehicle who will be deemed to be the policy owner.
- 14.2 If, after the death of the policy owner the vehicle is insured in the framework of another insurance policy – in addition to this policy – issued in accordance with the requirements of the insurance ordinance, this policy shall be cancelled on the date on which the additional insurance as aforementioned becomes valid and the insurer shall refund the proportionate part of the insurance fees paid to the heir of the vehicle; the proportionate part as aforementioned, shall be calculated by multiplying the insurance fees charged by the insurer by the ratio between the number of days remaining until the end of the original insurance period on the date of cancellation and the number of days in the original insurance period.
- 15. Cancellation of the policy by the policy owner**
- 15.1 The policy owner may cancel this policy at any time, even prior to the end of the insurance period by provision of notice to the insurer.
- 15.2 The policy owner shall attach to the policy cancellation notice as stated in paragraph 15.1:
- 15.2.1 If the vehicle is owned by it or in its possession - a written declaration to the insurer, in terms of which the vehicle is still in its ownership or possession (hereinafter the "**declaration**") noting the date on which the cancellation will take effect; in the event that no date was specified as aforementioned, cancellation of the policy will take effect on the date of delivery of the declaration;
- 15.2.2 In the event that the vehicle is not owned by it and is not in its possession - a certificate stating that ownership in the vehicle has been transferred to another, as well as one of the following:
- 15.2.2.1 A copy of the documentation regarding delivery of a notice to the owner of the vehicle of cancellation of the policy; such notice may be given by mail, call or by digital means; cancellation of the policy

shall take effect within three working days after delivery of the notice;

15.2.2.2 A copy of the documentation regarding delivery of a notice to the owner of the vehicle of cancellation of the policy and copy the response by the vehicle holder, confirming that it is in possession of another policy; cancellation of the policy shall take effect on the date of provision of the cancellation notice;

15.2.2.3 Confirmation that use of the vehicle is covered by another compulsory vehicle insurance policy; cancellation of the policy shall take effect on the date of provision of the cancellation notice or the issue of the other policy – the later of the two.

- 15.3 In the event that the insurer verifies that notice has been given to the holder as noted in paragraphs 15.2.2.1 and 15.2.2.2, it shall be exempt from its liability under the policy; in the event that the insurer requests that s notice be sent to the holder as noted in the aforementioned paragraphs, the notice will include the insured vehicle's license number and the date on which the cancellation will take effect; the insurer shall not delay the cancellation of the policy based on an allegation that it failed to verify that such notice was given.
- 15.4 In the event that the policy is canceled according to this paragraph, the insurer shall return the insurance fees to the policy owner as soon as possible - and no later than 14 days after the date on which the cancellation will take effect - less the following sums:
  - 15.4.1 5% of the annual insurance fees – in regard to a period of up to 7 days during which the policy was valid, including if same did not become valid.
  - 15.4.2 5% of the annual insurance fees, plus 0.3% of the annual insurance fees in regard to each day of insurance, as and from the 8<sup>th</sup> day – in regard to a period exceeding 7 days during which the policy was valid.
- 15.5 Notwithstanding whatsoever appearing in sub-paragraph 15.4, in the event that the policy owner cancels the policy due to the theft of the insured vehicle, transfer of ownership of the vehicle to another person, the vehicle becoming unfit for use or the death of the driver whose name appears as the sole driver on the insurance certificate, the insurer shall refund the proportionate part of the insurance fees paid to the policy owner; the proportionate part as aforementioned, shall be calculated by multiplying the insurance fees charged by the insurer by the ratio between the number of days remaining until the end of the original insurance period on the date of cancellation and the number of days in the original insurance period.
- 15.6 All the sums refunded under this paragraph shall vary in accordance with the changes in Index, between the Index published soon before the date of payment of the insurance fees and the index published soon before the date of refund of the insurance fees.

15.7 The policy owner shall be entitled to a refund of the insurance fees according to this paragraph even if a claim is made for payment of insurance benefits due to an insured event which occurred prior to the date of cancellation of the policy.

16. **Cancellation of the policy by the insurer**

16.1 The insurer may cancel the policy prior to the end of the insurance period due to fraud on the part of the policy owner or due to improper disclosure of details in regard to which the policy owner was asked prior to the issue of the policy;

the policy shall be cancelled by written notice which shall include the reasons for the cancellation (hereinafter the 'cancellation notice') and be provided to the policy owner in person against confirmation of delivery or be sent to the policy owner by registered mail, all at least 21 days prior to the date on which the policy will be cancelled;

in the event that the cancellation notice is sent by registered mail, the date of the policy owner's signature on the confirmation of delivery shall be deemed to be the date of provision of the notice;

16.2 In the event that the insurer cancels the policy, the insurer shall refund the proportionate part of the insurance fees as soon as possible and no later than 7 days before the policy will be cancelled.

16.3 The proportionate part as aforementioned, shall be calculated by multiplying the insurance fees charged by the insurer by the ratio between the number of days remaining until the end of the original insurance period on the date of cancellation and the number of days in the original insurance period.

16.4 In the event that ownership of the vehicle is transferred to another person, (hereinafter the 'new owner') prior to the date of dispatch of the cancellation notice by the insurer as stated in sub-paragraph 16.1 – and the insurer was aware of the transfer of ownership prior to the dispatch of the cancellation notice – the policy shall not be cancelled unless the notice in regard to the cancellation is sent both to the policy owner and the new owner; a notice as aforementioned shall be delivered in person or by registered mail against confirmation of delivery and the date of the addressee's signature on the confirmation of delivery shall be deemed to be the date of provision of the notice.

16.5 Linkage differentials to the Consumer Price Index shall be added to the refunded sum of insurance fees as stated in sub-paragraph 16.2, from the index published immediately prior to the commencement of the insurance and until the index published immediately prior to the refund of the insurance fees.

16.6 The policy owner shall be entitled to a refund of the insurance fees according to this paragraph even if a claim is filed for payment of insurance benefits due to an insured event which occurred prior to the date of cancellation of the policy.

17. **Place of jurisdiction**

Claims under this policy shall be filed and clarified before the authorized court in Israel.

**18. Double insurance**

- 18.1 In the event that the vehicle is insured in the framework of another insurance policy, issued in accordance with the requirement of the Insurance Ordinance, the policy owner shall give notice of same to the insurer immediately after the double insurance is arranged or immediately after learning of same.
- 18.2 In the event of double insurance, the insurers shall be separately liable vis-a-vis the insured and will bear payment of the insurance benefits in equal shares between them.

**19. Prescription**

- 19.1 The prescription period of a claim by virtue of this policy is 7 years from the date of the occurrence of the insured event.
- 19.2 The prescription period may be extended in accordance with the provisions of the Prescription Law 5718-1958.
- 19.3 In regard to an insured event occurrence in the areas and territories detailed in paragraph 3(c) of the Insurance Ordinance, the prescription period shall be in accordance with the applicable law in those areas or territories.

**20. Notices**

- 20.1 A notice to the insurer by the policy owner or by the injured party shall be given to the insurer at one of the following addresses:
  - 20.1.1 The address of the insurer's offices or the digital means for contacting the insurer, as noted on the insurance certificate, or any other address in Israel of which the insurer given written notice to the policy owner or the injured party;
  - 20.1.2 The address of the office of the insurance agent whose name appears on the insurance certificate.
- 20.2 A notice by the insurer to the policy owner will be given to the policy owner's address as noted on the insurance certificate or to any other address in Israel of which the policy owner gives written notice to the insurer.
- 20.3 Nothing stated in this paragraph shall constitute a reservation in regard to the demands appearing in paragraphs 15 and 16 regarding cancellation of the policy or shall derogate therefrom.

**21. Claims report**

- 21.1 One month prior to the end of the insurance period, or immediately upon the end thereof – if same ends unexpectedly – the insurer shall send a claims report to the policy owner, detailing all the claims filed until that time, if any, (hereinafter the 'claims report').

- 21.2 In the claims report, the insurer shall provide details of the driver involved in the accident in regard to any claim filed during the 3 years preceding the date on which the report is sent, or claims filed during the period when the policy owner was insured by the insurer - the shorter of the two.
- 21.3 In the event that a claim is filed during the month prior to the end of the insurance period, the insurer shall send a claims report update immediately upon the filing of the claim.

22. **Layup**

- 22.1 A policy owner or a person requesting that a policy be issued for the use of a motor vehicle under paragraph 22.5, may notify the insurer in advance, in writing or in any other way, of layup of the vehicle for a period of no less than 30 consecutive days (in this paragraph - layup request); The insurer shall document the layup request.
- 22.2 The insurer shall provide the policy owner with a new insurance certificate as stated in paragraph 22.5; The vehicle shall not be used or parked as noted in the definition of "use of a motor vehicle" in paragraph 1, and the insurer's liability will be limited in accordance with paragraphs 3 and 6 so that it will not apply to these uses.
- 22.3 **The policy owner may cancel the layup policy by providing the insurer with a notice; the layup period will end on the date noted in the aforementioned notice, provided that the end of the layup period will not be retroactive.**
- 22.4 In the event that the layup policy is canceled according to paragraph 22.3, the insurer shall return to the policy owner the proportional part of the insurance fees for the cover under paragraphs 3 and 6 and according to this paragraph, less insurance fees for the cover provided in regard to the layup; the refund as aforementioned shall be for a layup period of 30 days or more.
- 22.5 The new insurance certificate delivered by the insurer to a policy owner as stated in paragraph 22.2, shall specify - in the title of the insurance certificate, in the line under "Motor Vehicle Insurance Ordinance (New Version), 5730 - 1970 (hereinafter the "Insurance Ordinance") – as follows: "A vehicle which is laid-up shall not be used for driving or parking"; the said aforementioned words will appear in a font three times larger than the rest of the certificate and will be emphasized by means of a double frame or in another way as approved by the Commissioner for a particular insurer. The name of the authorized driver of the vehicle and his ID number will not appear therein.

**PART 2 – INSURANCE POLICY FOR PRIVATE AND COMMERCIAL VEHICLES  
UP TO 3.5 TONS  
PROPERTY DAMAGES AND THIRD PARTY DAMAGES**

**Preamble**

This Policy is a contract between

**Harel Insurance Company Ltd. (hereinafter “the Insurer”)**

and

**The Insured whose name is noted in the specification (hereinafter “the Insured”)**

**Whereby the Insurer agrees, in consideration of the insurance fees, to indemnify the Insured during the period of insurance in respect of loss or damage sustained by the insured vehicle due to the insured event, and for damage to third party property, all in accordance with the conditions of this Policy (hereinafter “the scope of cover”).**

**The insurance fees, the period of insurance, the deductible, the name of the pricelist and the limits of liability according to Chapter B are noted in the specification which constitutes an integral part of this Policy.**

## **CHAPTER A – INSURANCE OF THE VEHICLE**

### **1. The Insured Event**

The insured event is loss or damage sustained by the vehicle noted in the specification, including the accessories and assemblies in the basic package in regard to the vehicle model (without which the vehicle cannot be purchased) as appearing in the importer's specification, the vehicle air conditioner, the advanced safety systems fitted in the vehicle, the protective means fitted in the vehicle upon the Insurer's demand, the accessories existing in the vehicle by virtue of the law or the accessories affixed to the vehicle as noted in the specification (hereinafter "the vehicle"), as a result of one of the risks detailed below:

- 1.1 Fire, lightning, explosion, combustion;
- 1.2 Accidental collision, overturning and an accident of any kind;
- 1.3 Theft;
- 1.4 Any damage caused as a result of theft, in the course of theft and during attempted theft;
- 1.5 Flood, storm, snow and hail, volcanic eruption;
- 1.6 Malicious act, **however, if the insured event was caused deliberately by the Insured or by someone acting on his behalf, the insurer will be exempt from liability.**

Notwithstanding the aforementioned, the insured shall be entitled to waive the insurance cover under Chapter A entirely, or to waive the insurance cover under paragraphs 1.2 or 1.3 above, provided that the insured signs the insurer's appropriate form regarding a notice of waiver.

### **2. Items Excluded from the Cover**

**Notwithstanding whatsoever stated in paragraph 1 above, the insurer will not indemnify the insured for loss or damage to tires, except if other parts of the vehicle were damaged or lost due to the insured event.**

### **3. Mechanical, Electric or Electronic Breakdown**

**Mechanical, electric or electronic breakdown sustained by the vehicle are not covered unless caused in the course of or as a result of the insured event.**

### **4. Methods of Compensation**

The insurer at its discretion may choose from among the following methods of compensation:

Payment of the value of the damage or the loss in cash, repair of the vehicle, replacement of the vehicle with another vehicle of similar type and quality, or replacement of a part of the vehicle.

## **5. Computation of the Compensation**

The insurance benefits due to the insured under this chapter:

- 5.1 Will be computed and paid according to the loss or damage to the vehicle on the day of occurrence of the insured event, including in respect of the depreciation.
- 5.2 The insurance benefits shall include V.A.T., except in respect of whomsoever is entitled to a deduction of input tax; for the purpose of this policy "V.A.T." – as defined in the Value Added tax Law 5736-1976.

## **6. Total Loss Vehicle**

- 6.1 In the event that a vehicle sustains a total loss, the insurer will pay the insured the full value of the vehicle on the date of occurrence of the insured event or will replace it with a vehicle of similar type and quality;

In this policy, "total loss vehicle":

- 6.1.1 A vehicle which was stolen and was not recovered within 30 days after the date of the theft, or any other period as noted in the specification, however, in any event no more than 30 days.
- 6.1.2 A vehicle in regard to which a certified surveyor determined one of the following:
  - 6.1.2.1 The vehicle is out of commission, and the direct damage sustained by it - excluding direct damage resulting from a decrease in value - amounts to 60% or more of the vehicle's value on the date of the occurrence of the insured event, including taxes;
  - 6.1.2.2 The vehicle cannot be restored and is intended solely for dismantling;
- 6.2 Where a qualified surveyor has determined that the extent of damage caused to the vehicle – except for direct damage caused by depreciation of the vehicle values – is at least 50% of the vehicle's value on the date of the occurrence of the insured event, with the insured's consent, the insurer may compensate the insured as if this were a total loss (hereinafter "constructive total loss").
- 6.3 Where as a result of a total loss or constructive total loss the insurer has paid the insured the full value of the vehicle or replaced it with a vehicle of similar type and quality, ownership of the vehicle remnants will pass to the insurer.
- 6.4 The validity of this policy will lapse upon indemnification of the Insured in respect of total loss or constructive total loss as provided in this paragraph and in paragraph 9, and the insured will not be entitled to a refund of the insurance fees.

## **7. Loss of a Vehicle for which Taxes Were Not Paid**

- 7.1 Notwithstanding whatsoever stated in paragraph 5.2, in the event of total loss or constructive total loss of the vehicle due to an insured event covered by this policy, where not all the government taxes were paid on the vehicle or in respect

of which V.A.T. has been set-off, and the insurer decides not to repair the vehicle, the insurer will pay insurance the insurance benefits according to the value of the vehicle excluding taxes or excluding V.A.T. as the case may be, or will replace the vehicle with another vehicle of similar type and quality.

- 7.2 Notwithstanding whatsoever stated in sub-paragraph 7.1, if the insured furnishes to the Insurer proof that it is not entitled to a repeat exemption from taxes or V.A.T. set-off, as the case may be. In regard to a replacement vehicle which it intends to purchase in place of the vehicle which sustained total loss or constructive total loss, the insurer will pay him insurance benefits according to the value of the vehicle prior to the occurrence of the insured event as if all the taxes had been paid in regard thereto, or will replace the vehicle with a vehicle of similar type and quality.
- 7.3 After payment of the insurance benefits or replacement of the vehicle, the insurer will be entitled to take over from the insured his rights in the vehicle, except for accessories and assemblies, in regard to which the insured will not be entitled to insurance benefits; if the said transfer of the rights depends on payment of any taxes, such payment will be borne by the Insurer.

## 8. Partial Damage

- 8.1 If repair of the vehicle necessitates replacement of the body or parts thereof or of a lamp, the replacement shall be performed by means of a part corresponding to the replaced part in quality, characteristics and description and the insurer will bear the full cost of such replacement.
- 8.2 In the event of damage to a part of the vehicle not noted in paragraph 8.1, the insurer's liability will be as follows:
  - 8.2.1 In the event that the insurer chooses to replace the part that was lost or damaged, such part will be replaced with a part that is similar to it in quality, characteristics and description, with the addition of fitting costs.
  - 8.2.2 In the event that the insurer chooses to pay the value of the damage or the loss in cash – the amount for payment will be calculated in a manner that for a vehicle aged up to 9 years the damage will be paid according to the value of a part similar to the damaged or lost part, without deduction of depreciation. In regard to a vehicle aged over 9 years the damage will be paid according to the actual value of the damaged or lost part (i.e. with deduction of wear and tear). Fitting expenses will be added to the aforementioned payments.
  - 8.2.3 Without derogating from the provisions of Restriction Of Use And Registration Of Activities In Used Vehicle Parts Law (Prevention Of Theft) 5758-1998, in the event that the insurer chooses to replace a part which was lost or damaged in a vehicle aged up to 2 years on the date of the occurrence of an insured event, the part which was lost or damaged will be replaced by an original or new part, providing that same corresponds to the replaced part in quality, characteristics and description, plus the fitting expenses.

- 8.2.4 In the event that the insurer chooses to replace the part which was lost or damaged in a vehicle which is under the manufacturer's warranty, which is conditional on certain conditions regarding the method of repair of the vehicle, the insurer shall act in accordance with the provisions of the said warranty, to the extent possible; where the part which was lost or damaged is not replaced in accordance with the specific conditions of the manufacturer's warranty, and the manufacturer's warranty is withdrawn due to a defect in such replacement, the insurer shall be responsible for the said defect.
- 8.2.5 In this paragraph "age of the vehicle" - the time elapsing since the first registration date of the vehicle, as noted in the vehicle license.

**9. Cover of Expenses**

In the event that the vehicle is rendered out of commission due to a risk covered by this policy, the insurer will also bear reasonable expenses for guarding and transferring the vehicle to the closest site where the damage may be repaired.

**10. Determining Insurance Benefits in Total Loss or Theft Occurrences of the Insured Vehicle**  
The "price list" - a methodic, professional and independent file of prices and guidelines used to determine the market value of private vehicles of all models, between a willing buyer and a willing seller, regularly published and updated, and which may be perused at all times.

