

Your policy

This booklet is your policy document which gives full details of your insurance cover.

Your policy is made up of:

- the motor proposal form.
- this policy booklet.
- the certificate of motor insurance.
- the schedule.

This Policy is evidence of the contract between you and LOLC General Insurance Ltd. For your protection, please read this Policy carefully and if any error is found or if the cover provided under the Policy is not in accordance with your requirements / specific needs, the Policy should be returned to the Company immediately for corrections/amendments.

IMPORTANT NOTES

1. Your Duty to Prevent Loss or Damage

You shall at all times take all reasonable steps to safeguard your vehicle from loss or damage. You shall maintain your vehicle in a roadworthy condition.

2. Your Duty to Comply with Policy Conditions

The cover granted under this Policy is conditional upon you observing and fulfilling the terms, provisions, conditions, clauses, warranties & endorsements of the Policy.

3. Keeping Your Policy Up To Date

You must notify us of any material changes in circumstances immediately as failure to do so would affect the amount you are able to claim or may even mean you are unable to make a claim. If the circumstances differ significantly it could even result in your Policy being declared void.

Material changes in circumstances are any factors that differ from the information you have already declared in the proposal form which is the basis of the contract of Insurance.

4. Fraudulent Claims

If any claim in any way fraudulent or if Insured or anyone acting on his behalf has used any fraudulent means, including inflating or exaggerating the claim or submitting forged or falsified documents and in the event it is found that the information provided by insured in the proposal form or any other manner are false or that any material information has been concealed, then benefits under this policy shall be forfeited and the policy shall be void from its inception

5. POLICE REPORTS/ NOTIFICATION OF CLAIMS

Notwithstanding anything to the contrary to the other provisions of this policy in the event of the vehicle describe in the schedule hereto sustaining damages for which the company may be liable under this policy, the event should be reported to the nearest police station within 24 hours as specified in the Motor Traffic Act No.14 of 1951 and any addendum thereof. Further, immediate notice shall be given to the company. Further. no work shall be commenced nor shall any part of such vehicle be dismantled/nor shall the insured accept any estimate of a cost of any repair to such vehicle without the prior approval of the company.

6. TRANSFER OF INSURANCE

Motorist and policy holders are hereby advised that the recognition by the company of a Transfer of a Certificate of Insurance under section 112 (A) of the Motor Traffic Act will apply up to a period of 44 days from the date of transfer in so far as it applies to compulsory 3rd party liability insurance cover required under the Motor Traffic Act No.14 of 1951. This recognition does not extend its applicability to any other covers or extensions granted under the comprehensive cover of the insurance policy. If any transfer of a Motor vehicle intends to obtain an insurance protection against loss or damage to the vehicle by any insurable peril they are required to contact the Company., forthwith upon obtaining transfer of legal documentation and possession of the vehicle by making appropriate disclosures and declarations. Failure to comply with this requirement will make the insurance granted against the vehicle inoperative immediately on the date of the transfer of the vehicle to a new purchaser.

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MOTOR VEHICLE INSURANCE POLICY

Whereas the Insured described in the Schedule hereto (hereinafter called 'the Insured') by a proposal and declaration, which shall be the basis of this contract and is deemed to be incorporated herein has applied to

LOLC Insurance Company Ltd.

(Hereinafter called 'the Company') for the insurance hereinafter contained and has paid or agreed to pay the premium stated in the said Schedule as consideration for such insurance in respect of accident, loss or damage occurring during the "cover period" stated in the said Schedule or during any period for which the Company may accept payment for the renewal of this Policy

NOW THIS POLICY WITNESSETH:

That subject to the terms exceptions and conditions contained herein or endorsed or otherwise expressed hereon

SECTION 1:

DAMAGE TO OR LOSS OF VEHICLE

1. The Company will indemnify the Insured against loss of or damage to any Motor Vehicle described in the Schedule(s) hereto and/or its accessories and spare parts whilst thereon
 - I. By accidental external means
 - II. By fire, external explosion, self ignition, lightning burglary, house breaking or theft
 - III. By malicious act
 - IV. Whilst in transit by road, rail, inland waterway, lift or elevator.

But excluding:

- i.
 - a) Damage to tyres, tubes, engine parts and rubber items unless such vehicle sustains other damage at the same time in which event the liability of the company in respect of damage to tyres, tubes, engine parts and rubber items shall not exceed 50 per centum of the cost of replacement.

- h) Liability of the company in respect of gums, sealant and all high wear and tear components shall not exceed 50 per centum of the cost of replacement.
- ii. Except in the case of Private Cars, loss of or damage to accessories, spare parts or integral parts by burglary, house breaking or theft unless such Vehicle is stolen at the same time.
- iii. Air bags on vehicle unless such motor vehicle sustains other damage at the same time but in any event the liability of the Company in respect of air bags shall not exceed 50 per centum of the cost of a new replacement.
- iv. Loss of or damage to Windscreen & windows on vehicles registered as Buses, Omnibuses and Motor Coaches in excess of 10 per centum of:
 - a) The Insured's estimate of value (including accessories and spare parts) of such motor vehicle.

- | | | |
|--|----------------|-----------------------------|
| b) The value of such motor vehicle (including accessories and spare parts) | * Private Cars | Nil |
| | * Motor Cycles | First Rs.2000/- & Rs.4000/- |

Whichever is less

- | | | |
|---|--|-----------------|
| v. Loss of or damage to lamps, tyres, mudguards, buffers, buffer aprons, buffer brackets and/or paint work on all vehicles insured for hiring purposes. | * All Hiring Vehicles | First Rs.1000/- |
| | * All Rental Vehicles | First Rs.5000/- |
| | * All Rental Motor Cycles | First Rs.2000/- |
| | * Compulsory excesses on age of vehicles | |

2. (a) In the case of private cars and motor cycles, the Company shall not be liable to make any payment in respect of consequential loss, depreciation, wear and tear, mechanical or electrical breakdown, failure or breakages.

(b) In the case of all vehicles other than private cars and motor cycles, the Company shall not be liable to make any payment in respect of consequential loss, depreciation, wear and tear, mechanical or electrical breakdown, failure or breakages, nor for any damage caused by overloading or strain, or by the nature of the load.

3. The insured in respect of each and every event shall be responsible for the sum specified below (or any less expenditure which may be incurred) of any expenditure hereunder. If the expenditure incurred by the Company shall include the amount for which the insured is responsible hereunder such amount shall be repaid by the Insured to the Company forthwith. For the purpose of this Sub-Section the expression events shall mean an event or series of events arising out of one cause in connection with any one vehicle in respect of which indemnity is provided under the Section:-

- | | | |
|--|----------------------|-----------|
| | a) Over 10 years old | Rs.Null |
| | b) Over 15 years old | Rs 2000/- |
| | c) Over 20 years old | Rs.5000/- |
4. In the event of such Motor Vehicle being disabled by reason of loss or damage covered under this Policy the Company will bear the reasonable cost of protection and removal to the nearest repairs approved by the Company and redelivery to the insured, but not exceeding Rs.500/- in case of a Motor Cycle and Rs.1000/- in case of all other vehicles, or any other such sum mentioned in the schedule of the Policy, in respect of any one accident.
5. (a) In the event of such Motor Vehicle sustaining damage for which the Company may be liable under this Policy immediate written notice shall be given to the Company, with due identification of the vehicle so damaged and no work shall be commenced nor shall any part of such Motor Vehicle be dismantled nor shall the Insured accept any estimate of the cost of any repair to such Motor Vehicle without the prior approval in writing of the Company.
- (b) For the purpose of this Clause, due identification shall mean identification of the damaged vehicle by providing the registration number and/or the chassis number.

