

Consumer Protection in Insurance Contracts**حماية المستهلك في عقد التأمين****DR. BELDJEDOU BESMA ⁽¹⁾***Faculty of Law, Frères Mentouri University, Constantine 1 (Algeria)**beldjedouibesma@gmail.com***RECEIVED**
11 – 18 - 2024**ACCEPTED**
03 – 19 - 2025**PUBLISHED**
03 – 31 - 2025**Abstract:**

Given that the insurance contract is the most prominent example of adhesion contracts, and in an effort to protect weaker parties in this type of agreement characterized by significant imbalance between the contracting parties, modern methods have emerged to regulate contractual terms. This is due to the inadequacy of traditional rules in safeguarding the weaker party and achieving a relative balance between contractual obligations. Moreover, the application of the principle of contractual freedom to adhesion contracts has been a direct cause of contractual imbalance. This reality prompted the Algerian legislator to establish general and specific legal provisions to protect consumers in insurance contracts. Additionally, the legislator created the Advisory Committee on Unfair Terms, which serves as a tool to reinforce consumer protection against the unfair practices of professionals (insurance companies). The committee's supervisory role over insurance contracts, as a form of adhesion contracts, is evident through its composition and its jurisdiction.

key words: Insurance Contract; Consumer Protection (Policyholder); Committee for Unfair Terms; Insurance Companies.

الملخص:

نظرا لكون عقد التأمين المثال الأبرز لعقود الإذعان، وسعيا لتوفير الحماية للأطراف الضعيفة في إطار هذا النوع من العقود، التي تتسم بالتفاوت الفاحش بين المتعاقدين، ظهرت طرق حديثة للرقابة على شروط العقد لعدم كفاية القواعد التقليدية لحماية الطرف الضعيف وتحقيق التوازن النسبي بين الالتزامات التعاقدية. بل أبعد من ذلك، فإن تطبيق مبدأ سلطان الإرادة على عقود الإذعان يعد سببا مباشرا للإخلال بالتوازن العقدي، وهو الأمر الذي دفع بالمشرع الجزائري إلى وضع قواعد قانونية عامة وخاصة لحماية المستهلك في عقد التأمين، بالإضافة إلى إنشاء لجنة البنود التعسفية ذات الطابع الاستشاري، والتي تعتبر أداة لدعم الحماية المقررة للمستهلك في عقد التأمين من تعسف المهنيين (شركات التأمين) حيث أن الدور الرقابي للجنة على عقود التأمين كونها من قبيل عقود الإذعان يتضح لنا من خلال تشكيل هذه اللجنة ومن خلال اختصاصاتها أيضا.

الكلمات المفتاحية: عقد التأمين؛ حماية المستهلك (المؤمن له)؛ لجنة البنود التعسفية؛ شركات

التأمين .

⁽¹⁾ Corresponding author: Dr. Beldjedoui Besma,

e-mail: beldjedouibesma@gmail.com

Introduction:

The insurance contract is a classic example of an adhesion contract, where the policyholder (consumer) has no option but to accept the terms unilaterally imposed by the insurance company, without any opportunity to negotiate or amend them. This situation arises from the significant economic and technical power held by the insurer, enabling it to dictate terms as the stronger party in the contract, given its expertise and professional standing. Consequently, the policyholder finds themselves in an unequal position, merely a consumer of insurance services for personal benefit.

Considering the many objections to the freedom of contract premise and its role in exacerbating the imbalance of power in insurance contracts, the Algerian legislator has intervened to curtail the dominant party's—namely, the insurance company—freedom to unilaterally draft contractual terms and conditions. In order to do this, the lawmaker has established a clear legal framework for insurance contracts that minimises the contractual parties' discretion in establishing the terms and consequences of the agreement by outlining the parties' rights and obligations. This framework serves as an essential and effective legislative mechanism to protect the consumer in insurance contracts, aiming to achieve a contractual balance between the parties.

This principle was further reinforced by the 2016 constitutional amendment, which explicitly sought to prevent abuses against consumers.

This raises several questions:

Study Problem This raises several questions:

- What is the legal definition of a consumer in the context of an insurance contract?
- And what mechanisms does Algerian legislation provide to protect the policyholder (consumer)?

