

COMMERCIAL VEHICLE INSURANCE POLICY (TRUCKS, TANKERS, BUSES AND TRAILERS)

IMPORTANT: This policy is a legal contract and it is important that you examine it carefully to make sure that it meets your requirements. If it does not, or if your insurance requirements change, please let us know right away. You are reminded of the need to tell us immediately of any facts or changes which we would take into account in our assessment or acceptance of this insurance as failure to disclose all relevant facts may invalidate the Policy, or may result in the Policy not operating fully.

Whereas the insured described in the schedule, by a proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to Madison General Insurance Company (hereinafter called "the Company") for the insurance hereinafter contained, and in consideration of the premium specified herein having been paid or agreed to be paid, the Company is hereby bound in accordance with the terms and conditions contained herein or endorsed hereon.

Now this policy witnesseth that the Company will indemnify the insured against loss or damage to the vehicle(s) described in the schedule and liabilities sustained during the period of insurance and subject to the terms exceptions and conditions contained herein or endorsed hereon (hereinafter collectively referred to as the Terms of this Policy).

Signed for and on behalf of the Company.

.....
Underwriter

.....
For Chief Executive

Section 1 - Own Damage

1. The Company will pay to the Insured for loss or damage to the Motor Vehicle and its accessories and spare parts whilst thereon.
 - a) by accidental collision or over-turning consequent upon mechanical breakdown.
 - b) by fire external explosion self-ignition or lightning or theft.
 - c) by malicious act
 - d) whilst in transit (including the processes of loading and unloading incidental to such transit) by road rail inland water-way lift or elevator.
2. At its own option, the Company may pay in cash the amount of the loss or damage or may repair reinstate or replace the Motor Vehicle or any part therefore or its accessories or spare parts. The liability of the Company shall not exceed the market value of the parts lost or damaged at the time of loss or damage plus the reasonable cost of fitting such parts. The

Insured's estimate of value in the Schedule shall be the maximum amount payable by the Company in respect of any claim for loss or damage.

3. If the Motor Vehicle is disabled by reason of loss or damage insured under this Policy, the company will bear the reasonable cost of protection and removal to the nearest repairs and of delivery within the country where the loss or damage was sustained.
4. The Insured may authorise the repair of the Motor Vehicle necessitated by damage for which the Company may be liable under this Policy up to ZMW1,500 provided that;
 - a) the estimated cost of such repair does not exceed the authorised repair limit
 - b) a detailed estimate of the cost is forwarded to the Company without delay.

Exceptions to Section 1

The Company shall not be liable to pay for :

- i. consequential loss or loss of use, depreciation wear and tear mechanical or electrical breakdown failures or breakages
- ii. damage caused by overloading or strain
- iii. damage caused by explosion of any boiler forming part of or attached to or on the Motor Vehicle
- iv. damage to tyres unless the Motor Vehicle is damaged at the same time.
- v. The first amount payable on each and every claim.
- vi. Loss of keys, unless through theft and/or the insured having reason to believe that

any unauthorised person may be in possession of a duplicate key.

- vii. Detention, seizure or confiscation by Government or Customs officials.
- viii. Customs and Excise duty on vehicles or parts and accessories if duty was not paid on such a vehicle.

Section II - Liability to Third Parties

1. The Company will subject to the Limits of Liability indemnify the Insured in the events of accidents caused by or arising out of the use of the Motor Vehicle or in connection with the loading or unloading of the Motor Vehicle 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.
 - b) damage to property
2. In terms of and subject to the Limitations of and for the purpose of this Section, the Company will indemnify any Authorised Driver who is driving the Motor Vehicle provided that such Authorised Driver :
 - a) shall as though he were the insured observe fulfil and be subject to the Terms of this Policy in so far as they can apply
 - b) is not entitled to indemnify under any other policy
3. 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 such Section provided that such representatives shall as though they were the Insured observe fulfil and be subject to the Terms of this Policy in so far as they can apply.

