

16

(new section substituting old 930)

If the assured transfers the subject of insurance for which a premium has been paid, the right to receive compensation is transferred with it.

If, by such transfer, the risk is substantially altered or increased, the contract of insurance becomes void.

17

(new section)

If the insurer has been adjudged bankrupt, the assured may require proper security to be given to him, failing which he may determine the contract.

If the assured is adjudged bankrupt, the same rules shall apply correspondingly; however when a premium has been already paid, under which insurance is running for a certain period of time, the insurer cannot determine the contract before such period expires.

18

(old sections 931 and 932 amalgamated)

The insurer is bound to pay compensation for:

- 1) the actual amount of the loss;
- 2) the damage caused to the insured property by reasonable measures taken for

preventing the loss;

2) all reasonable expenses incurred for preserving the insured property from the loss.

The actual amount of the loss shall be valued at the place where, and at the time when, the loss occurred. The sum insured is presumed to be a correct basis for such valuation.

The compensation cannot exceed the sum insured.

19

(old section 934)

The expenses of valuation of the loss must be borne by the insurer.

20

(new section)

The insurer is not liable if the loss or other event specified in the contract is caused by the bad faith or the gross negligence of the assured or the beneficiary.

21

(new section)

Unless otherwise agreed between the parties, an insurer is not liable when the loss has been caused by the nature or the defects of the subject of insurance, or by its natural waste.