



PEOPLE'S NIWAHANA HOME PACKAGE INSURANCE POLICY

Please read this policy carefully and if any error is found or if the cover is not in accordance with your needs, please return it to us immediately for correction.

PEOPLE'S INSURANCE PLC
(Company No. PB 3754 PQ)
07, Havelock Road, Colombo 05.
T: +94 112 126 126
F: +94 112 126 042



**PEOPLE'S
INSURANCE**

CARING WITH LOVE

NIWAHANA PACKAGE INSURANCE

Your NIWAHANA Insurance is a contract between Us the Company, and You, our Policy holder. The proposal form and declaration which you have signed is the basis of this contract.

As You have agreed to pay the premium as stipulated in the Premium Warranty clause, We agree to cover you as set out in the sections incorporated in this Policy, in respect of events occurring during the Period of Insurance in accordance with the terms set out in this Policy. We may, at our option, settle any claims by payment, replacement, restoration or repair.

DEFINITIONS (APPLYING TO ALL SECTIONS)

- i "Company", "We", "Us", or "Our" shall mean People's Insurance PLC
- ii 'You', or 'Your', shall mean the Insured named in the Schedule
- iii 'Situation' shall mean the situation of risk specified in the Schedule
- iv 'Family' shall mean the insured, spouse and any number of unmarried children living together in the same residence.
- v 'Schedule' shall mean the current Schedule imprinted with the signature of the Manager and countersigned for and on behalf of People's Insurance PLC.
- vi "Damage" shall mean the physical loss, destruction or damage
- vii "Period of Insurance" shall mean the period starting and ending on those dates shown in Your Schedule, and for any following period but only if We accepted Your renewal premium
- viii "Proposal Form" shall mean the Form signed by you which describes any details specific to You and all material information relevant to the covers which You have requested
- ix "Sum Insured /Limit of Liability" shall mean the amount for which each type of cover is insured as shown in Your Schedule or agreed by an Endorsement. Unless specially mentioned, this amount always represents Our maximum liability under the respective section of this Policy.
- x "Hospital" means any Registered Medical Institution in Sri Lanka, established for in-patient care treatment for Illness and/or Injury
For the purpose of this definition, the term "Hospital" shall not include an establishment, which is a place of rest or recreation, a place for the aged, a place for drug-addicts or alcoholics, a hotel or any other like place.
- xi "Hospitalization" means admission in a Hospital upon the written advice of a Medical Practitioner.
- xii "Illness" means sickness or disease, for which medical treatment by a Medical Practitioner is required, but does not include any mental disease or sickness.
- xiii "Injury" means any physical/ bodily harm sustained because of an Accident, occurring during the Policy Period, for which medical treatment by a Medical Practitioner is required, but does not include any Illness.
- xiv "Valuables" shall mean jewellery, watches, articles of gold, silver, platinum and precious stones. (Maximum value per item limited to LKR 100,000.00)

Sections Applicable

The following sections are only applicable when specified in the Schedule.

LOSS OR DAMAGE TO PROPERTY

Property Covered

Building - The building of the private dwelling and its domestic out buildings walls, fixed glass, boundary walls, gates, landscaping excluding foundations and drains

Contents - Furniture, fixtures & fittings, electrical items, CCTV camera system and valuables belonging to or being the responsibility of the Insured and members of his family Residing at the same location.

Contents do not include

- 1 motor vehicles, caravans, trailers, aircraft or water craft, or spare parts and accessories while attached to or in any of them
- 2 any part of the structure of your Home
- 3 animals
- 4 contact lenses
- 5 property used for business trade or professional purposes unless specified in the Schedule
- 6 property in the open
- 7 mobile phones, pagers
- 8 securities, certificates, money, credit cards, cheques and documents of any kind

