

LLOYD'S UNDERWRITERS

GENERAL CONDITIONS OF INSURANCE (AVB) FOR ALL RISKS INSURANCE

1 SCOPE OF THE INSURANCE

- 1.1. The items described in the policy or certificate schedule are insured for the insurance period specified therein and up to the amount of the sums insured indicated therein, against loss or damage from any cause, subject to the exclusions listed below. The insurance is valid in Switzerland and in the principality of Liechtenstein, equally whilst travelling and when staying temporarily within the territorial limits specified in the schedule.
- 1.2. If individual sums insured are specified for articles individually named in the schedule or in one of the lists attached to the policy/certificate, then these shall be deemed, pursuant to Art. 65 of the Insurance Contract Act (VVG), to be agreed values.
- 1.3. Should any sum insured as stated in the schedule for articles which are not individually named fail to be, at the time of a claim, sufficient to cover the replacement value of all these articles (under-insurance), then pursuant to Art. 69 of the Insurance Contract Act, the rightful claimant shall only be reimbursed for the claim in proportion to the ratio which exists between the sum insured and the indicated replacement value of all of these articles.
- 1.4. In case of loss or damage to the personal effects specified in the schedule away from the private house or apartment of the policyholder however, the value of his personal effects which were located in the house or in the apartment at the time of the claim will not be taken into account for the purposes of ascertaining any under-insurance.
- 1.5. If insured articles consist of a pair or of a unit made up of parts, then the insurance shall only cover the value of the parts affected by a loss, irrespective of the special value which such articles might have as part of a pair or unit and only up to the pro rata amount of the insurance value of the corresponding pair or unit.

2 INSURANCE SHALL NOT BE AFFORDED FOR

2.1 In general

- 1 Loss and damage caused by mites or pests of any kind or gradual deterioration.
- 2 Loss and damage caused by use and wear and tear or as the result of electrical or mechanical breakdown; loss or damage resulting from the use, wear and tear or mechanical breakdown of a clip, bezel or other attachment, or of a strap or case, is not excluded.
- 3 Damage or deterioration of an item directly caused by dye or dyeing, cleaning, repairs or renovation.
- 4 Loss of cash, coins and bank notes.
- 5 Loss and damage of any kind, where the policyholder refuses, upon request of the insurers, to notify the police immediately of this and to request an official inquiry.

- 6 Loss or damage which arises when the insured items have been handed over to a third party for transport or when moving home.
- 7 Loss or damage caused by climatic or atmospheric effects or by extreme temperatures, unless the claim concerned is to be covered in the same way as a normal fire risk.

2.2. Additionally, in the case of jewellery and watches

- 1 Loss of or damage to jewellery or watches whilst they are on the premises of hotels or motels, unless the aforesaid items are either worn by the policyholder or kept in the locked main hotel or motel safe.
- 2 glass breakage, over winding or denting of or internal damage to watches and clocks of all kinds.
- 3 loss of jewellery from the policyholder's luggage, unless this is carried by hand by the policyholder and is under his personal supervision.

2.3. Additionally in the case of musical instruments

- 1 Theft and loss from road vehicles of all kinds which either belong to the insured or are in his custody or that of his employees, agents or representatives, where such vehicles are not kept in a garage and monitored.
- 2 Damage consisting in the breakage of strings and drumheads and in the breakage of pipes.

To the extent that this is stated in the policy or certificate schedule and in return for the payment of an additional premium, the following shall apply:

Musical instruments which are left in locked vehicles are deemed to be insured. In the case of vehicles with a separate boot, the insured item must be put in the separate boot. In the case of "combination vehicles", it must where possible be stowed away in such a way that it is not visible.

3 GENERAL PROVISIONS

3.1. Inception and term of the insurance

- 1 The inception and expiry date are as stated in the policy or certificate.
- 2 If the contract is not cancelled in writing 3 months before expiry, it shall be tacitly renewed for a further year.
- 3 If the contract was concluded for a period of less than 12 months or for one year, the insurance shall lapse on the stated date.

3.2. Moving home

The policyholder is obliged to notify the insurers within 30 days of the fact that he is moving home. The insurers are entitled to adjust the premium to reflect the new circumstances.

3.3 Change to the risk

- 1 If as the result of the change in relevant facts relating to the risks during the course of the insurance there is an increase in the risk, then the insurers must be informed of this immediately **in writing**.
- 2 If there is a substantial increase in the risk and the policyholder has contributed to this, the insurers shall be exempted thereafter from their obligation to indemnify (Art. 28 par. 1 VVG). They may moreover on learning of the increase in the risk cancel the contract with immediate effect.
- 3 If there is a substantial increase in the risk which the policyholder has not contributed to, the insurers shall still be exempted from their obligation to indemnify and may moreover cancel the

contract with immediate effect if the policyholder has failed to notify the insurers immediately **in writing** of the increase in the risk which he is aware of. The insurers may cancel the contract on account of an increase in the risk, even if the policyholder has not breached this obligation to disclose. In this case the insurers' liability shall cease once a period of 14 days has expired after the date on which they gave the policyholder notice of cancellation.

