

Income Replacement Insurance Due to Illness according to ICA

Customer Information according to ICA and
General Conditions of Insurance (GCI)



We are here to answer
your questions.

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Customer Information according to ICA

The following customer information provides an overview of the insurance company and the main content of the insurance contract. The rights and obligations of the contracting parties are derived definitively from the contractual documents (application/offer, policy, insurance conditions), and the applicable laws, particularly the Swiss Federal Law on Insurance Contracts (ICA).

Who is the insurer?

Zurich Insurance Company Ltd, which has its main office at Mythenquai 2 in 8002 Zurich (Zurich), and is supervised by FINMA, the Swiss Financial Market Supervisory Authority (Laupenstrasse 27, 3003 Bern).

Which risks are insured and what is the scope of the insurance coverage?

The insured risks and the scope of the insurance coverage follow from the contractual documents and are restricted by the exclusions listed there.

Is the insurance on a fixed-sum basis/indemnity basis?

The Income Replacement Insurance Due to Illness provides insurance benefits that, individually, can be structured in accordance with contractual documents as insurance on either an indemnity or a fixed-sum basis.

Insurance on an indemnity basis:

The loss that arose out of the insured event is decisive for justifying and determining the amount of the insurance benefits.

Insurance on a fixed-sum basis:

The loss that arose out of the insured event is not decisive for justifying and determining the amount of the insurance benefits.

Which premium is due?

The premium amount(s) due depend(s) on the insured risks and the desired level of insurance coverage. The contractual documents include all information about premiums and any applicable fees (e.g., taxes or payment in installments). The premium must be paid at the beginning of the insurance period, unless the contractual documents stipulate another term or the premium invoice specifies a later due date.

Depending on the contractual agreement, the premium to be paid during the current insurance period is a provisional one, for which a premium invoice is made after the end of each insurance year based on definitive technical factors for the calculation of premiums (salary declaration) or it is contractually waived.

Unless otherwise agreed, Zurich can adjust the premium for a new insurance year. In this case, the policyholder has a right to terminate the insurance policy according to the insurance conditions.

Which other obligations does the policyholder have?

The insurance conditions and the ICA determine the obligations. Important obligations are, for example:

- notice if a disclosed fact has changed;
- reporting an insured event (notification of claim) without undue delay;
- collaboration during clarifications (in the event of a loss, in the event of changes in risk, etc.);
- to inform employees about the substantial content of the contract, as well as its modifications and termination in writing or in a different form that allows the proof by text;
- declaration of the information for the preparation of the definitive premium invoice, if this is contractually agreed.

When does the insurance begin and when does it end?

The insurance begins on the date stated in the proposal/offer or in the policy itself.

The contract is generally terminated by way of ordinary termination. This form of termination is possible until no later than 3 months before the expiration of the contract or, if so agreed or legally stipulated, the insurance year. If the contract is not terminated, it shall be automatically extended for an additional year.

Limited-period contracts without a renewal clause end automatically on the day specified in the application/offer or policy.

The insurance conditions and the ICA contain other possible termination options.

The insurance coverage applies to events that occur after the beginning of the insurance and before the end of the contract.

Can the contract be revoked?

No, legislation (article 2a of the ICA) precludes the right of revocation for collective personal insurance.

How does Zurich handle personal data?

Zurich processes data relating to natural persons (personal data) in connection with the conclusion and the performance of contracts and for other purposes. More information on this processing (inter alia the purposes, the data recipients, the storage and the rights of the data subjects) can be found in the privacy policy of Zurich. This privacy policy can be accessed at www.zurich.ch/data-protection or obtained by contacting Zurich Insurance Company Ltd, Dataprotection, PO box, 8085 Zurich, datenschutz@zurich.ch.

Does the broker receive remuneration?

In the event that a third party, such as an independent broker, represents the interests of the policyholder in relation to the conclusion of or advice about this insurance contract, Zurich may remunerate this third party in consideration of their activities on the basis of an agreement. The policyholder may request any specific information in this regard from the third party, if so desired.

To facilitate reading, only masculine personal references are used hereafter; any such references are, however, always understood to include the corresponding feminine form as well.

General Conditions of Insurance (GCI)

Income Replacement Insurance Due to Illness according to ICA

These conditions extend the following General Policy Conditions. Definitions of terms can also be found in this GCI section.

1. Insured persons

The insured persons are listed in the policy.

