

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

§ 1 - Insured Persons and Eligibility for Insurance

1. Insured persons are those identified by name in the insurance policy, for whom the agreed premium has been paid.
2. 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:
 - a) Persons of foreign nationality with a permanent place of residence abroad, during the period of their stay in the Federal Republic of Germany;
 - b) 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;
 - c) 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.
3. 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 and Ending of the Contract

1. 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.
2. 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.
3. 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.
4. The insurance contract must be concluded for the entire period of the stay.
5. The maximum period of insurance cover amounts to three years.
6. 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).
7. 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:

- a) the application is made within a period of two months following the change in the host family;
- b) the initial period was insured by HanseMerkur;
- c) the commencement of the amendment contract immediately follows the previous contract;
- d) the amendment contract was applied for before the ending of the previous contract;
- e) 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.

8. 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.
9. The statutory regulations relating to rights of cancellation for exceptional reasons remain unaffected by the agreements reached here.
10. The insurance contract ends
 - a) on the agreed date;
 - b) 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.
 - c) with the ending of the temporary period of stay of the insured person in the Federal Republic of Germany or abroad;
 - d) 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;
 - e) if the prerequisites determining eligibility for insurance cover no longer apply to the insured person.

§ 3 - The Premium

1. Payment of the Initial Premium
 - a) The initial premium is due upon commencement of the insurance contract.
 - b) 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.
 - c) 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.
2. Payment of Subsequent Premiums

- a) 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.
- b) 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.
- c) 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.
- d) 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

1. Area of Application

- a) 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.
- b) 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.
- c) However, departing from "b)", insurance cover will be granted to the insured person in his/her home country under the following conditions:

For insurance contracts with a minimum duration of one year, insurance cover shall remain active even in the event that the insured person returns to his/her home country for a short period – this period be limited to a total of 6 weeks for all stays in the native country per insurance year. The insurance year shall be a period of 12 months as from the commencement of the insurance.

In the event of a claim the insured person is required to provide dates and proof of the start and end of each trip to the home country, if requested by the insurance company to do so. In this connection, please refer in particular to section § 8, item 1 e).

2. Commencement of Insurance Cover

The insurance cover begins at the point in time indicated in the insurance policy (Commencement of Insurance), though

- a) not before the insurance contract has come into effect;
- b) not before entry into the Federal Republic of Germany, or before leaving Germany for a foreign country;
- c) not before payment of the premium;
- d) not until expiry of any waiting period.

3. End of Insurance Cover

The insurance ends

- a) at the agreed point in time;
- b) with the ending of the insurance contract;
- c) with the ending of the temporary period of stay of the insured person in the Federal Republic of Germany, or abroad;

- d) if the prerequisites determining eligibility for insurance cover no longer apply to the insured person.

4. Subsequent Liability

If an illness lasts beyond the end of the period of insurance cover, because the return journey is not possible due to proven inability to be transported, liability within the limits of this tariff will be continued until such times as the ability to be transported is restored, though for a maximum period of three months only.

