

Content

Title :	Property Insurance Policy Reference Format and Provisions <b>Ch</b>
Date :	2000.08.20
Legislative :	1.Full 17 articles adopted and issued 20 August 2000 per Letter No. (89)-Taiwan-Finance-Insurance-0890750742 of the Ministry of Finance
Content :	<p>Article 1 (Constitution of the insurance contract) All provisions contained in this insurance contract as well as any other addenda, the [main] proposal, attached endorsements, stamped endorsements, and the [supplementary] proposals connected with this policy are all constituent parts of this insurance contract. Interpretation of this insurance 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 (Coverage) [Ordinary policies] This insurance company shall bear liability to indemnify the insured for [the loss] caused to the insured by the occurrence of [the insured peril] during the policy period. [Comprehensive policies] Comprehensive policies are first outlined in Article 2 by means of headings, which are followed by more detailed provisions in subsequent chapters, along with stipulation for additional insurance. Where some of the provisions are universally applicable in nature, "Chapter 1: Coverage" should be renamed "Chapter (or Section) 1: Common Provisions". Then compile the provisions into the remaining chapters and sections in accordance with the particular characteristics of the insurance line in question. Sample provisions: Upon the agreement of both parties, coverage under this insurance contract may be set with respect to the following categories either collectively or individually:</p> <ol style="list-style-type: none"><li>1. Personal liability insurance</li><li>2. Travel inconvenience insurance<ul style="list-style-type: none"><li>- Lost or delayed luggage</li><li>- Additional expenses</li><li>- Special compensation expenses</li></ul></li><li>3. ....</li><li>4. ....</li><li>5. ....</li></ol> <p>Article 3</p>

(Exclusions)

For losses resulting from the following causes, this company bears no liability for settlement of claims:

1. ....
2. ....
3. ....
4. ....
5. ....

Article 4

(Definition of terms)

The terms used in this insurance contract are defined as follows:

1. ....
2. ....
3. ....
4. ....
5. ....

Article 5

(Payment of premiums)

Premium shall be paid upon the establishment of this insurance contract, and this company shall issue a receipt.

Unless this company has agreed to a deferral of payment, this company will not bear liability for payment of benefits for the insured peril that occurs prior to payment of premium.

Article 6

(Duty of disclosure)

In filling out and submitting a proposal, and in responding to the insurer's written inquiries, the proposer shall make truthful representations, and 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 proposer is able to prove that occurrence of the insured peril was not due to any representation that he/she made or failed to make.

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. Once two years have elapsed since establishment of the contract, it may not be rescinded even if grounds for rescission exist.

If this company rescinds the insurance contract on the basis of the provisions of paragraph 1, it will not return any premiums already collected; if any settlements have already been paid, this company may assert claim against the insured(s) for their return.

Article 7

(Termination of contract)

Where the proposer terminates the contract, unless there are other

provisions regarding the date of termination, the contract will officially terminate on the day following delivery to this company of written notice of termination. This company will use the short rate to calculate the premium for the period prior to termination.

Where this company intends to terminate the contract, it shall notify the proposer in writing 15 days prior to the date of termination, and prior to the date of termination shall refund of any unearned premiums on a pro rata daily basis.

#### Article 8

(Alteration or transfer of contract)

If a need to alter the content of this contract arises, or if rights or interests relating to the insurance contract are to be transferred, such alteration or transfer will not take effect until this company has indicated its consent and given signed endorsement.

#### Article 9

(Notification obligations)

If a matter insured under this contract occurs, the insured involved or the proposer shall take the following actions:

1. He or she shall notify this company of the matter by telephone or in writing within five days after becoming aware of its occurrence, either directly or via a domestic or overseas agent designated by this company.
2. He or she shall immediately adopt reasonably necessary measures to minimize loss.
3. Upon learning that he or she has become the target of a lawsuit or claim for damages, he or she shall immediately deliver to this company photocopies of the notice of claim, court orders, subpoenas, the complaint, and other such documents.
4. The insured, proposer, or other interested parties shall provide to this company any other proof documents requested, with the costs thereof to be borne by this company.

Where the proposer or insured fails to make notification within the period specified in subparagraph 1 of the preceding paragraph, he or she shall bear liability for damages with respect to any loss incurred by this company as a result thereof.

