

GENERAL CONDITIONS OF MOTOR VEHICLE COMPULSORY LIABILITY INSURANCE FOR HIGHWAYS

Effective Date: July 01, 2007

A. SCOPE OF INSURANCE

A.1. Subject of Insurance

With this insurance, the insurer compensates the legal liability that will arise to the insured up to the insurance amounts stated in the policy, within the framework of the provisions of Law No. 5312 dated 3.3.2005 on the Principles of Emergency Intervention and Compensation of Losses in Pollution of the Marine Environment by Oil and Other Harmful Substances, due to pollution or pollution risk arising in the sea jurisdiction areas consisting of Türkiye's inland waters, territorial waters, continental shelf and exclusive economic zone as a result of an incident originating from the coastal facility specified in the policy; cleaning expenses, expenses to be incurred for the transportation and disposal of collected wastes, Losses arising from injuries and deaths of third parties and Losses to private property. The situations that occur as a result of pollution that does not occur suddenly or unexpectedly and pollution that occurs gradually are outside the scope of this insurance coverage. (Amended-Effective: 01.09.2011) This insurance provides coverage only for compensation claims made to the policyholder during the contract period due to an event that occurred after the retroactive validity date. This insurance also ensures the defense of the policyholder against unfair claims.

A.2. Definitions

Under these General Conditions: (Amended-Enforcement: 01.09.2011) Retroactive Validity Date: The date after which the Losses specified on the policy will be compensated,

Law: Law No. 5312 dated 3.3.2005 on the Principles of Emergency Intervention and Damage Compensation in Pollution of the Marine Environment by Oil and Other Harmful Substances,

Coastal Facility / Operator: A facility that carries out activities that may cause pollution of the seas with oil and other harmful substances on the coast or in areas close to the coast, including offshore facilities and pipelines,

Pollution: As a result of the incident, oil and other harmful substances; mixing into the marine environment in a way that will harm living resources and marine life, pose a danger to human health, prevent maritime activities, including fishing and other legal uses of the seas, change the quality of sea water and disrupt the ecological balance,

Preventive Measure: Measures taken to prevent or limit possible pollution that may occur after an incident occurs,

Intervention: Activities carried out to reduce, eliminate or limit the damage caused by pollution after an incident or the implementation of protective measures,

Incident: A situation that creates or poses a risk of pollution or damage from coastal facilities due to collision, breakage, fire, explosion or other reasons that require the implementation of emergency response plans or emergency intervention,

Insurance: Coastal facilities Marine Pollution Compulsory Liability Insurance included in Article 8 of the Law,

Insurer: An insurance company licensed in the general liability branch in Türkiye and that covers the liability of the insured up to the insurance amount stated in the policy,

(Amended-Enacted: 01.09.2011) Insured: Coastal facility operator who is obliged to have Coastal Facilities Marine Pollution Compulsory Liability Insurance,

Claimant: A person who has suffered damage requiring a compensation claim or who is deprived of the support of a deceased person as a result of an incident,

Area of Application: The maritime jurisdiction areas consisting of Türkiye internal waters, territorial waters, continental shelf and exclusive economic zone,

Loss: The Losses specified in Article 6 of the Law, and the costs related to the reduction, detection and compensation of such Losses and the resolution of disputes.

A.3. Types of Coverage Covered

The coverages covering the insured's liability arising from Article A.1 are shown below.

A.3.1. Death Coverage

Death cover covers the compensation for loss of support for those deprived of the deceased's assistance in the event that the event causes the death of third parties immediately or within one year from the date of the event.

A.3.2. Disability Coverage

Disability cover covers the disability compensation determined as a result of the termination of medical treatment and the final determination of the disability in the event that the event causes temporary or permanent disability of third parties immediately or within two years from the date of the event.

A.3.3. Treatment Expenses Coverage

The treatment expenses coverage covers the first aid, examination, control or outpatient or inpatient treatment expenses in hospitals or other places due to this injury or physical discomfort of third parties who are injured or suffer any physical discomfort due to the incident and other expenses required for the treatment.

A.3.4. Material Damage Coverage

The material damage coverage covers the Losses resulting from the direct decrease in the assets of third parties due to the incident. Losses incurred in natural and living resources used by third parties for the purpose of making a living are excluded from the scope of this coverage.

A.3.5. Cleaning Expenses Coverage

The cleaning expenses coverage covers the expenses caused by the works carried out or ordered to be carried out by the responsible units in order to clean the pollution exposed to the application areas polluted due to the incident.

A.3.6. Waste Transportation and Disposal Coverage

Waste transportation and disposal coverage covers the costs of transportation and disposal of waste materials collected from application areas that are contaminated as a result of the incident.

