



liability for loss is covered by the insurance.

Swedish Average Adjuster:	The party who determines disputes concerning marine and other transport insurance.
Insurable interest:	Every lawful interest that can be estimated in money and which is covered by the insurance contract.
Insurance limit:	The amount for which insurance has been taken and which is stated in the insurance contract.
Insurer:	The party who by a contract of insurance provides insurance cover.
Policyholder:	The party who has concluded a contract of insurance with an insurer.
Insurance value:	The value of the Insured property or interest.
Loss:	Loss means financial loss, expense or, in the case of liability insurance, liability to pay damages.
Loss occurrence:	A sudden and unexpected occurrence that harms an insured object or interest and causes a loss to the Insured.
Safety regulations:	Regulations on certain particular procedures or equipment that are intended to prevent or limit loss or concerning certain particular qualifications of the Insured or his employees or other assistants.

## **CONTENTS**

### **1 INTRODUCTORY PROVISION**

- 1.1 Order of priority between insurance documents**
- 1.2 Who is covered by the insurance**
- 1.3 What does the insurance cover**
- 1.4 When does the insurance apply**
- 1.5 Information about the insurance contract, etc.**

### **2 PREMIUM PAYMENT**

This section contains, among other things, provisions on when the premium should be paid and the effect of delay with payment.

- 2.1 Premium payment**
- 2.2 Premium payment and the Insurer's responsibility**
- 2.3 Effect of delay with premium payment**
- 2.4 Repayment of premium**
- 2.5 Interest and charges for delay**
- 2.6 Additional premium**

### **3 INSURANCE INDEMNITY**

This section contains, among other things, provisions on insurance value and insurance limits. Refer to Section 13 on Losses and Loss Adjustment regarding the payment of insurance indemnity.

- 3.1 Insurable interest**
- 3.2 Insurance value**
- 3.3 Agreed insurance value**
- 3.4 Limitation of indemnity**
- 3.5 Indemnity above insurance limit**
- 3.6 Under insurance**
- 3.7 Double insurance**

### **4 DISCLOSURE OBLIGATION**

This section contains important rules on the Policyholder's duty to provide correct

and complete information to the Insurer and concerning the consequences that may occur if and when the disclosure obligation is neglected.

- 4.1 **Disclosure obligation when taking out the insurance**
- 4.2 **Disclosure obligation during the term of the insurance**
- 4.3 **Duty to rectify erroneous information**

#### **NEGLECT OF DISCLOSURE OBLIGATION**

- 4.4 **The Policyholder's deceit or conduct contrary to good faith and fair dealing**
- 4.5 **Right to give notice of termination regarding other insurance contracts**
- 4.6 **Incorrect information provided in good faith**
- 4.7 **Intent or negligence with information**
- 4.8 **Insurer in bad faith regarding information**
- 4.9 **The Insured's disclosure obligation**

#### **5 CHANGE OF RISK**

This section contains provisions on when the agreed risks have changed in a manner whereby the preconditions for the insurance contract no longer apply

- 5.1 **Change of risk with the Insured's consent**
- 5.2 **Change of risk without the Insured's consent**
- 5.3 **Reporting change of risk**

#### **6 INCREASE OF RISK**

This section contains provisions on changes to the risk of loss and the effect of such change on the insurance cover.

- 6.1 **Increase of risk with the Insured's consent**
- 6.2 **Reporting increase of risk**
- 6.3 **Increase of risk without the Insured's consent**
- 6.4 **Other effects of an increase of risk**
- 6.5 **The Insurer's obligations**
- 6.6 **The Insured's right to give notice of termination**
- 6.7 **Increase of risk without effect**