4. The Company will pay costs and expenses incurred with its written consent.
5. In the event of accident involving indemnity under this Section to more than one person the Limits of Liability shall apply to the aggregate amount of indemnity to all persons indemnified and such liability shall apply in priority to the Insured.
6. The Company may at its own option:
 - a) arrange for representation at any inquest or fatal inquiry in respect of any death which may be the subject of indemnity under this Section.
 - b) Undertake the defence of proceedings in any Court of Law in respect of any act or alleged offence causing or relating to any event which may be the subject of indemnity under this Section.
7. The liability of the Company under this section shall be limited to the sum indicated on the cover-note or policy schedule in respect of damage to property, death and/or bodily injury for any accident or series of accidents arising out of any one event.
- iii. Death or bodily injury to any person (other than a passenger carried by reason of or in pursuance of contract of employment) being carried in or upon or entering or getting onto or alighting from the Motor Vehicle at the time of the occurrence of the event out of which any claim arises.
- iv. Damage to property belonging to held in trust by or in the custody of or control of the Insured or a member of the Insured's household or being conveyed by the Motor Vehicle.
- v. Damage to any bridge weighbridge or viaduct or to any road or anything beneath by vibration or by the weight of the Motor Vehicle.
- vi. Damage to property caused by arising out of the explosion of a boiler forming part of attached to or on the Motor Vehicle.
- vii. Death or bodily injury caused by or arising out of the explosion of a boiler forming part of attached to or on the Motor Vehicle except so far as is necessary to meet the requirements of the Legislation.
- viii. Compensation for damage in respect of judgements delivered or obtained in the first instance otherwise than by a Court of Competent jurisdiction within the Geographical Area.

Exceptions to Section II

The Company shall not pay for :

- i. death bodily injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of the load to the Motor Vehicle for loading thereon or the taking away of the load from the Motor Vehicle after unloading therefrom.
- ii. Death of or bodily injury to any person in the employment of the insured arising out of and in the course of such employment.
- ix. Costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the Republic of Zambia.
- x. Loss of use, consequential loss, loss of profit or business or cost of hiring another vehicle or storage charge

Section III - Towing Disabled Vehicles

This policy shall operate whilst the Motor Vehicle is being used for the purpose of towing any one disabled mechanically

propelled vehicle and the Section II in respect of liability in connection with such towed vehicle or provided that:

- a) such towed vehicle is not towed for hire or reward
- b) the Company shall not be liable by reason of this Section in respect of damage to such towed Vehicle or property being conveyed thereby.

Avoidance of certain terms and right of recovery

Nothing in this Policy or any endorsement hereon shall affect the right of any person entitled to indemnity under this Policy or of any other person to recover an amount or by virtue of the Legislation. But the Insured shall repay to the Company all sums paid by the Company which the Company would not have been liable to pay but for the Legislation.

Section IV - No Claims Discount

In the event of no claim arising under this Policy during a period of insurance specified below immediately preceding the renewal of this Policy, the renewal premium shall be reduced as follows:-

Period of insurance reduction

The preceding year	20%
The preceding two years	30%
The preceding three years	40%
The preceding four years	50%

In the event of a claim occurring during the period of insurance the above rebates will revert down as follows:

From: 50% to 30%, 40% to 20%, 30% to Nil

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

more than one vehicle is described in the schedule of this Policy, the No Claim Discount shall be applied as if a separate Policy had been issued in respect of each such vehicle.

GENERAL EXCLUSIONS

The Company shall not be liable in respect of:

1. Any accident loss damage or liability caused sustained or incurred :
 - a) outside the Republic of Zambia
 - b) whilst the motor vehicle is
 - i. being used otherwise than in accordance with the Limitations as to use
 - ii. being driven or is for the purpose of being driven by or in the charge of any person other than an Authorised Driver.
2. Any accident loss damage or liability (except so far as is necessary to meet requirements of the Legislation) directly or indirectly proximately or remotely occasioned by contributed to by or traceable to or arising out of or in connection with
 - a) flood typhoon hurricane volcanic eruption earthquake or other convulsion of nature invasion the act of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war strike riot civil commotion mutiny rebellion revolution insurrection military usurped power or by any direct or indirect consequences of any of the said occurrences and 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 consequences thereof and in default of such proof the Company shall not be liable to make any payment in respect of such a claim.

- b) Permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
- c) Plundering, looting, war, pillage in Connection with riots and/or civil commotion.
- d) Acts of terrorism committed by a person or persons acting on behalf of or in connection with any organisation.

For the purpose of this provision "terrorism" shall mean the use of violence for political ends and shall include any use of violence for the purpose of putting the public or any section of the public in fear.

- 3. Any liability which attaches by virtue of an agreement but which would not have attached in the absence of such agreement
- 4. any sum which the Insured would have been entitled to recover from any party but for an agreement between the Insured and such party
- 5
 - a) any 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 ionising 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.

- 5. Any accident loss damage or liability directly or indirectly caused by or contributed to or arising from nuclear weapons material.