- a) Family members who work in the policyholder's firm and receive a cash salary or pay AHV contributions are also considered employees.
- b) For the following persons, a health check is needed for admission to the insurance:
 - explicitly named persons;
 - self-employed persons;
 - family members working with the policyholder who are neither drawing a cash salary nor paying AHV contributions;
 - insured persons with a gross annual salary that exceeds the limit stated in the policy, for the excess portion.

Insurance coverage will take effect as soon as Zurich has confirmed this in writing or in a different form that allows the proof by text (e.g. by e-mail).

2. Insured illnesses

- a) For the purpose of insurance, an illness is deemed to be any impairment of bodily, mental or psychological health, which is not the consequence of an accident and requires a medical examination or treatment, or results in the inability to work.
- b) Impairments of health resulting from pregnancy and childbirth are deemed as illnesses.
- c) If impairments of health are only partially attributable to insured illnesses, benefits will be reduced accordingly.

3. Pre-existing illnesses

- a) If employees were treated for illnesses prior to the inception of coverage, repeat occurrences are insured.
- b) If self-employed persons or their family members working in the policyholder's firm, who are neither drawing a cash salary nor paying AHV contributions, were treated for illnesses prior to the inception of insurance coverage, repeat occurrences are insured if Zurich was informed about the illness upon conclusion of the contract and if Zurich accepted the respective person unconditionally.

4. Self-inflicted illnesses

With respect to illnesses caused by intent or negligence on the part of the insured person, Zurich waives its legal right to reduce benefits.

5. Limitations of insurance coverage

The following are not insured:

- a) occupational illnesses and accident-like bodily injuries, where accident insurance has been paid out in accordance with the LAI;
- b) consequences of warlike events
 - in Switzerland
 - abroad. However, if war should break out for the first time or again and if the insured person is taken by surprise by such an event in the country in which he is staying, insurance coverage shall remain in force for another 14 days, starting on the day on which war breaks out;
- c) influence of ionizing radiation. Exceptions: Coverage is provided for health impairments resulting from radiotherapy that has been medically prescribed for an insured illness.

6. Inability to work/disability

6.1 Inability to work

Inability to work is the total or partial inability to perform reasonable work in one's current profession or field of duties as a result of the impairment of bodily, mental or psychological health. In long-term cases, reasonable activity in another profession or field of duties will also be taken into account.

6.2 Disability

Disability is the total or partial loss of the ability to earn any income in the balanced job market in question as a result of impairment of physical, mental or psychological health which continues after appropriate treatment and rehabilitation.

To assess the presence of disability, only the consequences of the health impairment are to be considered. Disability is also only present if it cannot be overcome from an objective perspective.

7. Insured income

- a) The basis for the determination of insurance benefits is the salary earned in the insured company. With the exception mentioned hereafter, this will be calculated according to the Swiss Federal Law on Accident Insur-

ance (LAI), pursuant to the rules applying to daily allowances. Family allowances will first be taken into account after the beginning of the month following a 90-day waiting period, at the earliest, however, with the commencement of daily allowance benefits.

- b) These bases for calculation apply analogously to the calculation of that portion of the gross salary that exceeds the LAI maximum amount, up to the maximum amount per insured person and year as stated in the policy.
- c) For those persons listed by name, the insured salary is deemed to be the amount stated in the policy.

If the policy is structured as indemnity insurance, the insured person must furnish proof of a claim caused by the insured event. The amount mentioned in the policy applies at most.

8. Daily allowances

8.1 Entitlement (Regulation: insurance on an indemnity basis)

The following benefits are insured on an indemnity basis:

- a) Zurich shall pay the agreed percentage of the insured income for the duration of the proven inability to work as certified by a physician, however not before the expiration of the waiting period specified in the policy.
- b) In the event of inability to work lasting for a longer period, the daily allowance is paid after an appropriate transitional period in accordance with the degree of disability.
- c) Advance certificates attesting an inability to work are recognized for a period of one month at most.

8.2 Third party benefits

The benefits insured under this contract are owed by Zurich on a subsidiary basis. If other insurers are also only liable on a subsidiary basis, Zurich provides its benefits in accordance with its proportional share.