A.4. Circumstances that Remove or Reduce Liability

The insured is obliged to take all measures regarding the responsibilities required by international law and the safety of navigation, life, property and the environment, including being prepared and protective measures, in order to prevent the occurrence of the incident and to reduce, eliminate and limit the damage in the event of the incident.

The insured is exempted from liability if he proves that the incident was caused by a force majeure or the gross negligence of the injured party or a third party, without the fault of himself or the persons whose actions he is held responsible and without a malfunction in the coastal facility registered in the policy affecting the incident.

If the injured party is at fault in the occurrence of the incident, a reduction can be made from the compensation to be paid according to the fault rate in question.

A.5. Circumstances and Losses Excluded from the Scope

The following situations and Losses arising from these situations are excluded from the scope of insurance.

- a) Claims of compensation to be put forward by the policyholder,
- b) Claims of coastal facility personnel and other persons for whose actions the policyholder is held responsible,
- c) Claims of moral compensation,

d) (Amended-Entry into force: 01.09.2011) All Losses arising from war, all kinds of war events, invasion, foreign enemy actions, conflict, civil war (whether war is declared or not), revolution, rebellion, uprising and the disciplinary and military actions required by these,

e) (Amended-Entry into force: 01.09.2011) Claims of compensation arising directly or indirectly from the following situations, regardless of their nature:

aa) Ionizing radiation or pollution originating from any nuclear fuel or nuclear waste resulting from the combustion of nuclear fuel,

bb) Dangers posed by radioactive, poisonous, explosive or any explosive nuclear compound or a nuclear part thereof,

cc) Diethylstilbesterol (DES), dioxin, urea formaldehyde, asbestos, asbestos products or all hazards (including diseases) arising from the existence, production, handling, processing, sale, distribution, storage, release or use of asbestos-containing products,

dd) Bodily injuries or material Losses due to microbial substances.

f) (Amended-Enforcement: 01.09.2011) Losses arising from participation in strikes, locked-out workers' movements,

g) (Amended-Enactment: 01.09.2011) All compensation claims, including Losses arising from biological and/or chemical contamination, contamination or poisoning resulting from terrorist acts specified in the Law No. 3713 on Combating Terrorism, military and disciplinary measures, sabotage resulting from these acts and interventions made by authorized bodies to prevent and reduce their effects,

h) (Amended-Enactment: 01.09.2011) Compensation claims arising from natural disasters such as earthquakes, volcanic eruptions, snow weight, floods and inundations, landslides, storms.

i) (Amended-Enactment: 01.09.2011) Losses to living resources and marine life that are not private property,

j) (Amended-Enactment: 01.09.2011) Expenses incurred for the reconstruction of the deteriorated environment

k) (Amended-Enactment: 01.09.2011) Losses to natural and living resources used for livelihood,

l) (Amended-Enactment: 01.09.2011) Income losses, Losses to income and earning capacities

m) (Amended-Enactment: 01.09.2011) Losses resulting from pollution that does not occur suddenly or unexpectedly and from pollution that occurs gradually.

A.6. Geographical Limit of Insurance

This insurance is valid in the open sea areas beyond the territorial waters, subject to the decision to be made by the Undersecretariat of Maritime Affairs, Ministry of Environment and Forestry, Ministry of Foreign Affairs and other relevant public institutions and organizations, in the application areas and in emergency situations stipulated in the Law, provided that it is limited to the purposes of intervention in such situations and compensation of Losses.

A.7. Start and End of Insurance

The insurance starts at 12:00 noon Turkish time on the days written as start and end dates in the policy, unless otherwise agreed upon, and ends at 12:00 noon.

B. LOSSES and COMPENSATION

B.1. Right of Application of the Claimant and Application Period

The injured/right holders may directly file a claim against the insurer within the coverage limits stipulated in the policy. The insurer has the right to contact the injured/right holders and reach an agreement, provided that it is limited to the coverage limits stipulated in the policy. However, without the written permission of the insurer, the policyholder is not authorized to accept the compensation claim partially or completely and cannot make any compensation payments to the injured parties/right holders.

The event that gives rise to the compensation shall be reported to the insurer by the insured or the claimant within thirty business days from the date it is learned.

B.2. Obligations of the Policyholder in Case of Realization of the Risk

The insured shall be obliged to fulfill the following matters in case of realization of the risk:

a) According to these General Conditions, from the moment he/she becomes aware of an event that will require his/her liability, B.1. to notify the insurer within the period specified in article 10.1.

b) To take the necessary rescue and protection measures as if not insured and to comply with the instructions given by the insurer for this purpose,

c) To provide, upon the request of the insurer, the information and documents that are useful for determining the cause of the incident and damage, the circumstances and conditions under which it occurred and its results, the compensation obligation and amount and the exercise of the right of recourse, without delay,

d) In cases where a compensation claim is made through lawsuits or other means due to the damage or a criminal prosecution is initiated against it, to immediately inform the insurer of the situation and to immediately give the insurer all the notifications, invitations and similar documents it has received regarding the compensation claim and criminal prosecution,

e) To inform the insurer of any other insurance contracts related to the subject of the insurance, if there are any.

