



# Services for International Travel & Education

GROUP OF  
INTERNATIONAL  
INSURANCE BROKERS



Insurance package  
for your trip abroad.



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# What should you do if you have a claim?

## 1. Health insurance claims

FIE uses SITE health insurance for all its programmes.

The primary health care provider to all FIE's programmes is SOS Doctors Direct Ltd.

Before your programme begins, you are covered by SITE insurance and registered with SOS Doctors Direct Ltd. Your name and all details are recorded on the SOS Doctors database.

If you want to consult a doctor in London, first of all please call the following number:

**SOS Doctors Direct Telephone number:  
020-7603 3332**

This number can be called 24/7 and all appointments are made by a home visit i.e. to your residence within hours of your call.

Important facts to keep in mind:

- You should inform SOS Doctor that you are a FIE student.
- You must expect to pay £ 35 one off deductible during your first visit.
- **There is a £ 35 deductible on all claims.**
- All major credit cards are accepted by SOS Doctors.
- All referrals to specialist medical practitioners must be made by SOS Doctors i.e. a General Practitioner.
- Most medical costs after the first one-off £ 35 deductible are covered by the SITE health insurance policy. Check the terms and conditions in this booklet or call the SITE customer service for further information regarding your insurance cover:  
**+800-2877-3784.**

## 2. Emergencies

In the event of an emergency (severe burns, or intense stomach pain, or injury) take a cab and go to:

### **Accidents and Emergency Unit**

**Chelsea & Westminster Hospital**

**369 Fulham Road, SW 10**

**Telephone: 020 8746 8080**

**Alternatively dial 999 and ask for the ambulance service.**

**Emergency Dental Treatment – Please call SOS doctors 020-7603-3332.**

Alternatively, you may go to Chelsea & Westminster Hospital.

**Please note:** SITE insurance will only cover your dental emergencies not cosmetic care!

## 3. Counselling & Health Useful Adresses

### **Alcoholics Anonymous**

- **Telephone: 0845 769 7555**  
11 Redcliffe Gardens  
London SW10

### **Anorexia & bulimia nervosa advice**

- **Telephone: 020 7581 8222**  
2a Cromwell Place  
London SW7

### **Bisexual Helpline**

- **Telephone: 020 8569 7500**  
Cruse — Bereavement Care
- **Helpline: 0870 167 1677**

### **Lesbian & Gay Switchboard**

- **Telephone: 020 7837 7324**  
A telephone support and advice line open 24 hours a day to discuss problems, listen and give advice.

**Narcotics Anonymous**

- **Telephone: 020 7730 0009**

**National AIDS Helpline**

- **Telephone: 0800 567 123**

**British Pregnancy Advisory Service**

- **Telephone: 0845 730 4030**

**The Samaritans**

- **Telephone: 020 7734 2800**

Marshall Street

London W1

Confidential, emotional support for anyone in crisis.

**Sexwise Helpline**

- **Telephone: 0800 282930**

#### 4. Claims for all other insurance policies

If you want to register a claim against your accident or personal liability insurance, please contact FIE:

Claim against your accident or personal liability insurance.

Address:

**Foundation for International Education**

**Foundation House**

**114 Cromwell Road**

**London, SW7 4ES**

**Telephone +44-(0)20-7591 7750**

**Fax +44-(0)20-7591 7755**

All original receipts must be enclosed. With personal liability claims, please use a separate piece of paper to describe how the claim came about.

All claims should be submitted within 3 weeks of the damage in order to ensure correct and quick processing.

# How are you insured?

**FIE** has concluded a combined foreign travel insurance policy for you using the international insurance broker **SITE OHG**. You therefore have comprehensive health, accident and personal liability for damage incurred abroad. The insurance cover is provided by **ERIKA Travel Insurance, Stockholm, Sweden**.

## 1. Period of cover

You are insured during your stay abroad for the period reported to SITE by FIE. The insurance cover does not apply in your home country, except during the outward and return journey to or from your place of residence in the host country. Important:

It is your responsibility to extend your insurance cover if you extend the length of your stay abroad. Please contact FIE, before your original insurance cover expires to find out about how to extend the cover!

## 2. Scope of the cover

### Health insurance:

#### **Replacement of expenditure incurred abroad at 100% without maximum amount for:**

- Medical treatment including travel expenses to the doctor if there is no doctor at the place of residence
- Medication and dressings
- Remedies
- X-rays, radiation therapy and diagnostics
- Hospital treatment
- Transport costs to the nearest hospital
- Pain-relieving dental treatment and simple dental fillings (but not replacement of missing teeth or crowns)
- Repatriation/worldwide transport
- Furthermore: travel expenses for visits by a family member if the insured party is seriously ill and premature return of the insured party in the event of the death of a first or second degree relative.

#### **Restrictions:**

- Pregnancy – emergency treatment / delivery waiting time 8 months

Invalidity:                      Accident insurance:                      Death:  
**€ 100,000.–**                      **€ 50,000.–**

Accident insurance grants a payment up to the limit of the sums named above if you die or suffer a long-term impairment of your physical or mental capabilities (invalidity) due to an accident that took place abroad during the period of insurance cover.

The level of the payment is based on the degree of invalidity. An accident is deemed to have taken place if the insured person involuntarily suffers damage to his or her health as a result of an external event with an effect on his or her body (accidental event).

Personal liability insurance:  
personal injury /damage to property  
**€ 500,000.–**

**Deductible: € 150,-- for each claim**

The insurance policy provides you with cover in the event that a third party holds you liable for damage incurred abroad that leads to the death, injury or health impairment of people (personal damage) or the damage or destruction of property (property damage) and you are liable for compensation under the statutory personal liability regulations under civil law.

**This insurance policy does not include loss,  
damage or theft of personal goods.  
We strongly advise that you take out separate insurance  
for this purpose!**

### Furthermore, the policy covers:

- Legal assistance abroad (if you are sued at a civil court for damages)
- General services (e.g. assistance, medical helpline, transmission of messages, document register, assistance in case of lost luggage)

**Important:** This travel insurance policy is subsidiary to all other insurance policies. Therefore, if you have concluded any other insurance policies, e.g. other health or personal liability insurance policies, that are valid for damage incurred abroad, you must submit your claims there first of all. This policy shall come into play only for damage not accepted by any other insurance you may have.

### Insurer:

**Erika Travel Insurance**  
**Sturegallerian 11a • P.O. Box 55569**  
**SE-102 04 Stockholm • Sweden**

**The General Insurance Terms and Conditions apply (printed in full in this brochure).**

**Note:** On the previous pages you have read a summary of your insurance cover. For a detailed representation, including all restrictions and exemptions from cover, please read the detailed insurance terms and conditions in this brochure.

## Frequently asked questions:

### Am I insured for all trips abroad outside the destination country during my language study trip?

You are insured for all trips to all countries, with the exception of your home country or your country of residence prior to participating in the programme, provided that the trip takes place within the period of insurance cover registered with SITE.

### Does this policy give me personal liability insurance (third-party insurance) for driving a car abroad?

No, you will have to get separate insurance for this if you need it. This policy does not cover any personal liability risks in connection with driving motor vehicles. However, you do have health and accident insurance as the driver or passenger in a motor vehicle. So, if you have to be admitted into hospital after a car accident, the costs will definitely be paid.

### Am I insured for existing conditions, e.g. asthma or diabetes?

This insurance policy covers medically required treatments that could not have been foreseen prior to leaving your home country. This also applies to the treatment of existing conditions that are insured in principle.

However, costs that are incurred due to regular or recurring treatments in connection with the existing condition are not covered by this insurance policy, e.g. regularly prescribed drugs or the regular treatment of a chronic condition. If you suffer from a chronic illness and this deteriorates unexpectedly during your stay (e.g. emergency, shock) you are insured for the unforeseen costs this incurs.

### Will treatment costs be paid if I injure myself abroad and have to receive medical treatment at home after my return?

Your insurance covers only the treatment costs incurred during your stay abroad. The insurance cover ends with your return to your home country. After your return home your regular insurance will then usually take over the payments.

### Do I have to pay the £ 35 deductible for each doctor's visit?

No, it's a one-time payment.