Insured Events

- 1 Fire & Lightning
- 2 Explosion excluding loss or damage to pressure vessel or apparatus in which pressure is used.
- 3 Specified Natural Perils
 - 3.1 Storm,(including Hurricane, Cyclone, Typhoon) but not loss or damage
 - i. by erosion, subsidence, landslip or settling
 - ii. by water unless it has entered through an opening in a wall or roof made by the storm
 - 3.2 Flood but not loss or damage
 - i. by erosion, subsidence, landslip or settling
 - ii property in the open (except as allowed in the policy schedule)
 - 3.3 Earthquake, Volcanic Eruption or overflow of the sea occasioned thereby
- 4 Impact by –
 - i. Aircraft or other aerial devices or articles falling from them
 - ii. Road vehicle or animals
 - iii. Falling trees or branches , but not loss or damage caused by falling or looping of trees by or for you
 - iv. Television or radio aerials or masts due to their breakage or collapse, but not damage to them
- 5 Bursting or overflowing of domestic water tanks,water apparatus or water pipes excluding damage caused by bursting or overflowing of such water tanks apparatus if insured dwelling is left unoccupied for more than thirty (30) consecutive days.
- 6 Accidental Breakage of fixed glass, forming part of the building belonging to you or for which you are legally responsible; but not loss or damage
 - i. to glass forming part of any glass-house, conservatory or glass in that part of the premises occupied for commercial or trade purposes.
 - ii. to property in a damaged or imperfect condition prior to the damage occurring
 - iii. due to dilapidation of frame or frame work
 - iv. due to vibration
- 7 Burglary accompanied by forcible and violent entry into or out of the building or following assault, violence or threat of it to you, your employees or members of your family, excluding ;
 - a while unoccupied for more than 30 consecutive days
 - b loss or damage assisted by anyone permanently residing in insured premises

8 Electrical Fire Damage

Loss or damage by fire to the electrical appliances installation insured by this policy arising from or occasioned by over-running, excessive pressure, short circuiting, arcing, self heating or leakage of electricity, from whatever cause (lightning included) is covered subject to the terms and conditions of this policy, but it is expressly understood that no liability exist under this policy for loss or damage to any electrical machine, apparatus, fixture or fittings, or to any portion of the electrical installation, unless caused by fire or lightning.

9 Malicious Damage (up to LKR 250,000.00)

Loss of or damage to the property insured directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) not being an act amounting to or committed in connection with an occurrence mentioned in exclusions of the Riot & Strike endorsement.

Additional Benefits

1) Architects', Surveyors', Consultant Engineers' Fees.

We will pay up to LKR 250,000.00 for Architects', Surveyors', Consultant Engineers' Fees, all necessarily incurred in the repair or reinstatement of damage to the insured Property arising from an Insured Peril.

2) Removal of Debris

We will pay up to LKR 250,000.00 for removal of debris, all necessarily incurred in the repair or reinstatement of damage to the insured property arising from an insured peril.

3) Fire Brigade Expenses

The cost of charges arising from the activities of the fire brigade in dealing with the consequences of loss or damage for which the Insurers have admitted liability. Provided that the liability of the Insurers under this extension shall not exceed LKR 100,000.00

4) Alternative Accommodation and / or Loss of Rent

We will pay up to the limit of benefit stated in the schedule for -

- a. the necessary cost of reasonable alternative accommodation, and / or
 - b. rent which would otherwise have been payable to you
- as a result of the buildings being uninhabitable from any cause arising from an insured peril.

5) Damage to Landscaping

We will pay for damages to landscaping due to any of the cause arising from an insured peril under this policy up to LKR 20,000.00

6) **Personal Accident**

We will pay the insured person or to his legal representatives, the compensation stated below, if bodily injury is sustained by any person named in the schedule .

Event		Benefit
1. Death	Occurring within six months of the injury, payable after the expiration of six months of uninterrupted disablement	Compensation (for each Insured person) = 100% of the Sum Insured
2. Dismemberment of one or more limbs		
3. Permanent total loss of sight of one or both eyes		
4. Total and Permanent Disablement		

In this section,

- i. the "Insured Persons" are those persons identified in the schedule
- ii. 'Bodily Injury' means personal injury caused solely and directly by accidental, violent, external and visible means
- iii. "Total and Permanent Disablement" means disability caused by bodily injury, which wholly prevents the insured persons from engaging in any business or occupation or performing any work for compensation or profit within six months of happening of the injury.