Third-party benefits include those from domestic and foreign social security and private insurance, pension plans of any kind as well as liable parties. Benefits from insurances on a fixed-sum basis and old-age pensions are excluded.

a) **Variant A**

If the insured person or the beneficiary is entitled to benefits from third parties, Zurich will supplement these up to the benefits to be paid in accordance with the existing policy according to the degree of inability to work/disability.

b) **Variant B**

If the insured person or the beneficiary is entitled to benefits from third parties, Zurich will supplement these up to the amount of the income actually lost by the insured person. At most, Zurich shall pay the agreed daily allowance.

8.3 Advance benefits: Conditions including the right to restitution and offsetting

- a) In case the insured person or the beneficiary is entitled to benefits from third parties for the same period of time, Zurich will pay advance benefits within the framework of its benefit obligation.

The prerequisite for advance payment is the consent of the insured person or beneficiary to the direct offsetting or demand for reimbursement of the benefits provided. Moreover, they also undertake to cede their liability claims in this amount.

- b) In particular, Zurich has a direct entitlement to claim repayment of benefits later paid out by third parties (e.g. pensions from disability insurance or those from pension plans of any kind).
- c) The insured person or the beneficiary is obliged to take all necessary precautions to protect their claims facing third parties. Otherwise the benefit obligation from this contract lapses.

8.4 Entitlement (Regulation: insurance on a fixed-sum basis)

The following benefits are insured on a fixed-sum basis:

- a) Zurich shall pay the agreed percentage of the insured income for the duration of the proven inability to work as certified by a physician, however not before the expiration of the waiting period specified in the policy.
- b) In the event of inability to work lasting for a longer period, the daily allowance is paid after an appropriate transitional period in accordance with the degree of disability.
- c) Advance certificates, attesting an inability to work, will be recognized for one month at most.

8.5 Waiting period

- a) The waiting period is stated in the policy. It commences on the first day of an inability to work justifying the payment of benefits, at the earliest, however, three days prior to the first medical consultation.
- b) The waiting period is calculated per illness.

8.6 Duration of benefits

a) **Variant A**

The benefit duration is specified in the policy. It applies per illness.

If a reduced daily allowance is paid because of third party benefits, those days with a reduced allowance are counted in full when calculating the benefit duration. The same applies for days on which the benefits of third parties exceed the benefits to be paid under this contract.

b) **Variant B**

Zurich shall pay the daily allowance for one or several illnesses together for a maximum of 720 days within a period of 900 consecutive days, starting on the day the illness begins. For the same illness, the daily allowance shall not be paid for more than 720 days.

If a reduced daily allowance is paid because of third party benefits, the duration of benefits will be extended corresponding to the reduced amount.

- c) For insured persons drawing a pension for a complaint, a benefit duration of 180 days at most applies in case of a temporary or permanent deterioration of the illness. The waiting period is taken into account.
- d) After any birth that takes place following the end of the 23rd week of pregnancy, Zurich's obligation to pay for the insured mother ceases for a period of 8 weeks, starting on the day of birth. The same applies for as long as the insured mother or insured father receives benefits from federal or cantonal maternity or paternity insurance as well as from any private maternity benefit or paternity insurance.
- e) From the first day that the AHV pension is drawn, at the latest after attaining statutory AHV pension age, the benefit entitlement ends.

In case continued employment can be proven, a benefit duration of 180 days at most applies for all current and future illnesses from the time that the AHV pension is drawn, at the latest after attaining statutory AHV pension age. The waiting period is not taken into account for the benefit duration. The new contractually agreed income within the framework of continued employment is decisive for the measurement of insurance benefits.

Upon attainment of age 70, such entitlement will cease entirely.

- f) Foreign insured persons, who are in possession of a short-term residence permit and who are abroad (except hospital confinements), shall receive a daily allowance for the duration for which the employer is obligated by law to continue the payment of salary, at most. This restriction does not apply to cross-border employees, as long as they reside in their place of residence or in the immediate vicinity.
- g) If an inability to work/disability justifying the payment of benefits exists at the end of insurance coverage, Zurich shall provide its contractual benefits beyond such a date (subsequent benefits).

Such subsequent benefits do not apply

- when changing jobs and transferring to the new employer's insurance;
- for people with a fixed-term employment contract of three months or less as well as for occasional temps;
- from the time that the AHV pension is drawn, at the latest after attaining statutory AHV pension age, provided that no continued employment can be proven;

- as soon as an inability to work/disability of less than 25% (variant A) or 50% (variant B) exists;
- in the event of the renewed occurrence of an illness (relapse);
- with respect to maternity benefits, if the insured person leaves the company earlier than eight weeks prior to giving birth.

