JOINT SEMINAR IN KOLN

The members of BILA can take a justifiable pride in their links with the Institute for Insurance Law at Koln University - forged by the long-standing friendship between Professor Dr. Ernst Klingmuller and Pat Saxton. Yet another successful and enjoyable Joint Seminar took place in Koln between 28th May and 1st June. On this occasion, the British party of a dozen was smaller than usual and although the same number of names appeared in the list of German representatives, some of them, owing to extraneous duties, attended certain sessions only. However, unlisted alternates usually provided an equal balance. The British party were accommodated at the Hotel Esplanade (where they stayed on the occasion of the first Seminar) and thanks to the efficiency of Tony Kay (Hon. Secretary) and Hadley Travel, there were no problems.

The Seminar was formally opened at the offices of the Gerling Group on the morning of the 29th May by Professor Klingmuller and he then invited Professor Hugh Cockerell to speak on the first topic - "The State as Controller and Competitor" (Chaired by Pat Saxton). The Professor stressed that over the years the tradition of "freedom with publicity" had been applied as Government strategy in Britain. However, the collapse of the Albert in the mid-nineteenth century had produced the Life Assurance Companies Act 1870 - which (inter alia) called for deposits to be made with the Government and the same principles were introduced for other classes in the early part of the twentieth century. After the second War, the concept of solvency replaced that of deposits but despite this and other new control measures, the failure of motor companies continued culminating in that of the Vehicle & General which was attributed to negligent supervision. Apart from the motor sector, miscalculation of liabilities under long-term contracts designed for tax saving also led to difficulties in the life assurance market.

This prompted the Insurance Companies Act 1974 which reinforced control further and was supplemented by the Policyholders' Protection Act 1975 which obliged the market to guarantee 90% of losses suffered by private individuals (and 100% for third parties) following a company liquidation. One of the causes of insolvency had been the payment of excessive commissions to brokers who styled themselves as such without any qualifications and the more reputable broking Associations recently combined (with Government approval) to establish the Insurance Brokers Registration Council which is a self-policing means of protecting the public from the activities of unregistered brokers. The concept is not unlike that behind the Lloyd's system. Professor Cockerell went on to explain the variety of other types of intermediary for which the Government had not so far laid down any definite policy. None of these was quite in the same category as agents in other European countries who held a franchise for a certain area for one company.

The British approach had, to some extent, to be modified in order to conform with EEC legislation - because they had always exercised the right to frame policy conditions and rates and they found it difficult to agree with European views on non-disclosure. They were also not convinced of the need for separation of companies conducting long-term, short-term and legal expenses insurance. He commended the principles advocated in Germany whereby a new insurance company had to submit a proper business plan coupled with a statement of reinsurance arrangements.

Turning to the role of the State as a competitor, the Professor said that in Britain the State only came in as an Insurer where the commercial market was either unwilling or unable to provide cover - such as in time of war or in the field of exports against political risk. However, there was a measure of competition in the provision of hospital and medical services insurance where about 5% of the populace were able to obtain private facilities in hospitals and in some cases the organisations ran their own hospitals. He concluded with an interesting note about a Government scheme for underwriting valuable art exhibits (on loan) which gave the lenders a guarantee at no cost. This action was taken because of the commercial market attitude and paradoxically the claims experience had been minimal.

Professor Klingmuller, continuing on the same theme, began by contrasting the competition of the State in the area of savings and the overlap in the field of social welfare. In terms of a democratic constitution it was the duty of the State to redistribute wealth directly or indirectly. He supplied delegates with two sets of statistics. The first entitled "Germany and the social system" which showed that out of 21 million wage earners, 20 million were insurable under the State system. They were covered for retirement, health, accident, unemployment and various family benefits. The commercial insurance sector in Germany comprised (in terms of numbers employed) 52% general, 33% life, 14% private health and 1% reinsurance. Of 800 companies operating, only 97 were foreign and the accent on class of business was in the general field with 276 companies. Pension funds came second with 180 and life insurance companies third with 107. These were all under Federal supervision but in addition, there were as many as 3,000 small private companies (mostly livestock or for funeral expenses) which were controlled by the individual State. The Supervisory systems were operated for the benefit of the consumers and tariff rates and wordings were applicable in fire, life and accident insurance. In motor insurance, liability was controlled but insurers were free in regard to accidental damage cover. In the marine and reinsurance operations, conditions were more or less free but had to be submitted. While the investment of assets and commission levels were controlled, there was no control of intermediaries and no law against rebating. The Federal Government, said the Professor, insisted on separate incorporation for life, health and legal expenses insurance and without overlapping Board appointments.