6. Political Riots Exclusion Clause:

Any accident loss or liability (except so far as is necessary to meet the requirements of the Legislation) directly or indirectly proximately or remotely occasioned by contributed to by or traceable to or arising out of or in connection with:

- a) War invasion act of foreign enemy hostilities or warlike operations (whether war be declared or not) civil war mutiny rebellion revolution insurrection military or usurped power
- b) Plundering, looting, war, pillage in connection with riots and or civil commotion.
- c) Permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority
- e) Detention seizure confiscation or any attempt threat, or by any direct or indirect consequences of any of the said occurrences 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 an was in no way connected 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.

- f) Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, 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.

In any action, suit or other proceeding in which the Insurer alleges that by reason of these provisions any loss or damage is not covered by this Agreement, the burden of proving that such loss or damage is covered shall be upon the Insured.

8. Electronic Date Recognition Clause

Section 1

The insurance does not cover any loss, damage cost, claim or expense, whether preventive, remedial or otherwise, directly or indirectly arising out of or relating to:

- a) the calculation, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, programme or software and/or any micro-chip, integrated circuit or similar device in computer equipment or non-computer equipment whether the property of the insured or not; or
- b) any change, alteration or modification involving the date change to the year 2000 or any other date change, including leap year calculations, to any such computer system, hardware, programme or software or any micro-chip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the insured or not.

This clause applies regardless of any other clause or event that contributes concurrently or in any sequence of the loss, damage, cost, claim, or expense.

However, this section shall not apply in respect of physical damage occurring at the insured's premises arising out of the perils of fire, lightening, explosion, aircraft or vehicle impact, falling objects. Windstorm, hail, tornado, hurricane, cyclone, riot, strike civil commotion, vandalism, malicious mischief, earthquake, volcano, tsunami, freeze or weight of snow.

Section 2

Notwithstanding Section 1 above, this insurance does not cover any costs and expenses whether preventive, remedial or otherwise, arising out of or in relation to change alteration or modification of any micro-chip, integrated circuit or similar device in computer or non computer equipment whether property of the insured or not.

Section 3

The date change to the year 2000 or any other date change, including leap year calculations shall not in and of itself be regarded as an event for the purpose of this insurance.

GENERAL CONDITIONS

1 Interpretation

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

2 Written notice

Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company.

3 Insured's duty

The Insured shall take all reasonable steps to safeguard the Motor Vehicle from loss or damage and 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 or employee of the Insured. In the event of any accident or breakdown, the Motor Vehicle shall not be let unattended without proper precautions being taken to prevent further loss or damage and if the Motor Vehicle be driven before the necessary repairs are effected any extension of the damage or any further damage to the Motor Vehicle shall exclude from the scope of the indemnity granted by this Policy.

4 Notification of accidents

In the event of any occurrence which may give rise to a claim under this Policy the Insured shall within twenty one days (21) days give notice thereof to the Company with full particulars. Every letter claim writ summons and process shall be notified or forwarded to the Company immediately the Insured shall have knowledge of any impending prosecution inquest or fatal enquiry in connection with any such occurrence.

In case of theft or other criminal act which may give rise to a claim under this Policy, the Insured shall within 48 hours give notice to the Police and the Company and co-operate with the Company in securing the conviction of the offender.

5 Claims procedure

No admission offer promise or payment shall be made 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 his name the defence or settlement of any

claim or to prosecute in his name for its own benefit any claim for indemnity or damage or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.

6 Payment of limits of indemnity

At any time after the happening of any event giving rise to a claim or series of claims under Section II - 1(b) of this Policy, the Company may pay to the Company's liability under Section II - (b) and relinquish the conduct on any defence settlement or proceedings and the company shall not be responsible for or 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 costs expenses whatsoever incurred by the Insured or any claimant or other person after the Company shall have relinquished such conduct.

7 Cancellation

The Company may cancel their Policy by 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 pro rata portion thereof 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 current period of insurance) the Insured shall be entitled to a return of premium less premium at the Company's Short Period rates for the period the Policy has been in force.

8 Other insurances

If at the time any claim arises under this Policy there is any other insurance covering the same loss damage or liability the Company shall not be liable to pay or contribute more than its 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 proviso (ii) of Section II - 2 of this Policy.

9 Arbitration

Where a claim has been accepted but there is a disagreement over the amount to be paid, it will be referred to an arbitrator appointed in accordance with current statutory provisions. When this occurs an award must be made before proceedings are commenced against us.

