

General Terms and Conditions (GTC) of Motor Vehicle Insurance

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Valid from January 2012

C Third party liability insurance

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Scope of the insurance

C 1 Insured vehicles and persons

Each vehicle indicated in the policy as an insured vehicle along with its registered keeper, driver and auxiliary agents. Vehicles that are being towed or pushed are also insured.

C 2 Insured events

- 2.1 The insurance covers damages claims brought against insured persons in accordance with the law on third party liability in relation to the injuring or killing of other persons (personal injury) and/or the damaging or destruction of property (damage to property), in the following situations: by the operation of the vehicle, in traffic accidents caused by a vehicle that is not in operation, when providing assistance after accidents involving the vehicle, when moving into or out of the vehicle, during opening and closing of movable vehicle parts and when attaching or detaching a trailer or vehicle.
- 2.2 If any unforeseen insured damage is impending, the company shall also bear the costs occasioned by reasonable action to avert this danger (costs of loss prevention).

C 3 Benefits

- 3.1 The company shall pay out justified claims and defend against any unsubstantiated claims.
- 3.2 The benefits for each insured event are limited to the insured amount stated in the policy, unless the company is obliged under Swiss or Liechtenstein law or any international convention on insurance to make a higher insurance payment.
- 3.3 The benefits per insured event are in addition limited as follows:
 - a) for damage caused by fire or explosion and the costs of loss prevention, to CHF 10 million;
 - b) for damage caused by nuclear energy, to the statutory minimum insured amount;
- 3.4 Interest on claims, lawyers' fees and court costs are included in the insured amount.

Exclusions

C 4 No insurance protection

No claims may be made:

- 4.1 by the registered keeper; however, he is insured for claims relating to personal injury suffered as a passenger;
- 4.2 by the spouse and/or registered partner (according to the Swiss Federal Act on Registered Partnerships) the registered keeper, direct linear ascendants or descendants of the registered keeper and any of his siblings living in the same household, in respect of damage to property;
- 4.3 by persons who have misappropriated the vehicle or for whom the misappropriation was apparent;
- 4.4 for damage to the insured vehicle and trailers and for damage to items placed in or conveyed on such vehicles. This shall not apply to items personally carried by the injured party, such as luggage and the like;
- 4.5 for accidents during races, rallies or similar high-speed competitions in addition to any driving on race tracks, racing circuits, or on roads used for such purposes, along with participation in training driving or off-road competitions or for sports driving instruction. However, insurance cover shall be available if the organiser failed to obtain the insurance prescribed by law. insurance cover shall be available abroad if the claim made by the injured party falls under Swiss or Liechtenstein law.

C 5 Limitations

The insurance does not cover third party liability claims (i.e. injured parties may make claims, although they will be rejected):

- 5.1 in relation to journeys made without official approval, where a requirement of approval applied on road safety grounds;
- 5.2 by drivers who do not hold the driving licence prescribed by law or who are not accompanied as required by law, and in addition by persons to whom this deficiency was apparent;
- 5.3 by persons who have misappropriated the vehicle and drivers to whom the misappropriation was apparent (joyrides);
- 5.4 made in relation to the conveyance of hazardous goods in accordance with Swiss and Liechtenstein road traffic law, unless agreed to in the policy.
- 5.5 made in relation to the usage of passenger cars as taxis or hire vehicles, unless agreed to in the policy.

Insured event

C 6 Principle

Negotiations with the injured party shall be conducted by the company on behalf of or as a representative of the policyholder. If civil litigation results, the policyholder shall allow the company to conduct it. Policyholders must not acknowledge any compensation claims to injured parties or assign any claims under this contract. The settlement reached by the company shall be binding for the policyholder.

C 7 Excesses

- 7.1 The policyholder shall bear the excess specified in the contract in relation to each payout of compensation.
- 7.2 The excess shall be determined with reference to the time when the insured event occurred.
- 7.3 The excess agreed to shall not apply:
- a) if the company is required to pay compensation notwithstanding the absence of fault on the part of a policyholder (strict liability);
 - b) in relation to joyrides, provided that the registered keeper was not at fault for the misappropriation of the vehicle;
 - c) during driving instruction by a licensed instructor and the official driving test.

- 7.4 If the company had paid out compensation direct to the injured party, the policyholder must pay back the amount up to the level of the agreed excess. If the company does not receive the excess within 4 weeks of the payment request, it shall instruct the policyholder to make payment within 14 days. If the reminder is not acted upon, the policy shall cease to have effect; the excess shall still be owed.

C 8 Right of recourse

The company may claim back from the policyholder all or part of any benefits paid out if entitled to do so by law or under contract, and also if compensation is payable under the terms of an international agreement (e.g. convention on the international insurance card) or foreign legislation on third party liability after the insurance has already expired.

If the policy is valid and repayment is not received by the company within 4 weeks of the payment request, it shall instruct the policyholder to make payment within 14 days. If the reminder is not acted upon, the policy shall cease to have effect.