After a break for coffee, the second topic "Private insurance and State guarantees in commerce" was introduced by Pat Saxton. He stressed the powers of Government in the provision of energy and services for the citizens but in other fields control was exercised through legislation. However, recent problems associated with the oil industry, expropriation of property, terrorism and political instability, inflation and breaches of international contracts had caused the State to act in the interests of the individual and commerce. Credit insurance was important for any company - simply because the worth of its debtors often involved a large proportion of the assets. Apart from the ordinary risk, it could suffer following the death of a debtor or destruction of records in a fire. Bank guarantees could be a useful alternative.

However, the country's trade was vulnerable to financial loss due to political or changing economic circumstances and here the Export Credits Guarantee Department (set up in 1919) indemnified for losses due to insolvency of members of a consortium, unpaid costs and long-term performance bonds unfulfilled in overseas countries. Under the Overseas Insurance and Export Credit Guarantee Act 1972, a formal relationship with the commercial credit market was established and in effect political risks are reinsured. Three methods of insurance were available: (a) an all-embracing cover under which every contract was declared on a world-wide basis against insolvency or default in payment after 180 days (10% coinsurance) (b) an "ad hoc" insurance for a major project which could include guarantees from buyers or sellers related to its completion and (c) insurance of overseas investments or long-term projects against political risks during a period of 3 up to 15 years. Bridging financial loans could also be included.

The Trade Indemnity held a virtual monopoly of the ordinary credit risks in Britain and only transacted business overseas in the EEC, Scandinavia and the USA. However, cover was available at Lloyd's for expropriation of funds or property including credit default after 3 months. A deductible was applied. Banks were also able to provide credit guarantees. The facility of overall protection from the ECGD in the face of sudden change was a useful one and its relationship with the commercial market was in the nature of a partnership. The Department was accountable to the public but the Insurers (although members of the Berne Union) apprehended nationalisation. There was no coinsurance (except by the insured) or reinsurance.

Dr. H. Kohler then made his contribution on this subject. He outlined the distinction between political and credit risks as the previous speaker had done but remarked that the Germans had a system of loss prevention in overseas countries to which goods were exported. Dr. Kohler commented that political risks were greater today than they had been at any time in the previous 25 years and described the role of the State "not as a case of subsidy but taking account of the national interest and whether the project is worthy of promotion". It could thus be withheld in certain circumstances. The partnership between the Hermes Company and the State originated during the thirties and although the Hermes itself was a proprietary company (owned jointly by the Allianz and Munich Re) it carried no risk and merely acted as an agent for the Government which underwrites both the credit and political risks. A distinction is drawn between transactions involving foreign firms and foreign Governments - the former is classed as a Guarantee and the second as a Surety. This class is operated through the Treasury in Bonn. Many forms of cover are available but the accent is on specific contracts. Special extensions such as consignment stocks, construction work etc. have been developed. It was only quite recently that a claim for the default of an overseas firm after six months was possible: prior to that liquidation proceedings had to be started before a claim was admitted. A measure of coinsurance is required in all cases: known as self-retention. In overseas contracts this might amount to 30%.

Turning to the domestic market, the speaker recalled that since 1954 there had been 120,000 insolvencies and the recent tightening of bank credit had increased the claims experience. But exporters were also being penalised by having to assume the role of "reluctant financiers" instead of relying on the old documentary credit system which entitled them to cash payment: this unfortunate trend stemmed from competition in the international sphere. Dr. Kohler concluded with an interesting report on the Hermes widespread net of credit control which produced key data (built up during 25 years) on as many as 50,000 foreign firms. Links with overseas banks and credit insurers had produced a "mosaic of components which made a complete picture" he said. However, this was only part of the loss prevention policy - when the danger signals appeared it was possible to forestall liquidations by emergency financial action.

In the ensuing discussion, it was noted that whereas the policy of U.K. Insurers is not to disclose the existence of cover to their clients, there was no objection to this in Germany. No interest was applicable to claims settlements and although legal action was rare, costs had to be borne by the insured.

Subsequently the delegates were entertained to lunch at the offices of the Gerling Group and Herr Kohler acted as host.

