

The Private Motor Insurance Policy underwritten by Stanbic Bancassurance Intermediary Limited and Heritage Insurance Company provides coverage for accidental loss, damage, or injury within specified territorial limits during the insurance period, as detailed in the policy schedule. The policy offers three types of coverage: Comprehensive, which includes all sections; Third Party Fire and Theft, covering specific incidents; and Third Party Only, which cancels Section I. Coverage includes loss or damage to the insured vehicle and its accessories, with the maximum payout being the market value before the loss. If the vehicle is financed, the insurer will pay the financier in case of total loss. The policy also covers reasonable costs for protecting and recovering the vehicle after an accident and allows for authorized repairs within specified limits. Exclusions under Section I include consequential loss, depreciation, mechanical breakdowns, damage to tyres unless other parts are also damaged, and loss of contents in the vehicle. Section II covers liability to third parties, including legal liability for bodily injury or property damage caused by the vehicle, but excludes claims related to employees, property in custody, and the applicable excess amount. Emergency medical expenses for injuries sustained in an accident involving the vehicle are covered under Section III, while Section IV provides coverage while the vehicle is in the custody of motor traders or service providers. General exceptions apply to all sections, including incidents occurring outside territorial limits, overloading, liabilities arising from agreements, and losses due to war or terrorism. The policyholder has specific duties, including ensuring the vehicle is roadworthy, reporting accidents promptly, and informing the insurer of any significant changes. Claims must be reported immediately, and the insurer has the right to manage claims and recover costs. The policy includes an average clause for underinsurance, stipulating that if the vehicle's market value exceeds the insured value, the payout will be proportionate. In cases of fraud, rights under the policy may be forfeited. Complaints can be directed to the insurer or the Insurance Regulatory Authority, and disputes will be referred to mediation.

The policy outlines procedures for dispute resolution, cancellation, and various coverage clauses. In the event of a dispute, parties must engage in mediation within thirty days or appoint a single

arbitrator within the same timeframe, with binding decisions from the Chairman of the Chartered Institute of Arbitrators (Kenya Branch). If not referred to arbitration within twelve months, the claim is considered abandoned. Policyholders can cancel the policy at any time by notifying the insurer and returning the insurance certificates, or providing a statutory declaration if the certificates are lost. The insurer may also cancel the policy with fourteen days' written notice, requiring the return of the certificates, and will refund the premium for the remaining period, provided no claims have arisen. Key exclusions include coverage limitations for young or inexperienced drivers, where the insurer is not liable for losses exceeding a specified amount when the vehicle is driven by individuals under 21 or without a full license for at least one year. The policy also includes a Replacement Parts Clause, limiting liability for parts not available locally to specified pricing guidelines. An additional premium can be paid for windscreen and window glass claims without excess deductions, although this does not affect the No-Claim Discount.

The policy stipulates that if the premium is financed, any outstanding amounts may be deducted from claims settlements. A No-Claim Discount applies for years without claims, with increasing discounts for subsequent years. Important notes emphasize the need for accurate vehicle market value assessments and advise against admitting liability in accidents. The policy is non-transferable and requires immediate return of certificates upon vehicle sale or policy cancellation. Coverage limits include Kshs.3,000,000 for death or bodily injury to one person, Kshs.20,000,000 for multiple claims from one event, and Kshs.10,000,000 for property damage. Medical expenses are capped at Kshs.50,000 per accident. The territorial limits for coverage extend to East Africa, including Kenya, Uganda, Tanzania, Rwanda, and Burundi. Various clauses address specific conditions, such as exclusions for damage on airport premises, requirements for anti-theft devices, and coverage for car entertainment systems, with limitations on claims and conditions for reinstatement.

The policy also includes a No Blame No Excess Clause for own damage claims under certain conditions, an Agreed Value Clause for total loss claims, and a Premium Payment Warranty

requiring timely premium payments. An Excess Protection Clause allows for the payment of excess amounts under specific conditions, excluding certain claims and circumstances. Overall, the policy establishes comprehensive coverage while detailing exclusions, obligations, and procedures for both the insurer and the insured. Coverage is contingent upon an agreement, and it will automatically be exhausted after one claim, with a single reinstatement available upon payment of an additional premium for a second claim within the same insurance period. The policy includes specific excess amounts for different types of claims: for third-party property damage, the insured is responsible for the first Kshs 7,500 for each claim; for own damage and partial theft, the insured must cover the first 2.5% of the insured value, with a minimum of Kshs 15,000 and a maximum of Kshs 100,000; and for total theft claims, the insured is liable for 10% of the insured value (or 20% if no anti-theft device is fitted), with a minimum of Kshs 20,000.

