



**Accident insurance in accordance with
the Accident Insurance Act (UVG).
Supplementary accident insurance.**

General conditions of insurance (GCI)

Edition 2011



Article 1

Basis of contract

Sympany Insurance Ltd., Basel (hereinafter referred to as Sympany), warrants insurance protection according to the Swiss federal law on accident insurance dated 20 March 1981 (UVG), its accompanying ordinances and the provisions below.

Article 2

Contract term, cancellation

2.1 Mandatory insurance

The insurance contract is concluded for the duration specified in the insurance policy. At the end of this contract term, the contract is automatically renewed for an additional year, unless one of the contract partners has received a cancellation notice at the latest three months prior to this date. If the contract has been concluded for less than one year, it will lapse on the date given in the insurance policy. The dissolution of the contract through cancellation does not absolve the policyholder from his obligation to insure his employees according to UVG.

2.2 Voluntary insurance

The insurance contract is concluded for the duration agreed to in the insurance policy. For an insured individual, the insurance ends with the dissolution of the contract, his becoming subject to mandatory insurance or his exclusion. Furthermore, the insurance ends three months after his giving up self-employment or work as a non-mandatorily insured family member.

Article 3

Changes to the premium tariff or to the classification of companies into classes and levels

In the event of a change to the company's classification into the hazard classes and levels pursuant to Article 92, Paragraph 5 UVG, Sympany is entitled to request an adjustment to the contract as from the following insurance year. In the event of a change to the premium tariff, the change takes effect as from the start of the next insurance year.

In both instances, Sympany must inform the policyholder at the latest two months before the change to the contract.

Article 4

Acceptance of contract

Right of correction
If the contents of the contract do not correspond with the agreements reached, the policyholder must request their correction within four weeks of receiving the document; otherwise the contents will be considered as having been approved by the policyholder. The right of the policyholder to object to classification into the premium tariff according to Article 8 below is reserved.

Article 5

Calculation of final premium for mandatory insurance

Within one month of the end of the insurance year, the policyholder will notify Sympany of the salaries that were paid out in the past calendar year, and are hence subject to premiums. Sympany will use this information to calculate the final premium amounts, and will either request an additional payment or give a refund, as applicable. If the policyholder fails to comply with his duty to report, Sympany will fix the premium amounts presumably owing, by way of order.

Article 6

Flat-rate premium per year

An annual premium statement based on the actual salary is hereby waived. If the actual annual payroll total of the mandatorily insured persons exceeds the flat-rate premium by CHF 10 000, the policyholder is required to notify Sympany of this and pay the requisite additional premium according to the tariff; if applicable, the additional premium has to be paid retrospectively for a maximum of five years.

Article 7

Minimum premium per year

For the Occupational Accidents and Non-Occupational Accidents insurance lines, a minimum premium each of CHF 100 per year is stipulated. This amount includes the premium surcharges pursuant to Article 97, Paragraph 1 UVG. The minimum premium per insurance line will also be charged for a year already started.

Article 8

Order

With regard to premium tariff classification, this contract represents an order in line with Article 52 ATSG and Article 124, Section d UVV. The policyholder may make an objection to Sympany in writing or verbally, in the event of a personal appearance, within 30 days of receipt. Reasons for the objection must be provided. A verbal objection must be recorded by Sympany in a protocol and signed by the objecting party. The objection process is free of charge and does not provide a right to compensation.

Article 9

Applicable law

In addition, the Swiss federal law on the general part of the social security law (ATSG) as well as the Swiss federal law on accident insurance (UVG) and its accompanying ordinances apply.

Article 10

Notifications

All notifications must be directed to Sympany Insurance Ltd., Basel.

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1. General provisions

1.1 Insurer

The insurer is Sympany Insurance Ltd., Basel (hereinafter referred to as Sympany).

1.2 Basis of contract

The basis for this contract is formed by all written statements that are supplied by the policyholder, the insured persons and their representatives in the application, in further documents accompanying this and in medical reports.

The rights and obligations of the contract parties are specified in the insurance policy, any supplements, the General Conditions of Insurance (GCI), Additional Conditions (AC) and Special Conditions (SC).

Insofar as an issue is not expressly regulated in the above-mentioned documents, the parties agree to adhere to the Swiss federal law on insurance contracts dated 2 April 1908 (VVG).

1.3 Subject of insurance

Sympany insures the economic consequences of accidents and occupational illnesses within the bounds of the agreed benefits.

1.4 Insured accidents and occupational illnesses

The insurance covers occupational and non-occupational accidents including occupational illnesses which occur or are caused in the course of the duration of this supplementary insurance, and which must be compensated through UVG insurance.

Also insured are accidents that occur during Swiss military service or during other activities that are covered by Swiss military insurance. Such accidents are considered non-occupational accidents in line with UVG.