The afternoon session (Chairman - Professor Cockerell) was allocated to "The State in competition with insurance" split into two headings - health insurance and life assurance.

Miss Vera Temple recalled that in Britain, the charity originally dispensed by the Church was substituted by guilds and friendly societies but, because of dishonesty and insolvency during the nineteenth century, the Government instituted a system of supervision. The first compulsory State insurance measure followed with the Act of 1911 which applied to all small wage earners on weekly contracts. In 1946, a complete social insurance system was introduced for the whole population - financed by the employees, employers and the Government itself. A standard weekly benefit was provided in the case of sickness (slightly higher for accidents at work) supplemented by free medical and hospital treatment. Supplementary benefit could also be awarded where justified on family grounds. However, partly because of inflation, recent years had seen a large expansion in permanent health insurance (often miscalled permanent sickness insurance) under which useful additional payments were made by the commercial market. Sometimes employers effected group policies but individual contracts were very useful for the self-employed. To avoid exploitation, benefit was restricted to 75% of earnings and there was a waiting period from anything between 1 month and two years before benefit could be claimed. The period chosen would usually correspond to that under which an employee was entitled to full remuneration during disability as defined in his contract. Tax-wise the employer could claim the premiums as an expense and in some cases a claimant could escape income tax for a period of almost two years. Miss Temple thought that discrimination against females by the imposition of an extra premium - perhaps 50% - was not justified. She then went on to explain how BUPA and similar organisations operated and the political overtones where the insured parties were accused by some of "queue-jumping" to hospital. She concluded with a reference to the new type of policy which paid a specific amount per day spent in hospital.

Mrs. S. Sahmer (Association of Private Sickness Insurers) said that German compulsory sickness insurance applied to all manual workers and all other employees earning less than DM 3150 per month. This had been in force since 1881 but the raising of the limit at intervals had created problems for those previously exempt. They could not elect to remain in the private sector. Self-employed and civil servants do not come under the scheme. Contributions of 6% are taken from both employer and employee (who can claim tax relief) and at the time of visiting a doctor the insured person pays and can recover from the fund. Almost 90% of the working populace fell within the compulsory scheme and although they are permitted to "top-up" with private insurance only 7% have such cover and a mere 14% of the income of doctors comes from private insurance. A comprehensive private policy covers medical and hospital expenses (entitlement to a private room), dental treatment, hospital cash benefit and sickness benefit. There is usually a deductible of DM 500 or DM 1,000 and premiums vary with sex, health and age at entry. Policies are non-cancellable but there is a limit of 3 years on weekly payments which are also limited to net income.

In the Association there were 37 members (27 of them mutual) but a distinction had to be drawn between this class of "Health" company and those which conducted Permanent Health insurance. Rates and conditions had to be approved by the authorities. In reply to a question, Mrs. Sahmer said the same benefit would be paid for a non-working accident as for sickness but higher rates applied for those sustained at work (and travelling to and from) while specially appointed doctors were involved. Civil servants paid nothing but received a restricted benefit - in the case of a judge this might be about 50%. Hence there was an inclination to supplement the cover in the private insurance market.

Introducing the second aspect of "The State in competition with insurance (Life and Pensions)", Tony Kay said that the State scheme introduced in 1978 was unique. Most other countries in Europe provided either a flat rate or an earnings related benefit but the eventual effect of the British scheme would be the combination of a flat rate plus $1\frac{1}{4}$% of average weekly earnings above the lower earnings limit (£23 per week) up to £165 per week in the contributor's best 20 years of employment between 16 and pension age. While the basic pension was financed jointly by the State, employer and employees, the employer could contract out of the earnings related portion either by funding his own pension scheme (with approval of the Occupational Pensions Board) or by arranging a separate insured scheme with a life office. There were considerable advantages in contracting out - not only from the point of view of tax relief but because more favourable widows pensions and commutation terms were available while there was provision for early retirement in the event of bad health as well as life cover for death in service. The "Institutional investors" by which term private and insured pension funds were labelled exerted a considerable influence on stock exchange prices because of the constant influx of cash and this was frequently used as a political football with some critics urging that funds should be directed to investment in certain projects which might endanger the security of the pensions to be provided. The role of Trustees in whom the funds were invested was important and here again there was pressure for representation from trade unions as opposed to members of staff.