The policy also includes a terrorism and sabotage extension, covering losses due to terrorism, sabotage, mutiny, insurrection, rebellion, coup d'état, strike, riot, or civil commotion, with specific definitions provided for these terms. However, exclusions apply, such as losses from war, civil war, or acts of personal violence, and the insurer will not cover losses resulting from delays, fraud, unexplained damage, or government actions. The Auto Correct endorsement introduces additional terms for vehicles fitted with a telematics device, including obligations for care and reporting of the device, conditions for premium cashback based on driving scores, and stipulations for cancellation or termination of the policy. The insured must return the telematics device upon termination and inform the insurer of any changes in risk details. The policy also emphasizes data protection, allowing the insurer to collect and process data related to the insured and the telematics device for insurance purposes.

The policy provides comprehensive coverage, third-party fire and theft, or third-party only options, with specific sections of the policy becoming operative based on the chosen coverage. The insurer agrees to indemnify the insured against loss or damage to the motor vehicle and its accessories,

with the liability not exceeding the limits specified in the schedule. The proposal and declaration made by the insured form part of the policy. The insurance policy outlines the coverage and limitations regarding loss or damage to the insured motor vehicle. The insurer's liability is capped at the market value of the vehicle at the time of loss, not exceeding the insured value stated in the policy schedule. If the vehicle is financed, the insurer will pay the financier in the event of a total loss, after which they have no further liability to the insured. The policy covers reasonable costs for protection and removal of the vehicle after an accident, provided the insured notifies the insurer of repairs that do not exceed the authorized limit.

Exclusions include consequential losses, depreciation, mechanical breakdowns, tire damage unless accompanied by damage to other vehicle parts, loss of contents, damage from overloading, and any excess stated in the schedule. The policy also provides third-party liability coverage, indemnifying the insured against legal liabilities for death, bodily injury, or property damage arising from accidents involving the vehicle. However, indemnity is not provided for claims related to employment injuries, property damage to the insured's own belongings, or incidents occurring outside the jurisdiction specified. Emergency medical expenses for injuries sustained by the insured or authorized drivers due to an accident are covered, and the policy remains valid while the vehicle is in the custody of a motor trader for repairs. The jurisdiction clause specifies that indemnity applies only to judgments from competent courts within Kenya.

The policy includes general exceptions, such as liabilities arising from war, civil commotion, natural disasters, and nuclear incidents. The insured must fulfill their duties, including safeguarding the vehicle and notifying the insurer of any accidents or claims promptly. The insurer retains the right to manage claims and defenses, and if multiple insurances cover the same loss, the insurer's liability is limited to its proportionate share. Cancellation terms allow either party to terminate the policy with notice, and any disputes will be resolved through arbitration. The insured must also ensure that the vehicle is used only for specified purposes, excluding racing or commercial use.

The insurance policy outlines several key provisions and exclusions that govern the coverage and claims process. A condition precedent for any right of action against the Company is that any claim must be referred to arbitration within twelve months of the Company's disclaimer of liability; otherwise, the claim is deemed abandoned. The policy includes a Young and/or Inexperienced Driver Excess, which states that the Company will not be liable for the first specified amount of any loss or damage to the vehicle when driven by an authorized driver under 21 years of age or without a full license for at least one year. The Replacement Parts Clause limits the Company's liability for parts not obtainable locally to the manufacturer's quoted price or factory price plus reasonable transport costs. Claims for windscreen or window glass replacement will be paid without any excess deduction and will not affect the No Claim Discount.

If the premium is financed and there are outstanding sums owed to the financier, the Company may deduct these amounts from any claims settlement. The policy excludes coverage for losses or damages occurring on airport premises, while also excluding claims arising from accidents involving intoxicated drivers. Additionally, the policy does not cover any losses related to acts of terrorism or political, war, and civil war risks.

In the case of own damage partial theft, the insured is responsible for a specified amount of any claim, and the Average Clause states that if the vehicle's market value exceeds the sum insured, the insurer will only cover a proportionate amount of the loss. The No Blame No Excess clause applies to