#### **7 THE POLICYHOLDER'S OBLIGATIONS IN THE EVENT OF CHANGE OF RISK AND INCREASE OF RISK**

## **8 SAFETY REGULATIONS**

### **8.1 Safety regulations**

### **8.2 Neglect of safety regulations**

## **9 RESCUE OBLIGATION**

### **9.1 Rescue obligation**

### **9.2 Neglect of rescue obligation**

### **9.3 Holding a party causing the loss liable**

## **10 INDUCING THE OCCURRENCE OF A LOSS INTENTIONALLY AND BY GROSS NEGLIGENCE, ETC.**

## **11 IDENTIFICATION**

### **11.1 Persons identified with the Insured**

### **11.2 Other identification rules**

## **12 MEASURES IN THE EVENT OF THE OCCURRENCE OF A LOSS**

### **12.1 Notifying the Insurer of the occurrence of a loss**

### **12.2 Inspecting and documenting the loss**

### **12.3 Holding a party causing the loss liable**

### **12.4 Sanctions**

### **12.5 Implementing rescue measures**

## **13 LOSSES AND LOSS ADJUSTMENT**

### **13.1 How the insurance claim should be presented to the Insurer**

### **13.2 The Insurer's processing of insurance claims**

### **13.3 Interest on insurance indemnity**

### **13.4 Admitting liability**

### **13.5 Sanctions for non-compliance with obligations**

### **13.6 Subrogation**

### **13.7 Time limitation**

### **13.8 Insurer's set-off rights**

**14 THIRD PARTY****14.1 Third party rights****14.2 The Insurer's rights and obligations in relation to the Insured****14.3 Payment of insurance indemnity****15 BANKRUPTCY OF THE PARTIES****15.1 Insurer's bankruptcy****15.2 Policyholder's bankruptcy****16 DISPUTES, CHOICE OF LAW**

## **1 INTRODUCTORY PROVISIONS**

### **1.1 Order of priority between insurance documents**

The provisions of the insurance policy, additional clauses and insurance conditions have priority before these general conditions. Unless otherwise agreed, these insurance documents apply *inter se* in the order given here.

### **1.2 Who is covered by the insurance**

The insurance provides cover for the Insured.

### **1.3 What does the insurance cover**

The insurance provides cover for property, liability to pay damages or other interest on which the parties have agreed and which is specified in the insurance policy.

### **1.4 When does the insurance apply**

The commencement and termination of the insurance contract is governed by the date and hour the parties have agreed. All references to time are computed according MET. If no reference to time has been specified in the contract, the insurance commences MET 00:00 on the commencement date stipulated in the contract and ends MET 24:00 on the date on which the contract terminates.

### **1.5 Information about the insurance contract, etc.**

The Insurer shall provide information about premiums and other insurance conditions for the Policyholder if he so requests. However, information need not be provided if there is an impediment considering the circumstances prevailing at the time the insurance contract is concluded.

When adjusting a loss the Insurer shall, unless it is considered unnecessary in the circumstances, advise the party who presents the claim for indemnity about the possibilities of having a dispute reviewed.

## **2 PREMIUM PAYMENT**

### **2.1 Premium payment**

Instructions regarding when and how the premium must be paid shall be stated in the insurance contract or in the premium invoice from the Insurer. Unless otherwise agreed, the premium shall be paid in advance or, in any event, no later than the first day of the, or those, payment period(s) agreed by the parties.

The premium is deemed paid when the Policyholder, or his representative, submits a payment assignment regarding the premium to a bank or other similar payment arranger.

### **2.2 Premium payment and the Insurer's responsibility**

Unless otherwise agreed, the Insurer's responsibility according to the insurance contract commences on the day after the date when the premium is paid.

If a premium invoice is not dispatched to the Policyholder no later than 14 days prior to the first day of the contract period, the insurance nevertheless applies from that date subject to the precondition that the premium is paid within 14 days after the Insurer sent a premium invoice.

### **2.3 Effect of delay with premium payment**

Delay is deemed to exist if the premium is paid later than as stipulated in Sub-clause 2.1. In the case of delay with payment of premium, the Insurer's responsibility does not take effect until the day after payment has been made. The Insurer is not liable to indemnify losses that occur during the period when the Policyholder is in delay with payment.

