**PRIVATE VEHICLES COMPREHENSIVE POLICY WORDING**

**Whereas** the Insured by a Proposal and declaration dated as stated in the schedule which shall be the basis of this contract and is deemed to be incorporated herein has applied to the insurer for rance hereinafter contained and has paid or agreed to pay the premium as consideration for such insurance in respect of accident loss or damage occurring during the period of insurance.

**NOW THIS POLICY WITNESSETH** that subject to the terms, exceptions and conditions contained herein or endorsed or otherwise expressed hereon.

**SECTION-1: OWN DAMAGE**

1. The Insurer will indemnify the insured against loss of or damage to the Motor Vehicle and or its accessories whilst there on :

(a) by fire, explosion, self Ignition or lighting

(b) by burglary, housebreaking or theft

(c) by riot and strike including malicious and terrorist activities

(d) by Earthquake (Fire and Shock Damage)

(e) by flood, Typhoon, Hurricane, Tempest, Inundation, Cyclone, Hailstorm, Frost;

(f) by accidental external means

(g) Whilst in transit by road, rail, inland waterway, lift, elevator or air. Subject to deduction for depreciation at the scale mentioned below in respect of parts replaced :

(I) For all rubber, nylon, plastic parts tyre and battery 50%

(ii) For all parts made of glass Nil

(iii) For all other parts

AGE OF VEHICLE % DEPRECIATION

Upto 6 months Nil

Between 6 months and 1 year. 5%

Between 1 year and 2 years 10%

Between 2 year and 3 years 15%

Between 3 year and 4 years 25%

Between 4 year and 5 years 35%

Between 5 year and 6 years 40%

Over 7 years 50%

No under Insurance shall be applied at the time of loss.

2. The Insurer shall not be liable to make any payment in respect of:

(a) Consequential loss, depreciation, wear and tear, machanical or Electrical breakdown failures or breakages and

(b) Damage to Tyres unless the Motor Vehicle is damaged at the same time when the liability of the insurer is limited to 50% of the cost of replacement:

(c) Any accidental loss or damage suffered whilst the insured or any person driving with the knowledge and consent of the insured is under the influence of intoxicating liquor or drugs.

3. In the event of Motor Vehicle being disabled by reason of loss or damage covered under this policy the insurer will bear the reasonable cost of protection and removal to the nearest repairers and of redelivery to the Insured but not exceeding in all Tk. 1000.00 (One thousand) in respect of anyone accident.

4. The Insured may authorise the repair of the Motor Vehicle necessitated by damage for which the insurer may be liable under this policy provided that:

(a) the estimated cost of such repair does not exceed Tk. 5000.00 (Five Thousand)

(b) the insurer is furnished forthwith a detailed estimate of the cost and

(c) the insured shall give the insurer every assistance to see that such repair is necessary and the change reasonable.

**COMPULSORY EXCESS (APPLICABLE TO SECTION-1)**

a) Each and every claim under Section-1 of this policy shall be subject to a compulsory Excess of 1% (one) percent of the sum insured with a minimum of Tk. 3000.00 (Three Thousand) only;

b) The insurer shall not be liable for the first amount indicated below (or any less expenditure which may be incurred) being the first part of any expenditure for which provision is made under Section 1 of this Policy in respect of each and every event occurring whilst the motor vehicle is being driven or is for the purpose of being driven by him in the charge of any person who :

is under 25 years of age Tk. 1000.00

c) is over 25 years of age and

(i) has held a valid driving licence other than learner's driving licencee

for a period more than 2 years but less than 3 years Tk. 500.00

(ii) has held a valid driving licence other than learner's driving licence for a period more than 1 year but less than 2 years Tk. 700.00

(iii) has held a valid driving licence other than leamer's driving licence for a period less than 1 year Tk. 800.00

If the expenditure Incurred by the Insurer shall include the amount for which the Insured is responsible hereby such amount shall be repaid by the Insured to the Insurer forthwith.

For the purposes of this Clause the expression "event" shall mean on event or series of events arising out of one cause in connection with the Motor Vehicle. The Clause shall not apply to loss or damage caused by fire, self ignition, lightning or explosion.