EXTENSIONS - The following extensions only apply when indicated in the schedule

MZC : 1 COVER WHILST DRIVEN BY A MOTOR TRADER

It is hereby understood and agreed that notwithstanding anything to the contrary in the Limitations as to use but subject otherwise to the Terms of this Policy the insurance granted thereby shall be operative but only so far as it relates to the Insured whilst the Motor Vehicle is in the custody or control of a member of the Motor Trade for purpose of overhaul upkeep or repair.

MZC : 2 LEGAL LIABILITY OF PASSENGER FOR ACTS OF NEGLIGENCE

It is hereby understood and agreed that the Company will at the request of the Insured Indemnify in terms of Section II of this Policy

any person mounting into dismounting from or travelling in the Motor Vehicle such person being hereinafter called "the passenger".

Provided that the passenger:

- i) is not driving the Motor Vehicle or in charge of the Motor Vehicle for the purpose of driving.
- ii) Is not entitled to indemnity under any other Policy.

Exceptions

The Company shall not be liable in respect of:

- a) Death of or bodily injury to:
 - i) the Insured
 - ii) any person driving the Motor Vehicle or in charge of the Motor Vehicle for the purpose of driving.
 - iii) any person in the employment of the Passenger where such death or bodily injury arise out of or in the course of such employment.
- b) Damage to property belonging to or held in trust by or in the custody or control of the Insured or of the passenger or being conveyed by the Motor Vehicle.

MZC : 3 THIRD PARTY

It is understood and agreed that Section I, II and IV of this Policy are deemed to be cancelled.

MZC : 4 THIRD PARTY INDEMNITY TO EMPLOYER

It is hereby understood and agreed that in the terms of and subject to the limitations of

the indemnity which is granted by Section II of this Policy to the Insured the Company will indemnify the Employer whilst any motor vehicle in connection with which indemnity is granted under this Policy (other than a motor vehicle belonging to the Employer or hired to him under a Hire Purchase Agreement) is being used by the Insured upon the business of the employer provided that such indemnity shall not include liability for death or bodily injury sustained by any person arising out of and in the course of the employment of such person by the Employer, provided always that the Employer:

- a) Shall as though he were the Insured observe fulfil and be subject to the Terms of this Policy in so far as they can apply;
- b) Is not entitled to indemnify under any other Policy.

MZ C: 5 INCREASE OF THIRD PARTY PROPERTY DAMAGE LIMIT

In consideration of an additional premium it is hereby understood and agreed that the limit of the Company's liability under Section II of this Policy in respect of any one claim or series of claims arising out of one event is increased to the amount stated in the schedule.

MZC : 6 JOINT INSURED

It is hereby understood and agreed that in the event of a claim for indemnity under Section II of this Policy the terms "the Insured" where it appears in paragraph 1 of the said Section and under the heading "Authorised Driver" in the Schedule shall be deemed to have been deleted and replaced by the name of that one of the Insured in respect of whose Liability indemnity is claimed.

MZC : 7 CROSS LIABILITY

Where more than one person comprises "the Insured" each party shall for the purpose of

Section II be considered as a separate and distinct unit and the words "the Insured" shall be considered as applying to each party in the same manner as if a separate Policy had been issued to each of the said parties and the Company agrees to waive all rights of subrogation or action which they may have or acquire against any of the aforesaid parties arising out of any event or occurrence in respect of which any claim is made hereunder.

Provided nevertheless that nothing in this clause shall be deemed to increase the limit of the Company's liability as set out in Section II hereof.

MZC : 8 HELD COVERED

It is agreed that the Company will assume liability within the terms conditions and limitations of this Policy in the event of the Insured failing to advise of the purchase and or acquisition and/or ownership of a vehicle which otherwise would have been within the terms of this Policy. Provided that the Company is notified within a period not exceeding thirty days of such purchase and/or acquisition and/or ownership.

MZC : 9 EXTENSION OF COVER TO OTHER TERRITORIES

It is declared and agreed that the Geographical Area is extended to include COMESA and SADCC countries but the indemnity provided hereby shall be in operative in respect of so much of any compensation or claim as falls within the scope of the Compulsory Third Party Motor Insurance Laws of the said countries. This exception shall apply notwithstanding that no insurance under the said laws is in force or has been effected.

Provided always that the Insured shall have discharged their liabilities under this extension by having made payment within the Republic of Zambia.