NO CLAIM BONUS ('NCB')

In the event of no claim being made or arising under this Policy during a period of insurance specified below immediately preceding the renewal of this Policy the renewal premium for such part of the insurance as is renewed shall be reduced as follows:

	Applicable to Motor Cycles	Applicable to all other Vehicles
1st Renewal	15%	20%
2nd Renewal	20%	30 %
3rd Renewal	25 %	40%
4th Renewal	30 %	50 %
5th Renewal	35 %	60%
6th Renewal		70 %
7th Renewal		75 %

Should the Company consent to a transfer of interest in this Policy the period during which the interest was in the Transferor shall not accrue to the benefit of the Transferee.

If more than one Motor Vehicle is described in the Schedule(s) of this Policy the No Claim Bonus shall be applied as if separate Policy had been issued in respect of each such Motor Vehicle

SECTION 2:

LEGAL LIABILITY TO THIRD PARTIES

A. Applicable to Private Cars Only

1. In terms of and subject to the limits of liability stated in this Policy thereto the

Company will indemnify the insured in the event of an accident caused by or through or in connection with any Motor Car described in the said Schedule(s) against all sums including claimant's costs and expenses which the Insured shall become legally liable to pay in respect of:

- a) Death of or bodily injury to any person except where such death or injury arises out of and in the course of the employment of such person by the Insured and excluding liability to any person being a member of the Insured's household who is a passenger in such Motor Car.
- b) Damage to property other than property belonging to the Insured or held in trust by or in the custody or control of the Insured or any member of the Insured's household.

2. The Company will pay all costs and expenses incurred with its written consent.

3. In terms of and subject to the limitations of the indemnity which is granted by this section to the Insured the Company will indemnify any person who is driving such Motor Car provided that such person:

- a) Is not entitled to indemnity under any other Policy.
- b) Shall as though, he was the Insured observe, fulfil and be subject to the terms, exceptions and conditions of this Policy in so far as they can apply.

4. In terms of and subject to the limitation of the indemnity which is granted by this section in connection with any Motor

Car described in the Schedule(s) hereto the Company will indemnify the Insured whilst personally driving a Private Motor Car (but not a Motor Cycle) not belonging to him and not hired to him under a hire purchase agreement. (This will not apply to vehicles insured by institutions).

5. In the event of the death of any person entitled to indemnity under this section the Company will in respect of the liability incurred by such person indemnify his personal representatives in terms of and subject to the limitations of this section provided that such personal representative shall as though they were the Insured observe, fulfil and be subject to the terms, exceptions and conditions of this Policy in so far as they can apply.
6. The Company may at its own option arrange for representation at any Inquest or Fatal Inquiry in respect of any death which may be the subject of indemnity under this Section and may undertake the defence of proceedings in any Magistrate's Court or Court of First Instance in respect of any act or alleged offence causing or relating to any event which may be the subject of indemnity under this Section.

LIMITS OF LIABILITY PRIVATE CARS

Limit of the Company's liability Under Section 2(A)

- 1.(a) Unlimited

Limit of the Company's liability under Section 2 (A)

- 1.(b) Unlimited

In respect of any one claim or series of claims arising out of one event.

B. Applicable to Motor Cycles Only

- 1 In terms of and subject to the limits of liability stated in this Policy the Company will indemnify the insured in the event of an accident caused by or through or in connection with any Motor Cycle described in the Schedule(s) against all sums including claimants costs and expenses which the Insured shall become legally liable to pay in respect of:
 - a. Death of or bodily injury to any person except where such death or injury arises out of and in the course of the employment of such person by the Insured and excluding liability to any person being conveyed in or on such Motor Cycle.
 - b. Damage to property other than property belonging to the Insured or held in trust by or in the custody or control of the Insured or any member of the Insured's household or being conveyed by such Motor Cycle.

Provided always that the Company shall not be liable in respect of death, injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of the load to such Motor Cycle for loading thereon or the taking away of the load from such Motor Cycle after unloading therefrom.

2. The Company will pay all costs and expenses incurred with its written consent.
3. In terms of and subject to the limitations of the Indemnity which is granted by this Section to the Insured the Company will indemnify any person who is riding such Motor Cycle provided that such person;
 - a. Is not entitled to indemnity under any other Policy

- b. Shall as though, he was the Insured observe, fulfil and be subject to the terms, exceptions and conditions of this Policy in so far as they can apply.
- 4. In the event of the death of any person entitled to indemnity under this Section the Company will in respect of the liability incurred by such person indemnify his personal representatives in terms of and subject to the limitations of this Section provided that such personal representatives shall as though they were the Insured observe, fulfil and be subject to the terms, exceptions and conditions of this Policy in so far as they can apply.
- 5. The Company may at its own option arrange for representation at any Inquest or Fatal Inquiry in respect of any death which may be the subject of indemnity under this Section and may undertake the defence of proceedings in any Magistrate's Court or Court of First Instance in respect of any act or alleged offence causing or relating to any event which may be the subject of indemnity under this Section
- c. Applicable to all Vehicles other than Private Cars and Motor Cycles
 - 1) (i) Subject to the limits of liability stated in this Policy hereto the Company will indemnify the Insured against all sums including claimant's costs and expenses which the Insured shall become legally liable to pay in respect of:
 - a. Death of or bodily injury to any person caused by or arising out of the use of any vehicle described in the Schedule(s) hereto (including the loading and/or unloading of such vehicle)
 - b. Damage to property caused by the use of any vehicle described in the Schedule(s) hereto (including the loading and/or unloading of such vehicle)
 - (ii) Provided always that the Company shall not be liable in respect of :
 - a. Death, injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of the load to such vehicle for loading thereon or the taking away of the load from such vehicle after unloading therefrom;
 - b. Death of or bodily injury to any person in the employment of the Insured arising out of and in the course of such employment;
 - c. Death of or bodily injury to any person (other than a passenger carried by reason of or in pursuance of a contract of employment) being carried in or upon or entering or getting on to or alighting from such vehicle at the time of the occurrence of the event out of

**LIMITS OF LIABILITY
MOTOR CYCLES**

Limit of the Company's liability Under Section 2(B)

1. (a) Unlimited

Limit of the Company's liability under Section 2 (B)

1.(b) Rs.15,000/-

In respect of any one claim or series of claims arising out of one event.

