

## GENERAL CONDITIONS “DUTCH BOURSE POLICY FOR LAND BASED EQUIPMENT (1991)”

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## ARTICLE 1 DEFINITIONS.

### 1.1 ASSURED

The one, with whom the insurance agreement has been concluded and as such has been stated on the policy form;

### 1.2 NAMED ASSURED

Everyone, who by virtue of the policy can derive rights from this insurance;

### 1.3 "W.A.M." (COMPULSORY THIRD PARTY LIABILITY RISKS)

Law governing third party liability risks in connection with motor-vehicles;

### 1.4 INSURED OBJECT

The insured object and the equipment and accessories pertaining thereto as described on the policy form;

### 1.5 OCCURRENCE

An occurrence or series of occurrences arising from one and the same cause.

## ARTICLE 2 AREA COVERAGE.

The insurance is in force within the area covered as described on the policy form.

## ARTICLE 3 EXTENT OF COVERAGE.

### 3.1 DAMAGE TO THE INSURED OBJECT

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#### 3.1.1 STANDARD

Insurers will reimburse the loss of or damage to the insured object or part thereof:

- a. resulting from any external cause, as well as
- b. by fire, explosion, collision, contact, skidding, overturning or entering water or leaving the road as a result of any defect, inherent vice or directly resulting from the nature of the insured object.

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#### 3.1.2 EXTENDED

Insurers will reimburse the loss of or damage to the insured object or part thereof resulting from:

- a. any external cause;
- b. any defect, inherent vice or directly resulting from the nature of the insured object.

## 3.2 LIABILITY

### 3.2.1 STANDARD

3.2.1.1 Also in the event of one or more of the Insurers being admitted as Insurer in accordance with article 2. item 5 of the W.A.M., they do not cover as such the liability as described in 3.2.1.2. Consequently by concluding this insurance Insurers have not complied with any obligation resulting from the afore-mentioned Law.

3.2.1.2 Insurers will reimburse the consequences of the liability in respect of:

- a. the Assured, the owner, the proprietor, the holder or the driver of the insured object;
- b. those persons carried by the insured object;
- c. the employer of the persons stated under a. and b., if this employer in this capacity is liable for damage to property (including animals), as well as any loss resulting therefrom, caused with or by:
  - a.a. the insured object;
  - b.b. property located at or in, or falling from or which has been fallen from the insured object;
  - c.c. trailers or other objects without own propulsion, coupled to the insured object or after coupling have been detached or loosened therefrom, provided they have not come to a standstill outside the traffic.

3.2.2.2. Insurers will reimburse the consequences of liability in respect of:

- a. the Assured, the owner, the proprietor, the holder or the driver of the insured object;
- b. those persons carried by the insured object;
- c. the employer of the persons stated under a. and b., if this employer in this capacity is liable for damage to persons and property (including animals), as well as any loss resulting therefrom, caused with or by:
  - a.a. the insured object;
  - b.b. property located at or in, or falling from or which has been fallen from the insured object;
  - c.c. trailers or other objects without own propulsion, coupled to the insured object or after coupling have been detached or loosened therefrom, provided they have not come to a standstill outside the traffic.

### 3.2.3. LEGAL COSTS AND LEGAL INTEREST

If this insurance covers the liability as described under 3.2.1. or 3.2.2., Insurers will also reimburse:

- a. the costs for which:
  - an Assured should be sentenced in respect of a trial conducted by him with permission of or at the request of Insurers and the costs of legal assistance following instructions from Insurers;
  - Insurers might be sentenced in respect of a trial brought against them before the Court by the injured person;
- b. the legal interest due by the Assured on the amount of the loss covered by the policy.

### 3.2.4. GUARANTEE

If in connection with all loss covered by this policy a restraint has been imposed upon the Assured or that the insured object has been confiscated to safeguard the rights of an injured party, Insurers will provide a guarantee for the Assured if by doing so the restraint or the confiscation can be withdrawn.