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

I. In General

1. HanseMerkur provides compensation for insured events occurring unexpectedly during a period of travel.
2. An event covered by the insurance is medical treatment required by an insured person due to illness or consequences of an accident. The insured event begins with the required medical treatment and ends at that point in time at which no further medical treatment is required, as medically confirmed. If the medical treatment has to be extended to an illness or to accident consequences not causally related to the previously administered treatment, this constitutes the existence of a new event covered by the insurance. Other events covered by the insurance include
 - a) examination and required medical treatment due to pregnancy, unless the patient was already pregnant prior to the commencement of insurance cover;
 - b) death.
3. The extent of the insurance cover provided is specified in the insurance policy, in any separate agreements concluded in writing, in these general terms and conditions of insurance, and in the statutory regulations of the Federal Republic of Germany.
4. In the Federal Republic of Germany, the insured person may be treated by the licenced doctors and dentists of his/her choice. In other countries the insured person may choose from among state-recognized and licenced doctors and dentists in the given country, provided these charge for their services in accordance with the official scale of medical fees for doctors and dentists – if existing – or their fees are in keeping with those normally charged locally.
5. Medicine, dressings, medical supplies and adjuvants must be prescribed by the attending medical professionals referred to under item 4, and the medicine must be obtained from a pharmacist's. Foodstuff and restoratives, mineral water, disinfectants and cosmetics, dietary and baby food, etc. do not qualify as medicine – even if prescribed as such.
6. Should in-patient hospital treatment be medically required, the insured person may freely choose from among public and private hospitals that provide permanent medical supervision, have adequate diagnostic and therapeutic facilities, keep records of clinical histories, and neither offer cures and sanatorium therapy nor accept convalescents.
7. Within the scope of the contract, the insurance company pays for examination, treatment and medicaments that are widely approved by classical medicine. It also pays for treatment and medicaments that have proven to be just as successful in practice, or are used when no classical methods of treatment or medicaments are available. In such cases, however, the insurance company is entitled to reduce the benefits paid to the level that would have been due had such methods and medicine been available.
8. Within the limits of the contract, the insurance company pays for transportation and funeral costs in the event that an insured person dies as a result of an event covered by this contract.

II. Waiting Periods

1. Waiting periods are calculated as from the time of commencement of the insurance and, in the case of a follow-up contract, as from the time of commencement of the follow-up contract.
2. The waiting period for delivery is eight months and for accident-related dental prostheses six months.

III. Costs of Medical Treatment

Details as to the costs covered by benefits are given, for the various tariffs, in Part B of these provisions.

IV. Transportation Costs / Funeral Expenses

Details as to the costs covered by benefits are given, for the various tariffs, in Part B of these provisions.

§ 6 - Limitations on Insurance Cover

1. No insurance cover exists
 - a) for treatment abroad constituting the sole reason, or one of the reasons, for embarking on the journey in the first place and for treatment for which it was clear, at the outset of the journey, that, assuming the trip was carried out as planned, it (the treatment) would be necessary;
 - b) for illnesses and complaints known to the insured person at the time of conclusion of contract, or of conclusion of a follow-up contract, and their foreseeable consequences, or for the foreseeable consequences of illnesses and accidents of the insured person treated within a period of six months prior to the conclusion of contract;
 - c) for treatment of tuberculosis, diabetes or tumours, or for dialysis, if the illness or the need for treatment was already known at the time of commencement of the insurance;
 - d) for treatment and examinations due to pregnancy, if this was already known at the time of commencement of the insurance, unless the insurance tariff foresees some other procedure;
 - e) for diseases, accidents or death, including the consequences of such, caused by strike action, war, warlike occurrences, nuclear energy or active participation in civil disturbances and not expressly included in the insurance cover;
 - f) for illnesses, accidents and their consequences resulting from wilful intent;
 - g) for treatment given in a health resort or sanatorium;
 - h) for rehabilitation treatment, unless the tariff includes such treatment;
 - i) for withdrawal treatment including withdrawal cures;
 - j) for out-patient therapy in a spa or health resort. This limitation does not apply, if the therapy becomes necessary as the result of an accident that happened there. In the event of illness, this limitation does not apply if the insured person's stay in the spa or health resort was for a short period only and was not for curative purposes;
 - k) for treatment by the insured party's spouse, parents or children. Proven material cost will be reimbursed in accordance with the insurance tariff;
 - l) for treatment of persons with whom the insured person lives together within his or her own family or the host family. Proven material cost will be reimbursed in accordance with the insurance tariff;
 - m) for treatment or accommodation due to infirmity, need of care or safe custody;
 - n) for psychoanalytic and psychotherapeutic treatment;
 - o) for immunization measures;
 - p) for medical supplies;
 - q) for treatment required because of disorders and damage of the reproductive organs; including sterility, artificial insemination or associated precautionary medical examinations and follow-up treatment;
 - r) for treatment of HIV infections and their consequences;
 - s) for dental prostheses, post crowns, inlays, caps and crowns, orthodontic treatment, implants, occlusal overlays and gnathological measures;

- t) for suicide, attempted suicide and the consequences;
 - u) for organ donations and the consequences.
2. HanseMerkur is discharged from the obligation to compensate, if:
 - a) the policy-holder or the insured person has wilfully caused the event covered by the insurance;
 - b) 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.
 3. If the cost of medical treatment exceeds that of essential medical treatment, the insurance company may reduce its benefits to an appropriate amount.
 4. If a claim for benefits from statutory accident or pension insurance, or from statutory medical or accident care exists, the insurance company may deduct the level of statutory benefits due from the insurance benefits due.