1.5 Insured persons

The insurance covers the persons or groups of persons listed in the insurance policy, for whom an insurance pursuant to the Swiss federal law on mandatory accident insurance (UVG) exists. Employees on loan to the policyholder from third-party companies are excluded from this supplementary insurance.

1.6 Geographical validity

The insurance is valid worldwide.

1.7 Masculine and feminine pronouns

Any use of masculine forms in these General Conditions of Insurance (GCI) also includes female persons.

2. Insurance benefits

2.1 Treatment costs

If treatment costs are also insured, Sympany assumes the following costs, which are recognised but not covered pursuant to the federal law on mandatory accident insurance (UVG) and Swiss military insurance (MV) (see sections 2.1.1 to 2.1.8).

2.1.1 Treatment

The necessary expenditure for medical or medically prescribed treatment measures in Switzerland and abroad which are furnished by a service provider in accordance with Art. 10 UVG and Art. 16 MVG, as well as the costs for stays in semi-private or private ward of hospitals and rehabilitation clinics in Switzerland and abroad.

Treatment abroad: If the insured person is fit for transport from a medical standpoint, Sympany decides whether the costs for treatment in Switzerland or abroad shall be assumed.

2.1.2 Home care

Expenses in the event of home care, unlimited in amount for a maximum of 90 days per accident, for the medically ordered services for the care of the insured person, rendered by staff either with a diploma or made available by a public or private institution, excluding household help that does not perform a care function.

2.1.3 Medical aids

Expenses for the first-time acquisition of prostheses, glasses, hearing aids and orthopaedic aids. Also insured are repairs or replacements (purchase value) of the same, provided they were damaged or destroyed in an accident that results in an insured treatment. Costs for mechanical mobility aids as well as for the provision, modification, rent and maintenance of real estate will not be reimbursed.

2.1.4 Material damage

The costs for accident-related damage to objects which substitute for a body part or body function. A replacement claim for glasses, contact lenses, hearing aids and dentures only applies in the event of a body injury which requires treatment. This may include the costs for the repair or the replacement (purchase value) of the above-mentioned objects.

2.1.5 Travel, transport and rescue costs

Costs for

- all rescue and recovery measures required as a result of the accident
- all transport required as a result of the accident, by aircraft, however, only if it is indispensable for medical reasons
- a search operation with the aim of rescue or recovery of the insured person, up to a maximum of CHF 20 000.

If, due to an accident incurred by the insured person abroad, a local hospital stay is required which would likely delay the planned return to Switzerland by at least 14 days, the person who incurred the accident has the option of being transferred to a Swiss hospital at Sympany's expense. In this case, Sympany shall assume the costs for such transports, up to a maximum amount of CHF 20 000, which are appropriate in the special circumstances, particularly the nature of the injury and the medical measures possibly taken. Any travel costs that are saved by the accident-related transport, or reimbursements due to non-used train, plane and ship tickets are to be credited against Sympany's obligation to pay benefits.

2.1.6 Transport of deceased

Costs incurred up to a maximum of CHF 20 000 for the transport of the fatally injured accident victim to the place of burial (including costs of any customs formalities). The reimbursement will be issued to the person or company that can provide verifiable proof of having paid these costs.

If the transport of the deceased is accompanied by a family member of the deceased, Sympany will assume the travel costs for one person (1st class train ticket, economy air ticket).

2.1.7 Third parties

If the insured person is also entitled to benefit from the compulsory accident insurer, the Swiss Military Insurance (MV), or if a liable third party has to furnish such, Sympany shall supplement these benefits up to the amount of the treatment costs incurred (indemnity insurance).

2.1.8 Amount and duration of benefits
Sympany assumes treatment costs within five years of the day of the accident without any restrictions to the amount – this is subject to Section 2.1.2, Section 2.1.5 Paragraph 1, third indent and Paragraph 3, and Section 2.1.6 Paragraph 1.

2.2 Hospital daily benefits

For the duration of a medically prescribed stay at a hospital or rehabilitation centre, Sympany will pay the agreed hospital daily benefit (besides any applicable insured daily benefit and besides treatment costs), up to a maximum of 730 days within five years of the day of the accident.

Benefits from other insurers and from liable third parties shall not be taken into account (insurance in terms of fixed sums).

2.3 Daily benefits

2.3.1 Duration of benefits

Sympany will pay the daily benefit per accident for a maximum of 730 days within five years of the day of the accident, at the most, however, to the date of payment of a possibly owed disability benefit pursuant to the provisions regarding disability cases (cf. Section 2.4).

The right to daily benefits terminates upon regaining full capacity to work, upon payment of a lump sum for disability or a disability pension, or upon the death of the insured person.

