

Terms and Conditions of Travel Insurance for Au Pairs, as Provided by HanseMerkur Reiseversicherung AG VB-RS 2008 (AP)

A: General Part (The following regulations of this general part are valid for all insurances dealt with in the special part.)

§ 1 - Insured Persons and Eligibility for Insurance

- Insured persons are those identified by name in the insurance policy, for whom the agreed premium has been paid.
- Persons eligible for insurance cover are those who accept an offer as an au pair by the age of 30 (30th birthday), provided they satisfy one of the following prerequisites:
 - Persons of foreign nationality with a permanent place of residence abroad, during the period of their stay in the Federal Republic of Germany;
 - Persons of German nationality and a permanent place of residence in the Federal Republic of Germany, as well as citizens of the EU countries with a permanent place of residence in the Federal Republic of Germany during a period abroad;
 - Persons of another nationality during a period spent abroad, provided they have had their permanent residence in the Federal Republic of Germany for at least two years.
- Persons not eligible for insurance cover, even though they pay the premiums, are persons who are permanently in need of care, and persons who are mentally ill. Persons in need of care are persons who generally require the help and assistance of others to master the daily routines.

§ 2 - Conclusion, Duration and Ending of the Contract

- Application for insurance cover must be submitted prior to the commencement of the period abroad, or within 31 days following arrival in the Federal Republic of Germany. The date of arrival in the Federal Republic of Germany, or of departure for a foreign destination, must be proven, upon request, in the form of verification of a border crossing. After departure for a foreign destination, or after expiry of a period of a month following entry to the Federal Republic of Germany, conclusion of an insurance contract is no longer possible.
- The contract comes into effect in that the application foreseen by the insurer for this purpose is submitted to the insurer properly completed, and that the insurer sends a confirmation of insurance to the policyholder. The application has only been properly completed if it contains all of the details requested and these have been provided clearly and completely.
- In cases of persons for whom the prerequisites for eligibility for insurance cover, as specified in section § 1, point 3 of these terms and conditions, have not been satisfied, no insurance contract shall come into effect, even if payment of the premiums is made. If premiums are paid for a person not eligible for insurance cover, the sum paid is available to the sender.
- The insurance contract must be concluded for the entire period of the stay.
- The maximum period of insurance cover amounts to three years.
- In the event of an extension of the period of stay within the maximum insurance period, the originally agreed insurance period can only be extended by a follow-up contract if the application for the follow-up contract has been submitted to (i.e. received by) HanseMerkur before expiry of the original insurance agreement and HanseMerkur has explicitly consented to this follow-up contract.
In the event of such an extension, insurance cover is only provided for claims, illnesses, complaints and the consequences of such, that have newly occurred after the application for extension (date and time of postmark).
- An insured person working as an au pair on the basis of a written contract can, in the event of a change in the host family within the original period of the insurance, conclude an amendment contract within the framework of these terms and conditions, provided:
 - the application is made within a period of two months following the change in the host family;
 - the initial period was insured by HanseMerkur;
 - the commencement of the amendment contract immediately follows the previous contract;
 - the amendment contract was applied for before the ending of the previous contract;
 - the amendment contract is to end at the same time as initially specified in the previous contract.Rights and obligations arising from the previous contract shall pass to the amendment contract.

Maximum rates of insurance cover provided shall be calculated collectively.

In connection with health insurance, illnesses and complaints occurring for the first time during the previous contract(s) with HanseMerkur will be co-insured in the amendment contract.

- If the policyholder and the insured person are not identical, cancellation by the policyholder will only be valid if the insured person(s) affected by the cancellation has/have been informed of the cancellation accordingly and the policyholder provides proof of this. The insured persons affected have the right to continue the insurance contract, provided a future policyholder is named. The statement relating to this must have been received within two months of receipt of the notice of cancellation.
- The statutory regulations relating to rights of cancellation for exceptional reasons remain unaffected by the agreements reached here.
- The insurance contract ends
 - on the agreed date;
 - upon the death of the policyholder or upon his or her departure from (i.e. leaving) the Federal Republic of Germany; the insured persons nevertheless have the right to continue the insurance contract by naming a future policyholder. This declaration must be made within a period of

two months following the death or departure of the policyholder.

- with the ending of the temporary period of stay of the insured person in the Federal Republic of Germany or abroad;
- when the prerequisites for a temporary period of stay in the Federal Republic of Germany, or abroad, no longer apply,
as when the insured person has decided to remain permanently in the Federal Republic of Germany, or abroad, or
the insured person has returned to his or her homeland for good;
- if the prerequisites determining eligibility for insurance cover no longer apply to the insured person.