**SECTION-II: LIABILITY TO THIRD PARTIES**

1. The Insurer will indemnify the insured in the event of accident by or arising out of the use of the Motor Vehiclcle against all sums including claimant's cost and expenses which the Insurer shall become legally liable to pay in respect of:

i) death of or bodily injury to any person but except so far as is necessary to meet the requirements of section 110 of the Motor Vehicles Amendment Act, 1991 the Insurer shall not be liable where such death or injury arises out of and in the employment of such person by the Insured.

ii) damage to property other than property belonging to the insured or held in trust by or in the custody or control of the insured.

2. The Insurer 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 insurer will indemnify any driver who is driving the Motor Vehicles on the insured's order or with his permission provided that such driver 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.

4. In the event of the death of any person entitled to indemnity under this policy the Insurer will in respect of the liability incurred by such person indemnity his personal representatives in the terms of and subject to the limitations of this policy provided that such personal representative shall as thought they were the insured observe fulifil and be subject to the terms, exceptions and conditions of this policy in so far as they can apply.

5. The Insurer may at own option (A) arrange for representation at any inquest of Fatal Inquiry in respect of any death which may be the Subject of indemnity under this Section and (B) undertake the defence of proceedings in any Court of Law in respect of any act alleged offence causign or relating to any event which may be the subject of the indemnity under this section.

**AVOIDANCE OF CERTAIN TERMS AND RIGHT OF RECOVERY**

Nothing in this policy or any endorsement hereon shall affect the right of any person indemnified by this policy or any other person to recover an amount under or by virtue of the Provision of the Motor Vehicles Act.

But the insured shall repay to the insurer all sums paid by the insurer which the insurer would have been liable to pay but for the said provisions.

**GENERAL EXCEPTIONS**

(Applicable to all section of the Policy)

The insurer shall not be liable under this policy in respect of :

1. any accident loss or damage and/or liability caused sustained or incurred outside the Geographical Area.

2. any claim arising out of any contractual liability.

3. any accident loss or damage and/or liability caused sustained or incurred whilst any Motor Vehicle in respect of or in connection with which insurance is granted under this policy is;

(a) being used otherwise than in accordance with the Limitations as to use;

(b) being driven by any person other than a Driver as stated in the driver's clause.

4. a) any accident loss or damage to any property whatsover or any loss or expense whatsoever resulting or arising therefrom or any consequential loss,

b) any liability of whatsoever nature directly or indirectly coused by or contributed to by or arising from ionising radiations or contamination by rodio activity from any nuclear fuel or from any nuclear waste from the combustion of unclear fuel. For the purposes of this exception combustion shall include any self sustaining process or nuclear fission.

1. any accident loss or damage or liability directly or indirectly coused by or contributed to by or arising from unclear weapons material.
2. any accident loss or damage and/or liability directly or indirectly or proximately or remotely occsioned by contributed to be or traceable to or arising out of or in connection with war, Invasion, the Act of foreign enemies, hostilities or warlike operation (Whether before or after declaration of war) Civil War, Mutiny, Rebellion, Military or usurped power or by any direct or indirect consequences of any of the said occurrence and in the event of any claim hereunder the insured shall prove that the accident loss or damage and/or liability arose inde- pendently of and was in no way connected with or occsioned by or contributed to by or traceable to any of the said occurrences or any consequences thereof and in default of such proof the insurer shall not be liable to make any payment in respect of such a claim.

**CONDITIONS**

This policy and the schecule shall be read together and any word or expression to which a specific meaning has been attached in any part of this policy or the Schedule shall bear same meaning wherever it may appear.

1. Notice shall be given in writing to the insurer immediately upon the occurrence of any accident or loss or damage and in the event of any claim and thereafter the Insured shall give all such information and assistance as the insurer shall require. Every letter claim writ summons and/or process or a copy thereof shall be forwarded to the Insurer immediately on receipt of the insured. Notice shall also be given in writing to the Insurer Immediately the Insured shall have knowledge of any impending prosecution, inques or Fatal Inquiry in respect of any occurrence which may give rise to an claim under this policy. In case of theft or criminal act which may be the subject of a claim under this policy the Insured shall give immediate notice to the policy and co-operate with the insurer in securing the conviction of the offender.