2.3.2 Right to claim and waiting period

The payment of daily benefits begins on the first day of incapacity to work as determined by a physician, at the earliest, however, three days before the first medical treatment. No compensation will be provided for the day of the accident and the agreed waiting period. When determining the waiting period, days of full or partial incapacity to work will be counted as full days. The waiting period will be taken into account when calculating the maximum duration of benefits of 730 days within five years.

In the case of partial incapacity to work, the amount of the daily benefit will depend on the extent of the incapacity to work, the prerequisite for daily benefit is an incapacity to work of at least 25 per cent. Benefits from other insurers and from third parties liable to pay benefits will be taken into account (indemnity insurance).

2.3.3 Cost-of-living portion for stays at a sanatorium

The maintenance costs deducted by the UVG insurer from the daily benefit during a stay at a sanatorium will be reimbursed by this daily benefit insurance.

2.4 Disability

The right to benefits in the case of disability will be considered at the earliest at the time when no noteworthy improvement in the state of health can be expected any more from any continuation of the medical treatment.

If, as a result of an accident, a disability occurs within five years of the accident that is probably permanent according to medical theory, Sympany will pay a lump sum for disability which is determined by the degree of disability, the agreed insurance sum and the chosen benefit variant. Benefits from other insurers and from liable third parties shall not be taken into account (insurance in terms of fixed sums).

The disability according to medical theory will be determined by the medical examiner on the basis of the principles stated in Art. 2.4.1. Any incapacity for employment or work resulting from the event is not taken into account.

Only the insured person can claim the lump sum payable at disability. The claim expires upon the death of the insured person.

2.4.1 Determination of degree of disability

- a) Annex 3 of the Ordinance on Accident Insurance (UVV) and the Fine Gradation Tables 1–22 published by Suva shall be decisive for determining the degree of disability. In case of only partial loss or partial loss of use, a correspondingly lower degree of disability applies.
- b) Sympany shall pay for a permanent, serious disfigurement of the human body caused by an accident (aesthetic injuries, such as scars) and for which no lump sum for disability is owed, but which, nevertheless, results in an impediment of the insured person's social position:
- 10 per cent of the sum insured for disability agreed in the insurance policy (without progression) for disfigurement of the face and/or
 - 5 per cent in the case of disfigurement of other, normally visible parts of the body. The benefit for aesthetic injuries is limited to CHF 20 000.
- c) In the case of simultaneous loss or simultaneous incapacity for use of several parts of the body, the degree of disability, which may amount, however, to 100 per cent at the most, is determined as a rule by adding up the percentage rates.

- d) If the body parts, body functions or psychological and mental functions affected by the accident were already entirely or partially lost or unusable as a result of illness, birth defect or other accidents before the accident in question, then the existing degree of disability determined according to the above principles will be deducted when ascertaining the degree of disability. If the consequences of the accident are aggravated by simultaneously occurring factors unrelated to the accident, a proportional reduction will be made.
- e) Changes in the degree of disability occurring after this establishment of the degree of disability, i.e. also relapses and late sequelae, shall be irrelevant.

2.4.2 Determination of sum payable at disability

The sum payable at disability is calculated as follows, depending on the agreed benefit variant A or B:

	Variant A	Variant B
for that part of the degree of disability not exceeding 25 per cent	based on the insurance sum	based on the insurance sum
for that part of the degree of disability between 25 per cent and 50 per cent	based on twice the insurance sum	based on three times the insurance sum
for that part of the degree of disability exceeding 50 per cent	based on three times the insurance sum	based on five times the insurance sum

The benefit as a percentage of the insurance sum agreed for disability is therefore calculated as follows:

Degree of disability	Variant	
	A	B
26 %	27 %	28 %
27 %	29 %	31 %
28 %	31 %	34 %
29 %	33 %	37 %
30 %	35 %	40 %
31 %	37 %	43 %
32 %	39 %	46 %
33 %	41 %	49 %
34 %	43 %	52 %
35 %	45 %	55 %
36 %	47 %	58 %
37 %	49 %	61 %
38 %	51 %	64 %
39 %	53 %	67 %
40 %	55 %	70 %
41 %	57 %	73 %
42 %	59 %	76 %
43 %	61 %	79 %
44 %	63 %	82 %
45 %	65 %	85 %
46 %	67 %	88 %
47 %	69 %	91 %
48 %	71 %	94 %
49 %	73 %	97 %
50 %	75 %	100 %
51 %	78 %	105 %
52 %	81 %	110 %
53 %	84 %	115 %
54 %	87 %	120 %
55 %	90 %	125 %