§ 3 - The Premium

- Payment of the Initial Premium
 - The initial premium is due upon commencement of the insurance contract.
 - If the initial premium is not paid on time, the insurer is entitled to withdraw from the contract for as long as the payment remains unpaid, unless the policyholder cannot be held answerable for the non-payment.
 - If the initial premium has not been paid at the time of occurrence of an event covered by the insurance, the insurer is not compelled to pay benefits, unless the policyholder cannot be held answerable for the non-payment.
- Payment of Subsequent Premiums
 - If the subsequent premium is not paid on time, the insurer will send the policyholder a reminder and will set a deadline of two months within which the payment must be made.
 - If an event covered by the insurance occurs after this deadline and the policyholder has still not paid the premium at the time of occurrence of this event, or is in default as regards payment of associated interest and/or costs, the insurer is not compelled to pay benefits.
 - The insurer combines this two-month payment deadline with notice of termination of the contract as per expiry of this date. Termination will become effective with the expiry of the set deadline, if the policyholder is still in default of payment at this point in time.
 - The termination will become ineffective if the policyholder makes payment within a month of its having become (initially) effective. The contents of letter b, above, shall remain unaffected by this. The same applies in the event that the insured person names a new policyholder within two months of having been informed of the notice of termination and this named person pays the premium demanded. The contents of letter b, above, shall remain unaffected by this.

§ 4 - Area of Application, Commencement, Period and End of the Insurance Cover

- Area of Application
 - HanseMerkur offers insurance cover within the scope of these conditions for insured persons who, while travelling, are temporarily in the Federal Republic of Germany, or are abroad.
 - An event for which insurance cover is normally provided is not insured if this occurs in the home country of the insured person. The home country in the sense of these contract provisions is the country in which the insured person has his or her permanent place of residence and/or the country of his or her nationality.
- Commencement of Insurance Cover
The insurance cover begins at the point in time indicated in the insurance policy (Commencement of Insurance), though
 - not before the insurance contract has come into effect;
 - not before entry into the Federal Republic of Germany, or before leaving Germany for a foreign country;
 - not before payment of the premium;
 - not until expiry of any waiting period.
- For events covered by the insurance, illnesses, complaints, and the consequences of such, occurring before commencement of the insurance cover or existing at the time of commencement of the insurance cover, no benefit will be paid.
- End of Insurance Cover
The insurance ends
 - at the agreed point in time;
 - with the ending of the insurance contract;
 - with the ending of the temporary period of stay of the insured person in the Federal Republic of Germany, or abroad;
 - if the prerequisites determining eligibility for insurance cover no longer apply to the insured person.

§ 5 - Subject Matter of the Insurance Cover Provided and the Extent of Liability in Respect of Benefits

Dealt with in the corresponding section of Part B of these insurance provisions.

§ 6 - General Limitations on Insurance Cover, Grounds for Forfeiture, Limitation Periods for Legal Action, and Other Limitation Periods

- Insurance cover is not provided for damage due to war, civil war, warlike incidents, civil unrest, strike action, nuclear energy, confiscation, dispossession or other acts of high authority.
- HanseMerkur is free of all liability if the policyholder or the insured person has intentionally caused an event covered by the insurance.
- If an event covered by the insurance occurs as a result of grossly negligent behaviour on the part of the policyholder or the insured person, HanseMerkur is entitled to reduce the insurance benefits by an amount

corresponding to the seriousness of the fault attributable to such behaviour.

- HanseMerkur is not obliged to pay benefit if the policyholder or the insured person has wilfully attempted to deceive HanseMerkur as to circumstances of importance relating to the reason for, or the amount of, benefits presumably due.
- Claims based on this insurance contract fall under the statute of limitations after three years. The period of limitation begins at the end of the year in which the claim for benefit was first raised. If a claim has been submitted to HanseMerkur by the policyholder, or by the insured person, the period of limitation will be approved as commencing from the point in time at which HanseMerkur's decision in the matter is received by the policyholder, or by the insured person, in writing.

§ 7 - General Obligations and the Consequences of Violation of Such Obligations

- Obligations
The policyholder and the insured persons are obliged, upon the occurrence of an event covered by the insurance
 - to keep the level of damage as low as possible and to avoid any action that could lead to an unnecessary increase in costs;
 - to report the damage to HanseMerkur without delay, and upon conclusion of the journey at the latest, submitting at the same time all relevant documentation;
 - to permit HanseMerkur to undertake all reasonable investigations as to the cause of the occurrence and the level of benefits due, to provide all useful information in this connection, to submit original receipts, etc. and, in the event of death, to submit the death certificate;
 - to permit examination, at the request of the insurer, by a doctor appointed by the insurer.
 - The knowledge and fault of the insured person are weighted equal to the knowledge and fault of the policyholder.
- Legal Consequences of Violation of Obligations

If the policyholder or the insured person wilfully violates a contractually agreed obligation, HanseMerkur is not obliged to pay benefits. In the case of gross negligence leading to violation of the obligation, HanseMerkur is entitled to reduce the insurance benefits by an amount corresponding to the seriousness of the fault attributable to such behaviour by the policyholder or the insured person. The onus of proof that gross negligence did not play a role lies with the policyholder / insured person.

Note: your attention is additionally drawn, at this point, to the special obligations referred to in the individual sections in Part B of these terms and conditions of insurance.