Dr. W. Paschek (Gerling Konzern) produced an exhibit which showed the underlying compulsory German social security pension under which 45% of final gross income was paid and the alternative supplements of employee or private supplementary provision to bring up the pension to 75%. The dual system had worked well in practice and much growth was being achieved in the optional sector. Here he demonstrated that as the number of employees rose there was a higher percentage of employers with pension plans, these being financed by hypothecated reserves (declared in the balance sheet), direct insurance and support funds. Demographers were predicting a shrinkage in the population over the next fifty years - from 58 million down to 39 million by which time he estimated that 64% of those retiring would receive the full allocation. After ten years service an employee who left was entitled to a lump sum which he could apply to purchasing a pension from another source and allowance had to be made for inflation.

The British delegates were later entertained to a "breivleis" in the home and garden of Professor Klingmuller and some of them took the opportunity of a swim in the indoor swimming pool.

The theme for the morning of Friday May 30th (Chaired by Michael Cohen) was "Can public liability survive?" qualified by "Reinsurance-Pool-State guarantee". David Sasserath commenced by expressing some misgivings on the terms of reference. He recalled that back in 1946 the wordings of public liability policies in Britain were very similar but competition, sophisticated processes, broader spheres of operation, inflation, new legislation and onerous contract conditions had all contributed to the current complication. Apart from these, the heavy damages being awarded in the United States courts coupled with differential legal principles in individual States had aggravated the position. Moreover enforcement of judgment was a further field of confusion while the awarding of punitive damages was something which should not be insured. Large international manufacturing companies operating through their own captives with the aid of risk managers often produced long-tail claims settlements and the new EEC Directive on Products Liability was likely to impose heavy burdens on insurers. In the speaker's view, the roles of State and Insurer were being exchanged: the answer to the question must be "no" if Governments imposed burdens on insurers which, in fairness to their shareholders, they were unable to carry.

Professor Klingmuller recalled that an Act of 1871 had established the principle of strict liability in Germany but with the development of social services the need for commercial insurance disappeared for some years. However, at the end of the century the principle of tort (as opposed to gross negligence) was admitted and the advent of the motor car had caused a huge expansion in premiums on this account. The same concept regarding faulty design had extended the need for professional indemnity cover but breach of contractual duty was not insurable. There was no lack of capacity in the domestic market for products liability but the advance of technology with all its ramifications meant that one negligent act could have serious consequences. So far as atomic risks were concerned, the national pool of DM 1,000 million - underwritten as it was by the State - was adequate. In the field of drugs and testing the Professor said that there was an inclination to provide personal accident cover which avoided the need for argument about liability and the increase in social security benefits was itself a strict liability. However, it was essential to ensure that a victim was always compensated and his answer to the question would be "Yes" qualified with caution.

Michael Cohen commented that the question should have been "Should public liability insurance survive?" because commercial insurers were providing benefits which the State should supply and Professor Cockerell pointed out that in New Zealand, strict liability and social insurance were virtually identical. Sebastian Salama said that in countries like Portugal and Greece, where the Directive was inapplicable, the law was ill-defined so claims were settled at a much lower level. Insurers must use their influence to keep limits down - "the concept of paying £2.5M to a paraplegic was ridiculous", he commented.

At the conclusion of the morning session, the party adjourned to the offices of the Allianz and after being entertained to lunch, were shown the company's computer terminal.

The Seminar was continued on the premises during the afternoon (with Tony Kay in the chair) and the first subject was "Compulsory insurance - Where the next?". Dr. Gudrun Fuchs commenced by saying that in a world of social justice and security, there should be no need for compulsory insurance but in certain circumstances (for example with the ownership of a car) a duty to insure should be imposed by the State. A Statute of 1939 empowered the Superintendent to approve the conditions of the contract and the Ministry of Economic Affairs had to assess the premium. "Why was their a need for compulsory insurance?" she asked. The answer was protection of third parties and indeed laws had been applicable in this context to warehousemen since 1931 and to those involved in the training of mid-wives from 1938. Prior to that, certain States made fire insurance compulsory and more recently there had been compulsory insurance for chimney sweeps, hunters, pawnbrokers and property guardians. It was also applicable to atomic power plants but in the professional sphere brokers, accountants and notaries had the alternative of making deposits. There was also compulsory insurance in the building field - for example, the contingency of breach of warranty. In most cases, any victim would have a direct right of recovery from the third party's insurers. Although the integrity of directors and officials had to be insured, she thought it essential to involve the medical profession where claims were increasing. As she saw the position, there might have to be State intervention - possibly in the form of a Corporation - if market conditions deteriorated. In the ensuing discussion, Mrs. Fuchs reported that the limits for compulsory motor insurance in Germany were only DM 500,000 for personal injury and DM 100,000 for damage to property.

