

Schedule of Requirements Vehicle Fleet insurance (reinsurance) Municipality of Amsterdam as from 1 January 2023



Schedule of Requirements

This Schedule of Requirements sets out which contract is put out to tender at European level by NV Verzekeringsbedrijf Groot Amsterdam (VGA).

This concerns a reinsurance regarding the vehicle fleet/industrial equipment against liability plus loss and/or damage. The fleet currently consists of approx. 2600 vehicles of the Municipality of Amsterdam, including but not limited to GVB, Stichting Waternet, Veiligheidsregio Amsterdam-Amstelland, the Port of Amsterdam, as well as some affiliated organisations, largely located within the boundaries of the Municipality of Amsterdam.

(Parcel) Reinsurance

Reinsurance contract

Vehicle fleet insurance for the municipality of Amsterdam, including but not limited to GVB, Stichting Waternet, Veiligheidsregio Amsterdam Amstelland, the Port of Amsterdam, as well as some affiliated organisations, largely located within the boundaries of the Municipality of Amsterdam against liability, plus loss and/or damage.

- Concerning the fire risk there should be only cover for claims whilst vehicles are driving. Fire cover for driving in traffic as mentioned in section 1 of the Wet Aansprakelijkheidsverzekering Motorrijtuigen (Act on Compulsory Liability Insurance for Motor Vehicles - WAM); the applicable Dutch act.

Policyholder

NV Verzekeringsbedrijf Groot Amsterdam (VGA)

Insured(s)

Municipality of Amsterdam and/or associated and affiliated organisations and/or others if its interests may appear and/or as stated in Enclosure 7 'Specification interests insured' (objects)

Reinsurers

The reinsurer(s) to whom the reinsurance contract is awarded.

Amount insured

Required cover is:

- MTPL: EUR 24,750,000 in excess of EUR 250,000 each and every loss occurrence, however Unlimited for green card losses.
- Vehicle damage: EUR 9,750,000 in excess of EUR 250,000 each and every loss occurrence

Sums insured MTPL will be as follows:

Type	Bodily Injury	Material	Hazardous Goods
Buses	EUR 20,300,000	EUR 3,000,000	EUR 10,000,000
Other vehicles	EUR 6,450,000	EUR 2,500,000	EUR 10,000,000

Retention

EUR 250,000.00 each occurrence (with a maximum deductible/retention of EUR 250,000.00) for liability and vehicle damage together. Concerning the fire risk there should be only cover for claims whilst vehicles are driving. Fire cover for driving in traffic as mentioned in section 1 of the Wet Aansprakelijkheidsverzekering Motorrijtuigen (Act on Compulsory Liability Insurance for Motor Vehicles - WAM); the applicable Dutch act. see enclosure 7;

Conditions

General and special conditions (clauses A and B). These are conditions that are used for the benefit of insureds

Green card risk

Liability for a loss or damage caused in a country where a higher amount insured is required by law is included by the reinsurance. In accordance with the general conditions article 21, the insurance provides cover up to an unlimited higher amount if an international motor insurance certificate has been issued. The insured vehicles under the current reinsurance are mainly used for work within Amsterdam and the surrounding area or within the Netherlands and therefore only exceptionally cross the border.

**Premium payment
warranty**

120 days after commencing date or expiry date

Language

Dutch/English

Laws and regulations

Dutch

Competent judge

Amsterdam

General Provisions

1. Currency of contract

The contract will be concluded for a period of 24 months, with the possibility of twice a renewal for the period of 12 months. The commencing date of the agreement is 01-01-2023. Please refer to the Schedule of Requirements for further information.

2. Interim adjustment and termination of contract

1. Reinsurer(s) is/are entitled, as from the premium due date (but no later than 5 months before the premium due date) for their share:
 - a) to cancel the reinsurance in order to review the premium if the loss ratio in the current insurance year exceeds 80% of the annual premium earned by Reinsurers;

Loss ratio is defined as the percentage formed by the total of the claims paid, outstanding reserves (as determined by the loss adjusters) and all related costs.

Earned annual premium means the total of premium paid or payable including adjustments, including retrospective settlements, but excluding taxes and/or levies and/or contributions to pools established (by the government).

The premium increase to be effected in this way will amount to a maximum of 20%;

- b) to cancel the reinsurance if there are demonstrable and significant limitations/reductions imposed in the retro-reinsurance capacity of Reinsurers imposed by the retro-reinsurers.
2. In the event of a premium increase, the policyholder is entitled to refuse such revision proposed by Reinsurers in writing, within two months after notification of such revision. If the policyholder makes use of such right, the policy for the relevant share will end on the relevant premium due date.
3. The policyholder reserves the right to offer the released share to the existing Reinsurers. Reinsurers may indicate what part of the share they wish to take over. This against the same premium and conditions as their existing share. The share is then divided into the lowest price, whereby the Reinsurer who signs for the last share may receive a lower percentage than has been offered by him. In case the existing Reinsurers do not wish to increase their share, the policyholder reserves the right to devise another suitable solution.