Section I: The Concept of Insurance as a Consumer Contract

A consumer is defined as any natural or legal person who buys items offered for sale or benefits from services given, without any professional aim, according to the second paragraph of Article 3 of Law No. 04/02, issued June 23, 2004, which establishes the standards applicable to commercial practices.¹

Similar to this, Law No. 09/03's Article 3 first paragraph defines a consumer as any natural or legal person who, for payment or free, obtains a

service meant to be used in the future to satisfy their own requirements or those of another person or an animal in their care.²

It is evident from these clauses that the legislator has expanded the definition of the customer to include all natural and legal individuals, provided their activity is non-professional and not profit-oriented. Thus, three elements must be present to qualify as a consumer:

- The person must acquire or use goods and services.
- The contract must pertain to goods or services.
- The purpose must be non-professional, i.e., personal or familial.

This defines the consumer in general terms. As for the consumer in an insurance contract, it will be addressed in this section as follows:

A) Definition of an Insurance Contract as a Consumer Contract:

A consumer contract is one that connects a consumer with a professional, enabling the consumer to obtain goods or services for personal or familial purposes.

Under this framework, an insurance contract is generally considered a consumer contract. It involves insurance and reinsurance companies, which engage in insurance services as a professional activity, and policyholders, who consume these services for personal or familial needs. However, an insurance contract does not qualify as a consumer contract if the policyholder contracts for professional purposes, such as professional liability insurance.

This highlights the importance of classifying insurance contracts as consumer contracts. In legislative terms, the theory of consumer contracts has become the general framework for all consumer contracts. This classification allows recourse to mechanisms such as regulations on unfair terms or other legal frameworks designed to protect consumers, aiming to mitigate the imbalance in contractual relationships.³

B) Types of Insurance Service Consumers

There is a general classification regarding types of consumers, which distinguishes between two main categories:

1- Final Consumer:

This is a natural person who purchases goods and services to satisfy their own needs and desires or those of their family members.

2- Industrial Consumer:

This is a legal body that buys products and services to either produce things and render services or to help and oversee the operations of businesses.

In the insurance field, there are four types of customers within insurance companies who can be considered consumers of insurance services:

3- Policyholder.

The person who signs an insurance contract with the insurance business, subscribes, and starts making premium payments.

4- Insured

The person who seeks protection against risk. This individual can also be the policyholder.

5- Beneficiary.

If the insured risk materialises, the person who is entitled to the insurance payout or compensation from the insurance company. The insured designates this beneficiary.

6- Third Party.

Any individual not explicitly mentioned in the insurance contract but who claims a benefit, such as beneficiaries of life insurance contracts or victims under liability insurance.⁴

Another perspective categorizes insurance company customers into two types:

- Internal Customer: These are employees of the insurance company.
- External Customer: This group includes individuals, suppliers, insurance service distributors, banks, and general agencies.

Q) The Importance of the Consumer to Insurance Companies

A well-known marketing adage states, "*The consumer is king.*" This principle should guide insurance companies to ensure their survival and sustainability. The consumer (policyholder) is crucial for the company's success; losing even one customer can result in significant financial losses.

To safeguard their interests, which are closely tied to the number of insured clients, insurance companies must equally prioritize the protection of consumer rights alongside their own. It is unreasonable for insurance companies to focus solely on pursuing clients to ensure timely premium payments while delaying compensation payments when insured risks materialize.

Section II: Legal Protection of the Policyholder (Consumer) in Algerian Legislation

The inequality between parties in an insurance contract is not a novel issue, especially since such contracts are the quintessential example of adhesion contracts. The terms are standardized across all services. However, the situation

worsens considering that consumers cannot forgo insurance services. While insurance companies enjoy a "monopolistic" position, the policyholder may find themselves bound by an insurance contract that does not clearly disclose its actual cost or specify the obligations imposed by the contract. Moreover, the service provided might not meet the consumer's expectations.

This inequality leads to a lack of genuine negotiation between the parties. The consumer cannot stand as an equal to professionals due to their weaker position. The relationship between the stronger party (the insurance company) and the weaker party (the policyholder as a consumer) is inherently unjust. Some argue that in such relationships, freedom is compromised, and the law, being merely supplementary rules, is often disregarded or bypassed.