§ 8 - Payment of Insurance Benefits

- If HanseMerkur has proof of both the conclusion of an insurance contract and the payment of the premiums, and if the reason for payment of benefit and the amount of such benefit have been established, payment in compensation must be made within two weeks. This period may be extended if the processing of the claim by HanseMerkur is delayed for reasons for which the insured person can be held responsible.
- One month after notification of the insurer as to the damage incurred, part-payment of the claim amount may be requested for the minimum sum due, on the basis of the facts on hand.
- If, in connection with the claim, the insured person is under investigation by the authorities or if criminal charges have been brought against the insured person, HanseMerkur can delay settlement of the claim until such legal proceedings have been concluded.
- For purposes of examining entitlement to benefits, HanseMerkur may be required to obtain personal health data available within the legally permissible boundaries. If the policyholder or the insured person, or the legal representative of the insured person, or a person at risk, refuses consent to such procedure thereby effectively preventing HanseMerkur from completing its assessment of the amount and extent of benefit entitlements due, this will result in a postponement of the due date of payment. The same applies if institutions and individuals questioned have not been released from their obligation to confidentiality with respect to HanseMerkur.
- Costs incurred in a foreign currency are converted to the currency valid in the Federal Republic of Germany at the rate of exchange applicable on the day on which the receipts were received by the insurer. For traded currencies, the exchange rate of the day is the official exchange rate as stipulated in Frankfurt/Main, whereas for non-traded currencies the rate is as stipulated in "Währungen der Welt", publications of the German Central Bank Deutsche Bundesbank in Frankfurt/Main (latest version in each case), unless it can be proven that the foreign currency required for the payment of invoices was purchased at a less favourable exchange rate.
- Additional costs incurred by the insurer in making necessary transfers abroad or in complying with the request of the policyholder that special forms of transfer be used, can be deducted from the benefits due.
- Insurance claims may neither be assigned nor pledged.

§ 9 - Indemnification from Other Insurance Contracts and Claims Against Third Parties

- If, in the case of an event covered by the insurance, indemnification can be claimed from another insurance contract, this other contract shall have priority over the current contract. This also applies if, in one of the other insurance contracts, such a subordinate-contract clause has also been agreed,

regardless of when the other insurance contract was concluded. If the event covered by the insurance is first reported to HanseMerkur, it will initially undertake payment and will then contact the other insurer directly for purposes of sharing the costs.

2. Claims of the policyholder, or of the insured person, against third parties shall pass to HanseMerkur Reiseversicherung AG inasmuch as this is legally permissible, and to the extent that the latter has paid indemnity for the damage incurred. If necessary, the policyholder, or the insured person, must sign a transfer declaration to the benefit of the insurer.

§ 10 - Offsetting

The policyholder or the insured person can only offset claims of the insurer to the extent that the counterclaim is uncontested, or has been legally established.

§ 11 - Declarations of Intent and Notifications

Declarations of intent and notifications intended for the insurer must be submitted in writing.

§ 12 - Applicable Law, Contract Language, Validity for the Insured Person

German law is applicable, provided this is not prohibited by international law. The contract language is German. All of the agreed provisions apply correspondingly to the insured person.

§ 13 - Participatory Bonus

This insurance does not entail any participatory bonus.

B: Special Part of the Terms and Conditions of Travel Insurance Offered by HanseMerkur Reiseversicherung AG for Au Pairs (VB-AP RS)

The following terms of insurance apply inasmuch as they have been agreed to.

I. Travel Accident Insurance

§ 1 - Description of the Insurance Cover

1. HanseMerkur pays benefits for travel accidents that lead to the death or to permanent invalidity of the insured person.
2. An accident in this sense occurs when the insured person suffers a sudden external influence exerted on his or her body (accidental) and resulting in unintended damage to the health of the insured person.
3. The term accident, as used in this sense, also covers situations in which, due to increased bodily effort or exertion, a joint of the limbs or spinal column sprains or dislocates, or muscles, tendons, ligaments or capsules are wrenched or torn.

§ 2 - Benefits

The insurance benefits paid in cases of invalidity or death, as well as for rescue measures, can be derived from the contractual agreements. The justification of a claim and the assessment of benefits due are dealt with in the following provisions.

I. Invalidity Benefits

1. If the accident leads to permanent impairment of physical or mental capabilities (invalidity) of the insured person, this gives rise to a claim for payment from the sum reserved for cases of invalidity. Such invalidity must become apparent within the period of a year of the accident, and must also have been medically confirmed and formally claimed within a further period of three months.
2. The level of benefits is determined in accordance with the level of invalidity.
 - a) The following stipulated degrees of invalidity apply (to the exclusion of evidence supporting a higher or lower level of invalidity) in cases of loss or functional disability.

an arm at the shoulder joint	70 %
an arm to above the elbow	65 %
an arm to below the elbow	60 %
a hand at the wrist joint	55 %
a thumb	20 %
an index finger	10 %
some other finger	5 %
a leg above the middle of the thigh	70 %
a leg up to the middle of the thigh	60 %
a leg up to just below the knee	50 %
a leg up to the middle of the lower leg	45 %
a foot at the ankle joint	40 %
a big toe	5 %
some other toe	2 %
an eye	50 %
loss of hearing in one ear	30 %
sense of smell	10 %
sense of taste	5 %

- b) In cases of partial loss or functional impairment of one of these parts of the body or sense organs a corresponding portion of the percentage rate stipulated under "a)", above, will be taken as a basis.
- c) If parts of the body or sense organs are affected by the accident, the value of the loss or impaired function of which is not stipulated under "a)" or "b)", the deciding factor shall be the extent to which normal physical or mental capability is impaired, this assessment being restricted solely to consideration of the medical aspects.