The price list serving as a basis for determining the market value of the vehicle at the time of payment of insurance benefits for total loss or theft of the vehicle is the Yitzhak Levy Used and New Vehicle Price List published by Taavura VuSkarim Ltd., immediately prior to the occurrence of the insured event.

This price list contains tables setting out various variables that affect the value of a used vehicle. These variables will be taken into account when determining the market value of the vehicle for the purpose of insurance benefits, and the insurance benefits will be **increased or reduced** in respect of these variables according to the rates of change in the aforementioned price list.

It is hereby clarified that the insurance fees (premium) in respect of the insured vehicle **will not be affected** by these variables.

For example: In the event that the insured vehicle's year of manufacture is four years before the date of the insured event, and was owned by 3 previous owners – based on the aforesaid price list, 4% of the vehicle value appearing in the price list will be deducted.

Another example: In the event that the insured vehicle's year of manufacture is four years before the date of the insured event, its price in the price list will be adjusted to a vehicle which has traveled an average of 60,000 km. during this period. If the vehicle traveled only 44,000 km, then based on the aforesaid pricelist, 4% will be added to the vehicle value appearing in the pricelist.

**CHAPTER B – THIRD PARTY LIABILITY INSURANCE  
IN REGARD TO PROPERTY DAMAGES**

**11. The Insured Event**

The insured event is the insured's liability for damage sustained by third party property due to use of a vehicle during the period of insurance.

**12. Compensation Limits**

- 12.1 The insurer will pay in the insured's name all the sums which the insured is liable to pay by reason of the insured event, up to the sum insured noted in the specification in regard to third party property damages.
- 12.2 Notwithstanding whatsoever appearing in paragraph 37.2.1, the sums in accordance with sub-paragraph 12.1 shall also include the following expenses by the third party whose vehicle is damaged as a result of the accident:
  - 12.2.1 In the event that the vehicle is rendered unusable due to a risk covered under this policy – reasonable expenses for guarding and transferring the vehicle to the closest site where the damage may be repaired, including the expenses for the third party travelling to his destination following the accident.
  - 12.2.2 Indemnification in respect of the third party's proven losses emanating from payment of a deductible and loss of the "no claim" discount.
  - 12.2.3 Compensation for loss of profits during the period when the vehicle is laid-up for repair, provided that the laid-up vehicle is a commercial vehicle owned by the third party and which serves its business.
- 12.3 The insurer will also bear reasonable legal expenses which the insured is obliged to bear due to the insured event, and this even in excess of the sum insured.
- 12.4 Notwithstanding the aforementioned, in the event that the insured event is caused maliciously, the insurer shall be exempt of its liability.**

**13. Linkage of the sum insured**

For the purpose of this chapter the sum insured shall vary in accordance with the changes in the index, between the index published immediately prior to the inception of the period of insurance and the index published immediately prior to before the occurrence of the insured event. For this purpose, "index" – the consumer price index published by the Central Bureau of Statistics.

**14. Handling third party claims**

- 14.1 The insurer will be entitled, and according to the demand of the third party - shall be obliged to pay the insurance benefits which the insurer is obliged to pay to the insured - to the third party, provided that the insured is given written notice as noted in sub-paragraph 14.2, and the insured fails to object as noted in the

aforementioned paragraph. However, any allegation which the insurer may make vis-a-vis the insured shall stand vis-a-vis the third party.

- 14.2 In the event of the third party demanding the insurance benefits from the insurer as noted in sub-paragraph 14.1, the insurer shall inform the insured in writing of the demand, within 7 business days after receiving the demand and in the event of the insured not informing the insurer of its objection regarding payment of the compensation within 30 days, the insurer shall pay the third party the insurance benefits owed to the insured, insofar as the insurer is obliged to pay same.
  - 14.3 The insurer will be entitled to take over or conduct in the insured's name the defense of any claim, and the insured shall provide the insurer, at its request with the assistance required by the insurer in order to settle a third party claim.
  - 14.4 In the event that a claim or claims against the insured emanate from a single insured event or from a series of events attributable to one source or to one cause, and which are covered under this chapter of the policy, the insurer may pay the insured the full sum insured under this chapter, and after such payment the insurer will be exempt from conducting the said claim or claims and it will not bear any further liability in this regard, except for legal expenses adjudicated by the court or reasonable expenses incurred in connection with such claims.
- 15. Exclusions in regard to Liability vis-à-vis Third Parties for Property Damages**  
**The insurer will not be responsible for any payment regarding liability for damage to property owned by the insured or the vehicle's driver or property in the control or care, of the insured or the vehicle driver or any of their family members.**

## **CHAPTER C – ADDITIONAL COVERS**

**If the specification expressly notes that any of the covers appearing in this chapter are included in the insurance, the following conditions shall apply thereto:**

**16. Inclusion of strikes and commotion**

**In the event that the specification expressly notes that the cover for strikes and commotion is valid, the policy shall cover strikes and commotion in accordance with the following cover conditions:**

- 16.1 Contrary to whatsoever appearing in paragraph 37.2.3 – general exclusions to the insured's liability, the policy is extended to cover loss or damage caused by activities of strikers and/or locking out persons.
- 16.2 Contrary to whatsoever appearing in paragraph 37.2.4 – general exclusions to the insured's liability, the policy is extended to cover loss or damage caused by commotion.
- 16.3 Notwithstanding whatsoever appearing in paragraph 42.1, upon the occurrence of an insured event which is covered in accordance with paragraph 16, the insurer shall collect from the insured a deductible sum at a rate of 75% of the sum determined in the specification according to chapter A.

**17. Inclusion of earth tremor (earthquake)**

**In the event that the specification expressly notes that the cover for earth tremor (earthquake) is valid, the policy shall cover earthquakes in accordance with the following cover conditions:**

Contrary to whatsoever appearing in paragraph 37.2.9 – general exclusions to the insured's liability, the policy is extended to cover loss or damage resulting from an earthquake.

For the purpose of this cover, any loss or damage occurring within a continuous period of 72 hours after an earthquake has been recorded shall be considered a single occurrence.

**18. Inclusion of uninsured items**

**In the event that the specification expressly notes that the cover for uninsured items is valid, the policy shall cover uninsured items in accordance with the following cover conditions:**

Contrary to whatsoever appearing in paragraph 2 – uninsured items, the policy is extended to cover loss or damage to tires, even if additional parts of the vehicle are not damaged or lost as a result of the insured event.

**19. Inclusion of original spare parts**

**In the event that the specification expressly notes that the cover for inclusion of original spare parts is valid, the policy shall cover the replacement of a part which is lost or damaged in accordance with the following cover conditions:**

Contrary to whatsoever appearing in paragraph 8.2.3 – partial damage, the part which is lost or damaged will be replaced by a new original part – insofar as the surveyor handling the occurrence confirms that the part requires replacement – and this in regard to a

vehicle aged up to 2 years, or any other period noted in the specification, however, in any event the age of the vehicle shall not exceed 3 years on the date of the occurrence of the insured event.

20. **Inclusion of property insured in the framework of third party liability insurance, in regard to property damages**  
**In the event that the specification expressly notes that the cover for inclusion of the insured property in the third party liability insurance due to property damages is valid, the policy shall cover liability for damage to property in accordance with the following cover conditions:**

Contrary to whatsoever stated in paragraph 15 to Chapter B – third party liability in regard to property damages is extended to cover liability in respect of damage sustained by property owned by the insured or the policy owner, or the driver of the vehicle,, or to property which is under the supervision or care of the insured, the vehicle driver or a person of their household.

21. **Total loss vehicle – determining the rate of direct damage**  
**In the event that the specification expressly notes that the cover for a total loss vehicle – determining the rate of direct damage is valid, the policy shall cover direct damage to a total loss vehicle in accordance with the following cover conditions:**

Contrary to whatsoever appearing in paragraph 6.1.2.1, the rate of direct damage to a total loss vehicle, shall be as noted in the specification, however, no more than 60%.

22. **Constructive total loss vehicle – determining the rate of direct damage**  
**In the event that the specification expressly notes that the cover for a constructive total loss vehicle – determining the rate of direct damage is valid, the policy shall cover direct damage to a constructive total loss vehicle in accordance with the following cover conditions:**

Contrary to whatsoever appearing in paragraph 6.2 the rate of direct damage to a constructive total loss vehicle, shall be as noted in the specification, however, no more than 50%.

23. **Purchasing a new vehicle following a total loss or a constructive total loss**  
**In the event that the specification expressly notes that the cover for purchase of a new vehicle following a total loss or constructive total loss is valid, the policy shall cover the premium differentials for purchasing a new vehicle in accordance with the following cover conditions:**

Contrary to whatsoever appearing in paragraph 6.4, an insured whose vehicle is stolen or sustained total loss or constructive total loss, shall pay the comprehensive insurance premium for the new vehicle purchased by him, for the balance of the insurance period until the end of the insurance period under the policy, only in accordance with a positive premium difference between the vehicle which was stolen or sustained a total loss or constructive total loss and a new vehicle, according to a pro-rata calculation for the balance of the insurance period as aforementioned. In order to avoid any doubt cover as aforementioned, shall not entitle a premium refund.

24. **Legal defense insurance**

**In the event that the specification expressly notes that the cover for legal defense insurance is valid, the policy shall be entitled to cover for a legal defense in accordance with the following cover conditions:**

For the purpose of this paragraph the following terms shall bear the meaning noted hereunder and not any other meaning:

**Definitions**

**The policy** – the policy whose number appears in the specification, issued to the insured in connection with use of the vehicle.

**The insured** – the policy owners and/or any other person who is entitled to drive the vehicle which was involved in the insured event in accordance with the policy.

**Legal proceedings** – proceedings in which an indictment is filed by or on behalf of the State of Israel, including administrative applications to revoke and lay-up a driver's license, except for indictment which bear an optional fine.

**Insured event** – a road accident in which a person and/or any property is damaged, occurring as a result of use made by a vehicle, and which is covered under the policy.

**Defense expenses** – court fees, levies, documents stamping fees, photocopying protocols, fees of experts determined by the court or as determined in the criminal law procedure, excluding any fine, compensation, or punitive payment imposed in the framework of a verdict.

**24.1 Indemnification of fees and expenses**

24.1.1 Upon fulfillment of the conditions required for application of this cover, the insured shall approach the insurer and subject to the conditions and reservations detailed hereunder, the insurer – at its expense – undertakes to provide the insured with an advocate of his choice for providing defense in legal proceedings filed against the insured in connection with the accident.

24.1.2 In the event that the insurer fails to provide a advocate in accordance with paragraph 24.1.1, the insured will be entitled to approach any advocate of his choice in order to provide defense in legal proceedings as aforementioned. In such instance, the insurer shall indemnify the insured for the fees (in the minimum sum set down in the Regulations set down by the Bar Association, or lawyer's fees in accordance with the insurer's customary minimum tariffs for representation of insureds in proceedings as aforementioned – the higher of the two) and the defense expenses paid by the insured.

24.1.3 The insurance provided in accordance with this paragraph shall apply to all legal proceedings filed in regard to the insured event.

## **24.2      Appeal**

The insurer shall indemnify the insured for the fees and defense expenses paid by it to an advocate in respect of an appeal, up to the final instance, including a judgment and/or verdict imposed on the insured in legal proceedings.

**The insured shall obtain the insurer's advance written authorization for filing an appeal as aforementioned. The insurer shall provide the authorization after receiving a detailed opinion from the advocate who appeared before the court against which the appeal is sought, in terms of which in his opinion, there is a pertinent basis and good chances of the appeal succeeding as aforementioned.**

## **24.3      Limitation of liability**

**The insurer's liability in accordance with paragraph 24.1.2 above in respect of any accidental occurrence and in total for the entire insurance period shall be limited to the sum noted in this paragraph in the specification.**

## **24.4      Conditions and reservations**

**24.4.1    The insurer shall not be obligated to make any payment under this paragraph if at the time of occurrence of the accident the driver was under the influence of drugs in accordance with the Hazardous Drugs Ordinance (New Version) 5733-1973**

**24.4.2    The insurer will be entitled to demand from the Insured pleadings, transcripts, expert opinions, testimonies, decisions, judgments and any other material in the possession of the insured or the advocate pursuant to the conduct of the legal proceedings or in connection therewith, and the Insured will instruct the advocate to provide any such material to the insurer upon its demand.**

**24.4.3    The Insurer will pay the fees and defense costs for the legal proceedings or the appeal after it has received all the documents necessary for holding the proceeding and for making the payment.**

## **25.      Extra insurance for lamps and side mirrors**

If the specification expressly notes that the Extra cover for lamps and side mirrors is valid, the policy shall cover the repair or replacement of broken lamps or side mirrors for the insured vehicle as noted in the cover conditions as follows:

Activation of this cover shall not constitute a claim for the purpose of the Claims Report noted in paragraph 52 of the general conditions.

### **25.1      Definitions**

**"Mirrors / lamps"** – the insured vehicle's front and rear lamp assemblies (including the directional and break lights) and the external mirror assemblies, provided that same constitute part of the vehicle specification in accordance with the manufacturer's data.

**"Damage"** – a break and crack, penetrating the thickness of the mirror and/or lamp, as well as breakage of the mirror or lamp internal mechanism.

**"Executor of the repair"** – the person whose details are noted in the specification on behalf of the insurer.

**"Price list"** – the executor of the repair's price list for repair and/or replacement of windshields, as valid from time to time.

## 25.2 Substance and scope of the cover

- 25.2.1 The damage limit of liability as detailed in the policy specification. The repair sum (including spare parts, labor and VAT) shall not exceed the limit of the insurer's liability per occurrence and for each damage area separately.
- 25.2.2 The service under this cover shall be provided by the repair executor in the event of damage to the vehicle lamps and/or mirrors (hereinafter the "product"), subject to the deductibles as detailed in the policy specification for each damage separately.
- 25.2.3 The cover will be valid even if during the same event, damage is sustained by another/other parts of the vehicle, **provided that it is possible to repair the damage to the lamp/mirror without disassembling other parts of the vehicle and only under comprehensive insurance, as well as upon receipt of confirmation regarding non-filing a claim from the insurance company.**
- 25.2.4 In the event that the sum of the damage to the lamp/mirror is beyond the limit of liability under this cover and the insured chooses to repair only the lamp/mirror using this cover, the executor of the repair will repair the lamp/mirror and the insured will pay him the difference sum. The repair will be carried out subject to the insured's consent to carry out the repair and to pay the difference sum at its expense.
- 25.2.5 The replaced mirrors and/or lamps will be replacement and/or used products subject to the Spare Parts Law, bearing a Standards Association Stamp, of the same type and quality as the damaged product. In the event that the executor of the repair is unable to find a corresponding product as aforementioned, the executor of the repair will be entitled, at his discretion, and will be entitled to manufacture and/or import and/or repair this product on behalf of the insured, or to replace the damaged product with an original product made by the vehicle manufacturer or by a manufacturer authorized to manufacture on behalf of the vehicle manufacturer.
- 25.2.6 The cover will be provided without limitation of the number of requests in the course of the insurance period, subject to a separate deductible to be paid by the insured for each event and each damage area.

## 25.3 Exclusions

**This cover shall not apply to any damage caused to the vehicle lamps and/or side mirrors, directly or indirectly as a result of or in connection with the following event:**

- 25.3.1 Damage caused intentionally by the insured or whomsoever on its behalf.**
  - 25.3.2 Damage to a product that was not completely intact before it broke and/or was improperly fitted.**
  - 25.3.3 A lamp/mirror which was not installed in accordance with the standard and/or is not part of the vehicle specification according to the manufacturer's data.**
  - 25.3.4 Electrical and/or mechanical breakdowns of any type.**
  - 25.3.5 Scratches and/or cracks which do not constitute a complete break and/or fading and/or wear of the lamp/mirror.**
  - 25.3.6 Any damage for which compensation is given according to the laws of the State.**
  - 25.3.7 Any damage that is caused outside the borders of the State of Israel and outside the territory of Judea and Samaria which is under the control of the State of Israel.**
  - 25.3.8 Theft of a lamp and/or mirror.**
  - 25.3.9 Breakage of a lamp and/or side mirror which occurs as a result of or as a result of a competition and/or a driving test and/or driving fitness test.**
  - 25.3.10 A vehicle which does not have an agency in Israel, as well as a vehicle imported by personal import, unless the vehicle has replacement lamps and mirrors in Israel.**
  - 25.3.11 The vehicle lamps and mirrors were defective and/or with any type of crack upon the inception of the insurance period.**
- 25.4 Uninsured accessories items and uses**  
The service provider will not be responsible for the following accessories, items or uses:
  - 25.4.1 Special products and/or products which deviate from the vehicle manufacturer's technical specification.**
  - 25.4.2 Lamps of any type whatsoever.**
  - 25.4.3 Repair of electrical short circuits.**
  - 25.4.4 Inappropriate fit upon fitting the product due to a defect in other parts of the vehicle, for instance a defect in the body work and lights adjustment.**
- 25.5 Receipt of the service**

- 25.5.1 In any event of damage to the product (except the exclusion conditions noted above) the recipient of the service will approach the executor of the repair noted in the specification.
- 25.5.2 The service will be provided and executed in accordance with the conditions of this cover by the following dates:
  - 25.5.2.1 For lamps - within 48 work hours after the vehicle arrives at the service station, and in any event by the end of the working day, following the date on which the vehicle is brought to the service station.
  - 25.5.2.2 For side mirrors – within 48 work hours after the vehicle arrives at the service station subject to receipt of the vehicle's defined paint number.
  - 25.5.2.3 For the purpose of this paragraph 'work days' shall be: Sunday – Thursday (inclusive) from 07:30 until 16:30, Fridays and holiday eves from 07:30 until 13:30.
- 25.5.3 **The insurer or the service provider repair on its behalf shall have the right to examine any damage before granting an authorization to execute the repair and/or replacement, and in any event of a reasonable suspicion, to demand a police authorization in regard to the damage/s, at its discretion, on condition that it does not deviate from the service dates.**

## 25.6 General conditions

- 25.6.1 This cover shall be subject to all the conditions and exclusions of the policy, unless same are expressly amended.
- 25.6.2 It should be clarified that in the event that the insured cannot provide an authorization in terms of which it is entitled to the said cover while at the service provider, the service provider will provide repair services to the recipient of the service alleging to have purchased this cover against a cheque postdated for 30 days. This sum will be repaid to the service recipient within 15 days after proving entitlement to the cover.

