



No. 519, T. B. Jayah Mawatha, Colombo 10, Sri Lanka  
Tel : 0112 304 500 Fax : 0112 300 499 Email : motor@mbslinsurance.lk

### **MOTOR VEHICLE INSURANCE POLICY**

Whereas the Insured described in the Schedule hereto by a Proposal and a Declaration which shall be the basis of this Contract and is deemed to be incorporated herein has applied to **MBSL INSURANCE COMPANY LIMITED** (hereinafter called “the Company”) for the insurance hereinafter contained and has paid or agreed to pay the premium stated in the said Schedule as consideration for such insurance in respect of accident, loss or damage occurring during the period of insurance stated in the said Schedule or during any period for which the Company may accept payment for the renewal of this Policy.

Subject to the Terms, Exceptions and Conditions contained herein or endorsed or otherwise expressed herein.

#### **EXTENT OF COVER**

**DEFINITIONS** (which apply only as specified in the Schedule hereto)

**A. COMPREHENSIVE**

Sections 1 & 2 are applicable

Section 3 is applicable to Private Cars only

**B. THIRD PARTY ONLY**

Section 2 is only applicable

#### **LIMITS OF LIABILITY**

	<u>PRIVATE</u>	<u>ALL OTHER VEHICLES</u>
Limit of the Company's liability under Section 2-1 (a)		Unlimited
Limit of the Company's liability under Section 2-1 (b)	Unlimited	Rs. 15,000/-

**This Policy, Proposal Form, Current Certificate of Insurance and Schedule shall be read together as one Contract**

## SECTION 1: DAMAGE TO OR LOSS OF VEHICLE

1. The Company will indemnify the Insured against loss of or damage to any Motor Vehicle described in the Schedule here to and/or its accessories and spare parts whilst thereon;
  - (a) by collision overturning or any other accidental external means,
  - (b) by fire, explosion, self-ignition, lightning, burglary, house breaking or theft,
  - (c) by malicious act,
  - (d) whilst in transit by road, rail, inland waterway, lift or elevator.but excluding:
  - (i) Damage to Tyres and Tubes unless such Vehicle sustains other damage at the same time in which event the liability of the Company in respect of damage to Tyres and Tubes shall not exceed 50% of the cost of replacement.
  - (ii) Loss of or damage to Accessories, Other rubber items, Spare parts or integral parts by burglary, housebreaking or theft unless such Vehicle is stolen at the same time other than on Vehicles insured as Private Cars.
  - (iii) Loss of or damage to Windscreen(s), windows on Vehicles registered as Buses, Omnibuses and Motor Coaches in excess of 10 per centum of;
    - (a) The Insured's estimate of value (including accessories and spare-parts) of such motor Vehicle.
    - (b) The value of such motor Vehicle (including accessories and spare-parts), whichever is the less.
  - (iv) Loss of or damage to Lights, Tyres, Mudguards, Paintwork, Buffer Brackets, Buffer Aprons etc. are excluded on the Comprehensive cover for Vehicles used for Hire. This could be included at an extra premium subject to an excess of Rupees One Thousand (Rs. 1,000/-) only.
2. The Company shall not be liable to make any payment in respect of consequential loss, depreciation, wear and tear, mechanical or electrical breakdown, failures or breakages, overloading or strain, or by the nature of the load of such Vehicle.
3. In the event of such Motor Vehicle being disabled by reason of loss or damage covered under this Policy the Company will bear the reasonable cost of protection and removal to the nearest repairs approved by the Company and redelivery to the Insured, but not exceeding in all Rs. 500/- on Motor Cycles and Rs. 1,500/- on all other Vehicles in respect of any one accident.

### NO CLAIM BONUS

In the event of no claim being made or arising under the Policy during a period of insurance specified below immediately preceding the renewal of this Policy, the renewal premium for such part of the insurance as is renewed shall be reduced from time to time by the percentages set by the Company.