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

1. The policyholder and the insured persons are obliged, upon the occurrence of an event covered by the insurance
 - a) to keep the level of damage as low as possible and to avoid any action that could lead to an unnecessary increase in costs;
 - b) to report the damage to HanseMerkur without delay, and upon conclusion of the journey at the latest;
 - c) 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;
 - d) to contact HanseMerkur, in the event that in-patient treatment is required, before commencement of extensive diagnostic and therapeutic measures.
2. At the request of the insurance company, the insured person shall be obliged to permit examination by a doctor appointed by HanseMerkur.
3. Consequences of Breach 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.

§ 8 - Payment of Insurance Benefits

1. The insurance company is only obliged to pay benefits if the following evidence – which will become the insurer's property – has been submitted:
 - a) original receipts bearing the name of the person treated, identification of the illness and details as to the type of treatment provided by the attending doctor, as well as to the location and the period of treatment. If other insurance protection exists and claims for the medical costs have first been made to this, copies of the invoices indicating the compensation payments made are adequate;
 - b) prescriptions must be submitted together with invoices for treatment, invoices for medicaments and those for adjuvants;
 - c) an official death certificate and a medical certificate stating the cause of death, if claims for transportation or funeral costs are to be met;
 - d) proof of the first and last days of any visit to a member country of the European Union, Switzerland or Liechtenstein, if the insurer requests this;
 - e) proof of the first and last days of any visit to the home country, if the insurer requests this;

- f) proof of all health insurance taken out during the visit to the Federal Republic of Germany and providing insurance cover within the Federal Republic of Germany, if the insurer requests this.
2. 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. This period may be extended if the processing of the claim by HanseMerkur is delayed for reasons for which the policyholder or the insured person can be held responsible.
 3. Within the context 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 culpably 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 – culpably – not been released from their obligation to confidentiality with respect to HanseMerkur.
 4. 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.
 5. 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.
 6. Insurance claims may neither be assigned nor pledged.
 7. 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.

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

1. 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. HanseMerkur will, however, waive sharing the costs with a private health insurance company if this would be to the disadvantage of the insured person, e.g. loss of premium refund.
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. The insurer's obligation to pay benefits shall be dormant until such a declaration of assignment has been received.
3. Claims of the policyholder, or of the insured person, against attending medical personnel or organizations on the basis of excessive fees shall pass to

HanseMerkur, inasmuch as this is legally permissible, to the extent that the latter has settled the relevant invoices. If necessary, the policy-holder or insured person must provide assistance in enforcing such claims. In addition, the policy-holder or the insured person is obliged, if necessary, to make a declaration of assignment towards HanseMerkur.

§ 10 - Offsetting

The policyholder 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

German law is applicable, provided this is not prohibited by international law. The contract language is German.

§ 13 - Participatory Bonus

This insurance does not entail any participatory bonus.

B: Special Part of the Terms and Conditions of Travel Health Insurance Offered by HanseMerkur Reiseversicherung AG for Au Pairs VB-KV 2008 (VB AP)