#### **Note:**

The information and comments in the questions and answers are merely assistance and do not represent the complete contents of the insurance policy.

Please read the detailed insurance terms and conditions printed on the following pages.

# General Insurance Conditions for Travel Health Insurance (AVB-R)

## Part 1: General Conditions

### §1 Coverage and territory of insurance cover

- (1) The Insurer grants insurance cover for disease, illness and accident and other occurrences as detailed in this contract. In case of an unforeseeable insured event occurring abroad the Insurer shall indemnify all and any costs incurred for any medical treatment and shall pay any agreed benefits.
  - (2) An event insured against is defined as necessary medical treatment of an insured due to illness or consequences of an accident. The insured event commences with medical treatment; and ceases when on medical grounds there is no need for further treatment. Death is also considered to be an insured event.
  - (3) The scope of the insurance cover is according to the insurance policy, written agreements at a later date, these conditions of insurance as well as the statutory regulations of the Federal Republic of Germany.
  - (4) Neither the country where the Insured has permanent residence nor that as defined by nationality shall be considered to be a foreign country.
  - (5) Insurable persons are those who have not reached the maximum age as set out in the tariff and who are only temporarily travelling abroad.
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### § 2 Commencement of insurance cover

Coverage begins on the agreed date (commencement of insurance cover), however not before the signing of the insurance contract, not before payment and not before the start of travel. There is no indemnity for events insured against which occur prior to the commencement of insurance cover.

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### § 3 Inception and duration of the insurance policy

- (1) The insurance policy comes into force after the acceptance of an application for insurance by the Insurer. Application is to be made on the application form provided for this purpose. Upon acceptance of the application the insurance policy will be issued. Should application be made on the payment slip provided by the Insurer, then the contract provisionally comes into force upon receipt of the premium (post mark, date stamp of the financial institute or accounts department being valid) until the duly filled application form has been received by the Insurer.
  - (2) The duration of the insurance policy can be found in the tariff. Insurance terminates upon the death of an insured person. The insurance relationship remains unaffected for co-insured persons upon the death of the policy holder.
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### § 4 Scope of the Insurance coverage

- (1) The Insured is free to choose from certified physicians and dentists authorised to offer medical treatment.
  - (2) Medicines, dressings and medical supplies must be prescribed by those administering medical treatment as defined in paragraph 1.
  - (3) In case of necessary medical treatment, the Insured may choose any one of the hospitals which are under the constant supervision of a doctor, which have sufficient diagnostic and therapeutic facilities, which work according to generally recognised scientific methods and which register patients' histories. Hospitals which additionally offer health and sanatorium treatment or which accept convalescents are not eligible.
  - (4) The kind and extent of insurance benefits are as stated in the tariff. The reimbursement for repatriation and return transportation costs shall depend on the following circumstances:
    - a) Repatriation of a sick person must be prescribed by a doctor and the destination must be the habitual residence at the inception date of the contract or any appropriate hospital closest to said residence.
    - b) Transportation charges are the direct costs incurred due to the death of any insured person for the transportation to his place of residence existing at the inception date of the insurance contract. These transportation charges may be replaced by funeral expenses incurred abroad up the maximum transportation charges as stated in the tariffs.
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### § 5 Restriction of Benefits

- (1) There is no obligation for
  - a) any illness and consequences thereof existing at the inception date of the insurance as well as any illness and consequences thereof treated six months prior to the inception date of the insurance. The same restrictions apply to consequences of any accident. Expenses incurred for the treatment of such illness or consequences of any accident are covered inasmuch as unforeseeable medical aid was required to prevent serious threat to life or to relieve considerable pain; however, the costs for repatriation, return transportation or funeral expenses shall not apply for;

- b) any illness and the consequences thereof, the consequences of accidents and in the case of death resulting from acts of war or civil commotion;
  - c) for intentional illness and accidents including the consequences thereof, withdrawal or detoxification treatment;
  - d) for the treatment of mental or psychological disorder or illness as well as for hypnosis or psychotherapy; (deviating from this psychological emergency treatment is covered up to the limits of the tariff).
  - e) for dental prostheses including crowns and orthodontic treatment;
  - f) for medical aids;
  - g) for health resort or sanatorium treatment as well as for rehabilitation procedures
  - h) for out-patient treatment at a health resort or spa. This restriction shall not apply if during the course of temporary stay, treatment is required for an illness or accident independent to the purpose of stay;
  - i) for not scientifically recognised methods of examination or treatment and medications;
  - j) for treatment administered by spouse, parents, or children. Material costs will be reimbursed;
  - k) for accommodation due to the need of care or custody;
  - l) for seeking treatment abroad for illness or accident consequences being the sole reason or one of the reasons for undertaking the journey,
  - m) for termination of pregnancy and medical measures due to sterility or infertility (e.g. artificial insemination).
- (2) Limited indemnification (EUR 250.-- per case for examination and treatment due to pregnancy, childbirth, miscarriage or the termination of medical pregnancy as well as the consequences thereof; only for medical treatment in highly critical situations jeopardising the life of mother and /or child.
  - (3) Should medical treatment or other measures agreed to be part of the benefits go beyond the medically necessary requirements or should a compensation claim be unreasonable, then the Insurer shall be entitled to reduce benefits to a reasonable amount.
  - (4) In the event of claims for benefits from health, accident or pension insurance required by law, from medical or accident welfare required by law, or from any other insurance, the Insurer is only obliged to pay the remaining expenses not covered by those benefits.
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## **§ 6 Payment of insurance benefits**

- (1) The Insurer is only obliged to pay benefits if the original invoice, or its duplicate, is presented together with a certificate by another Insurer enumerating the benefits granted and if the required records, especially officially certified translations, have been submitted; these shall then become the property of the Insurer.
  - (2) All records have to bear the first and surnames of the treated person as well as the illness description and the individual medical services with treatment information; prescriptions have to clearly show the medication prescribed, its price and the receipt stamp. In the case of dental treatment, the records must show the teeth treated and the treatment administered. Proof is required for those benefits or refusals thereof from those Insurers as stated in § 5 paragraph 4.
  - (3) The Insurer is entitled to pay benefits to the bearer or sender of adequate records.
  - (4) The costs in any foreign currency will be converted into EURO at the exchange rate valid on the day the records are received by the Insurer. The exchange rate is considered to be the official foreign exchange rate in Frankfurt, for those currencies which are not traded, the valid rate is that of the latest edition of the "Währungen der Welt" ["Currencies of the World"] publications of the German Bundesbank in Frankfurt, unless the Insured provides bank evidence of a less favourable exchange rate at which the necessary foreign currency was purchased in order to pay the invoices.
  - (5) Expenses incurred for the remittal of insurance benefits and translation costs may be deducted from the benefits payable by the Insurer.
  - (6) Claims for insurance benefits are not transferable and may not be pledged.
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## **§ 7 Expiry of the Insurance Cover**

- (1) The insurance cover ceases - also for pending claims - at the agreed point of time or, at the latest, at the end of travel.
  - (2) If the return journey is impossible for medical reasons the liability shall be extended for recoverable claims to a maximum period of four weeks beyond the agreed date of expiry.
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## **§ 8 Premium payments**

- (1) The premium is a single premium. It is stated in the tariff and is to be paid at the latest with the signing of the contract. The tariff may require payment by direct debit. Payment is then seen as effected when the Insurer, after having been given this right, could actually directly debit the premium.
- (2) A monthly, quarterly or half-yearly term of payment may be arranged should the duration of insurance be in excess of one year.

## **§ 9 Obligations**

- (1) Indemnity has to be claimed by the Insured within six months at the latest after the expiry of the policy. Any inpatient treatment must be reported to the insurer immediately without undue delay.
- (2) The Insured are obliged to give any information required by the Insurer which is deemed necessary to ascertain of the event insured against or the Insurer's liability and the extent of said liability.
- (3) At the request of the Insurer, the Insured is obliged to undergo a medical examination carried out by a doctor commissioned by the Insurer.
- (4) Furthermore the Insured is obliged to provide the Insurer access to the required information (especially the exoneration of professional discretion).