- 4 If the contract is subject to premature cancellation as the result of an increase in the risk or if it is continued in case of a reduced risk, then the portion of premium relating to the period of unexpired risk will be reimbursed proportionally.

3.4 Change of ownership

If the subject matter of the contract of insurance changes owner, then the part of the contract relating thereto shall cease as of the date of the change of ownership.

3.5 Obligations in the event of a claim

The policyholder is under the following obligations and, in case of the **inexcusable** breach of these obligations, he shall have no claim to reimbursement:

- 1 to provide the insurers with immediate notification of any claim;
- 2 to provide the insurers in writing with full information on the cause, amount and particulars of the claim, permit them to make any investigation which might prove to be useful, and to issue the authorisations required for this, and to cooperate with them and with the police;
- 3 to take all possible measures to minimise the loss or damage and recover the insured items, and to follow the instructions given by the insurers to this effect;
- 4 not to remove any traces or tracks, where this might render difficult the identification of the cause of the loss or damage and the determination of the amount of the claim;
- 5 theft or robbery must, in addition to the notification of the claim, be reported to the police immediately and the insurers must be immediately informed if missing items are recovered or if information is received on their whereabouts.

3.6 Fraudulent claims

If the policyholder or rightful claimant makes a claim for indemnity knowing that the claim is, either with regard to the amount of the claim or in some other way, false or fraudulent, then the insurers shall be exempted from any further obligation to indemnify the rightful claimant under this insurance.

3.7 Payment of the indemnity

- 1 In case of a loss, the insurers shall be entitled at their option to either reimburse lost articles in full or in part or to pay a cash indemnity for this that does not exceed the corresponding sum insured.
- 2 The place of performance is deemed to be the place of residence of the policyholder or rightful claimant. Claims shall fall due for payment 4 weeks after the insurers have received information based on which they were able to convince themselves of the validity of the claim (pursuant to Article 41 of the VVG).
- 3 The due date for the payment of indemnities shall notably not come about for as long as
 - there are doubts concerning the entitlement of the rightful claimant to receive the payment;
 - a police or criminal investigation is being conducted into the claim and the proceedings against the policyholder or rightful claimant have not been brought to a conclusion.
- 4 Should the policyholder subsequently recover items for which he has received an indemnity, then he must at his option pay back the indemnity, after deducting any loss of value, or hand over the recovered article to the insurers.

3.8 Notice of cancellation in the event of a claim

Either party may cancel the contract following the occurrence of an indemnifiable claim.

- The insurers must give notice of cancellation no later than the date of payment of the indemnity; liability shall cease once 14 days have expired following receipt by the policyholder of the notice of cancellation. The policyholder will be refunded with the portion of premium relating to the period of unexpired risk.
- The policyholder must give notice of cancellation no later than 14 days after he has learned of the fact that indemnity will be paid; liability shall cease on receipt of the notice of cancellation. In the case of a total loss the insurers shall be entitled to retain the premium. In the case of a partial loss, the policyholder will be refunded with the portion of premium relating to the period of unexpired risk, provided the policy was in force for at least one year.

3.9 Change to the premium rates

If there is a change to the premiums or to the rules governing excesses, we may demand the adaptation of the contract. We shall inform you of the change no later than 25 days before the expiry of the insurance year. If you do not agree to the change, then you may cancel either the part of the contract affected by this or the entire contract. Your cancellation shall take effect on condition that it is received no later than the final day of the insurance year.

3.10 Statute of limitations/forfeiture

Claims arising under the insurance shall be time-barred 2 years after the occurrence of the fact which accounts for the obligation to indemnify. Claims for indemnity which are refused and which are not judicially enforced within 2 years of the occurrence of the claim shall lapse.

3.11 Breach of regulations, duties, and obligations

The insurer shall be entitled to reduce the indemnity by the amount by which the occurrence and extent of the loss or damage was influenced by the negligent breach of:

- obligations of diligence;
- contractual or statutory provisions;
- obligations.

3.12 Other provisions

The General Conditions NMA 2242A-3 shall apply in addition to these conditions.