Tariff VB AP Basic

I. Costs of Medical Treatment

1. The insurance company reimburses the costs of necessary medical treatment
 - a) during the insured person's stay in Germany up to the so-called threshold value of the valid scale of fees for doctors "Gebührenordnung für Ärzte (GOÄ)" and dentists "Gebührenordnung für Zahnärzte (GOZ)". These threshold values for benefits are
 - for GOZ, a factor of 2.3 times the listed rate,
 - for GOÄ, according to no. 437 and section M (laboratory costs), a factor of 1.15 times the listed rate,
 - according to sections A, E and O (technical performance), a factor of 1.8 times the listed rate,
 - for all other GOÄ charges, 2.3 times the listed rate.
 - b) during a stay outside Germany, provided such costs are within the bounds of what might be described as customary for the region in question.
2. Medical treatment in the sense of these terms and conditions includes:
 - a) medical treatment including pregnancy examinations, pregnancy treatment, provided the pregnancy did not already exist at the start of the insurance or extension contract, and treatment due to miscarriage;
 - b) medical treatment as a result of acute complaints, necessary medical treatment due to pregnancy and treatment due to miscarriage, as well as medically required abortions and child delivery up until the end of the 36th week of pregnancy (premature birth), even if the insured person was already pregnant at the beginning of the insurance or extension contract, provided no need for such treatment had been established at this point in time;
 - c) prescribed medicaments and dressing materials;
 - d) prescribed radiation treatment, light therapy and other physical forms of treatment;
 - e) prescribed massages, medical packs and inhalation treatment up to a maximum value of EUR 250 per insurance year;
 - f) prescribed medical supplies necessary for the first time solely as the result of an accident and directly serving to treat the consequences of the accident;
 - g) X-ray diagnosis;

- h) urgent in-patient treatment under general nursing care (multiple-bed room) without selective treatment (private medical care);
- i) transport by ambulance to the nearest suitable hospital for in-patient treatment, and to the nearest appropriate treatment point for primary medical care following an accident, and transport back again;
- j) urgent operations which cannot be postponed;
- k) necessary medical rehabilitation;
- l) child delivery – after expiry of waiting period.

3. Costs of Dental Treatment

Taking item 1 into account, the insurance company also reimburses costs incurred during the journey for:

- a) all painkilling and preservative dental treatment, including simple fillings, at a rate of 100% of the costs up to an invoice amount of EUR 250 per insurance year, and thereafter 50%, though only to a maximum total of EUR 1,000 per insurance year;
- b) measures to restore the functioning of dental prosthesis (repairs) at a rate of 50% of the invoice amount up to a maximum total of EUR 1,000 per insurance year;

An insurance year is a period of 12 months as from the date of commencement of the insurance, including all dates of extension of contract.

II. Return Transportation, Transportation Costs / Funeral Expenses

The insurance company provides reimbursement – except for periods of stay in the insured person's home country in accordance with section § 1, item 2 of these terms and conditions – for

1. extra costs associated with medically required and prescribed return transportation from abroad. Return transportation is medically required if no adequate medical care is provided in the country being visited. The costs incurred by a co-insured, accompanying person will be accepted if such accompaniment is seen as being medically necessary, or is ordered by the official authorities or is required by the transporting company.
2. in the event of the death of an insured person, the additional costs incurred in returning the deceased person to his or her permanent place of residence, will be borne up to a maximum of EUR 10,000.
3. the costs of a funeral abroad up to the amount that would have been incurred for transportation, though no higher than a maximum of EUR 10,000.

III. Subsequent Liability

If an illness lasts beyond the end of the period of insurance cover, because the return journey is not possible due to proven inability to be transported, liability within the limits of this tariff will be continued until such times as the ability to be transported is restored, though for a maximum period of three months only.

Tariff VB AP Profi

I. Costs of Medical Treatment

1. The insurance company reimburses the costs of necessary medical treatment
 - a) during the insured person's stay in Germany up to the so-called threshold value of the valid scale of fees for doctors "Gebührenordnung für Ärzte (GOÄ)" and dentists "Gebührenordnung für Zahnärzte (GOZ)". These threshold values for benefits are
 - for GOZ, a factor of 2.3 times the listed rate,
 - for GOÄ, according to no. 437 and section M (laboratory costs), a factor of 1.15 times the listed rate,
 - according to sections A, E and O (technical performance), a factor of 1.8 times the listed rate,
 - for all other GOÄ charges, 2.3 times the listed rate.
 - b) during a stay outside Germany, provided such costs are within the bounds of what might be described as customary for the region in question.
2. Medical treatment in the sense of these terms and conditions includes:

