

Content

Title :	Model Provisions for Group Personal Injury Insurance Policies Ch
Date :	1998.09.28
Legislative :	<ol style="list-style-type: none">1. Full 30 articles adopted and issued 19 February 1997 per Letter No. (86)-Taiwan-Finance-Insurance-862392108 of the Ministry of Finance; for implementation from 1 July 19972. Article 17 amended and issued 17 July 1997 per Letter No. (86)-Taiwan-Finance-Insurance-862397215 of the Ministry of Finance3. Articles 19 and 20 amended and issued 7 August 1998 per Letter No. (87)-Taiwan-Finance-Insurance-872440208 of the Ministry of Finance4. Article 25 amended and issued 28 September 1998 per Letter No. (87)-Taiwan-Finance-Insurance-871866181 of the Ministry of Finance
Content :	<p>Article 1</p> <p>These policy provisions and the attached proposal, roster of insureds, endorsements, and other agreements are all constituent parts of this insurance contract ("this contract").</p> <p>Interpretation of this contract shall seek the true intent of the parties involved, and may not adhere blindly to the language employed. Where there is doubt, the interpretation favoring the insured shall be adopted.</p> <p>Article 2</p> <p>For the purposes of this contract, "proposer" means the entity proposing the insurance policy.</p> <p>For the purposes of this contract, "insured" means a person named in the roster of insureds attached to this contract.</p> <p>For the purposes of this contract, "group" means any of the following groups, composed of five or more persons and organized for purposes other than buying insurance:</p> <ol style="list-style-type: none">1. A group of employees with a regular employer.2. A group composed of members of a lawfully established cooperative, association, trade union, federation, or alliance in academia, farming, manufacturing, commerce, fishery, forestry, or animal husbandry.3. A group of creditors or debtors.4. A group composed of members of a central or local government agency or of elected representatives.5. Any group other than the above that has the status of a juristic person. <p>Article 3</p> <p>The policy period under this contract shall start from 12 o'clock midnight on the inception date of the period given in the policy until 12 o'clock midnight of its termination date, provided that a contractual agreement providing otherwise shall govern.</p> <p>Article 4</p> <p>This company shall issue to each insured an insurance certificate or insurance handbook, specifying the insured's name, policy number, coverage,</p>

policy period, insured amount, and the contact phone number of this company.

Article 5

If, during the effective term of this contract, an insured suffers an accidental injury event that leads to disablement or death, policy proceeds will be paid pursuant to the stipulations of this contract.

The term "accidental injury event" in the preceding paragraph refers to an extraneous sudden event that does not stem from illness.

Article 6

When, during the effective term of this contract, an insured suffers an accident as stipulated under Article 5 and dies within 180 days of the date of the event's occurrence, this company will pay death proceeds in the insured amount.

Article 7

When, during the effective term of this contract, an insured suffers an accident as stipulated under Article 5, such that one of the 28 types of disablement in the attached schedule results within 180 days of the date of the event's occurrence, this company will pay an amount of disablement proceeds calculated according to the benefit ratios set out in said schedule.

When, as a result of a single accident, an insured suffers two or more of the types of disablement set out in the attached schedule, the insured amount shall constitute the maximum disablement proceeds payable by this company for all such disabilities combined. However, when different types of disablement occur in the same arm or leg, disablement proceeds will be paid for only one type, and if the different types of disablement are categorized under different disablement tiers, disablement proceeds will be paid for the more severe type.

If the disablement suffered as a result of the instant accident, when combined with a previous disablement (including disablement existing prior to the establishment of this contract), entitles an insured to claim for disablement proceeds for a more severe level of disablement set out in the attached schedule, this company will pay disablement proceeds for the more severe disablement, provided that disablement proceeds will be deemed to have been paid for the previous disablement and shall be deducted.

Article 8

The combined total for all disablement proceeds or death proceeds for an insured payable under this contract shall in either case be limited to the insured amount of such insured.

Article 9

The total premiums contemplated under this contract are calculated by multiplying the average premium rate by the aggregate insured amount; provided, however, that where during the effective term of this contract any increase or decrease in an insured amount results in an increase or decrease in total premiums, the difference shall be supplemented by the

proposer or refunded by this company.

The term "average premium rate" under the preceding paragraph is calculated by taking the combined sum of premiums (as calculated at the time when this contract is established or renewed based on the degree of peril presented by the proposer and on the occupation, occupational duties, and insured amount of each insured) and dividing it by the sum of the insured amounts of all insureds.