In some cases, the weaker party is aware of the commitments made under the contract but is compelled to accept its terms due to a lack of freedom of choice, meaning they lack the ability to negotiate or discuss the contract's provisions.

Protecting the weaker party in an insurance contract, often referred to as the consumer, has become a central goal across legal systems. One of the primary methods adopted is mandatory legislative intervention, a crucial mechanism to achieve contractual balance and fulfill the demands of justice.

The freedom and dignity of individuals have extended beyond the political sphere of general liberties to the legal domain of constrained contractual freedom, which must adhere to principles of equality and justice. This aims to prevent injustice and abuse, ensuring legal security and stability in contractual transactions.⁵

In this section, we will address the mechanisms for protecting the policyholder (consumer) in an insurance contract, as it is an adhesion contract falling under the category of consumer contracts.

A) General Rules for Consumer Protection in Insurance Contracts

The Algerian legislator explicitly referenced the term "unfair terms" in regulating the general provisions of insurance contracts within the Algerian Civil Code. This was done to protect the policyholder as the weaker party in the contract, thereby creating a balance between them and the insurance company. In this regard, the Algerian Civil Code's Article 625 states:

*"Any agreement that contravenes the provisions of this section shall be null and void unless it is in the interest of the policyholder or the beneficiary."*⁶

This provision establishes that the rules governing insurance contracts, which collectively aim to protect policyholders, are mandatory and cannot be violated unless the deviation benefits the policyholder. However, any agreement that contravenes these rules to the benefit of the insurance company is deemed void.

Furthermore, the legislator explicitly declared certain clauses in insurance contracts to be invalid if they are deemed unfair. Article 622 of the Algerian Civil Code states:

"The following provisions in the insurance policy shall be null and void:

- Any clause stipulating the forfeiture of the right to compensation due to violation of laws and regulations unless the violation constitutes a felony or an intentional misdemeanor.
- Any clause stipulating the forfeiture of the policyholder's right due to delay in reporting the insured event to authorities or submitting documents, provided the delay is justified by acceptable circumstances.
- Any printed clause that is not clearly highlighted and pertains to conditions leading to nullity or forfeiture.
- An arbitration clause included among the general printed conditions of the policy and not as part of a specific agreement.
- Any other unfair clause that, if disregarded, would not have affected the occurrence of the insured event."⁷

This provision outlines specific terms considered unfair when included in an insurance contract. If a dispute arises concerning such terms and the policyholder requests their annulment, the court must nullify these clauses without invalidating the entire insurance contract. This legislative approach aims to simplify the court's task in identifying unfair terms and protecting the policyholder.

As for explaining the list of terms considered unfair if included in an insurance policy, it is as follows:

1- The Clause That Stipulates the Forfeiture of the Right to Compensation Due to Violation of Laws or Regulations, Except in Cases of Felonies or Intentional Misdemeanors:

This clause implies that if the covered risk results from a breach of laws or regulations, the policyholder forfeits their entitlement to reimbursement after the risk materialises, regardless of the severity of the violation. Examples include the policyholder violating traffic signals, exceeding the speed limit, or driving in the wrong direction.

The legislator recognized this issue and deemed that the inclusion of such a clause by insurance companies in contracts, particularly in mandatory civil liability insurance policies for car accidents, could deprive the policyholder of compensation (the insurance payout) in most cases. On this basis, this clause is considered unfair, as accidents typically result from traffic violations. These violations generally incur fines and do not constitute criminal penalties against the policyholder, as they usually stem from negligence or lack of caution.

Therefore, the legislator stipulated that any clause leading to the forfeiture of the right to coverage due to violations of laws or regulations is void. However, felonies and intentional misdemeanors were excluded from this rule to avoid encouraging policyholders to commit serious crimes, whether intentional or unintentional felonies, or intentional misdemeanors. Thus, the legislator upheld the validity of clauses stipulating the forfeiture of the right to coverage if the violation involves a felony or an intentional misdemeanor.⁸

2- The Clause That Stipulates the Forfeiture of the Policyholder's Right Due to Delayed Notification of the Insured Event to Authorities or Submission of Documents, Provided the Delay Was Justified by Acceptable Circumstances

This clause implies that the legislator considers the provision that forfeits the policyholder's right to coverage due to delays in fulfilling their obligations, as stipulated in Article 15 of Ordinance 95/07 on insurance (9), to be an unfair term.⁹ It is unjust to deny the policyholder the insurance payout for failing to meet these obligations if the delay was due to acceptable circumstances, such as force majeure or an unforeseen event, which prevented them from reporting the incident within the legal timeframe—for instance, if they were severely injured in the accident. In such cases, the policyholder bears the burden of proving these justifications through any means of evidence, as this pertains to a factual matter.

