

Brief notes on: insurance

For any company, the evaluation of risks connected to the business and their insurance allows the entrepreneur to focus on business development.

Under Italian law, the insurance contract provides for the standard cases expressly stated within the Civil Code.

Article 1882 of the Civil Code defines the contract as the following: *Insurance is a contract whereby the insurer, against payment of a premium, undertakes to repay the insured, within the agreed limits, the damage caused to him from an event, or to pay a principal or an annuity upon the occurrence of an event relating to human life.*

The form required by law is written ad probationem, with the obligation on the insurer to issue the contractor a signed insurance policy or other document.

Being a contract which covers a heavy risk, this is a necessary element for the validity of the contract, which otherwise would become invalid.

In the event that an insured risk ceases to exist after being agreed, the contract is dissolved. It remains, however, without payment of premiums due from the contractor until the end of the contract at which time the cessation of risk has been issued or if the assurer has not been notified.

The contractor is obliged to give immediate notice to the insurer of any changed which might exacerbate the risk. The insurer may then withdraw from the contract within one month of receipt or with other knowledge which might increase the risk. Any withdrawal is effective immediately if the risk is so great that the insurer would not have signed the contract; withdrawal takes place after fifteen days if the risk would have led the insurer to request a higher premium. The obligations of the insurer in the event of an accident occurring in the time leading up to the withdrawal: the insurer is not liable if the risk increase is such that they would not have allowed the contract to be signed; otherwise the sum is reduced, taking into account the relationship between the premium stated in the contract and what would have been fixed had the increased risk been in place at the time of signing the contract.

The insurance pursuant to article 1899 of the Civil Code takes effect twenty-four hours from the day of conclusion of the contract or twenty-four hours after the predetermined date.

The insurer is not responsible for claims caused by misconduct or gross negligence by the policy holder, the insured or the beneficiary, unless otherwise agreed, but remains a debtor for accidents caused by misconduct or gross negligence due to the fact that the insured is considered civilly liable.

In the event of late or non-payment of the premium agreed in the first policy or the first installment of the premium, the insurance shall remain suspended until twenty-four hours after the contractor has paid all monies owed (article 1901)

The professionals at Studio Legale Associato have followed, in court or before judicial authorities, numerous disputes concerning insurance, including disputes.