- which any claim arises;
- d. Damage to property belonging to, or held in trust by or in the custody or control of the insured or a member of the insured's household or being conveyed by such vehicle;
 - e. Damage to any bridge and/or weigh bridge and/or viaduct and/or any road and/or anything beneath by vibration or by the weight of such vehicle and/or load carried by such vehicle;
 - L Damage to property caused by sparks or ashes from such vehicle or caused by or arising out of the explosion of the boiler of such vehicle;
 - g. Death of or bodily injury caused by or arising out of the explosion of the boiler of such vehicle unless such death or injury is caused by, or arises out of the use of such vehicle on a highway as defined in the Schedule hereto.
- 2) The Company will pay all costs and expenses incurred with its written consent.
 - 3) In terms of and subject to the limitation of the indemnity which is granted by this Section to the insured the company will indemnify any person who is driving such vehicle provided that such person;
 - a. Is not entitled to indemnity under any other Policy.
 - b. Shall as though, he was the insured observe, fulfil and be subject to the terms, exceptions and conditions of this Policy in so far as they can apply.
 - 4) In the event of the death of any person entitled to indemnity under the Section the Company will in respect of the liability incurred by such person indemnify his personal representatives in terms of and subject to the limitations of this Section provided that such personal representatives shall as though they were the Insured observe, fulfil and be subject to the terms, exceptions and conditions of this Policy in so far as they can apply
 - 5) The Company may at its own option arrange for representation at any inquest or Fatal Inquiry in respect of any death which may be the subject of indemnity under this Section and may undertake the defence of proceedings in any Magistrate's Court or Court of First Instance in respect of any act or alleged offence causing or relating to any event which may be the subject of indemnity under this Section.

LE WIN OF LIABILITY

ALL VEHICLES OTHER THAN

PRIVATE CARS AND MOTORCYCLES

Limit of the Company's liability Under Section 2(C)

1. (a) Unlimited

Limit of the Company's liability under Section 2 (C)

1. (b) Rs.15 000/-

In respect of any one claim or series of claims arising out of one event.

SECTION 3:

MEDICAL EXPENSES

(APPLICABLE TO PRIVATE CARS ONLY)
The Company will pay to the Insured the reasonable medical expenses incurred in connection with any bodily injury by violent, accidental external and visible means sustained by the Insured or any occupant of any Motor Car described in the said Schedule(s) other than a paid driver and/or attendant and/or cleaner as the direct and immediate result of an accident to such Motor Car provided that the total liability of the Company under this Clause shall be limited to Rs.1500/- in respect of anyone accident.

AVOIDANCE OF CERTAIN TERMS AND RIGHT OF RECOVERY

Nothing in this policy or any Clause herein shall affect the rights of any person indemnified by this Policy or any other person to recover an amount under or by the virtue of the provisions of the Motor Traffic Act No.14 of 1951 (as amended) Sections 102 and 105.

BUT the Insured shall repay to the Company all sums paid by the Company, which the Company would not have been liable to pay under this Policy, but for the said provisions.

APPLICATION OF LIMITS OF INDEMNITY (APPLICABLE TO ALL VEHICLES OTHER THAN PRIVATE CARS AND MOTOR CYCLES)

In the event of any accident involving indemnity to more than one person any limitation by the terms of this Policy and/or of any Clause herein of the amount of any indemnity shall apply to the aggregate amount of indemnity to all persons indemnified and such indemnity shall apply in priority to the insured

GENERAL EXCEPTIONS

(Applicable to all Vehicles)

The Company shall not be liable under this Policy in respect of:

- 1) Any accident, loss, damage and/or liability caused, sustained or incurred outside the land limits of Sri Lanka.
- 2) Any claim arising out of any contractual liability.
- 3) Any accident, loss, damage and/or liability caused, sustained or incurred whilst such vehicle is
 - a. Being used for any purpose within the definition of "Excluded Use" contained in the Schedule hereto or
 - b. Being driven by or is for the purpose of being driven by him in the charge of an "Excluded Driver" as defined in the said Schedule.
- 4) Any accident, loss, damage and/or liability (except so far as is necessary to meet the requirements of the legislation) directly or indirectly, proximately or remotely occasioned by or contributed to by or traceable to or arising out of or in connection with:
 - a. War, invasion, act of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, rebellion, revolution, insurrection, military or usurped power
 - b. Strike, riot and civil commotion.
 - c. Detention, seizure, confiscation or any attempt threat
 - d. Flood, typhoon, hurricane, cyclone, storm, tempest, tornado, volcanic eruption, earthquake or other convulsion of nature or any other atmospheric disturbances or by any direct consequences of any of the said occurrences.

CONDITIONS

- And in the event of any claim hereunder the person claiming to be indemnified shall prove that the accident, loss, damage or liability arose independently of and was in no way connected with or occasioned by or contributed to by or traceable to any of the said occurrences or any consequence thereof and in default of such proof the Company shall not be liable to make any payment in respect of such a claim.
- 1) The Policy, the Schedule and the Current Certificate of Motor Insurance shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part thereof shall bear such specific meaning wherever it may appear.
 - 2) (a) Notice shall be given in writing to the Issuing Office of the Company immediately upon the occurrence of any accident or loss or damage with due identification of the Motor Vehicle insured under this policy and in the event of any claim, every letter, claim writ, summons and/or process shall be forwarded to the Company immediately on receipt by the Insured. Notice shall also be given in writing to the Company if the Insured shall have knowledge of any impending prosecution in respect of any occurrence which may give rise to a claim under this policy. In case of theft or other criminal act which may be the subject of a claim under this Policy the insured shall give immediate notice to the Police and co-operate with the Company in securing the conviction of the offender
(b) For the purpose of this Clause, due identification shall mean identification of the damaged vehicle by providing the registration number and/or the chassis number.
 - 3) (a) No admission offer, promise, payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company which shall be entitled if it so desires to take over and conduct in the name of the Insured for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of
 - 5) Any accident, loss or damage caused by or through or in connection with any motor vehicle described in the Schedule hereto arising directly and/or indirectly whilst being driven by any person whether it be the Insured himself or any person on his order or with his permission, after consuming of intoxicating liquor or any drugs
 - 6) (a) An accident, loss or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss.
(b) Any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionizing radiations or contamination by radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exception combustion shall include any self-sustaining process of nuclear fission.

any proceedings or in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require

(b) At any time after the happening of any event giving rise to a claim or series of claims under Sub-Section 1(b) of section 2 (8) in case of a Motor Cycle OR Subsection 1(b) of Section 2(C) in case of a Motor Vehicle not being a Private Car or a Motor Cycle, of this Policy the Company may pay to the Insured the full amount of the Company's liability under that Sub-Section and relinquish the conduct of any defence settlement or proceedings and the Company shall not be responsible for any damage alleged to have been caused to the Insured in consequence of any alleged action or omission of the Company in connection with such defence, settlement or proceedings or of the Company relinquishing such conduct nor shall the Company be liable for any cost or expenses whatsoever incurred by the Insured or any claimant or other person after the Company shall have relinquished such conduct (not applicable to Private Cars).

4) The Company may at its option repair, reinstate or replace any Motor vehicle described in the Schedule(s) hereto or part thereof and/or its accessories or spare parts or may pay in cash the amount of the loss or damage, and the liability of the Company shall not exceed the actual value of the parts damaged or lost plus the reasonable cost of fitting and in no case exceed the Insured's estimate of the value (Est. Value) of such Motor Vehicle (including accessories and spare parts) as specified in the said Schedule(s), or the value of such Motor vehicle (including accessories and spare parts) at the time of

the loss or damage whichever is less. In the event of loss or damage to the Motor Vehicle and/or its accessories necessitating the supply of a part not obtainable from stocks held in Sri Lanka or in the event of the Company exercising the option to pay in cash the amount of the loss or damage the liability of the Company in respect of any such part shall be limited to :

- a. (i) the price quoted in the latest catalogue or price list issued by the Manufacturer or his Agents in Sri Lanka; or
(ii) If no such catalogue or price list exists, the price list obtained at the Manufacturer (s) plus the reasonable cost of transport otherwise than by air to Sri Lanka and the amount of the import duty, and
- b. The reasonable cost of fitting such part.

