

张拴林 编著

# 保险英语

中国金融出版社

# **保险英语**

## **Insurance English**

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## 前 言

随着我国经济体制的改革与对内搞活经济、对外开放政策的贯彻执行,我国保险业蓬勃发展,保险队伍不断壮大,大专院校保险专业学生与日俱增。保险法的出台,必将为我国保险业带来一个生气盎然的春天。在这种“保险热”的形势下,亟需迅速提高保险人员的英语素质,以适应涉外交往的需要。根据这一客观要求,特编著了《保险英语》一书。

该书选题广泛,涉及到保险原理、水险、共同海损、海上救助、理赔、火险、汽车险、偷窃险、航空险、人身保险和再保险以及与之相关的国际贸易、国际金融和投资等。课文或由编者编写,或精选自英美等国有关专业书籍或报刊。语言规范、生动,体裁多样,具有一定深度、难度和广度,知识性较强。

该书力求体现大学英语、专业英语和专业知识的有机结合。全书共有十五个单元和附录。每个单元包括课文、练习和补充阅读等部分,供大专院校保险专业学生和保险工作者使用。该书并附有 CII 考题,供有志于取得 CII 证书的保险人员参考。

在本教材的编写过程中,得到中国人民保险公司、中国太平洋保险公司、中央财政金融学院、首都经贸大学等

有关单位的领导及中外专家的支持和帮助,保险专家周庆瑞先生为全书的审校花费了不少时间和精力,在此一并表示衷心的感谢。

本书虽系编者多年来在保险实践和保险专业英语教学的基础上编写而成,但因水平所限,书中缺点、欠妥乃至错误之处在所难免,恳望同行专家及广大读者不吝指正。

编者

1996年元月

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# UNIT ONE

## Text

### Basic Tenets of Insurance

As the saying goes, in nature there are unexpected storms and in life there are unpredictable vicissitudes. In daily life, something unforeseen will occur at any time and anywhere. Natural calamities and accidents may more often than not result in property damage or bodily injury or even loss of life.

Natural disasters comprises thundering, lightning, rain-storm, hail, flood, earthquake, tidal wave, typhoon, cyclone, tornado, tempest, volcanic eruption and so forth, all of which may give rise to innumerable cases of loss to properties or death or personal injury. In some cases, property damage may involve colossal monetary losses, difficult to estimate, as well as heavy death toll or bodily injury.

In addition to the above emergencies, accidents take place through negligence or other causes frequently. Minor accidents may lead to little or no harm, while major ones may entail serious consequences. Buildings, for instance, may burn down by accidental fire, and even may pose heavier loss or damage in a congested area as premises or structures adjoining or adjacent to the place where the fire originator may easily be jeopardized if no immediate and effective measures are adopted to extinguish it.

Naturally, preventive steps are useful in shying away from accidents or in minimizing losses arising therefrom. Neverthe-

less, a complete elimination of accidents always prove to be almost impossible. Moreover, in the case of natural calamities, preventive measures do not usually prove successful, as in most cases the attack is rather too sudden and unexpected. Losses, if substantial, always bring about serious problems and can even hardly be remedied without government aid or relief from the state.

Insurance has long been accepted world—widely as a reliable medium to provide protection to property owners against loss to their properties resulting from natural disasters and accidents. By paying an appropriate consideration, property owners or traders are always able to secure insurance cover geared to their needs, and ~~recoup~~ their losses from insurance operators in the event of incidence of an insured peril. The practice of insurance commenced in the West in a comparatively simple form. But from very early times various attempts were made, initially in connection with ships and cargoes, to achieve a spreading of risk, which is the simple purpose. As early as 3,000 BC the Babylonians developed a system of loans on maritime ventures whereby the loan was not repayable in the event of the loss of the venture. This system was subsequently developed in ancient Greece and it would seem likely that it was an accepted pattern in the ancient world. Another early attempt to achieve a spreading of liability is recorded in a law promulgated in Rhodes in 916 BC which defined the system of general average which has persisted to the present day.

With the lapse of time, the usefulness of insurance gradually became manifest when the insureds were able to recover losses



caused by natural disasters and accidents which would otherwise be solely on their own account. Because of its peculiar functions, insurance became increasingly important in economic activities. This fact alone paved the way for the creation of an insurance system which, year by year, found wider application in certain countries, principally in the ones where commerce and industry were relatively developed. In summary, the insurance system, when properly applied, has the effect of ensuring continuous production or normal running of business of various types without undue interruption, and affording relief to individuals in cases where personal property is involved.

“Insurance premium” is a consideration or a sum of money paid by the assured to the insurer in return for which the latter undertakes to indemnify the former in the event of loss from an insured peril. The insurer is not bound to issue a policy until the premium is paid, particularly as some policies embody a receipt for the premium in the wording. Where the insurance is effected through a broker he is responsible to the insurer for the premium whether or not he has received it from the assured. To protect him from non-payment he has a lien on the policy whereby he may withhold it until he has received the premium, or any outstanding premium, from the assured. The lien is valuable because the assured cannot obtain a claim from the insurer without presenting the policy. The premium is ascertained according to the value of the property to be insured and the scope of the insurance coverage desired. It is calculated at so much per cent on the value of the subject-matter insured.

