

**FAQ for Brokers – Recycling Netherlands (2019-09)**

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## Cooperation with brokers

Q:

Is it possible for us to cooperate with you?

A:

Thank you for your interest in working with Hübener Versicherungs AG. As a broker insurer, we are open to work with any registered insurance broker. As a rule we only establish a contractual relationship once the first application is submitted to us for a policy. In other words: We are happy to prepare offers before a formal relationship exists.

Please note: In the Netherlands, we offer insurance cover for recyclers only. Further information can be found on our homepage (<https://huebener-ag.eu/nl/>).

## Capacity

Q:

What is the underwriting capacity?

A:

We prefer clients with PMLs (probable maximum loss) between EUR 2.5 and 5m. But we can also accept up to EUR 20m, if required. Further alternatives can be arranged by agreeing to a maximum limit of indemnity.

## Recycling – What else?

Q:

Do you offer insurance solutions for niches other than recycling?

A:

We have made the decision to only write recycling business in the Netherlands for the time being. We are thus not offering coverage for biogas, manure fermentation companies, saw mills, timber, discotheques etc.

## Co-Insurance

Q:

Do you also write policies on a Co-Insurance basis?

A:

Currently we do not accept Co-Insurance in the Netherlands. An exception is possible if the insured transfers the entire policy to us within the next 12 months. Then we will cover the shortfall at our conditions as a parallel contract.

## Broker Wording / All Risk

Q:

Are you willing to provide coverage based on our broker policy wording (extended Fire coverage or All Risk coverage)?

A:

We currently don't accept broker wordings. Nor do we offer All Risk for the Recycling industry.

## Commission / Brokerage

Q:

The commission for this line of business is 10%. We have to split the commission. Is it possible to increase the premium for new enquiries so that we can have a commission of 15%?

A:

We pay a uniform brokerage of 10% for recycling business. Due to the very high premium rates in this class of business brokerage is still considerable even when shared. Alternatively, we can offer a net premium and you agree to a fee with the insured.

## Logo / Partner Area

Q:

Is it possible that you mention our company as a partner on your website (<https://huebener-ag.eu/nl/partners/>)?

A:

We will be happy to put your logo on our homepage. However, at least one active policy is a prerequisite to do so.

## Get an offer

Q:

What type of information do you need for an offer?

A:

The easiest and fastest way to get an offer for your insured is to send an e-mail to [post@huebener-ag.eu](mailto:post@huebener-ag.eu) and attach the following documents:

- Completed risk questionnaire signed by the client in German or English (<https://huebener-ag.eu/nl/downloads/>)
- Additional questionnaire per building in German or English ("Supplementary questionnaire "Recycling building")
- Site plan/ floor plan/ overview plan or fire brigade plan (Please clearly mark the insurance property and mark and label the buildings to be insured.)
- Current photos of the buildings (inside + outside) as well as open spaces
- Process flow chart or written description in German or English
- Last surveyor / insurer / broker reports. The report must not be older than 24 months and written in / translated into German or English
- Technical data for the burglary alarm system (if installed)
- Technical data for the fire protection system (if installed)
- Fire protection concept (if available)
- Proof of latest electrical system verification (certificate of findings) and confirmation that findings have been implemented and/or corrected (if available)
- Proof of thermographic inspection of electrical systems and confirmation that findings have been implemented and/or corrected (if available)

Please note that the documentation mentioned above must be submitted in full when you approach us. Otherwise we will not be able to provide you with an offer.

## Confirmation of Coverage

Q:

Example: If the account manager approaches you on Wednesday, August 28, 2019, with all the information necessary, will it be possible to provide cover as of 1 September, 2019?

A:

We need all information mentioned under the section "Vorbehalte / Annahmen" in our offer. We will then confirm insurance coverage within one (1) working day. In this example September 1 is a Sunday. We therefore need all information by Friday morning, August 29, 2019, at the latest.