MZC : 10 ARTICULATED VEHICLES

For the purpose of this Policy, a Power Unit and super imposed trailer attached thereto shall together be deemed to constitute one Motor Vehicle and for the purposes of this Policy for any such Power Unit and super imposed trailer attached thereto the words, "2. Use while drawing a trailer except one super imposed trailer being part of an Articulated Vehicle or one disabled mechanically propelled vehicle" replace, "2. Use while drawing a trailer except the towing (other than for reward) of any one disabled mechanically propelled vehicle in the Limitations as to Use".

MZC : 11 JURISDICTION CLAUSE

Notwithstanding anything contained herein to the Contrary it is agreed that the indemnity provided shall not apply to:

1. Compensation for damage in respect of judgement delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within Zambia.
2. Cost and expenses for litigation recovered by any claimant from the insured which are not incurred in and recoverable in Zambia.

Subject otherwise to the terms conditions and exceptions of this Policy.

MZC : 12 PASSENGER RISK

It is hereby understood and agreed that Exception (iii) to Section II of this Policy is cancelled and replaced by:

Death of or bodily injury to any person being a member of the Insured's household who is a passenger in the Motor Vehicle unless such a person is being carried by reason of or in pursuance of a contract of employment.

It is further understood and agreed that the Limit of Liability under Section II - 1(a) is cancelled and replaced by:

In respect of any person (other than a passenger being carried by reason of or in pursuance of a contract of employment) being carried in upon or entering or getting on to or alighting from the Motor Vehicle:

- i) in respect of death or bodily injury for any one person as agreed and stated in the schedule.
- ii) in respect of a series of claim arising out of one event as agreed and stated in the schedule.

Provided that in the event of an accident occurring whilst the Motor Vehicle is carrying more than 12 persons (in addition to the conductor 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 Endorsement in respect of such accident in connection with the Motor Vehicle.

Subject otherwise to the Terms of this Policy.

MZC : 13 REPLACEMENT PARTS

It is hereby understood and agreed notwithstanding anything to the contrary in this Policy that in the event of loss or damage to the Motor Vehicle or its accessories or spare parts necessitating the supply of a part not obtainable from the stocks held in the country in which the Motor Vehicle is held for repair in the event of the Company exercising the option under Section I - II 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 for the country in which

the Motor Vehicle is held for repair or,

- (ii) if no such catalogue or price list exists the price last obtaining at the manufacturer's works plus the reasonable cost of transport other than by air to the country in which the Motor Vehicle is held for repair and the amount the relative import duty AND

- b) the reasonable cost of fitting such part.

In addition, the Company will not consider a motor vehicle a total loss on account of non-availability of the parts.

MZC : 14 WINDSCREEN

In consideration of an additional premium which is included hereon it is hereby understood and agreed that any claim for the loss of reinstating any windscreen or window glass forming part of the motor vehicle as a result of breakage be made within the terms of the policy without deduction of any amount for what the Insured is responsible in terms of any Excess attaching to the Policy. Any payment under this Endorsement shall not constitute a claim within the meaning of the No Claims Discount provisions of the Policy.

Provided that this Endorsement shall not apply to the breakage of glass arising from the occurrence in which other damage is sustained by the Motor Vehicle.

MZC : 15 INCLUSION OF SPECIAL PERILS

It is hereby understood and agreed that the following shall be deemed to be added to Section I - i of the policy:

- a) by flood typhoon hurricane volcanic eruption earthquake or other convulsion of nature.

It is further understood and agreed that the words 'Flood typhoon hurricane volcanic eruption earthquake or other convulsion of nature' in General Exception 2 of this Policy are deemed to be deleted.

Subject otherwise to the terms of this Policy.

MZC : 16 VEHICLES SUBJECT TO A LOAN AGREEMENT

Where the motor vehicle is subject of a loan agreement between the insured on one part, and the financier of the other part, and it is understood and agreed that the said other part is interested in any monies which but for this endorsement would be payable to the Insured under this Policy in respect of loss of or damage to the Motor Vehicle (which loss or damage is not made good by repair reinstatement or replacement), such monies shall be paid to the said other part as long as he is/they are interested in the Motor Vehicle, and the receipt of the said shall be full and final discharge to the Company in respect of such loss or damage.

Save by this Endorsement expressly agreed nothing herein shall modify or effect the rights or liabilities of the Insured or of the Company respectively under or in connection with this Policy or any conditions or term thereof.