8.7 Relapses

a) Variant A

With regard to the duration of benefits and the waiting period – insofar as these were agreed to on a per illness basis – the repeat occurrence of an illness (relapse) is deemed a new illness if the insured person was unable to work/disabled for a period of 12 consecutive months as a result of it.

b) Variant B

With regard to the waiting period – insofar as this were agreed to on a per illness basis – the repeat occurrence of an illness (relapse) is deemed a new illness if the insured person was unable to work/disabled for a period of 12 consecutive months as a result of it.

8.8 Partial inability to work/disability

In the event of partial inability to work, Zurich shall pay a daily allowance commensurate with the degree of inability to work. When determining the duration of benefits and the waiting period, days with partial inability to work shall count in full.

The same applies if the daily allowance is paid out in accordance with the degree of disability.

a) Variant A

An inability to work/disability of less than 25% does not result in an entitlement to benefits. These days are not taken into account when measuring the benefit duration and waiting period.

b) Variant B

An inability to work/disability of less than 50% does not result in an entitlement to benefits. These days are not taken into account when measuring the benefit duration and waiting period.

8.9 Unpaid leave for insured employees

- a) During unpaid leave, insurance coverage remains for up to a maximum of 210 days. The prerequisite for this is that the employment relationship with the insured business continues to exist. No premium is owed.
- b) Upon the commencement of an inability to work as certified by a physician, the waiting period begins at the earliest on the first day of the contractually agreed resumption of work.

General Conditions of Insurance (GCI)

General Policy Conditions

9. Definition of terms

For the purposes of this contract, the following are defined as:

9.1 LAI

The Swiss Federal Law on Accident Insurance (LAI) dated March 20, 1981 (SR 832.20).

9.2 ICA

The Swiss Federal Law on Insurance Contracts (ICA) dated April 2, 1908 (SR 221.229.1).

9.3 EOG

The Swiss Federal Law on Compensation for Loss of Earnings for Persons on Military Service, Maternity and Paternity Leave (Income Replacement Law, EOG) dated September 25, 1952 (SR 834.1).

10. Contractual basis

The following provisions form the contractual basis:

- the provisions in the policy, the General Conditions of Insurance (GCI) and any endorsements;
- the declarations that the applicant or the insured persons provide in the application and in other text documents.

The ICA applies in addition.

11. Object of insurance

- a) Insurance coverage extends to the consequences of illnesses contracted by the insured person during the term of insurance coverage.
- b) If the insured persons are entitled to more extensive regulations under the terms of a transfer agreement among the insurers, these shall apply.

12. Insurance on an indemnity basis

In the case of insurance on an indemnity basis, the following additional provisions shall apply:

Zurich shall provide the insured benefit upon occurrence of the insured event, only, however, if proof of the claim occurring as a consequence of the insured event is provided. The exact scope of benefits is determined by the policy and these GCI.

Benefits provided by third parties will be taken into account. Rights of recourse are reserved.

13. Insurance on a fixed-sum basis

In the case of insurance on a fixed-sum basis, the following additional provisions shall apply:

Zurich shall provide the insured benefit upon occurrence of the insured event, irrespective of whether a claim has actually been made. The scope of benefits is determined by the policy and these GCI.

Zurich shall provide the insured benefits, irrespective of whether benefits are provided by third parties; their benefits shall not be taken into account.

14. Geographical scope of coverage

- a) The insurance is valid worldwide.
- b) If an insured person who is sick travels abroad without the consent of Zurich, an entitlement to benefits applies only from the time of their return.

15. Temporal scope of coverage

15.1 Inception of the contract

The contract commences on the date stated in the policy.

15.2 Termination of the contract

The contract ends:

- on the expiration date stated in the policy. It is tacitly renewed annually for another year, unless it is canceled at least three months prior to expiration. It can be canceled to the end of the third or any succeeding insurance year subject to a notification period of three months even if a longer duration was agreed. Cancellation is deemed to have been given in due time if the notice of cancellation has reached the contracting party no later than the last day prior to the beginning of the three-month notice period in writing or in another a different form that allows the proof by text (e.g. by email);
- upon the closure of the business.