- a) medical treatment including pregnancy examinations, pregnancy treatment, provided the pregnancy did not already exist at the start of the insurance or extension contract, and treatment due to miscarriage;
- b) medical treatment as a result of acute complaints, necessary medical treatment due to pregnancy and treatment due to miscarriage, as well as medically required abortions and child delivery up until the end of the 36th week of pregnancy (premature birth), even if the insured person was already pregnant at the beginning of the insurance or extension contract, provided no need for such treatment had been established at this point in time;
- c) prescribed medicaments and dressing materials;
- d) prescribed radiation treatment, light therapy and other physical forms of treatment;
- e) prescribed massages, medical packs and inhalation treatment up to a maximum value of EUR 500 per insurance year;
- f) prescribed medical supplies necessary for the first time solely as the result of an accident and directly serving to treat the consequences of the accident;
- g) X-ray diagnosis;
- h) urgent in-patient treatment under general nursing care (multiple-bed room) without selective treatment (private medical care);
- i) transport by ambulance to the nearest suitable hospital for in-patient treatment, and to the nearest appropriate treatment point for primary medical care following an accident, and transport back again;
- j) urgent operations which cannot be postponed;
- k) necessary medical rehabilitation;
- l) child delivery – after expiry of waiting period.

3. Costs of Dental Treatment

Taking item 1 into account, the insurance company also reimburses costs incurred during the journey for:

- a) all painkilling and preservative dental treatment, including simple fillings, at a rate of 100% of the costs up to an invoice amount of EUR 750 per insurance year, and thereafter 75%, though only to a maximum total of EUR 2,000 per insurance year;
- b) measures to restore the functioning of dental prosthesis (repairs) at a rate of 50% of the invoice amount up to a maximum total of EUR 1,500 per insurance year;
- c) initial preparation or repair of dental prostheses due to an accident, at a rate of 100% of the invoice amount up to a maximum value of EUR 2,500 per insurance year.

An insurance year is a period of 12 months as from the date of commencement of the insurance, including all dates of extension of contract.

4. Hospital Day-Payment Benefits

As from the 6th day of a period of in-patient treatment in hospital covered by these terms of insurance, hospital day-payment benefits of EUR 10 per day will be made for a maximum of 90 days per insurance year as compensation for loss of income.

II. Return Transportation, Transportation Costs / Funeral Expenses

The insurance company provides reimbursement – except for periods of stay in the insured person's home country in accordance with section § 1, item 2 of these terms and conditions – for

1. extra costs associated with medically required and prescribed return transportation from abroad. Return transportation is medically required if no adequate medical care is provided in the country being visited. The costs incurred by a co-insured, accompanying person will be accepted if such accompaniment is seen as being medically necessary, or is ordered by the official authorities or is required by the transporting company.
2. in the event of the death of an insured person, the additional costs incurred in returning the deceased

person to his or her permanent place of residence, will be borne up to a maximum of EUR 10,000.

3. the costs of a funeral abroad up to the amount that would have been incurred for transportation, though no higher than a maximum of EUR 10,000.

III. Subsequent Liability

If an illness lasts beyond the end of the period of insurance cover, because the return journey is not possible due to proven inability to be transported, liability within the limits of this tariff will be continued until such times as the ability to be transported is restored, though for a maximum period of three months only.

IV. Hospital Visit

If it is clear that the insured person will have to spend more than 14 days in hospital, HanseMerkur will arrange, at the request of the insured person, a one-time journey to the place of the hospital for a person close to the insured person, and from there back again to the place of residence, and will accept the resulting transport costs incurred for the journey there and back (standard class). A prerequisite here, however, is that the insured person's period of stay in hospital has not yet ended at the time of arrival of the person close to the insured person.