2. No admission, offer, promise or payment or indemnity shall be made or given by or on behalf of the insured without the written consent of the Insurer which shall be entitled if it so desires to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute in the name of the Insured for its own benefit any claim for indemnity or otherwise and shall have full discreation in the conduct of any proceeding or in the settlement of any claim and the insured shall given all such information and assistance as the insurer may require.

3. The insurer may at its own option repair, reinstate or replace the Motor Vehicle or part thereof and/or its accessories or may pay in cash the amount of the loss damge and liablity or the insurer shall not exceed the actual value of the parts damaged or loss less depreciation plus the reasonable cost of fitting and shall in no case exceed the Insured estimate of the value of the Motor Vehicle (including acces- sories thereon) as specified in the Schedule or the value of the Motor Vehicle (including accessroies thereon) as specified in the sched- ule of the time of the loss or damage whichever is the less.

4. The insured shall take all reasonable steps to safeguard the Motor Vehicle from loss or damage and to maintain it in efficient condition and the Insurer shall have at all time free and full access to examine the Motor Vehicle or any part thereof or any driver or employee of the insured. In the event of any accident or breakdown, the Motor Vehicle shall not be left unattended withour proper precautions being taken to prevent further damage or loss and if the Motor Vehicle be driven before the necessary repairs are effected any extension of the damage or any futher damage to the Motor Vehicle shall be entirely at the insured's own risk.

5. The Insurer may cancel this policy be sending seven days notice by registered letter to the Insured at his last known address and in such event will return to the Insured the premium paid less the prro-rata portion thereon for the period the policy has been in force or the policy may be cancelled at any time by the insured on seven days notice and (provided no claim has arisen during the currency of the policy) the insured shall be entitled to a return of premium less premium at the insurer short period rates for the period the policy has been in force However where the ownership of the Vehicle is transferred the policy cannot be cancelled unless evidence that the Vehicle is insured elsewhere is produced.

6. If at the time any claim arises under this policy there is any other exiting insurance covering the sam loss, damage or liability the Insurer shall not be liable to payor contribute more than its rateble proportion of any loss, damage, compensation, costs or expense.

7. If any difference shall arise as to the quantum to be paid under the policy (liability being otherwise admitted) such difference shall inde- pendently of all other questions be referred to the decision of an arbitratior to be appointed in writting by the parties in difference or it they con not agree upon a single arbitrator to the decision of two disinterested persons as arbitrators of whom one shall be appinted in writting by each of the parties within two calendar months after having been required to do so in writing by the other party in time and for the time being inforce. In case either party shall refuse or fail to appoint arbitrator within two calender months after receipt of notice in writing requiring on appointment the other party shall be at liberty to appoint sole arbitrator and in case of disagreement between the arbitrators this difference shall be referred at the decision of an Umpire who shall have been appointed by them in writing before entering on the reference and and who shall sit with the arbitrators and preside of the meetings. It is clearly agreed and understood that not difference or dispute shall be referable to arbitration as hereinbefore provided if the insurer has disputed or not accepted liability under or in respect of this pokicy. It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this policy that award by; such arbitratiors or umpire of the amount of the loss or damage shall be first obtained. It is also here by further expressly agreed and declared that if the insurer shall disclaim liability to the insured for any claim hereunder and such claim shall not within twelve calender months from the date of such disclaimer have been mode the subject matter of a suit in a Court of Law than the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

8. The due observance and fulfilment of the terms, conditions and endorsements 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 shall be conditions precedent to any liabilty of the insurer to make any payment under this policy.

**PUBLIC PLACE: A public place in Bangladesh within the meaning of Motor Vehicles Amendment Act, 1991**

LIMITATIONS AS TO USE:

1. (i) Use only for social domestic and pleasure purposes or for professional purposes or professional driving tuition as the case may be.

(ii) Use for official purposes or in connection with the insured's own business as the case may be.