16. Duration of insurance coverage for individual insured employees

16.1 Inception of insurance coverage

- a) Insurance coverage begins on the day on which employment commences as agreed in the contract of employment. However, for persons who are already unable to work at this time, insurance coverage will only go into effect upon full employment as per the terms of the respective employment contract.
- b) In case insured persons are entitled to more extensive regulations under the terms of a transfer agreement among the insurers, these shall apply.

16.2 Termination of insurance coverage

Insurance coverage terminates:

- at the end of the insurance contract;

- upon the termination of the employment contract;
- in the case of unpaid leave and continuation of the employment contract after 210 days at the latest;
- upon reaching the age of 70.

17. Duration of insurance coverage for individual insured non-employees

17.1 Inception of insurance coverage

Insurance coverage begins on the date specified in the policy.

17.2 Termination of insurance coverage

Insurance coverage ends:

- at the end of the insurance contract;
- when the maximum benefit duration has been reached;
- when self-employment or work with the policyholder as an insured family member ceases;
- upon reaching the age of 70.

18. Transfer to individual insurance

18.1 Right of Transfer

Upon leaving the group of insured persons or upon termination of the existing contract, those persons domiciled in Switzerland or Liechtenstein have the right to transfer to Zurich's individual insurance scheme. The right of transfer must be exercised within 90 days after leaving the group of insured persons, termination of the contract, or the end of the benefit period.

18.2 Conditions

The conditions and rates for individual insurance apply.

The individual insurance begins immediately after the end of insurance coverage in the group insurance.

Zurich grants the benefits insured at the time of the transfer, with the following restrictions:

- the daily allowance is reduced to the extent that employment is reduced or a lower income is received;
- for unemployed persons in accordance with Art.10 of the Federal Law on Unemployment Insurance and Insolvency Compensation, the unemployment benefit at most can be insured;
- the highest income that can be insured corresponds to the highest annual amount in accordance with the Federal Law on Unemployment Insurance and Insolvency Compensation.

The person's state of health and age at the time of entering into the group insurance with Zurich are decisive.

18.3 Insured persons without the right of transfer

No right of transfer exists:

- in the event of job transfer and transfer to the new employer's insurance scheme;
- in the event of termination of the existing contract and insurance of the same group of insured persons or parts thereof with another insurer;

- from the time that the AHV pension is drawn, at the latest after attaining statutory AHV pension age;
- for the persons insured in the existing contract as self-employed persons;
- for family members working with the policyholder who are neither drawing a cash salary nor paying AHV contributions;
- for people with a fixed-term employment contract of three months or less as well as for occasional temps.

The right of transfer pursuant to Art.100 Paragraph 2 ICA for unemployed persons pursuant to Art.10 of the Federal Law on Unemployment Insurance and Insolvency Compensation remains reserved.

18.4 Duty to provide information

Upon leaving the group of insured persons or upon termination of the existing contract, the policyholder is obligated to inform the leaving persons of the right of transfer to an individual insurance in accordance with the above provisions. Zurich will provide the policyholder with an information sheet for this purpose.

19. Insured event

The following provisions apply for indemnity insurance and for insurance on a fixed-sum basis.

19.1 Obligations upon occurrence of an insured event

- After the occurrence of an insured event:
 - an officially licensed physician/dentist must be consulted as soon as possible, so as to ensure appropriate care. The insured person must follow the instructions of the treating physician/dentist or of any medical assistant designated by him. Furthermore, the insured person is obligated to undergo those clarification measures specified by Zurich, particularly those medical examinations deemed reasonable for the diagnosis and determination of benefits;
 - Zurich must be informed immediately about the event;
 - Zurich is entitled to request all additional information and documents required for the clarification of the matter and the consequences of the event, as well as for the determination of insurance benefits, particularly medical reports, expert medical opinions, x-rays and documentation relating to income.
- The insured person is obliged, in the event of a full or partial inability to work in their current profession or area of work that is expected to last for a long time, to:
 - make use of their employment opportunities in the balanced job market in question. Zurich may grant an appropriate transition period for this purpose and request the person to register for unemployment insurance. If the insured person does not make use of their ability to work and/or if they fail to comply with the request to register for unemployment insurance, Zurich may halt benefits;

- register with the disability insurance agency for the receipt of benefits at the latest six months after the commencement of the inability to work. If, despite a written request from Zurich, the insured person does not register or does not register in due time, the daily allowance benefits may be reduced from the 365th day after the commencement of the inability to work by the amount of the maximum single disability insurance pension. The request may also be submitted in another form that allows proof by text (e. g. by e-mail).

