









# Czech Republic



## COUNTRY AND ECONOMY

	<b>AREA</b>	78,870 km <sup>2</sup>
	<b>POPULATION (2015)</b>	10.6m
	<b>GDP (2015)</b>	\$181.8 billion
	<b>GROSS DOMESTIC PRODUCT GROWTH (2015)</b>	4.2%
	<b>GROSS NATIONAL INCOME PER CAPITA PURCHASING POWER PARITY (2015)</b>	\$30,420
	<b>INFLATION RATE (2015)</b>	0.7%
	<b>UNEMPLOYMENT RATE (2014)</b>	6.1%
	<b>CURRENCY</b>	Czech Koruna (CZK)
	<b>EXCHANGE RATE TO EUR (MAY 2017)</b>	26.5
	<b>EUROPEAN UNION MEMBER</b>	Since 2004

## INSURANCE LAW AND MARKET PRACTICE

<b>Compulsory insurance</b>	<ul style="list-style-type: none"> <li>• Motor TPL;</li> <li>• PI for: lawyers, auditors, authorized persons, architects, tax advisors, auction staff, patent attorneys, insurance agents, brokers and loss adjusters; insolvency administrators, veterinary doctors, MedMal;</li> <li>• General TPL: railway, aircraft, ships, dump operators, volunteers, people working in public services, people working in social services;</li> <li>• Financial lines: travel bonds, insolvency for work agencies;</li> <li>• Employer's liability (due to legal restrictions, we cannot offer employer's liability in non-life insurance).</li> </ul>
<b>Wordings and tariffs</b>	Each business line has its own general terms and conditions. Insurance companies design wordings and all tariffs. Please check insurance conditions before signing the policy.
<b>Risk declaration duty</b>	The insured or his/her representative is obliged to declare true risk information.
<b>Insurance tax</b>	None.
<b>Premium payment</b>	Usually 14 to 30 days after policy inception. Payment can be made in 1 to 4 installments.
<b>Terms of cancellation</b>	<ul style="list-style-type: none"> <li>• In policies with automatic renewal, 6 weeks prior to renewal (both sides);</li> <li>• 2 months after inception date – after notice of 8-day cancellation period (both sides);</li> <li>• Non-payment Premium – Insurer after premium reminder with 1-month cancellation period;</li> <li>• During the 3 months following damage/loss – 1-month cancellation period;</li> <li>• End of insurance interest – automatic termination.</li> </ul>
<b>Claim notification</b>	Loss must be declared as soon as possible. According to law, max. up to 4 years from claim date.
<b>Claim payment</b>	15 days after loss is closed.




## INSURANCE LAW AND MARKET PRACTICE

Insurance period	No legal constraints. Usually 1 year.
Tacit approval	None.
Cooperation with intermediaries	EU intermediaries can run their business on a freedom of service basis, provided they have informed the national financial authority in their country. Both the broker (or agent) and the insurance company must sign a cooperation agreement. In order to comply with existing legislation and requirements, intermediary contracts are quite extensive (approx. 90 pages). Our contracts with Czech Republic intermediaries are written entirely in Czech. Any new broker who wants to start working with local Generali offices must register with the company. Registration process requires 45 days on average to complete.
Intermediary's mandate	As a normal practice we require a valid broker's mandate issued by the client. The mandate can be provided either by the mother company's management (with clear reference to the local company which is the subject of the inquiry), or by the local company's management. Please also note that: <ul style="list-style-type: none"><li>• We may refuse to quote our existing clients;</li><li>• We may offer the same client through you and a local intermediary(ies). In these cases we do our best to treat each intermediary fairly, and our offers will be comparable in the same measure as the requests are comparable.</li></ul>
Commission payment to foreign intermediary	A monthly list of insurance contracts and commissions is sent via the Ceska Pojistovna Extranet on the 10th day of each month. The broker receives his/her commission on 16th or 17th day of each month. Commission payments occur on the relevant due date of each billing notice. Commissions are only settled through paid premium billing. Payment in EUR is not possible.
VAT on intermediary's commission	None




## YOUR CONTACT AT THE GENERALI GERMAN DESK IN THE CZECH REPUBLIC



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## PRODUCTS

### PROPERTY INSURANCE

Property insurance is usually arranged to cover the following risks on a named perils basis: fire, explosion, direct lightning stroke, airplane crash, loss of cargo, flood, heavy rain, storm, hailstorm, landslide, falling rocks or soil, avalanche, falling trees, poles or other objects, weight of snow or ice, earthquake, water loss in water distribution or storage facilities, burst pipes, theft due to burglary or robbery, willful damage and/or destruction, glass breakage, smoke, vehicle impact and sonic boom.

Property insurance can also be arranged on an all risks basis.

Business interruption insurance can be arranged to cover the same risks as property insurance.

Subject of coverage can include buildings and other structures, machinery and equipment, stock, cash, etc. Insurance may also cover relevant costs: debris removal, experts' fees, fire-fighting expenses, etc.

### ELECTRONIC EQUIPMENT INSURANCE

This insurance product is designed in the all risks formula. You can insure:

1. Your electronic equipment (computers, servers, mobile equipment) against damages by external causes (like fire, an explosion, water damage, etc.) or internal causes (like indirect light exposure, breakdown resulting from material defects, faulty design, human error and others).
2. Your data (if lost due to physical damage) – data and software restoration costs only.
3. The increased costs you face working in event of damage.

### MACHINERY BREAKDOWN INSURANCE

This insurance product is designed in the all risks formula. You can insure stationary machinery against internal damages resulting from a mechanical or electrical breakdown, material defects, faulty design, bad workmanship and human error.

You can insure for property damage and for loss of profit resulting from a breakdown.

### THIRD PARTY LIABILITY

This insurance product covers liability arising from physical damage or personal injuries resulting from your company's commercial activities and/or property. Coverage can be extended to product liability, extended product liability, tenant's liability, environmental liability, S&A Pollution, pure financial losses, etc.

Coverage includes indemnities due to third party involvement, as well as legal expenses for defense.

For additional details, possible extensions, exclusions and limitations for Generali liability coverage, please consult the full text relative to our insurance products.