The Assured is obliged to authorize Insurers in writing to dispose of the amount deposited by them as soon as it is released and to render all his cooperation in order to obtain its release.

### 3.3 DAMAGE TO OTHER PROPERTY

Contrary to the stipulations of article 4.3.d. Insurers will reimburse the loss of or damage to property (including animals), belonging to or in use by the Assured, the owner or the holder in good faith, as well as any loss resulting therefrom, caused by the insured object or property located at or in it, provided and in so far as the loss is not covered by any other insurance.

## ARTICLE 4. EXCLUSIONS.

### 4.1 GENERAL

This policy does not cover loss or damage:

- a. caused by atomic reactions;
- b. caused by:
  - armed conflict: any case in which States or other organised parties fight among each other, or at least one against the other, thereby using military means of power. Armed conflict also includes military action by a Peaceforce of the United Nations;
  - civil war: a more or less violent struggle among inhabitants of the same state, involving a major part of the inhabitants of same State;
  - insurrection: organised violent resistance within a State, aimed against Public Authority;
  - internal disturbances: more or less organized violent actions, occurring at various places within a State;
  - rebellion: a more or less organized violent movement, aimed against Public Authority;
  - mutiny: a more or less organized violent movement of members of any armed force, aimed against the authority under which they have been placed;
  - or has been caused by or during confiscation of a Dutch or foreign authority;
- c. which has arisen whilst the insured object was used for other purposes than stated on the policy form.

### 4.2 DAMAGE TO THE INSURED OBJECT

From the coverage as described in article 3.1. is excluded loss or damage:

- a. caused by gross fault of the Assured;
- b. resulting from insufficient maintenance of and/or insufficient care of the insured object for which the Assured is to blame;
- c. to tires, unless by the same cause –besides this damage- also other damage to the insured object occurred;
- d. consisting of the cost of repair of normal wear and tear.

### 4.3 LIABILITY

From the coverage as described in article 3.2. is excluded liability in respect of:

- a. the person who drives the insured object, or handles it or be on it without specific or implied permission of somebody entitled to granting permission;
- b. the proprietor in bad faith or the older in bad faith;
- c. an Assured for loss or damage, which for him is the deliberate or certain consequence of his action or negligence;
- d. loss of or damage to property (including animals) owned by the Assured, the proprietor or the holder of the insured object, as well as the loss or damage resulting therefrom, unless the loss or damage is covered by the policy on account of the stipulations of article 3.3.
- e. loss of or damage to property carried by the insured object (also during loading and discharge) and loss of or damage to trailers or other objects, which are coupled to the insured object or after coupling have been detached or loosened therefrom, provided they have not come to a standstill outside the traffic.

#### 4.4 DAMAGE TO OTHER PROPERTY

From the coverage as described in article 3.3. is excluded damage cause by gross fault of the Insured sustaining this damage.

### ARTICLE 5. OBLIGATIONS OF THE ASSUREDS AFTER A LOSS.

- 5.1 As soon as an Assured is aware of an event which may lead to an obligation of Insurers to a settlement, he is obliged to:
  - a. report this event to Insurers as soon as possible;
  - b. provide Insurers as soon as possible with all data and transfer all document to them;
  - c. give Insurers his full cooperation and refrain from everything which might endanger the interest of Insurers;
  - d. in the event of theft (or attempted theft) or any other penal offence to report same within 24 hours to the police and other relevant parties;
  - e. in the event of liability to third parties to refrain from admitting guilt or making any promises for any payment.
- 5.2 The insurance does not grant coverage if the Assured has failed to comply with any of these obligations and consequently has prejudiced the rights of Insurers.
- 5.3 The right to indemnification under this policy is forfeited in any case if the reporting does not take place within 5 years after the event, which may lead to an obligation for Insurers to settlement.