- d) If several physical or mental functions have been impaired by the accident, the degree of invalidity stipulated for each such instance of impairment under section § 2, item 2 will be added together. A total value exceeding 100 per cent will not, however, be assumed.

3. If, as a result of the accident, a bodily or mental function that had already been permanently damaged is again affected, a deduction corresponding to the value of this prior invalidity will be made. This is to be assessed on the basis of section § 2, items 2 a) to c).
4. If death occurs within one year of the accident as a result thereof, no claim for invalidity benefit will be recognized.

5. If (irrespective of the cause) the insured person dies within one year of the accident for reasons unconnected with the accident, or more than one year after the accident, and a claim for invalidity benefit based on section § 2, item 1 has been made, benefits will be paid according to the degree of invalidity which would have had to be calculated on the basis of the most recent medical findings.

6. Multiple benefits as from a degree of invalidity of 26%, applicable for accident insurance based on progressive table of Invalidity (up to 350%)

If, excluding the influences of illness and other afflictions, an accident gives rise to permanent impairment of bodily or mental functioning to a value of more than 25 per cent, on the basis of assessment according to section § 2, items 2 and 3, the following applies:

- a) For each percentage point by which the accident-related degree of invalidity exceeds the 25% mark, HanseMerkur will pay an additional 2% from the insurance sum.
- b) For each percentage point by which the accident-related degree of invalidity exceeds the 50% mark, HanseMerkur will pay a further additional 2% from the insurance sum.
- c) Such additional performance will be limited in each case (i.e. per insured person) to a maximum of EUR 150,000. If the insured person has other active accident insurance policies with HanseMerkur Reiseversicherung AG, the maximum amount shall apply to all insurance contracts taken collectively.

In cases of invalidity these special conditions have the following specific implications:

Accid-ent-Relat-ed Degr-ee of Invali-dity (%)	Level of Invalidity from the Sum Insured (%)	Accident-Related Degree of Invalidity (%)	Level of Benefit from the Sum Insured (%)	Accident-Related Degree of Invalidity (%)	Level of Benefit from the Sum Insured (%)	Accident-Related Degree of Invalidity (%)	Level of Benefit from the Sum Insured (%)
1	1	26	28	51	105	76	230
2	2	27	31	52	110	77	235
3	3	28	34	53	115	78	240
4	4	29	37	54	120	79	245
5	5	30	40	55	125	80	250
6	6	31	43	56	130	81	255
7	7	32	46	57	135	82	260
8	8	33	49	58	140	83	265
9	9	34	52	59	145	84	270
10	10	35	55	60	150	85	275
11	11	36	58	61	155	86	280
12	12	37	61	62	160	87	285
13	13	38	64	63	165	88	290
14	14	39	67	64	170	89	295
15	15	40	70	65	175	90	300
16	16	41	73	66	180	91	305
17	17	42	76	67	185	92	310
18	18	43	79	68	190	93	315
19	19	44	82	69	195	94	320
20	20	45	85	70	200	95	325
21	21	46	88	71	205	96	330
22	22	47	91	72	210	97	335
23	23	48	94	73	215	98	340
24	24	49	97	74	220	99	345
25	25	50	100	75	225	100	350

II. Benefit Paid in the Event of Death

If the accident leads to the death of the insured person within one year, the beneficiaries are entitled to benefit payments as specified for cases of death. For assertion of such claims, reference is made to section § 5, item 5.

III. Rescue Costs, etc.

1. If the insured person has met with an accident that is covered by the insurance policy, HanseMerkur will reimburse the necessary costs incurred – up to the contractually stipulated amount – for:

- a) the search, rescue and recovery measures undertaken by public or private rescue services, provided the customary fees are invoiced;
- b) transport of the injured person to the nearest hospital or to a special clinic, if medically required and prescribed by a doctor;
- c) additional costs for the return of the injured person to his or her permanent place of residence, provided these additional costs result from medical prescriptions or are unavoidable because of the type of injuries incurred;

- d) in the event of death, transportation to the last place of permanent residence.

2. If the insured person is faced with costs such as those referred to under "1 a)", although no accident actually occurred but had nevertheless seemed imminent, or at least probable, in the given circumstances, HanseMerkur will accept liability for such costs.

3. If another entity, accepting liability for damages, pays for such damages, the claim for reimbursement by HanseMerkur can only be made with respect to the remaining costs. If another entity presumably liable for the damages contests its obligation to pay, the insured person may assert his/her claims for damages against HanseMerkur directly.

4. If the insured person is covered by several accident insurance policies with HanseMerkur, insured rescue and recovery cost can only be claimed from one of these contracts.

§ 3 - Due Date of Benefits

1. Once HanseMerkur has received the documents that the insured person is required to submit as evidence in reconstructing both the circumstances and the consequences of the accident, as well as for verification of completion of the medical treatment (a prerequisite for assessment of the degree of invalidity), HanseMerkur must declare within one month – or within three months, in cases of an invalidity claim – whether and to what extent it will recognize a claim. Medical fees incurred by the insured person for purposes of justifying the claim for benefits will be accepted by HanseMerkur to a maximum value of 1 thousandth of the insured amount.