The Insurer is also entitled to give notice terminating the insurance in the event of delay. The insurance contract terminates 14 days after the Insurer has dispatched a notice of termination to the Policyholder. If the premium is paid after the Insurer has given notice terminating the insurance, the responsibility of the Insurer takes effect from the day after the payment is made but only if the Insurer gives written notice confirming the validity of the insurance.

#### **2.4 Repayment of premium**

If the insurance contract terminates prematurely the Insurer shall, unless otherwise agreed, repay part of the premium. Repayment shall be made of the difference between the premium paid – after deducting the Insurer's costs including such part of premiums to reinsurers as cannot be refunded – and the premium that would have been paid if it had been computed for such shorter insurance period.

#### **2.5 Interest and charges for delay**

If the premium is paid after the due date, the Insurer is entitled to receive interest for delay according to the reference interest of the Swedish Central Bank, applicable from time to time, plus two per cent and reasonable compensation for costs owing to the delay.

#### **2.6 Additional premium**

If an additional premium is to be paid, the provisions of Sub-clauses 2.1-2.5 shall also apply for payment of any additional premium.

### **3 INSURANCE INDEMNITY**

#### **3.1 Insurable interest**

Indemnity can be paid for each interest covered by the insurance. If the interest lapses after responsibility of the Insurer takes effect, the insurance terminates.

#### **3.2 Insurance value**

If the insurance relates to the value of property this shall, unless otherwise agreed, be deemed to correspond to the value immediately prior to the occurrence of the loss with a deduction for age and wear and for impaired functionality and other circumstances.

#### **3.3 Agreed insurance value**

The parties may agree that the Insured interest shall be indemnified at a fixed amount or in a particular manner. If, owing to circumstances that the Insurer neither anticipated nor ought to have anticipated when concluding the contract, the indemnity would significantly exceed the loss, the Insurer is not liable to pay more than an amount corresponding to the loss.

### **3.4 Limitation of indemnity**

Unless otherwise agreed, indemnity for certain property is limited to the actual value of the property.

### **3.5 Indemnity above insurance limit**

Even if the agreed insurance limit is exceeded, the Insurer is liable for individual rescue costs and general rescue costs according to Sub-clause 8.1 to the extent that these may be deemed to be justified and exceed the costs of such protective measures that an insured should normally anticipate.

### **3.6 Under insurance**

If the insurance limit is less than the insurance value, there is under insurance. The Insurer will, in the case of under insurance, only indemnify such proportion of the loss incurred as corresponds to the relationship between the insurance limit and the insurance value.

### **3.7 Double insurance**

If the same interest has been insured against the same risk with several insurers, each insurer is liable in relation to the Insured as if the Insurer had solely provided insurance. However, the Insured is not entitled to greater indemnity from the Insurers than an amount that would in aggregate correspond to the loss. If the amount of the indemnity exceeds the loss, responsibility between the Insurers shall be apportioned in proportion to their respective limits of indemnity.

## **4 DISCLOSURE OBLIGATION**

### **4.1 Disclosure obligation when taking out the insurance**

To enable the Insurer to assess the risks that will be insured, the Policyholder

shall, when taking out the insurance, provide all the information about the risk that the Insurer requests or which the Policyholder realises, or ought to realise, are of importance to the Insurer when assessing the insurance risk.

#### **4.2 Disclosure obligation during the term of the insurance**

The Policyholder is also liable, during the insurance period, to provide information regarding changes to the circumstances that form the basis of the insurance.

#### **4.3 Duty to rectify erroneous information**

If the Policyholder realises that the Insurer has received information that is erroneous or incomplete and of importance for the assessment of risk, he shall rectify the information without unreasonable delay.

### **NEGLECT OF DISCLOSURE OBLIGATION**

#### **4.4 The Policyholder's deceit or conduct contrary to good faith and fair dealing**

If the Policyholder, in the performance of his disclosure obligation when taking out the insurance, has acted deceitfully or contrary to good faith and fair dealing, the contract is invalid and the Insurer is released from responsibility for loss that has occurred. Furthermore, the Insurer is entitled to the entire agreed premium.