## Product Information / IPID

Q:

In the Netherlands it is an obligation to provide 'product information' together with the issuance of an insurance policy. As this is a legal obligation, I assume that you have this product information available for the types of coverage provided. Can you please provide me with an example of this information?

A:

The IPID is attached to each offer and policy.

## Policy documentation

Q:

How does the policy issuance process work?

A:

The policy issuance is part of our internal processes. The policy is more or less identical to our original offer. The original policy document is sent to the insured together with the invoice. A copy of the policy is sent simultaneously to the broker.

## Premium payment

Q:

How does the premium payment process work?

A:

The insured pays us directly and can also choose direct debit. We will pay the commission on a quarterly basis.

## Independent survey reports / costs

Q:

Are the costs of a risk engineer - appointed by the insured - deducted from the premium (i.e. paid by the insurance company)?

A:

No. Please see clause "Verpflichtung zur laufenden Risikoanalyse (2019-05)" in the offer. The insured shall bear these costs. The same applies to the costs for the annual review.

## Independent survey reports / Burghraef van Thiel & Partners (BvT)

Q:

Do you accept BvT as surveyor only?

A:

We know that BvT do a very professional job. If a client or broker asks us, we will recommend BvT. Ultimately it is the insured who takes this decision.

For an offer, a fire protection report (risk analysis) must be submitted for each insured location. The report shall not be older than 24 months at the time of the planned commencement of the policy. This report must be written in German or English. The report may be drawn up by an external expert, another insurer or a certified fire protection expert of the insurance broker. Any costs shall be borne by the interested party.

The minimum scope of the risk analysis is based on the fire peril and includes the following aspects:

- Description of the operation incl. process description
- List of transhipped, stored, handled and processed substances
- Fire brigade plan (alternatively a map)
- Building description (type, age, etc.)
- Fire protection (organizational / structural / technical)
- Deviation from legal or regulatory requirements
- Up-to-date photos
- Verification of sums insured (depending on the scope of insurance: buildings, contents, stocks, business interruption)
- PML – probable maximum loss
- Where necessary, binding measures and optional recommendations to improve fire protection

As soon as an insurance contract has been concluded, the policyholder must have a risk analysis prepared once a year for each insured location at his own expense. This must be carried out by an independent expert. The risk analysis must be submitted to the insurer unsolicited at least 6 months before the due date of the contract. The report must be written in German or English. Further information can be found in the clause „Verpflichtung zur laufenden Risikoanalyse (2019-05)“.

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- List of transhipped, stored, handled and processed substances
- Fire brigade plan (alternatively a map)
- Building description (type, age, etc.)
- Fire protection (organizational / structural / technical)
- Deviation from legal or regulatory requirements
- Up-to-date photos
- Verification of sums insured (depending on the scope of insurance: buildings, contents, stocks, business interruption)
- PML – probable maximum loss

## Survey reports / produced by a broker

Q:

We are an independent insurance broker and of course our underwriting information is independent. On several accounts we have already produced survey reports and we would like to use these reports as independent reports.

A:

We have taken the general decision not to accept broker reports. This has nothing to do with the broker as we know that most of these risk engineers do a good job. The same procedure is applied in Germany and Austria when we write business in this segment.

We accept your reports for an initial rate indication. We also accept reports from other insurers. However, the report must not be older than 12 months. An independent report from Burghgraef van Tiel & Partners BV, for example, is required before the start of the contract.

## English Wording

Q:

Do you have plans to provide an English translation of the policy wording? Is it correct that application forms are being processed in English?

A:

We have used our experience in the Netherlands and have completely reviewed our product for recyclers and have adapted it for foreign markets. There will be an English translation with which we will operate throughout the EU. This is an ongoing process that will take some time. We will inform you once the English master version is ready for marketing

## Legislation

Q:

How can we deal with conflicts between the German and Dutch legislation?

A:

The policy follows the standard German insurance conditions. The place of jurisdiction is the Netherlands.

## Local Standard or German VdS Standard

Q:

Several warranties are based on German VdS standards. This needs to be changed to Dutch standards.

