



Information on the rules, procedures and measures taken by QBE poisťovňa, a.s. to ensure the fluent and smooth transition from the Slovak currency to the euro

On 16 April 2003 the Republic of Slovakia signed the Treaty of accession to the European Union whereby it committed to enter the Economic and Monetary Union. On 1 May 2004 Slovakia (together with next nine countries) entered the European Union. After having met the Maastricht criteria – the inevitable conditions for the entry into the Economic and Monetary Union – the entry of Slovakia into Eurozone was confirmed at the Brussels EU summit of 19 July 2008, and on 8 July 2008 the exchange rate of 1 € = 30.1260 SKK was fixed. On 28 November 2007 the National Council of Slovakia adopted the Act no. 659/2007 Coll. (the so-called General Act) which gives the legislative frame of the process of introduction of the euro in Slovakia.

In order to ensure the fluent and smooth transition from the Slovak currency to the euro, in May 2007 QBE poisťovňa started the process of the preparation for the introduction of the euro by forming a project team who set up the “Euro” project to manage all the processes relating to the introduction of the euro in Slovakia. Since then our company has completed all necessary measures in relation to the changeover to the Euro currency: preparation of the information systems and documents for the dual display, preparation of the information systems for the conversion of values from the Slovak currency into the euro currency, directions to the intermediaries, as well as another inevitable adjustments under the General Act and related regulations.

Dual display

Starting with 8 August 2008, QBE poisťovňa, a.s. applies the dual display in all the outputs relating to the clients who are individuals and not entrepreneurs.

The dual display covers:

- Due sum of premium in reminder, appeal or notice of policy lapse;
- Amount of indemnity benefits in respect of claim;
- Amount of cover (sums insured) for particular risks, retention sum, amount of total premium after rounding up and discounts, amounts of modal premiums, and the amount of premium instalment in the policy, application form or projection in printed or electronic forms;
- Amount of premium in the accompanying letter for the outgoing postal orders or cheques;
- Amount of premium given in the receipt of the collection pad;
- Other correspondence mailed to clients

If some of the data cannot be displayed dually for technical reasons, in compliance with Art. 2a of the regulation 221/2008 Coll., a detailed **Special Clause** for the dual display of prices, payments and other values given in the documentation is attached to the insurance contract documentation. In all outputs which are subject to the dual display, we give the information on the conversion rate by the text: “Conversion rate of 1 EUR = SKK 30.1260”. In telephone communication we provide the above said data dually **on client's express demand**.

Calculation & Rounding Rules

We make all the calculations and transformations of prices, including the dual display of prices in compliance with the provisions of the General Act, exclusively by the conversion rate and rounding rules. The final sums in euros, after being calculated by the conversion rate, are rounded to two decimals, to the nearest eurocent by the rule: the total calculated residual of the final sum which is lower than one half of one eurocent shall be rounded down to the next eurocent, and the total calculated residual of the final sum which is equal to or more than one half of one eurocent shall be rounded up to the nearest eurocent.

In the period from 8 August 2008 to 31 December 2008, decisive for the dual display are the sums expressed in Slovak korunas, including the halers, while the monetary sums in euros, including the euro cents, are given concurrently for informative purposes. From 1 January 2009 to 31 December 2009, deciding will be the monetary sums expressed in euros, including euro cents, and for informative purposes these sums are given concurrently in korunas and halers.

Policies

We have to underline that in the case of policies already made the client is not required to do anything, and all the values relating to policies made after 1 January 2009 will be automatically calculated to euros by the rules for the calculation and rounding above. The changeover to the euro has no impact on the terms and conditions agreed upon in contracts of insurance.

Premium payment

Neither in paying through transfer orders the client is required to do anything. Following 1 January 2009, the transfer orders will be calculated to euro automatically by the principal's bank.

We make all our clients sure that the introduction of the euro does not bring with any negative impact on our clients in relation to their policies. We fully comply with and will comply with the provisions of the General Act and related regulations. We will fully guarantee the terms agreed in the policies after the introduction of the euro currency as well.

Useful links

www.euro.vlada.gov.sk
www.nbs.sk
www.euroservis.sk
www.finance.gov.sk
www.qbeurope.com/slovakia