	A	B
56 %	93 %	130 %
57 %	96 %	135 %
58 %	99 %	140 %
59 %	102 %	145 %
60 %	105 %	150 %
61 %	108 %	155 %
62 %	111 %	160 %
63 %	114 %	165 %
64 %	117 %	170 %
65 %	120 %	175 %
66 %	123 %	180 %
67 %	126 %	185 %
68 %	129 %	190 %
69 %	132 %	195 %
70 %	135 %	200 %
71 %	138 %	205 %
72 %	141 %	210 %
73 %	144 %	215 %
74 %	147 %	220 %
75 %	150 %	225 %
76 %	153 %	230 %
77 %	156 %	235 %
78 %	159 %	240 %
79 %	162 %	245 %
80 %	165 %	250 %
81 %	168 %	255 %
82 %	171 %	260 %
83 %	174 %	265 %
84 %	177 %	270 %
85 %	180 %	275 %
86 %	183 %	280 %
87 %	186 %	285 %
88 %	189 %	290 %
89 %	192 %	295 %
90 %	195 %	300 %
91 %	198 %	305 %
92 %	201 %	310 %
93 %	204 %	315 %
94 %	207 %	320 %
95 %	210 %	325 %
96 %	213 %	330 %
97 %	216 %	335 %
98 %	219 %	340 %
99 %	222 %	345 %
100 %	225 %	350 %

2.4.3 Payment in form of pension

If the insured person has completed his 65th year of life at the time of determining the degree of disability, the insured benefit for permanent disability in the meaning of the provisions above will be paid in the form of a life-long pension. The pension is conclusively determined and is payable in advance on a quarterly basis. For every CHF 1000 of the lump sum payable at disability, the annual pension amounts to:

Age	Annual pension
66	CHF 86
67	CHF 89
68	CHF 93
69	CHF 96
70	CHF 100
above	CHF 125

Only the insured person is eligible for this benefit.

2.4.4 Retraining costs in the event of occupational illnesses

If retraining is required in relation to an occupational illness for which the UVG insurer has provided benefits, Sympany will assume the appropriate costs for this purpose, supplemental to UVG insurance and IV, up to a maximum of ten per cent of the insured sum payable at disability without progression.

2.5 Death

If the insured person dies from the consequences of an accident within five years, Sympany shall pay the sum insured for death, less any compensation for disability already paid for the same accident. If the accident victim is under 16 or over 65 years of age, the sum payable on death shall amount to a maximum of CHF 20 000. By notification in writing to Sympany, in derogation of the following regulation, the insured person can designate beneficiaries or exclude rightful claimants. Such a declaration can be revoked or amended at any time by notification in writing to Sympany. If no special assignment is made, the following are exclusively considered as beneficiaries, in order of preeminence:

- the spouse
- the children, stepchildren or adopted children in equal parts
- the parents in equal parts

If there are no rightful claimants, Sympany shall only pay the funeral expenses up to a maximum amount of ten percent of the sum insured for death, at the most CHF 10 000.

Surviving dependants of an insured person, who are eligible for benefits, will receive the benefits even if they renounce the inheritance. The benefits do not become part of the estate of the deceased person.

Benefits from other insurers and from liable third parties shall not be taken into account (insurance in terms of fixed sums). Any lump sum for disability previously paid out in respect of the same accident will be deducted from the sum payable on death.

2.6 Special risk

If the special risk is insured as well, the reductions in benefits and refusals to pay benefits in the insurance pursuant to UVG and the Swiss Federal Military Insurance (MV) in the case of accidents which are attributable to gross negligence, exceptional risks or daring exploits (excepting intentional causation of the accident), shall be compensated. In addition, Sympany shall dispense with reductions in benefits and refusals to pay in the case of benefits resulting from this supplementary contract.

Accordingly, if benefits are owed by a liable third party or his insurer, then the same shall be deducted in full from Sympany's benefits.

If pension benefits are owed, Sympany reserves the right to discharge the pension obligations by a lump sum settlement. The insurer shall be entitled to this right to make a lump sum settlement both at the beginning of the pension payments and throughout the duration of the pension. The lump sum is calculated according to the guidelines of Suva (Capitalisation of pensions at the end of the year).

3. Insurance variants

3.1 Salary system

The insurance can be concluded in accordance with the wage system, with premiums and pecuniary benefits being calculated on the basis of the insured earnings.

3.1.1 UVG salary

Benefits are calculated on the basis of the salary declared to Sympany. The UVG salary is regarded as being the insured earnings according to UVG, up to the legally stipulated maximum amount.

3.1.2 Surplus salary

The part of the salary that exceeds the UVG maximum is regarded as being the surplus salary. The maximum insurable surplus salary per person and year is determined by calculating the difference between CHF 250 000 and the salary that corresponds to the UVG maximum. For insured persons who have voluntarily joined UVG insurance, the salary agreed to with Sympany in advance will form the calculation basis for the determination of insurance benefits. Provided that a fixed annual salary has been agreed to, this is regarded as being the insured salary.

3.1.3 Multiple employers

If the insured person worked for more than one employer at the same time prior to the accident, the earnings achieved at the policyholder's are decisive.