Should the Company consent to a transfer of interest in this Policy the period during which the interest was in the transferor shall not accrue to the benefit of the transferee.

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

### Other than motor cycles and Trade plate

Period	Percentage applicable
The preceding year	15%
preceding 2nd consecutive years	20%
preceding 3rd consecutive year	25%
preceding 4th consecutive year	30%
preceding 5th consecutive year	35%
preceding 6th consecutive year	40%
preceding 7th consecutive year	45%
preceding 8th consecutive year	50%
preceding 9th consecutive year	55%
preceding 10th consecutive year	60%
preceding 11th consecutive year	65%
preceding 12th consecutive year	70% (max)

## For motor cycles

The preceding year	10%
preceding 2nd consecutive years	15%
preceding 3rd consecutive year	20%
preceding 4th consecutive year	25%
preceding 5th consecutive year	35%(max)

### SECTION 2: LIABILITY TO THIRD PARTIES

- Subject to the limits of liability stated in this Policy, the Company will indemnify the Insured in the event of accident caused by or through or in connection with any Motor Vehicle described in the said Schedule (including the loading and/or unloading of Vehicles other than private cars and motorcycles) against all sums including claimant's costs and expenses which the Insured shall become legally liable to pay in respect of;
  - death of or bodily injury to any person except where such death or injury arises out of and in the course of the employment of such person by the Insured and excluding liability to any person being a member of the Insured's household who is a passenger in such Motor Vehicle unless such person is being carried by reason of or in pursuance of a contract of employment.
  - damage to property other than property belonging to the Insured or held in trust by or in the custody or control of the Insured or any member of the Insured's household or any property being carried on such Vehicle.
  - damage to property caused by sparks or ashes from your vehicle or caused by or arising out of the explosion of a boiler of your vehicle.
  - death of or bodily injury to any passenger being carried in or upon or entering or getting on to or alighting from any Vehicle insured as a hiring passenger carrying Vehicle described in the Schedule hereto, but such indemnity is limited to the sum of Rs. 2,000/- in respect of any one such passenger provided always that in the event of an accident occurring whilst such Vehicle is carrying more than the maximum number of passengers stated in the Schedule (in addition to the conductor & driver) the Insured shall repay to the Company a ratable proportion of the total amount payable by the Company by reason of this provision in respect of such accident in connection with such Vehicle.Provided always that on Vehicles other than private cars and motor cycles the Company shall not be liable in respect of :-
  - death, injury or damage caused or arising beyond the limits of any carriage way or thoroughfare in connection with the bringing of the load to such Vehicle for loading thereon or the taking away of the load from such Vehicle after unloading therefrom.
  - death of or bodily injury to any person (other than a passenger carried by reason of or in pursuance of a contract of employment) being carried in or upon or entering or getting on to or alighting from such Vehicle at the time of the occurrence of the event out of which any claim arises.
- The Company will pay all costs and expenses incurred with the written consent from the Company.
- In terms of and subject to the limitation of the indemnity which is granted by this Section to the Insured, the Company will indemnify any person who is driving such Motor Vehicle provided that such person;
  - is not entitled to indemnity under any other Policy.
  - shall as though he were the insured observe, fulfil and be subject to the terms, exceptions and conditions of this Policy in so far as they can apply.
- In terms of and subject to the limitation of the indemnity, which is granted by this Section in connection with;
  - any Motor Cycle described in the Schedule hereto the Company will indemnify the Insured whilst personally driving a Private Motor Cycle (but not a Motor Car) not belonging to him and not hired to him under a hire purchase agreement.
  - any Private Car described in the Schedule hereto the Company will indemnify the Insured whilst personally driving a Private Motor Car (but not a Motor Cycle) not belonging to him and not hired to him under a hire purchase agreement.
- 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 the terms of and subject to the limitations of this Section provided that such personal representatives 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 those can apply.
- The Company may at it's own option arrange for representation at any Inquest or Fatal inquiry in respect of any death which may be the subject of indemnity under this Section and may undertake the defense of proceedings in any Magistrate's Court or Court of First instance in respect of any act or alleged offence causing or relating to any event which may be the subject of indemnify under this Section.
- The Company shall not be liable for any damage to any bridge and/or weigh bridge and/or viaduct and/or to any road and/or anything beneath by vibration or by the weight of such Vehicle and/or load carried by such Vehicle.