## 26. Cover for assistance guiding and preparing a claim against a third party

In the event that the specification notes that that cover for assistance guiding and preparing a claim against a third party is valid, the insured will be entitled to legal assistance which will be provided to the insured in claims against third parties, without a deductible, in accordance with the following cover conditions:

- 26.1 **Contact details of the assisting party: as indicated in the specification.**
- 26.2 **Those entitled to legal handling:**  
The insured whose name appears in the specification, when this cover was in effect on the date of the insured event, and where a cause of claim exists against the entity causing the damage, in accordance with the insurer's discretion.

**26.3 Substance and scope of the cover**

- 26.3.1 Provision of preliminary legal services in regard to a claim, including assistance preparing a statement of claim in the Small Claims Court, and if necessary, guiding the insured in preparation for appearance before the Small Claims Court. **It is clarified that neither the insurer nor whomsoever on its behalf shall participate in the hearing before the Small Claims Court.**
- 26.3.2 In the event that claim sum is higher than the authority of the Small Claims Court, the insured will be entitled to the service – **in consideration payment of a fee at a pre-agreed rate, which will be conditioned on the success of the legal handling.**

**26.4 The insured's duties**

Producing all the relevant documents for the purpose of substantiating the claim.

**26.5 Exclusions**

**The insured shall not be entitled to any financial reimbursement for legal handling services in claims against a third party, which are provided not in accordance with whatsoever appearing in this cover, unless approval is given in advance by the insurer.**

**27. Insurance of the electrical devices, accessories and assemblies which do not constitute part of the basic package specified in the importer's specification for the vehicle model.**

**If explicitly noted in the specification that insurance for the devices, accessories and assemblies which do not constitute part of the basic package specified in the importer's specification for the vehicle model is valid, the policy shall cover loss or damage to electrical devices, accessories and assemblies in accordance with the following cover conditions:**

**27.1 The insured property**

Electrical devices fitted in the vehicle noted in the specification, as well as special additions such as special wheels, special lamps and any additional special accessory.

**27.2 The cover**

In the event of loss or damage to the aforementioned devices, caused as a result of the risks detailed in the insured event to chapter A – vehicle insurance.

The insurer at its discretion shall indemnify the insured by means of payment, replacement or repair, within the limits of the sum insured noted in the specification.

**27.3 The cover shall not include**

- 27.3.1 Loss or damage to the aforementioned devices, unless caused directly by fire, attempted theft or accident to the vehicle in which the electrical device is fitted, in regard to which a claim is filed under this policy.

**27.3.2 Loss or damage by fire as a result of an electrical breakdown or self-combustion.**

**28. Extra for bumpers**

If explicitly noted in the specification that Extra cover for bumpers is valid, the policy shall cover repair/replacement of a bumper for the vehicle noted in the specification in accordance with the following cover conditions:

**Activation of this cover shall not constitute a claim for the purpose of the Claims Report noted in paragraph 52 of the general conditions.**

**28.1 Definitions**

**"Bumpers"** - external front and rear fender only, external plastic cover only

**"Breakage"** - breakage and any damage (except theft) which goes through the thickness of bumper(s) of any type.

**"Executor of the repair"** - as detailed in the schedule document.

**"Price list"** – the price list of the Executor of the repair for repair of broken fenders.

**28.2 Nature and extent of cover**

28.2.1 The service according to this cover will be provided and/or performed by the Executor of the repair without limitation of the number of requests by the insured in the course of the insurance period indicated in the specification (hereinafter the "insurance period"), and subject to the deductibles and limits of liability noted in the specification.

28.2.2 The service according to this cover will be provided for unexpected damage to the vehicle bumper as follows:

28.2.2.1 The cover will apply only to external and internal plastic parts, constituting part of the fender and are related to returning the fender to its original condition according to the manufacturer's specifications only, such as: external fender, front grille, plastic honeycombs and other internal reinforcements, insofar as same are made of plastic, Styrofoam for the fender, side bars, fog covers, central grille, sensors and cameras of all types, various ornaments (as long as same are original from the factory and not a local addition), lower spoiler, sensors – excluding the control unit, license plate mounts, supports (including lamp 'whiskers').

28.2.2.2 The cover will be valid even if damage is caused in the same event to additional part(s) of the vehicle, provided that it is possible to repair the bumper damage without disassembling additional parts of the vehicle and under comprehensive insurance only, as well as receipt of confirmation regarding non-filing of a claim from the insurance company and subject to the limit of liability stated in the specification for this cover .

- 28.2.2.3 The bumper to be repaired will be a replacement bumper. **In the event that the Executor of the repair is unable to find a corresponding product as aforementioned, the executor of the repair will be entitled, at his discretion, and will be entitled to manufacture and/or import and/or repair this product on behalf of the insured, or to replace the damaged product with an original product made by the vehicle manufacturer or by a manufacturer authorized to manufacture on behalf of the vehicle manufacturer.**
- 28.2.3 In the event that a repeat repair is required on the same vehicle bumper within 6 months after the date of the previous repair, and the repeat repair refers to parts that were replaced and/or originated from the act and/or omission by the Executor of the repair, the insurer will bear the full cost of the repair and will not require the insured to pay a deductible as stated in paragraph 28.2.1 above.
- 28.2.4 The cost of the repair shall be up to the limit of liability noted in the specification for this cover. In addition, the calculation will be based only on the prices of the parts including VAT, according to the importers' price lists as published in various digital media (M.R.M., importer websites, etc.). **In the event that cost of the repair exceeds the limit of liability noted in the specification, the insured will bear the cost of the difference between the limit of liability and the cost of the repair.**  
It should be clarified that quotes will not be obtained from external service providers for the purpose of determining the cost of the part.
- 28.3 Exclusions**  
**No service will be provided under this cover in regard to loss, damage or liability which occur or were caused as a result of - all or part - of the following:**
- 28.3.1 **Damage to a bumper(s) which was/were not fitted properly.**
- 28.3.2 **Damage to a bumper(s) which is/are not part of the original technical specifications and the finishing level of the model as determined by the manufacturer.**
- 28.3.3 **Damage to a bumper(s) which was/were damaged prior to inception of this cover.**
- 28.3.4 **Damage caused with malicious intent by the insured and/or whomsoever on its behalf and/or whomsoever is authorized by it to use the vehicle.**
- 28.3.5 **The service shall not include the repair of electrical short circuits, wires and/or operating mechanisms.**
- 28.3.6 **Damage and/or defect in other parts of the vehicle which prevent and/or impair the ability to fit the damaged bumper(s).**

- 28.3.7 Damage due to an event for which compensation is provided according to the laws of the State of Israel.**
- 28.3.8 Damage caused during traveling while participating in competitive sports.**
- 28.3.9 Damage as a result of a flood or a natural disaster (including an earthquake).**
- 28.3.10 The insured will not be entitled to any payment in the event that it chooses to obtain the service which is the subject of this cover other than through the Executor of the repair as defined above. This paragraph shall apply even if the insured acted in good faith.**
- 28.3.11 The Executor of the repair shall be exempt from providing the services under this cover in the event of a state of war (whether declared or not), hostilities, a terrorist attack or general mobilization, an earthquake, a nuclear or radioactive event and any other force majeure which does not allow provision of services.**

**28.3.12 Consequential damage of any type.**

**28.4 Obtaining the service**

- 28.4.1 In the event of breakage of the bumper (except the aforementioned exclusions), the insured will contact the service provider's Call Center as listed in the specification in order to obtain the service.**
- 28.4.2 The service will be provided and performed in accordance with the cover conditions in the following times:**
- a. In 5 working days of the vehicle arriving at the service station.
  - b. For the purpose of this paragraph, "work days" are Sunday-Thursday (inclusive) from 8:00 to 16:00, excluding the eves of holidays, Saturdays and public holidays.
- 28.4.3 The insurer shall have the right to inspect any damage before approving the repair and to require a police certificate (if relevant)/ a surveyor's approval in regard to the damage/damages at his discretion.**
- 28.4.4 It should be clarified that in the event that the insured cannot produce an approval, in terms of which it is entitled to the aforementioned cover, while at the Executor of the repair, the Executor of the repair will provide bumper replacement services to the insured who alleges to have purchased this cover, against a 30-day deferred check. This sum will be returned to the insured within 15 days of proving its eligibility for the cover.**

**29. Vehicle value increase up to 10%**

If explicitly noted in the specification that this addition is included in the insurance, it shall be subject to the following conditions:

Contrary whatsoever appearing in paragraph 5 of the policy, in the event that the insured vehicle is a total loss or a constructive total loss, the insurer will pay the insured insurance benefits according to the full purchase price of a new vehicle from the same manufacturer, model and type, including special additions to the vehicle - if they were included in the insurance according to the policy. On condition that the excess sum that the insurer will pay by virtue of this addition, compared to the sum it would have paid, had it not been included in the insurance – will not exceed 10% of the vehicle value on the date of the insured event.

In the event that upon payment of the insurance benefits according to this extension, it is impossible to purchase a new vehicle of the same manufacturer, model and type from the authorized importer of that vehicle in the State of Israel - the insurer will compensate the insured up to the full market price of the insured vehicle, plus compensation for purchasing a new vehicle of a similar type.

In such case, the additional compensation will be determined according to the age of the vehicle as follows: an additional 7.5% of the vehicle market price for a vehicle that was up to one year old on the date of the damage; or 10% if it was up to two years old. This extension is subject to all the policy conditions and exclusions, unless expressly modified therein.

**30. Cover for replacement or adjustment of the vehicle keys/ remote control (available for purchase if Chapter B is purchased - third-party liability insurance only)**

If explicitly noted in the specification that cover for the replacement or adjustment of car keys/ remote control is valid, the policy will cover the replacement or adjustment of keys/ remote control belonging to the vehicle noted in the specification, due to loss or theft or damage in accordance with the following cover conditions:

Definitions:

**"Key"** - used to open and close the vehicle lock (doors and ignition)

**"Remote control"** - (convenience remote control) used to electrically open and close the vehicle door locks as follows:

- A remote control attached to the key (in old vehicles)
- A remote which is embedded in the key (in newer vehicles)
- Proximity remote control (in keyless vehicles)

**30.1 Substance and scope of the cover**

**30.1.1 Replacement or adjustment of the vehicle keys/ remote control - the insurer shall indemnify the insured for the cost of replacing or adjusting the keys/remote control belonging to the insured vehicle, which are lost, stolen or damaged, subject to the deductibles and limits of liability noted in the specification and subject to a replacement approval received from a qualified locksmith.**

**30.1.2 Changing the insured vehicle's locks and keys following break-in - the insurer shall indemnify the insured for the cost of changing the locks and keys of the insured vehicle due to a break-in, including the cost of labor to change the locks as well as the cost of the new locks and keys as actually paid to a qualified locksmith - up to the limits of liability noted in the specification for this cover and subject to a deductible.**

**30.1.3 Locking out of the vehicle – in the event that the insured is locked out of the insured vehicle due to the loss or theft of the keys to the insured vehicle, the insurer shall indemnify the insured for the costs of a locksmith's fees, up to the limits of liability noted in the specification for this cover and subject to a deductible.**

30.1.4 The insurer's limit of liability for this cover is subject to the limit of liability noted in the specification and up to two events per period.

### **30.2 The cover shall not include**

**30.2.1 Other expenses involved in replacing the locks and keys, except the expenses specified in paragraph 30.1.**

## **31. Cover for bodily injuries to a pet**

If explicitly noted in the specification that the cover for bodily injuries to a pet is valid, the policy will cover bodily injury to a pet as a result of an insured event in the insured vehicle in accordance with the following cover conditions:

### **Definitions**

"Pet" - a dog and/or cat which is in the vehicle at the time of the insured event.

"The insured event" - unexpected physical damage caused to a pet due to an insured event which is covered under Chapter A.

### **31.1 Substance and scope of the cover**

31.1.1 Indemnification of the insured for its expenses relating to medical treatments and/or surgeries and/or laboratory tests performed on a pet due to a covered insured event, **up to the sum noted in the specification.**

31.1.2 Indemnification of the insured for its expenses relating to medications for a pet at the order of the attending veterinarian in regard to a covered insured event, up to the sum noted in the specification.

31.1.3 Indemnification of the insured in the event of death, including euthanasia of the pet by a veterinarian due to an insured event, is covered **up to the sum insured noted in the specification**, subject to the approval by a qualified veterinarian regarding death of the animal.

31.1.4 **The insurer's limit of liability for this cover is subject to the sum insured stated in the specification, per occurrence and the period.**

**31.2 Exclusions**

Without derogating from the general exclusions to the policy conditions under Chapter 5, this cover will not apply to any damage caused to the pet, directly or indirectly, as a result of or in connection with:

**31.2.1 Routine veterinary treatments including vaccinations, treatment of a chronic disease and the accompanying tests.**

**31.2.2 Medical food, including vitamins and treatment for fleas and ticks.**

**31.2.3 Medical services abroad and/or tests which are sent abroad.**

**31.2.4 psychological treatments.**

**31.3 Deductible – as noted in the specification.**

## **CHAPTER D – EXTENSIONS**

### **32. Lien**

Compensation under Chapter A – insurance of the vehicle in this policy, if due, will be paid in favor of the owner of the lien – if a lien is noted in the specification – and this up to the sum noted in the specification and subject to all the conditions of this policy. Nothing stated in this paragraph will be construed as extending the insurer's liability under this policy or as derogating from any authority conferred on it.

Having regard to the aforesaid, it is hereby agreed and declared that notwithstanding anything stated in the policy and/or in any endorsement concerning the cancellation of the policy due to nonpayment of the premium, or concerning the cancellation of the policy by the insurer by virtue of paragraph 46 – cancellation of the insurance, the cancellation of the insurance will not be valid, except on the day and at the time specified in a notice to be delivered in writing in favor of the owner of the lien – the beneficiary in the event of a lien, noted in the specification, at least 30 days prior to such time.

### **33. Vicarious Liability – this extension is provided for no additional premium**

Where the insured's liability which is covered under Chapter B constitutes cause for a claim also against the insured's employer as indicated in the specification of this policy, in respect of the employer's vicarious liability for the insured's acts and/or omissions, the insurer will cover said vicarious liability as well, however, the insurer's liability will not exceed the limit of liability in Chapter B.

### **34. Occasional Driving**

The policy is extended to cover damage to the insured vehicle and to third party property caused due to the driving of the vehicle by a driver who is an employee of a vehicle garage or paint repair workshop engaged in repair of the vehicle, or an employee of a hotel or an employee of a parking lot driving within the area of the parking lot or for the purpose of parking the vehicle on the hotel premises.

**This extension shall not include such a driver or garage or hotel or parking lot as insureds under the policy, and the insurer may sue any of the aforementioned for damage incurred by it and/or in respect of which it paid the insured and/or a third party.**

Whatsoever appearing in this paragraph will not derogate from any liability which would have been imposed on the insurer if not for the existence of this paragraph in the policy.

## **CHAPTER E – GENERAL CONDITIONS**

### **35. Persons Permitted to Drive the Vehicle**

- 35.1 The persons permitted to drive the vehicle will be one or more of those listed in sub-paragraph 35.2, as noted in the specification and on condition that they hold a license which is valid in Israel for driving a vehicle of that type, or they held such a license at any time during the 120 months preceding driving of the vehicle and who comply with one of the following:
- 35.1.1 The person authorized to drive the vehicle was not disqualified from receiving or holding such a driver's license according to the provisions of legislation, judgments, decisions by a court or other authorized authority, except a decision issued by virtue of the Execution Law 5727 - 1967, and the regulations promulgated by virtue thereof and expiration of a license due to failure to pay the fee;
- 35.1.2 The person authorized to drive the vehicle was not lawfully required to meet one of the following requirements in order to obtain a driver's license: a theoretical driving test, a practical driving test, medical tests including cognitive ability and a drug use test.
- 35.2 The persons permitted to drive the vehicle:
- 35.2.1 The Insured
- 35.2.2 The person named in the specification
- 35.2.3 Any person driving on the insured's orders or with its permission
- 35.2.4 Any person being in the insured's service and driving on the insured's orders or with its permission
- 35.2.5 Any person driving with the insured's permission, and while accompanied by a person mentioned in paragraphs 35.2.1 to 35.2.4 above
- 35.2.6 Any person without a driver's license as indicated in paragraph 35.1, provided it is accompanied by a qualified driving instructor holding a driving instructor's license, or during an official driving test on behalf of the Ministry of Transport, provided the person is accompanied by a Ministry of Transport tester.

### **36. Use of the Vehicle**

**The vehicle will be used for one or more of the purposes listed below, as noted in the specification:**

- 36.1 For social and private purposes**
- 36.2 For purposes of the insured's business**
- 36.3 Driving instruction**

- 36.4 Transporting passengers for a fee for purposes of gain**
  - 36.5 Hire**
  - 36.6 Agricultural works**
  - 36.7 Motor trade**
  - 36.8 Towing for a fee**
  - 36.9 Competition and vehicle fitness tests**
  - 36.10 Transport of goods for a fee**
- 37. General Exclusions to the Insurer's Liability**
  - 37.1 The insurance under Chapters A-E above shall not cover loss, damage or liability occurring outside the territory of the State of Israel and the areas of Judea, Samaria and the Gaza strip.**
  - 37.2 This policy does not cover:**
    - 37.2.1 Consequential loss.**
    - 37.2.2 Loss or damage caused while the vehicle was mobilized into the IDF.**
    - 37.2.3 Loss or damage caused due to actions of persons engaged in a strike or a layup, unless otherwise noted in the specification.**
    - 37.2.4 Loss or damage caused due to commotion unless otherwise noted in the specification.**
    - 37.2.5 Claim arising from a contractual liability.**
    - 37.2.6 Loss or damage caused by reason of the vehicle driver being under the influence of dangerous drugs as defined in the Dangerous Drugs Ordinance (New Version) 5733-1973.**
    - 37.2.7 Loss or damage resulting from war, enemy actions, terrorist attacks, military or popular uprising, revolution.**
    - 37.2.8 Loss or damage resulting from ionizing radiation, radioactive contamination, nuclear processes and any loss or damage due to nuclear material or nuclear waste.**
    - 37.2.9 Loss or damage resulting from earthquake – unless otherwise noted in the specification.**
  - 37.3 The insurance under chapters A-E shall not cover any damage whatsoever in respect of which the insured has the right to compensation in accordance with the Property Tax and Compensation Fund Law 5721-1961, even if such right is**

prevented from it die to failure to uphold any of the provisions of the aforementioned Law.