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## **§ 10 Consequences of a breach of obligation**

The Insurer shall be exempt from the obligation to pay indemnity according to the restriction as defined in § 6 paragraph 3 of the Versicherungsvertragsgesetz (VVG) if one of the obligations as set out in § 9 is violated. The Insured's knowledge and shortcomings and the policy holder's knowledge and shortcomings are deemed to be equal.

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## **§ 11 Third party claims**

Should the policyholder or an insured person have compensation claims of a nature not relating to this insurance against a third party, without prejudice to the legal transmission of claim according to § 67 of the VVG, it is required to transfer these claims to the Insurer in writing for the amount of compensation as stated in the insurance contract. Should the policyholder or an insured person waive such a claim or a right for the purpose of securing such a claim without the agreement of the Insurer, then the Insurer is exonerated from that duty to perform for that amount of compensation that would have been attained from said claim or right.

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## **§ 12 Offsetting**

The policy holder may only offset his claims against those of the Insurer inasmuch as the counterclaim is not contested or is legally enforceable.

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## **§ 13 Declarations of intention and notification**

Declarations of intention and notification against the Insurer are required in writing. Insurance broker's or are not permitted to accept these on behalf of the Insurer.

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## **§ 14 Jurisdiction**

Legal actions may be lodged at the court of the seat of the Insurer's registered office or at the court of that town or city where the agent at the time of the signing of the contract had his commercial establishment, or, failing such establishment, his habitual residence.

### **Amendments to AVB-R**

#### **§ 5 Pre-existing conditions are included**

§ 5 (1) a) is invalid. Exceptions are cases where it was already clear before the start of the trip that treatment/prescriptions would be necessary during the trip, or where the illness was the reason for the trip.

#### **§ 9 Incidental Obligations**

The insured person is obliged to observe all contractual incidental obligations.

# General Terms and Conditions of Personal Accident Insurance

## Section 1: Insured Event

- I. The insurer shall provide insurance coverage in the case of accidents suffered by the insured while the policy is in force. The types of coverage available follow from Section 7. The application and policy forms show which types of cover have been contractually agreed by the parties.
  - II. The insurance covers accidents anywhere in the world.
  - III. Within the meaning of these Terms, an accident has occurred if, due to an external event suddenly affecting his body (accident event), the insured involuntarily suffers an impairment of his health.
  - IV. It is also regarded as an accident if, by an excessive exertion of the insured's limbs or backbone,
    - (1) a joint is strained or
    - (2) a muscle, tendon, ligament or capsule is pulled or torn.
- 

## Section 2: Exclusions

The following shall be excluded from the cover:

- I. (1) Accidents caused by mental impairment or impairment of consciousness, also if such accidents are attributable to drunkenness, as well as accidents caused by strokes, epileptic fits or other cramp-like attacks (convulsions) seizing the entire body of the insured.  
Insurance coverage shall however be provided if such impairments or fits are caused by an accident event covered by this policy.
  - (2) Accidents suffered by the insured intentionally and wantonly committing or attempting to commit a crime or felony.
  - (3) Accidents caused directly or indirectly by events of war or civil war; accidents suffered on account of civil commotion if the insured has participated therein as one of the perpetrators.
  - (4) Accidents suffered by the insured
    - a) in the use of aircraft without engine, power gliders, ultra-light aircraft and spacecraft as well as in parachuting;
    - b) as the pilot or any other crew member of an aircraft;
    - c) in the pursuit of a professional activity with the help of an aircraft.
  - (5) Accidents suffered by the insured on account of his participation as the driver, co-driver or passenger of a motor vehicle engaged in an event or trial heat and seeking to achieve the highest possible speed.
  - (6) Accidents caused either directly or indirectly by nuclear energy.
  - II.(1) Impairment of health caused by radiation.
  - (2) Impairment of health caused by curative treatment or interventions the insured performs or has performed on his body. Insurance coverage is however provided if such interventions or curative treatment (including diagnosis and therapy by radiation) were required on account of an accident covered by this policy.
  - (3) Infections. Insurance coverage is however provided if the infective agents entered the insured's body on account of an accident injury covered by this policy.  
Injuries of the skin or mucous membrane which as such are minor and which allow infective agents to enter the insured's body either immediately or later, are not to be regarded as accident injuries, except for rabies and tetanus infections.  
As regards infections caused by curative treatment, item (2) clause 2 shall apply accordingly.
  - (4) Poisoning caused by ingestion through the throat of solid or liquid substances.
  - III.(1) Abdominal or lower abdominal hernia. Insurance coverage is however provided if such injuries are caused by a violent external impact covered by this policy.
  - (2) Lesions of intervertebral discs, bleeding from inner organs and cerebral haemorrhage. Insurance coverage is however provided if an accident covered by this policy by virtue of Section 1 III. is the primary cause of such condition.
  - IV. Pathological disorders due to psychic reactions regardless of their cause.
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## Section 3: Persons not Insurable

- I. Persons requiring constant nursing as well as persons suffering from mental illness are not insurable and shall be deemed not insured even if a premium is paid for such persons. A person requiring nursing shall mean an individual who has to rely primarily on the help of others in order to perform the usual tasks of daily life.
- II. Insurance coverage expires as soon as the insured is no longer insurable within the meaning of I. above. The insurance shall expire at the same time.
- III. Any premium paid for persons constantly requiring nursing and for mentally ill persons shall be refunded for the period elapsed since conclusion of the policy or, respectively, the date at which such persons became no longer insurable.

#### **Section 4: Inception and Termination of Insurance Coverage**

- I. Insurance coverage commences upon payment of the first premium, at the earliest however at the date specified in the policy. Should the first premium payment not be requested until after such date, but is then made within 14 days, insurance coverage shall be deemed to commence at the time specified in the policy.
  - II. The policy may be terminated by written notice tendered by either of the parties
    - (1) upon expiry of the agreed term of the cover. Notice must have been received at the latest three months prior to expiry. Otherwise the policy shall be extended by one more year in each case;
    - (2) if the insurer has paid a benefit as set forth under Section 7 or if a complaint has been filed against him for payment of such a benefit. Notice must be received at the latest one month after payment of a benefit or – in the case of legal action – after the complaint has been withdrawn, the claim has been admitted, a settlement has been reached or the judgement has become legally enforceable. Notice shall only become effective one month after receipt.
  - III. The policy shall expire without notice as of the date specified in the policy if the agreed term of the policy is less than one year.
  - IV. Insurance coverage shall cease as soon as the insured serves in a military or similar formation in war or on a war-like mission. Insurance coverage shall be resumed as soon as the insurer is notified by the policyholder that such service has been terminated.
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#### **Section 5: Payment of Premium**

- I. The policyholder shall pay the first premium including insurance tax and any additional costs agreed by the parties immediately after receipt of the policy. He shall pay subsequent premiums on the respective due dates.
  - II. Failure to pay the premium promptly and in good time shall render Sections 38 and 39 German Insurance Contract Act (VVG) applicable. Should the annual premium be paid in instalments, any outstanding instalments shall become due immediately as soon as the policyholder is in default of the payment of one instalment. Court action for the payment of premiums in arrears may only be taken within one year after expiry of the periods for payment specified in Section 39 clause 1 VVG.
  - III. Should the policy be terminated prematurely the insurer shall only be entitled to that share in the premium which corresponds to the term of the cover that has actually elapsed.
  - IV. In the case of Section 4 IV. the policyholder's obligation to pay the premium shall be interrupted.
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#### **Section 6: Change of Professional Activity or Occupation, Military Service**

- I. The insurer shall be notified immediately of any and all changes of the insured's professional activity or occupation during the term of the policy. Obligatory service in the military forces or civilian service in its stead as well as participating in military reserve exercises shall not be regarded as a change in professional activity or occupation.
  - II. (1) Should a new professional activity or occupation pursued by the insured result in a lower premium in accordance with the insurer's tariff valid at the time of such change, only such lower premium shall be paid after one month following receipt of the insured's notification.
    - (2) Should such a change result in a higher premium, insurance coverage based on the sums insured applicable so far shall continue to be provided for another two months following the change of the insured's professional activity or occupation. Should the insured suffer an accident after expiry of this period without notification of such change nor an agreement on the premium payable having been reached, the benefits shall be reduced in proportion to the premium actually required and the premium payable so far.
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#### **Section 7: Types of Coverage**

The types of coverage agreed by the parties and the amounts of coverage (sums insured) follow from the policy. The following provisions shall be applicable to the circumstances which give rise to a claim and the determination of the benefits.