3.2 Head count system

The insurance can also be taken out according to the head count system, with fixed sums and premiums which are calculated on the basis of the number of insured persons or working days.

4. Restrictions to scope of cover

4.1 Exclusions

Excluded from the insurance are accidents

- a) which already exist at the commencement of the contract,
- b) as a consequence of war, civil war and/or warlike states:
 - in Switzerland, in the Principality of Liechtenstein and/or adjoining countries
 - abroad, unless the accident occurs within a period of 14 days from the first appearance of such events in the country in which the insured person is staying and he is taken by surprise by the outbreak of military conflicts,
- c) as a consequence of earthquakes in Switzerland and the Principality of Liechtenstein,
- d) as a consequence of exceptional dangers. Such are regarded as being:
 - foreign military service
 - participation in war activities, terror acts
 - the effects of disturbances of all kind unless the insured person can prove that he did not participate on the side of those causing the disturbance, either actively or through agitation,
- e) as a consequence of the intentional commitment of crimes or offences or the attempt to do so,
- f) as a consequence of ionising radiation and injuries resulting from nuclear energy,
- g) in which the insured person shows a blood alcohol level of 1.8 parts per thousand or more, unless there is evidently no causal connection between the drunkenness and the accident,
- h) as a consequence of daring exploits (daring exploits are actions in which the insured person exposes himself to a particularly great danger without taking or being able to take precautions which limit the risks to a sensible level),
- i) as a consequence of suicide or injuries to the health of the insured person's own body which he caused intentionally or in a state of complete or partial incapacity of judgement. If a surviving dependant entitled to a pension or another beneficiary caused the death of the insured person intentionally or in a state of complete or partial incapacity of judgement (through his own fault or not through his own fault), then there shall also be no entitlement to benefits.
- j) as a consequence of non-medically prescribed consumption or injection of medicines, drugs, methadone and chemical products,
- k) as a consequence of the medically prescribed administration of heroin,
- l) as a consequence of medical or surgical procedures which were not made necessary by an insured accident,

- m) in the case of the use of aircraft as a military pilot, other member of a military crew and paratrooper,
- n) in military parachute jumps,
- o) that occur during flights, if the insured person intentionally breaches official rules or does not possess the requisite official identification documents or authorisations.

4.2 Reductions

4.2.1 Gross negligence

Sympany waives the right to reduce the benefits in the case of grossly negligent causation of the insured accident.

If the pecuniary benefits of UVG insurance are reduced or even refused because the insured person or beneficiary has caused the accident by gross negligence, Sympany shall nevertheless render the insurance benefits agreed in this supplementary insurance in full.

4.2.2 Multiple insurance

If there are multiple insurances with licensed companies for treatment costs or daily benefits covering loss of earnings, they will only be compensated once overall, in proportion to the benefits jointly guaranteed by all insurers involved.

4.2.3 Third parties

If the compensation for treatment costs or daily benefits covering loss of earnings is assumed by a liable third party or its insurer, UVG insurance, IV or MV, it will be deducted in its entirety from the benefits provided by Sympany.

4.2.4 Non-accident factors

Benefits for treatment costs, hospital daily benefit and daily benefit will not be reduced if the injury to health is only in part the result of an insured accident. If there are non-accident factors in the accident insurance for disability which influence the course of an insured accident or its consequences, Sympany will only be liable for that part of the agreed benefits that is purely due to the accident. This part has to be determined on the basis of a medical assessment. As a first step, the net degree of disability in medical theory is determined in accordance with the provisions of Art. 2.4.1 d). The lump sum for disability will subsequently be calculated on the basis of the degree of disability.

4.2.5 Breach of obligations in the event of a claim

In the case of culpable infringement of the obligations incumbent on the insured person, the policyholder or the beneficiary, Sympany shall be empowered to cut the insurance benefit by the amount by which it would have been reduced in the case of compliance with the obligations (cf. the provisions on the rights and obligations in a damaging event, pursuant to subsections 8.1 and 8.2).

4.3 Precipitation of death by person eligible for benefits

If a person eligible to receive the sum payable at death has precipitated the death of the insured person by committing a crime or offence, he has no claim to the lump sum payable at death. This sum will be paid to the other beneficiaries in line with the provision regarding death (cf. Section 2.5).

5. Commencement and termination of insurance cover

5.1 Commencement of insurance cover

The insurance cover shall begin for the insured person on the day on which he commences work in the insured company or should have commenced by agreement, but was involuntarily prevented from doing so, but at all events at the time when he starts out on his way to work, at the earliest, however, at the commencement of the contract specified in the insurance policy. Accidents or consequences of accidents that were already in existence at the start of employment are not insured.

5.2 Termination of insurance cover

Insurance cover will terminate for the insured individual

- upon leaving the insured company (also in case of unemployment or taking out a so-called special agreement insurance), or
- upon the lapse of the insurance policy.

