

8 Notification of breach of the duty to disclose in accordance with Sec. 19 Para. 5 Insurance Contract Act (Versicherungsvertragsgesetz – VVG)

The above health questions must be answered correctly and completely (duty of disclosure).

If you answer the questions incorrectly or incompletely, SI Insurance (Europe), SA can withdraw from the contract and be exempt from benefits in the event of intentional or grossly negligent breach of the duty of disclosure. If the breach of the duty of disclosure is neither intentional nor grossly negligent, the insurer can terminate the contract or continue it under changed conditions.

9 Instruction pursuant to Sec 19 para. 5 VVG on the consequences of a breach of the statutory duty of disclosure

What are the pre-contractual duties of disclosure?

Until you submit your contract declaration, you are obliged to truthfully and completely disclose all risk-related circumstances known to you about which you are asked in text form. If the insurer asks you in text form about risk-related circumstances after your contract declaration but before contract acceptance, you are also obliged to provide truthful and complete information in this respect.

What consequences can arise if a pre-contractual duty of disclosure is breached?

1. Withdrawal and lapse of insurance cover

If you breach the pre-contractual duty of disclosure, the insurer may withdraw from the contract. This does not apply if you prove that there was neither intent nor gross negligence. In the event of a grossly negligent breach of the duty of disclosure, the insurer has no right of withdrawal if it would have concluded the contract even if it had known of the non-disclosed circumstances, albeit under different conditions. In the event of withdrawal, there is no insurance cover. If the insurer declares withdrawal after the occurrence of the insured event, it shall nevertheless remain obliged to pay benefits if you prove that the circumstance not or incorrectly disclosed was not the cause neither for the occurrence nor the determination of the insured event nor for the determination or the scope of the insurer's duty to indemnify.

However, the obligation to pay benefits does not apply if you have fraudulently breached the duty of disclosure. In the event of a withdrawal, the insurer is entitled to that part of the premium which corresponds to the contract period which has expired by the time the declaration of withdrawal becomes effective.

2. Termination

If the insurer cannot withdraw from the contract because you have only breached the pre-contractual duty of disclosure through simple negligence or without fault, the insurer may terminate the contract by giving one month's notice. The right of cancellation is excluded if the insurer would have concluded the contract even if it had known about the non-disclosed circumstances, albeit under different conditions.

3. Contract amendment/adjustment

If the insurer cannot withdraw from or terminate the contract of the duty of disclosure because he would have concluded the contract even if he had known about the non-disclosed risk circumstances, albeit under different conditions, the other conditions become part of the contract at its request. If you have negligently breached the duty of disclosure, the other conditions shall retroactively become part of the contract. If the premium increases by more than 10% as a result of the contract amendment or if the insurer excludes the risk coverage for the non-disclosed circumstance, you may terminate the contract without notice within one month after receipt of the insurer's notification of the contract amendment. You will be informed of this right in the insurer's notification.

4. Exercise of rights by the insurer

The insurer may only assert its rights to withdraw, terminate or amend the contract in writing within one month. The period shall commence at the time when the insurer becomes aware of the breach of the duty of disclosure giving rise to the right they are asserting. When exercising their rights, the insurer must state the circumstances on which it bases its declaration. The insurer may subsequently state further circumstances to substantiate the claim if the time limit in accordance with sentence 1 has not elapsed for these. The insurer may not invoke the rights of withdrawal, termination or contract amendment if it was aware of the undisclosed risk circumstance or the incorrectness of the disclosure. The rights to withdraw from the contract, to terminate the contract and to amend the contract expire five years after conclusion of the contract. This does not apply to insured events that occurred before the expiry of this period. The period is ten years if you have intentionally or fraudulently breached the duty of disclosure.

5. Representation by another person

If you are represented by another person when concluding the contract, the knowledge and fraudulent intent of your representative as well as your own knowledge and fraudulent intent must be taken into account with regard to the duty of disclosure, withdrawal, termination, amendment of the contract and the preclusion period for exercising the insurer's rights. You can only rely on the fact that the duty of disclosure was not breached intentionally or through gross negligence if neither your representative nor you are guilty of intent or gross negligence.