##### **I. Disability Benefits**

- (1) Should an accident result in the permanent impairment of the insured's physical or mental abilities (disability), the insured shall be entitled to payment of a benefit based on the sum insured for disability. If the insured is 65 years of age or over at that time of such accident, benefits shall be paid by way of an annuity in accordance with Section 14. Disability must have occurred within one year after the accident and must be determined by a doctor and claimed against the insurer at the latest within a further three months.

- (2) The disability benefits payable shall depend on the degree of disability.
- a) Notwithstanding any evidence substantiating a higher or lower degree of disability, loss or functional incapacity of the following shall be deemed to constitute fixed degrees of disability as set forth below:

|                                |      |                              |      |                    |      |
|--------------------------------|------|------------------------------|------|--------------------|------|
| an arm at the shoulder joint   | 70 % | any other finger             | 5 %  | a large toe        | 5 %  |
| an arm above the elbow joint   | 65 % | a leg above mid-thigh        | 70 % | any other toe      | 2 %  |
| an arm beneath the elbow joint | 60 % | a leg up to mid-thigh        | 60 % | an eye             | 50 % |
| a hand at the wrist            | 55 % | a leg up to beneath the knee | 50 % | hearing on one ear | 30 % |
| a thumb                        | 20 % | a leg up to mid-calf         | 45 % | sense of smelling  | 10 % |
| an index finger                | 10 % | a foot at the ankle          | 40 % | sense of taste     | 5 %  |

- b) In the case of partial loss or functional impairment of one of these parts of the body or sensory organs a corresponding proportion of the percentages specified under a) above shall be taken into account.
- c) Should an accident affect parts of the body or sensory organs the loss or functional incapacity of which is not specified under a) or b) above, the degree of disability shall be measured by the extent to which the insured's normal physical or mental capacity is impaired from a purely medical perspective.
- d) Should an accident result in the impairment of several physical or mental functions, the degrees of disability specified under 2) above shall be added up. Such addition shall however not total more than 100 per cent disability.
- (3) Should an accident affect a physical or mental function already subject to lasting impairment prior to the accident, an appropriate deduction shall be made to the extent of such prior disability. Such disability shall be measured in accordance with (2) above.
- (4) Should the insured die due to an accident within one year after the occurrence of such accident, there shall be no claim to disability benefits.
- (5) Should the insured die within one year after an accident for reasons not related to the accident or should he die for whatever reason more than one year after the accident and had a claim arisen for disability benefits in accordance with (1) above, benefits shall be paid in the measure of the degree of disability which would have been reasonably expectable on grounds of the medical examination conducted last.

## II. Temporary Impairment Benefits

Should an accident-induced impairment of the insured's normal physical or mental abilities of more than 50 per cent still persist six months after occurrence of the accident, without illness or ailments having contributed at least in part, and should such impairment have persisted up to such date without interruption, the temporary impairment benefit agreed in the policy shall become payable.

Reference is made to Section 9 VI. regarding the procedure for claiming such benefits.

## III. Death Benefits

Should the accident result in the insured's death within one year, a claim for payment of the sum insured in the event of death shall arise.

Reference is made to Section 9 VII. regarding the procedure for claiming such benefits.

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## Section 8: Limitation of Benefits

Should illness or ailments have contributed to an impairment of health or the consequences thereof caused by an accident, the benefits payable shall be reduced in the proportion of the contributing factor of such illness or ailments, provided such factor is at least 25 per cent.

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## Section 9: Duties and Obliegenheiten\* after Occurrence of an Accident

- I. After an accident presumed to result in a claim for benefits, the insured shall consult a doctor immediately and notify the insurer. The insured shall observe the doctor's instructions and shall also make every other effort to minimise the consequences of the accident.

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\* The term Obliegenheiten has no equivalent in English insurance law, where it would be considered under the labels of "failure of condition" and "breach of warranty"; cf Pfennigstorf, German Insurance Laws, 2nd Edition, Karlsruhe 1986, p 132, footnote 11. For the sake of simplification, this term has however been translated in the following as "obligations".

- II. The accident report submitted by the insurer shall be filled in truthfully and returned to the insurer immediately. Any and all pertinent information additionally required shall be provided without delay.
  - III. The insured shall make every effort to ensure that reports and examinations required by the insurer are submitted as soon as possible.
  - IV. The insured shall allow himself to be examined by doctors appointed by the insurer. The cost of such medical examination including any loss of income caused thereby shall be paid by the insurer.
  - V. Doctors who have treated or examined the insured also for other reasons, or other insurers, carriers of social insurance and authorities, shall be given authorisation by the insured to provide all the information required.
  - VI. The policyholder shall assert his claim to payment of temporary impairment benefits at the latest 7 months after occurrence of an accident, supporting such claim by submitting a doctor's certificate.
  - VII. Should an accident result in death of the insured, the insurer shall be notified hereof within 48 hours even if the accident itself has already been notified. Such notification of death shall be made by telegram. The insurer shall be given permission to have the body autopsied by a doctor appointed by him for such purpose.
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#### **Section 10: Consequences of a Breach of Duties and Obligations**

Should there be a breach of duties or obligations to be fulfilled by the insured after occurrence of an accident, the insurer shall be exempted from his duty to perform, unless such breach is attributable neither to malicious intent nor gross negligence. In the case of a grossly negligent breach of duties and obligations, the insurer shall remain liable insofar as such breach of duties had no influence both on the determination of the circumstances of the accident and the assessment of the benefits.

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#### **Section 11: Due Date for Payment of Benefits**

- I. As soon as the insurer has received the documents to be submitted by the policyholder for the purpose of proving the circumstances and consequences of the accident as well as completion of the treatment required for determining the disability suffered, the insurer shall declare within one month – in the case of claims for disability within three months – whether and to what extent he admits a claim.  
The insurer shall assume the following shares in doctors' fees payable by the policyholder for the purpose of substantiating his claim:
    - In the case of disability, up to 0.1 per cent of the sum insured;
    - in the case of transitional benefits, up to 1 per cent of the sum insured;
    - in the case of daily allowance, up to one day's allowance;
    - in the case of daily hospital allowance, up to one day's hospital daily allowance.
  - II. Should the insurer admit the claim or should the policyholder and insurer agree on the grounds for the claim and the amount payable, the insurer shall pay the amount agreed within two weeks.  
Prior to completion of curative treatment disability benefits may be claimed within one year after occurrence of an accident only if and to the extent that insurance has been taken out for the risk of death.
  - III. Has the insurer's obligation to perform only been provisionally determined for good cause, the insurer shall make appropriate interim payments at the request of the policyholder.
  - IV. The policyholder and insurer shall be entitled to have the degree of disability determined by a doctor annually, at the latest up to three years after the occurrence of an accident.  
To exercise this right, the insurer must so state jointly with the declaration made in accordance with I. above, and the policyholder must respond within one month after receipt of such declaration.  
Should the final assessment of disability result in higher disability benefits than the insurer has paid so far, such extra amount not paid shall be subject to payment with 5 per cent annual interest.
  - V. The policyholder is precluded from asserting claims denied by the insurer if he allows a period of six months as of receipt of the insurer's declaration to elapse without filing his claim in a court of law. Such period shall commence with the receipt of the final denial declaration from the insurer. The legal consequences of any failure to observe such deadline shall only take effect if the insurer in his final declaration draws attention to the need to assert any claims in a court of law.
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#### **Section 12: Legal Status of Persons Involved in the Policy**

- I. If the insurance has been taken out for accidents suffered by another person (third party insurance), the policyholder – and not the insured – shall be entitled to exercise the rights provided under the policy. The policyholder shall be responsible together with the insured for the due performance of duties and obligations.
- II. Any and all provisions applicable to the policyholder shall also be applicable accordingly to his successors-in-law and other claimants.
- III. Prior to becoming due, insurance claims may not be assigned or pledged without the consent of the insurer.