### **SECTION 3 : MEDICAL EXPENSES (APPLICABLE TO PRIVATE CARS ONLY)**

The Company will pay to the Insured the reasonable medical expenses insured in connection with any bodily injury by violent accidental external and visible means sustained by the Insured or any occupant of any Motor Car described in the said Schedule other than a paid driver and/or attendant and/or cleaner as the direct and immediate result of an accident to such Motor Car provided that the total liability of the Company under the clause shall be limited to Rs. 5,000/- in respect of any one accident.

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

Nothing in this Policy or any Clause herein 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 provisions of the Motor traffic Act No 14 of 1951 sections 102 and 105.

Provided, 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 said provisions.

### **APPLICATION OF LIMITS OF INDEMNITY**

In the event of any accident involving indemnity to more than one person any limitation by the terms of this Policy and/or of any Clause hereon of the amount of any indemnity shall apply to the aggregate amount of indemnity to all person indemnified and such indemnity shall apply in priority to the Insured.

### **GENERAL EXCEPTIONS**

The Company shall not be liable under this Policy in respect of;

- (1) any accidental, loss, damage and/or liability caused, sustained or incurred not if notified to the Company immediately.
- (2) any accident, loss, damage and/or liability caused, sustained or incurred outside the land limits of Sri Lanka.
- (3) any claim arising out of any contractual liability.
- (4) any accident, loss, damage and/or liability caused sustained or incurred whilst any Motor Vehicle in respect of or in connection with which insurance granted under this Policy is:
  - (i) being used for any purpose not permitted by the current Certificate of Motor Insurance.
  - (ii) being driven by or is for the purpose of being driven by him in the charge of any person not authorized by the current Certificate of Motor Insurance.
- (5) any accident, loss, damage and/or liability directly or indirectly, proximately or occasioned by, contributed to or traceable to or arising out of or in connection with invasion, the act of foreign enemies, hostilities or warlike operation (whether the war being declared or not) civil war, strike, riot, civil commotion, mutiny, rebellion, military or 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 and/or liability arose independently of and was in no way connected with or occasioned by or contributed to 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.
- (6) any accident or loss or damage arising directly or indirectly whilst the Insured driving such motor Vehicle having consumed any intoxicating liquor or any drug or any person having consumed any intoxicating liquor or any drug driving such motor Vehicle.
- (7) in no case shall this insurance cover loss damage, liability or expense directly or indirectly caused by or contributed to by or arising from:
  - (i) ionizing, radiations from or contamination by radioactivity from any nuclear fuel or 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 or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
  - (iv) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter, the exclusion in this sub clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific, or other similar peaceful purposes.
  - (v) any chemical, biological, bio chemical, or electromagnetic weapon.
- (8) any accident loss, damage and/or liability which is not consistent with the description of the accident loss and/or damage of the Vehicle as described by the Insured or any one acting on behalf of the Insured.
- (9)
  - (i) Loss or damage caused by electrical breakdown, failures or breakages including that of any microchip, embedded chips, integrated circuit or similar device failing to correctly recognize any date as its true calendar dates.
  - (iii) Loss or damage arising from the use or operation of any computer system, computer software programme, malicious code, computer virus or process or any other electronic system to inflict harm on others.

**(10) To your vehicle or its accessories.**

- (i) As a result of tipping, topping or overturning of the vehicle whilst loading or unloading or while being used as a tool of trade.
- (ii) As a result of participation in rallies, processions, races , trials,exhibitions, speed contests or any other hazardous sport activities.