PRECONTRACTUAL INFORMATION

FOR ALL RISKS INSURANCE

- A. The insurers, as well as the contracting party of the policyholder (hereinafter referred to as: "policyholder"), are the participating Lloyd's Underwriters jointly referred to as Lloyd's of London (hereinafter referred to as: "insurers"), with as their registered office respectively address as follows, and with the following legal form:

Lloyd's	Lloyd's Underwriters, London	Head office in: London / Great Britain
One Lime Street	Swiss Branch	Legal form: Association of
London EC3M 7HA	Seefeldstrasse 7	individual insurers
Great Britain	8008 Zürich	
	Switzerland	

- B. The insurance contract has been entered into with the cooperation of Lloyd's brokers. These are insurance intermediaries within the meaning of Swiss legislation who are not tied to a particular insurer (i.e. they are independent).
- C. Swiss law shall apply to this insurance contract. The proposal, the quote respectively the insurance policy, the conditions of the contract and the applicable legislation, notably the partially amended version of 17 December 2004 of the Swiss Federal Insurance Contract Act of 2 April 1908 (VVG), shall form the basis of this insurance contract.
- D. The insured risks and the scope of the insurance coverage shall be as shown in the proposal, the quote respectively the policy, as well as the General Conditions of Insurance (AVB) for all risks insurance. The General Conditions (NMA 2242A-3) shall apply in addition to these conditions, notably as far as concerns the duties of the policyholder. Separate information will be provided on these General Conditions (NMA 2242A-3) prior to the contract being entered into. The policyholder is therefore expressly asked and urged to read through the following information carefully.
- E. The amount of the premium will depend on the risks insured under the insurance contract and on the desired scope of the insurance coverage. For further details on the premium and any charges, please refer to the proposal, the quote respectively the policy. If the contract is cancelled before the expiry of a fixed insurance period agreed upon by the contracting parties, the insurers shall be under an obligation to reimburse the share of the premium which corresponds to the period of unexpired risk. There shall be no reimbursement of premium however if (1) the insurers have paid out the insurance benefit as the result of the cessation of the risk or if (2) the insurers have paid out the insurance benefit for partial loss or damage and the policyholder cancels the contract during the first year of the same.
- F. The insurance contract shall incept on the date indicated in the proposal, in the quote respectively in the policy. The insurance contract is concluded for the duration specified in this proposal or in the quote. Insurance contracts with a fixed term and with no renewal clause terminate by implication on the date stipulated in the proposal, in the quote respectively in the policy. The *policyholder* may furthermore terminate the insurance contract by giving notice within the period for giving notice agreed upon in the policy. If the contract is not cancelled, it shall be tacitly renewed pursuant to the agreed renewal clause in each case for a further year. The policyholder may give notice furthermore after every insured event for which benefit is payable, and this no later than 14 days after becoming aware of the payment of the benefit by the insurers. The *insurers* may terminate the contract by giving notice within the period for giving notice agreed upon in the policy. The insurers may cancel the contract after every insured event for which benefit is payable by them, provided notice of cancellation is given no later than the date on which the benefit to be paid by the insurers is paid. The contract may be cancelled furthermore by the

insurers if at the time of the conclusion of the insurance the policyholder failed to disclose relevant facts relating to the risks or misinformed the insurers about such risks; the right of cancellation shall cease to exist 4 weeks after learning of the breach of the duty of disclosure. The insurers may rescind and thereby terminate the insurance contract if the policyholder is in arrears with the payment of the premium, has been sent a reminder, and if the insurers have waived their right to claim the premium. The insurers may withdraw if despite a final deadline being fixed in writing, the policyholder fails to discharge his obligation to cooperate with the investigation into the facts and circumstances or in case the policyholder acts fraudulently in substantiating his claim.

The list of possible circumstances in which the contract may be terminated is not conclusive. Further termination possibilities may be inferred from the conditions of the contract, and from the statutory provisions of the VVG.

- G. In connection with the processing of the insurance contract, two data files will be set up by Lloyd's (client data and claims data). The client data shall serve to document whether insurance exists at Lloyd's. The claims data shall be used for claims handling. The data recipients are the respective Lloyd's brokers and the insurers, and possibly additionally in the event of a claim the loss adjusters office appointed by the insurers, and where necessary the Swiss Lloyd's UVG Claims Office. The data may be passed on to other third parties only with the consent of the party concerned or by virtue of a law. The data shall be preserved in part electronically and in part on paper, and shall be destroyed after ten years.

The policyholder shall give his consent and thereby expressly authorise the insurers to process the data pursuant to the above which is necessary for checking the proposal, processing the contract, or for claims settlement purposes.

To the extent that a broker or intermediary acts on behalf of the policyholder, the insurers shall be authorised to disclose client data to the former, such as for example data on the processing of the contract, premium collections, and claim developments. The above consent respectively authorisation applies irrespective of how the contract came into being. The policyholder shall be entitled to request from the insurers and their general representatives such information on the processing of data concerning them as is provided for by law. Consent to the data processing may be withdrawn at any time.

- H. N.B.: The relevant wording is solely and exclusively the text of the contractual provisions. This Precontractual Information does not form part of the contract.