### ARTICLE 6. ASSESSMENT OF LOSS.

- 6.1 Loss or damage to be established either mutually or by a surveyor to be appointed and paid by Insurers. The Assured also has the right –at his own expense- to appoint a surveyor. In case the assessments differ the two surveyors will appoint a third surveyor who will give binding judgement within the limits of their assessment.

The expense of this third surveyor will be for account of Underwriters for fifty percent and the other half for account of the Assured.

- 6.2 In case of damage to third parties Insurers have the right to directly indemnify the injured parties and to make settlements with them. When doing so they will bear in mind the rights of the Assureds.

In case settlement of damage consists of periodic payment and if the value of same considering other benefits is higher than the amount insured, the length or the extent of those payments will be proportionally reduced at the option of the Assured.

- 6.3 In case Insurers become obliged to indemnify an injured party by virtue of the W.A.M. or a similar foreign Law, which they could decline to an Assured by virtue of other legal stipulations or the policy conditions, they are entitled to recover from the Assured the amount due by them-increased by the additional relevant costs made by them.

- 6.4 For loss and/or damage other than stated in 6.2. Insures are also entitled in respect of the rightful claimant and consequently be legally and fully discharged by payment to, crediting with or settlement in any other way to and discharge by the intermediary stated in the policy, if and in so far as the rightful claimant, by serving a writ upon Insurers before the moment of payment, crediting or settlement, or by letter for which Insurers have acknowledged receipt prior to said moment, will not have excluded the competence of Insurers to pay to, credit or make settlements with the abovementioned intermediary.

- 6.5 Insurers will not recover loss and/or damage paid by them according to articles 3.1. and 3.3. from:

- a. the Assured, the owner, the proprietor in good faith or the holder in good faith;
- b. the person who drives the insured object, handles it or be on it with specific or implied permission of somebody entitled to granting permission;
- c. the employer of the persons stated under a. and b., if this employer in this capacity is liable for the loss and/or damage; unless gross fault or negligence is evident in respect of the party who caused the loss and/or damage.

## ARTICLE 7. SETTLEMENT OF LOSS.

### 7.1 DAMAGE TO THE INSURED OBJECT

- 7.1.1.** Insures will reimburse in case of loss and/or damage as described in article 3.1.:

- a. in case of loss;

the value of the insured object at the time of loss up to the amount stated in the policy under

- 1.a. the amount stated for damage as described in article 3.1.1.;
- 1.b. the amount stated for damage as described in article 3.1.2.;

- b. in case of damage;

the costs of repair, from which will be deducted:

- a reasonable reduction for normal wear and tear;

- the value of any remaining parts.

The settlement will never be higher than the amount which would have been paid in case of loss.

- 7.1.2. Insurers have the right to defer payment of the costs of repair as long as the damage has not been properly repaired.

Insurers will have to be put in a position to control the repair.

- 7.1.3 Insurers will not invoke under-insurance.

- 7.1.4. In addition to the damage as described in 7.1.1. Insurers will pay, if required, an amount as stated on the policy form under 1.a. or 1.b. – in respect of:

- c. costs to prevent or diminish damage covered by this policy, irrespective as to whether these costs produced the results envisaged. Costs as meant by this article do not only comprise expenditures paid or to be paid in cash, but also equivalent sacrifices valuable in cash;
- d. the costs of the required protection or the transport of the insured object, as a result of loss or damage covered by this policy, to the nearest appropriate place of repair;
- e. costs of removal following the loss of the insured object or the equivalent in loss or damage, obligatory or deemed reasonably necessary by the Assured, as a consequence of loss or damage covered by this policy;
- f. contribution in general average;

and as such per section as stated on the policy form up to:

- 1.a. the amount stated for damage as described in article 3.1.1.;
- 1.b. the amount stated for damage as described in article 3.1.2.

## 7.2. LIABILITY

### 7.2.1 STANDARD

Insurers will settle the loss and/or damage as stated in article 3.2.1. for all Assureds combined per event up to the maximum amount insured as stated on the policy form under 2.a.