(11) For any expenses incurred in respect of diagnosing any fault or any repairs carried out in any country other than in Sri Lanka.

(12) overturning risks and third party working risks under mobile cranes:

- (i) Under Section 1 of this Policy in respect of any loss or damage resulting from overturning, arising out of the operation as a tool of such vehicle or plant, forming part of such vehicle or attached thereto except for loss or damage arising directly from fire, external explosion, self-ignition or lightning or burglary, house breaking or theft.
- (ii) Under Section 2 of this Policy so far as is necessary to meet the requirements of the Motor Traffic Act No.14 of 1951 and subsequent Amendments thereto in respect of liability incurred by the Insured arising of the operation as a tool of such Vehicle or of plant forming part of such Vehicle or attached thereto.

(13) any loss, damage caused while in use as a tool of trade under mobile crane, tipper under Section 1 of this Policy in respect of loss of or; damage to the vehicle described in the schedule hereto arising out of the operation as a tool of such Vehicle or of any plant forming part of such vehicle or attached thereto.

(14) under Section 1 of this Policy in respect of loss and/or damage resulting from jackknifing of an articulated vehicle.

(15) the Company shall not be liable to entertain or settle any claim made under this Policy in the event the Vehicle meets with an accident and/or suffers damage:

- (i) while being driven and/or detained by a Police Officer due to an offence being committed and/or the Vehicle being used to commit any offence or and unlawful act by the Insured and/or his authorized driver,
- (ii) while being seized by an authorized officer of a Leasing / Financial Company who has a registered interest in the Vehicle; due to non-payment or default of payment of rentals of any Leasing / Financial facility granted to the Insured by such Leasing / Financial Company.

**SANCTION CLAUSE**

No insurer shall be deemed provide cover no insure shall be liable to pay any claim or provide any benefit hereunder to the extend that the provision of such cover payment of claim or provision of such benefit would expose that insurer to any sanctions prohibition of restriction under United resolutions or trade of economic sanction laws or regulations of the European Union , United Kingdom or United States of America.

**CONDITIONS**

**1. CLAIMS**

- (i) You shall inform by calling us on our call center number indicated in the certificate of insurance forthwith in the event of an accident or loss. You shall forward every letters , claim writ or summons us immediately on receipt by you.  
You shall also immediately inform us about any impending prosecution in respect of any accident or loss involving your vehicle.  
You shall also give immediate notice to the police about theft of your vehicle or any other criminal act involving your vehicle and cooperate with us in order to get the offender convicted.
- (ii) In the event of an accident you shall not dismantle any part of the vehicle or start any repair without our prior written approval.
- (iii) No admission offer, promise, payment or indemnity shall be made 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 the name of the Insured the defense or settlement of any claim or to prosecute in the name of the Insured for its own benefit, any claim or indemnity or damages or otherwise shall have full discretion in the conduct of any proceedings or in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.
- (iv) At any time after the happening of any event (excluding private cars) giving rise to a claim or series of claims under Sub-Section 1 (b) of Section 2 of this Policy, the Company may pay to the Insured the full amount of the Company's liability under that Sub-Section and relinquish the conduct of any defense settlement or proceedings and the Company shall not be responsible for 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 defense, settlement or proceedings or of the Company relinquishing such conduct nor all 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.

(v) You shall fulfill all the requirements in relation to your claim, carry out of the repairs and produce the vehicle for inspection within Sixty (60) days from the date of accident or loss.

(vi) Any extension to the above shall be considered upon your written request subject to our written consent.

(vii) In the event the Insured fails to submit the documentation and/or prepare the Vehicle and/or produce the repaired Vehicle to the company for Inspection within the aforesaid period, the Company shall be at liberty to cancel the claim intimated by Insured without any further notice / intimation to him.