**38. Disclosure and change in a material matter**

- 38.1 This policy was issued based on answers given by the insured in a notice which will be documented by the insurer, to all the questions posed in the proposal which served as the basis for the policy, or in any other manner, as requested, and in reliance on the insurer's assumption that the insured provided full and frank answers to the questions asked as aforementioned, that the insured did not conceal with fraudulent intent a matter which it was aware is material to the insurer for the assessment of the insured risks, and took measures to prevent damage as required by the insurer in order to mitigate the risks insured by this policy.
- 38.2 A material matter is a matter regarding which a question was posed in the insurance proposal or in any other manner, which shall be documented by the insurer, and without derogating from the generality of the aforementioned, also the following:
  - 38.2.1 Type of vehicle, year of manufacture, license number, make and model, type of gearbox.
  - 38.2.2 Exemption from tax on the vehicle, if any.
  - 38.2.3 Description of the vehicle's use and of the place where it is generally kept.
  - 38.2.4 The vehicle protective means
  - 38.2.5 Identity of the vehicle's owners or regular holders and their occupations; accidents in which they were involved and traffic offenses of which they were convicted during the three years preceding arrangement of the insurance under this policy, excluding traffic offenses for which a fine is optional.
  - 38.2.6 Damage sustained by the vehicle or a third party during the last three years, occurring as a result of the risks included in this insurance, except during a period when the vehicle was not owned by the insured, for which a claim was filed – as defined in paragraph 52.3.
  - 38.2.7 Details regarding previous insurers which insured the vehicle.
- 38.3 If the Insured gave an answer that was not full and frank to questions regarding material matters, or concealed a material matter from the insurer with fraudulent intent, or failed to take measures stipulated by the insurer to mitigate the insured risks under the policy, the insurer may cancel the policy or reduce the scope of its liability, all in accordance with the provisions of the Insurance Contract Law 5741-1981 (hereinafter – the Law).

- 38.4 The Insured will notify the insurer during the period of insurance of any change in a material matter immediately upon learning thereof. If the insured failed to disclose such a change to the insurer, the insurer may cancel the policy or reduce the scope of its liability in accordance with the provisions of the law.
- 38.5 The insured shall provide the insurer, upon its request with a claims report, as defined in paragraph 52 hereunder.

39. **Double Insurance**

- 39.1 If the vehicle is insured against the risks included in this policy with more than one insurer during overlapping periods, the insured must notify the insurer immediately after the double insurance was made or immediately after learning thereof.
- 39.2 In the event of double insurance, the insurers shall be severally liable vis-à-vis the insured for the full sum insured. Between themselves they will bear payment of the insurance benefits according to the ratio between the sums insured.

40. **Extension of the insurance**

Any extension of the period of insurance under this policy requires the consent of the insurer and the insured.

41. **Payment of insurance fees and Other Fees**

- 41.1 The insurance fees and all other sums due by the insured to the insurer in connection with this policy, shall be paid in full within 30 days of the inception of the insurance period, or from the date of submission of the account regarding the insurance fees to the insured, the later of the two, or on other dates noted in the specification.

In this policy 'insurance fees' – the total payments which the insurer is entitled to collect from the insured upon inception of the insurance in connection with this policy.

- 41.2 If any sum due from the insured to the insurer was not paid on time, the sum in arrears will bear annual interest as noted in the specification and/or linkage differentials according to the changes in the consumer price index between the index published immediately prior the date set down for payment and the index published immediately prior to the date of actual payment.
- 41.3 Where any sum in arrears as stated was not paid within 15 days after the insurer submitted to the insured a written demand for payment, the insurer may notify the insured in writing of the cancellation of the insurance after lapse of an additional 21 days if the sum in arrears is not defrayed prior thereto. Where a beneficiary other than the insured is irrevocably named, the insurer may cancel the insurance if it notified the beneficiary in writing of the said arrears and the beneficiary failed to defray the sum in arrears within 15 days from delivery of such notice.

41.4 Cancellation of the insurance according to this paragraph shall not derogate from the insured's obligation to pay the sum in arrears relating to the period up to the said cancellation, as well as the insurer's expenses.

42. **Deductible**

42.1 Upon the occurrence of an insured event which is covered under Chapter A of this policy - except for an insured event which causes the vehicle a total loss or a constructive total loss, or other occurrences noted in the specification - the deductible sum noted in the specification in respect of each claim will be deducted from the insurance benefits, in accordance with the type of damage sustained.

In regard to depreciation damage – the deductible shall be a sum equal to 1.5% of the vehicle value, existing soon before the occurrence of the damage, unless the insured selects the 'vehicle value depreciation addendum' under his signature, for another deductible, and same is noted in the specification.

42.2 Upon the occurrence of an insured event which is covered under Chapter b of this policy, the insurer will pay the third party all the sums which the insured is liable to pay as stated in paragraph 12 above.

The insurer shall collect the deductible sum noted in the specification in respect of the insured event from the insured, and it will not deduct the deductible from the sums paid to the third party.

42.3 Notwithstanding whatsoever stated in paragraph 42.2, if the sum which the insured is liable to pay the third party is equal to or smaller than the deductible sum, the insured himself will bear the payment to the third party, and the insurer will not be liable to pay the third party any sum whatsoever.

42.4 Without derogating from whatsoever appearing in sub-paraphraphs 42.1 and 42.2, upon the occurrence of an insured event which is covered under Chapters A and B of this policy, the insured shall be charged a single deductible sum, which shall not exceed the higher of the sums appearing in the specification.

43. **Reinstatement of the scope of cover**

Upon payment of insurance benefits to the Insured or to a third party by reason of an Insured Event during the period of insurance, the Insurer will reinstate the scope of its liability under this policy to its previous state existing immediately prior to the occurrence of the Insured Event. The insured will be entitled to collect additional insurance fees for reinstating the scope of insurance, which shall be calculated as follows:

43.1 Where insurance benefits are paid in accordance with chapter A of the policy – as a percentage of the insurance benefits paid, according to the rate permitted by the Commissioner in regard to that vehicle – in accordance with its age and the remaining insurance period from the date of the occurrence of the insured event and until the end of the insurance period according to the policy.

43.2 Where insurance benefits are paid to a third party in accordance with chapter B of the policy – to the extent of the insurance fees charged for insurance, to the extent of the sum paid as insurance benefits to the third party, according to their value on the date of the insured event, pro-rata to the insurance period remaining

from the date of the occurrence of the insured event and until the end of the insurance period according to the policy.

**44. Replacement of the vehicle**

- 44.1 In the event that the insured replaces the vehicle in the course of the insurance period and purchases an alternative vehicle, the insured may, after providing a notice to the insurer and after obtaining its consent, transfer the cover under this policy to the alternative vehicle.
- 44.2 If, on the date of replacement, the insurance fees for the replaced vehicle are lower than the insurance fees for the alternative vehicle, the insured shall pay the difference to the insurer, pro-rata to the remaining insurance period, within 30 days after the replacement date.
- 44.3 If, on the date of replacement, the insurance fees for the replaced vehicle are higher than the insurance fees for the alternative vehicle, the insurer shall pay the difference to the insured, pro-rata to the remaining insurance period, within 30 days after the replacement date.
- 44.4 Nothing stated in sub-paragraghs 44.1, 44.2 and 44.3 shall prevent the insurer from demanding payment to cover its expenses for transferring the insurance cover in accordance with its authorized tariffs.

**45. Lay-up**

- 45.1 In the course of the insurance period, the insured will be entitled to inform the insurer in advance of lay-up and parking the vehicle without use, for a period that shall be no less than 30 days and no more than the number of days remaining until the end of the insurance period (hereinafter the "lay-up period").
- 45.2 In the event that the insured provides the insurer with a notice as noted in paragraph 45.1, the insured or whomsoever on his behalf shall not drive the vehicle in the course of the lay-up period. In the event that the insured or whomsoever on his behalf drives the vehicle, the cover under paragraph 1.2 of this policy shall not apply.
- 45.3 The lay-up period shall end on the date specified in the insured's notice. In the event that the said notice does not specify a date as aforementioned, the lay-up period shall end on the lapse of the insurance period, or upon receipt of a notice from the insured regarding conclusion of the lay-up period, the earlier of the two.
- 45.4 At the end of the lay-up period, the insurer shall refund to the insured the pro-rata sum of the insurance fees regarding the cover in accordance with paragraph 1.2 of this policy, which the insured paid for the lay-up period.

**46. Cancellation of the Insurance**

- 46.1 The Insured may cancel the insurance at any time prior to the end of the period of insurance at his discretion. The insurance will be cancelled on the date specified in the notice to the insurer or on a later date as requested by the insured.

In such instance, the insurer shall refund to the insured as soon as possible, and no later than 14 days after the date on which the cancellation takes effect, the pro-rata insurance fees paid for the period after the cancellation takes effect.

The pro-rata part as aforementioned, will be calculated by multiplying the insurance fees charged by the insurer by the ratio between the number of days remaining at the time of cancellation until the end of the original insurance period, and the number of days included in the original insurance period (hereinafter the "pro-rata part").

- 46.2 Without derogating from the insurer's rights in accordance with the law, the insurer will be entitled to cancel the insurance before the end of the insurance period, provided that notice to this affect – which shall include the reasons for the cancellation – is sent to the insured by registered post at least 45 days prior to the date on which the insurance is cancelled.
- 46.3 In the event that the insurer cancels the policy, the insurer shall refund to the insured as soon as possible – and not later than 14 days after the date on which the cancellation takes affect – the pro-rata part of the insurance fees paid
- 46.4 All the sums refunded in accordance with this paragraph shall vary in accordance with the changes in the index, between the index published immediately prior to the date of payment of the insurance fees and the index published immediately prior to the date on which the insurance fees are refunded.

In the event that the insurance fees are paid in installments, each sum shall vary in accordance with the changes in the index, between the index published immediately prior to execution of the payment and the index published immediately prior to the refund of the insurance fees.

- 46.5 Notwithstanding whatsoever appearing in this paragraph, a liened policy will be cancelled 30 days after a warning is given to the owner of the lien in regard to the cancellation.

#### **47. Claim for Insurance Benefits**

- 47.1 Upon the occurrence of an insured event, the insured or the beneficiary must notify the insurer immediately upon learning thereof.
- 47.2 Any claim for payment of insurance benefits under the policy will be submitted to the insured and documented by it. Nothing in the aforementioned shall prevent the insurer from demanding that the claim be submitted in writing.
- 47.3 The insured or the beneficiary, as the case may be, must furnish to the insurer within a reasonable time after being required to do so, the information and documents necessary for ascertaining the liability and its extent, and if they are not in his possession, it must help the insurer to the best of his ability to obtain them.

- 47.4 Immediately after receiving the insured's or the beneficiary's notice concerning the occurrence of the insured event, the insurer will do what is necessary in order to ascertain its liability.
- 47.5 Insurance benefits will be paid within 30 days from the date when the insurer is in possession of the information and documents required for ascertainment of its liability. In regard to theft, following which the vehicle is not discovered for 30 days – within 7 days after the said date.
- 47.6 Insurance benefits paid to a third party or which are paid to the insured shall vary in accordance with the changes in the index, between the index published immediately before the occurrence of the insured event and the index published immediately prior to the date of actual payment. Linked interest shall be added to the insurance benefits, according to the rate set down by the definition of "linkage and interest differentials" in paragraph 1 of the Linkage and Interest Adjudication Law 5721-1961, 30 days after the claim is delivered. This provision shall not derogate from the authority of the court under the said law.
- 47.7 The insurer will be entitled to set off from the insurance benefits in accordance with chapter A of the policy, any defined sum which the insured owes it in respect of this policy or in respect of another policy. In the event of a real apprehension regarding non-defrayment of the debt, the insurer will be entitled to set-off the balance of the insurance fees whose date of payment has not yet fallen due, or another debt whose date of payment has not yet fallen due.
- 47.8 Insurance benefits paid to whomsoever is entitled to set-off input tax, shall not include V.A.T.

**48. Admission Without the Insurer's Consent**

If the insured or anyone on his behalf pays compensation in connection with an insured event covered by this policy, or admitted liability or made a proposal, promise or undertaking regarding compensation as stated, without the insurer's prior consent, this will shall not be binding upon the insurer.

**49. Advance Payments and Benefits which are not in Dispute**

- 49.1 Upon the occurrence of an insured event, the insured or the third party, as the case may be, will be entitled to receive from the insurer an advance payment or monetary undertaking enabling service to be obtained for the repair of the damage, on account of the monies that will become due from the insurer according to the conditions of this policy.
- 49.2 Insurance benefits which are not in dispute will be paid within 30 days after a written claim for payment of the insurance benefits is provided to the insurer, and same may be claimed separately from the rest of the benefits.
- 49.3 Sums paid to the insured or to a third party under paragraphs 49.1 and 49.2 will be deducted from the final insurance benefits paid. In computing the deduction, the sums deducted will be adjusted according to the changes in the consumer price index between the index published immediately prior to payment thereof and the index published immediately prior to the date of payment of the final insurance benefits sum.

49.4 The full and final payment of insurance benefits for damage occurrences covered under Chapter A will be made after reasonable proof is provided, in terms of which the insured has repaired the damage to the vehicle.

50. **Prescription**

The period of prescription of a claim for insurance benefits under this policy is three years from the date of occurrence of the insured event, unless another period is determined by law. A claim for insurance benefits under Chapter B shall not prescribe as long as the third party claim against the insured has not prescribed.

51. **Subrogation**

- 51.1 If due to an insured event the insured also has a right to compensation or indemnification vis-à-vis a third party, not by virtue of an insurance contract, such right will pass to the insurer once it has paid the insured or the beneficiary insurance benefits, and to the extent of the benefits paid.
- 51.2 The insurer shall not be entitled to make use of a right which passed to it under this paragraph in a manner which shall adversely affect the insured's right to collect from the third party compensation or indemnification in excess of the benefits received from the Insurer.
- 51.3 In the event that the Insured receives from the third party compensation or indemnification which is due to the insurer under this paragraph, it shall transfer same to the insurer. In the event that the insured compromises, waives or performs another activity which adversely affects the right which has passed to the Insurer, it shall compensate the insurer in regard thereto.
- 51.4 In the event that the insurer receives compensation or indemnification from a third party, which is due to it under this paragraph, it shall inform the insured in regard thereto within 15 days.
- 51.5 The insurer shall not implement this paragraph if the insured event is caused unintentionally by a third party from whom a reasonable insured would not claim compensation or indemnification by reason of a family relationship or employer-employee relations between them.

52. **Claims history report**

- 52.1 In the event of insurance for one year - 11 months after inception of the insurance period, or in the event of insurance for a period which is shorter than one year - at the end of the insurance period, the insurer shall send the insured a claims report noting whether the insured filed a claim or claims in regard to the vehicles covered under the policy during each year of insurance, up to the said date.

The history claims report shall note the details of each insured event in respect of which a claim was filed, as aforementioned, including the number of the insured vehicle, the date of the insured event, the sum paid, the type of cover, the type of claim (self or third party damage), the type of covered risk for which the insured claim was filed, whether compensation or indemnification was received by the insurer from a third party in regard to the claim, the rate of the compensation or

indemnification received (hereinafter the "recovery rate"), as well as sum of depreciation determined during the 3 year period preceding the date of the report, or the period during which the insured was covered by it, the shorter of the two.

- 52.2 In the event that a claim is filed for the first time 11 months after the inception of the insurance period, the insurer shall send a corrected report immediately upon filing of the claim.
- 52.3 In this paragraph, "claim" - a claim for which insurance benefits are paid according to paragraph 47, less the deductible, in a sum exceeding NIS 5,000.
- 52.4 Notwithstanding whatsoever appearing in sub-paragraph 52.3, the insurance history report will not include a claim for which the recovery rate is 75% or higher; In the event that the insurer obtains recovery at the aforementioned rate up to one year after sending an insurance history report, the insurer will send a correction report immediately upon receipt of the recovery; If the insurer receives recovery in the aforementioned rate at a later date, it will update the insurance history report as part of any report required in accordance with the commissioner's instructions, and will also present same to the insured at his request.
- 53. The sum insured or sums insured (except for the value of the vehicle) noted in the specification are not agreed sums insured. The sum insured in the policy is the maximum sum regarding the duty of indemnification upon the occurrence of an insured event, subject to the overall policy conditions.
- 54. **Notices**  
A notice by the insured or the beneficiary to the insurer shall be given to one of the following:
  - 54.1 The address of the insurer's office noted in the policy heading, or any other address in Israel which the insurer shall inform the insured or the beneficiary from time to time.
  - 54.2 At the office of the insurance agent noted in the policy, at his address specified therein, or any other address in Israel of which the aforementioned insurance agent or the insurer informs the insured or the beneficiary from time to time.
  - 54.3 In any other manner which the insurer shall inform the insured from time to time.

## **SERVICE DOCUMENTS**

**If expressly noted in the specification that the  
"ROAD SERVICES AND TOWING SERVICE DOCUMENT (FOR A NON-ELECTRIC VEHICLE)"  
is valid, then the following service document provisions shall apply:**

For your information the insured shall be responsible for the service provided in the framework of the service document.

### **1. Definitions**

**The vehicle which is entitled to service** – a private or commercial vehicle up to 3.5 tons whose details appear in the specification, which is in proper working order and fit for traveling upon inception of the cover.

**Service document** – this document detailing the services and conditions for receipt of the service by the service provider.

**The service provider** – as noted in the specification.

**Service center** – the service provider's service center, at the phone number noted in the specification.

**The service recipient** – an insured whose vehicle is insured by the Harel vehicle policy and whose specification notes that this service document is valid (hereinafter also the "insured").

**Service period** – in accordance with the insurance period noted in the specification.

### **2. Scope of the service**

- 2.1 The service provider will provide road and towing services as detailed in the service document (hereinafter the "vehicle services") 24 hours a day, 364 days a year - except for the eve of Yom Kippur from 14:00 and during of Yom Kippur itself until 3 hours after the end of Yom Kippur.
- 2.2 The service recipient will be entitled to receive the road and towing services without limitation on the number of requests in the course of the service period, subject to the conditions of paragraph 2.
- 2.3 The services will be provided within the territorial boundaries of the State of Israel and within the boundaries of Judea and Samaria, **except the Autonomy areas, entrance to which is not prohibited and restricted at that time by any authorized authority.**
- 2.4 **Towing the vehicle which is entitled to the service (hereinafter the "vehicle") shall be subject to the following conditions:**
  - 2.4.1 Towing shall be from any place in the State of Israel to any place in the State of Israel, except to the areas of the Autonomy and Gaza Strip, subject to paragraph 2.3 above.