### Section 13: Notifications and Declarations

Any and all notices and declarations addressed to the insurer shall be submitted in writing and shall be sent to the insurer's main office or the address specified as responsible either in the policy or its endorsements. Agents and brokers shall not be authorised to take receipt of notices and declarations.

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### Section 14: Payment of Disability Annuities

- I. Should the disability benefits be payable as on annuity (Section 7 I.(1)), the following annual amounts shall be payable for each EUR 511.29 total capital claim. The age shall be calculated on the years of life of the claimant completed on the date of the accident.

| Age          | Annuity (EUR) payable each year for Men | for Women |
|--------------|---|-----------|
| 65           | 54.31                                   | 44.94     |
| 66           | 56.51                                   | 46.70     |
| 67           | 58.84                                   | 48.61     |
| 68           | 61.30                                   | 50.68     |
| 69           | 63.92                                   | 52.93     |
| 70           | 66.68                                   | 55.37     |
| 71           | 69.60                                   | 58.01     |
| 72           | 72.69                                   | 60.88     |
| 73           | 75.96                                   | 63.99     |
| 74           | 79.44                                   | 67.36     |
| 75 and above | 83.16                                   | 71.01     |

- II. Annuities shall be paid from the completion of treatment by a doctor and at the latest from the end of the year following an accident, until the end of the quarter in which the insured dies. Annuities shall be paid in advance on the first day of each quarter.
- III. Both the policyholder and insurer shall be entitled to demand an annual re-assessment of the annuities within three years after the annuities were first assessed.
- IV. The annual amounts specified in I. above may be changed also for insurances currently in force, subject to approval by the supervisory authority.
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### Section 15: Limitation Period and Time for Institution Proceedings

- I. The claims under this insurance contract shall become time-barred after two years. The limitation period shall begin at the end of the year in which the benefit may be demanded.  
If a claim on the part of the policyholder has been notified to the insurer, the limitation period shall be suspended up to the date on which the written decision of the insurer is received.
- II. Claims that are not accepted by the insurer shall be precluded if the policyholder has failed to take legal action to assert his claim within a period of six months after receipt of the insurer's declaration.  
The said period shall begin on the date of receipt of the final written declaration of the insurer. The legal consequences of failing to assert claims within the prescribed period shall only come into effect if the insurer has referred to the need to assert the claims by legal action in its declaration.
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### Section 16: Places of Jurisdiction

- I. The court having jurisdiction to hear arising from the insurance contract against the insurer shall depend on the legal seat of the insurer or its branch which is responsible for the insurance contract.  
If an insurance agent has assisted in the conclusion of the contract, the court of the town in which the insurance agent, at the time of the arrangement or conclusion of the policy, had his business office – or if it had no business office – his residence shall also have jurisdiction.
- II. Actions of the insurer against the policyholder may be brought before the court having jurisdiction for the residence of the policyholder. If the contract is a business insurance policy, the insurer may also assert its claims before the court having jurisdiction for the seat or branch of the business.
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### Section 17: Final Provision

Unless otherwise provided for in the Insurance Conditions, the statutory provisions shall apply. This shall apply in particular to the statutory provisions which are set out in the Appendix and which form part of the insurance contract in accordance with the Insurance Conditions.

# General Conditions of Insurance for Liability Insurance (AHB)

## **I. Coverage (Sections 1-4)**

### **§ 1 Insured item**

1. The insurer grants coverage to the insured person for the consequences mentioned hereinafter if a claim for damages is asserted against him by any third party as a consequence of any claim occurring during the term of the insurance resulting in the death, the injury or the health impairment of any person (injury to persons) or the damage to or destruction of property (property damage) on the basis of the legal liability provisions pursuant to private law.
2. Insurance cover comprises legal liability
  - a) based on the attributes, the legal relationship or the activities of the insured person stated in the insurance policy and its supplements (insured "risk");
  - b) based on additions to or extensions of the insured risk in so far as they do not refer to the holding or operation of aircraft, motor vehicles or watercraft (except for rowing boats).

In the case of additions to the assumed risk arising as a result of a modification of the existing legal rules or due to the issue of new legal rules, the following provisions shall be applicable:  
The insured person shall be entitled to terminate the insurance relationship subject to a month's notice. The right of termination shall become extinct if it is not exercised within one month after the insured person has received notice of the increased peril or if the state existing previous to the increase has been restored;
  - c) based on risks first arising for the insured person after having taken out the insurance, pursuant to Section 2 (insurance including future risks).
3. By express stipulation, insurance cover may be extended to legal liability for economic loss arisen neither due to an injury to persons nor due to any property damage, as well as on legal liability for lost or stolen objects. For the insurance of lost or stolen objects, the property damage provisions shall be applicable.

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### **§ 2 Insurance covering future risks**

For insurance covering future risks (Section 1 sub-clause 2c), the following special provisions shall be applicable in addition to the other terms of the contract:

1. Insurance cover shall commence immediately upon the occurrence of a new risk without a prior notice being required. Upon request of the insurer which may be effected in the form of an announcement printed on the premium notice, the insured person shall, however, be obliged to give notice of any newly occurring risk within one month after receipt of this request. If the insured person fails to give notice in due time or if an agreement on the premium for the new risk is not made within one month after receipt of the notification by the insurer, insurance cover for the corresponding risk will be discontinued with retroactive effect as of the occurrence date of the peril. If the event insured against occurs prior to the notice of the new risk being given, the insured person has to furnish proof of the fact that the new risk occurred only after the date of taking out the insurance and at a date on which the deadline for notification has not been expired.
2. Insurance cover is limited to the amount stated in the policy.
3. Insurance cover does not extend to the perils connected with
  - a) the possession or operation of railway, of theatres, cinemas and film companies, circuses and stands, as well as any kind of aircraft and watercraft (except for rowing boats) and the steering of such vehicles and hunting;
  - b) the production, processing, storage, transportation, use of and trade with explosives in as far as a special licence is required for this;
  - c) the operation or holding of motor vehicles.

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### **§ 3 Commencement and scope of insurance cover**

1. Subject to any other agreement, insurance cover commences upon redemption of the insurance policy by payment of the premium also including any potential public charges\* mentioned in the application. Except as otherwise provided, the first or non-recurrent premium will be due for payment immediately after conclusion of the insurance contract. If the first or non-recurrent premium is not paid for in due time, the insurer shall be entitled to withdraw from the contract as long as payment has not been effected. A withdrawal is deemed to have been effected if the claim has not been asserted by legal action within three months after the due date. If the premium has not been paid for at the occurrence date of the event insured, the insurer shall be exempt from its performance obligation. If the first premium is collected only after the date stipulated to be the commencement date of the insurance contract, but is then paid without any delay, insurance cover shall commence as of the agreed date.