3. Transfer of shares

In case of a full or partial transfer of one or more shares in this insurance contract, the Insurer taking over, already involved in the insurance, with regard to the correctness and/or completeness of information relevant to this insurance and/or familiarity with it, will not have rights other than those accruing to the Insurers who are and remain involved in the insurance.

4. Interim cancellation in case of reduced solvency of a Reinsurer

1. The policyholder has the right to prematurely cancel a Reinsurer's share in this reinsurance contract in writing with immediate effect if this Reinsurer becomes insolvent or otherwise appears to be unable to meet his obligations and/or this Reinsurer gets a lower rating by Standard & Poor's than A -.
2. In that case, the policyholder is entitled to a refund of the premium over the unexpired part of the insurance period for the share of the relevant Reinsurer.
3. The policyholder is entitled to offer the released share to the remaining reinsurers. These reinsurers can then indicate which part of the share they wish to take over. This against the same premium as their existing share. The share is then divided according to the lowest price, whereby the Reinsurer who signs for the last share may receive a lower percentage than that which was offered by him. All other conditions remain unchanged.
4. If the procedure as described in article 4 paragraph 3 to find a replacement for the released share among the remaining Reinsurers does not yield any results, the policyholder reserves the right to offer the released share to the other Tenderers who participated in this tender, but to whom the assignment has not been awarded. If the policyholder fails to find a replacement for the released share among these other Tenderers, the policyholder reserves the right to approach third parties to act as a replacement for the released share. The review clause described in article 4, paragraphs 3 and 4 is intended to find a replacement in the short run under the conditions of the reinsurance contract for the released share.

5. Premium payment warranty and payment insurance money

Disregarding provisions to the contrary in the conditions and/or clauses, the following specific provisions apply with regard to the payment of premiums by the policyholder to Reinsurers:

1. The policyholder is responsible for paying the premium due to the Reinsurers within 120 days after the commencement date or due date.
2. If the premium owed by the policyholder is not paid within the period of 120 days, the Reinsurers have the right to cancel the policy after the expiry of these 120 days by giving written notice to the policyholder, with due observance of a period of 30 days in which the policyholder is entitled to maintain the premium as yet. If the policyholder has paid the premium within the period of 30 days, the cover will remain in effect unchanged.
3. In case the policy is cancelled, the policyholder must still pay the premium for the period for which the Reinsurers have provided cover.

4. If a loss or damage occurs before the cancellation date which is covered under the policy, the policyholder will after all have to pay the full annual premium. At the end of the 120-day period, the Reinsurers will send the policyholder a written notice of cancellation subject to a notice period of 14 days. If the premium due has been received in full by the Reinsurers before the period of 14 days has expired, the cancellation will have been automatically withdrawn by the Reinsurers. If the premium due has not been received by the Reinsurers, the policy will be automatically cancelled after the expiry of the 14-day period.
5. Unless agreed otherwise, the leading Reinsurer under the reinsurance may exercise the rights under this clause both for himself and on behalf of all (following) Reinsurers.
6. With regard to the payment of insurance money by the Reinsurer(s), N.V. Verzekeringsbedrijf Groot Amsterdam is the beneficiary.

6. Notifications & To follow

1. Notifications regarding changes to perils covered, premium, conditions, increases of amount insured and limits will be made to all Reinsurers.
2. All other notifications regarding the reinsurance will be made by the policyholder to the leading Reinsurer who is deemed to act on behalf of all Reinsurers. Reinsurers undertake to follow the leading Reinsurer with regard to these notifications.
3. Reinsurers will follow the policyholder in everything with regard to the interpretation of the Primary Insurance contracts, as well as the handling and settlement of claims. However, this does not apply to 'without prejudice', 'leniency' or 'ex gratia' payments, which require the approval of each Reinsurer individually.
4. The policyholder will follow the Claims Protocol during the handling and settlement of Claims, as established from time to time by the policyholder and the leading Reinsurer, also on behalf of the other Reinsurers.

7. Omissions and inaccuracies in annual statements, piggybackers and automatic cover

1. In case of a loss or damage, Reinsurers will not appeal to omissions or errors made in good faith. As soon as an omission or error is made known to the policyholder, the policyholder will report this to Reinsurers, after which the last statement provided will be corrected retroactively.
2. The policyholder will encourage the insured(s) to make appropriate efforts to avoid omissions and errors.
3. At the beginning of each insurance year, the total amount insured (vehicle damage) is assessed at that time on the basis of a written statement (specification vehicles) from the contracting authority. Newly purchased vehicles are automatically insured during the insurance year.
In the event of a loss or damage, (re)insurers will not appeal to apparent failure or inaccuracies in the statement provided of the type of goods that are usually insured under this policy.

Such items shall be deemed to be insured at their full value.

If the relevant interest already appears to be present on the reference date prior to the claim date the policyholder will after all correct the statement.