5.3 Transfer to individual insurance

5.3.1 Right of transfer

The insured person resident in Switzerland has the right to transfer to individual insurance

- when he leaves the group of insured persons,
- when the contract expires.

The insured person has to assert the right of transfer in writing within 30 days after leaving the insured company. Sympany shall grant the transferee the insured benefits within the scope of the applicable conditions and tariffs of individual insurance at the time of transfer. The amount of the insured earnings shall be limited to the current earned income or the unemployment insurance (ALV) benefit, as a maximum, however, to the earnings previously insured or the maximum insurable earnings in individual insurance. Persons not in gainful employment can obtain insurance up to the level of a single maximum AHV pension.

5.3.2 Taking benefits already drawn into account

The previous duration of insurance as well as the benefits drawn from this collective insurance, as well as from former insurers are taken into account in individual insurance.

5.3.3 Exclusion of right to transfer

There is no right of transfer

- in the case of a change of jobs and a transfer to a new employer's insurance,
- in the case of termination of this contract and continuation of the same with another insurer for the same group of persons,
- for the duration of a provisional promise of cover,
- when the insured person retires, at the latest on attainment of the AHV retirement age,
- if the insured person has his place of residence abroad,
- for persons whose employment relationship ends in the probationary period or has lasted less than 3 months, as well as for persons with a limited term of employment.

6. Commencement, duration and termination of insurance contract

6.1 Commencement of contract

Insurance cover commences on the day agreed in the insurance policy. The insurance contract may be concluded at any time during the calendar year.

6.2 Duration of contract

The insurance contract is concluded for the duration specified in the insurance policy. The minimum contract term is one calendar year. At the end of the agreed contract term, the contract is automatically renewed for one further year, provided the contract has not been cancelled in due time.

6.3 Dissolution of contract

6.3.1 Cancellation to date of expiry

The insurance contract may be cancelled in writing by both parties to the contract to the end of the calendar year, subject to a period of notice of three months. The earliest possible cancellation date is the expiry date specified in the insurance policy.

6.3.2 Lapse of insurance contract

The insurance contract lapses with immediate effect

- a) if the policyholder ceases his business activities,
- b) if the policyholder's registered office is relocated abroad,
- c) if bankruptcy proceedings are instituted.

6.3.3 Cancellation in the event of premium adjustment

In the event of premium adjustments, the policyholder has the right to cancel the contract in its entirety or only with respect to individual benefits for which premiums have been increased, within 30 days of notification to the day of the adjustments becoming effective.

6.3.4 Waiver of right to cancel in the event of a claim

Sympany expressly waives its statutory right to terminate the contract in the case of a damaging event. This shall be subject to termination at the expiry of the contract.

7. Premium

7.1 Calculation of premium

7.1.1 Salary system

The following is decisive for the calculation of the premiums:

- for insurance within the scope of UVG salaries: the salary liable for UVG insurance premiums up to the statutory maximum amount
- for insurance within the scope of surplus salaries: the portion of the salary that exceeds the legal maximum amount according to UVG, up to a maximum salary of CHF 250 000 per person and year
- for insured persons with a fixed annual salary: the earnings agreed to in advance
- for insured persons that have voluntarily joined UVG: the salary agreed to in advance.

7.1.2 Head count system

The number of insured persons or working days is decisive for the calculation of the premiums.

7.2 Advance premium

At the beginning of the insurance year, the policyholder must initially pay the advance premium that was provisionally fixed in the insurance policy, and that corresponds to the final premium to the greatest possible extent. If circumstances change considerably, the advance premium can be adjusted for the beginning of the next insurance year.

7.3 Premium statement

After the end of each insurance year or after dissolution of the contract, a premium statement will be prepared based on the definitive salary figures. For this purpose, Sympany will send the policyholder a form along with the request to notify it of the relevant information for the preparation of the premium statement. However, if the difference is less than CHF 20, the parties to the contract will forego any additional payment or refund.

If the policyholder fails to return the declaration for the premium statement to Sympany within 30 days of receipt of the declaration form, Sympany is entitled to set the probable final premium at its own discretion.

Sympany has the right to verify the information provided by the policyholder by inspecting all relevant documents (salary books, vouchers, AHV statements).

7.4 Premium payment and due date

Premiums must be paid in advance for the beginning of a new calendar year. By way of a special agreement, and against a surcharge, they may also be paid on a semiannual or quarterly basis.

An additional payment resulting from the premium statement must be made within 30 days of Sympany's having requested the amount from the policyholder. Any applicable refund will be paid by Sympany to the policyholder within the same time period, as from the determination of the definitive premium amount.

7.5 Reminder and its effects

If the premium is not paid within 30 days calculated from the due date, Sympany will request the policyholder in writing, with reference to the consequences of default, to make payment within 14 days after the reminder has been sent. If the reminder is not heeded, the duty to pay benefits will be suspended as from the expiry of the reminder period.