B.3. Documents Regarding the Incident

In order to pay the compensation, the insurer requests the following documents from the claimant regarding the incident.

a) The report of the damage assessment committee established within the scope of Article 10 of the Law or the document containing information regarding the determination of all or part of the Losses,

b) The incident assessment report or expert report prepared by the authorized public authorities,

c) If the application is made due to death, the death report and certificate of inheritance, and documents showing the deceased's profession, income status and support relationship,

d) If the incident has been referred to court, a court decision,

e) If the application is made due to injury, in addition to the document in subparagraph (a), documents showing treatment expenses; if the application is made due to temporary or permanent disability, a report to be obtained from a fully equipped hospital.

B.4. Payment of Compensation and Other Expenses

(Amended-Entry into force: 01.09.2011) The insurer shall pay the compensation within thirty business days from the date on which the documents in section B.3 are fully delivered to the company or its representative, within the coverage amounts in the policy. Expenses related to measures taken by the insured to reduce the damage after the incident occurs shall also be paid by the insurer. If the compensation is not paid within this period without justified cause, the insurer is in default and legal default interest is applied to the unpaid compensation amount. Default interest is not considered as a payment made within the coverage limit.

In case of a lawsuit filed regarding this insurance, the insurer shall be responsible for the pursuit and management of the lawsuit up to the limits written in the insurance policy, and the policyholder must provide the necessary power of attorney to the lawyer to be nominated by the insurer. The insurer shall pay the litigation expenses and attorney fees. The total of the litigation expenses, attorney fees and the compensation paid shall be limited to the coverage amount. In the event of a criminal prosecution against the policyholder or persons for whose actions he is held responsible, the insurer shall also participate in the defense with the permission of the defendant. In this case, the insurer shall only pay the expenses of the lawyer he has chosen.

All expenses arising from the criminal prosecution and possible fines are excluded from the insurance coverage.

B.5. Multiplicity of Injured Persons/Rightholders

If the compensation receivables of injured persons/rightholders exceed the coverage amount specified in the insurance contract, the compensation amount to be paid to each injured person/rightholder shall be reduced according to the ratio of the coverage amount to the total compensation receivables. In cases where more than one person is injured, a bona fide insurer who makes a payment to one or more of the injured persons/rightholders more than what is due to them, without being aware of the existence of other compensation claims, shall be relieved of its obligations to the other injured persons/rightholders within the scope of the payment it has made.

B.6. Subrogation of the Insurer

The insurer shall legally replace the insured for the compensation amount it has paid.

B.7. Reservation of the Rights of the Injured and the Insurer's Recourse to the Policyholder

Situations arising from the insurance contract or the provisions of law regarding the insurance contract and resulting in the removal or reduction of the compensation obligation cannot be claimed against the person who suffered Losses.

The insurer who made the payment may recourse to the policyholder for the amount of compensation it has paid, to the extent that it can ensure the removal or reduction of the compensation in accordance with the insurance contract and the provisions of law regarding this contract. Recourse may be made to the policyholder mainly for the following reasons.

If the event requiring compensation;

a) Occurs as a result of a deliberate act or gross negligence of the insured or the persons whose actions he/she is responsible for,

b) Occurs due to situations prohibited by law, or the insured's failure to fulfill his/her obligations under this law and the relevant legislation,

c) Occurs due to the coastal facility not complying with the technical conditions required by the legislation, operating without qualified personnel, and

d) In case the risk of the insured occurs B.2. If there is an increase in the amount of damage due to failure to fulfill the obligations specified in article 1, the amount of compensation paid shall be recoured to the policyholder, provided that it is limited to the increased amount of damage.

C. MISCELLANEOUS PROVISIONS

C.1. Payment of Insurance Fee, Commencement of Liability and Default of the Insured

The insurance fee consists of the premium and the current and future taxes, duties, charges and other obligations related to the insurance contract, its amount or premium and shall be paid by the insured.

If the entire insurance premium is agreed to be paid in installments, the first installment shall be paid upon delivery of the policy and the other installments shall be paid on the dates specified in the policy. Unless otherwise agreed, if the entire insurance premium or the first installment is not paid, the liability of the insurer shall not start even if the policy is delivered and this condition shall be written in the policy.

In case of default in the premium payment debt, the provisions of the Code of Obligations shall be applied.

In case of realization of the risk, all installments shall become due and this condition shall be written in the policy.

C.2. Insured Person's Obligation to Declare While Concluding the Contract

The insurer has accepted this insurance based on the insured's written statement in the offer letter, or in the policy and its annexes if there is no offer letter, to inform the insurer about the real situation of the risk.

