









Romania



COUNTRY AND ECONOMY

	AREA	238,390 km ²
	POPULATION (2015)	19.8m
	GDP (2015)	\$178.0 billion
	GROSS DOMESTIC PRODUCT GROWTH (2015)	3.7%
	GROSS NATIONAL INCOME PER CAPITA PURCHASING POWER PARITY (2015)	\$20,900
	INFLATION RATE (2015)	2.9%
	UNEMPLOYMENT RATE (2014)	6.8%
	CURRENCY	Romanian New Leu (RON)
	EXCHANGE RATE TO EUR (MAY 2017)	4.56
	EUROPEAN UNION MEMBER	Since 2007

INSURANCE LAW AND MARKET PRACTICE

Compulsory insurance	<ul style="list-style-type: none">• Motor TPL;• Professional liability for architects, lawyers, accountants, insurance brokers and agents, medical personnel (malpractice);• Homeowners natural disaster insurance (PAD).
Wordings and tariffs	Wordings are partially regulated for some compulsory insurance (MTPL and PAD only). Insurance companies design other wordings and all tariffs. Please check insurance conditions before signing the policy.
Risk declaration duty	The insured or his/her representative is obliged to declare true risk information, and is not limited to the provided questionnaire or insurer's questions.
Insurance tax	1.8%
Premium payment	Usually 7 to 14 days after policy inception. Payment can be made in 1 to 4 installments.
Terms of cancellation	20 days (both Generali and the policyholder, as stipulated in the Civil Code). If desired, parties can agree on a different period, for example 30 or 40 days.
Claim notification	Losses must be declared as soon as possible (general conditions usually stipulate 3 days, with the possibility of negotiating an extension of up to 5 days).
Claim payment	30 days after clarifying all circumstances surrounding the loss and reception of all documents requested by the loss adjustor.
Insurance period	No legal constraints. Usually 1 year, automatic renewal optional.
Tacit approval	None.

INSURANCE LAW AND MARKET PRACTICE

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 (as well as for freedom of establishment). Both the broker (or the agent) and the insurance company must sign a cooperation agreement. Any new broker who wants to start working with local Generali offices must register with the company. Registration process requires 7 to 10 days on average to complete. In keeping with local legislation, agents who wish to act as insurance intermediaries are required to register with the ASF (Romanian Financial Supervising Authority).

Intermediary's mandate

As a normal practice we require a valid broker's mandate issued by the client, or a client representative's signature on the submission form before proceeding with the inquiry. 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. In some cases we may forego these requirements for the offering, but we will need a mandate or the client's signature in order to issue the policy. Please also note that:

- We will always ask for a mandate or the client's signature if the submission concerns an existing client, or we've received a submission for this client from another intermediary;
- 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.

Commission payment to foreign intermediary

- To pay your commission, we'll need both the original invoice as well as the original fiscal certificate (in order to avoid double taxation);
- Commissions are paid on the 15th of the current month, for premiums collected in previous months;
- We can pay in EUR, at the exchange rate provided by NBR (the National Bank of Romania) for the last day of the month for which the commission is calculated;
- The same rules apply for agents (except payment is always provided in local currency).

VAT on intermediary's commission

None.

PRODUCTS

PROPERTY INSURANCE

This insurance product is suitable for buildings (including fixed equipment) and their contents (machinery, equipment, stock). Coverage is available on both named peril and all risks basis.

Named perils coverage insures against FLEXA, natural catastrophes (earthquake, floods & heavy rainfall, atmospheric phenomena, landslide, snow weight), water damage (burst pipes, sprinkler & water overflow), SRCC, theft & vandalism, sonic boom and glass breakage, as well as additional costs (firefighters, debris removal, loss adjusters).

All risks coverage insures against sudden and accidental physical loss or damage as a result of any risk (unless specifically excluded) that results in repair or replacement costs for the insured property.

Both policies can be extended to include Business Interruption, which provides cover for loss of gross profit or standing charges & net profit if the insured property suffers indemnified loss or damages payable through the property damage section, or which would have been indemnified under the property damage section but for the application of a deductible, thereby causing an interruption of or interference with the business insured.

MACHINERY BREAKDOWN INSURANCE

Provides protection against sudden and unforeseen physical damage that limits operability of the insured item (which requires repair or replacement). This policy provides additional coverage compared to property damage. It's always provided as a package policy with PD, and is never a stand-alone policy.

Section I – Material damages.

Coverage for: faulty design, calculation, plan, specification, manufacture or workmanship and defects in casting and material; operating error, lack of skill, negligence, malicious acts, faulty maintenance, tearing apart due to centrifugal forces, short circuiting and other electrical causes, physical explosion, etc.

Section II (optional) – Machinery loss of profit.

Coverage for financial loss following a physical loss or damage covered under Section I of the present policy.


YOUR CONTACT AT THE GENERALI GERMAN DESK IN ROMANIA



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 Language: English

ELECTRONIC EQUIPMENT INSURANCE (EEI)

This insurance product offers complete and complex coverage, including “atypical” and unforeseeable events.

Section I – Material damages

Coverage for: external, direct, sudden and accidental physical damage including short-circuiting and energy fluctuation occurring due to any external peril (except for exclusions mentioned in the All Risks wording).

Section II (optional) – Data and data support

Coverage for: any kind of data stored on an external support in a format that can be read by an electronic device, following a physical loss of/damage to the data support covered under Section I of the present policy.

Section III (optional) – Loss of profit

Coverage for: financial loss following a physical loss or damage covered under Section I of the present policy.

THIRD PARTY LIABILITY

This insurance product covers the company’s civil liability, indemnifying direct material damages incurred unintentionally by the company through errors for which it is legally liable to third parties.

Coverage includes material damage that the company is compelled to pay to third parties that have been generated by:

- bodily injury or damage to goods committed by the company by tort;
- bodily injury or damage to goods committed by the company’s employees by tort, for which the company is held legally liable;
- bodily injury or damage to goods committed by animals or mobile goods for which the company is legally responsible.

Coverage also includes indemnities for the following legal expenses within maximum policy limits:

- legal expenses incurred by the company, if the company has been found legally responsible for payment of the indemnity;
- legal expenses incurred by the plaintiff (claimant) in order to obligate the company to pay the indemnity, if the company was compelled by the court (final and irrevocable) to pay said indemnity.

Coverage can be extended to include product liability, tenant’s liability and employer’s liability.

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