A:

Instead of German VdS we accept the local standards as long as they correspond to the contents of the German regulation. In due course you will receive a table comparing the German norm with the corresponding Dutch norm.

## Deductible

Q:

Is it correct that you issue separate policies for buildings and equipment/inventory, goods and business interruption? What happens to the deductible?

A:

Yes, we separate into a) buildings and b) inventory, goods and BI. The deductible for fire is 2.5 % of the individual sums insured. It therefore does not matter if we have one or more policies.

## Warranties / Specific Exclusions

Q:

Are there specific exclusions within the terms and conditions of the policy which may lead to a rejection of a claim?

A:

There are warranties included in the policy (e.g. Sondervereinbarung „Recycling“ (2014-08)). In the event of an infringement, the claim settlement may be reduced in proportion to the seriousness of the infringement (see for example AFB 2008, Abschnitt B, § 8 Obliegenheiten des Versicherungsnehmers).

## Limit for costs

Q:

Can a higher limit be agreed in order to cover additional costs such as debris removal costs?

A:

Yes, it can. The client has to declare the amount he wants to cover and we can then increase “Aufräumungs-, Bewegungs-, Sachverständigen- und Schutzkosten, Abbruchkosten” in the “Deklaration Recycling”. The premium is calculated according to the fire tariff. However, the maximum compensation (Höchstentschädigung) would remain unchanged at EUR 5m.

## Claims Adjuster / Expert Procedure / Counter Expertise

Q:

Are the costs of a claims adjuster - appointed by the insured - included in the conditions?

A:

No. In the event of claim, the insured can involve his own expert at any time. However, the costs shall be borne by the insured. If an umpire is needed, both parties shall bear half of the costs of the umpire. (please see the wording Abschnitt A, § 10 Sachverständigenverfahren).

## Thermography

Q:

Your proposal refers to thermographic requirements in accordance with German legislation. In the Netherlands, insurers demand NTA 8220 met scope 10. Scope 10 is based on the NTA 8220, which is warranted by the insurers and developed by Scios together with the Association of Insurers, Uneto-VNI and iKeur. Is this enough?

A:

We accept the local standards as long as they correspond to the content of the German regulation. So, we accept NTA 8220. A test according to NEN 3140 would not be sufficient.

## Special Clause Brandschutzanlagen VdS (Klausel 3610)

Q:

In the policies we have received, the special clause Brandschutzanlagen VdS (Klausel 3610) applies. In this clause several prevention installations are mentioned as well as the inspection frequency.

In the special clause you refer to VdS Guidelines or similar guidelines on which the inspection frequency is based. In the Netherlands we have, among other things, the NEN3140 guidelines. Part of this is that fire alarm systems (“Brandmeldanlagen”; not being a sprinkler or foam installation) are surveyed once a year by an external certified company. Sprinkler installations have to be tested on a more frequent basis.

Are the contents of this clause adhered to if the client complies with Dutch regulations/ guidelines?

A:

We can confirm that compliance with the Dutch equivalent of our 3610 clause is sufficient for the time being. Once we have adapted our own clauses for the Dutch market, we would then want to use those instead.

## Lithium batteries

Q:

Are there special regulations where batteries should be stored?

A:

We do not have a general constraint for outside storage. In individual cases, however, this may be an obligation. Then the insured must also ensure this. Otherwise please see the topic “Warranties”.

## Machinery breakdown

Q:

As far as I can see there is no coverage given in respect of machinery breakdown. Is there a possibility to provide this extra coverage?

A:

No, we do not cover machinery breakdown.

## Business Interruption and Extra Costs

Q:

Do you have a separate Business Interruption policy wording (Betriebsunterbrechung) or do you only insure the extra costs (“Mehrkosten”)?

A:

The insured can choose between extra costs (Mehrkosten / BMK) or BI (ZMBU).

## Sprinklers

Q:

Is a sprinkler system mandatory, for shredders, for example?

A:

Sprinklers are not mandatory, but they have a positive impact on the premium rate. And they help the client to prevent or to reduce the size of fire claims.