

EU CONTRACT CONTINUITY CLAUSE

- 1) Subject to paragraph 2) (below), the occurrence of an event associated with membership of the European Union or economic or monetary union in the European Union shall not have the effect of:
 - i) terminating; or
 - ii) altering or invalidating any term of or discharging or excusing performance under; or
 - iii) giving any party a unilateral right to alter or terminate, this Contract.
- 2) If, as a consequence of an event associated with membership of the European Union or economic or monetary union in the European Union, any participating (Re)Insurer is no longer permitted by applicable law or regulation to perform any part of this Contract:
 - i) where possible, any terms of this Contract which conflict with applicable laws or regulations are amended to conform to the minimum requirements of such laws or regulations, failing which;
 - ii) such part *[which the (Re)Insurer is unable to perform]* shall be automatically terminated between that (Re)Insurer and the (Re)Insured with effect from the date that the (Re)Insurer is no longer permitted to perform this Contract. Within fourteen (14) days of such termination the relevant (Re)Insurer shall return any paid but unearned premium, which shall be calculated as expressly provided in the relevant cancellation or termination provisions of this Contract or, if there are no such cancellation or termination provisions, on a pro-rata basis for the time on risk. Unless otherwise provided, if any claim has been notified under this Contract at or prior to the time and date of termination, the premium shall be deemed to be fully earned and no return premium shall be due.
- 3) For the purposes of this clause, an “event associated with membership of the European Union or economic or monetary union in the European Union” includes, without limitation, each (and any combination) of the following events:
 - i) the withdrawal from the European Union by any one or more members of the European Union (Member States); or
 - ii) the withdrawal from legal tender of the Euro; or
 - iii) the withdrawal from the Euro by one or more Member State(s); or
 - iv) the replacement of the Euro by any alternative single or unified currency by two or more Member States (whether or not they remain members of the European Union) or the introduction of a new currency by a Member State (whether or not it remains a member of the European Union).