Tariff VB AP Premium

I. Costs of Medical Treatment

1. The insurance company reimburses the costs of necessary medical treatment
 - a) during the insured person's stay in Germany within the framework of the valid scale of fees for doctors "Gebührenordnung für Ärzte (GOÄ)" and dentists "Gebührenordnung für Zahnärzte (GOZ)".
 - b) during a stay outside Germany, provided such costs are within the bounds of what might be described as customary for the region in question.
2. Medical treatment in the sense of these terms and conditions includes:
 - a) medical treatment including pregnancy examinations, pregnancy treatment, unless the pregnancy already existed at the start of the insurance or extension contract, and treatment due to miscarriage;
 - b) medical treatment as a result of severe complaints, necessary medical treatment due to pregnancy and treatment due to miscarriage, as well as medically required abortions and child delivery up until the end of the 36th week of pregnancy (premature birth), even if the insured person was already pregnant at the beginning of the insurance or extension contract, provided no need for such treatment had been established at this point in time;
 - c) prescribed medicaments and dressing materials;
 - d) prescribed radiation treatment, light therapy and other physical forms of treatment;
 - e) prescribed massages, medical packs and inhalation treatment;
 - f) prescribed medical supplies necessary for the first time solely as the result of an accident and directly serving to treat the consequences of the accident;
 - g) X-ray diagnosis;
 - h) urgent in-patient treatment under general nursing care (multiple-bed room) without selective treatment (private medical care);
 - i) transport by ambulance to the nearest suitable hospital for in-patient treatment, and to the nearest appropriate treatment point for primary medical care following an accident, and transport back again;
 - j) urgent operations which cannot be postponed;
 - k) necessary medical rehabilitation;
 - l) child delivery – after expiry of waiting period.
3. Costs of Dental Treatment
Taking item 1 into account, the insurance company also reimburses costs incurred during the journey for:
 - a) all painkilling and preservative dental treatment, including simple fillings, at a rate of 100% of the costs up to an invoice amount of EUR 1,000 per

insurance year, and thereafter 75%, though only to a maximum total of EUR 2,000 per insurance year;

- b) measures to restore the functioning of dental prosthesis (repairs) at a rate of 50% of the invoice amount up to a maximum total of EUR 2,000 per insurance year;
- c) initial preparation or repair of dental prostheses due to an accident, at a rate of 100% of the invoice amount up to a maximum value of EUR 2,500 per insurance year.

An insurance year is a period of 12 months as from the date of commencement of the insurance, including all dates of extension of contract.

4. Hospital Day-Payment Benefits

As from the 6th day of a period of in-patient treatment in hospital covered by these terms of insurance, hospital day-payment benefits of EUR 10 per day will be made for a maximum of 90 days per insurance year as compensation for loss of income.

II. Return Transportation, Transportation Costs / Funeral Expenses

The insurance company provides reimbursement – except for periods of stay in the insured person's home country in accordance with section § 1, item 2 of these terms and conditions – for

1. extra costs associated with medically required and prescribed return transportation from abroad. Return transportation is medically required if no adequate medical care is provided in the country being visited. The costs incurred by a co-insured, accompanying person will be accepted if such accompaniment is seen as being medically necessary, or is ordered by the official authorities or is required by the transporting company.
2. in the event of the death of an insured person, the additional costs incurred in returning the deceased person to his or her permanent place of residence, will be borne up to a maximum of EUR 15,000.
3. the costs of a funeral abroad up to the amount that would have been incurred for transportation, though no higher than a maximum of EUR 15,000.

III. Subsequent Liability

If an illness lasts beyond the end of the period of insurance cover, because the return journey is not possible due to proven inability to be transported, liability within the limits of this tariff will be continued until such times as the ability to be transported is restored, though for a maximum period of three months only.

IV. Hospital Visit

If it is clear that the insured person will have to spend more than 14 days in hospital, HanseMerkur will arrange, at the request of the insured person, a one-time journey to the place of the hospital for a person close to the insured person, and from there back again to the place of residence, and will accept the resulting transport costs incurred for the journey there and back (standard class). A prerequisite here, however, is that the insured person's period of stay in hospital has not yet ended at the time of arrival of the person close to the insured person.