3- Any Printed Clause That Is Not Clearly Highlighted and Pertains to Conditions Leading to Nullity or Forfeiture of the Right to Coverage

The policyholder's right to coverage is forfeited, which goes against the general rules governing the debtor's breach of duties. Thus, the legislator deems any unclear printed clause stipulating forfeiture of coverage rights as unfair. For such a clause to be enforceable, it must be prominently displayed within the printed terms of the insurance policy, like being highlighted or having a greater font size than the rest of the policy content. If the clause is not visibly highlighted, it cannot be invoked.

4- The Arbitration Clause, If Included Among the General Terms of the Policy, Not in the Form of a Separate Agreement:

This provision applies specifically to insurance contracts and invalidates the arbitration clause as unfair if it is not presented in a separate agreement or an annex distinct from the printed general terms. While arbitration clauses are otherwise standard, this rule aims to protect the policyholder from the insurance company leveraging its economic and legal superiority to impose arbitration as a dispute resolution method in cases involving the insurance contract.

5- Any Other Unfair Clause That Is Proven to Have No Impact on the Occurrence of the Insured Event:

The fifth paragraph of Article 622 of the Civil Code provides the court with discretion to invalidate any other unfair term not mentioned in the preceding four paragraphs if it is shown that its violation had no effect on the occurrence of the insured event.

This provision offers significant protection to the policyholder. After specifying certain terms deemed invalid, it broadens the scope by invalidating any other unfair clause that proves irrelevant to the insured event. It would be considered an abuse by the insurance company to insist on such a term. The court is tasked with determining whether the breach of the clause contributed to the occurrence of the insured event. If it did, the clause is valid; if it did not, the clause is deemed unfair and invalid. Courts generally interpret ambiguous or undefined terms in insurance contracts in favor of the policyholder (consumer), given that such terms are drafted by the insurance company.¹⁰

B) Consumer Protection Rules in Insurance Contracts Under Ordinance 95/07 on Insurance

Among the agreements to which the Algerian lawmaker has paid particular attention is the insurance contract. Ordinance No. 95/07 of January 25, 1995, which was modified and expanded by Law No. 06/04 of February 20, 2006, governed its provisions. Throughout the course of an insurance contract, this ordinance offers the consumer unique legal protections.

1- Protection of the Policyholder (Consumer) During the Formation of the Contract:

The duty of disclosure in insurance contracts reflects good faith and honesty in contracting. It aims to inform the policyholder of the contractual terms and technical details they may not understand, enabling them to enter into the contract knowingly and with full awareness of its terms. This duty addresses the imbalance in knowledge between the consumer and the insurance company.

To support this, the information that needs to be in the insurance contract is specified in Article 7 of Ordinance 95/07 on insurance.¹¹ These specifics guarantee that the policyholder is aware of the primary features of the insurance service, such as the contract's subject matter, the risks covered, its term, the amount of coverage, and the insurance premium.

2- Informing the Consumer About the Premium Amount:

The policyholder is obligated to pay a sum in exchange for the insurance service, which constitutes a due payment to the insurance company in return for the coverage it provides. The sum of money that the policyholder pays the insurer to cover the insured risk for the term of the contract is known as the insurance premium.¹² The premium is either determined by the insurance company, as a general rule, or by the regulatory authority for mandatory insurance policies.¹³

The Algerian legislator has regulated the determination of insurance premiums to prevent insurance companies from abusing their position by excessively increasing premiums, which could overburden consumers. Such practices could lead to undesirable outcomes, such as evasion of mandatory insurance, thereby undermining its purpose and significance. The legislator sought to avoid these issues by legally setting the premium amounts.

The insurance premium consists of two components. The first is the *net premium*, which represents the actuarial value of the risk as determined by statistical rules, considering the probability and severity of the risk. The second component includes *premium surcharges*, covering administrative costs, fees, and applicable taxes.