2. If HanseMerkur accepts the claim or if the insured person and HanseMerkur reach agreement as to reason(s) and amount, HanseMerkur will then pay the benefit sum within two weeks. Before completion of the medical treatment, no claim for invalidity benefit can be made within a year of the accident.

3. If initially the obligation to pay benefit has only been established with respect to the reason(s), HanseMerkur will nevertheless make reasonable advance payments at the request of the insured person.

4. Both the insured person and HanseMerkur are entitled to have the degree of invalidity medically certified once a year, this for a maximum period of three years after the occurrence of the accident. This right must be exercised by HanseMerkur by means of declaration in accordance with section § 3, item 1, and by the insured person within one month of receipt of this declaration. If the final assessment results in a higher invalidity benefit than that already paid by HanseMerkur, the additional amount will be paid subject to added interest at a rate of 5 per cent per annum.

§ 4 - Limitation of Insurance Cover

I. Persons Not Eligible for Insurance

Persons not eligible for insurance cover, even though they pay the premiums, are persons in permanent need of care, and persons who are mentally ill. Persons in need of care are persons who generally require the help and assistance of others to master the daily routines. The insurance cover expires as soon as an insured person becomes no longer eligible for insurance, in terms of sentence one above.

II. Accidents and Injury to Health Not Covered by the Insurance

The following accidents, etc., are not covered by the Insurance.

1. Accidents directly or indirectly caused by acts of war or by civil disorder, in connection with which the insured person has taken part on the side of the instigators.
2. Accidents resulting from mental disorders or disturbed states of consciousness, including drunkenness, or due to stroke, epileptic seizures or other convulsions affecting the whole body of the insured person.
3. Accidents suffered by the insured person as a consequence of his or her wilful participation, or attempted participation, in a criminal offence.
4. Accidents suffered by the insured person, that are causally associated with the use of an aircraft. Insurance cover nevertheless exists as the passenger of an airline.
5. Accidents suffered by the insured person while parachuting.
6. Accidents suffered by the insured person as the driver, navigator or a passenger of a motorized vehicle participating in motor events, including related training runs geared to maximizing speed.
7. Accidents suffered by the insured person while at work. Commercial activities, office, teaching and administrative activities and professional activities engaged in by travel guides are nevertheless covered by the insurance.
8. Damage to the health of the insured person caused by radiation, medical treatment or surgery, infection or poisoning, except when such causes are a consequence of the accident.
9. An abdominal hernia. Insurance cover is provided, however, if the said condition is caused by a violent, external influence of the sort covered by the terms and conditions of this contract.
10. Damage to intervertebral discs, bleeding of internal organs or cerebral haemorrhage. Insurance cover is provided, however, if the main cause for the aforementioned conditions is an accident pursuant to section § 1, item 3.
11. Pathological disturbances caused by psychological or emotional reactions, regardless of their origins.

III. Involvement of Illnesses or Afflictions

If illness or affliction has contributed towards the damage suffered by the insured person's health, or to consequences arising therefrom, the benefit payment will be reduced to reflect the significance of the illness or affliction, provided its contribution is held to account for at least 25%.

§ 5 - Special Obligations Following the Occurrence of an Accident

(Supplement to the General Obligations Cited in Section § 7 of the General Part)

1. The insured person must consult a physician immediately after having had an accident for which benefit may presumably be claimed. The insured person must follow the medical advice received and must also make efforts to minimize the consequences of the accident.
2. The accident report form supplied by HanseMerkur must be answered truthfully, signed and returned immediately to HanseMerkur.
3. The insured person must permit the doctors appointed by HanseMerkur to examine him/her. The necessary costs, including any resulting loss of earnings, will be borne by HanseMerkur.
4. The doctors, treating or examining the insured person (even for other reasons), other insurers, insurance carriers and public authorities must be authorized to disclose all information required.
5. If the accident results in death, HanseMerkur must be informed of this within 48 hours, even if it has already been informed about the accident itself. HanseMerkur must be given the right to have an autopsy undertaken by a doctor commissioned by it.
6. The legal consequences of any violation of these requirements are stipulated in the General Part of these terms and conditions.

II. Travel Liability Insurance

§ 1 - Description of the Insurance Cover

- HanseMerkur offers the insured person private travel liability insurance cover for the travelling period for cases of damage involving the death, injury or loss of health of persons (personal injury) or the damage or loss of property (material damage) for which a claim is made by a third party against the insured person on the basis of personal liability legislation.
- The insurance cover applies to the statutory liability of the insured person, acting in a private capacity, and relates to the liability risks of everyday life faced while travelling, particularly:
 - as the head of a family or household (e.g. as arising from the legal obligation to supervise minors);
 - as a cyclist (whether the bicycle is motor-assisted or not);
 - as arising from participation in sport (with the exception of the types of sport referred to in section § 3, item 3);
 - as a rider or driver of unfamiliar horses and carriages for private purposes (liability claims raised by the keeper or owner of the animals against the insured person and/or the policyholder are not covered by the insurance);
 - in connection with the possession and use of model aircraft, unmanned balloons and kites that have neither a motor nor another form of inbuilt propellant, the flight weight of which does not exceed 5 kg and for which no compulsory insurance is required;
 - in connection with the possession and use of self-owned, borrowed or hired rowing boats and pedal boats, as well as non-self-owned sailing boats that are neither driven by a motor (including an outboard motor) nor by another form of inbuilt propellant and for which no compulsory insurance is required;
 - as arising from the ownership, possession, keeping or use of surfboards – owned by oneself or by others – for sporting purposes;

However, the statutory liability of the insured person as arising from rental, hire or making available to third parties is **excluded**.