The premium is a fixed outgo. When nothing untoward oc-

curs, the premium would constitute a net outlay, and in all likelihood, the risk to which a particular interest is exposed and which is covered by insurance never presents itself in considerably long duration. Nevertheless, in case of an accident covered by insurance, compensation will be readily available for any loss incurred. Insurance, thus, serves to cope with possible eventualities at the cost of a pre-determined consideration, namely, premium.

Insurance companies are economic entities which are engaged in business of underwriting either life insurance or non-life insurance, and whose liabilities in relation to risks accepted are limited to their assets as declared to the authorities concerned in order to ensure a solvent standing for the benefit of the public. They enter into insurance contracts with their customers who generally called assureds or insureds, and in consideration of a premium received therefrom, undertake to reimburse them for any loss of or damage to the insured interests during the currency of the insurance coverage.

By providing insurance protection to the public, an insurance company invariably builds up a fund of its own with the premium received from time to time for the specific purpose of paying claims filed against it for rebuilding or replacement of damaged or destroyed commodities, plants, machinery, equipment, raw materials and so on. Cooperation, of course, is always possible between an insurance operator and his client in the matter of loss prevention. This will frequently be conducive to the lessening of cases of claims calling for payment by the insurance transactor, which will lead to an improvement in his loss

records. Fewer claim payments mean a large accumulation of premiums collected, and in case the condition continues for a given period the insurance dealer can take a reduction in his premium rates into account. This will, in turn, lessen the amount of the premium outlay on the side of various enterprises and thus reduce the cost of their production or business operations. The advantage derivable therefrom is self-evident, as a reduction in cost can invariably bring down the price of the merchandise to make it more competitive and more appealing to markets both at home and abroad, bringing about continuous expansion of production.

Inflation is unavoidable in many countries. This problem always taxes the brains of those possessing insurance policies in force, especially when such ones are valid for a certain period. Therefore policy-holders would sometimes find it necessary to arrange for an increase in the insured value under their policies to avert being inadequately compensated in case of a loss recoverable under insurance.

To reap more profits or to protect against depreciation in the value of their insurance funds, the insurance circles always attach importance to investment both at home and overseas. So far as the investment is concerned, it can be divided into two kinds, namely portfolio investment and direct investment. The former is a long-term investment in which the investor does not exercise any managerial control. The investor either holds bonds or other non-equity securities which do not confer ownership rights or he holds stock shares or other equities in a company in an amount too small to execute operating control. In contrast,

direct investment is a long-term equity investment in a firm that grants the investor managerial control over that firm.

The balance sheets offered by insurance companies all over the world illustrate that the investment is an important way to acquire revenues. This, of course, serves to protect policy-holders' interests, as insurance companies with a sound financial background could answer any claim immediately and adequately.

## New Words

tenet	/ˈtenit, ˈtiːnet/	n. principle, doctrine
vicissitude		n. change, esp. in sb's fortune
cyclone	/ˈsaɪkləʊn/	n. violent wind moving round a calm central area
tornado	/tɔːˈneɪdəʊ/	n. violent and destructive whirlwind 龙卷风
colossal	/kəˈlɒsl/	adj. immense
adjoin		v. be next or nearest (to)
adjacent		adj. lying near (to)
jeopardize		vt. put in danger
reap		v. gather in a crop of grain
confer		vt. give or grant (a right, title or favour)

## Special Terms

- |                              |          |
|------------------------------|----------|
| 1. bodily injury             | 人身伤害     |
| 2. general average           | 共同海损     |
| 3. loss prevention           | 防止损失, 防损 |
| 4. economic entity           | 经济实体     |
| 5. the authorities concerned | 有关当局     |
| 6. accumulation of premium   | 积累保费     |
| 7. portfolio investment      | 有价证券投资   |
| 8. the balance sheet         | 资产负债表    |

## Idioms and Expressions

- |                              |                |
|------------------------------|----------------|
| 1. shy away from             | 避免做某事          |
| 2. with the lapse of time    | 随着时间的推移        |
| 3. pave the way for          | 铺平道路           |
| 4. have lien upon (on)       | 对……有留置权        |
| 5. be conducive to           | 有助于……的, 有益于……的 |
| 6. tax sb's brains           | 使某人伤脑筋         |
| 7. attach importance to      | 重视             |
| 8. execute operating control | 行使经营管理权        |

## Notes

- |  |                          |
|--|--------------------------|
| 1. basic tenets of insurance   | 保险的基本原理, 系指保险的基本原则或理论基础。 |
| 2. In nature there are unexpected storms and in life there are unpredictable vicissitudes. | 天有不测风云, 人有旦夕祸福。          |
| 3. the Babylonians   | 巴比伦人。约在公元前 2800—         |