This obligation ensures that the policyholder (consumer) is adequately and accurately informed about the premium amount and the payment terms. It allows the consumer to understand clearly the financial commitment they are making in exchange for the risk coverage, without any ambiguity.

3- Informing the Consumer About the Covered Risks

The primary focus of the insurance contract is risk, which also serves as the foundation for the responsibilities of the insurance company and the policyholder. In return for paying the insurance premium, the policyholder protects against a certain risk, and the insurance company agrees to pay the insurance amount determined by the risk covered.

In accordance with the idea of contractual freedom, the parties to a contract often agree on the extent of the insured risk. This allows both parties to define the extent and limits of the coverage. However, the policyholder is often the weaker

party in the insurance contract, typically lacking knowledge of insurance principles and techniques. Therefore, informing the policyholder about the terms and conditions of the contract enhances their awareness and ensures they enter into the agreement with clear, informed, and voluntary consent.

4- Informing the Consumer About the Duration of Coverage

Given the importance of the duration of the insurance contract, the Algerian legislator has taken steps to protect the policyholder against the risks associated with this period. The legislator mandated that the contract duration be explicitly stated in the insurance policy to draw the policyholder's attention to it. This enables them to be aware of the coverage period in advance and to understand whether the insurance applies. This measure aligns with the legislator's intent to ensure the policyholder is fully informed about this crucial aspect of the contract.

The duration of coverage refers to the period during which the insured risk is covered and remains valid. If the insured risk occurs within this period, or if the specified contractual term is reached, the insurance company is obligated to cover the risk, and the policyholder becomes entitled to the coverage amount.

5- Informing the Consumer About the Coverage Amount:

Mutual agreement between the contractual parties often determines the coverage amount. However, the type of insurance determines the liability of the insurance provider. According to the indemnity principle, the amount of reimbursement in property insurance cannot be greater than the covered item's value at the time of the incident. The policyholder's and the insurance company's agreement determines the coverage amount for personal insurance. The lawmaker mandated that the policyholder be made aware of the insurance coverage's limitations by providing them with information about the coverage amount.

6- Informing the Consumer About Their Obligations

Informing the policyholder about their obligations is crucial to ensure their informed consent. It provides them with clarity on all contractual terms, including their rights and responsibilities. The policyholder must be made aware of their responsibilities by the insurance business, as well as the repercussions of not fulfilling them, warning them of the potential economic risks. Such consequences may include reducing the insurance payout, invalidating the contract, forfeiting the right to coverage, increasing the premium, or imposing a penalty in the form of compensation for breaches of contractual obligations, particularly when errors or omissions are deemed fraudulent.¹⁴

Q) Consumer Protection During the Execution and Termination Phases of the Contract:

The policyholder has been granted legal safeguards by the Algerian legislator during the contract's formulation, as well as during its execution and termination. This all-encompassing strategy guarantees protection for the duration of the contract. In order to investigate this subject, consumer protection must be looked at both during the execution and termination phases.

1- Consumer Protection During the Execution Phase

As a general rule, contracts are binding on the parties. However, the legislator has provided specific legal protections for the policyholder, who is considered the weaker party, particularly concerning unfair terms and judicial interpretation of ambiguous clauses. This protection is upheld by general legal principles, particularly Articles 622 and 625 of the Civil Code, which were previously discussed in the first section of this topic. These provisions safeguard the consumer's rights in insurance contracts.

2- Consumer Protection During the Termination Phase of the Insurance Contract:

The Algerian legislator has extended the policyholder's protection to the termination phase of the insurance contract, given the critical importance of this stage in safeguarding the policyholder's rights and economic interests. This protection is reflected in several ways:

2-1- Protection Through Legal Regulation of Contract Termination

Article 10 of Ordinance 95/07, as amended and supplemented, stipulates that the duration of an insurance contract is determined by mutual agreement between the parties. Furthermore, the legislator grants both the insurance company and the policyholder the right to terminate a contract exceeding three years by providing a three-month prior notice to the other party, except for personal insurance contracts, which are governed by specific rules.¹⁵

Additionally, Article 42 of the same ordinance outlines cases in which the contract is automatically terminated by law, such as the total loss of the insured property, whether due to an incident specified in the insurance contract or not.