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\* insurance tax

- II. 1. The insurer's performance obligation comprises the examination of the liability question, the rejection of unjustified claims and the refund of any compensatory payment which the insured person has to effect due to any acknowledgement made or authorised by the insurer or due to a settlement reached or authorised by him or due to any judicial decision. If the insurer's obligation to pay has been determined, the compensatory payment has to be effected within two weeks.
- If in any criminal proceeding because of a claim which may result in a liability claim covered by the insurance, the appointment of a defence counsel for the insured person is desired or authorised by the insurer, the costs in accordance with the official regulation for fees, or, where appropriate, the expressly agreed higher costs in connection with the defence counsel, shall be borne by the insurer.
- If the insured person has to provide security by virtue of law for an annuity due for payment from the occurrence of the event insured against, or if he is entitled to ward off the execution of any judicial decision by provision of security or deposit, the insurer shall be obliged to provide security or to deposit in lieu of the insured person.
2. In any claim, the sums insured mentioned in the insurance policy are the upper limit of the extent of liability assumed by the insurer.
- This shall also be applicable if insurance cover extends to several persons to compensate. Several claims coherent in time resulting from the same cause or several claims due to deliveries of the same defective goods are considered to be one claim.
- It may be agreed that in every claim the insured person assumes a certain part of the indemnification, to be fixed in the insurance policy, himself.
- Moreover, it may be agreed that the insurer restricts his overall performance for all claims occurring in one insurance year to several times the agreed amount insured.
3. If upon the occurrence of an event insured against, a lawsuit on the claim is conducted between the insured person and the claimant or his legal successor, the insurer shall conduct the lawsuit on behalf of the insured person at his own expense.
4. The insurer's expenditures for costs shall not be set off against the amount insured (however, refer to sub-clause 1).
- III. 1. If the legal liability claims exceed the amount insured, the insurer has to bear the costs of the lawsuit only in accordance with a value equal to the proportion of the amount insured to the total value of the claims, this actually applies even if several lawsuits resulting from one claim are concerned. In such cases, the insurer shall be entitled to rid himself of any further benefits by payment of the amount insured and his share in accordance with the sum insured of the costs incurred until then.
2. If the insured person has to effect annuity payments to the claimant and the present value of the annuity exceeds the amount insured or the residual amount of the sum insured after deduction of other potential benefits from the same insured event, the annuity to be paid will be refunded only at the ratio of the amount insured and/or its residual amount to the present value of the annuity. For this purpose, the present value of the annuity is determined on the basis of the General German Mortality Table for the years 1924 to 1926, male sex (Statistical Data of the German Reich Volume 401) issued by the Statistical Office of the German Reich and an interest rate of 4 % per annum.
3. If the settlement of a legal liability claim by acknowledgement, satisfaction or amicable arrangement required by the insurer fails due to the resistance of the insured person, the additional expenditure regarding principal claim, interest and costs incurring from the date of the refusal does not have to be borne by the insurer.

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#### § 4 Exclusions

- I. Except as otherwise provided in the insurance policy or its supplements, insurance cover does not include:
1. Legal liability claims, if they exceed the extent of the legal liability of the insured person due to contractual or special commitments.
  2. Claims to salary, pension rights, wage and other fixed remuneration, food supply, medical treatment in the case of obstruction of an official, rights to receive public social assistance (also refer to Sections 616, 617 BGB [German Civil Code]; 63 HGB [Commercial Code]; 39 and 42 Maritime Regulations and the corresponding provisions of the Trade Regulations, German National Insurance Code and the Bundessozialhilfegesetz [Act on federal public assistance for poor persons]) as well as claims from Riot Damage Acts.
  3. (invalid).
  4. Liability claims from damage resulting from the participation in horse-races, cycle races or motor vehicle races, boxing and wrestling matches and the preparation required for this (training).
  5. Liability claims from property damage caused by the gradual influences of temperature, gas, vapours or humidity, of precipitate (smoke, soot, dust, etc.) but also by effluents, dry rot, subsidence of property (also of plants or a part of any such plant erected on such property), by landslides, tremors due to ramming work, by flooding of lakes, rivers and canals as well as from damage to an agricultural area caused by grazing animals and from damage caused by deer.
  6. Liability claims because of a damage
    - a) to property of third parties which has been rented, taken on lease, borrowed or acquired by the insured person by way of unlawful interference with possession or which is the subject-matter of a special contract of deposit;

- b) caused to a third party (e.g. customer, supplier) due to a commercial activity or occupation of the insured person. On the other hand damages to the employer (personal injury or damage to property) which have been caused by the insured person on the job are insured as far as the insured person is responsible for those damages according to local law. The other exclusions of this policy also apply in terms of liability towards the employer.
7. Liability claims because of losses which are directly or indirectly connected with energy-rich ionised rays (e. g. alpha, beta and gamma rays emitted by radioactive substances, as well as neutrons or rays produced in particle accelerators) as well as with laser and maser beams.\*
8. Liability claims because of losses due to environmental influences on soil, air or water (including inshore waters) and any further losses resulting from this.  
This is not applicable
- a) under the personal liability insurance or
- b) if liability claims are lodged against the insured person because of losses due to an impairment of the environment caused by products manufactured or delivered by the insured person (also waste), by work processes or any other services after rendering of the services or completion of the work processes (product liability), unless they result from the planning, manufacture, delivery, assembly, disassembly, maintenance or repair of
- plants determined to produce, process, store, deposit, transport or draw out substances detrimental to inshore waters (WHG-plants);
  - plants in accordance with schedule 1 or 2 to the environmental liability Act (environmental liability Act plants);
  - plants subject to licence or obligation to inform pursuant to environmental protection provisions, unless they are WHG-plants or environmental liability Act plants;
  - waste water plants
- or parts apparently determined for such plants.
- II. The following claims remain excluded from insurance:
1. Insurance claims of all persons wilfully and knowingly causing any damage. In connection with the delivery or production of goods, products or works, the knowledge of the defectiveness or harmfulness of the goods etc. is tantamount to specific intent.
  2. Liability claims
    - a) from claims occurring to relatives of the insured person living together with the insured person in a common household or being insured together with him under the insurance contract;
    - b) between several persons insured under the same insurance contract;
    - c) by legal representatives of persons without or with limited legal capacity to contract;
    - d) by wholly and personally liable partners of commercial partnerships without legal capacity;
    - e) by legal representatives of juristic persons governed by private and public law as well as of unincorporated associations;
    - f) by liquidators.

The term 'relatives' comprises spouses, parents and children, adoptive parents and adopted children, parents-in-law and sons- and daughters-in-law, step-parents and -children, grandparents and grandchildren, brothers and sisters as well as foster parents and foster children (persons united, just like parents and children, in a relationship similar to a family, determined to last for a longer period of time).

The exclusions listed under b-f also apply to liability claims asserted by relatives of the persons mentioned under these sub-clauses if they live together with those persons in common households.
  3. Liability claims resulting from the fact that the insured person did not, within a reasonable period, eliminate circumstances implying a particular risk the elimination of which could be and actually had been equitably required by the insurer. Any circumstance resulting in a loss, without any further details, shall be deemed to imply a particular risk.
  4. Liability claims because of injuries to persons caused by the passing on of a disease by the insured person, as well as liability claims because of property damage caused by diseases of animals belonging to or kept or sold by the insured person, unless the insured person neither acted wilfully nor with gross negligence.
  5. Liability claims because of losses caused by works or goods produced or supplied by the insured person (or by third parties on his behalf or account) attributable to any reason resulting from the production or supply of these works or goods.
- II. Occurrence of the event insured against (Sections 5, 6)

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\* The compensation for any damage caused by nuclear energy is effected pursuant to the atomic energy Act. The operators of nuclear power plants are obliged to make provisions for sufficient cover and for this purpose take out liability insurance policies.

## § 5 **Incidental obligations of the insured party, procedure**

1. The occurrence of the event insured against under this contract is the claim which may cause liability claims against the insured party.
  2. The insurer (§ 14) has to be notified in writing of each occurrence of an insured event without delay, however, within one week at the latest.  
If preliminary proceedings are initiated or an order for summary punishment or a summary notice to pay is issued, the insurer has to be notified of this by the insured person without delay, even if he has already given notice of the occurrence of the event insured itself. If the aggrieved party asserts its claim against the insured party, the insured person shall be obliged to give notice of this within one week after the claim has been lodged.  
Furthermore, the insured party has to notify the insurer without delay, if a claim has been asserted against the insured party by court action, legal aid has been applied for or judicial third party notice has been given. The same applies in the case of civil arrest, provisional injunction or perpetuating evidence proceedings.
  3. The insured party shall be obliged to provide for the prevention or reduction of damage, as far as this is possible and as directed by the insurer and to take all measures conducive to the clarification of the claim, unless he is unreasonably requested to take inequitable measures. He has to support the insurer with regard to the warding off of losses and the investigation and settlement of losses. He has to provide the insurer with detailed and truthful reports of the losses, notify him of all facts and circumstances in connection with the claim, and send to him all written documents in the insurer's opinion substantial for the assessment of the claim.
  4. If legal proceedings are started on the liability claim, the insurer shall have the authority to conduct litigation, the insured party shall grant a power of attorney to the counsel appointed or designated by the insurer and provide him with any clarification deemed necessary by this counsel or the insurer. The insured party has to object within the specified time or take adequate legal remedy against default summons or official decisions to pay damages taken by public authorities without waiting for the insurer's instructions.
  5. The insured party shall not be entitled without the insurer's prior approval, to recognise or satisfy a liability claim in whole or in part or by way of settlement. Upon non-compliance, the insurer shall be exempt from his obligation to pay, unless it was not possible for the insured person, under the prevailing circumstances, to refuse satisfaction or recognition without obvious inequity.
  6. If the insured person, due to a change of circumstances, acquires the right to claim the cancellation or reduction of an annuity to be paid, he shall be obliged to have this right exercised on his behalf by the insurer. The provisions under sub-clauses 3 to 5 apply *mutatis mutandis*.
  7. The insurer is deemed to be authorised to make any statement on behalf of the insured party considered by him to be expedient to settle or defend the claim.
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## § 6 **Forfeiture of right**