5) The Insured shall take all reasonable precautions to safeguard from loss or damage and to maintain in efficient condition any Motor vehicle described in the Schedule(s) hereto and the Company shall have at all times free and full access to examine such Motor Vehicle or any part thereof or any driver/rider or employee of the insured. In the event of any accident or breakdown such Motor Vehicle shall not be left unattended without proper precautions being taken to prevent further damage or loss and if such Motor Vehicle be driven before the necessary repairs are effected, any extension of the damage or any further damage to such Motor Vehicle shall be entirely at the Insured's own risk.

6) The Company may cancel this Policy by sending seven days' notice by registered

post to the Insured at his last known address and in such event will return to the Insured the premium paid less the pro rata thereof for the period the Policy has been in force or the Policy may be cancelled at anytime by the Insured on seven days' notice and (provided no claim has arisen during the then current period of insurance) the Insured shall be entitled to a return of premium less the premium at the Company's short period rates for the period the Policy has been in force.

7) (A) APPLICABLE ONLY TO PRIVATE CARS & MOTOR VEHICLES, OTHER THAN MOTOR CYCLES

If at the time any claim arises under this Policy there is any other existing insurance covering the same loss, damage or liability the company shall not be liable to pay or contribute more than its rateable proportion of any loss, damage, compensation costs or expenses. Provided always that nothing in this Condition shall impose on the Company any liability from which but for this Condition it would have been relieved under Sub Section 3 (a) of Section 2 (A) in case of a Private Car OR under Sub Section 3(a) of Section 2 (C) in case of a Motor vehicle other than a Private Car or Motor Cycle.

(B) APPLICABLE TO MOTOR CYCLES

If at the time any claim arises under this Policy there is any other existing insurance covering the same loss, damage or liability the company shall not be liable to pay or contribute more than its rateable proportion of any loss, damage, compensation, cost or expenses. Provided always that nothing in this condition shall impose on the Company any liability

from which but for this condition it would have been relieved under Sub Section 3 (a) of Section 2(B) in case of a Motor Cycle.

8) ARBITRATION

If any difference shall arise under this Policy such difference shall be referred to an Arbitrator.

(i) The Arbitrator shall be appointed in writing by the parties in difference, or if they cannot agree upon a single Arbitrator, to the decision of two disinterested persons as Arbitrators of whom one shall be appointed in writing by each of the parties within one calendar month after having been required so to do in writing by the party. In case either party shall refuse or fail to appoint an Arbitrator within one calendar month requiring an appointment, the other party shall be at liberty to appoint a sole Arbitrator.

(ii) In case of disagreement between the Arbitrators, the difference shall be referred to the decision of the Chairman/ Umpire who shall have been appointed by them in writing before entering on the reference, and who shall sit with the Arbitrators and preside at their meetings and the making of an award shall be a condition precedent to any right of action against the Company.

(iii) If the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to Arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

(iv) Arbitration shall take place in Colombo.

9) The due observance and fulfilment of the terms, conditions and clauses of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the said proposal and in all other declarations made by the Insured to the Insurer, shall be conditions precedent to any liability of the Company to make any payment under this policy.

10) The Insured shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon their paying for or making good any loss or damage under this Policy whether such acts and things shall be or become necessary or required or after his indemnification by the Company

11) If the claim be in any respect fraudulent or if any false declaration be made or used in support of any claim, or if any fraudulent means or devices are used by the Insured or any one or more acting on his behalf, in order to obtain any benefit under this Policy or if the loss or damage be occasioned by any wilful act, or with the connivance of the insured, all benefits under this policy shall be forfeited.

12) CONDITION OF AVERAGE

It is hereby declared and agreed that, if the

vehicle hereby insured shall at the time of loss or damage covered by the policy, be collectively of greater market value than the value declared by the Insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly. Every vehicle, if more than one, shall be separately subject to this condition. It is further understood and agreed that the market value of the vehicle means the value of a vehicle of equal make, model and of similar condition.

13) PREMIUM PAYMENT WARRANTY

1. Notwithstanding anything herein contained but subject to clause 2 and 3 hereof, it is hereby agreed and declared that the full premium due and payable in respect of this insurance is required to be settled to the company on or before the premium due date specified in the schedule of this policy, renewal certificate, endorsement or cover note (which shall be a date not exceeding sixty(60) days from the date of inception of the policy) and in the absence of any such premium due date, the full settlement of the premium is required to be made or effected on or before the expiry of the sixtieth (60th) day from the date of inception of this policy, renewal certificate, endorsement or cover note (hereinafter referred to as the "due date"). For the purpose of this warranty the "due date" shall be recognized from the date of inception or commencement of the coverage.

2. It is also declared and agreed that the settlement of the full premium on or before the due date shall operate as a condition precedent to the company's liability or an obligation to settle a claim under this policy, renewal certificate, endorsement or cover note. In the event

any claim arises between the date of commencement of this insurance and the "due date" for the settlement of premium, the company may defer any decision on liability or postpone the settlement of any such claim until full settlement of the premium is effected on or before the "due date" .

It is also declared and agreed that where the full premium payable hereunder remains outstanding as at the closure of business of the insurer on the "due date" then the cover under this insurance and any obligations assumed or inputted under this insurance shall stand to be cancelled, ceased and revoked immediately. However, such cancellation will not prejudice the rights of the Company to invoke any legal defences or to recover the full or any part of the defaulted premium attributable to the expired period of the insurance.

IT IS HEREBY UNDERSTOOD AND AGREED THAT THE FOLLOWING CLAUSES ARE INCORPORATED INTO THIS POLICY PROVIDED SUCH CLAUSES ARE MENTIONED IN THE SCHEDULE OF THIS POLICY. ALL TERMS, CONDITIONS AND EXCEPTIONS OF THE POLICY SHALL APPLY EXCEPT IN SO FAR AS THEY ARE EXPRESSLY VARIED

CLAUSE 1 - THIRD PARTY ONLY

It is hereby understood and agreed that Section 1 (and its Exceptions) and 3 of this Policy are cancelled.

It is further understood and agreed that the printed wording of Condition 5 of the Policy is also cancelled and is replaced by the following new Condition :

"Condition 5 : The Insured shall take all reasonable steps to maintain the Motor Vehicle in efficient condition and the Company shall have at all times free and full access to examine the Motor Vehicle or any part thereof or any driver/rider or employee of the Insured".

CLAUSE 2 - THIRD PARTY FIRE AND THEFT

It is hereby understood and agreed that notwithstanding anything to the contrary contained in Section 1 of this Policy, the Company shall not be liable thereunder except in respect of loss or damage by fire, external explosion, self ignition, lightning or burglary, housebreaking or theft. It is further understood and agreed that Section 3 of this Policy is deemed to be cancelled.

CLAUSE 3 - FLOOD & NATURAL PERILS

Notwithstanding anything to the contrary contained in General Exceptions 4 (section (d) of the policy), it is hereby declared and agreed in consideration of an additional premium, any accident, loss and/or liability directly or indirectly, proximately or remotely occasioned by, contributed to by or traceable to or arising out of or in connection with Flood, Typhoon, tornado, tidal Waves, Hurricane, Storm, Tempest, Cyclone, Hailstorm or other atmospheric disturbances, Volcanic Eruptions, Earthquake, Landslide, Earth Slip or other convulsion of nature is covered under this policy.