- For as long as the insured person works as an au pair on the basis of a written contractual agreement;
 - the private liability insurance also incorporates a professional liability insurance. The insurance covers only liability claims based on activities in which the insured person is entitled to engage on the basis of his or her training and education. This insurance cover applies, however, only when claims are raised against the insured person as such and no other insurance cover – or no sufficient insurance cover – exists for the insured person, e.g. in the context of a private liability insurance of the host family.
 - HanseMerkur Reiseversicherung AG will indemnify the policyholder (host family) for the proven additional costs associated with the deportation of the au pair to his or her home country, as ordered by an official authority in the Federal Republic of Germany in accordance with sections § 765 and § 773 of German Civil Code "Bürgerliches Gesetzbuch (BGB)" in conjunction with sections § 82, paragraph 2, § 83 and § 84 of the German law governing aliens "Ausländergesetz" (Deportation Costs). The insurance sum for the insured deportation costs is determined by the selected tariff. The insured-party contribution deductible to be met by the policyholder amounts to 10% of the refundable deportation costs, i.e. at least EUR 100.00 and at most EUR 1,000.00.

The insurance cover provided for deportation costs applies only to deportation within the insured period, the term of the au pair contract and within the officially approved period specified in the residence permit, or in the visa.

- Provided this has been explicitly agreed to as part of the chosen tariff, the statutory liability arising from the loss of keys belonging to others (including general master keys for a central locking system and code cards) that were legally in the safekeeping of the insured person is co-insured as a supplement to section § 1, item 1 of these terms and conditions. The insurance cover is limited to claims for statutory liability due to the costs of necessary replacement of locks and locking systems, as well as for temporary security measures (emergency locks) and property protection for up to 14 days, calculated as from the point in time at which the loss of the keys was discovered. Liability claims based on consequential damage arising from the loss of keys (e.g. due to burglary) remain excluded. Nor is liability provided for the loss of keys to safes and cabinets, or of other keys to mobile property.

The maximum sum paid by the insurer amounts to EUR 250 per occurrence of loss. The insurance cover provided for all cases of loss of keys occurring within the period of an insurance year – or within an agreed insurance period of less than a year – is limited to EUR 500. An insurance year is a period of twelve months as from the date of commencement of the insurance and all dates of extension of contract.

The insured-party contribution deductible upon each occurrence of loss is 20%, or at least EUR 50.

- As far as this has been agreed to as part of the chosen tariff, the insured liability entitlements included, in departure from section § 3, item 8, cover for liability claims against the insured person due to damage to movable objects (e.g. pictures, furniture, television sets, crockery, carpets, etc.) in the household of the host family. The household of the host family refers to the house or flat in which the host family lives (main residence, secondary residence and holiday residence), including the associated land and any outbuildings or side rooms. The

insurance sum for damage to mobile property within the household of the host family is limited to EUR 2,500 per occurrence of loss, within the cover provided. The total cover provided for all occurrences of damage to mobile items of the host family within an insurance year or a shorter insurance period agreed to is limited to EUR 5,000. An insurance year is a period of twelve months as from the date of commencement of the insurance and all dates of extension of contract.

The insured-party contribution deductible upon each refundable occurrence of loss is 10%, or at least EUR 150.

- In departure from section § 3, paragraph 4, damage to hired or rented property is also included within the scope of the insurance cover provided. The insurance cover extends in this context to the everyday liability risks faced as the user of rooms within buildings temporarily rented for private purposes as travelling accommodation (e.g. hotel rooms and pensions, holiday apartments, bungalows, the household of the host family in cases of au pairs, etc.), as well as to rooms the use of which is associated and permissible with the foreseen accommodation (e.g. dining rooms, shared bathrooms).

The following liability claims, however, are **excluded**:

- damage to mobile items such as pictures and paintings, furniture, television sets, crockery, etc.;
- damage resulting from wear and tear, as well as from excessive use;
- damage to heating systems, in agreement with the fire insurer for cases of overlapping occurrences of damage.

The insurance sum for damage to rented property amounts, within the cover sum provided for material damage, to EUR 25,000 per occurrence of damage. The total cover provided by HanseMerkur Reiseversicherung AG for all occurrences of damage within an insurance year – or within an agreed insurance period of less than a year – is limited to EUR 50,000.

An insurance year is a period of twelve months as from the date of commencement of the insurance and all dates of extension of contract.

The insured-party contribution deductible from the refunded damage amount is 10% per occurrence, and at least EUR 125.

§ 2 - Benefits

- The obligation to pay benefits requires HanseMerkur Reiseversicherung AG to examine the question of liability, to reject incorrect claims and to remunerate the insured person for compensation payments made by the latter on the basis of an accepted or authorized acknowledgement by HanseMerkur Reiseversicherung AG, or a settlement negotiated or approved by HanseMerkur Reiseversicherung AG, or a court decision.