The liability of the insurer shall in no case under this policy exceed the sum insured by each item of the policy.

Exceptions

We will not pay for -

- a. Death or Disablement
 - i. caused by a pre-existing condition or complications related to such condition or from pregnancy
 - ii. as a result of intentional self-injury, suicide, insanity, the influence of alcohol or drugs
 - iii. as a result of mountaineering necessitating the use of ropes or guides, any sport for which payment is received, any activity using under water breathing apparatus, racing and travelling in an aircraft other than as a passenger in a fully licensed passenger carrying aircraft, wilful exposure to danger
- b. more than one of the benefits in respect of the same injury
- c. injury to any person who is over 70 years of age

7) **Indoor Hospitalization Benefit**

In the event of Insured person stated in the Schedule being warded and confined in any hospital, on the recommendation of a government registered Medical Practitioner, the Company will, upon receipt and approval of proof, pay the Hospitalization Benefit shown in the Schedule of the Policy in respect of :-

- i illness occurring after sixty (60) days from the inception of the policy, for the period during which the Person Covered shall be an in-patient of the hospital subject to a minimum of seventy two (72) consecutive hours of confinement; or
- ii injury occurring due to accident after the date of inception of the policy, for the period during which the Person Covered shall be an in-patient of the hospital subject to a minimum of seventy two (72) consecutive hours of confinement.

OPTIONAL COVERS

The following covers are only applicable when specified in the schedule. In this section;

- 1 **Riot & Strike**
Please refer the attachment
- 2 **Terrorism**
Please refer the attachment

BASIS OF SETTLEMENT OF CLAIMS

1 **BUILDING** **Reinstatement**

The basis of settlement of any claim shall be the cost of reinstatement of the property destroyed or damaged to a condition substantially the same as but not better or more extensive than the condition when new Rebuilding may be carried out at an alternative situation, subject to our liability not being increased by so doing.

If rebuilding, repairing or restoring is not carried out and completed within twelve (12) months or if there is other insurance in force which does not provide for replacement or reinstatement on a similar basis, we will settle claims on the Indemnity Basis.

Indemnity Basis shall mean

the cost of reinstatement or repair of the property lost, destroyed or damaged at the time of such loss, destruction or damage, less an allowance for wear, tear and depreciation.

2. **CONTENTS** **Replacement**

In the event of loss or damage to the Contents insured under this Section of the Policy the basis upon which the amount payable under the Policy is to be calculated shall be the cost of replacing the property of the same kind or type but not superior to or more extensive than the insured property when new.

In the event of loss or damage to any insured item forming part of a pair or set, our liability shall not exceed a proportionate part of the value of the pair or set.

Special Exclusions

This Section does not cover

- 1 Loss or damage to any contents occasioned by or happening through its own spontaneous fermentation or heating or its undergoing any process necessarily involving the application of heat
- 2 Loss or damage to contents during any period in excess of 30 consecutive days during which the premises are left unoccupied unless with our written agreement.
- 3 Loss or damage caused by or arising from
 - a wear and tear, mildew, rot, corrosion, rust, gradual deterioration, insects and vermin or the action of light
 - b loss or damage due to alterations and repairs involving removal of structural support
 - c washing, dyeing, cleaning, repairing, restoring, scratching or denting
 - d any heating or drying process
 - e mechanical or electrical breakdown or malfunction
 - f Inherent fault or defective workmanship, material or design
 - g loss or damage to electrical equipment or wiring caused by artificially generated electrical current
 - h infidelity or dishonesty on the part of you or any member of your family permanently residing with you or any of your employees
 - i malicious acts committed by you or any member of your family permanently residing with you