4. The tenderer will follow VGA if VGA changes the form of cover for the benefit of its insureds at any time during the currency of the contract (from MTPL to MTPL+ vehicle damage and vice versa).
5. As soon as it becomes apparent that, pursuant to the aforementioned provisions, any risk has come under the reinsurance that does not fit into the policy of any Reinsurer, the policyholder and Reinsurers will enter into consultation to seek a solution. Reinsurers will, where appropriate, give the policyholder sufficient time to enable the policyholder to reinsure the risk elsewhere, during which period the risk will remain reinsured with Reinsurers.
6. As soon as it becomes apparent that, pursuant to the aforementioned provisions, any risk has come under the reinsurance that does not fit into the policy of any Reinsurer, the policyholder and Reinsurers will enter into consultation to seek a solution. Reinsurers will, where appropriate, give the policyholder sufficient time to enable the policyholder to reinsure the risk elsewhere, during which period the risk will remain reinsured with Reinsurers.
7. In order to encourage the insureds to inform the policyholder in a proper, timely, correct and complete manner, the aforementioned provisions 7.1 through 7.6 are not explicitly or to a limited extent stated in the Primary Insurance Contracts. Nevertheless, these covers also apply in full and unabridged under the Primary Insurance Contracts and Reinsurers cannot invoke the absence of explicit references to these covers in the Primary Insurance Contracts.

8. Primary insurance contract

1. The Standard VGA/WAG2013 as amended and supplemented in the additional special conditions, adjustments and clauses, all as described in this Schedule of Requirements, apply to the Primary Insurance Contract(s).
2. Reinsurers are fully bound by the content of the Primary Insurance contracts and the explanation given about them by the policyholder, except and in so far as explicitly provided otherwise in this Parcel 1. Where insurer is mentioned in the Primary Insurance contracts, this refers exclusively to the policyholder, unless explicitly stated otherwise.
3. In the event of an occurrence causing a loss or damage, the claim will be settled in accordance with the applicable Primary Insurance contract by the policyholder and in accordance with the reinsurance contract by Reinsurers. Both the policyholder and Reinsurers will thereby follow the Loss Protocol.

9. Order of precedence between the different policy provisions

1. In case of discrepancies between this Parcel 1 and the Primary Insurance contract(s), the Primary Insurance contract(s) will prevail unless there is a conflict with article 7 of Parcel 1, in which case article 7 of Parcel 1 prevails.

2. The ranking arrangement stated therein applies to the Primary Insurance contract(s).
3. Contradictions in provisions of equal ranking will never be interpreted to the detriment of the policyholder.

10. Validity

If and in so far as any provision should be void, voidable, not legally valid or enforceable, the other provisions of this reinsurance contract will remain fully applicable. The policyholder and Reinsurers will then enter into consultation in order to agree on new provisions to replace the void, voidable, not legally valid or enforceable provisions whereby the purpose and scope of the original provisions are observed as much as possible and the most favourable provision(s) for the policyholder is (are) chosen in that respect.

11. Applicable law and competent judge

1. The reinsurance contract is governed by Dutch law.
2. All disputes related to the reinsurance contract will be submitted exclusively to the competent judge in Amsterdam.

12. Other provisions

Amendments and/or additions to the reinsurance contract are only valid if they have been laid down in a written agreement signed by the policyholder and Insurers.

13. Loss protocol

Report

The policyholder is obliged to notify Reinsurers as soon as reasonably possible of any occurrence from which Reinsurers may incur an obligation to pay compensation.

Vehicle Fleet claims will be reported to the Reinsurers if the (probable) loss burden exceeds 75% of the retention. Reserving takes place on the basis of a best estimate. The following information is provided with the report: reserve, name of the insured involved and risk objects / (risk) address, occurrence, description of circumstances, description of the loss or damage, loss adjuster yes/no and the name of the loss adjuster firm.

Claims handling procedure and correspondence

The actual claims handling remains in the hands of the policyholder, both in terms of coordination and the substantive assessment of the claims. The principal also decides on the engagement of legal advisers and the entering into legal proceedings. The principal's staff are well qualified. The processes and instructions for claims handling are described and checks are carried out on the process on a daily basis. Content-related coordination takes place with the contractor(s) on claims with a probable loss burden of more than 75% of the retention/deductible. Final settlements that exceed the retention will be discussed in advance by the principal with the contractor(s).

Financial settlement

The principal pays the claim and costs, both below and above the retention. The contractor(s) are requested to pay the amount paid in excess of the applicable retention to the principal. Payment by the principal(s) to insureds will be made immediately. In case an amount larger than

EUR 1 million has to be paid, it may be requested that the amount in excess of the retention be paid to the principal prior to payment by the principal to the insureds.

Multiple contractors

If more than one contractor is involved in the reinsurance contract, the coordination on settlement of claims takes place between the principal and the leading contractor. The other contractors follow the leading contractor in this coordination with regard to the settlement of claims.

Second opinion

If there is discussion about cover and/or liability under the policy between the contractor(s) and the principal, a party to be jointly appointed by the principal and the contractors may be asked to give a second opinion.

Claim overviews

At the request of reinsurers, claim overviews are sent.

Fees and expenses

If the total amount of loss or damage and expense accounts of the loss adjusters firm / law firm and the expert(s) consulted by them, should exceed the retention, the excess will be for the account of Reinsurers, each for his share.

Consultation.

After awarding the contract to the contractor(s), further agreements are made on the details of the claims handling procedure .