3. The Company may at its own option repair, reinstate or replace any motor Vehicle described in the Schedule hereto or part thereof and/or its accessories or spare parts or may pay in cash the amount of the loss or damage and the liability of the Company shall not exceed the actual value of the parts damaged or lost plus the reasonable cost of fittings and in no case exceed the Insured's estimate of the value of such Motor Vehicle (Including accessories and spare parts) as specified in the said Schedule, or the value of such Motor Vehicle (Including accessories and spare parts) at the time of the loss or damage whichever is less. In the event of loss or damage to the Motor Vehicle and/or its accessories necessitating the supply of a part not obtainable from stocks held in Sri Lanka or in the event of the company exercising the option 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;

(i) (a) The price quoted in the latest catalogue or price list issued by the Manufacturer or its Agents in Sri Lanka subject to a percentage of cost to be borne by the Insured which will be notified at the time of the claim; or

(b) The price list obtaining at the Manufacturer's works plus the reasonable cost of transport other than by air to Sri Lanka and the amount of the relevant import duty, if no such catalogue or price list exist; and

(ii) a reasonable cost of fitting such part.

(iii) We will pay 50% of total replacement cost of CV joint, boot covers, brake pads and liners, sensors clutch and pressure plates master pumps, repair kits, (brake & clutch) , oil, gases, filters, gaskets, belts, brake washers, o-rings, oil seals, other packing, rubber items, and other consumable items.

(iv) You and your authorized driver at the time of an accident of loss involving your vehicle shall report such accident or loss to the nearest police station as per the provisions of the Motor Traffic Act.

#### 4. **REASONABLE PRECAUTIONS, PROPER MAINTENANCE AND MINIMISING LOSSES**

(a) The Insured shall take all precautions to safeguard the vehicle from loss or damage and or theft. Failure to do so the insurer has right to reject the claim.

(b) Vehicle should be maintained in roadworthy and efficient condition and the company shall have all times free and full access to examine such Motor Vehicle or any part thereof or any driver or employee of the insured. In the event of any accident or breakdown such Motor Vehicle shall not be left unattended without proper precautions being taken to prevent further damage or loss and if such Motor Vehicle be driven before the necessary repairs are effected. Any extension of the damage or any further damage to such Motor Vehicle shall be entirely at the Insured's own risk.

#### 5. **CANCELATIONS**

The Company may cancel this policy by sending seven (07) 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 canceled 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.

#### 6. **OTHER INSURANCE**

If at the time any claim arises under this Policy there is any other existing insurance 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. 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 sub section 3 (a) of section 2 of this policy.

## **7. ARBITRATION :**

- (i) If any dispute or difference arises as to the quantum payable for any loss or damage under this Policy, such difference shall independently of all other questions be referred to arbitration by a notice in writing as provided for herein;
- (ii) The party who seeks to refer such dispute or difference to Arbitration (“the First Party”) shall name the Arbitrator appointed by him (“the First Arbitrator”) in the notice in writing and send to the other party (“the Other Party”) making such reference and request the Other Party to appoint another Arbitrator;
- (iii) In the event of the Other Party failing to appoint another Arbitrator (“the Second Arbitrator”) within thirty (30) days from the date of dispatch of the said notice, the first Arbitrator shall act as the sole Arbitrator and make a final award as if the parties hereto have jointly appointed him to act as such sole Arbitrator.

The date of dispatch shall mean the date on which such notice is dispatched by registered post and the postal frank or postal receipt shall be the conclusive evidence of proof thereof;

If the Other Party appoints the second Arbitrator, the two (02) Arbitrators shall within twenty (20) days of appointment of the second Arbitrator, appoint a Chairman as provided for in section 6 (3) of the Arbitration Act No.11 of 1995 of Sri Lanka (the Act) who shall sit with the first and second Arbitrators and preside at their meetings.

- (iv) In the event of a vacancy of an Arbitrator due to resignation or death or otherwise, the party who appointed the Arbitrator whose position became vacant shall appoint another Arbitrator within Twenty One (21) days from the date on which, such position became vacant or within Twenty One (21) days from a written notice by the Other Party requesting to appoint an arbitrator for the position of vacant Arbitrator whichever is later. In the event of failure of such Party to appoint an arbitrator after the said notice by the other party to fill the vacancy.