MZC : 17 LIMITATIONS AS TO USE

Use for social domestic and pleasure purposes and for the Insured's business.

The Policy does not cover use for racing competitions rallies or trials (or use for practice for any of them or for carriage of passengers for hire or reward).

MZC : 18 THIRD PARTY FIRE AND THEFT

It is hereby understood and agreed that notwithstanding anything to the contrary contained in Section I of this Policy the

Company shall not be liable thereunder except in respect of loss or damage by fire external explosion self-ignition or lighting or theft.

Subject otherwise to the terms of this Policy.

MCZ : 19 LIMITATIONS AS TO USE

Use in connection with the Insured's business.

Use for the carriage of passengers in connection with the Insured's business.

Use for social domestic and pleasure purposes.

The policy does not cover:

1. Use for hire or reward or for racing pace making reliability trial or speed testing.
2. Use while drawing a trailer except the towing (other than for reward) of anyone disabled mechanically propelled vehicle.

MZC : 20 HIRE PURCHASE

It is hereby understood and agreed that the motor vehicle(s) is/are subject of a Hire Purchase Agreement made between the Owners on the one part and the insured of the other part. It is further understood and agreed that the owners are interested in any monies which but for this Endorsement would be payable to the insured under this Policy in respect of or damage to the Motor Vehicle (which loss or damage is not made good by repair reinstatement or replacement) and such monies shall be paid to the owners as long as they are the owners of the Motor Vehicle and their receipt shall be a full and final discharge to the Company in respect of such loss or damage.

Save as by this Endorsement expressly agreed nothing herein shall modify or effect

the rights and liabilities of the insured or the Company respectively under or in connection with this Policy.

MZC : 21 LIMITATIONS AS TO USE

“Use only for Agricultural and Forestry purpose.

The Policy does not cover:

1. Use for racing competitions rallies or trials (or for practice for any of them)
2. Use while drawing a trailer except the towing (other than for reward) of any one disabled mechanically propelled vehicle”.
3. Use for the carriage of passengers for hire or reward.

MZC : 22 AGRICULTURAL AND FORESTRY VEHICLES - TRAILER-EXTENDED COVER

It is hereby understood and agreed that the insurance by this policy shall be subject to its Terms apply in respect of any trailer described in the undernoted Schedule of Trailers as though or some other means of identification against it in the Schedule the value set against it in the under noted Schedule of Trailers.

MZC : 23 STRIKE, RIOT AND CIVIL COMMOTION

It is hereby understood and agreed that this policy is extended to include any accident loss, damage or liability arising from riot, strike and malicious damage within Zambia subject otherwise to the terms and conditions of the policy, but excluding political riot of any kind.

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 consequences thereof and default of such proof, the Company shall not be liable to make any payment in respect of such claim.

Subject otherwise to the terms of this Policy.

MZC : 24 PREMIUM CLAUSE (FLEET POLICIES)

The premium hereon is calculated at an agreed rate per vehicle and that the premium shown in the schedule of the Policy is a deposit premium based on the Insured's declaration of the total number of vehicles in his/their ownership and/or possession and insured by this Policy at inception/last renewal date.

The Insured shall similarly declare on the expiry date of the Policy the total number of vehicles in his/their ownership and/or possession and that an additional or return premium be paid by applying the difference in the declaration of the vehicles at the commencement of the insurance to one half of the annual premium rate per vehicle as stated above. The declaration of the number of vehicles at the expiry of the period of insurance shall be used to calculate a deposit premium for any subsequent period of insurance which premium shall be adjusted in like manner to the first premium.

MZC :25 PREMIUM PAYMENT WARRANTY

It is agreed and understood that otherwise subject to the terms, exclusion, provisions and conditions contained in the policy, it is warranted that the premium shall be paid and in the possession of the Company within sixty (60) days from the date of inception or renewal. Where a Premium Instalment Plan Agreement has been entered into between the insured and the company, the terms and provision of the instalment plan shall take precedence.

In the event of the warranty not being complied with, this policy shall automatically lapse from the date of expiry of the stated period. When a period lapses, any claim arising during the period of the lapsation shall not be admissible even upon revival of the policy. The policy may be revived at any time within 30 days from the date of lapsation upon payment of the premium in full. The policy shall then be reinstated with effect from the date of payment.

MZC :26 AVERAGE (UNDER INSURANCE)

When at the time of a claims the insured vehicle has a market value higher than the sum insured, it is understood and agreed that the Company shall bear only that proportion of the loss which the sum insured bears to the market value.