1000 年, 亚洲西南部一古国称为巴比伦(现今伊拉克一带)。

4. Rhodes                      罗德岛, 古代商业发达区之一, 濒临小亚西亚南岸, Rhodian Law 制定于公元前 9 世纪, 是世界最早的海商法。

5. portfolio investment                      有价证券投资。这种投资额一般较小, 投资者通常不行使经营管理权。

## Study & Practice

### I. Answer the following questions:

1. Enumerate at least 15 natural disasters.
2. Can all natural calamities and accidents be preventive, and why?
3. What role may insurance play in economy?
4. Give synonyms of the term 'insurer'.
5. How does the insurer ascertain premium?
6. What is the reason for insurance companies to limit their liabilities to their assets?

### II. Subjects for discussion:

1. the basic tenets of insurance.
2. the development of insurance.
3. the important functions of insurance.
4. the role of loss prevention.

### III. Make sentences with the following words and expressions:

entity; calamity; volcanic eruption; congest; adjoin; extinguish; recoup; maritime; entail; reimburse; destroy; compensate; reap; confer

### IV. Fill in the blanks with appropriate words and expressions:

1. They \_\_\_\_\_ buying the house when they learnt the full price.
2. The big fire \_\_\_\_\_ the passengers' lives.
3. The new Insurance Law, which was \_\_\_\_\_ on June 30, 1995, lays a firm legal foundation to further open up the insurance market and promotes a fair and standardized \_\_\_\_\_. The law is to go into effect on October 1.
4. It is easier to prevent than to \_\_\_\_\_ a loss caused by negligence.
5. The new Insurance Law \_\_\_\_\_ for continuous development of insurance industry in China.
6. In China, the three major insurance \_\_\_\_\_ are the People's Insurance Co. of China, the Pacific Insurance Co. Ltd. and the Ping'an Insurance Co. Ltd.
7. Effective loss prevention \_\_\_\_\_ both the insurance company and its client.
8. The U. S. government agreed to try to reduce oil imports and stem \_\_\_\_\_ in the United States.
9. The capitalists \_\_\_\_\_ at least three billion dollars yearly in superprofits.
10. The queen \_\_\_\_\_ a noble title on her successful minister.

V. Change the words given in the parentheses into proper forms to fit into the passages:

1. Insurance contracts are based upon the legal principle 'utmost \_\_\_\_\_ (best) faith' and the \_\_\_\_\_ (observe) of this by both parties to the contract means something more than the \_\_\_\_\_ (absent) of fraud.

Fraud invalidates any contract, but an insurance contract may be invalidated in various ways. Honesty implies a full \_\_\_\_\_ (disclose) of all material facts known, or deemed to be known, to the assured or his broker concerning the insurance. This is a very important principle in the practice of insurance and a serious view is taken by an insurer who is the victim of a \_\_\_\_\_ (break) thereof. Of course, such duty \_\_\_\_\_ (appliance) also to the insurer.

2. China is considering permitting expanded insurance services and opening more cities to foreign insurance companies, a senior official of the People's Bank of China told a seminar on the Insurance Law yesterday.

He said the government will gradually permit more foreign insurers to operate in the Chinese market. The government is also considering allowing foreign insurers to \_\_\_\_\_ (appliance) a business licence two years after setting up a representative office in China, instead of three years, as stipulated by the current \_\_\_\_\_ (regulate).

The State Council approved regulations for foreign insurance institutions in Shanghai and allowed foreign insurance companies to open branches in Shanghai on a trial basis.

Shanghai has been the sole city to permit foreign insurers to conduct business. American International Assurance Co. of the U. S. and Japan's Tokyo Marine have set up branches over there. The Chinese insurance market, which is still underdeveloped, has become one of the most



attractive areas for foreign companies.

China has three national insurance companies, and 22 regional companies. The Insurance Law \_\_\_\_\_ (government) all insurance services in China and will help strengthen regulation of the insurance market. It also forms the legal basis for operations by foreign insurers.

The law was drafted to protect the rights and interests of both the insurers and the insureds, and provides a \_\_\_\_\_ (health) environment for foreign companies in China.

By specifying that insurance companies will engage only in commercial insurance, it ensures fair competition for both domestic and foreign insurers.

Chinese insurance companies have been undertaking social insurance services, which has \_\_\_\_\_ (hamper) the development of the country's insurance industry.

The law will also help to increase insurance \_\_\_\_\_ (aware) and widen the insurance market, which has a huge \_\_\_\_\_ (potentiality).

China's insurance industry lags far behind that of other countries. Insurance was reintroduced to the country only in the late 1970s. The gradual introduction of foreign insurance companies to China will help develop the country's insurance industry.

Foreign insurers started \_\_\_\_\_ (set) representative offices in the early 1980s. By the end of June, 73 foreign insurers from 13 countries and regions had established 105 offices in China.