For the purpose of this clause "Flood" shall mean the escape of water from normal confines of any natural or artificial water course or lake or reservoir or canal or dam.

Exclusions - Inundation by the sea if not caused by the aforementioned covered perils.

Other atmospheric disturbances and convulsions of nature not related to the aforementioned covered perils, Subsidence, Sea erosion.

CLAUSE 4 STRIKE, RIOT AND CIVIL COMMOTION ENDORSEMENT

The words: "Strike, Riot and Civil Commotion" in General Exception 4 of this Policy shall not apply to any accident, loss, damage or liability directly cause by

- 1) The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out),
- 2) The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequence of such disturbance,
- 3) The wilful act of any striker or locked out worker done in furtherance of a strike or in resistance to a lock out,
- 4) The action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

Provided that the indemnity given by reason of the Clause shall not apply to any accident, loss, damage or liability (except so far as is necessary to meet the requirements of the Legislation) directly or indirectly, proximately or remotely occasioned by or contributed to by or traceable to or arising out of or in connection with: -

- a) War, invasion, act of foreign enemies, hostilities or warlike operations (whether war be declared or not) civil war.
- b) Mutiny, civil commotion assuming the proportions of or amounting to a popularising, military rising, insurrection, rebellion, revolution, military or usurped power, martial

law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.

- c) Any act of terrorism which means an act, including but not limited to the use of force or violence and/ or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or Government(s), committed for political, religious, ideological or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public in fear.

Further any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by or resulting from any action taken in controlling, preventing, suppressing action during any engagement between Government forces and any group as defined about on land, sea or air shall be regarded as falling within the definition of Terrorism above.

In the event of any claim hereunder the Insured shall prove that the accident, loss, damage or liability arose independently of and was in no way connected with or occasioned by or contributed to by or traceable to any of the said occurrences or any consequence thereof and in default of such proof the Company shall not be liable to make any payment in respect of such a claim.

It is further declared and agreed notwithstanding what is stated in the condition No.6 of the Policy, this insurance may at any time be terminated by the insurers on notice to that effect being given by registered post to the Insured's last known address, in which case the insurers shall be liable to repay a rateable proportion of the premium for the unexpired term from the date of cancellation. If the

insurance be terminated at the request of the Insured the Company shall not be liable to repay the premium or any part thereof.

It is further declared and agreed that this extension is subject to the following exclusions.

A. INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIOCHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

This clause shall be paramount and shall override anything contained in this insurance inconsistent herewith

- 1 In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from
 - 1.1 Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.
 - 1.2 The radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
 - 1.3 Any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 1.4 The radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this Sub-Clause does not extend to radioactive isotopes, other than nuclear-fuel, when such isotopes are being prepared, carried, stored, or used for commercial agricultural, medical, scientific, or

other similar peaceful purposes.

- 1.5 Any chemical, biological, biochemical or electromagnetic weapon.

B. INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

- 1.1 Subject only to Clause 1.2 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means of inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- 1.2 Where this Clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme of any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

This extension is granted for and on behalf of the (NITF) National Insurance Trust Fund and any liabilities whatsoever under this specific extension shall devolve solely upon the said fund. If any action, suit or proceeding where it is alleged that any loss or damage is not covered

by this endorsement, the burden of proving that such loss or damage is covered shall be upon the Insured

Subject otherwise to the terms, conditions, exclusions and exceptions of the Policy.

**CLAUSE 5 TERRORISM
ENDORSEMENT MOTOR**

In consideration of a payment of an additional premium, it is hereby declared and agreed that notwithstanding anything contained to the contrary in the Riot & Strike and Civil Commotion endorsement/clause/extension of the within written policy, the insurance granted therein is extended to include loss or damage other than Consequential Losses of any kind directly relating to or caused by any act of terrorism which means an act, including but not limited to the use of force or violence and/ or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or Government(s), committed for political, religious, ideological or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public in fear.

Further any loss, damage cost or expense of whatsoever nature directly or indirectly caused by, or resulting from any action taken in controlling, preventing, suppressing action during any engagement between government forces and any group as defined about on land, sea or air shall be regarded as falling within the definition of Terrorism above.

PROVIDED that this insurance does not cover:

- a. Consequential or indirect loss or damage of any kind or description whatsoever,
- b. Loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation

of any process or operation,

- c. Loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.

The maximum liability in respect of damage to any one insured vehicle shall not exceed Rs..... or the sum insured whichever is less under this clause in respect of any one event.

Notwithstanding what is stated to the contrary in the Policy if the Terrorism extension to the Policy is being cancelled by the Insurer a pro rata refund will be allowed to the Insured. However, no return of premium shall be granted if this cover is cancelled at the request of the Insured.

It is further declared and agreed that this extension is subject to the following exclusions:

**A. INSTITUTE RADIOACTIVE
CONTAMINATION, CHEMICAL,
BIOLOGICAL, BIOCHEMICAL
AND ELECTROMAGNETIC
WEAPONS EXCLUSION CLAUSE**

This Clause shall be paramount and shall override anything contained in this insurance inconsistent herewith.

- 1 In no case shall this insurance cover loss, damage liability or expense directly or indirectly caused by or contributed to by or arising from
 - 1.1. Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.
 - 1.2. The radioactive, toxic explosive or other hazardous or contaminating properties of any nuclear

installation, reactor or other nuclear assembly or nuclear component thereof.

- 1.3. Any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 1.4. The radioactive, toxic explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear-fuel, when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific, or other similar peaceful purposes.
- 1.5. Any chemical, biological, biochemical or electromagnetic weapon.

B. INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

- 1.1 Subject only to Clause 1.2 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- 1.2 Where this Clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall

not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme of any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

This extension is granted for and on behalf of the NITF and any liabilities whatsoever under this specific extension shall devolve solely upon the said fund. If any action, suit or proceeding where it is alleged that any loss or damage is not covered by this endorsement, the burden of proving that such loss or damage is covered shall be upon the Insured.

Subject otherwise to the terms, conditions, exclusions and exceptions of the Policy.

CLAUSE 6 - WORKMEN'S COMPENSATION INSURANCE

In consideration of the insured having paid an additional premium, the Company undertakes to pay Compensation in terms of the Workmen's Compensation Ordinance, 1934, and subsequent amendments of the said Ordinance passed prior to the date of issue of this Clause in respect of personal injury to any paid driver and/or attendant/cleaner and/or labourer(s) of any motor vehicle described in the Schedule(s) hereto while engaged in the service of the Insured and will in addition be responsible for all costs and expenses incurred with its written consent.

The Insured shall certify at the expiry of each period of insurance the maximum number of drivers, (and/or attendants/cleaners and/or labourers) employed at any one time during such period in connection with the vehicle(s) described in the Schedule of this Policy and the premium shall be adjusted accordingly.

Provided always that:

- (i) This Clause does not indemnify the

Insured in respect of liability directly or indirectly, proximately or remotely occasioned by or contributed to by or traceable to or arising out of or in connection with war, invasion, act of foreign enemy, hostilities or war like operations (whether war be declared or not) civil war, mutiny, insurrection, rebellion, revolution, conspiracy, military or usurped power.

