

3.4 CLAIMS PROCEDURE AND SUBROGATION

No admission, offer, promise or payment shall be made by or on behalf of the Insured without the written consent of the Company. The Company shall be entitled if it so desires to take over and conduct in the name of the Insured the defense or settlement of any claim. The Company is also entitled to prosecute in the name of the Insured 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.

3.5 APPLICATION OF INDEMNITY PRINCIPLE

3.5.1 In the event of loss or damage to any motor vehicle described in the Schedule hereto the Company may at its option repair, replace or pay in cash the amount of the loss or damage of such vehicle or part thereof and/or its accessories. The value of the vehicle shown in the Policy is not necessarily the amount payable by the Company in the event of total or partial loss, liability being limited to the market value immediately before the date of accident or the value shown in the Policy whichever is the lesser.

3.5.2. In the event of loss or damage of any parts of the motor vehicle described in the Schedule thereto the Insured shall be liable to contribute for replacement of new parts on account of depreciation or wear and tear.

3.5.3. In the event of loss or damage to the motor vehicle described in the Schedule the estimate cost of repair is not less than 65% of the sum insured or the market value at the time of loss, then the Insurer may opt to treat such vehicle as though it were a total loss and settle the claim accordingly.

3.5.4. In the event of loss or damage to the motor vehicle its parts and accessories thereof the Insurer shall be entitled to recover such salvaged or scrapped parts on settlement of the claim.

3.6. CONTRIBUTION

If at the time any claim arises under this Policy there is any other insurance entered in good faith 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.

3.7 UNOBTAINABLE PARTS

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 stocks held in the country in which the motor vehicle is held for repair or in the event of the Company exercising the option under section 3.5.1. 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's 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 prices last obtained at the Manufacturer's works plus the reasonable cost of transport otherwise than by air to the country in which the motor vehicle is held for repair and amount of the relative import duty, if no such catalog or price list exists.
- b) The reasonable cost of fitting such part

3.8 EXCESS

3.8.1. Notwithstanding anything to the contrary contained in this Policy, the Insured shall be responsible to bear the excess amount stated in the Schedule.

3.8.2 While any vehicle described in the Schedule of this Policy is at the time of any accident is being driven by or is in the charge of any person:-

- a) Under the age of 21 years
- b) Who is the holder of a driving full license which has been in force for less than 12 months, than the Company shall not be liable for the amount stated in the schedule to apply to each situation stated under a, and b, separately.

3.9 CANCELLATION

The Company may cancel this Policy by sending thirty 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 Prorata portion thereof for the period the Policy has been in force or the Policy may be cancelled at any time by the Insured on written notice and provided no claim has arisen during the current Period of Insurance the Insured shall be entitled to a return of premium at the Company's Short period rates for the period the Policy has been in force.