- 2.4.2 There is a need to tow the vehicle as a result of the vehicle being inoperable as a result of a road accident, mechanical malfunction emanating from the vehicle which requires laying-up the vehicle, or theft.
- 2.4.3 The service provider is unable to start the vehicle or to perform a road-side repair on site, or to provide first aid.
- 2.4.4 The vehicle is on a road and may be towed immediately by a standard towing vehicle without assistance of other towing vehicles or auxiliary tools. For the purpose of this conditions, "a road" shall mean an asphalt or paved road or travel of vehicles with 2X4 drive, an organized parking area or private parking space which is uncovered and allows direct access with a normal tow truck.
- 2.4.5 Extraction of the vehicle – minor extractions from sites nearby a road following a road accident, (up to 20m from the road) provided that the duration of the extraction shall not exceed 20 minutes and may be performed by means of a standard tow truck without assistance of other tow trucks or auxiliary tools.

An extraction emanating from any other reason, including sinking of the vehicle shall be provided against payment, with a discount on the service provider's price list.

- 2.4.6 The towing services will be provided on condition that direct access is available for the service vehicle.

**2.5 Starting the vehicle and road services - Minor road repairs (spare parts will be at the expense of the service recipient).**

It is clarified that minor road repairs constitute a temporary repair. The service recipient is obliged to travel directly to a licensed garage to permanently repair the malfunction.

In the event that the vehicle is fitted with a part which has been borrowed, in order to allow the vehicle to reach the garage, the service recipient will be obliged to provide a means of payment as security for him returning the part to the service provider's representative at a site nearby his place of residence.

- 2.6 The service provider shall on its own select the service type required of the vehicle services as aforementioned.**
- 2.7 The service vehicle shall arrive within a period no longer than 5 hours after provision of all the details required for provision of the service, unless otherwise coordinated with the service recipient.**
- 2.8 The service recipient shall only be entitled to one free tow or start-up in respect of an occurrence **or series of occurrences which are linked by a causal connection**.**

In the event of a dispute the matter will be handed over to a certified vehicle surveyor for his final decision. In the event that the surveyor decides that there is no causal connection between the occurrences, the service provider shall bear the

surveyor's fees. In the event that the surveyor determines that there is a causal connection between the occurrences, the service recipient will bear the surveyor's fees and the cost of the service which was provided.

Until a decision is handed down by the surveyor, the service recipient will provide postdated payment.

## 2.9 Exclusions

- 2.9.1 The cover shall not include service for a vehicle which is in a garage or its close vicinity.**
- 2.9.2 The cover shall not include service, if an unauthorized entity carries out a check-up/ service/ repair of the vehicle.**
- 2.9.3 The cover shall not include service for a vehicle which is loaded with goods and/or cargo.**
- 2.9.4 The cover shall not include service for a vehicle due to lack of fuel. The fuel supply and/or towing of the vehicle services to the closest petrol station will be provided against payment.**
- 2.9.5 The cover shall not include towing a vehicle located in a covered parking lot.**
- 2.9.6 The cover shall not include service for a vehicle which cannot be operated due to a puncture or punctured wheels.**
- 2.9.7 The cover shall not include service for a vehicle which cannot be operated due to malfunction emanating from a problem related to a locksmith (loss or damage of keys or keys being left in the vehicle), or unsuitability of keys, locking the steering wheel, loss or damage of a remote control, loss of an encoder, etc.).**
- 2.9.8 The cover shall not include transportation of the driver and the vehicle passengers.**
- 2.9.9 The cover shall not include service in the event of a malfunction in the vehicle lamps or windshield wipers. Replacement of the vehicle lamps or wipers shall be performed against payment, if in stock in the service unit.**
- 2.9.10 The cover includes towing a vehicle which was removed from the road by an authorized authority, or a vehicle without annual licensing, except in the event of an insured event as defined in the policy.**
- 2.9.11 The service provider will be able to supply the services detailed in this chapter (exclusions 2.9.1 until 2.9.10) at its discretion, if possible and against payment only.**
- 2.9.12 The service recipient shall bear the full cost relating to the service vehicle for the purpose of providing the service including: entering a parking lot/**

**parking lot fee and travelling on toll roads, in addition to handling fees which shall not exceed NIS 15.**

**2.9.13 The service provider will not provide the service in a state of war, hostilities, terrorist attack, general mobilization, earthquake, flood, inundation, extreme natural occurrence, nuclear or radioactive occurrence, catastrophic occurrence and an occurrence for which compensation is provided by the State.**

**3. Ordering and receipt of service**

The service provider's undertaking vis-à-vis the service recipient shall take effect immediately, if and when the service document is purchased together with the insurance policy, or 7 (seven) days after having been purchased, if purchased at another time.

In the event that the service recipient requires services as noted in this service document, it shall approach the service provider's center by means of the telephone number note in the specification and provide the details requested by the service provider.

In the event that the service recipient chooses to split the service, the continued service will be provided as additional service. The additional service as aforementioned, shall be provided against payment, with a 20% discount on the service provider's price list.

It should be clarified that an order for services which is cancelled by the service recipient, for reasons which are not related to the service provider, then another service order in regard to the same malfunction and circumstances shall entail payment.

**4. Cancellation of the service document**

- 4.1 Cancellation of the service document shall be in accordance with the provisions noted in regard to cancellation of the insurance policy, mutatis mutandis.
- 4.2 Without derogating from whatsoever appearing in paragraph 4.1 above, the insurer shall be entitled to cancel the service document in the event of termination of the contractual ties with the service provider noted in the specification. The cancellation shall take effect immediately upon provision of the notice. In such instance, the insured will be entitled to a refund of the pro-rata insurance fees for this cover.

**5. Guarding the vehicle and completion of execution of the service**

- 5.1 The service recipient shall be responsible for guarding the vehicle until the vehicle services are received. Any loss or damage or deficiency caused to the vehicle or its contents until the service vehicle arrives at the vehicle in order to provide service, shall be at the service recipient's responsibility.

The service recipient shall be obliged to empty the vehicle of items and/or equipment, including personal affects, compact disks, radio – disc removable panel, etc. It is clarified that the service provider shall not be responsible for any equipment and/or item which remains in the vehicle.

- 5.2 The service provider shall be responsible for guarding the vehicle from commencement of provision of the service until completion of the service by it.

Completion of the towing service shall mean – delivery of the vehicle to the place noted by the service recipient. In the event that the service recipient chooses to leave the keys in the vehicle and/or instructs the service provider to leave the keys in the vehicle after the service is completed, the responsibility, including everything implied thereby shall rest on the service recipient.

- 5.3 The service provider will be entitled to leave the vehicle at the site noted by the service recipient and the responsibility for receipt and guarding of the vehicle from that time onwards shall rest on the service recipient whether the vehicle is received by a person or not.
- 5.4 In the event that the service provider cannot transport the vehicle to the garage noted by the service recipient during work hours, for reasons dependent on the service provider, then the vehicle will be stored and towed to the garage on the following day (except due to the Sabbath and holiday) at the service provider's expense.
- 5.5 The cover shall not include service for a vehicle which is loaded with goods and/or cargo and/or personal effect and/or any items, including CD's, radio-disc removable panels, etc. In the event that the service recipient leaves goods and/or cargo items and/or any item whatsoever in the vehicle, such items shall be at the exclusive responsibility of the service recipient and the service provider shall bear no responsibility in regard thereto.

## 6. **Damages**

- 6.1 The service provider shall compensate the service recipient for any direct damage sustained by the vehicle as a result of the provision of the vehicle services, subject to the rules of the Torts Ordinance (New Version) 5728-1968.
- 6.2 Upon the occurrence of any loss or damage as a result of the provision of vehicle services, the service recipient shall be obliged to notify the service provider in regard thereto, as soon as possible.
- 6.3 The service recipient shall be obliged to provide the service provider, as soon as possible with written details in regard to all damages, damaged objects or property items.
- 6.4 The service recipient shall allow the service provider's representatives to perform an immediate inspection of the damage or loss at any reasonable time determined by the service provider and to provide assistance, insofar as required in connection therewith.
- 6.5 The service recipient shall not incur any expense in order to repair a damage without the service provider's written consent, and this on condition that that same is provided within a reasonable time in accordance with the circumstances. Non-compliance with this condition, will cancel the service provider's duty to provide compensation in regard to the damage.

## **7. Declarations and undertakings by the service recipient**

### **7.1 The service recipient declares as follows:**

- 7.1.1 The vehicle was in proper working order and fit for traveling upon entering into ties with the service provider.
- 7.1.2 He is aware that an approach to another entity in order to obtain it service, without obtaining the service provider's advance written authorization, shall not entitle him to a refund of the expenses or any part thereof, or any other payment, even had it been entitled to receive the services from the service provider had it approached the service provider.

### **7.2 The service recipient undertakes as follows:**

- 7.2.1 To initiate reasonable precautionary measures to prevent whomsoever who is not entitled to receive vehicle services from the service provider on behalf of or in the name of the service recipient.
- 7.2.2 To initiate reasonable precautionary measures to prevent an act or occurrence which will result in the service provider being obliged to provide him with the vehicle services.
- 7.2.3 To refund to the service provider the expenses disbursed by it in connection with the provision of the vehicle services to the service recipient, in any event that compensation or indemnification is received from any third party for execution of the towing.
- 7.2.4 To inform the service provider of receipt of monies as aforementioned.
- 7.2.5 That the inclusive weight of the vehicle detailed in the service document does not exceed 3.5 tons.
- 7.2.6 To allow the service provider to collect in the name of the service recipient the expenses for the service which are due from any third party. For this purpose, the service recipient agrees to empower the service provider to collect these monies.
- 7.2.7 To comply with all the undertakings detailed in this service document.
- 7.2.8 To avoid summoning the vehicle services when the vehicle can be mechanically operated. In the event that the service recipient orders the services and the service provider determines that the vehicle could have been mechanically operated before provision of the service, the service recipient shall be charged payment according to the service provider's price list.

## **8. Service provider's declarations**

**The service will be provided by professional entities for the type of service.**

**If expressly noted in the specification that the  
"ROAD SERVICES AND TOWING OF AN ELECTRIC VEHICLE SERVICE DOCUMENT"  
is valid, then the following service document provisions shall apply:**

For your information the insured shall be responsible for the service provided in the framework of the service document.

## 1. Definitions

**The vehicle which is entitled to service** – a private or commercial vehicle up to 3.5 tons whose details appear in the specification, which is in proper working order and fit for traveling upon inception of the cover.

**Service document** – this document detailing the services and conditions for receipt of the service by the service provider.

**The service provider** – as noted in the specification.

**Service center** – the service provider's service center, at the phone number noted in the specification.

**The service recipient** – an insured whose vehicle is insured by the Harel vehicle policy and whose specification notes that this service document is valid (hereinafter also the "insured").

**Service period** – in accordance with the insurance period noted in the specification.

## 2. Scope of the service

- 2.1 The service provider will provide road and towing services as detailed in the service document (hereinafter the "vehicle services") 24 hours a day, 364 days a year - except for the eve of Yom Kippur from 14:00 and during of Yom Kippur itself until 3 hours after the end of Yom Kippur.
- 2.2 The service recipient will be entitled to receive the road and towing services without limitation on the number of requests in the course of the service period, subject to the conditions of paragraph 2.
- 2.3 The services will be provided within the territorial boundaries of the State of Israel and within the boundaries of Judea and Samaria, except the Autonomy areas, entrance to which is not prohibited and restricted at that time by any authorized authority.
- 2.4 Towing the vehicle which is entitled to the service (hereinafter the "vehicle") shall be subject to the following conditions:
  - 2.4.1 Towing shall be from any place in the State of Israel to any place in the State of Israel, except to the areas of the Autonomy and Gaza Strip, subject to paragraph 2.3 above.

- 2.4.2 There is a need to tow the vehicle as a result of the vehicle being inoperable as a result of a road accident, mechanical malfunction emanating from the vehicle which requires laying-up the vehicle, or theft.
- 2.4.3 The service provider is unable to start the vehicle or to perform a road-side repair on site, or to provide first aid.
- 2.4.4 The vehicle is on a road and may be towed immediately by a standard towing vehicle suitable for electric vehicles at the sole discretion of the service provider. For the purpose of this conditions, "a road" shall mean an asphalt or paved road or travel of vehicles with 2X4 drive, an organized parking area or private parking space which is uncovered and allows direct access with a tow truck.
- 2.4.5 Extraction of the vehicle – minor extractions from sites nearby a road following a road accident, (up to 20m from the road) provided that the duration of the extraction shall not exceed 20 minutes and may be performed by means of a tow truck suitable for electric vehicles without assistance of other tow trucks or auxiliary tools.

Extraction emanating from any other reason, including sinking of the vehicle shall be provided against payment, with a discount on the service provider's price list.

- 2.4.6 The towing services will be provided on condition that direct access is available for the service vehicle.
- 2.5 **Starting the vehicle due to a malfunction in the battery (spare parts will be at the expense of the service recipient).**  
The service recipient is obliged to travel directly to a licensed garage to permanently repair the malfunction or replace the battery.
- 2.6 The service provider shall on its own select the service type required of the vehicle services as aforementioned.
- 2.7 The service vehicle shall arrive within a period no longer than 5 hours after provision of all the details required for provision of the service, unless otherwise coordinated with the service recipient.
- 2.8 **The service recipient shall only be entitled to one free tow or start-up in respect of an occurrence or series of occurrences which are linked by a causal connection.**  
In the event of a dispute the matter will be handed over to a certified vehicle surveyor for his final decision. In the event that the surveyor decides that there is no causal connection between the occurrences, the service provider shall bear the surveyor's fees. In the event that the surveyor determines that there is a causal connection between the occurrences, the service recipient will bear the surveyor's fees and the cost of the service which was provided.

Until a decision is handed down by the surveyor, the service recipient will provide postdated payment.

## **2.9 Exclusions**

- 2.9.1 The cover shall not include service for a vehicle which is in a garage or its close vicinity.**
- 2.9.2 The cover shall not include service, if an unauthorized entity carries out a check-up/ service/ repair of the vehicle.**
- 2.9.3 The cover does not include service for a vehicle due to lack of energy, i.e. insufficient electricity in the vehicle. Service for charging/ towing the vehicle to the closest charging station will be provided against payment.**
- 2.9.4 The cover shall not include service for a vehicle which is loaded with goods and/or cargo.**
- 2.9.5 The cover shall not include towing a vehicle located in a covered parking lot.**
- 2.9.6 The cover shall not include service for a vehicle which cannot be operated due to a puncture or punctured wheels.**
- 2.9.7 The cover shall not include service for a vehicle which cannot be operated due to malfunction emanating from a problem related to a locksmith (loss or damage of keys or keys being left in the vehicle), or unsuitability of keys, locking the steering wheel, loss or damage of a remote control, loss of an encoder, etc.).**
- 2.9.8 The cover shall not include transportation of the driver and the vehicle passengers.**
- 2.9.9 The cover shall not include service in the event of a malfunction in the vehicle lamps or windshield wipers. Replacement of the vehicle lamps or wipers shall be performed against payment, if in stock in the service unit.**
- 2.9.10 The cover includes towing a vehicle which was removed from the road by an authorized authority, or a vehicle without annual licensing, except in the event of an insured event as defined in the policy.**
- 2.9.11 The service provider will be able to supply the services detailed in this chapter (exclusions 2.9.1 until 2.9.10) at its discretion, if possible and against payment only.**
- 2.9.12 The service recipient shall bear the full cost relating to the service vehicle for the purpose of providing the service including: entering a parking lot/ parking lot fee and travelling on toll roads, in addition to handling fees which shall not exceed NIS 15.**
- 2.9.13 The service provider will not provide the service in a state of war, hostilities, terrorist attack, general mobilization, earthquake, flood, inundation, extreme natural occurrence, nuclear or radioactive**

**occurrence, catastrophic occurrence and an occurrence for which compensation is provided by the State.**

**3. Ordering and receipt of service**

The service provider's undertaking vis-à-vis the service recipient shall take effect immediately, if and when the service document is purchased together with the insurance policy, or 7 (seven) days after having been purchased, if purchased at another time.

In the event that the service recipient requires services as noted in this service document, it shall approach the service provider's center by means of the telephone number note in the specification and provide the details requested by the service provider.

In the event that the service recipient chooses to split the service, the continued service will be provided as additional service. The additional service as aforementioned, shall be provided against payment, with a 20% discount on the service provider's price list.

It should be clarified that an order for services which is cancelled by the service recipient, for reasons which are not related to the service provider, then another service order in regard to the same malfunction and circumstances shall entail payment.

**4. Cancellation of the service document**

- 4.1 Cancellation of the service document shall be in accordance with the provisions noted in regard to cancellation of the insurance policy, mutatis mutandis.
- 4.2 Without derogating from whatsoever appearing in paragraph 4.1 above, the insurer shall be entitled to cancel the service document in the event of termination of the contractual ties with the service provider noted in the specification. The cancellation shall take effect immediately upon provision of the notice. In such instance, the insured will be entitled to a refund of the pro-rata insurance fees for this cover.

**5. Guarding the vehicle and completion of execution of the service**

- 5.1 The service recipient shall be responsible for guarding the vehicle until the vehicle services are received. Any loss or damage or deficiency caused to the vehicle or its contents until the service vehicle arrives at the vehicle in order to provide service, shall be at the service recipient's responsibility.

The service recipient shall be obliged to empty the vehicle of items and/or equipment, including personal affects, compact disks, radio – disc removable panel, etc. It is clarified that the service provider shall not be responsible for any equipment and/or item which remains in the vehicle.

- 5.2 The service provider shall be responsible for guarding the vehicle from commencement of provision of the service until completion of the service by it.

Completion of the towing service shall mean – delivery of the vehicle to the place noted by the service recipient. In the event that the service recipient chooses to leave the keys in the vehicle and/or instructs the service provider to leave the keys in the vehicle after the service is completed, the responsibility, including everything implied thereby shall rest on the service recipient.