The remaining Arbitrator and the Chairmen shall terminate the Arbitration proceedings and the party who failed to appoint an Arbitrator in the place of the vacant Arbitrator shall not thereafter contest the matter in dispute and/or difference which was originally referred to the Arbitration. In the event of the position of Chairman becoming vacant, the two Arbitrators shall appoint a new Chairman within Twenty One (21) days from the date on which the position of Chairman became vacant.

- (v) In the event of such dispute or difference arising in respect of any quantum payable under this Policy as aforesaid has not been referred to Arbitration within Twelve (12) Calendar months from the date of arising of such dispute or difference, the quantum decided by the Insurer shall prevail.
- (vi) The Arbitration proceedings shall be held in the city of Colombo, the language of the proceedings shall be in English and unless otherwise agreed between the Parties the procedure for the Arbitration shall be the procedure stipulated in the Act as far as such procedure is not conflicting with this Arbitration agreement. If there is a conflict between the Act and this Arbitration agreement, provisions in this arbitration agreement shall prevail over the provisions of the Act.
- (vii) The award made at an Arbitration held as provided herein shall be final, conclusive and binding on the Parties hereto;
- (viii) The cost of Arbitrator appointed by each Party shall be borne by the Party who appointed the respective Arbitrator and the cost of the Chairman and any other administrative cost shall be borne by the Parties in equal shares. In the event of a sole Arbitrator, the cost of the sole Arbitrator shall be borne by the Parties in equal shares.

## **8. OBSERVANCE OF TERMS & CONDITIONS**

The due observance and fulfillment of the Terms, Conditions and Clauses 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 to any liability of the Company to make any payment under this Policy.

## **9. CHANGE OF MODIFICATIONS**

You shall immediately inform us of any change, modification or inclusion of any special feature to your vehicle which materially affects our liability and upon consideration, we shall be entitled to impose any further terms, conditions and exceptions.

## **10. FRAUDULENT CLAIMS**

If the claim is in any respect fraudulent or if any fraudulent means, devices or documents be used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy or if any loss or damage is occasioned by the wilful act of the Insured or with the connivance of the Insured or if any false declaration or statement be made in support thereof, all benefits under this Policy shall be forfeited.

- 11.** Under the provisions of the Motor Traffic Act (Chapter 203) as amended by the Motor Traffic (Amendment) Act No.8 of 2009 it is mandatory that the Insured / authorized driver report the accident forthwith to the nearest Police Station. Nothing contained in this Policy/ any other document issued by the Company or any representation made by the Company shall indemnify the Insured / authorized driver from the legal obligation placed on him by the said Law.



## 12. JURIDICTION

The indemnity provided by this Policy shall not apply in respect of Judgments which are not in the First instance delivered by or obtained from Court of competent Jurisdiction within Sri Lanka, nor to Orders obtained in the said Court for the enforcement of Judgments made outside Sri Lanka whether by way of reciprocal agreements or otherwise.

## 13. CONDITION OF AVERAGE

If the market value of your vehicle is greater than your sum insured at the time of the accident or loss your claim shall be reduced by a rateable proportion. If you have more than one vehicle, each vehicle is separately subject to this condition Market value of a vehicle means the value of a vehicle of similar make, model, age and condition. you are required to maintain the correct market value of the vehicle at all time.