- 4 loss or damage to films, tapes, cassettes, cartridges or discs other than for their value as unused material, unless purchased pre-recorded, when we will pay up to the maker's latest list price.
- 5 consequential loss or damage of any kind
- 6 any curio or work of art for an amount exceeding Rs. 5,000.00
- 7 manuscripts, plans, drawings, designs, patterns, models or moulds,
- 8 securities, obligations or documents of any kind stamp, coins or paper money, cheque, books of account or other business books, computer systems,
- 9 Any loss or damage occasioned by or through or in consequence of explosion, but loss or damage by explosion of gas used for illuminating or domestic purposes in a building in which gas is not generated and which does not form part of any gas works, will be deemed to be loss by fire within the meaning of this policy
- 10 any loss or damage occasioned by or through or in consequence of the burning, whether accidental or otherwise of forest, bush, pampas, patnas or jungle and the clearing of lands by fire.

General Exclusions applying to all section

We will not pay for -

- 1 (a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war.
- (b) mutiny, civil commotion, tribal rising, military rising, insurrection, strike, riot, 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) Permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
- (d) any act of terrorism

An act of terrorism 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 organization(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

This insurance also excludes loss, damage, cost or expense of whatsoever nature, directly or indirectly caused by resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (a) and / or (b) and / or (c) and / or (d) above.

Any loss, damage or destruction happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be loss, damage or destruction which is not covered by this insurance, except to the extent that the insured shall prove that such loss, damage or destruction happened independently of the existence of such abnormal conditions.

If the Company alleges that by reason of this exclusion any loss, damage, cost or expense is not covered by this Policy the burden of proving the contrary shall be upon the Insured.

- 2 Loss, damage, cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any of the following regardless of any other cause or event contributing currently or in any other sequences to the loss
 - i radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.
 - ii the radioactive, toxic explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
 - iii any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 3 Pressure waves caused by aircrafts and other aerial devices traveling at sonic/supersonic speeds

General Conditions applying to all sections

1 Meaning

The Policy and the Schedule shall be read together as one contract and any word or expression to which specific meaning has been attached in any part of the contract shall bear such specific meaning wherever it may appear.

2 Misrepresentation

We shall not be liable under this Policy if there is any material misdescription of the Business, the Premises, or the risk to which the insurance refers, or any misrepresentation as to fact material to be known for assessing the risk, or any omission to state such fact.

3 Compliance with Policy Terms

Our liability is conditional upon your compliance with the terms of this Policy.

4 Reasonable Precautions

You are to take all reasonable precautions to avoid or minimize injury loss or damage and to recover any property lost

5 Claims Procedures and Requirements

In the event of any circumstances giving rise to or likely to give rise to a claim You must

- a report it to us immediately and furnish in writing full details of the injury, loss, destruction, damage or any expense as soon as possible but at the latest within 7 days if caused by riot, civil commotion, or malicious persons, and within 14 days in all other cases
- b report it to the police immediately in the event of damage by Malicious Act Burglary or Riot & Strike
- c at Your own expense give all evidence, information and assistance as required.

6 Fraud

If a claim is in any respect fraudulent or if any fraudulent means or devices are used by You or any one acting on Your behalf to obtain any benefit under this Policy, or if any injury, loss, destruction, damage or expense be occasioned by Your wilful act or with Your connivance all benefits under this Policy shall be forfeited.

7 Company's Rights after a Claim

Company is entitled to -

- a enter any building where loss, destruction or damage to property insured has happened, take possession of and deal with any salvage in a reasonable manner, but no property may be abandoned to the Company

8 **Other Insurances**

If the injury, loss, destruction or damage which is the subject of a claim under this Policy is covered by any other insurance we will not pay more than our rateable proportion. This condition does not apply to optional covers of the Policy

9 **Cancellation**

This Policy may be cancelled

- a by Our sending 30 day's notice by registered post to You at Your last known address in which event You will be entitled to a pro-rata return of premium for the unexpired portion of the Insurance
- b by You sending us Your request in writing and provided no claim has arisen during the current Period of Insurance You will be entitled to a return of premium less Our short period rates for the period the policy has been in force

10 **Arbitration**

If any difference arises as to the amount to be paid under this policy (liability being otherwise admitted) the matter will be referred to an arbitrator appointed by the parties in accordance with the statutory provision relating to Arbitration then in force and making of an award shall be a condition precedent to any right of action against the Company.