- 5.3 The service provider will be entitled to leave the vehicle at the site noted by the service recipient and the responsibility for receipt and guarding of the vehicle from that time onwards shall rest on the service recipient whether the vehicle is received by a person or not.
- 5.4 In the event that the service provider cannot transport the vehicle to the garage noted by the service recipient during work hours, for reasons dependent on the service provider, then the vehicle will be stored and towed to the garage on the following day (except due to the Sabbath and holiday) at the service provider's expense.
- 5.5 The cover shall not include service for a vehicle which is loaded with goods and/or cargo and/or personal effects and/or any items, including CD's, radio-disc removable panels, etc. In the event that the service recipient leaves goods and/or cargo items and/or any item whatsoever in the vehicle, such items shall be at the exclusive responsibility of the service recipient and the service provider shall bear no responsibility in regard thereto.

## 6. **Damages**

- 6.1 The service provider shall compensate the service recipient for any direct damage sustained by the vehicle as a result of the provision of the vehicle services, subject to the rules of the Torts Ordinance (New Version) 5728-1968.
- 6.2 Upon the occurrence of any loss or damage as a result of the provision of vehicle services, the service recipient shall be obliged to notify the service provider in regard thereto, as soon as possible.
- 6.3 The service recipient shall be obliged to provide the service provider, as soon as possible with written details in regard to all damages, damaged objects or property items.
- 6.4 The service recipient shall allow the service provider's representatives to perform an immediate inspection of the damage or loss at any reasonable time determined by the service provider and to provide assistance, insofar as required in connection therewith.
- 6.5 The service recipient shall not incur any expense in order to repair a damage without the service provider's written consent, and this on condition that that same is provided within a reasonable time in accordance with the circumstances. Non-compliance with this condition, will cancel the service provider's duty to provide compensation in regard to the damage.

## 7. **Declarations and undertakings by the service recipient**

### 7.1 **The service recipient declares as follows:**

- 7.1.1 The vehicle was in proper working order and fit for traveling upon entering into ties with the service provider.

7.1.2 He is aware that an approach to another entity in order to obtain it service, without obtaining the service provider's advance written authorization, shall not entitle him to a refund of the expenses or any part thereof, or any other payment, even had it been entitled to receive the services from the service provider had it approached the service provider.

**7.2 The service recipient undertakes as follows:**

- 7.2.1 To initiate reasonable precautionary measures to prevent whomsoever who is not entitled to receive vehicle services from the service provider on behalf of or in the name of the service recipient.
- 7.2.2 To initiate reasonable precautionary measures to prevent an act or occurrence which will result in the service provider being obliged to provide him with the vehicle services.
- 7.2.3 To refund to the service provider the expenses disbursed by it in connection with the provision of the vehicle services to the service recipient, in any event that compensation or indemnification is received from any third party for execution of the towing.
- 7.2.4 To inform the service provider of receipt of monies as aforementioned.
- 7.2.5 That the inclusive weight of the vehicle detailed in the service document does not exceed 3.5 tons.
- 7.2.6 To allow the service provider to collect in the name of the service recipient the expenses for the service which are due from any third party. For this purpose, the service recipient agrees to empower the service provider to collect these monies.
- 7.2.7 To comply with all the undertakings detailed in this service document.
- 7.2.8 To avoid summoning the vehicle services when the vehicle can be mechanically operated. In the event that the service recipient orders the services and the service provider determines that the vehicle could have been mechanically operated before provision of the service, the service recipient shall be charged payment according to the service provider's price list.

**8. Service provider's declarations**

**The service will be provided by professional entities for the type of service.**

**If expressly noted in the specification that the  
"ALTERNATIVE VEHICLE SERVICE DOCUMENT"  
is valid, then the following service document provisions shall apply:**

This document constitutes the service document between the insured and the alternative vehicle service provider noted in the specification (hereinafter for abbreviation purposes the "service provider") which, in the course of the insurance period will conduct efficient and available communication. This service document details the services to which the insured is entitled, the mutual rights and obligations of the insured and the service provider.

The service center will be available from Sunday to Thursday, from 08:00 to 17:00, on Fridays and holiday eves from 08:00 to 13:00 and on the eve of Yom Kippur from 08:00 to 12:00.

**A. Substance of the services**

1. The service provider will provide the insured with alternative vehicle services as detailed in the alternative vehicle service document hereunder, in the course of the insurance period.
2. The insured will be entitled to the following services, for no consideration and without a limit on the number of its requests in the course of the insurance period.
  - a. In the event of an accident – in accordance with the following conditions (if accidental cover is purchased in the insurance policy):
    - 1) In the event of an accident which results in the lay-up of the insured's car, in a garage for repair, the service provider shall provide the insured with an alternative vehicle from a hire company, to which the insured will be referred by the service provider (hereinafter the "car hire company").
    - 2) The alternative vehicle will be provided after the damaged vehicle is examined by a certified surveyor.
    - 3) Determining the number of days for receipt of the alternative vehicle is conditional on the number of days required to repair the insured damaged vehicle.
    - 4) The number of days will be determined on the basis of the surveyor's report which shall be submitted as follows: the cost of repair work of the insured vehicle (excluding spare parts) divided by the price of one day work (8 hours) at the garage (in accordance with the Garage Association hourly tariff valid at the time of the repair).
    - 5) The alternative vehicle will be provided in accordance with the surveyor's report as noted in paragraph 4 above, which shall note the number of days required to repair the damaged vehicle, less 3 days (unless otherwise noted in the insurance specification).

However, in any event the vehicle will not be provided for a period exceeding 7 days (unless otherwise noted in the policy specification) and subject to non-receipt of an alternative vehicle from another entity in respect of the same occurrence.

- 6) In the event of an accident where the damage sustained by the insured vehicle is defined by the surveyor as a total loss, the alternative vehicle will be provided for 7 days, unless otherwise noted in the insurance policy.
  - 7) **No alternative vehicle services will be provided in the event of an accident emanating from engagement in competitive sport.**
- b. In the event of theft – in accordance with the following conditions (if theft cover is purchased in the insurance policy):
- 1) In the event of theft of the insured vehicle, the service provider shall provide an alternative vehicle from the 8<sup>th</sup> day (unless otherwise noted in the insurance policy) after a notice is given to the police and the insurance company regarding theft of the vehicle, and until the vehicle is found or until the compensation is received from the insurance company, the earlier of the two.

In any event an alternative vehicle will not be provided to the client before the 8<sup>th</sup> day (unless otherwise noted in the insurance policy) and not beyond the 30<sup>th</sup> day (unless otherwise noted in the insurance policy) after the date the notice is given to the police in regard to the theft, not beyond the date of receipt of payment from the insurance company, and not for a period exceeding 23 days (unless otherwise noted in the insurance policy) subject to paragraph b1 hereunder.
  - 2) The insured undertakes to return the alternative vehicle to the car hire company immediately after the vehicle is located or receipt of the notice regarding finding the vehicle and/or its remnants and/or receipt of compensation from the insurance company (the earlier of them).
  - 3) In the event that it becomes apparent that the insured vehicle which was stolen was also involved in an accident, the insured will be entitled to an alternative vehicle as noted in paragraph 'a' above.

## B. Limitations

1. **In any event the alternative vehicle service will not be provided unless a demand is submitted to the service provider no later than the 14<sup>th</sup> day after the occurrence of the accident or theft.**

**The alternative vehicle service will be provided subject to actual repair of the vehicle as a result of the accident in accordance with the number of days**

**determined in the surveyor's report, and in any event the service will not be provided after the vehicle is repaired due to the accident.**

- 2. The insured shall not be entitled to more than one alternative vehicle service free of charge in respect of an occurrence or series of occurrences which are related to each other by a causal connection.**
- 3. In total all the car hire days provided in the course of the insurance period shall not exceed 30 days (unless otherwise noted in the insurance policy).**
- 4. The eligibility days will be provided continuously and may not be split.**
- 5. In the event that the insured is referred to the car hire company by the service provider and it fails to realize his entitlement to the alternative vehicle, his entitlement to the alternative vehicle for that occurrence shall lapse. In order to avoid any doubt, receipt of the alternative vehicle will be possible only if 14 days have not yet elapsed since the occurrence and on condition that the vehicle has not been repaired due to the accident.**

**C. Receipt and return of the alternative vehicle**

**An insured who is entitled to an alternative vehicle as detailed above, will receive the alternative vehicle in accordance with the following provisions:**

- 1. The entitlement to receive the alternative vehicle in accordance with this service document will be fulfilled following an insured event (accident or theft) which is covered by the insurance policy.**
- 2. The insured shall present at one of the service provider's offices proof of his entitlement to the service, together with the surveyor's report (in the event of an accident), an authorization regarding a notice having been given to the insurance company, an authorization of notification to the Israel police (in the event of theft) and an identifying document.**
- 3. In the event of an accident, the insured shall receive from the service provider a referral to the car hire company, noting the number of days during which it is entitled to an alternative vehicle.**
- 4. In the event of theft the insured will receive a referral to the car hire company for 10 days. In the event that the insured vehicle is not found by the end of the 10 days, the insured will receive from the service provider a referral for additional days until the end of the period of his entitlement to an alternative vehicle as aforementioned, and subject to his declarations regarding the vehicle not being found before receipt of each and every referral.**
- 5. The insured will receive the alternative vehicle at the car hire company (after the letter of reference is provided) within 48 hours after the documents are presented to the service provider and receipt of a letter of reference as noted above.**
- 6. The insured shall sign a lease contract with the lease company according to the wording customary by the car hire company at that time, including the deposit and use of a credit card.**

7. **The insured shall bear all the rights, including reduction of the deductible in the event of damage, and the duties imposed on a regular car lessee from the car hire company (except for the matter of payment as noted in this service document).**
8. The alternative vehicle provided to the insured by the car hire company will be a small automatic vehicle up to 1300cc (unless otherwise noted in the insurance policy). The vehicle will be delivered to the insured at one of the car hire company's main branches in Israel and Ben Gurion Airport (at the insured's choice upon receipt of the letter of reference from the service provider) during normal working hours.

In the event that the insured chooses to collect the vehicle from Ben Gurion Airport, it shall bear the Port Tax as required by the Car Hire company and in accordance with its customary tariffs at that time.

9. The insured shall himself bear all the fuel expenses for the alternative vehicle, traffic fines, and road toll fees in accordance with the lease contract.
10. The insured shall return the alternative vehicle to the car hire company at the end of the entitlement period, as defined in the lease contract.
11. Payments demanded by the car hire company regarding a delay returning the alternative vehicle shall fully apply to the insured.
12. The service provider will be entitled – in accordance with its discretion, on the dates it deems fit and provided that the service is included in the services provided to the insured free of charge, and in order to enable the provision of the service - to inform the insured that it is allowing him (in regard to the specific service ordered and at that time) to make use of alternative transportation services by any other entity selected by the insured, at his responsibility.

In such instance, the service provider shall refund to the insured a sum of NIS 100 in respect of each day of entitlement.

#### D. **Discounts**

1. The insured will be entitled to a discount (off the individual's price list valid at that time) in respect of the following services: additional days of car hire, in excess of the entitlement period, and changing the type of vehicle from a small automatic vehicle up to 1300cc (or as noted in the insurance policy) to a vehicle with a larger engine.
2. In the event that the insured chooses to swap the car type from a small automatic vehicle up to 1300cc (or as noted in the insurance policy) to a vehicle with a larger engine, it shall personally bear the cost of the insurance fee differentials and the additional mileage – in excess of 150 km per day – and this in addition to whatsoever appearing in paragraph 1 above.

#### E. **Cancellation of the service document**

1. Cancellation of the service document shall be in accordance with the provisions noted in regard to cancellation of the insurance policy, mutatis mutandis.

2. Without derogating from whatsoever appearing in paragraph 1 above, the insurer shall be entitled to cancel the service document in the event of termination of the contractual ties with the service provider noted in the specification. The cancellation shall take effect immediately upon provision of the notice. In such instance, the insured will be entitled to a refund of the pro-rata insurance fees for this cover.

**F. The period of provision of the service and validity of the undertaking in accordance with the service document**

1. The period of provision of the services shall correspond to the validity dates of the insurance policy, provided that same does not constitute an extension endorsement to the insurance policy.
2. **The alternative vehicle service purchased as an addition to the insurance policy shall only be valid after 10 days have elapsed since the service document is purchased, provided that the service document is not issued retroactively.**

**G. Declarations by the insured**

The insured hereby declares and undertakes as follows:

1. That the insured vehicle is in his possession, is suitable for traveling and has not been involved in an accident whose damages have not yet been repaired.
2. That if an alternative vehicle is not provided as a result of the insured being younger than 24 years, and/or due to him not possessing a valid driver's license for more than 2 years, the service provider shall act as noted in paragraph C12 above.
3. That it is aware that an approach to another entity in order to obtain the service, without obtaining the service provider's advance authorization, shall not entitle him to a refund of the expenses or part thereof, or any other payment, even if it was entitled to receive the service from the service provider had it approached the service provider.

**H. Service provider's declarations**

The service will be provided by professional entities for the type of service.

**If expressly noted in the specification that the  
"EXTENSION IN REGARD TO EXTENDED SERVICE IN THE EVENT OF A ROAD ACCIDENT"  
is valid, then the following service document provisions shall apply:**

This document constitutes an **extension** of the Road Services and Towing Service document (for non-electric vehicles) as well as the service document regarding road and towing services for an electric vehicle by means of the service provider noted in the specification (hereinafter for abbreviation the "service provider"). This service document details the additional services (which are conditional on purchase of the extension) to which the insured is entitled, the mutual rights and duties of the insured and the service provider.

**A. Substance of the services**

1. The service provider shall provide the insured with a **special extension** of the road services and towing cover, in the event of a need to tow the vehicle, **as a result of the vehicle being inoperable as a result of a road accident** as detailed in this service document (hereinafter the "extended service"), 24 hours a day, during all days of the year except for Yom Kippur (subject to security limitations). On the eve of Yom Kippur, services will not be provided 3 hours before Yom Kippur begins. The road services will resume 3 hours after the end of Yom Kippur.
2. The insured will be entitled to receive the following services, free of charge and without limitation on the number of requests in the course of the insurance period.
  - a. **Arrival of a representative on behalf of the service provider** at the insured vehicle which was involved in a road accident, at the site of the accident in order to allow the insured to continue on his way and to continue the handling of the vehicle (subject to paragraph 8).
  - b. **Driving the insured from the site of the accident**, by means of the service provider's representative or taxi to the desired destination, at a distance of up to 250kms.
  - c. Continued handling of towing the vehicle to the desired destination.
  - d. **Storing, guarding and towing the vehicle** to the garage, if the service is provided at hours beyond the normal hours of activity.
3. All the services provided for **the insured vehicle** shall be provided in accordance with the service provider's '**road services and towing**' service document and as noted therein.
4. The extended service will be provided across the State of Israel in areas under Israeli control, except for south of the Arava junction, east of Maaleh Adumim and in the Autonomy territories. Notwithstanding the aforementioned, the service will also be provided in Arad.
5. The extended service will only be provided if the Israel police is not involved, or in the alternative if the insured receives from the Israel police the authorizations required to execute the road services.

- 6. In order to avoid any doubt the services will be provided only from the site of the accident and not from police parking lots, storage lots in the service of the police, the insured's home and garages.
  - 7. Extended service will be provided to the insured within two hours of receipt of all the required call details by the service provider's computerized center, except for the following exclusions:
    - a. The day after holidays, Saturdays and sabbaticals.
    - b. Days during which extreme weather conditions exist (heatwave, rain).
    - c. In areas outside cities, the service will be provided within two hours + the travelling time from the nearest town.
    - d. In occurrences emanating from force majeure and subject to traffic hazards and security limitations.
  - 8. The extended service will only be provided if there is a need to tow the vehicle as a result of it being inoperable, as a result of a road accident, from the site of the accident and during the hours following the accident.
  - 9. The extended service will be provided to the insured and whomsoever is in possession of the vehicle on his behalf and with his permission.
  - 10. **The insured will be entitled only to one extended service free of charge in respect of the same accident.**
  - 11. **The service provider shall bear the full cost of the road services and towing the vehicle if same exceeds the cover provided by the service provider in accordance with the 'Road Services and Towing' service document except paragraph D4 hereunder.**
- B. **The service shall be ordered and received in accordance with the 'road services and towing' service document.**
- C. **Cancellation of the service document**
- 1. Cancellation of the service document shall be in accordance with the provisions noted in regard to cancellation of the insurance policy, mutatis mutandis.
  - 2. Without derogating from whatsoever appearing in paragraph 1 above, the insurer shall be entitled to cancel the service document in the event of termination of the contractual ties with the service provider noted in the specification. The cancellation shall take effect immediately upon provision of the notice. In such instance, the insured will be entitled to a refund of the pro-rata insurance fees for this cover.

**D. Guarding the vehicle and completion of execution of the service**

1. The insured shall be responsible for guarding the vehicle until the extended services are received. Any loss or damage or deficiency caused to the vehicle or its contents until the service provider's representative arrives at the vehicle and commencement of the service, shall be at the insured's responsibility and not the service provider's responsibility.
2. The service provider shall be responsible for guarding the vehicle from the commencement of the services until provision of the service by it is completed.

Completion of the towing service shall mean – delivery of the insured's vehicle to the place noted by the insured In the event that the insured instructs the service provider to leave the keys in the vehicle after the service is completed, the responsibility, including everything implied thereby shall rest on the insured.

3. The service provider will be entitled to leave the insured's vehicle at the site noted by the insured and the responsibility for receipt and guarding of the vehicle from that time onwards shall rest on the insured whether the vehicle is received by a person or not and on condition that the vehicle is delivered during normal work hours.
4. In the event that the vehicle cannot be delivered during normal work hours to the garage or the towing destination requested by the insured, the service provider shall ensure that the vehicle is guarded and delivered at the destination on the following day (except in the event of a Sabbath and holiday). The expenses for storage and guarding the vehicle in such instance, shall apply to the service provider.

**E. Damages**

In accordance with paragraph 6 of the 'Road Services and Towing' service document.

**F. The service period and validity of the undertaking under the service document shall correspond to the insurance period specified in the policy.**

**F. Declarations and undertakings of the insured**

1. In accordance with paragraph 7 of the 'Road Services and Towing' service document.
2. In addition to the aforementioned the insured shall indemnify the service provider for his expenses, for the purpose of receiving the extended service within 30 days of its demand, if it became apparent that the insured was not entitled to the extended service ordered by him in accordance with paragraph B and paragraph F above.