#### Article 10

(Claim documents)

The insured shall file claim within [specified time period], submitting the following documents or proof:

1. Claim application (form to be provided by this company);
2. Statement of loss, with disbursement vouchers.
3. Proof documents relating to the accident.

This company will pay the claim within 15 days after receiving all of the documents listed above. If payment is not made within that period, this company shall pay interest 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 insured.

#### Article 11

##### (Deductibles)

If the insured suffers covered losses during the policy period, for each instance of loss the insured must first bear the deductible stipulated in this insurance contract.

#### Article 12

##### (Subrogation)

Where the insured has the right to claim for damages against a third party as the result of a loss covered under this insurance contract, after performing its claim settlement obligation this company may be subrogated, up to the amount of the settlement, to the insured's right of claim against the third party. The insured shall assist this company in asserting claim against the third party, provided that the costs thereof will be borne by this company.

The insured may not waive or diminish the right to assert claim against a third party, nor may he or she take any other action prejudicial to this company's exercise of that right. Otherwise, even if this company has already paid the settlement amount it may still assert claim against the insured to return the part of the claim amount that this company is prevented from asserting against the third party.

#### Article 13

##### (Other insurance)

When this company is required under the provisions of this insurance contract to bear liability for indemnification, if another insurance contract has been established to cover the same liability for indemnification, this company will only bear proportional liability for the indemnification in question.

#### Article 14

##### (Prescription period for right of claim)

Any right arising out of the insurance contract shall be extinguished if not exercised within two years of the date a claim may be asserted. Where any one of the following conditions obtains, the commencement of the prescription period will be determined in the manner described in the same subparagraph:

1. Where there is concealment, nondisclosure, or misrepresentation in the risk description given by the proposer or the insured, the prescription period commences from the date on which this company becomes aware of the situation.
2. After a peril has occurred, where the interested parties can prove that they were not unaware of the occurrence due to any lack of attention on their own part, the prescription period commences from the date on which they become aware of the occurrence.
3. Where a claim by the proposer or the insured against this company arises from a claim by a third party, the prescription period commences from the date on which claim is made against the proposer or insured.

#### Article 15

(Mediation or arbitration)

If a dispute over claim settlement arises between this company and the insured, where the issue remains unresolved after a complaint procedure, the insured may refer the dispute to mediation or arbitration. Procedures, costs, and other matters connected therewith will be handled in accordance with the applicable acts and regulations, or with the applicable provisions of the Arbitration Act.

Article 16

(Application of the law)

Other matters upon which this insurance contract is silent shall be governed by the Insurance Act and other applicable laws and regulations of the Republic of China.

Article 17

(Court of jurisdiction)

For any litigation arising out of this contract, the parties hereto stipulate that the court of jurisdiction shall be the district court where the proposer or insured maintains his or her household registration, provided that when the place of household registration of the proposer or insured is outside the territory of the Republic of China, the court of jurisdiction shall be the Taiwan Taipei District Court.

Additional insurance (provisions)

Article 1

(Coverage)

It is hereby agreed by both parties that upon payment of additional premium, [the insured] shall be enrolled in [Name of Master Policy] Additional Insurance for \_\_\_\_\_ ("these provisions for additional insurance"), and if [the insured peril] occurs during the policy period and the insured thereby personally suffers [the stipulated loss], this company will pay insurance benefits as required under these provisions for additional insurance.

The term "insured" as used in the preceding paragraph includes, in addition to the insured(s) listed on the proposal, persons who have given prior consent and are listed in the table attached to the insurance policy.

Article 2

(Exclusions)

For losses resulting from the following causes, this company bears no liability for settlement of claims:

1. ....
2. ....

Article 3

(Definition of terms)

The terms used in these provisions for additional insurance are defined as follows:

1. ....
2. ....

Article 4

(Claim documents)

The insured shall file claim within [specified time period], submitting the following documents or proof:

1. Claim application (form to be provided by this company);
2. ....

Article 5

(Application of provisions)

Any matter set forth in these provisions for additional insurance that conflicts with the master policy provisions will be handled in accordance with these extended coverage provisions. Other matters will still be governed by the master policy provisions.