Moreover, if the insured property is damaged before the insurance contract is signed, the contract becomes null and void, provided that the policyholder was unaware of the damage at the time of signing. This is specified in Article 43 of Ordinance 95/07 on insurance.

The purpose of the Algerian legislator's regulation of the termination provisions in insurance contracts is to ensure legal protection for the consumer

(policyholder) through mandatory provisions that the insurance company must adhere to.

2-2 Consumer Protection Through the Legal Regulation of Statutes of Limitation:

The Algerian legislator has established a short statute of limitations under Ordinance 95/07,¹⁶ deviating from general legal principles, and based on considerations of public order. Claims arising from insurance contracts may either be brought by the insurance company or by the policyholder or beneficiary. Notably, the defense of the statute of limitations can be raised at any stage of the proceedings, even after substantive defenses have been presented. Moreover, the court is required to raise the issue of inadmissibility due to the statute of limitations on its own initiative, as it pertains to public order.¹⁷

However, claims not arising from the insurance contract are not subject to the short statute of limitations. For example, a claim brought by an injured third party against the insurance company under civil liability insurance is governed by the general statute of limitations rules in the Civil Code.

Section III: The Committee on Unfair Terms and Its Role in Protecting Consumers in Insurance Contracts

Article 6 of Executive Decree No. 06/306, which outlines the fundamental components of agreements made between business owners and consumers and identifies the conditions deemed unfair, established the Committee on Unfair conditions. This article states: *"An advisory Committee on Unfair Terms is established under the authority of the Minister in charge of Trade..."*¹⁸

The creation of this committee is one of the contemporary strategies Algerian lawmakers have used to safeguard consumers. It serves as a mechanism to reinforce the legal protection granted to the policyholder in insurance contracts, which are considered adhesion contracts.

The significant role played by the Committee on Unfair Terms in protecting consumers of insurance services will be elaborated in this section by discussing its composition and structure, as well as its jurisdiction in the field of insurance.

A) Composition and Structure of the Committee on Unfair Terms

According to Executive Decree No. 06/306, the Committee on Unfair Terms consists of the following members:

- As chair, one Ministry of Trade representative with expertise in business practices.

- One Ministry of Justice representative with expertise in contract law.
- A single Competition Council member.
- Two business owners with knowledge of contracts and business law who are members of the Algerian Chamber of Commerce and Industry.
- Two representatives from national consumer protection associations, with expertise in business law and contracts.

The decree also allows the committee to seek assistance from any other person who may provide valuable input for its work.¹⁹

B) Jurisdiction of the Committee on Unfair Terms in the Field of Insurance

In its advisory role, the Committee on Unfair Terms examines all contracts issued by insurance companies and applied to policyholders as consumers of insurance contracts, focusing on the possibility of containing unfair terms. In this context, the committee reviews terms in various mandatory and optional insurance contracts between insurance companies and policyholders, considering the drafting, wording, language used, and even the printing format to ensure readability. This scrutiny is essential, as some unfair terms may appear ordinary when included in an insurance policy due to their phrasing, and their unfair nature becomes evident only when enforced.²⁰

The Committee on Unfair Terms conducts studies and assessments to investigate how these contracts are applied to consumers and issues recommendations, which it submits to the Minister of Trade.²¹ The committee is authorized to publish its recommendations and reports concerning its activities through any appropriate channels and must prepare an annual report on its activities, which is submitted to the Minister of Trade and published either in full or as an excerpt.²²

The Committee on Unfair Terms plays a vital role as a specialized advisory body in identifying and combating unfair terms. Through its recommendations, it seeks to eliminate, amend, or suggest clauses that would reduce the imbalance in insurance contracts.

Conclusion

While the insurance contract remains an agreement between two wills aimed at producing legal effects, like any other contract, it stands out due to the unique nature of its contracting parties and the determination of their obligations, which are often imbalanced in favor of the insurance company. The distinctive nature of the insurance contract as a consumer contract lies in the fact that the consumer in this context differs from an ordinary contracting party. Their position

as the weaker party undermines their ability to negotiate the terms and conditions of the insurance contract, which are typically interpreted in favor of the insurance company as the stronger party. This situation compels the insurance consumer to accept the contract without bargaining or discussion, highlighting the urgent need to protect the consumer against the risks associated with such terms.