In the case of a non-observance of an incidental obligation to be fulfilled with regard to the insurer pursuant to Section 5, the insurer shall be exempt from his obligation to pay, unless the non-observance has neither been caused by specific intent nor by gross negligence. In the case of gross negligence, the insurer's obligation to perform continues if the non-observance has neither influenced the ascertainment of the insured event nor the ascertainment or the extent of the insurer's obligation to perform. If this refers to the non-observance of incidental obligations for the purpose of preventing or reducing the damage, the insurer's obligation to perform shall continue in the case of a grossly negligent non-observance in so far as the extent of the damage would not have been smaller even if the incidental obligations had been duly fulfilled.

- III. The insurance relationship (Sections 7-15)
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## § 7 **Insurance for account of a third party, assignment of the insurance claim**

1. In so far as the insurance covers liability claims against persons other than the insured person himself, all provisions stipulated in the insurance contract with regard to the insured person shall apply *mutatis mutandis* for these persons as well. The insured party shall be exclusively entitled to exercise the rights from the insurance contract; the insured party, in addition to the insurer, remains responsible for the fulfilment of the incidental obligations.
2. Any claims against the insured person by the insured party itself or by the persons mentioned in Section 4 sub-clause II.2 as well as any mutual claims by the insured person shall be excluded from insurance.
3. The insurance claims cannot be assigned prior to their final determination without the insurer's express approval.

## § 8 Payment of premiums, regulation of premiums, alignment of premiums, return of premiums

- I. 1. Subject to any stipulation to the contrary, the regular current premiums payable after commencement of insurance cover (§ 3 sub-clause 1) have to be paid on the first day of each month during the corresponding period of payment of premiums, other premiums upon notification of the insured party, including any public charges\* .
2. If payment is not effected, the insured person has to be requested in writing, at his own expense, to pay within a period of two weeks, pointing out to him the consequences of persistent default.
3. If the insured person is in default of payment of the premium or the costs after the expiration of this deadline, the following shall be applicable:

Upon the occurrence of events insured after the expiration of this deadline, the insurer shall be exempt from his obligation to pay if this legal consequence has been pointed out to the insured party in the deadline notice.

The insurer shall be entitled to terminate the contract without notice. The termination may already be announced upon determination of the deadline for payment. In this case the termination shall be effective after the deadline if this has been mentioned in the letter containing the notice of termination. The termination will no longer be effective if the insured party effects payment within one month after the termination or, if the termination was connected with the determination of a deadline, within one month after the deadline for payment, unless the event insured has already occurred.

If the insurer does not terminate the contract, he has to observe a preclusive time limit of six months from the expiration of the two-weeks deadline for the assertion of the outstanding premiums and costs in court.

4. In the case of a part payment of the annual premium, the outstanding instalments of the annual premium will be due for payment as soon as the insured party is in default of payment of one instalment.
- II. 1. The insured party shall be obliged, after receipt of a request by the insurer which may also be effected by a printed information on the premium note, to inform the insurer whether or not any change has occurred with regard to the insured risk in comparison with the information provided for the purpose of assessing the premiums, and if so, which change this has been. This information has to be provided within one month after receipt of the written request. If requested by the insurer, the statements have to be proved by submission of the business records or any other supporting documents. Incorrect statements to the insurer's disadvantage authorise the insurer to impose a contractual penalty upon the insured party amounting to three times the determined premium difference, unless the latter furnishes proof of the fact that the incorrect information was provided through no fault of his own.
  2. Based on the change notice or other findings, the premium will be rectified as of the date the change occurred. It must, however, not be lower than the minimum premium in pursuance of the insurer's rate scale applicable at the time the insurance was effected. Any increases in or reductions of the minimum premium after the conclusion of the contract of insurance in accordance with Section 8 sub-clause III, will be taken into account. If a risk ceases to exist, any potentially reduced premium will be charged as of the receipt of the letter of notice.
  3. If the insured person fails to give notice of the change in due time, the insurer shall be entitled to claim, for the period for which the information should have been provided, instead of the premium adjustment (sub-clause II. 1), a sum to the amount of the premium already paid for this period as retrospectively payable premium. If the information is provided ex post facto, but still within two months after receipt of the request to effect subsequent payment, the insurer shall be obliged to refund any amount of the premium which may have been paid too much.
  4. The aforementioned provisions shall also be applicable to insurance policies taken out on the basis of premium advance payment for several years.
- III. 1. As of the 1st July of every year, an independent trustee ascertains by which percentage the average payments for losses effected during the past year by the insurers licensed to operate in the field of general liability insurance business, rose or decreased if compared to the figures of the previous year. The percentage ascertained by him is rounded down to the next lowest full number which can be divided by five.  
Loss payments shall also include the expenses for the ascertainment of losses specifically caused by individual claims and incurred to ascertain the insurance payments with regard to their cause and extent.  
The average of the loss payments effected during one calendar year is deemed to be the sum of the loss payments effected during the corresponding year divided by the number of newly reported claims during the same period.
  2. In the case of an increase, the insurer shall be entitled, in the case of a decrease he shall be obliged to adjust the annual premium for the following year by the percentage implied by sub-clause 1 paragraph 1 sentence 2 (premium adjustment).  
If the average of the insurer's loss payments during each of the past five calendar years increased by a lower percentage than the one determined by the trustee for these years pursuant to sub-clause 1 paragraph 1 sentence 1, the insurer shall only be entitled to increase the premium for the following year by the percentage by which the average of his loss payments increased during the past calendar year in accordance with his own business figures; this increase must not exceed the figure ascertained if the procedure described in the aforementioned paragraph was applied.
  3. If the change is lower than 5 percent pursuant to sub-clause 1 paragraph 1 or sub-clause 2 paragraph 2, no premium adjustment shall be effected. This change, however, has to be taken into account during the following years.

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\* insurance tax

4. The premium adjustment is applicable to the annual premiums for the following year due for payment from 1st July. The insured person shall be notified of this adjustment together with the premium note.
  5. If the annual premium for the following year is ascertained on the basis of wage, construction or turnover total, no premium adjustment shall be effected.
- IV. If the insurance relationship is terminated prior to the end of the term of the contract or if it is cancelled with retroactive effect after commencement of the insurance or if it is void from the beginning, the insurer shall be entitled to the premium or the general fee in compliance with the statutory provisions (e. g. Sections 40 and 68 VVG [Insurance Act]).
- If the insured person terminates the contract after the occurrence of the event insured, the insurer shall be entitled to the premium for the current insurance period. If the contract is terminated by the insurer, he shall only be entitled to that share of the premium corresponding to the expired insurance term. The same applies in the case of a termination by the insured person because of the adjustment of the premium for the following year (Section 9 sub-clause II. 1.).
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## **§ 9 Term of the contract, termination**