If the Policyholder, in the performance of his disclosure obligation during the insurance period, has acted deceitfully or contrary to good faith and fair dealing, the contract is invalid and the Insurer is released from responsibility for any loss that occurs thereafter. Furthermore, the Insurer is entitled to the entire agreed premium.

#### **4.5 Right to give notice of termination regarding other insurance contracts**

In the event of such deceit or conduct contrary to good faith and fair dealing as referred to in Sub-clause 4.4, other insurance contracts that apply between the Insurer and the Policyholder and legal entities closely related to the Policyholder may be terminated with 14 days' advance notice by the Insurer. Closely related means such legal entities in which the Policyholder has powers to decide or

ownership rights.

#### **4.6 Incorrect information provided in good faith**

If it may be assumed that, when concluding the contract, the Policyholder neither realised nor ought to have realised that the information provided was erroneous, this does not affect the Insurer's responsibility. However, the Insurer is entitled to give notice terminating the insurance with 14 days' advance notice if the parties cannot agree on an additional premium and/or such amendments to the insurance conditions as are necessary owing to the erroneous information.

#### **4.7 Intent or negligence with information**

If the Policyholder, without deceit or conduct contrary to good faith and fair dealing, intentionally or by carelessness neglects his disclosure obligation according to Sub-clauses 4.1 and 4.2 above, the Insurer shall be released from responsibility if the Insurer would not have provided insurance if the disclosure obligation had been complied with.

If the Insurer would provide insurance if the disclosure obligation had been complied with, the Insurer is responsible for a loss incurred if the Policyholder demonstrates that the erroneous or incomplete information was of no significance for the occurrence or scope of the loss.

#### **4.8 Insurer in bad faith regarding information**

The Insurer's responsibility cannot lapse according to Sub-clauses 4.5 or 4.7 above, if the Insurer, when the disclosure obligation was neglected, realised or ought to have realised that the information provided was erroneous or incomplete. The same applies in those cases referred to in Sub-clause 4.7, provided the circumstance to which the information related was of no importance or later ceased to be of importance.

### **THE INSURED'S DISCLOSURE OBLIGATION**

#### **4.9 The Insured's disclosure obligation**

The Insured is liable to provide information to the same extent as the Policyholder

if the insurance has been taken out with the Insured's knowledge or on his assignment.

## **5 CHANGE OF RISK**

### **5.1 Change of risk with the Insured's consent**

The insurance shall terminate if, owing to the action or consent of the Insured, the applicable preconditions for the contract stipulated in the insurance contract change so that the risk becomes another than what the Insurer must be deemed to have taken into account when concluding the contract.

### **5.2 Change of risk without the Insured's consent**

A change of risk without the consent of the Insured shall be dealt with in accordance with the provisions of Sub-clauses 6.3 to 6.7 below.

### **5.3 Reporting change of risk**

It is an obligation of the Insured to notify the Insurer, without unreasonable delay, of the occurrence of a change in risk as referred to in Sub-clauses 5.1 and 5.2.

## **6 INCREASE OF RISK**

### **6.1 Increase of risk with the Insured's consent**

If, owing to the action or consent of the Insured, a circumstance referred to in the insurance contract or reported to the Insurer changes so that the risk increases beyond what the Insurer has taken into account when the insurance contract was concluded, the Insurer is released from responsibility if the Insurer would under such changed circumstances not have provided insurance at all.

If the Insurer would have provided insurance with the knowledge of such increase of risk as referred to in the first paragraph, but required a higher premium or imposed other conditions than those included in the insurance contract, the Insurer is liable for loss only to the extent that the Policyholder shows that the increase of risk was insignificant to the occurrence and scope of the loss.

**6.2 Reporting increase of risk**

It is an obligation of the Insured to, without unreasonable delay, notify the Insurer if an increase of risk occurs as referred to in Sub-clause 6.1.