(iii) Use only under a private Carrier's Permit within the meaning of Motor Vehicles Amendment Act, 1991.

b) The policy does not cover :

1. Use for hire or reward or for Organised racing pacemaking reliability trial or speed testing the carriage of goods (other than sample) in connection with any trade or business or use for any purpose connection with Motor Trade.

2. (i) Use, for organised racing, pacemaking reliability trial or speed testing or use for any purpose in connection with Motor Trade.

(ii) Use whilst drawing a trailer except the towing (other than for reward) of any one disabled mechanically propelled vehicle.

(iii) Use for the conveyance of passenger for hire or reward.

N.B. 1 The wordings under item 1(a) and 1 (b) (i) are applicable for all Cars, Car type vehicles, Microbus, jeep, Station Wagon not exceeding 15 (fifteen) seats excluding driver seat.

N.B. 2 The wordings under item 1(a) 2 and 1 (b) (2) (ii) 1 (b) (2) (i) and 1 (b) (2) (iii) are applicable for the vehicle exceeding 16 (sixteen) seats excluding driver seat.

N.B. 3 The wordings under item 1(a) (3) and 1 (b) 2 (i) 1 (b) (2) (ii) and 1 (b) (2) (iii) are applicable for all own goods Carrying vehicles irrespective of Trucks, Tractors, Vans etc.

**DRIVER'S CLAUSE: DRIVER: Any of the following**

a) The Insured

b) Any other person who is driving on the insured's order or with his permission or who is in the insured's employment and is driving with his/their order or Permission.

Provided that the person driving holds or had held has not been disqualified for holding an effective driving licence with all the required Endorsements thereon as per the Motor Vehicles Amendment Act, 1991 and the Rules made thereunder for the time being in force to drive the

\*In Case of Firms Companies, Organizations delete (a)

LIMITS OF LIABILITY:

Limits of Liability undef section II - I

(1) Death Tk. 20,000

(2) Sevre hurt Tk. 10,000

(3) Any other hurt Tk. 5,000

Limits of Liability undef section II - 1 (ii) \* Property damage Tk. 50,000

**NO CLAIM BONUS**

In the event of on claim being mode or arising under this policy during a period of Insurance specified below immediately preceding the renewal of the policy the renewal premium for such part of the insurance is renewed the own damage premium shall be reduced as follows.

**PERIOD OF INSURANCE**

OWN DAMAGE ACT LIABILITY

No claim made or pending during the proceding year of insurance...........30% 10%

No claim made or pending during the proceding 2 consecutive year of insurance....................................................................................................40%...............20%

No claim made or pending during the proceding 3 consecutive year of

insurance....................................................................................................40%...............50%

If the insurer shall consent to transfer of interest in this policy the period during which the interest was in the Transfer or shall not accrue to the benefit of the transferee.

If more than one Motor Vehicle is described in the Schedule the No Claim Bonus shall be applied as if a separate policy has been issued in respect of each such Motor Vehicle.

No Claim discount will only be allowed when the Insurance is continuous. If the policy lapses due to non-payment of renewal premium on or before this renewal date and a fresh policy is obtained within 30 days of the expiry of the previous policy then the no claim bonus earned in the previous policy shall be allowed.

**LOSS OF NO CLAIM BONUS**

Where an insured of the commencement of the current period of insurance was entitled to No claim Bonus, in the event of claims occurring thereafter in that period of insurance the No claim Bonus of next renewal will be reduced by two steps for each claim until the basic premium is reached, which would then be the premium at next renewal.

**SCHEDULE OF LOADING** (applicable to comprehensive cover)

If the insured is not entitled to No Claim Bonus of the commencement of the current period of insurance and makes claims during that period of insurance the basic premium at next renewal shall be loaded in accordance with the under noted scale, After imposition of the loading if an insured does not make any claim during that policy year the basic premium only at next renewal will apply.

Period of Insurance Loading

One claim in preceding period of Insurance 30% of Basic premium

Two claim in preceding period of Insurance 40% of Basic premium

Three claim in preceding period of Insurance 50% of Basic premium