

PAYMENT OF PREMIUM AND CLAIM

1.1 DEFINITIONS

- 1.1.1 For the application of this article "premium" is deemed to include any other amount payable in connection with this insurance.
- 1.1.2 For the application of this article "insured" is deemed to include the policyholder as well as any other party who owes the premium.

1.2 PREMIUM

- 1.2.1 The broker undertakes to pay the premium to the insurer(s) as if the broker were indebted at the moment the premium becomes payable by the insured under the insurance contract. Unless expressly agreed otherwise, the broker will pay the premium by crediting the current account of the insurer(s) for the premium payable by the insured under the insurance contract, at which point the insured will be discharged towards the insurer(s).
- 1.2.2 The insured is obliged to pay the premium to the broker. In the event that the insurance contract has been concluded through a second intermediary and the insured has paid the premium to said second intermediary, the insured will not be discharged towards the broker by said payment until the second intermediary has paid the premium to the broker.
- 1.2.3 Without prejudice to the insured's liability to pay the premium due to the broker, the insurance will only be effective for the period for which the premium has been paid to the broker, as well as for the period for which the broker has granted the insured credit. This will be interpreted to mean that the insured is deemed to have been granted credit, unless this has been cancelled in writing.
- 1.2.4 Upon conclusion of this insurance contract the broker has been irrevocably authorised by the insured to release the insurer(s) from their obligations under the insurance contract prematurely if the insured or, in case this insurance contract has been concluded through a second intermediary, said second intermediary fails to pay the premium to the broker.

The broker will not release the insurer(s) from their obligations without prior written notice of such intention to the insured.

- 1.2.5 In case of the insured being bankrupt or being granted a moratorium, the credit referred to under 1.2.3. is cancelled immediately and the insurer(s) are released from their obligations under the insurance contract as referred to under 1.2.4. These legal consequences take effect solely by the bankruptcy or moratorium being ordered without prior notice of default being required. The liquidator or administrator is authorised for a month after the date on which the bankruptcy or the moratorium was ordered, or, if this is later, until 14 days after the broker notified him of the credit being cancelled, the insurer(s) being released from their obligations and of the authority to arrange for cover to be reinstated, to arrange for cover to be reinstated,

also in respect of any loss or damage occurred after the date of the bankruptcy or moratorium order, if and insofar as he has paid the total premium due.

1.3 PAYMENT OF CLAIMS AND RETURN OF PREMIUM

- 1.3.1 Unless the party entitled prefers a different manner and has given prior written notice thereof to the insurer(s), the broker will debit the current account of insurer(s) for any payable amount of indemnity and return of premium. The insurer(s) will thereby be discharged as soon as the payment of indemnity has been received by the party entitled or otherwise has been settled with said party in accordance with the law or any existing arrangement between said party and the broker. If the insurer(s) have paid the damages to the broker and the latter defaults on payment thereof to the party entitled, the insurer(s) have the right to reclaim the damages from the broker if they are called upon by the party entitled to make a renewed payment. If the broker has paid the damages received from the insurer(s) to the second intermediary, but the latter defaults on payment thereof to the party entitled, the broker will have the right to reclaim the damages from said second intermediary if he is either called upon by the party entitled to make a direct payment or the insurer(s) reclaim said damages from the broker as provided for in this paragraph..
- 1.3.2 The broker will pay any amount of indemnity and return of premium to the party entitled thereto. However, the broker is only liable to pay the balance that remains after said amount of indemnity and return of premium have been set off against any receivables from the insured under any other insurance, whether due and payable or not, yet undisputed at the time the liability to pay arises. Nevertheless, such a setoff will not take place in case of insurances which have been made out to bearer or order, unless the policyholder is entitled to the payment of indemnity and in case of compulsory liability insurance. If the entitlement to payment of indemnity is subject to a pledge as referred to in Section 3:229 of the Netherlands Civil Code, or a benefit as referred to in Section 3:283 of the Netherlands Civil Code, as well as in case of a non-compulsory insurance against liability, the settlement will not extend beyond that which is payable by the policyholder in respect of the insurance under which the payment is made.