This Clause does not indemnify the Insured in respect of any liability in cases where the Insured holds or subsequently effects with any insurer or group of Underwriters, a Policy of insurance in respect of liability as herein defined for the general employees.

- (iii) The Insured shall take reasonable precautions to prevent accidents and shall comply with all statutory obligations.
- (iv) The Insured shall keep a record of the names of each driver/attendant/cleaner or labourer employed and amount of wages, salary and other earnings paid to such employees and shall at all times allow the company to inspect such record.
- (v) The premium paid in respect of this Clause shall not be the subject of the rebate provided under the "No-Claim" Rebate Clause of this policy. Any payment made by reason of this Clause shall not be deemed to be a claim under the Policy for the purpose of the said "No-Claim" Rebate Clause.
- (vi) In the event of the Policy being cancelled at the request of the Insured no refund of the premium paid in respect of this Clause will be allowed.
- (vii) Labourers being conveyed on the insured vehicle for the purpose of loading or unloading shall not be considered as attendants for the purpose of this Clause.
- (viii) Such compensation shall only be payable where the employee or his dependants as

the case may be agree to accept it in full satisfaction and discharge of claims against the Insured. Failing such agreement, the Company will indemnify the Insured against his legal liability at Common Law and will in addition be responsible for all costs and expenses incurred with its written consent. (Applicable to Private Cars Only).

CLAUSE 7 TERRORISM COVER FOR WORKMEN'S COMPENSATION INSURANCE TO DRIVER/CLEANER/ ATTENDANT

In consideration of the payment of an additional premium, it is hereby declared and agreed that notwithstanding anything contained to the contrary in the proviso (a) of the Workmen's Compensation Insurance Endorsement attached to the policy, cover provided thereunder is extended for payment of compensation for death or bodily injury to the categories of employees described in the schedule directly relating to or caused by any act of terrorism which means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or Government(s), committed for political, religious, ideological or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or, any section of the public in fear.

Further any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, or resulting from any action taken in controlling, preventing, suppressing action during any engagement between Government forces and any group as defined about on land, sea, or air shall be regarded as falling within the definition of Terrorism above.

The indemnity payable under this endorsement

shall however not exceed Rs.550,000/- per employee and is restricted to occurrences whilst on duty excluding liability under Common Law. Notwithstanding what is stated to the contrary in the Policy if the Terrorism extension to the Policy is being cancelled by the Insurer a pro rata refund will be allowed to the Insured. However, no return of premium shall be granted if this cover is cancelled at the request of the Insured.

It is further declared and agreed that this extension is subject to the following exclusions.

A. INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIOCHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

This Clause shall be paramount and shall override anything contained in this insurance inconsistent herewith.

- 1 In no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from
 - 1.1 Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.
 - 1.2 The radioactive, toxic explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
 - 1.3 Any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
 - 1.4 The radioactive, toxic explosive or other hazardous or contaminating properties of any radioactive matter.

The exclusion in this Sub-clause does not extend to radioactive isotopes, other than nuclear-fuel, when such isotopes are being prepared, carried, stored, or used for commercial agricultural, medical, scientific, or other similar peaceful purposes.

- 1.5 Any chemical, biological, biochemical or electromagnetic weapon.

B. INSTITUTE CYBER ATTACK EXCLUSION CLAUSE

- 1.1 Subject only to Clause 1.2 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- 1.2 Where this Clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme of any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

This extension is granted for and on behalf of the NITF and any liabilities whatsoever under

this specific extension shall devolve solely upon the said fund. If any action, suit or proceeding where it is alleged that any death or total permanent disability is not covered by this endorsement, the burden of proving that such loss or damage is covered shall be upon the Insured.

Subject otherwise to the terms, conditions, exclusions and exceptions of the Policy.

CLAUSE S TOWING CHARGES

In consideration of the insured having paid an additional premium, it is hereby understood and agreed that the maximum amount payable in respect of item 4 of Section 1 of the Policy is increased to the amount stated in the Schedule subject to the terms, exceptions and conditions of this policy.

CLAUSE - 9 AIR BAG EXTENSION

In consideration of the payment of an additional premium, it is hereby declared and agreed that the within written Policy is extended to include cover for new air bag (s) replacement as a result of loss/damage caused to the vehicle up to but not exceeding the sum specified in the Schedule of the within written Policy in respect of any one occurrence.

CLAUSE - 10 BREAKAGE OF GLASS WINDSCREEN / WINDOWS

In consideration of the Insured having paid an additional premium, it is hereby agreed that if any glass in the windscreen or windows of the insured vehicle shall be broken not involving other damage to body work, the Company will pay the cost of reinstatement of such windscreen/ windows and scratched body work irrespective of cause of breakage up to but not exceeding the sum so stated in the Schedule of the Policy for any one occurrence. Further such payment will be made without prejudice to any No Claim Bonus otherwise due and irrespective of any "Excess" operative under the Policy. Subject otherwise to the terms, exceptions and conditions of this policy.

CLAUSE 11 THIRD PARTY PROPERTY DAMAGE

It is hereby understood and agreed, subject otherwise to the terms, exceptions and conditions of this Policy the Company will indemnify the Insured against all sums including claimant's costs and expenses which the Insured shall become legally liable to pay in respect of damage to property caused by the use of any vehicle described in the Schedule(s) thereto but such indemnity is limited to the sum stated in the Schedule(s) in respect of any one accident.

CLAUSE - 12 PERSONAL ACCIDENT BENEFITS

In consideration of the insured having paid an additional premium, it is hereby understood and agreed that the Company undertakes to pay compensation on the scale provided below for bodily injury as hereinafter defined sustained by any person stated in the Schedule whilst mounting into, dismounting from or travelling in any vehicle described in the Schedule(s) hereto and caused by violent, accident, external and visible means independently of any other cause (excepting medical or surgical treatment consequent upon such injury) which shall within three calendar months of the occurrence of such injury result in:

SCALE OF COMPENSATION

(Applicable on the Sum Insured mentioned in the Schedule of the Policy)

- | | | |
|----|--|-------|
| 1. | Death | 100% |
| 2. | Total and irrecoverable loss of all sight in both eyes or total loss by physical severance at or above the wrist or ankle of both hands or both feet or of one hand together with one foot | 100 % |
| 3. | Total loss by physical severance at or above the wrist or ankle of one hand or one foot or the total and irrecoverable loss of all sight in one eye | 50% |

Provided always that:

- (a) Compensation shall be payable under one only of items (1) to (3) above in respect of any such person arising out of any one occurrence and the total liability of the Company shall not in the aggregate exceed the amount payable under items of the scale of compensation or the multiple thereof as stated in the Schedule(s).
- (b) No compensation shall be payable in respect of death or bodily injury directly or indirectly wholly or in part arising or resulting from or traceable to (1) intentional self injury, suicide or attempted suicide, physical defect or infirmity or (2) an accident happening whilst such person is under the influence of intoxicating liquor or drugs.
- (c) Such compensation shall be payable only with the approval of the Insured and directly to the insured person or to his legal personal representatives whose receipt shall be a full discharge of liability in respect of the injury to such person.
- (d) Not more than the number of persons specified in the Certificate of Registration are in the said vehicle at the time of occurrence of such injury.
- (e) Such person is not less than 16 or more than 65 years of age at the time of such death or injury.