If, in the course of criminal proceedings relating to an occurrence of damage that can lead to a liability claim covered by the terms of the insurance, the appointment of a solicitor for the insured person is requested or approved by HanseMerkur Reiseversicherung AG, HanseMerkur shall bear the standard fees of this solicitor, as well as any additional lawyer's costs specially agreed to.

If the insured person is legally obliged to pay a deposit relating to a pension due in respect of the occurrence of an event covered by the insurance, or if enforcement by the court can be avoided by the payment of a deposit or the provision of security, HanseMerkur must pay the deposit or provide the required security on behalf of the insured person.

- The benefits due for payment by HanseMerkur Reiseversicherung AG represent, for the given contractually agreed insurance sum, the maximum payable for each occurrence of damage. Several cases of damage occurring at more or less the same time and having the same cause are regarded as a single case of damage. The overall benefits paid out by HanseMerkur Reiseversicherung AG for all occurrences of damage within a single insurance year – or within an agreed insurance period of less than a year – is limited to twice that of the cover sum chosen, in terms of the valid tariff for personal and material damage.
- If, in the context of an event covered by the insurance, a legal dispute as to the claim arises between the insured person and the injured party or the successors of the latter, HanseMerkur will pursue the lawsuit in the name of the insured person. The related costs incurred will also be borne by HanseMerkur.
- The expenditure incurred by HanseMerkur as costs will not be charged to the benefits due from the insurance sum (see, however, section § 2, item 5).
- If the liability claim exceeds the insured amount, HanseMerkur will only be required to pay the legal costs in proportion to the insured amount (i.e. with respect to the total amount of the claim). This also applies in the case of several lawsuits arising from a single occurrence of damage. In such cases, HanseMerkur is entitled to release itself from further obligations in this respect by paying the insured amount and the appropriate share of the costs (in relation to the insured amount) incurred up to that point.
- If the insured person has to pay a pension to the claimant and the capital value of the pension exceeds the insured amount or the sum remaining from this amount after all other benefits paid for the event covered by the insurance have been deducted, HanseMerkur will only be required to pay compensation for the pension in proportion to the insured amount (with respect to the remaining sum or the capital value of the pension). The capital value of the pension is calculated, for such purposes, on the basis of the general mortality tables of the German Actuary Association "Deutsche Aktuar-Vereinigung 1995 für Renten" (DAV, 1995 R) with added interest at a rate of 4% per annum.
- If the settlement of a liability claim demanded by HanseMerkur on the basis of acknowledgement,

satisfaction or agreement, fails as a result of resistance on the part of the insured person, HanseMerkur will not be required to participate in the additional costs incurred as a consequence, whether these relate to the main claim, to accrued interest or to other costs.

§ 3 - Exclusions

Insurance cover is not provided for:

- personal liability claims which exceed the personal liability limits stipulated by law and are applicable to the insured person;
- claims involving salaries, pensions, wages and other fixed income, food, medical treatment for a handicap affecting one's work, claims to welfare entitlements or claims arising from legislation associated with civil unrest;
- personal liability claims arising from participation in horse racing, bike racing and motor vehicle racing, boxing or wrestling matches, martial arts such as judo, kung-fu and the like, or any form of preparation (training) for such activities;
- personal liability claims resulting from damage to property which the insured person has rented, leased, borrowed or acquired unlawfully or which is subject to a special safekeeping agreement (with the exception of the situations listed under § 1, Point 2 b);
- personal liability claims resulting from environmental damage to soil, air or water (including lakes and rivers) and all further damage resulting therefrom;
- personal liability claims
 - for damage suffered by relatives of the insured person who live in the same household. Relatives of the insured person are the spouse, parents, children, adoptive parents and adopted children, parents-in-law, sons-in-law and daughters-in-law, step-parents and step-children, grandparents and grandchildren, siblings as well as foster parents and children (persons who, due to a lasting and family-like relationship, have become as close as parents and children);
 - between several insured persons covered by the same insurance policy;
- personal liability claims for damage resulting from the transmission of an illness contracted by the insured person;
- personal liability claims arising from damage to mobile items (e.g. pictures, furniture, television sets, crockery, carpets, etc.) in the household of the host family. The household of the host family refers to the house or flat in which the host family lives (main residence, secondary residence and holiday residence), including the associated land and any outbuildings or side rooms;
- the personal liability of the owner, holder or driver of a motor vehicle, aircraft or water vehicle (except for the water vehicles listed under section § 1, items 2 f and g) arising from damage caused through use of the vehicle;
- liability as the owner, holder or keeper of animals, as well as personal liability when hunting. However, the insurance cover for animal keepers as stipulated under section § 1, item 2 c remains unaffected by this exclusion;
- personal liability arising from discharging a job, a service or an office (including an honorary post) or activities on behalf of organizations of all kinds;
- personal liability of the insured person arising from hiring out or lending items to third parties.