Through this study, we have observed the significant role played by legal and institutional mechanisms in protecting consumers within insurance contracts. It is evident that the legal framework for protecting policyholders from unfair terms has made considerable progress toward integration. In this regard, the legislator, through the Civil Code, has established general rules to combat unfair terms in insurance contracts, leaving room for the trial judge to exercise discretion in identifying such terms. However, this discretion is not supported by clear criteria to assist in this determination.

This deficiency in general rules prompted the legislator to supplement them with specific legal provisions under Ordinance 95/07, as amended and supplemented, concerning insurance. Additionally, consumer protection laws have established a specialized Committee on Unfair Terms, whose duties include providing opinions on legislative provisions related to unfair terms and issuing recommendations regarding such terms. The committee plays a crucial role in clarifying and combating unfair terms, making it an advisory administrative mechanism dedicated to protecting consumers in insurance contracts.

Bibliography.

¹- Article 3 of Law No. 04-02 dated June 23, 2004, concerning the rules applicable to commercial practices, Official Gazette No. 41, issued on June 27, 2004, as amended and supplemented by Law No. 10-06 dated August 15, 2010, Official Gazette No. 46, issued on August 18, 2010.

²- Article 3 of Law No. 09-03 dated February 25, 2009, concerning consumer protection and the suppression of fraud, Official Gazette No. 15, issued on March 8, 2009.

³- Mohamed El-Hini, *Legal Protection of the Weaker Party in Land Insurance Contracts*, Master's Thesis in Private Law, Sidi Mohamed Ben Abdellah University, Faculty of Legal, Economic, and Social Sciences, Fez, p. 13.

⁴- Yvonne Lambert-Faivre, *Insurance Law*, 10th ed., Dalloz, Paris, p. 160.

⁵- Mohamed El-Hini, *op. cit.*, p. 8.

⁶- Article 625 of the Algerian Civil Code.

⁷- Article 622, *op. cit.*

⁸- Soualem Sofiane, "Legal Protection of the Contracting Party from Unfair Terms in Algerian Legislation," *Journal of Generation for Legal Research*, Issue No. 4, June 2016, p. 129.

⁹ - Article 15 of Ordinance No. 95-07 dated January 25, 1995, Official Gazette No. 13, issued on March 8, 1995, as amended and supplemented by Law No. 06-04 dated February 20, 2006, Official Gazette No. 15, issued on March 12, 2006.

¹⁰ - Soualem Sofiane, *op. cit.*, p. 130.

¹¹ - Article 7 of Ordinance No. 95-07 on Insurance, *op. cit.*

¹² - Ghazi Khalid Abu Arabi, *Provisions of Insurance: A Comparative Study*, 1st ed., Jordan, 2011, p. 318.

¹³ - Article 233 of Ordinance No. 95-07 on Insurance, *op. cit.*

¹⁴ - Boumezber Lokmane and Beljedoui Basma, "The Impact of Constitutionalizing Consumer Rights on the Insurance Contract," presented at the Conference on the 2016 Constitutional Amendment and Its Impact on the Legal System of the Republic, Faculty of Law, Frères Mentouri University, Constantine, April 25–26, 2016.

¹⁵ - Article 10 of Ordinance No. 95-07 on Insurance, *op. cit.*

¹⁶ - Article 27 of Ordinance No. 95-07 on Insurance, *op. cit.*

¹⁷ - Articles 67, 68, and 69 of Law No. 08-09 dated February 25, 2008, containing the Code of Civil and Administrative Procedure.

¹⁸ - Article 6 of Executive Decree No. 06-306 dated September 10, 2006, defining the essential elements of contracts concluded between economic agents and consumers, and the clauses considered unfair, Official Gazette No. 56, issued on September 11, 2006.

¹⁹ - Article 8 of Executive Decree No. 06-306, *op. cit.*

²⁰ - Abdel Ghaffar Anas Mohamed, *Mechanisms for Addressing Unfair Terms in Adhesion Contracts: A Comparative Study Between Civil Law and Islamic Jurisprudence*, Dar Al-Kutub Al-Qanuniya, Egypt, 2013, p. 97.

²¹ - Article 7 of Executive Decree No. 06-306, *op. cit.*

²² - Article 20 of Executive Decree No. 06-306, *op. cit.*