CLAUSE - 13 PASSENGER RISK

(Applicable to Commercial Vehicles)

In consideration of the payment of an additional

premium, it is hereby understood and agreed that notwithstanding anything to the contrary contained in Sub-Section 1 (ii) (c) of Section 2

(C) of this Policy but subject otherwise to the terms, exceptions and conditions of this Policy the Company will indemnify the insured, or any other person indemnified under Section 2 of this Policy against all sums including claimants costs and expenses, which he shall become legally liable to pay in respect of death of or bodily injury to any passenger being carried in or upon or entering or getting on to or alighting from any vehicle described in the Schedule(s) thereto but such indemnity is limited to the sum specified in the Schedule(s) in respect of any one such passenger.

Provided always that in the event of an accident occurring whilst such vehicle is carrying more than the number of seats specified in the Schedule(s) (in addition to the conductor/ attendant if any, and the driver) the Insured shall repay to the Company a rateable proportion of the total amount payable by the Company by reason of this Clause in respect of such accident in connection with such vehicle.

CLAUSE - 14 EXCLUDED ITEMS

(Hiring Vehicles only)

In consideration of a payment of an additional premium. it is hereby declared and agreed that the Company will indemnify the insured in respect of damage to lamps, tyres, mudguards, buffers, buffer brackets, buffer aprons and/or paint work

This policy is subject to an excess of Rs.1000/- for each and every claim

Irrespective of any other excesses

CLAUSE - 15 HIRE VEHICLES - HIRER DRIVING

In consideration of the payment of an additional premium. It is hereby understood and agreed that not with standing anything to the contrary contained in this Policy unless the

vehicle described in this Schedule(s) hereto is being driven by or is for the purpose of Rent or I-liner-driving being driven by a person in the charge of the Insured or a person in his employ the Policy shall be operative only while such vehicle is let on hire by the insured to any person (hereinafter called the "Hirer") who:-

- (1) Shall have entered into a hire Contract with the Insured.
- (2) Shall have satisfied the Insured.
 - a. That such vehicle will be driven only by a person duly licensed to drive .
 - b. That such person has not been refused Motor Insurance or had his insurance Policy cancelled or had special conditions imposed or had increased premium asked for by reason of claims experience.

While such vehicle is let on hire to Hirer the Company shall not be liable

- i. for any loss, damage or liability due to or arising from theft or conversion by the Hirer.
- ii. If such vehicle is used by the Hirer for the carriage of passengers and/or goods for hire or reward

It is further understood and agree that it is a condition precedent to any liability under this policy that the Insured shall have forwarded to the company the certified copy of the contract of Hire referred to above completed by the hirer immediately after receipt thereof which form as well as the proposal and declaration referred to this policy shall be the basis of the contract expressed in this clause so far as it relates to the indemnity which is operative while such vehicle is let on hire to Hirer
Further the following compulsory excess will apply

Motor Cycles	Rs. 2(X)0/-
All other vehicles	Rs. 5,000/-

CLAUSE - 16 GOODS IN TRANSIT (NON HAZARDOUS)

In consideration of the insured having paid an additional premium, it is hereby declared and agreed that the Company will, subject to the terms, exceptions and conditions of this Policy, indemnify the Insured against damage (other than including damage caused directly or indirectly by fire or explosion or strike, riot, civil commotion unless specifically covered) to goods while being conveyed in or on any vehicle described in the Schedules directly caused by collision or impact of such vehicle with any object or by the overturning of such vehicle but such indemnity is limited to the sum stated in the Schedule(s) in respect of any one occurrence.

Provided that if the goods being conveyed by such vehicle shall at this time of the accident be collectively of greater value than the sum insured hereby then, the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the cost of such damage accordingly.

It is further declared and agreed that the Company shall not be liable under this Clause in respect of damage to:

- | | |
|---------------------------|--------------------------------|
| Clocks or Watches | Electrical Appliances or Paris |
| Glassware | Pictures, PInts or Drawings |
| Ornaments | Goods in Glass containers |
| Wines or Spirits | Petroleum |
| Jewellery | Fibre |
| Furniture | Cotton Waste |
| Livestock | Paper Waste |
| Scientific Instruments | Explosives |
| Chinaware and Earthenware | |

For the purpose of this Clause the expression "occurrence" shall mean an occurrence or series of occurrences arising out of one cause in connection with any one vehicle in respect of which indemnity is provided under this Clause.

CLAUSE - 17 GOODS IN TRANSIT (HAZARDOUS)

In consideration of the insured having paid an additional premium, it is hereby declared and agreed that the Company will, subject to the terms, exceptions and conditions of this Policy, indemnify the Insured against damage (other than including damage caused directly or indirectly by fire or explosion or strike, riot, civil commotion unless specifically covered) to goods while being conveyed in or on any vehicle described in the Schedules directly caused by collision or impact of such vehicle with any object or by the overturning of such vehicle but such indemnity is limited to the sum stated in the Schedule(s) in respect of any one occurrence. Provided that if the goods being conveyed by such vehicle shall at the time of the accident be collectively of greater value than the sum insured hereby then the Insured shall be considered as being his own Insurer for the difference and shall bear a rateable share of the cost of such damage accordingly.

For the purpose of this Clause the expression "occurrence" shall mean an occurrence or series of occurrences arising out of one cause in connection with any one vehicle in respect of which indemnity is provided under this Clause.

The cover provided under the within Clause does not include any petroleum, fibre, cotton, cotton waste, paper waste, explosives and damages/ losses arising out of strike, riot or Civil Commotion unless specifically covered.

Subject otherwise to the terms, exceptions and conditions of this policy.

CLAUSE - 18 TERRORISM COVER FOR GOODS IN TRANSIT

In consideration of the payment of an additional premium, it is hereby declared and agreed that the terms and conditions of the Strike, riot & Civil

Commotion and the Terrorism Endorsement attached to this Policy shall be applicable to the cover granted by this Endorsement.

However, in respect of any claim that would not have been payable but for the said Strike, Riot & Civil Commotion Endorsement and the Terrorism Endorsement, the Insured shall be responsible for the first 10 % of the Sum Insured for goods subject to a minimum amount of Rs.5000/- each and every loss.

Furthermore, the Company's liability in respect of any one loss shall not exceed a maximum of Rs. 5 M or the sum insured whichever is less any one loss/occurrence.

Upon the occurrence of any event giving rise to a claim hereunder this insurance shall be reinstated by the Insured upon payment of an additional premium calculated at 100% pro rata to the amount only.

Notwithstanding what is stated to the contrary in the Policy if the Terrorism extension to the Policy is being cancelled by the Insurer a pro rata refund will be allowed to the Insured. However, no return of premium shall be granted if this cover is cancelled at the request of the Insured.

It is further declared and agreed that this extension is subject to the following exclusions:

A. INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIOCHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

This Clause shall be paramount and shall override anything contained in this insurance inconsistent herewith.

1. In no case shall this insurance cover loss, damage liability or expense directly or indirectly caused by or contributed to by or arising from

- 1.1 Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.
- 1.2 The radioactive, toxic explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
- 1.3 Any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 1.4 The radioactive, toxic explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this Sub-clause does not extend to radioactive isotopes, other than nuclear-fuel, when such isotopes are being prepared, carried, stored or used for commercial, agricultural, medical, scientific, or other similar peaceful purposes.
- 1.5 Any chemical, biological, biochemical or electromagnetic weapon.