§ 4 - Special Obligations and Procedures Following the Occurrence of an Event Covered by the Insurance

(Amendment to section § 7 of the general obligations listed in the General Part)

- An event covered by the insurance in terms of this contract is an occurrence of damage which can result in personal liability claims being made against the insured person.
- If preliminary proceedings are launched or a court order or default summons is issued, the insured person must notify HanseMerkur of this immediately, even if HanseMerkur has already been given notification of the event covered by the insurance. If court proceedings are initiated against the insured person or if legal aid is applied for or if third party notice is given, the insured person must notify HanseMerkur of this immediately. The same applies in the event of arrest, a temporary injunction or the instigation of proceedings to secure evidence.
- The insured person is obliged, while observing the advice given by HanseMerkur, to do everything within his or her power to avert the damage and to reduce the level of damage, as well as to assist in clarifying the cause of damage, provided this does not involve unreasonable expectations. The insured person must assist HanseMerkur in averting the damage and must support HanseMerkur's efforts to investigate and to regulate the damage, submit comprehensive and accurate damage reports, inform HanseMerkur of all circumstances of relevance to the damage event, and submit all written documents deemed by HanseMerkur to be important in evaluating the damage event.
- If the liability claim is taken to court, the insured person must permit HanseMerkur to undertake the proceedings, must grant the solicitor appointed or identified by HanseMerkur power of attorney and must supply the solicitor with all information considered necessary by the solicitor or by HanseMerkur. The insured person must lodge appeals against default summons or orders for compensation issued by administrative authorities within the given deadline, and must lodge any other appeal measures necessary, without waiting for such instructions from HanseMerkur.
- The insured person is not entitled, without having previously obtained the consent of HanseMerkur, to recognize a liability claim, whether in whole or in part, or to accept such in the context of an agreement, or to satisfy such a liability claim. In the event of non-compliance, HanseMerkur will be released from its obligation to pay benefit, unless it would be clearly

unreasonable, in the given circumstances, to require the insured person to refuse such satisfaction or recognition.

6. If, due to changes in circumstances, the insured person is entitled to demand the revocation or reduction of a pension to be paid, the insured person must permit HanseMerkur to exercise this right in his or her name. The regulations specified under section § 4, items 3 to 5, apply in this context accordingly.
7. HanseMerkur will be considered authorized, in the name of the insured person, to make any statements which it regards as expedient in terms of settling or averting a claim.
8. The legal consequences of any violation of these requirements are stipulated in the General Part of these terms and conditions.

III. Emergency Return-Journey Insurance

§ 1 - Description of the Insurance Cover

1. The emergency return-journey insurance applies solely to insured persons of the premium tariff.
2. For an insured person abroad, HanseMerkur provides compensation, in the context of these provisions, for an emergency return journey home.
3. The prerequisite here is that the insured person, or a person appointed by him or her, contacts the emergency headquarters or else HanseMerkur Reiseversicherung AG directly, whether by telephone or by some other means, at the time of the event covered by the insurance. Otherwise, reimbursement of costs may be refused, or may only be partially awarded.

§ 2 - Benefits

1. Emergency Return Journeys
HanseMerkur Reiseversicherung AG accepts costs of up to a maximum of EUR 1,000 per insurance year for:
 - a) an unscheduled return journey by the insured person to his or her home country by standard transfer, e.g. by rail (2nd class) or by cheap flight ticket (tourist class) in cases of severe illness, life-endangering accident injury, or the death of a parent or of a sibling, provided the severe illness or the accident involving a parent or sibling first appeared or took place after the arrival of the insured person in the host country, after medical confirmation, and provided the original ticket can neither be used nor rebooked;
 - b) the return journey of the insured person to the host country, following an emergency journey home, by standard transfer, e.g. by rail (2nd class) or an inexpensive flight ticket (tourist class), provided there are still more than 30 days to the originally planned return journey from the host country, or if the insured person has to return to the host country for an examination essential to further schooling. The costs of the final homebound journey will be met by HanseMerkur if the return ticket was used or rebooked for the emergency return journey.

§ 3 - Limitation of Insurance Cover

HanseMerkur will not be obliged to pay benefit if it is highly probable that the event covered by the insurance was foreseeable by the policyholder or the insured person.

§ 4 - Payment of Insurance Benefits

Upon payment of the insurance benefits, the following proof must be provided:

1. In the event of an emergency return journey
 - a) a medical certificate issued by the doctor involved or consulted, this providing details as to
 - the diagnosis;
 - the severity of the illness, or relating to the life-endangerment of the consequences of the accident;
 - the time (date) at which the accident happened, or at which the severe illness was first diagnosed;
 - the time at which the patient first had to reckon with the onset of the severe illness;
 - b) at the request of the insurer, a declaration releasing the doctor treating the patient from his or her obligation to maintain secrecy;
 - c) in cases of death, a copy of the death certificate;
 - d) proof that a rebooking of the ticket for the originally planned journey was not possible;
 - e) proof of the most favourably priced travel option;
 - f) proof (in the original) as to the purchase and payment of the travel tickets.
2. In the event of a return to the host country in accordance with section § 2, paragraph 2 b of these provisions, in addition to the receipts required under "b)", proof must also be provided that more than 30 days remain until the originally planned return journey from the host country, or that the insured person must return to the host country in order to take an examination essential to further schooling.