**6.3 Increase of risk without the Insured's consent**

The provisions of Sub-clause 6.1 shall apply if, without the action or consent by the Insured, such changed circumstances arise whereby the risk increases as referred to in Sub-clause 6.1, and the Insured failed to notify this to the Insurer without unreasonable delay after becoming aware of the increase of risk.

**6.4 Other effects of an increase of risk**

When such increase of risk occurs during the insurance period, which does not constitute grounds for a release of liability, the Insurer is entitled to

give notice terminating the insurance contract to cease 14 days after the notice, or

charge a reasonable additional premium and prescribe such amendments to the insurance conditions for which the increase of risk gives cause.

The Insurer is also entitled to impose safety regulations with the aim of preventing or limiting loss that may arise owing to the increase of risk.

**6.5 The Insurer's obligations**

When the Insurer learns that the risk has increased, the Insurer shall, without unreasonable delay, notify the Insured of and to what extent the Insurer will exercise his rights as provided by Sub-clauses 6.1 and 6.4. If this is not done, the Insurer's rights lapses.

**6.6 The Insured's right to give notice of termination**

If the Insured is given notice of additional premium or changed insurance conditions as a result of the occurrence of an increase of risk, the Insured is entitled to, within 14 days, give notice terminating the insurance contract with immediate effect. If this is not done, the Insured is bound by the amended

provisions concerning premiums and conditions.

#### **6.7 Increase of risk without effect**

An increase of risk does not have any effect on the Insurer's responsibility, provided the circumstance through which the change has occurred has been reinstated or the increase of risk has in another way ceased to be of importance.

The same applies if the action, which resulted in the increase of risk, had the aim of preventing personal injury or damage to property and was taken under such circumstances that the action must be deemed justifiable.

### **7 THE POLICYHOLDER'S OBLIGATIONS IN THE EVENT OF CHANGE OF RISK AND INCREASE OF RISK**

Upon learning of a change of risk or increase of risk according to Clauses 6 and 7 above, it is also an obligation of the Policyholder to implement the measures that are an obligation of the Insured.

## **8 SAFETY REGULATIONS**

### **8.1 Safety regulations**

The Insured is liable to comply with the safety regulations prescribed by the insurance contract or legislation (*laws, public authority regulations and other public or private rules*).

The Insurer is also, during the insurance period, entitled to introduce further safety regulations. Such regulations shall be confirmed by written notice from the Insurer.

### **8.2 Neglect of safety regulations**

If the Insured in the event of an occurrence of a loss neglects to comply with a safety regulation, indemnity is payable under the insurance only to the extent that it may be deemed that the loss would have occurred or have been of the same scope even if the regulation had been observed. The Insured is equated with another party who is responsible for ensuring compliance with the regulation.

If it may be feared that a particular safety regulation will also be neglected in the future, the Insurer is entitled to give written notice terminating the contract completely or in part with immediate effect.

## **9 RESCUE OBLIGATION**

### **9.1 Rescue obligation**

When a loss occurs or may be feared to be imminent, the Insured shall, to the best of his ability, implement measures to prevent or mitigate the loss.

Reasonable rescue costs or sacrifices will be indemnified under the insurance, subject to the limitation stipulated in the insurance contract.

The Insured shall, as soon as possible, notify the Insurer and is liable to comply with the directions that the Insurer may provide as a result of the occurrence of the loss.

### **9.2 Neglect of rescue obligation**

If the Insured has intentionally or by gross negligence, failed to observe his obligations according to Sub-clause 9.1 and this entails loss for the Insurer, indemnity may be reduced in whole or in part.

### **9.3 Holding a party causing the loss liable**

The Insured is also liable to hold a party causing the loss liable according to the provisions of Sub-clause 12.4.

## **10 INDUCING THE OCCURRENCE OF A LOSS INTENTIONALLY AND BY GROSS NEGLIGENCE, ETC.**

If the Insured has intentionally or by gross negligence induced the occurrence of a loss, the Insurer is released from responsibility. The same also applies if the Insured must otherwise be deemed to have acted, or failed to act, knowing that this entailed a significant risk for the possibility of the loss occurring.