Article 10

Where premiums are paid by installment, the second and subsequent installments shall be paid to this company at its place of business or another specified location, by the method and by the date set out in this contract, or the premium will be collected by a representative dispatched by this company, who will deliver a receipt issued by this company. With the second and subsequent installments, when insurance premiums are not paid by the due date, for annual or semi-annual premiums a grace period of 30 days will be granted, beginning from the day after arrival of the notice of payment due; for monthly or quarterly premiums a grace period of 30 days will be granted, beginning from the day after the due date specified in the policy.

Where this contract stipulates payment of the second and subsequent installments by account transfer from a financial institution or other method and this company learns it has not yet received payment as required under this paragraph, this company shall issue the proposer a notice of payment due, with a grace period to be determined as required under the preceding paragraph.

When an insurance premium remains unpaid after the grace period has elapsed, this contract will be suspended from the day following the lapse of the grace period. If an insured peril occurs during the grace period, this company still bears insurance liability, provided that the premiums due under this contract with respect to such insured shall be deducted from the policy proceeds payable.

Article 11

When entering into this contract, the proposer shall make truthful representations in response to this company's written inquiries in the proposal regarding notifications. If there is any deliberate concealment, negligent nondisclosure, or misrepresentation sufficient to alter or diminish this company's assessment of the risk, this company may rescind this contract; the same shall also apply after occurrence of an insured peril, provided that the above shall not apply where the occurrence of the insured peril was not based upon any representation or lack thereof by the proposer.

The right to rescind under the preceding paragraph will be extinguished if not exercised within one month of the time this company becomes aware of the cause for rescission.

Article 12

Where the proposer intends to enroll a new staff member in insurance as a result of alteration in employment, it shall file an application through a

written notice to this company; the new enrollment will take effect as from 12 o'clock midnight on the day following the receipt of the notice, or, where a later date is given in the notice as the policy inception date, as from 12 o'clock midnight on such policy inception date.

Where the proposer intends to surrender the policy for or on behalf of a staff member as a result of termination of employment, retirement, or otherwise, it shall issue a written notice to this company; the insured status of such staff member ends as from 12 o'clock midnight on the day following the receipt of the notice, or, where a later date is given in the notice as the surrender date, as from 12 midnight o'clock on such surrender date, upon which the effect of this insurance is terminated.

Article 13

Where the number of insureds covered by this contract is less than _____ persons, or less than _____ percent of the number of persons eligible to participate in this insurance, this company may terminate this contract and refund any unearned premiums on a pro rata daily basis.

The effect of this insurance contract will be terminated as from 12 o'clock midnight on the day following the receipt of notice. If an insured event occurs prior to such termination, this company is still liable for payment of policy proceeds.

Article 14

The proposer or a relevant insured shall promptly notify this company in writing of any change in the insured's occupation or occupational duties. When the occupation or occupational duties to which the insured switches entails lower risk under this company's occupational classification scheme, this company, after receiving notification, shall return the unearned premiums for the portion of a given period starting from the date of the change of occupation or occupational duties, based on the proportional difference between the occupational classes.

When the occupation or occupational duties to which the insured switches entails increased risk under this company's occupational classification scheme, this company, after receiving notification, will additionally collect premiums from the insured for the portion after the date of the change of occupation or occupational duties based on the proportional difference between the occupational classes, provided that when, under this company's occupational classification scheme, a change of the insured's occupation or occupational duties places such insured in a class under which this company would decline coverage, this company may terminate this contract upon receipt of notification, and refund any unearned premiums on a pro rata daily basis.

Article 15

Where this company terminates this contract for any of the reasons set forth under Article 13 or 14, or where after the elapse of six months since participation in this contract an insured loses eligibility to be an insured under this contract, such insured may, within 30 days from the date on which this contract is terminated or on which he loses eligibility, without producing any certificates proving his or her health, take out

personal injury insurance in an insured amount not exceeding the insured amount of such insured under this contract. This company will underwrite the business based on the insured's occupational class at the time of policy replacement; provided, however, that where the insured's occupation falls under a class for which this company would decline coverage, this company may reject the business.

Article 16

The proposer shall maintain a record of each insured's personal information, such as name, gender, age, birth date, identity document number, policy termination date, and any other particulars relevant to this contract.

The proposer shall provide the above information as required by this company.

Article 17

When, during the effective term of this contract, an insured suffers an accident as stipulated under Article 5, the proposer, the insured, or the beneficiary shall report the particulars of the event and the degree of the insured's injury to this company within 10 days of becoming aware of such event.

Application to this company for policy proceeds shall be made as quickly as possible after the report, with required documents attached.

This company shall make payment within 15 days after receiving all documents referred to in the preceding paragraph. If payment is not made within that period, this company shall add interest payments at a rate of 10 percent per annum, provided that this company need not pay interest when the reason for the delay can be attributed to the proposer or the beneficiary.