Andrew McCrindell considered existing compulsory insurance under three headings - as imposed by law or assumed under contract and Government pressures on the insurers themselves. In the legel category, motor and employers liability were the most important fields in Britain although recent legislation had compelled oil companies to insure against coast pollution, estate agents to insure against dishonesty and insurance brokers to cover professional negligence. There were many examples in other countries concerning the field of property but he cited the Decennial Compulsory Insurance for new buildings in France which had been in vogue for some years and obliged the parties at fault to rectify any defect arising during the first ten years. The House-builders Registration Council in Britain were operating a similar scheme and he predicted that because of increasing disputes in the construction industry, such a system might shortly be of general application - not only in Britain but in the EEC. Certain insurance conditions were already written into construction contracts (which might also necessitate performance bonds) while mortgage and hire purchase conditions invariably stipulated for property cover and sometimes also life cover. In the export field, credit insurance had to some extent supplanted the previous obligation to supply a cargo insurance policy. Pressures on Insurers themselves included compulsory cessions to a national reinsurance corporation, assigned risk pools and so on. The speaker then referred to the efforts of certain members of the U.K. Law Society in resisting their scheme of compulsory negligence insurance because it was considered "ultra vires".

Turning to "Where the next", he thought that liability for property damage caused by vehicles would shortly become the subject of compulsory insurance and advocated the adoption of the French building scheme. He recalled that the Pearson report had proposed strict liability for dangerous chemical complexes which in his view were already adequately insured but other risks selected by Pearson for strict liability were large public buildings, major stores and stadia where large numbers of people congregated. Dams also came into this category and the speaker proposed compulsory insurance for them. He concluded by referring to public concern in Britain for the need to insure volunteers who put their lives at risk when rescuing climbers, yachtsmen and pot-holers. His final point was that the limits under the Nuclear Risks Pool should be urgently reviewed.

The last topic of the Seminar was "Legal aid and legal defence insurance". Andrew McCrindell recalled that in 1977 Professor Cockerell had produced a paper on "Legal expenses insurance" but since that time there had been some new developments. He outlined the present legal aid system under which there were three types of assistance. The first involved advice and help where a volunteer solicitor was paid £5 for up to half an hour but subsequent sessions were charged unless the litigant could prove that his disposable income was below a certain level. In the event of proceedings, there was also a means test but only statutory costs were allowed in the event of success while failure could mean incurring liability for the opponent's costs. Legal aid was also available for the defence of criminal proceedings and would be free for anyone on supplementary social benefit. Otherwise the floor of disposal income was much lower.

The speaker noted that a recent Report by a Royal Commission had proposed the setting up of a network of official centres and the extension of legal aid to groups of individuals and small businesses.

He then sketched the three main classes of cover currently available in a rather limited British insurance market - simple because, contrary to the position in Germany, every policy insuring legal liability also entitled the insured to legal defence costs in addition to the amount of indemnity. The main benefit to the individual (or family) of a legal expenses policy, was costs incurred in the pursuit of claims for damages or specific performance, injury to persons or property, defective goods or services or arising from employment. Otherwise, it covered legal costs for the defence of similar claims from third parties and defence against a non-deliberate criminal charge. Fines, penalties and damages payable were not insured and there was a deductible of £10 or 10% coinsurance. To avoid a conflict of interest (which was behind the German concept of separation) there was an elaborate system of rules which gave an insured special rights in certain circumstances.

One of the latest forms of cover available was in the field of motor insurance where for a modest premium of £15 per year (less no claim discount) an insured was given assistance in the pursuit of uninsured losses such as deductibles, hire charges (where not already insured), personal injury and incompetent repair. Defence costs against motoring offences (excluding parking or drunken driving) are included in the policy. Another innovation which was becoming increasingly popular was legal expenses cover for employers who were suffering from the weight of oppressive legislation in the seventies. The speaker noted that in 1972 there had been 5,000 prosecutions against employers but this figure had escalated to 50,000 in 1978. The first item was contract disputes with customers or suppliers (exceeding £250) including recovery of debts but building contracts were excluded - apart from the pursuit of claims for professional negligence. Recovery of damage to property or consequential loss resulting from negligence or nuisance (contractual liability being excluded) was the second main item and the third was the employment field where in addition to legal costs any adverse award could be insured for an extra premium. The defence of criminal prosecutions relating to the firm's activities was also included but did not extend to the defence of directors; fines were excluded.