If the Insured has aggravated the consequences of a loss that has occurred in such manner as referred to in the first paragraph, the Insurer is released from responsibility in relation to the Insured to the extent that such circumstance has affected the loss.

The Insurer is also entitled to give written notice terminating the insurance with immediate effect.

In the event of such intent or gross negligence referred to in the first paragraph, other insurance contracts applicable between the Insurer and the Policyholder, and a legal entity closely related to the Policyholder, may be terminated by the Insurer by 14 day's written notice. Closely related means such legal entities in which the Policyholder has powers to decide or ownership rights.

## **11 IDENTIFICATION**

### **11.1 Persons identified with the Insured**

In the event that the occurrence of a loss is induced and in the event of an omission to comply with a rescue obligation, an act by an employee of the Insured holding a senior position within the enterprise or at the site shall be equated with an act by the Insured, unless otherwise agreed.

Employee in senior position refers to authorised signatories, managing directors, chief executive officers, site managers or similar employees with supervisory functions. The same applies to other persons who have been delegated corresponding supervisory functions.

### **11.2 Other identification rules**

Special identification rules regarding the Insured's disclosure obligation are dealt with in Sub-clause 4.9, in Clause 7 regarding the obligations of the Policyholder and the Insured in the event of a change to the risk and increase of risk, and also in Sub-clause 7.2 regarding the neglect of safety regulations.

## **12 MEASURES IN THE EVENT OF THE OCCURRENCE OF A LOSS**

### **12.1 Notifying the Insurer of the occurrence of a loss**

When a **loss** has occurred or may be expected to occur, the Insured shall, as soon as possible but no later than six months after he became aware of his right to claim against the Insurer, give written notice of the loss to the Insurer. If notification is given later, the Insurer is under no obligation to indemnify the loss.

### **12.2 Inspecting and documenting the loss**

Unless otherwise prescribed by the insurance contract or unless the Insurer otherwise gives notice in conjunction with the notice of the occurrence of the loss, it is an obligation of the Insured to document the loss with the purpose of determining its cause and scope.

### **12.3 Holding a party causing the loss liable**

If someone who is not a party to the insurance contract has caused the occurrence of the loss or contributed to its occurrence, the Insured is liable to, in his own name, hold such person liable within such time and in such manner that the right to damages is not lost, and also generally implement such measures as would preserve the Insurer's rights against the party responsible for the loss.

### **12.4 Sanctions**

If the Insured does not satisfy his obligations according to Sub-clauses 12.1 to 12.3 above and if this entails loss for the Insurer, the Insurer can reduce the insurance indemnity completely or in part.

### **12.5 Implementing rescue measures**

When it is anticipated that a **loss** will occur or has occurred, the Insured shall implement such rescue measures as prescribed by Sub-clause 9.1.

## **13 LOSSES AND CLAIMS ADJUSTMENT**

### **13.1 How the insurance claim should be presented to the Insurer**

When the Insured wishes to claim insurance indemnity he shall, without

unreasonable delay, give written notice of his claim to the Insurer. In conjunction with this, the Insured shall show that a loss has actually occurred and also prove the amount of the claim.

It is an obligation of the Insured to assist the Insurer with all necessary documentation, witness details, other evidential material and such information of which the Insured is aware and the Insurer needs for the adjustment of the claim and recourse.

If the Insured delays with presenting a claim, the claim may be time barred and the right to indemnity may lapse. See Sub-clause 13.7 below regarding time limitation.

### **13.2 The Insurer's processing of insurance claims**

The Insurer shall, upon the receipt of the claims report to be adjusted, implement the measures necessary to enable adjustment of the loss without unreasonable delay.

Insurance indemnity shall be paid no later than one month after when such investigation as may be reasonably requested to determine the payment obligation has been presented to the Insurer.