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 HanseMerker, it will initially undertake payment and will then contact the other insurer directly for purposes of sharing the costs.

- Claims of the policyholder, or of the insured person, against third parties shall pass to HanseMerker 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 HanseMerker 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

- HanseMerker pays benefits for travel accidents that lead to the death or to permanent invalidity of the insured person.
- 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.
- 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

- 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.
- The level of benefits is determined in accordance with the level of invalidity.
 - 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 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 %

- 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.

- 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.

- 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.

- 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).
- If death occurs within one year of the accident as a result thereof, no claim for invalidity benefit will be recognized.

- 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.

- 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:

- For each percentage point by which the accident-related degree of invalidity exceeds the 25% mark, HanseMerker will pay an additional 2% from the insurance sum.
- For each percentage point by which the accident-related degree of invalidity exceeds the 50% mark, HanseMerker will pay a further additional 2% from the insurance sum.
- 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 HanseMerker 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:

Accident-Related Degree of Invalidity (%)	Level of Benefit from Invalidity (%)	Level of Related Degree of Invalidity (%)	Level of Benefit from Invalidity (%)	Level of Related Degree of Invalidity (%)	Level of Benefit from Invalidity (%)	Level of Related Degree of Invalidity (%)
1	1	26	28	51	105	76
2	2	27	31	52	110	77
3	3	28	34	53	115	78
4	4	29	37	54	120	79
5	5	30	40	55	125	80
6	6	31	43	56	130	81
7	7	32	46	57	135	82
8	8	33	49	58	140	83
9	9	34	52	59	145	84
10	10	35	55	60	150	85
11	11	36	58	61	155	86
12	12	37	61	62	160	87
13	13	38	64	63	165	88
14	14	39	67	64	170	89
15	15	40	70	65	175	90
16	16	41	73	66	180	91
17	17	42	76	67	185	92
18	18	43	79	68	190	93
19	19	44	82	69	195	94
20	20	45	85	70	200	95
21	21	46	88	71	205	96
22	22	47	91	72	210	97
23	23	48	94	73	215	98
24	24	49	97	74	220	99
25	25	50	100	75	225	100

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.

- If the insured person has met with an accident that is covered by the insurance policy, HanseMerker will reimburse the necessary costs incurred – up to the contractually stipulated amount – for:
 - the search, rescue and recovery measures undertaken by public or private rescue services, provided the customary fees are invoiced;
 - transport of the injured person to the nearest hospital or to a special clinic, if medically required and prescribed by a doctor;
 - 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;
 - in the event of death, transportation to the last place of permanent residence.
- 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, HanseMerker will accept liability for such costs.
- If another entity, accepting liability for damages, pays for such damages, the claim for reimbursement by HanseMerker 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 HanseMerker directly.
- If the insured person is covered by several accident insurance policies with HanseMerker, insured rescue and recovery cost can only be claimed from one of these contracts.

§ 3 - Due Date of Benefits

- Once HanseMerker 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), HanseMerker 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 HanseMerker to a maximum value of 1 thousandth of the insured amount.

- If HanseMerker accepts the claim or if the insured person and HanseMerker reach agreement as to reason(s) and amount, HanseMerker 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.

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

- Both the insured person and HanseMerker 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 HanseMerker 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 HanseMerker, 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.

- 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.
- 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.
- Accidents suffered by the insured person as a consequence of his or her wilful participation, or attempted participation, in a criminal offence.
- 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.
- Accidents suffered by the insured person while parachuting.
- 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.
- 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.
- 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.
- 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.
- 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.
- 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)

- 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.
- The accident report form supplied by HanseMerker must be answered truthfully, signed and returned immediately to HanseMerker.
- The insured person must permit the doctors appointed by HanseMerker to examine him/her. The necessary costs, including any resulting loss of earnings, will be borne by HanseMerker.
- 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.
- If the accident results in death, HanseMerker must be informed of this within 48 hours, even if it has already been informed about the accident itself. HanseMerker must be given the right to have an autopsy undertaken by a doctor commissioned by it.
- 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 case 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 recognise 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.