19.2 Consequences in case of a breach of contractual conditions upon occurrence of an insured event

If the policyholder, the insured person or the beneficiary breaches contractual conditions during the insured event in a culpable manner, part or all of the insured benefits will be reduced as a consequence. No reduction will occur if the behavior that breaches the contractual conditions during the insured event has no effect on the determination and the extent of the consequences of the illness.

19.3 Cancellation upon occurrence of an insured event

- After every occurrence of an insured event, for which a benefit is due, the policyholder or Zurich may cancel the contract.
- If the policyholder cancels the policy, he must communicate this in writing or in a different form that allows the proof by text (e. g. by e-mail) to Zurich within 14 days of having received notice of payment of the benefit. In this case, coverage ceases 14 days after Zurich has received the notice of cancellation.
- If Zurich cancels the policy, Zurich must inform the policyholder in writing or in a different form that allows the proof by text (e. g. by e-mail) no later than the date on which the indemnity is paid. Insurance coverage ceases at the end of the current insurance year, however, not before 14 days after the notice of cancellation has reached the policyholder.
- The insured person's right of transfer to an individual insurance scheme in accordance with these GCI remains unaffected.

20. Premium

20.1 Premium calculation

The premium is calculated according to the specifications stated in the policy.

The following elements have to be taken into account:

- the individual company is accorded its premium tariff on the basis of the business type and the particular applicable conditions;
- in case Zurich's premium tariff contains the relevant provisions, and sufficient company-related loss experience is available, the individual claims experience (experience rating) shall also be taken into account in the calculation of the premium.

20.2 Initial premium

- If the premium is based on variable technical factors (such as effective salaries, number of persons), at the beginning of every insurance year the policyholder must initially pay the provisionally calculated premium (initial premium) that corresponds, as far as possible, to the estimated final premium.
- Zurich can adjust the initial premium at the beginning of each insurance year to the altered circumstances.

20.3 Premium invoice

- Upon expiration of each insurance year, or, after the termination of the contract, the premium invoice will be rendered based on definitive technical factors for the calculation of premiums. To this end, Zurich will send a form to the policyholder requiring that the policyholder report the information necessary to enable the premium invoice to be issued.
- If the policyholder electronically reports salary data relating to the insured person, Zurich is authorized to process this data for the purpose of standardizing the declaration and transmission within the scope of eGovernment and to report this information to third parties to the extent required.
- A supplementary premium resulting from the premium invoice is payable at the expense of the policyholder. A return premium will be paid to the policyholder by Zurich. Should the supplementary or return premium amount to less than CHF 5.–, the contracting parties will waive their right to payment of the supplementary premium or reimbursement.
- Should the policyholder fail to send the declaration for the premium invoice to Zurich by the deadline of one month after receipt of the declaration form, Zurich is authorized to calculate the estimated final premium at its own discretion.
- Zurich has the right to review the information provided by the policyholder. To this end, the policyholder must grant Zurich or those designated by Zurich access to all relevant documents (salary books, receipts etc.).
- Up to an annual salary of less than or equal to CHF 10'000.– for unnamed insured persons, and subject to a premium, the contracting parties shall waive the right to an annual premium invoice based on the effective salary at the end of the insurance year. However, if the effective annual salary exceeds CHF 10'000.–, the policyholder is required to report this to Zurich and to pay any required additional premium, if necessary retroactively within the deadlines stipulated by law.

20.4 Premium reimbursement

- If the contract is terminated prior to the expiration of the insurance year, Zurich shall reimburse the premium corresponding to the non-expired part of the insurance year, and shall no longer demand the payment of installments falling due thereafter.

- b) The total premium for the current insurance year, however, remains due if the policyholder cancels the contract in the event of a partial claim within one year of concluding the contract.

20.5 Installments

Those installments that fall due in the course of the insurance year shall only be considered deferred.

21. Premium adjustment

- a) Zurich may adjust the premium at the beginning of the following calendar year in each case. Particular reasons for an adjustment to the premium are changes in the tariff rate (for instance due to the loss experience) or in the company's risk classification.
- b) Upon expiration of the policy, Zurich may adjust the premium rates to take account of any modification in the composition of the portfolio of insured persons (age and gender) or in claims experience.
- c) Zurich shall inform the policyholder no later than 30 days prior to the expiration of the insurance year.
- d) The policyholder has the right to cancel that part of the contract affected by an adjustment or the contract in its entirety as per the end of the current insurance year. In order to be valid, the notice of cancellation must have reached Zurich no later than the last day of the insurance year.
- e) If the policyholder does not cancel his policy by the end of the current insurance year, this will be deemed as consent to any contract changes.