If Sympany does not demand the outstanding premium within two months of the expiry of the reminder period, it is assumed that Sympany is withdrawing from the contract, waiving payment of the outstanding premium.

If the premium is legally collected or subsequently received by Sympany, the obligation to pay benefits will revive at the time when the premium in arrears is paid, together with interest payments and costs. Sympany shall not be obliged to pay benefits for insurance cases which occur during the period of default and after the end of the reminder period.

7.6 Premium adjustments

In the event of a change in premium, Sympany can request the adjustment of the contract, with effect from the following insurance year. For this purpose, it must notify the policyholder of the new terms of contract at the latest 30 days before the end of the insurance year. At the end of the contract, Sympany can adjust the premium rates to the experience of damage. In both cases, the policyholder has the right to cancel the contract to the end of the ongoing insurance year. Furthermore, the provisions regarding cancellation in the event of premium adjustment apply (cf. Section 6.3.3).

If the policyholder does not effect a cancellation, this is considered as an approval of the contract adjustment.

7.7 Profit participation

Profit participation may be agreed to. If profit participation is agreed to, the policyholder will participate in any profit made after three full insurance years in each case (= accounting period). The profit shall be determined by subtracting the insurance benefits paid from the decisive premium share collected in the accounting period. The decisive premium share and the profit participation system are mentioned in the insurance policy. An account will be issued as soon as the premiums related to the accounting period have been paid and the corresponding claims have been completed. Losses will not be carried forward to the next accounting period. If, after the account has been prepared, cases of illness and consequences of accidents are reported or further payments made which fall within the closed accounting period, a new account of the profit participation will be prepared. Sympany can request the refunding of profit participation amounts already paid out. The right to profit participation lapses if the insurance contract is dissolved before the end of the accounting period.

8. Rights and obligations in the event of a claim

8.1 Obligations in a damaging event

If an event will probably lead to insurance benefits,

- a) the insured person or the policyholder has to notify Sympany immediately using the form provided. A death is to be notified within five days. The medical certificate on the degree and duration of the incapacity for work is to be submitted to Sympany at the same time as the notification. If the notification is made late without adequate justification, Sympany shall only provide benefits from the time of receiving the said notification. Sympany must be informed immediately if there is a reduction in the degree of incapacitation. If the incapacity for work lasts longer than one month, the insured person shall be obliged to submit a medical confirmation of the incapacity for work every four weeks.
- b) expert medical treatment is to be ensured as soon as possible. The physician's directions are to be obeyed.
- c) on request by Sympany, the insured person shall have to undergo examinations by physicians commissioned by Sympany. The costs shall be borne by Sympany.
- d) the insured person shall be obliged to report any possible, as yet unsubstantiated claim to benefits under UVG, IVG or EOG to the agency responsible.
- e) on application, upon admission of the insured person to a hospital or rehabilitation centre, Sympany shall give a guarantee to cover the costs within the scope of the insured benefits. In this case, the application for a guarantee to cover the costs shall have to be made before admission to the hospital or rehabilitation centre.

8.2 Damage mitigation

The insured person shall have to do everything which may contribute to a reduction of benefits.

The insured person shall be obliged to notify his expected claim for benefits to IV (pension, vocational retraining, occupational measures). If, after being requested by Sympany, he refuses to make the notification to IV, the daily benefit payments can be temporarily stopped.

8.3 Duty to provide information

In all cases in which a claim for benefits is being asserted against Sympany, the insured person or the policyholder respectively shall place all the information at the disposal of Sympany for the assessment of the duty to furnish benefits, the amount of the benefits or the duration of the benefits.

The insured person shall release the physicians treating him and further medical staff from their duty to maintain confidentiality towards Sympany. If necessary, Sympany may obtain information from other insurers.

The insured person and the policyholder shall, without being asked, furnish Sympany with information about all benefits from third parties in the case of illness, accident and disability. On request, statements of account from third parties are to be submitted to Sympany.

The policyholder shall have to enforce the duty to provide information against the insured person.

Sympany may check the incapacity to work and also the uncovered loss of earnings in each case and take appropriate control measures for inspection.

8.4 Due date and payment of benefits

Claims arising from the insurance contract are due at the end of four weeks, calculated from the time at which Sympany received information, documentation and medical certificates which allow Sympany to verify the correctness and scope of the claims. Treatment costs are generally paid to the insured person, but may also be paid directly to the invoicing party (doctors, hospitals, sanatoriums, etc.). With the exception of the lump sum payable at death pursuant to the provisions regarding death (cf. Section 2.5), only the insured person is eligible for benefits. The provisions regarding payment to the insured person and the policyholder are reserved (cf. sections 8.4.1 and 8.4.2).

