

A 931-001

PAYMENT CLAUSE - March 1993
(Netherlands)

1 • Premium and Costs

1- 1 The brokers have committed themselves towards the insurers to a payment of the premium and cost due as a debt of their own and they will therefore be debited In account current for the premiums and cost due.

1 - 2 The policy holder is obliged to pay the premiums and costs to the brokers. In case the insurance has been effected through a second intermediary and the policy holder has paid to the latter, the policy holder shall only be legally discharged by this payments toward the brokers, when the second intermediary has transferred the premium and the costs to the brokers.

1 - 3 The policy holder will be legally discharged towards the insurers in so far as he has paid the premiums and costs to the brokers.

2 • Indemnities and premium refunds

2 - 1 The insurers will credit the brokers in account current for the indemnities and premium refunds due by the insurers.

2 - 2 As a result of the crediting of the brokers meant in article 2-1 the insurers will be legally discharged towards the rightful claimant(s).

2 - 3 Regarding the payment of indemnities and premium refunds for which the brokers have been credited by the Insurers, the brokers are only obliged to pay the balance which remains after settlement of these indemnities and premium refunds with (premium) claims, in respect of whatever insurance, whether or not due at the time when the obligation to pay occurs. Such settlement takes place de jure.

2 - 4 In case the insurance has been effected through a second intermediary the brokers will be legally discharged towards the rightful claimant(s) in so far as they have credited this intermediary.

3 • Payment and credit

Without prejudice to the obligation of the Policy holder to pay the premium and costs due to the brokers this insurance shall only be valid for the period for which the premiums and costs have been paid to the brokers, or for the period for which the brokers have given credit to the policyholder. When interpreting this the policyholder is deemed to have had credit, unless he has received explicit notice to the contrary.

4 • Interim cancellation in case of non-payment

BY entering into the insurance contract the policy holder authorizes the brokers irrevocably to release the insurers from their liabilities under this insurance before expiry thereof, should the policyholder or the second intermediary in case this insurance has been effected through this second intermediary fail to pay the premiums and costs due to the brokers. The brokers will not release the insurers from their liability without having informed the policy holder of their intention in advance.

5 • Extension of the concept of policyholder

If another than the policyholder owes the premiums and costs that other person will also be regarded as policyholder for the application of the articles 1 up to end including 4.

NOTE : Wherever the word "brokers" is used in this clause, this shall mean [Broker's name].