### 7.2.2. EXTENDED

- a. insurers will settle the loss and/or damage as stated in article 3.2.2. for all Assureds combined per event up to the maximum amount insured as stated on the policy form under 2.b.
- b. for events occurring in a country falling under the scope of the area covered by this policy, in which by virtue of the local applicable legal stipulations regarding compulsory insurance of motovehicle liability risks a higher amount is required, this higher amount is applicable as amount insured.

### 7.2.3 LEGAL COSTS AND LEGAL INTEREST

The costs and interest as stated in article 3.2.3. will be reimbursed in addition to the amount insured as stated on the policy form under 2.a. or 2.b.

#### 7.2.4 GUARANTEE

Insurers will provide the guarantee as described in article 3.2.4 up to a maximum amount of the value of the object at the time of loss.

#### 7.3 DAMAGE TO OTHER PROPERTY

Insurers will reimburse the loss and/or damage as described in article 3.3 up to the maximum amount stated on the policy form under 3.

#### 7.4 AUTOMATIC REINSTATEMENT AFTER DAMAGE

Irrespective the amount which has been or will be paid by Insurers the insurance for the insured object will remain in force for the full amounts insured during the whole currency of the policy.

### ARTICLE 8. RETURN OF PREMIUM.

The Assured is entitled to a refund of premium only in the event the insurance –other than per expiry date- will terminate in accordance with the stipulations as per articles 10.1, 10.2.a. or 10.2.c. In this event the premium will be refunded over the period for which premium has been paid and for which Insurers are not liable, against return of any insurance certificate as stated in article 14. W.A.M., which may have been issued to the Assured.

### ARTICLE 9. ALTERATION TO THE OBJECT INSURED.

The insurance will remain in force unchanged in the event of alterations being made to the insured object. If these alterations also involve a change of risk, the Assured is obliged to notify Insurers as soon as possible, once he becomes aware of the alterations.

By not complying with this obligations any right of indemnification for loss and/or damage is forfeited, unless the Assured proves that the cause or the extent of the loss or damage has no connection with the alterations. In case of change of risk Insurers are entitled with immediate effect to review the premium and/or conditions.

### ARTICLE 10. TERMINATION OF COVER.

10.1 Insurers are entitled to cancel the insurance at any time giving 30 days' notice of cancellation.

10.2 The insurance will also terminate:

- a. as soon as the insured object is sold or definitely laid-up;
- b. in case of loss of the insured object or the equivalent in loss and/or damage according to article 7.1.1.b.;
- c. if the Assured refuses to accept the change in premium and/or conditions, which Insurers may feel necessary by virtue of article 9., per the date on which the change in premium and/or conditions will take effect.



## ARTICLE 11. FINAL PROVISIONS.

- 11.1 If this insurance covers more than one object and the amount insured is broken down by these objects, each object is deemed to be insured under a separate policy.
- 11.2 Notifications by Insurers to the Assured are considered to be made legally to his latest known address to Insurers or to the address of the intermediary through whom this insurance is placed.
- 11.3 In the first instance all disputes arising from or connected with the implementation of this contract shall be referred to the decision of a competent judge in Amsterdam or Rotterdam.
- 11.4 The headings can neither alter nor affect the contents of the articles.

*The VNAB policy conditions and clauses are NOT BINDING. They merely serve as specimen which may be customised by alterations, additional provisions and/or clauses. VNAB market players are free to offer other policy conditions to their customers.*

*As market players are free to use them at their own discretion, the VNAB cannot assume any liability for the application or contents of the model conditions and clauses.*

*For previously published (older) conditions, please contact the VNAB.*

*In the event of any discrepancy between the Dutch original wording and this free and non-binding English translation, the Dutch original will prevail.*

*The official title of these conditions is: 'Dutch Bourse Policy for Land Based Equipment (1991)'. The wording is available via the website of the Coöperatieve Vereniging Nederlandse Assurantie Beurs B.A., [www.vnab.nl](http://www.vnab.nl).*