11 **Contract Law**

This Policy shall be construed according to and governed by the laws of Sri Lanka.

12 **Premium Warranty**

- 12.1 Notwithstanding anything herein contained but subject to clause 12.2 and 12.3 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.

- 12.2 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
- 12.3 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 imputed 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 defenses or to recover the full or any part of the defaulted premium attributable to the expired period of the insurance.

- 13 Every notice and other communication to the Company required by their conditions must be written or printed

14. **Mortgage clause**

It is hereby agreed that in the event of loss or damage, the Company will pay the Mortgagees or Assignees named in the Schedule to the extent of their interest and that this insurance in so far as concerns the interest therein of the Mortgagees or said Assignees, only shall not be invalidated by act or negligence of the Mortgagor or Owner of the Property insured, nor by anything where by the risk is increased being done to, upon or in any building hereby insured or containing the property hereby insured without the knowledge of the Mortgagees or said Assignees provided always that the Mortgagees or said Assignees shall notify the company of any change of ownership or alteration or increase of hazard not permitted by this insurance as soon as any such change, alteration or increase shall come to their knowledge and on demand shall pay to the Company the appropriate additional premium from the time when such increase of risk first took place.

And it is further agreed that whenever the Company shall pay the Mortgagees or said Assignees any sum for loss or damage under this Policy, and shall claim that as to the Mortgagor or Owner no liability therefore existed the Company shall at once be legally subrogated to all the rights of the Mortgagees or said Assignees to the extent of such payment, and the Mortgagees or said Assignees shall do and execute all such further or other acts, deeds, transfers, assignments, instruments, and things as may be necessary or be reasonably required by the Company for the purpose of better effecting such subrogation but such subrogation shall not impair the right of the Mortgagees or said Assignees to recover the full amount of their claim.

Provided that as between the Company and the Mortgagor or Owner of the Property insured nothing contained in this Clause shall in any way constitute or be deemed to constitute any waiver of or prejudice or affect any rights which the Company may have against the Mortgagor or Owner of the property insured, or lessen any obligation which may be imposed on the Mortgagor or Owner of the property insured either by or under this Policy or by law, and such rights and obligations shall as between the Company and the Mortgagor or Owner of the property insured remain in full force and effect.

The Company reserve the right to cancel this Policy at any time as provided by the terms here of, but in such case this Policy shall continue in force for the benefit only of the Mortgagees or said Assignees for ten days after notice to the Mortgagees or said Assignees of such cancellation, and shall then cease and the Company shall have the right on like notice to cancel this agreement.

15. **Bank Clause**

It is hereby agreed and declared that,

- 15.1 Upon any monies becoming payable under this Policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interest of other parties insured hereunder shall be received by the Bank as Agents for such other parties.
- 15.2 The receipts of the Bank shall be a complete discharge of the Company therefore and shall be binding on all parties insured hereunder.
- 15.3 If and whenever any notice shall required to be given or other communication shall be required to be made by the Company to the insured or any of them in any matter arising under or in connection with this Policy, such communication shall be deemed to have been sufficiently notice or other given or made, if given or made to the Bank.

- 15.4 Any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and Insured or any of them arising under or in connection with this Policy, if made by the Bank shall be valid and binding on all parties insured hereunder, but not so as to impair the right of the Bank to recover full amount of any claim it may have on other parties insured hereunder, and
- 15.5 This insurance so far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of the operation of Clause 8 of the Conditions endorsed on the Policy except where a breach of such Clause has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder where by the risk is increased or by anything being done to upon or in any building hereby insured or any building in which the property insured under the Policy are stored or kept, without the knowledge of the Bank, provided always that the Bank shall notify the Company of any change of ownership or alteration or increase of hazard not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company the necessary additional premium from the time when such increase of risk first took place. And it is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgagor or Owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payment but not so as to impair the right to of the Bank to recover the full amount of any claim it may have on such mortgagor/owner or any other party or parties insured hereunder or from any securities or funds available.