Replying on behalf of the Germain participants, Dr. Elwin Jung remarked that,although the State Constitution laid down that the "underprivileged" members of the Community (for example pensioners, invalids and unemployed) should not be at a disadvantage in litigation against those who were "stronger economically", in practice the Code of Civil Procedure limited financing by the State to Court proceedings only. Moreover, with an adverse judgment the "assisted"person had to shoulder the other side's costs. Legal advice was, however, available through membership of Trade Unions and other Institutions while the Law Society itself had recently shown signs of greater co-operation. Unfortunately, political pressures terminated efforts to establish Group schemes or compulsory individual

insurance. Only very recently there had been two important steps forward. Firstly, the Consultation Assistance Act (scheduled to operate from 1981) enabled those with low incomes and few assets to consult a lawyer for a nominal fee: these facilities had existed in Bremen and Hamburg Cities for some time. Secondly, the Trial Cost Assistance Act (also from 1981) will replace the current rather nebulous arrangements by defining the grades at which a litigant will receive full assistance - from complete exemption through a system whereby payment is enforced in instalments. These grades are determined by a schedule of income and family responsibilities.

Dr. Jung stressed the logic of the State Insurance Board 50 years ago in prohibiting insurers offering legal aid insurance from transacting other classes - simply because of conflict of interest. D.A.S. had pioneered legal aid insurance in 1928 but this was limited to drivers of vehicles. After the war, the business had expanded enormously and now there were 27 companies operating with an annual premium of some DM 1.5 billion. Dr. Jung's comment that "the growing complexity of the legal aspect of our lives arises from the unending output of new legislation and regulations with subsequent amendments" struck a responsive chord with the British representatives!

The normal German policy wording protects the Insured from all costs associated in an action but there is usually a limit of DM 50,000 per event. Hopeless or malicious litigation is excluded but where there is a genuine difference of opinion, the policyholder can opt to choose a lawyer himself. There is a geographical limit of Europe and States bordering the Mediterranean. Cover wordings have been legally defined since 1969 and are divided as between General and Special sections. The General part contains conditions applicable in other classes of insurance but the Special part lays down provisions for:

(a) Damages. That is damages recoverable under Statutory liability. Defence costs not included.

(b) Legal aid in contract - "attack" and "defence" costs insured but there is a waiting period of 3 months.

(c) Property - the defence of proprietary or possessory rights.

(d) Labour questions - relating either to private employment contracts or public service agreements.

(e) Social Insurance contracts - disputes relating to unemployment, war pensions or other social benefits.

(f) Criminal Defence costs limited to acts committed with an element of negligence. Wilful crime, such as murder, fraud and theft, is excluded.

(g) Consultation. Since the General Conditions exclude family law and the law of succession, consultation costs only are insurable in these two areas as well as non-contentious proceedings.

(The market is exploring the possibility of insuring Court costs in these areas although divorce suits would be still excluded).

In the important area of Traffic, cover is available not only for damages costs but contractual disputes relating to the vehicle itself, minor criminal infringements and driving licence questions. This can be related to individuals or groups (employees) but cover can also apply to vehicles. A useful supplement is cover for individuals who have a driver's permit but no vehicle of their own.

Policies are available to the business community (incorporated or self-employed) - very similar to those now in vogue in Britain - while Family Legal Aid can be combined with Traffic indemnity.

In a brief discussion, Graham Marsh made the point that the German market had already become aware of adverse experience in Britain and were rating up policies applicable there.

During the evening, BILA invited their German counterparts to the Esplanade Hotel for drinks and subsequently Professor and Mrs. Klingmuller were taken to a dinner party.

On Saturday, 31st May, the delegates were driven from their hotel by coach to the Abbey of Maria Laach which has a long and interesting history: one of the senior Benedictine fathers conducted a guided tour and spoke perfect English. From there the coach proceeded to a vineyard in the picturesque Ahr Valley where an enjoyable evening was spent at the Hotel St. Nepomuk. After tasting nine brands of wine, large slices of roast pork were served. Here the hosts were the Cologne Reinsurance Company.

Sunday 1st June enabled the party to relax in Koln prior to returning on an evening flight.

A. McC.