### **13.3 Interest on insurance indemnity**

The Insured is entitled to interest on the insurance indemnity if it is paid after the one-month time limit according to Sub-clause 13.2. Such interest will correspond to the Swedish Central Bank's reference interest applicable from time to time plus two per cent, and run from and including the end of the one-month time limit.

### **13.4 Admitting liability**

The Insured may not, without the Insurer's approval, pay claims or admit liability that may give cause to a claim against the Insurer.

### **13.5 Sanctions for non-compliance of obligations**

If the Insured does not satisfy his obligations according to Sub-clauses 13.1 and

13.4 and this results in a loss for the Insurer, the right to insurance indemnity will be reduced completely or in part.

### **13.6 Subrogation**

If the Insurer pays indemnity to the Insured, the Policyholder or another third party, the Insurer shall assume the Insured's rights against any third party to the extent that it has indemnified the Insured. The Insurer is entitled to receive compensation directly from a party making payment owing to a subrogation claim, regardless of whether the payment is made out to the Policyholder or the Insured.

If the Insured in the case in question has, through a contract which can neither be deemed customary nor been approved in advance by the Insurer, completely or partially waived his rights in relation to a third party, the Insurer shall be released from liability to a corresponding extent.

### **13.7 Time limitation**

Any person who wishes to make a claim for insurance indemnity or premium return, will lose his rights in relation to the Insurer unless he makes a claim against the Insurer through arbitration proceedings according to Clause 16 within three years from when he learned that the claim could be made and, in any event, within ten years from when the claim could at the earliest have been made. If he has presented a claim to the Insurer within this period, the time limit according to the first sentence is six months from when the Insurer has declared that it has adopted a final position on the claim.

### **13.8 Insurer's set-off rights**

The Insurer is entitled, but not obliged, to set-off every amount due that the Insurer can claim from the Insured against each claim that the Insured has against the Insurer.

## **14 THIRD PARTY**

**14.1 Third party rights**

The insurance applies only to the parties stated in the insurance contract.

Unless otherwise specially agreed, the insurance does not apply for the benefit of creditors; owners who are not policyholders; holders of pledges, mortgages and rights of retention; other holders of rights of security; or for others who bear the risk for the property upon a transfer.

A third party shall never have a better right than the Policyholder.

**14.2 The Insurer's rights and obligations in relation to the Insured**

The Insurer can, with effect against an insured, agree with the Policyholder on amendment or termination of the insurance contract, and give notice of termination or any other notice regarding the Insured to the Policyholder.

The provision of the first paragraph does not apply if otherwise prescribed by a contract or special legal relationship between the Policyholder and the Insured and which has been approved in advance by the Insurer.

**14.3 Payment of insurance indemnity**

Upon the occurrence of a loss, each insured is entitled to receive from the Insurer the insurance indemnity as provided by the insurance contract. However, the Insurer may pay to the Policyholder an insurance indemnity to which someone else may be entitled, unless the insurance contract specifies who such party is or unless the party entitled has given notice to the Insurer that he wishes to personally exercise his rights.

**15 BANKRUPTCY OF THE PARTIES****15.1 Insurer's bankruptcy**

If the Insurer is put into bankruptcy, the insurance ceases to apply three months thereafter. The Policyholder is, before that, entitled to give notice terminating the insurance with immediate effect.

**15.2 Policyholder's bankruptcy**

If the Policyholder is put into bankruptcy or in any other way becomes insolvent, the Insurer can give fourteen days advance notice terminating the contract.

**16 DISPUTES, CHOICE OF LAW**

Disputes arising regarding the Insurer's liability to pay compensation owing to this contract shall be determined according to Swedish law through arbitration proceedings with the Swedish Average Adjuster as sole arbitrator. The parties are entitled to institute proceedings against the arbitration award in the same manner and within the same period as an average adjustment can be challenged according to law.

The Swedish Average Adjuster's costs in the arbitration proceedings shall be compensated by the Insurer unless the Policyholder's action is manifestly unfounded.

Unless otherwise agreed, Swedish law applies to contracts made according to these provisions.