If the insured knows the real situation while concluding the contract, he/she is obliged to inform the insurer about all matters that would require the insurer not to conclude the contract or to conclude it with more severe conditions.

If the insured's statement is untrue or incomplete, and in cases that would require the insurer to conclude the contract with more severe conditions, the insurer shall notify the insured of the payment of the premium difference within eight days from the moment the situation is learned. If the insured does not pay the requested premium difference within eight days following the notification date of the notice or declares that he/she will not pay it, the contract shall be terminated. In this case, the premium for the period until the date of termination shall take effect shall be calculated on a daily basis and the excess shall be returned to the insured. If the insured has intentionally remained silent or knowingly made incomplete or false statements when asked during the contract, the insurer who does not fully know the truth may terminate the contract. In the event of termination, the insurer is entitled to the entire premium. If the insurer does not exercise the right to terminate within one month from the date on which he learns the truth, this right is void. If the risk has occurred within this period, the insurer pays the compensation to the claimant. In this case, the insurer shall recourse to the insured for the amount it has paid.

If the false statement was learned after the occurrence of the event that caused the damage, the insurer may recourse to the insured for the compensation paid and to be paid for this damage:

a) If the false statement was made intentionally, as of the entire amount of the compensation,

b) If there is no intention, the insured may recourse to the insured for the difference between the amount of compensation to be paid and the amount resulting from the multiplication of the premium received by the ratio of this compensation to the premium that should be received.

C.3. The Insured's Obligation to Declare During the Insurance Period

The insured is obliged to notify the insurer of any changes that may aggravate the risk after the contract is signed, within eight days at the latest, as soon as he learns about the situation. The insurer notifies the insured of the payment of the premium difference within eight days from the moment he learns about the situation. If the insured does not pay the requested premium difference or declares that he will not pay it within eight days following the notification date of the notice, the contract is terminated.

In case of termination of the contract, the premium for the period until the date of termination shall be calculated on a daily basis and the excess shall be returned to the insured. If the premium difference is not requested in due time, the right to terminate shall be void.

For compensations paid or to be paid due to events occurring before the notification obligation regarding the changes in question is fulfilled, the provisions of the last paragraph of Article C.2 shall be applied, depending on whether the notification of the change was intentional or not. If it is understood that the changes occurring during the insurance period are of a nature that mitigates the risk and that this requires a lower premium, the premium difference calculated on a daily basis for the period from the date of the change until the termination of the contract shall be returned to the insured.

In case of termination of the insurance for any reason, the insurer shall notify the Ministry of Environment and Forestry of the situation.

C.4. Change of the Insurance Obligor, Termination of Activity

(Amended-Effective: 01.09.2011) In case of change of the insurance obligor, all rights and obligations arising from the policy shall pass to the new policyholder.

C.5. Making the Contract Compliant with the Legislation (Amended-Effective: 01.09.2011)

If the risks or minimum coverage amounts subject to the contract are changed in the legislation during the contract period, the contract shall be made compliant with the new conditions by issuing an addendum.

C.6. Notifications and Notices

The provisions of the Notification Law shall apply to the notifications of the insured and the insurer.

The insurer's notifications and notices shall be made to the insured's address shown on the policy; if this address has changed, to the last address notified to the insurance company's

headquarters or the agency acting as an intermediary in the insurance contract, in the same manner.

C.7. Confidentiality of Commercial and Professional Secrets

The insurer and those acting on behalf of the insurer are responsible for the Losses that may arise from the failure to keep confidential the commercial and professional secrets that they will learn about the insured due to the conclusion of this contract.

C.8. Statute of Limitations

The statute of limitations in this insurance is two years from the date the parties' obligations arose. In the claimant's compensation claims, unless a longer period is stipulated in other laws, the statute of limitations period is five years from the date the damage is learned and the responsible party is identified, and in any case, ten years from the date the incident occurred or, if the incident occurs in a chain of events, from the date the last incident occurred.

The provisions of the international agreements to which Turkiye is a party regarding the statute of limitations are reserved.

The reasons that interrupt the statute of limitations regarding the responsible person apply to the insurer, and the reasons that interrupt the statute of limitations regarding the insurer apply to the responsible person.

In this insurance, the rights of recourse of the indemnity liable against each other shall become time-barred in two years, starting from the day they fully fulfill their obligations and learn of the person to whom recourse is to be made.

General provisions shall apply to other matters.

C.9. Competent Court

In cases to be filed against the insurer due to disputes arising from the insurance contract, the competent court shall be the court in the place where the headquarters of the insurance company or the residence of the agent mediating the insurance contract is located or where the incident causing the damage occurred; in cases to be filed against the insured, the court in charge of hearing commercial cases in the place where the defendant resides.

C.10. Entry into Force

These General Conditions shall enter into force on 01.07.2007.