Article 18

Where an insured disappears during the effective term of this contract as a result of an accident as stipulated under Article 5 and has not yet been found after a full year has passed from the date of disappearance given in the insured's household registration information, or where the proposer or a beneficiary is able to submit documentation sufficient to conclude that the insured most likely died in an accidental injury event as stipulated in this contract, this company will provisionally pay death proceeds in accordance with the provisions of Article 7, provided that if the insured is found thereafter to have survived, the beneficiary(ies) shall within one month return to this company any death proceeds already collected.

Article 19

A beneficiary applying for death proceeds shall attach the following documents:

1. An application for policy proceeds.
2. An autopsy report or death certificate, provided that when necessary this company may require submission of documentary proof of accident.
3. A household registration certificate from which the insured's name has been crossed out.

4. Proof of the beneficiary's identity.

Article 20

A beneficiary applying for disablement proceeds shall attach the following documents:

1. An application for policy proceeds.
2. A disablement diagnosis, provided that when necessary this company may require submission of documentary proof of accident.
3. Proof of the beneficiary's identity.

This company may require the insured to undergo a physical examination when a beneficiary applies for disablement proceeds, fees for which shall be borne by this company.

Article 21

When an insured suffers death, disablement, or injury as a direct result of one of the following causes, this company shall not bear liability for payment of policy proceeds:

1. A deliberate act of a beneficiary, provided that other beneficiaries may still apply for full policy proceeds.
2. A deliberate act of the proposer or an insured.
3. A criminal act committed by an insured.
4. Driving (or riding) by an insured of a motor vehicle following the ingestion of alcohol, where his breath or blood alcohol content exceeds the permissible standard set by traffic laws or regulations.
5. War (whether declared or not), civil disorder, or another similar form of armed conflict, provided that this provision shall not apply where a contractual agreement provides otherwise.
6. Explosion, searing heat, radiation, or contamination caused by an atomic or nuclear energy device, provided that this provision shall not apply where a contractual agreement provides otherwise.

When either of the circumstances under subparagraphs 1 and 2 of the preceding paragraph (excepting a deliberate act of the insured) causes injury resulting in disablement to an insured, this company will still pay disablement proceeds.

Article 22

Except where otherwise stipulated in this contract, when death, disablement, or injury occurs to an insured in a period during which the insured is engaged in any of the following activities, this company shall not bear liability for payment of policy proceeds:

1. The insured participates in a competition or performance that involves a contest of strength, wrestling, judo, karate, taekwondo, equestrian skill, boxing, or stunt performance.
2. The insured participates in an automobile, motorcycle, or bicycle race or performance.

Article 23

The formula for calculating experience dividends under this contract is provided in an attachment (omitted).

Article 24

If, at the time this contract is entered into, only the proposer knows that an insured peril has already occurred, this contract will be void and this company will not return premiums already collected.

Article 25

When a beneficiary of death proceeds is to be designated or changed, only a family member or lawful heir of an insured may be named. Where no such beneficiary is designated, the proceeds will be treated as part of the insured's estate.

A change in beneficiary as provided in the preceding paragraph shall become effective when the proposer delivers to this company the application and the insured's letter of consent.

The beneficiary of disablement proceeds shall be the insured only; this company will accept no designation or change.

This company will pay policy proceeds only when a beneficiary files a claim in person.

If the beneficiaries die at the same time or before the insured, then unless a beneficiary has otherwise been designated, the beneficiaries of this contract shall be the lawful heirs of the insured.

Part V of the Civil Code, "Succession," shall apply in determining the order of succession of the lawful heirs under the preceding paragraph and the percentage of policy proceeds due to each of them.

Article 26

The proposer may, no later than two weeks prior to the expiration date of the policy period, notify this company to renew the policy. The inception date of the renewed policy begins at 12 o'clock midnight on the day following the expiration date of the original contract.

This company may refuse to renew policy if it finds an insured group does not meet the group size requirement under Article 13, paragraph 1.

Article 27

The proposer shall immediately give written notification to this company of any change in domicile.

If the proposer does not provide notification as set out in the preceding paragraph, notice sent by this company to the last domicile set out in the contract shall be deemed service of notice on the proposer.

Article 28

Any right arising out of this contract shall be extinguished if not exercised within two years of the date a claim may be asserted.

Article 29

Except where otherwise stipulated in Article 25, any alteration in the content of this contract, or addition or deletion of contractual particulars, will not take effect unless both the proposer and this company consent in writing and it is added as an endorsement to the insurance policy.

Article 30

For any litigation arising out of this contract, the parties hereto stipulate that the court of jurisdiction shall be the district court of the place where the proposer is domiciled, provided that when the proposer is domiciled outside the territory of the ROC, the court of jurisdiction shall be _____.

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