22. Surplus participation

- a) If the insurance policy has been concluded with surplus participation, Zurich shall pay the policyholder a share of any surplus after the expiration of the agreed accounting period. The modalities relating to surplus participation are specified in the policy. If the contract is modified, the modalities relating to surplus participation will be adjusted to the new premium total. The entitlement to surplus participation ceases if the contract is terminated prior to the end of the accounting period.
- b) The surplus will be calculated by subtracting the benefits paid out for insured events that occurred during the accounting period from the relevant premium attributable to the corresponding accounting period.
- c) Should insured events remain pending at the end of an accounting period, the calculation of any surplus participation will be deferred until their final settlement. Any negative balance from an accounting period will not be carried forward to the subsequent period.

- d) If payments are made for illnesses that fall within a completed calculation period after the surplus calculation has taken place, a correction is made to the surplus calculation. Any surplus payments that have already taken place can be demanded back by Zurich.

23. Obligations in the event of changes in risk

With any modification of a fact relevant to the assessment of the risk (in particular, the type of insured company or profession, the activity of the insured persons), Zurich is to be informed immediately in writing or in a different form that allows the proof by text (e. g. by e-mail).

23.1 Increase of risk

In the event of a significant increase of risk, Zurich may

- increase the premium with effect from the date of the increase of risk for the remainder of the contract period;
- cancel the contract within 14 days of receipt of the notification at Zurich, subject to a notice period of four weeks, in writing or in a different form that allows the proof by text (e. g. by e-mail).

If the policyholder does not agree to the premium increase, the policyholder is entitled to cancel the contract within 14 days of receipt of the premium increase notification from Zurich, subject to a notice period of four weeks, in writing or in a different form that allows the proof by text (e. g. by e-mail).

In either case, Zurich is entitled to the premium increase as of the time of the risk increase until the contract expires.

23.2 Reduction of risk

In the event of a significant reduction of risk, the policyholder is entitled to

- cancel the contract, subject to a notice period of four weeks, in writing or in a different form that allows the proof by text (e. g. by e-mail);
- request a premium reduction from receipt of the notification by Zurich.

If Zurich rejects a premium reduction or if the policyholder does not agree to the reduction offered, the policyholder is entitled to cancel the contract within four weeks of receipt of the statement from Zurich, subject to a notice period of four weeks, in writing or in a different form that allows the proof by text (e. g. by e-mail).

In either case, the policyholder is entitled to the premium reduction from receipt of the notification by Zurich until the contract expires.

24. Tax at source on benefits in the event of a claim

- a) If Zurich provides income replacement benefits to the policyholder for the benefit of insured persons liable to pay tax at source, the policyholder shall ensure that these benefits are properly declared to the responsible tax authority.
- b) If Zurich is nonetheless held responsible by the tax authority, Zurich has a right of recourse to the policyholder.

25. Broker Clause

If the policyholder is represented by a broker, the broker is entitled to conduct business transactions with Zurich. The policyholder authorizes the broker to receive questions, notifications, declarations, letters of intent and the like (however, no payments) from Zurich and to submit such to Zurich on behalf of the policyholder. Such data are considered as transmitted to the policyholder as soon as they have reached the broker.

26. Economic, trade and financial sanctions

Zurich does not provide coverage and is not obliged to make payments or provide benefits or services if applicable economic, trade and financial sanctions would be violated.

27. Reporting to Zurich

- a) All correspondence must be addressed to Zurich's head office or to the representative listed on the most recent premium invoice.
- b) Please contact your representative or call the toll-free number at 0800 80 80 80 if you have any questions or concerns.

28. Applicable law and place of jurisdiction

- a) This contract shall be governed by Swiss law to the exclusion of all conflict of law rules.
- b) In the event of disputes arising from this contract, the policyholder, insured person or beneficiary has the following choices for the place of jurisdiction:
 - Zurich;
 - the domicile or head office of the policyholder, insured person or beneficiary in Switzerland or Liechtenstein – excluding, however, any other foreign country.
- c) The insured person may also choose their usual place of employment as the place of jurisdiction.

Please note that only the German wording of these GCI shall be valid and binding.