**G. Service provider's declarations**

The service provider declares and undertakes that the service will be provided by professional entities for the type of service.

**If expressly noted in the specification that the  
"EXTENDED ROAD SERVICES PACKAGE (FOR A NON-ELECTRIC VEHICLE)"  
service document is valid, then the following service document provisions shall apply:**

This document constitutes an extension of the Road Services and Towing Service document (for non-electric vehicles) by means of the service provider noted in the specification (hereinafter for abbreviation the "service provider"). This service document details the additional services (which are conditional on purchase of the extension) to which the insured is entitled, the mutual rights and duties of the insured and the service provider.

## 1. Definitions

In this service document, the following terms shall bear the special meaning appearing alongside same:

**The vehicle which is entitled to service** – the insured vehicle noted in the insurance policy, whose details appear in the specification and is insured in the framework of and according to the policy.

**The service provider** – as noted in the policy specification.

**Service center** – the service provider's center, operating 7 days a week, 24 hours a day, except for Yom Kippur. The services will not be provided 3 hours before Yom Kippur begins and 3 hours after it ends.

**The service recipient** – the insured in the insurance policy and whomsoever is authorized to drive the vehicle on his behalf.

## 2. General

- 2.1 During the insurance period, the service provider will provide the insured with the 'extended road services package' services in accordance with and subject to whatsoever appearing in this service document.
- 2.2 In order to avoid any doubt, the service in accordance with this service document shall not include any other or additional payment - ancillary or emanating therefrom – including payment of fuel expenses, vehicle maintenance payments and payment of the repair levy for the vehicle which is entitled to service.
- 2.3 The services will be provided only for the vehicle which is entitled to service and the service recipient will not be entitled to transfer the right to receive services to another vehicle, except if the insured vehicle is replaced, a vehicle substitute endorsement is added to the policy and the service provider grants its advance consent to the replacement of the insured vehicle.
- 2.4 The vehicle break-in service, wheel replacement and fuel supply services will be provided 24 hours a day.
- 2.5 **The services will be provided within the territorial boundaries of the State of Israel and the areas of Judea and Samaria, excluding the Autonomy areas, access to which is not prohibited and restricted at that time by any authorized authority.**

- 2.6 In the event that the service provider is prevented from supplying the services for any reason which is under its control, the service provider will pay the insured directly the sum of NIS 300 (three-hundred shekels) or the sum required to execute the service, paid by the insured against an invoice – the lower of the two – less the deductible fee, as customary.

This payment shall replace the service provider as agreed and fixed compensation to the service recipient and the service recipient shall not have any allegation against the service provider in connection therewith.

### 3. Substance of the services

#### 3.1 Vehicle break-in service

A representative on behalf of the service provider shall arrive at the insured vehicle in order to break into the vehicle whose keys have been locked inside and will attempt to break into the vehicle.

##### 3.1.1 Service details

The service detailed hereunder shall be provided to the service recipient by the service provider as follows:

3.1.1.1 A representative on behalf of the service provider will arrive at the site where the vehicle which is entitled to the service is located and will attempt to break into the vehicle on site.

3.1.1.2 The services will be provided for all vehicle types up to 3.5 ton, except for vehicles locked by means of a vacuum mechanism.

##### 3.1.2 Deductible

In any event of services which are provided under this service document, the service recipient will pay a deductible in a sum of NIS 59 (fifty-nine shekels) including V.A.T. The payment will be made to the service provider actually providing the services, upon receipt thereof.

#### 3.2 Wheel replacement service

In order to replace a wheel, a representative on behalf of the service provider shall arrive at the vehicle and replace the wheel on site.

##### 3.2.1 Service details

The service detailed hereunder shall be provided to the service recipient by the service provider as follows:

A representative on behalf of the service provider will arrive at the site where the vehicle which is entitled to the service is located and replace the punctured wheel with the spare wheel kept in the vehicle, only if:

- a. The vehicle contains a spare wheel which is in proper working order.
- b. The parts of the replaced wheels and their components (nuts and bolts) are in proper working order.

- 3.2.2 In any event of a punctured wheel, in the event that the vehicle arrives from the manufacturer without a spare wheel, the towing service will be provided up to the puncture repair shop nearest to the vehicle which is entitled to the service.
- 3.2.3 Deductible  
In any event of provision or activation of the services provided under this service document, the service recipient will pay a deductible in a sum of NIS 59 (fifty-nine shekels) including V.A.T. The payment will be made to the service provider actually providing the services, upon receipt thereof.
- 3.3 Fuel supply service  
In order to supply fuel to the vehicle which is entitled to service, a representative on behalf of the service provider shall arrive in order to enable the nearest fuel station to be reached.
- 3.3.1 Service details  
The service detailed hereunder shall be provided to the service recipient by the service provider as follows:
- 3.3.1.1 A representative on behalf of the service provider will arrive at the site where the vehicle which is entitled to fuel supply.
- 3.3.1.2 The fuel will be supplied by a representative on behalf of the service provider, and according to his discretion from one of the following options:
- 1) Provision of fuel at a quantity sufficient for the vehicle to reach the nearest fuel station.
  - 2) Driving the client to and from the nearest fuel station in order for him to purchase fuel and allow the vehicle to continue travelling.
  - 3) Towing the vehicle to the nearest fuel station.
- 3.3.1.3 Upon delivery of the fuel to the site where the vehicle is located, the service recipient shall immediately pay the representative on behalf of the service provider for the fuel, in addition to the deductible fee.
- 3.3.2 Deductible  
In any event that services are provided or activated under this service document, the service recipient will pay a deductible in a sum of NIS 59 (fifty-nine shekels) including V.A.T. The payment will be made to the service provider actually providing the services, upon receipt thereof.

**4. Receipt of the services - general**

- 4.1 In the event that the service recipient requires one of the services appearing in this service document, it shall approach the service provider's center by means of the phone number noted in the specification, from any phone.
- The service recipient will identify himself by name and provide the number of the vehicle, number of the insurance policy, Identity No. or any other detail required in order to identify him as the service recipient who is entitled to receive the services under this service document, as well as details regarding the exact whereabouts of the vehicle which is entitled to service.
- 4.2 In the event that the service recipient approaches the center and for some reason it does not appear in the center records as the person entitled to receive the service in this service document, the service recipient will provide his credit card details and sign a letter of undertaking in terms of which it undertakes to bear the full cost of the relevant service, in accordance with the service provider's price list. This, if it becomes apparent that the person ordering the services is not entitled to the service in accordance with the conditions of the service document.
- 4.3 It is clarified that the service provider shall not bear any liability for the services which are not included in this service document. In order to avoid any doubt the service provider and/or the insurer shall not be liable for any damage sustained by the service recipient or any third party as a result of the fulfillment or non-fulfillment of this service document for any reason, except direct damages sustained by the vehicle as aforementioned as a result of its services and/or as a result of negligence by the service provider and/or its workers.
- 4.4 In no instance shall the service provider be responsible for any consequential damages including, however, without derogating from the generalities of the aforementioned, prevented losses or anticipated deficiency or compensation in regard to profit which does not constitute pecuniary damages, or any claims whatsoever against the insured by any third party, even if the service provider is granted a notice regarding the possibility of such damages, losses or claims. The limitation of liability as aforementioned, shall also apply in favor of whomsoever of the service provider's workers or delegates.

**5. Period of validity of the service document**

In accordance with the insurance period specified in the policy.

**6. Cancellation of the service document**

- 6.1 Cancellation of the service document shall be in accordance with the provisions noted in regard to cancellation of the insurance policy, mutatis mutandis.
- 6.2 Without derogating from whatsoever appearing in paragraph 7.1 above, the insurer shall be entitled to cancel the service document in the event of termination of the contractual ties with the service provider noted in the specification. The cancellation shall take effect immediately upon provision of the notice. In such instance, the insured will be entitled to a refund of the pro-rata insurance fees for this cover.

7. **Service provider's declaration**

The service provider hereby declares and undertakes that the service will be provided by professional entities for the type of service.

**If expressly noted in the specification that the  
"EXTENDED ROAD SERVICES PACKAGE ELECTRIC VEHICLES"  
service document is valid, then the following service document provisions shall apply:**

This document constitutes an extension of the Road Services and Towing Service document (for electric vehicles) by means of the service provider noted in the specification (hereinafter for abbreviation the "service provider"). This service document details the additional services (which are conditional on purchase of the extension) to which the insured is entitled, the mutual rights and duties of the insured and the service provider.

**1. Definitions**

In this service document, the following terms shall bear the special meaning appearing alongside same:

**The vehicle which is entitled to service** – the insured vehicle noted in the insurance policy, whose details appear in the specification and is insured in the framework of and according to the policy.

**The service provider** – as noted in the policy specification.

**Service center** – the service provider's center, operating 7 days a week, 24 hours a day, except for Yom Kippur. The services will not be provided 3 hours before Yom Kippur begins and 3 hours after it ends.

**The service recipient** – the insured in the insurance policy and whomsoever is authorized to drive the vehicle on his behalf.

**2. General**

- 2.1 During the insurance period, the service provider will provide the insured with the 'extended road services package for electric vehicles' services in accordance with and subject to whatsoever appearing in this service document.
- 2.2 In order to avoid any doubt, the service in accordance with this service document shall not include any other or additional payment - ancillary or emanating therefrom – including payment for charging expenses, except charging in accordance with the conditions of this service document, vehicle maintenance payments and payment of the repair levy for the vehicle which is entitled to service.
- 2.3 The services will be provided only for the vehicle which is entitled to service and the service recipient will not be entitled to transfer the right to receive services to another vehicle, except if the insured vehicle is replaced, a vehicle substitute endorsement is added to the policy and the service provider grants its advance consent to the replacement of the insured vehicle.
- 2.4 The vehicle break-in service, wheel replacement and electric vehicle charging services will be provided 24 hours a day.
- 2.5 **The services will be provided within the territorial boundaries of the State of Israel and the areas of Judea and Samaria, excluding the Autonomy areas, access**

**to which is not prohibited and restricted at that time by any authorized authority.**

- 2.6 In the event that the service provider is prevented from supplying the services for any reason which is under its control, the service provider will pay the insured directly the sum of NIS 300 (three-hundred shekels) or the reasonable sum required to execute the service, paid by the insured against an invoice – the lower of the two – less the deductible fee, as customary.

This payment shall replace the service provider as agreed and fixed compensation to the service recipient and the service recipient shall not have any allegation against the service provider in connection therewith.

### **3. Substance of the services**

#### **3.1 Vehicle break-in service**

A representative on behalf of the service provider shall arrive at the insured vehicle in order to break into the vehicle whose keys have been locked inside and will attempt to break into the vehicle.

##### **3.1.1 Service details**

The service detailed hereunder shall be provided to the service recipient by the service provider as follows:

3.1.1.1 A representative on behalf of the service provider will arrive at the site where the vehicle which is entitled to the service is located and will attempt to break into the vehicle on site. In the event that the representative of the service provider is unable to break-into the vehicle and a locksmith is required, the client will be charged for the service against a quote given by the locksmith.

3.1.1.2 The services will be provided for all vehicle types up to 3.5 ton, except for vehicles locked by means of a vacuum mechanism and vehicles which cannot be broken-into by means of the tools available to the service provider.

#### **3.2 Wheel replacement service**

In order to replace a wheel, a representative on behalf of the service provider shall arrive at the vehicle and replace the wheel on site.

##### **3.2.1 Service details**

The service detailed hereunder shall be provided to the service recipient by the service provider as follows:

A representative on behalf of the service provider will arrive at the site where the vehicle which is entitled to the service is located and replace the punctured wheel with the spare wheel kept in the vehicle, only if:

3.2.1.1 The vehicle contains a spare wheel which is in proper working order.

3.2.1.2 The parts of the replaced wheels and their components (nuts and bolts) are in proper working order.

3.2.1.3 In any event of a punctured wheel, in the event that the vehicle arrives from the manufacturer without a spare wheel, the towing service will be provided up to the puncture repair shop nearest to the vehicle which is entitled to the service.

3.2.2 Deductible

In any event of provision or activation of the services provided under this service document, the service recipient will pay a deductible in a sum of NIS 59 (fifty-nine shekels) including V.A.T. The payment will be made to the service provider actually providing the services, upon receipt thereof.

3.3 Electric vehicle charging service

In order to charge the vehicle which is entitled to service, a representative on behalf of the service provider shall arrive in order to enable the vehicle to reach the nearest permanent charging station which is in proper working order.

For the purpose of this cover, charging an electric vehicle is supply of electric energy for charging the vehicle's main battery.

3.3.1 Service details

The service detailed hereunder shall be provided to the service recipient by the service provider as follows:

3.3.1.1 A representative on behalf of the service provider will arrive at the site where the vehicle which is entitled to charging supply.

3.3.1.2 The charging will be performed by a representative on behalf of the service provider, and according to his discretion from one of the following options:

(1) Charging the vehicle by means of a mobile charging station. It should be clarified that the service provider undertakes to provide energy for the vehicle, which will allow the vehicle to travel up to 30 km or to an active permanent charging station which is in proper working order - whichever is closest, provided that the charging time (net) does not exceed 20 minutes in any event, provided that the vehicle and/or its battery are in proper working order.

(2) Towing the vehicle to an active permanent charging station which is in proper working order, closest to the site of the event (at the place of charging the vehicle).

3.3.1.3 The service provider shall reach the entitled party within three hours from the moment the call is opened in the service provider's systems; this, except where a delay is caused as a result of reasons which are not dependent upon the service provider.

**3.3.1.4** The representative of the service provider will not charge a vehicle which to the best of his understanding, may present a safety hazard.

**3.3.1.5** It will be clarified that this service is defined as an emergency service only, and that if the service provider is summoned to charge a vehicle which has sufficient electricity to drive to the nearest active permanent charging station which is in proper working order, the recipient of the service will be charged for the service according to the service provider's price list.

The payment will be paid to the service provider who actually provides the service, at the time when the service is received.

#### **4. Receipt of the services - general**

- 4.1 In the event that the service recipient requires one of the services appearing in this service document, it shall approach the service provider's center by means of the phone number noted in the specification, from any phone.

The service recipient will identify himself by name and provide the number of the vehicle, number of the insurance policy, Identity No. or any other detail required in order to identify him as the service recipient who is entitled to receive the services under this service document, as well as details regarding the exact whereabouts of the vehicle which is entitled to service.

- 4.2 In the event that the service recipient approaches the center and for some reason it does not appear in the center records as the person entitled to receive the service in this service document, the service recipient will provide his credit card details and sign a letter of undertaking in terms of which it undertakes to bear the full cost of the relevant service, in accordance with the service provider's price list. This, if it becomes apparent that the person ordering the services is not entitled to the service in accordance with the conditions of the service document.

- 4.3 It is clarified that the service provider shall not bear any liability for the services which are not included in this service document. In order to avoid any doubt the service provider and/or the insurer shall not be liable for any damage sustained by the service recipient or any third party as a result of the fulfillment or non-fulfillment of this service document for any reason, except direct damages sustained by the vehicle as aforementioned as a result of its services and/or as a result of negligence by the service provider and/or its workers.

- 4.4 In no instance shall the service provider be responsible for any consequential damages including, however, without derogating from the generalities of the aforementioned, prevented losses or anticipated deficiency or compensation in regard to profit which does not constitute pecuniary damages, or any claims whatsoever against the insured by any third party, even if the service provider is granted a notice regarding the possibility of such damages, losses or claims. The limitation of liability as aforementioned, shall also apply in favor of whomsoever of the service provider's workers or delegates.

#### **5. Period of validity of the service document**

In accordance with the insurance period specified in the policy.

**6. Cancellation of the service document**

- 6.1 Cancellation of the service document shall be in accordance with the provisions noted in regard to cancellation of the insurance policy, mutatis mutandis.
- 6.2 Without derogating from whatsoever appearing in paragraph 7.1 above, the insurer shall be entitled to cancel the service document in the event of termination of the contractual ties with the service provider noted in the specification. The cancellation shall take effect immediately upon provision of the notice. In such instance, the insured will be entitled to a refund of the pro-rata insurance fees for this cover.

**7. Service provider's declaration**

The service provider hereby declares and undertakes that the service will be provided by professional entities for the type of service.

**If expressly noted that the  
"ALTERNATIVE WINDSHIELD BREAKAGE SERVICE DOCUMENT"  
is valid, then the following service document provisions shall apply:**

Repair/ replacement of broken windshields for the vehicle noted in the specification as follows:

## 1. Definitions

**"The service document"** – this document which details the services and conditions for obtaining the service from the Executor of the repair

**"Windshields"** – the vehicle's front side and rear windshields

**"Breakage"** – a break and crack, penetrating the thickness of the windshield

**"The service"** – replacement of a broken windshield with a new alternative windshield.

**"Executor of the repair"** – the person whose details are noted in the specification on behalf of the insurer.

**"Price list"** – the executor of the repair's price list for repair and/or replacement of windshields, as valid from time to time.

## 2. Substance and scope of service

2.1 The service under this cover will be provided by the executor of the repair, without limitation of the number of requests in the course of the insurance period, subject to the following deductibles:

Private and commercial vehicles up to 3.5 tons – no deductible.

In the event that the vehicle is a commercial vehicle or is owned by a company, the V.A.T. in regard to the repair will be paid with the executor of the repair in consideration of an invoice and a receipt.

2.2 The cover under this service document shall be granted in regard to unexpected accidental damage, sustained by the vehicle windshields. In addition, the cover will be granted if, during the same occurrence damage is also sustained by other parts of the vehicle, **provided that the total damage, including the windshield, does not exceed the sum appearing in the policy specification and upon receipt of an authorization regarding non-filing of a claim from the insurer.**

2.3 The service under this service document is **subject to the fact that upon inception of the insurance period, the vehicle windshields are in proper condition, without any defects and/or cracks.** The insurer may refer the insured for inspection at one of the Executor of the repair's service stations and inception of the validity of the service is subject to receipt of written confirmation from the Executor of the repair regarding the integrity of the windshields upon inception of the insurance period.

- 2.4 The windshield fitted, will be an alternative windshield with a standard certification of the same type and quality of the broken windshield. If the executor of the repair cannot find a matching windshield as aforementioned it shall exercise his discretion and will be entitled to manufacture and/or import a windshield of this type on behalf of the insured and/or to replace the broken windshield with a new one, manufactured by the vehicle maker or a maker licensed to produce windshields on behalf of the vehicle maker.