The provisions regarding payment to the insured person and the policyholder are based on the Swiss federal law on direct tax (DBG) dated 14 december 1990, articles 83 et seq., as well as the different cantonal tax laws.

8.4.1 Payment to the insured person
If daily benefits subject to withholding tax are paid directly to the insured person, they will be reduced by the owed tax deduction at the source.

8.4.2 Payment to the policyholder
Daily benefits subject to withholding tax may be remitted to the policyholder without deductions. The policyholder is liable for all damage that might accrue to Sympany from an inadequate fulfilment of this obligation, particularly the timely remittance of withholding tax.

8.5 Right of recovery

If Sympany provides treatment costs or daily benefits in the place of a liable third party, the insured person must transfer to Sympany his claims to the extent of the duty to pay benefits.

9. Final provisions

9.1 Settlement

Sympany shall have the right to set off insurance benefits due against receivables from the policyholder.

9.2 Assignment and pledging

Without Sympany's express consent, the claims to insured benefits can neither be assigned nor mortgaged before being finally fixed.

9.3 Notifications

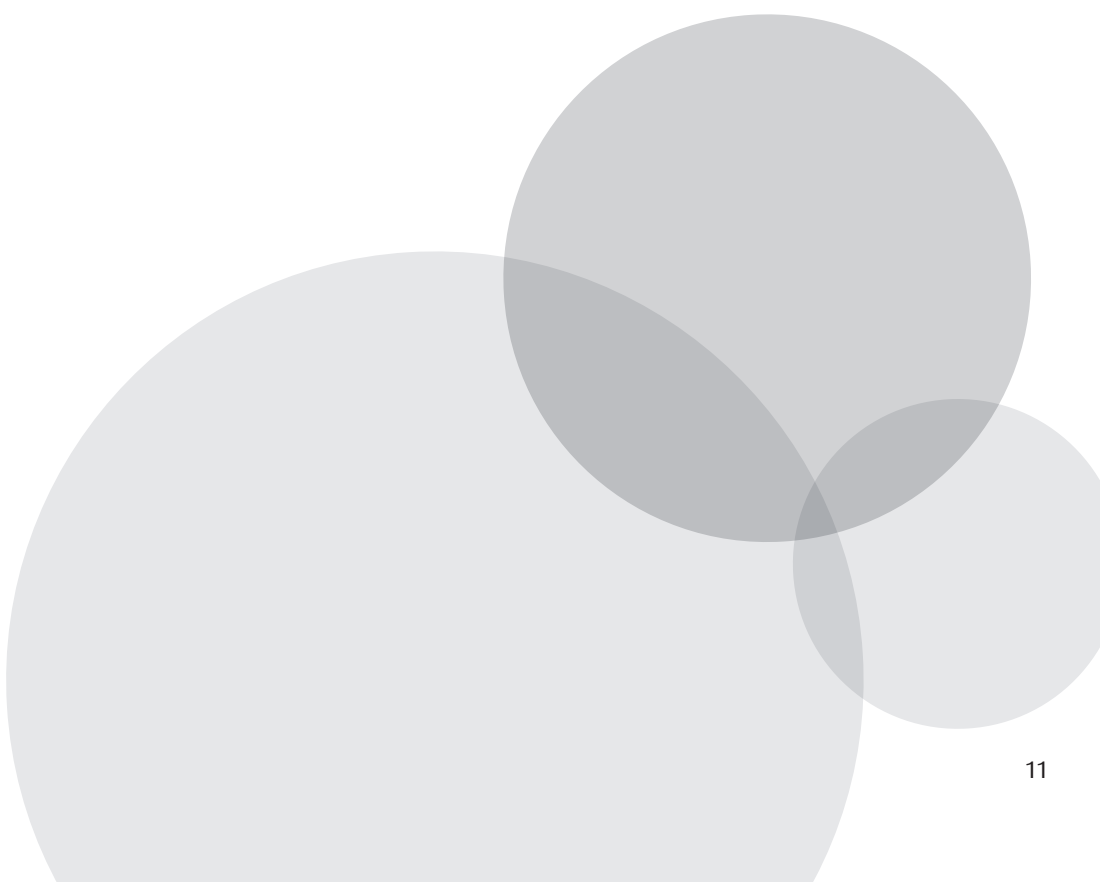
All notifications are to be sent to Sympany Versicherungen AG, Peter Merian-Weg 4, 4002 Basel. All notifications on Sympany's part shall be made legally valid to the last address in Switzerland given by the policyholder.

9.4 Jurisdiction

Sympany shall accept its registered office or the Swiss place of residence of the policyholder or of the beneficiary as the legal venue.

9.5 Limitation of actions

The policyholder's right to benefits from Sympany is limited to two years after the occurrence of the event which formed the basis of Sympany's duty to pay benefits.





15/2202/1/e/200/05.11

Information and contact
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