- I. The contract is first concluded for the period stipulated in the insurance policy. If this term has been one year or more, the failure to terminate the contract with legal effect causes a prolongation of the contract by one year in each case. The termination is deemed to be legally effective, if it is submitted in writing in each case three months prior to the end of the term of the contract at the latest; this should be effected by registered mail.
  - II. 1. If the insurer raises the premiums due to a premium adjustment pursuant to Section 8 sub-clause III. 2, without the extent of insurance cover being changed, the insured party shall be entitled to terminate the insurance relationship within one month after receipt of the insurer's notification with immediate effect, not earlier, however, than at the date of taking effect of the increase.
  2. Moreover, the insurance relationship may be terminated if the insurer has effected payment of damages due to the occurrence of an event insured or the liability claim has become pending before a court or the insurer refused to pay the compensation due.  
The right to termination which has to be effected in compliance with a deadline of one month on the insurer's part, with immediate effect or at the end of the current insurance period on the part of the insured person, will become extinct if it is not exercised at the latest within one month after payment has been effected, the lawsuit has been settled through voluntary discontinuance, acknowledgement or amicable arrangement or the decree has become legal and effective.
  3. An insurance relationship entered into for a period of more than five years, may be terminated to the end of the fifth year or each following year subject to a three months' notice.
- III. The termination shall only be deemed to have been effected in time if it is received by the other party to the contract within the stipulated period of time.
- IV. If insured risks completely and permanently cease to exist, the insurance expires with regard to these risks.
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## **§ 10 Barring of claims, deadline for filing suit**

1. The claims from this contract of insurance will have become statute-barred within two years. The statutory period of limitation shall commence with the end of the year in which satisfaction may be required.  
If a claim of the insured person has been registered with the insurer, the barring of the claim shall be suspended until the receipt of the insurer's written decision.
  2. If the insurer has rejected insurance cover, the insurance claim denied, under avoidance of disentitlement through commencement of legal proceedings, has to be asserted within a period of six months. The deadline shall commence on the date on which the rightful claimant is informed by registered mail in how far his claim to insurance cover has been denied, pointing out to him the legal consequences of a failure to observe the time-limit.
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## **§ 11 Preliminary contractual duties by the insured party to give notice**

- I. 1. Upon conclusion of the contract, the insured party has to notify the insurer of any and all circumstances known to him as substantial to the assumption of risk. Substantial are risks and circumstances suitable to influence the insurer's decision to conclude the contract in whole or in its agreed particulars. Any circumstance expressly and in writing asked about by the insurer shall be deemed to be substantial in case of doubt.
  2. If any substantial circumstance has not been given notice of, the insurer may withdraw the contract. The same applies if the insurer has not been notified of a substantial circumstance because the insured party, with intent to deceive, avoided knowledge of the circumstance.
  3. A withdrawal is not possible if the insurer knew about the circumstance not given notice of or if the failure to notify occurred without the insured party being at fault.
- II. 1. The insurer may, however, also withdraw the contract if he has been incorrectly notified of any substantial circumstance.

2. A withdrawal is excluded if the incorrectness was known to the insurer or the notification was effected incorrectly without the insured party being at fault.
  - III. If the insured person was to inform the insurer about any risks and circumstances on the basis of questions asked by the insurer in writing, the insurer may only withdraw the contract due to a failure to notify him of any circumstance not expressly asked about in the case of information being withheld with the intention to deceive.
  - IV. If the contract is concluded by an authorised representative or by a representative without power of attorney, the insurer's right to withdraw from the contract depends on the fact that the representative knew about the circumstance in question and acted with intent to deceive as well as the fact that the insured party knew about it and acted with intent to deceive. The insured person shall only be entitled to claim that the liability for the failure to comply with the requirement of notifying the insurer of any substantial circumstance or for the incorrectness of any information provided is not attributable to him, if the fault neither lies with himself nor with the representative.
  - V. 1. The withdrawal may only be effected within one month. The deadline shall commence on the day on which the insurer obtains knowledge of the insured party's failure to comply with the notification requirements.
    2. The withdrawal shall be effected by notification of the insured party. In the case of a withdrawal both parties shall be obliged to mutually refund all payments received, except for any provision to the contrary with regard to the premium under the Versicherungsvertragsgesetz [Insurance Act]; interest has to be paid on any sum of money as of the date of receipt.
  - VI. If the insurer withdraws the contract after the occurrence of the event insured, the obligation to perform shall continue, provided that the circumstance the insurer has not been notified of did not have any influence on the occurrence of the event insured and on the extent of the insurer's indemnification payments.
  - VII. The insurer's right to rescind the contract because of malicious deceit with regard to risks and circumstances shall remain unaffected.
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### § 12 Insured person's Revocation Right and Right to Oppose

1. In the case of a multiannual contract, the insured person has the statutory right of revocation, about which he must be informed. This revocation right does not exist, if and inasmuch as the insurer provides immediate insurance coverage, or if, according to the content of the insurance application, the insurance is intended for the already practised, commercial or independent profession of the insured person.

If instructions are not received, this revocation right shall expire one month after payment of the initial premium.
  2. Should the insurance terms valid for the contract or further consumer information decisive for the contractual subject-matter only be served with the insurance policy, instead of the revocation right specified under paragraph 1, the insured person has a statutory right of revocation, about which he must receive instructions.

Should these instructions not have been received or should the insured person not be in full possession of the insurance policy, insurance terms or consumer information, he can raise an objection within one year subsequent to payment of the initial premium.
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### § 13 Legal Venues

1. For actions which are commenced on the basis of the insurance contract against the insurer, legal competence is determined according to the corporate seat of the insurer or according to the branch office responsible for the insurance contract. If an insurance agent participated in concluding the contract, also competent is the court of the location where the insurance agent had his place of business at the time of negotiation or conclusion or – if this place of business does not exist – the location of his place of domicile.
  2. Any actions commenced by the insurer against the insured person may be filed with the court which is legally competent for the insured person's place of domicile. Insofar as a company insurance contract is concerned, the insurer can also put forward his claims to the court legally competent for the insured person's corporate seat or place of business.
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### § 14 Notifications and Declarations of Intent

1. All notifications and declarations addressed to the insurer must be submitted in written form and should be sent to the insurer's head office or to the appropriate branch office as specified in the insurance policy or its addenda. Representatives are not authorised to accept such notifications and declarations.
2. If the insured person has changed his address, but has however not given the insurer notice of the same, it is sufficient for a declaration of intent to be addressed to the insured person, to post a registered letter to the address which was last known to the insurer. The declaration shall become effective at that point in time, at which it would have been submitted to the insured person without a change of address in the case of regular conveyance.

## § 15 Adjustment of Terms

1. The insurer is entitled
  - in the event of laws on which the terms of the insurance contract are based,
  - in the case of alterations directly affecting the insurance contract, by the supreme court, by the administrative bodies of the Federal Supervisory Office for Insurance Companies or by the cartel authorities,
  - in the case of ineffectiveness of terms, as well as,
  - in order to avert an objection by cartel or supervisory authorities,to supplement or substitute single terms with effectiveness for existing contracts. The new terms should correspond as largely as possible to those substituted, within a legal and commercial context. They may not, considering any previous interpretation, be unreasonably prejudicial to the insurer in legal or commercial terms.
2. The insured person shall be informed and instructed in written form of the altered terms. They shall be considered approved if the insured person does not put forward an objection in writing, within one month of notification. He shall be especially instructed thereof during notification. Posting shall suffice for the observation of the time-limit. In the event of timely objection, the contracts shall continue under the original terms.
3. The insurer can alter the wording of the terms in order to avoid doubts as to interpretation, if such an adjustment is covered by the previous text of the terms and if such an adjustment observes the objective intent and interests of both parties. Procedure under paragraph 2 must be observed.



In case of medical emergencies please call:

**999**

Or if required to:

Accidents and Emergencies Unit  
Chelsea & Westminster Hospital  
369 Fulham Road, SW 10

**020 8746 8080**

To make an appointment to see a doctor call:

**020 7603 3332**

For any questions, please call FIE at:

**020 2591 7750**





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## INSURANCE ID-CARD

Policy #04120 0173

Name of insured Person

The bearer of this ID-card has effected a health, accident,  
and liability insurance whilst traveling abroad.

SITE  
Group of International  
Insurance Brokers

Obere Wilhelmstr. 29  
53225 Bonn  
Germany

Tel: +49 228 400 62-0  
Fax: +49 228 400 62-22  
E-Mail: [germany@site-insurance.com](mailto:germany@site-insurance.com)  
Internet: [www.site-insurance.com](http://www.site-insurance.com)