**3. Exclusions**

**Notwithstanding whatsoever appearing in paragraphs 2.2 to 2.4 above, this service document shall not cover any damage sustained by the vehicle windshields as a result of the following occurrences:**

- 3.1 Breakage of the windshield was caused deliberately by the insured or by whomsoever on his behalf.**
- 3.2 Special windshields and windshields which deviate from the vehicle maker's standard.**
- For the purpose of this paragraph "special windshields" - windshields with different specifications from the manufacturer's specifications, including reinforced windshields, windshields for openings which are not original and sunroof windshields.**
- 3.3 Malfunctions of any type whatsoever in the mechanisms, metal plated items, sensors, cameras and windshield accessories.**
- 3.4 Breakage of a windshield caused as a result of or due to competition and/or a driving test and/or driving ability tests.**
- 3.5 Any damage for which compensation is granted in accordance with the laws of the State.**
- 3.6 A vehicle which does not have an agency in Israel and a self-imported vehicle, unless replacement windshields are available in Israel and advance approval in this matter is given by the insurer.**
- 3.7 Scratches or cracks which do not penetrate the thickness of the windshield.**
- 3.8 Theft of a windshield.**
- 3.9 Vehicle windshields which were defective and/or cracked in any manner upon inception of the insurance period.**

**4. Receipt of service**

- 4.1 In any event of breakage of a windshield (except the exclusions noted above) the insured will approach the executor of the repair noted in the specification.**
- 4.2 The service will be provided and executed in accordance with the conditions of this service document by the following dates:**

- 4.2.1 For a vehicle with glued windshields - within 12 work hours after the vehicle arrives at the service station and receipt of confirmation by the Executor of the repair regarding the repair/ replacement, and in any event by the end of the working day, following the date on which the vehicle is brought to the service station.
  - 4.2.2 For a vehicle with non-glued windshields – within 4 work hours after the vehicle arrives at the service station and receipt of confirmation by the Executor of the repair regarding the repair/ replacement.
  - 4.2.3 For the purpose of this paragraph ‘work days’ – Sunday – Thursday (inclusive) from 07:30 until 16:30, Fridays and holiday eves from 07:30 until 14:00.
  - 4.2.4 Compliance with the service provision times is subject to availability of a windshield in the service provider's stock.
- 4.3 The insurer or the executor of the repair shall have the right to examine any damage before granting an authorization to execute the repair and in any event of a reasonable suspicion, to demand a police authorization in regard to the damage/s, at its discretion, on condition that it does not deviate from the service dates.**

## 5. Windshield cover at home

If the specification expressly notes that this cover is valid, the service in regard to windshield breakage insurance will be provided wherever the vehicle is located, according to the insured's choice provided that the insured approaches the executor of the service center and request it to receive ‘windshield cover at home’.

- 5.1 Provision of the cover at home, will be granted insofar as possible in the course of the work day as defined in paragraph 4 ‘receipt of service’, and no more than 8 work hours which shall be counted from the time the windshield cover at home is requested.

### 5.2 The cover at home will not apply in the following instances:

- 5.2.1 **During extreme weather existing in the area where the service is requested, including during rain, hail or snow storms, which do not allow provision of the service in the field.**
- 5.2.2 **If the service is requested in an area where commotion or riots are taking place.**
- 5.2.3 **If execution of the service obliges use of special equipment or tools which cannot be taken out of the service station, or if provision of the service obliges use or connection to manufacturers' computers.**
- 5.2.4 **In areas south of the Arava Junction, east of Maale Adumim and in the autonomy territories.**

**6. General conditions**

- 6.1 This cover shall be subject to all the conditions and exclusions of the policy to which it is annexed, unless same are expressly amended.
- 6.2 It should be clarified that in the event that the insured cannot provide an authorization in terms of which it is entitled to the said cover while at the executor of the repair, the executor of the repair will provide glazing services to the recipient of the service alleging to have purchased this cover against a cheque postdated for 30 days. This sum will be repaid to the service recipient within 15 days after proving entitlement to the cover.

**7. Cancellation of the service document**

- 7.1 Cancellation of the service document shall be in accordance with the provisions noted in regard to cancellation of the insurance policy, mutatis mutandis.
- 7.2 Without derogating from whatsoever appearing in paragraph 7.1 above, the insurer shall be entitled to cancel the service document in the event of termination of the contractual ties with the service provider noted in the specification. The cancellation shall take effect immediately upon provision of the notice. In such instance, the insured will be entitled to a refund of the pro-rata insurance fees for this cover.

**8. Service provider's declaration**

The service will be provided by professional entities for the type of service.

**If expressly noted that the  
"ORIGINAL WINDSHIELD BREAKAGE SERVICE DOCUMENT"  
is valid, then the following service document provisions shall apply:**

Repair/ replacement of broken windshields for the vehicle noted in the specification as follows:

## 1. Definitions

**"The service document"** – this document which details the services and conditions for obtaining the service from the Executor of the repair.

**"Windshields"** – the vehicle's front, side and rear windshields.

**"Breakage"** – a break and crack penetrating the thickness of the windshield.

**"The service"** – replacement of a broken windshield with a new alternative windshield.

**"Executor of the repair"** – the person whose details are noted in the specification on behalf of the insurer.

**"Price list"** – the executor of the repair's price list for repair and/or replacement of windshields, as valid from time to time.

## 2. Substance and scope of service

2.1 The service under this cover will be provided by the executor of the repair, without limitation of the number of requests in the course of the insurance period, subject to the following deductibles:

Private and commercial vehicles up to 3.5 tons – no deductible.

In the event that the vehicle is a commercial vehicle or is owned by a company, the V.A.T. in regard to the repair by the executor of the repair will be paid with in consideration of an invoice and a receipt.

2.2 The cover under this service document shall be granted in regard to unexpected accidental damage, sustained by the vehicle windshields. In addition, the cover will be granted if, during the same occurrence damage is also sustained by other parts of the vehicle, subject to receipt of an authorization regarding non-filing of a claim from the insurer.

2.3 The service under this service document is subject to the fact that upon inception of the insurance period, the vehicle windshields are in proper condition, without any defects and/or cracks. The insurer may refer the insured for inspection at one of the Executor of the repair's service stations and inception of the validity of the service is subject to receipt of written confirmation from the Executor of the repair regarding the integrity of the windshields upon inception of the insurance period.

### **3. Exclusions**

Notwithstanding whatsoever appearing in paragraphs 2.2 to 2.3 above, this service document shall not cover any damage sustained by the vehicle windshields as a result of the following occurrences:

- 3.1 Breakage of the windshield was caused deliberately by the insured or by whomsoever on his behalf.
- 3.2 Special windshields and windshields which deviate from the vehicle maker's standard.

For the purpose of this paragraph "special windshields" - windshields with different specifications from the manufacturer's specifications, including reinforced windshields, windshields for openings which are not original and sunroof windshields.
- 3.3 Malfunctions of any type whatsoever in the mechanisms, metal plated items, sensors, cameras and windshield accessories.
- 3.4 Breakage of a windshield caused as a result of or due to competition and/or a driving test and/or driving ability tests.
- 3.5 Any damage for which compensation is granted in accordance with the laws of the State.
- 3.6 A vehicle which does not have an agency in Israel and a self-imported vehicle.
- 3.7 Scratches or cracks which do not penetrate the thickness of the windshield.
- 3.8 Theft of a windshield.
- 3.9 Vehicle windshields which were defective and/or cracked in any manner upon inception of the insurance period.

### **4. Receipt of service**

- 4.1 In any event of breakage of a windshield (except the exclusions noted above) the insured will approach the executor of the repair noted in the specification.
- 4.2 The service will be provided and executed in accordance with the conditions of this service document by the following dates:
  - 4.2.1 For a vehicle with glued windshields - within 12 work hours after the vehicle arrives at the service station and receipt of confirmation by the Executor of the repair regarding the repair/ replacement, and in any event by the end of the working day, following the date on which the vehicle is brought to the service station.
  - 4.2.2 For a vehicle with non-glued windshields – within 4 work hours after the vehicle arrives at the service station and receipt of confirmation by the Executor of the repair regarding the repair/ replacement.

- 4.2.3 For the purpose of this paragraph ‘work days’ – Sunday – Thursday (inclusive) from 07:30 until 16:30, Fridays and holiday eves from 07:30 until 14:00.
  - 4.2.4 Compliance with the service provision times is subject to availability of a windshield in the service provider's stock.
- 4.3 The insurer or the executor of the repair shall have the right to examine any damage before granting an authorization to execute the repair and in any event of a reasonable suspicion, to demand a police authorization in regard to the damage/s, at its discretion, on condition that it does not deviate from the service dates.

**EXPLANATIONS DOCUMENT IN REGARD TO THE PROCESS OF APPOINTING A SURVEYOR AND  
COMPILING A DAMAGE ASSESSMENT UPON THE OCCURRENCE OF AN INSURED EVENT  
INVOLVING A VEHICLE**

In accordance with the Insurance Commissioner's instructions in the Regulation Codex regarding vehicle insurance surveying (property and third party) we shall hereunder detail the process of reporting a damage, selection of a surveyor, method of receipt of information regarding the damage and the various appeal possibilities.

We hope that this information assists you in the event that your vehicle is damaged (heaven forbid) and wish you a safe and successful trip.

**Hereunder a description of the process:**

1. Immediately after learning of the occurrence of an insured event involving your vehicle, you are obliged to give notice in this regard to Harel Insurance Company Ltd. (hereinafter "Harel").
2. Before repairing the vehicle, a repair quote must be compiled in regard to the damage estimate. In order to assess the damage sustained by the vehicle, you or the injured third party must approach Harel to select an external surveyor from a list of external surveyors, or to select another surveyor.
3. The notice in regard to the damage and selection of an external surveyor will be performed by means of a report via Harel's internet site, or the Elementary Insurance Claims Center by Tel: 03-9294000, or dispatch of an email to [fax8637@harel-ins.co.il](mailto:fax8637@harel-ins.co.il), or by informing your insurance agent in order for him to report the insured event in your stead.
4. The damage sustained by the vehicle will be assessed by a surveyor.  
Hereunder the definitions of the types of surveyors determined by the Insurance Commissioner:

"Surveyor" – a person registered in the surveyors' booklet as defined in the Commodities and Services Supervision Order (vehicle surveyors) 1980.

"Other surveyor" – any surveyor who is not an in-house surveyor or an external surveyor.

"In-house surveyor" – a surveyor who may have a conflict of interests due to a special connection with the insurer, including a surveyor in regard to whom any of the following apply:

- a. A surveyor who is a worker of the insurance group.
- b. A surveyor that more than 30% of his income from surveying and other business with insurers derives from the insurance group.
- c. A surveying company in which the insurance group holds more than 5% of the controlling means.

"External Surveyor" – a surveyor who is not an in-house surveyor and is included in the list of external surveyors. A corporation or surveying firm shall be tantamount to an individual

surveyor. For this purpose "a corporation" – including a company, partnership or any other enterprise.

5. In accordance with the instructions of the Insurance Commissioner, Harel has prepared a list of external surveyors for each district, with an appropriate geographic distribution. The list includes at least one surveyor per 2000 vehicles insured by Harel in the framework of vehicle property insurance on the first day of the calendar year, and in any event no less than 7 surveyors in each district.

Harel will be entitled to compile additional lists of external surveyors for non-private or commercial vehicles up to 3.5 tons or motorcycles. These lists may also be determined not by district, provided that each list includes at least 5 surveyors.

6. In accordance with your request the list of external surveyors and this explanation document will be provided to you upon entering into the insurance contract, when reporting an insured event or at any time by means of a fax and/or e-mail. The list of external surveyors and this explanation document are also available to you on Harel's Internet site at [www.harel-group.co.il](http://www.harel-group.co.il).
7. If you or an injured third party inform Harel that you do not have a preference regarding receipt of services from a certain surveyor, Harel will randomly select a surveyor from the lists of external surveyors from that district, guaranteeing at all times that there is no preference whatsoever selecting a certain surveyor over another.

Harel will immediately provide you or the injured third party the details of the external surveyor, including the details required to contact him. Harel will collect and keep information regarding the number of assessments performed by each surveyor on the list of external surveyors, who is selected as noted in this paragraph.

8. After the surveyor is chosen, you may request that the surveyor coordinate a time and place for the assessment.
9. The surveyor will compile the repair quote and assessment according to his professional discretion and any law.
10. Upon completing the repair quote or the assessment, the surveyor shall provide copies of same to the insured, the insurer and the garage.
11. Harel and the surveyor will document and keep all the material relating to the damage estimate, including any correspondence, repair quote and assessment related to the claim file and the repair of the vehicle, for at least 3 years. Harel and the surveyor will provide you and the injured third party, soon after your or its demand, any document and information required – or demanded by the injured third party – in regard to the damage estimate.
12. The repair quote and the external surveyor's assessment shall constitute the determining repair quote and assessment, unless Harel submits a counter repair quote or assessment in writing (by any surveyor whatsoever) and gives notice of its wish to appeal the repair quote or assessment before a deciding surveyor, no later than one working day after the repair quote is compiled by the external surveyor and delivered to Harel, or one week after the assessment is provided to Harel, as the case may be.

13. You or the injured third party may appeal the external surveyor's repair quote or assessment before a deciding surveyor, provided that counter repair quotes are presented and you give notice of your wish to make an appeal before the vehicle is repaired, or present a counter assessment no later than one week after the external surveyor's assessment is provided to you.
14. When appealing an external surveyor's assessment before a deciding surveyor, one may only appeal against those matters which are not determined in the repair quote, the matters included in the repair quote, however, which were amended in the assessment, or those matters which may only be clarified in the framework of repairing the vehicle.
15. Harel will bear the full cost of the external surveyor's fees.
16. In the alternative Harel enables you to select another surveyor, provided you allow a surveyor on behalf of Harel to examine the vehicle before it is repaired. If Harel is interested in the inspection, it will dispatch a surveyor on its behalf to examine the vehicle no later than one work day after receipt of the other surveyor's repair quote. This assessment will not constitute the deciding assessment, as detailed in paragraph 12. This will not derogate from your rights to receive a refund for the cost of the other surveyor's fees, insofar as you are entitled thereto.
17. The Insurance Company Association and the Surveyors' Association will compile a list of deciding surveyors, to assess the damage in any event of a dispute between two repair quotes or two assessments. The list shall include a reasonable number of surveyors, at an appropriate geographic distribution. The list will be available to the public including via the Internet.
18. In the event that you, the insured or an injured third party give notice of your wish to appeal the assessment, or in the event that Harel gives notice of its wish to appeal the assessment, a deciding surveyor will be determined at random, from the list of deciding surveyors. The appeal will be performed by approaching the appeal center which is common to all the insurance companies by means of Telephone No. 1-700-700-888. The deciding surveyor shall not be a Harel external surveyor or in-house surveyor.
19. The deciding surveyor shall provide his report no later than one work day after receiving the repair quotes or 7 days after receiving the assessments of both surveyors.
20. The deciding surveyor's fees will be determined in advance. The deciding surveyor will determine the method of distribution of his fees and the cost of your counter repair quote or assessment between Harel and you or the injured third party, taking into account the outcome of the appeal. The cost of Harel's counter repair quote or assessment shall be at Harel's expense.
21. You, the injured third party, the agent, Harel and any other relevant entity are prohibited from influencing the surveyor's professional discretion in a manner whatsoever.
22. You may approach the surveyor directly, subject to your duty to inform Harel of the occurrence of the insured event immediately after learning thereof.
23. The involvement of any entity except the external surveyor in the damage assessment process is prohibited. This shall not prevent Harel from providing the surveyor with

information before the assessment is compiled, e.g. information in regard to the insurance cover, the policy details, conditions, etc.

24. After the repair quote is provided, you the insured third party or Harel, may only comment to the external surveyor in technical matters relating to the repair quote, which shall not influence the surveyor's professional discretion in any manner.

A comment in a technical matter is for instance a comment regarding a wording error, computing error, erroneous omission or addition, etc. In the event that the surveyor finds that the comment is pertinent, it shall detail the comment, update the repair quote in writing and send the updated quote to the garage, to Harel and to you, together with an explanation.

25. It is prohibited to provide the surveyor with instructions which may limit his professional discretion, including when defining the vehicle as a "total loss", even if the gross damage to the vehicle is lower than 60%.
26. It is prohibited to impose tasks on the surveyor which do not coincide with his duties, e.g. to refer the insured to garages which are included in the arrangement or other certain garages, or to sign forms for examining a vehicle after being repaired.
27. The insurance agent, garage, surveyor or any other entity shall not pay a commission of any type, including any benefit whatsoever to each other in connection with this arrangement.
28. The insurer, insurance agent, garage or surveyor shall not grant nor accept any commission or benefit, including by way of a discount on the deductible, provision of an alternative vehicle, etc., in the framework of and further to the surveyor's selection process.
29. An insurance agent who is involved in the process of selecting the surveyor, shall do so only in order to exhaust the insured's rights and according to his professional discretion.
30. Harel will provide you with all the repair quotes sent to it and any other relevant document sent to it in connection with the assessment. In addition, Harel will provide you with a final survey report soon after same is completed. These reports will be provided to you or whomsoever reports the damage on your behalf in a manner that which shall be coordinated with you or whomsoever on your behalf who provided the report as aforementioned.

The reports will include inter alia, as the case may be all the following:

- a. A description and identification of the vehicle which is the subject of the assessment.
- b. details of the physical damage caused as a result of the insured event, including a verbal description of the damage.
- c. A monetary assessment of the damage, including depreciation as a result of the insured event and the method of their calculation, including:
  - 1) The spare parts which should be used in order to repair the damage, including their catalog number or noting and describing the spare part:

- new/ used/ refurbished, original/ alternative, name of the manufacturer, country of manufacture, name of the importer as well as any identifying data and detail.
- 2) Prices of the spare parts.
  - 3) Number of work hours required to repair the damage including a breakdown of the hours required for each of the various repair paragraphs.
  - 4) Work hour prices
  - 5) Method of calculation of the vehicle value for depreciation and method of calculation of the depreciation.
  - 6) Method of calculation of the vehicle value in the event of a total loss.
- d. Any other factual information which serves as the basis for the assessment.
  - e. Details of the person compiling the assessment and his signature in accordance with the provisions of the law.
31. If you agree, Harel will be entitled to provide you with the documents detailed in paragraph 30 via its Internet site or e-mail, which will be sent to you or whomsoever on your behalf who provides the report in regard to the damage.