- 1.2 Where this Clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme of any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

This extension is granted for and on behalf of the NITF and any liabilities whatsoever under this specific extension shall devolve solely upon the said fund. If any action, suit or proceeding where it is alleged that any loss or damage is not covered by this endorsement, the burden of proving that such loss or damage is covered shall be upon the Insured.

Subject otherwise to the terms, conditions, exclusions and exceptions of the Policy.

CLAUSE - 19 OMNI BUSES WITH ROUTE PERMITS

It is hereby understood and agreed that notwithstanding anything to the contrary contained in Section 2 (C) of this Policy but subject otherwise to the terms, exceptions and conditions of this Policy, the Company will indemnify the Insured or any other person indemnified under Section 2 of this Policy against all sums including claimants costs and expenses which he shall become legally liable to pay in respect of damage to property and death of or bodily injury to any passenger being carried in or upon or entering or getting on to or alighting from any vehicle described in the Schedule thereto.

B. INSTUTE CYBER ATTACK EXCLUSION CLAUSE

- 1.1 Subject only to Clause 1.2 below, in no case shall this insurance cover loss, damage, liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means of inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

Provided always that in the event of an accident occurring whilst such vehicle is carrying more than the seating capacity stated in the Certificate of Registration (in addition to the Conductor/ attendant if any and the Driver) the Insured shall repay to the Company a rateable proportion of the total amount payable by the Company by reason of this Clause in respect of such accident in connection with such vehicle.

In consideration of this extension the Insured shall bear compulsory excess of Rs.1500/- on each and every claim irrespective of any other excess under Section 1 of the Policy.

**CLAUSE - 20 THEFT' OF PARTS
EXTENSION (PRIVATE DUAL PURPOSE
VEHICLES ONLY)**

In consideration of the payment of an additional premium, it is hereby declared and agreed that the within written policy is extended to indemnify the Insured for loss of or damage to accessories spare parts and/or integral parts by burglary, house breaking or theft in the event the vehicle is not stolen at the same time.

In consideration of this extension the Insured shall bear the first Rs.2000/- on each and every claim irrespective of any other excesses if any, subject to the terms, exceptions and conditions of the policy.

CLAUSE 21 LEARNER DRIVER/ RIDER

In consideration of the insured having paid an additional premium. it is hereby declared and agreed that notwithstanding to the contrary the within written Policy is extended to be operative whilst the person(s) described in the Schedule(s) learns to drive the vehicle, described in the Schedule(s) provided that the Insured shall have conformed to the requirements of the Motor Traffic Act, in regard to Learner Driver/ Rider.

In consideration of this extension, the Insured shall be responsible, for the first Rs.2500/- (or any less expenditure which may be incurred) of any expenditure for which Provision is made under Section 1 and 2 of this Policy (including any payments in respect of costs and expenses) and of expenditure by the Company in the exercise of its discretion under Condition 2 of this Policy, in respect of each and every event whilst the person(s) described in the Schedule(s) is learning to drive.

If the expenditure incurred by the Company shall include the amount for which the Insured is responsible hereunder, such amount shall be repaid by the Insured to the Company forthwith.

For the purpose of this Clause the expression 'event' shall mean an event or series of events arising out of one cause in connection with any one vehicle in respect of which indemnity is granted under this Policy.

The amount for which the Insured is responsible under this Clause shall be considered in addition to any excess Clauses already in the Policy.

CLAUSE - 22 HIRE PURCHASE/ LEASE

In consideration of the insured having paid an additional premium. it is hereby understood and agreed that the Institution stated in the Schedule(s) (hereinafter referred to as the Owners) are Owners of the vehicle described in the Schedule(s) hereto

and that the said vehicle is the subject of a Hire Purchase / Lease Agreement made between the Owners of the one part and the Insured of the other part, and it is further understood and agreed that the said Owners are interested in any monies which but for this Clause would be payable to the Insured under this Policy in respect of loss or damage to the said vehicle (which loss or damage is not made good by repair, reinstatement or replacement) and such monies shall be paid to the said Owners as long as they are the Owners of the vehicle and their receipt shall be full and final discharge to the Company in respect of such loss or damage.

Save as by this Clause expressly agreed nothing herein shall modify or affect the rights or liabilities of the Insured or the Company respectively under or in connection with this Policy or any condition or term thereof

CLAUSE - 23 DRIVING TUITION

In consideration of the insured having paid an additional premium, it is hereby declared and agreed that notwithstanding anything to the contrary contained herein the within written Policy is extended to be operative whilst the Insured or his authorised representative uses the vehicle described in the Schedule hereto for driving tuition subject to the requirements of Motor Traffic Act No. 14 of 1951 (as amended) in regard to the learners.

In consideration of this extension the Insured shall bear the first Rs.2,500/- on each and every claim irrespective of any other excess under the Policy.

CLAUSE - 24 INSTITUTIONAL LOAN

it is *hereby* understood and agreed that in consideration of monies advanced on the security of the vehicle described in the Schedule(s) hereto the institution stated in the Schedule(s) are interested in any monies which but for this Clause would be payable to the Insured under this Policy in respect of loss or damage to the said vehicle (which loss or damage is not made good by repair, reinstatement or replacement) and such monies shall be paid to the said institution as long as they are interested in the said vehicle and their receipt shall be a full and final discharge to the Company in respect of such loss or damage.

CLAUSE - 25 VOLUNTARY EXCESS ALL CLAIMS

It is hereby understood and agreed that notwithstanding anything to the contrary contained in Section 1 and 2 of this Policy the Insured in respect of each and every event shall be responsible for the amount specified in the

schedule (s) (or any less expenditure which may be incurred) of any expenditure for which provision is made thereunder (including any payments in respect of costs and expenses) and of any expenditure by the Company in the exercise of its discretion under Condition 4 of this Policy.

If the expenditure incurred by the Company shall include the amount for which the insured is responsible hereunder such amount shall be repaid by the Insured to the Company forthwith.

For the purposes of this Clause the expression 'event' shall mean an event or series of events arising out of one cause in connection with anyone Motor Vehicle in respect of or in connection with which indemnity is granted under this Policy.

CLAUSE - 26 COMPULSORY EXCESS

It is hereby understood and agreed that notwithstanding anything to the contrary contained in Section 1 of this Policy the Insured in respect of each and every event shall be responsible for the sum specified in the Schedule(s) (or any less expenditure which may be incurred) of any expenditure for which provision is made thereunder (including any payments in respect of costs and expenses) and of any expenditure by the Company in the exercise of its discretion under Condition 4 of this Policy.

If the expenditure incurred by the Company shall include the amount for which the Insured is responsible hereunder such amount shall be repaid by the Insured to the Company forthwith.

For the purposes of this clause the expression 'event' shall mean an event or series of events arising out of one cause in connection with any one Motor Vehicle in respect of or in connection with which indemnity is granted under this Policy.

CLAUSE - 27 DUTY FREE VEHICLE

It is hereby declared and agreed that the Estimated Value which includes accessories and spare parts appearing in the Schedule(s) of the within Policy as declared by the Insured, excludes the local Customs Duty.

In Consideration of the above it is hereby declared and agreed that in the event of a claim under Section 1 of this Policy necessitating the replacement of parts, the liability of the company for such parts shall exclude the local customs duty of such parts.