**THE FOLLOWING CLAUSES APPLY ONLY IF INDICATED ON THE POLICY SCHEDULE. ALL TERMS, CONDITIONS AND EXCEPTIONS OF THE POLICY SHALL APPLY EXCEPT IN SO FAR AS THEY ARE EXPRESSLY VARIED**

### CLAUSE NO. 01 - HIRE PURCHASE / LEASE

In consideration of the Insured having paid an additional premium, it is hereby understood and agreed that the institutions stated in the Schedule (hereinafter referred to as the owners) are the owners of the Vehicle described in the Schedule hereto and that the said Vehicle is the subject of a Hire Purchase / Lease Agreement made between the Owners of the one part and the Insured of the other part, and it is further understood and agreed that the said owners are interested in any money which but for this clause would be payable to the Insured under this Policy in respect of loss or damage to the said Vehicle (which loss or damage is not made good by repair, reinstatement or replacement) and such money shall be paid to the said Owners as long as they are the Owners of the Vehicle and their receipt shall be full and final discharge to the Company in respect of such loss or damage.

It is further declared and agreed that, nothing herein shall modify or affect the rights or liabilities of the Insured or the Company respectively under or in connection with this Policy or any condition or term thereof.

### CLAUSE NO. 02 - VOLUNTARY EXCESS

It is hereby understood and agreed that notwithstanding anything to the contrary contained in Section 1 and 2 this Policy, the Insured in respect of each and every event shall be responsible for the amount specified in the Schedule (or any less expenditure which may be incurred) of any expenditure for which provision is made thereunder (including any payments in respect of costs and expenses) and if any expenditure by the Company in exercise of its discretion under Condition 2 of this Policy.

If the expenditure incurred by the Company shall include the amount for which the Insured is responsible hereunder, such amount shall be repaid by the Insured to the Company forthwith.

For the purposes of this Clause the expression "incident" shall mean an incident or series of incidents arising out of one cause in connection with any one Motor Vehicle in respect of or in connection with which indemnity is granted under this Policy.

### CLAUSE NO. 03 - PERSONAL ACCIDENT BENEFITS

In consideration of the Insured having paid an additional premium, it is hereby understood and agreed that the Company undertakes to pay compensation on the scale provided below for bodily injury as hereinafter defined by any person stated in the Schedule whilst mounting into, dismounting from or traveling in any Vehicle described in the Schedule hereto and caused by violent accident external and visible means independently of any other cause (excepting medical or surgical treatment consequent upon such injury) shall within three (03) calendar months of the occurrence of such injury result in.

### SCALE OF COMPENSATION

**(Applicable on the Sum Insured mentioned in the Schedule of the Policy in respect of this Clause)**

- |  |               |
|--|---------------|
| 1. Death   | 100%          |
| 2. Total and irrecoverable loss of all sight in both eyes or total loss by Physical Severance, at or above the wrist or ankle of both hands or both feet or of one hand together with one foot.      | 100%          |
| 3. Total loss by Physical Severance, at or above the wrist or ankle of one hand or one foot together with the total and irrecoverable loss of all sight in one eye.                                  | 100%          |
| 4. Total loss by Physical Severance, at or above the wrist or ankle of one hand or one foot or the total irrecoverable loss of all sight in one eye.   | 50%           |
| 5. Total disablement for the Insured or (Persons named in the Schedule only) from engaging in or giving any attention to such person's profession or occupation for a period not exceeding 26 weeks. | 0.5% per week |

Provided always that :-

- (a) Compensation shall be payable under only one of items (1) to (5) above in respect of any such person arising out of any one occurrence and the total liability of the Company shall not in the aggregate exceed the amount payable under items of the scale of compensation as stated in the Schedule.
- (b) No Compensation shall be payable in respect of death or injury directly or indirectly wholly or in part arising or resulting from or traceable to (1) international self-injury, suicide (whether felonious or not) or attempted suicide, physical defect or infirmity or (2) an accident happening whilst such person having consumed any intoxicating liquor or drugs.
- (c) Such Compensation shall be payable only with the approval of the Insured and directly to the injured person or to his legal personnel representatives whose receipt shall be a full discharge in respect of the injury of such person.
- (d) Not more than the number of persons specified in the Certificate of Registration are in the said Vehicle at the time of occurrence of such injury and this shall apply in respect of cover taken or passengers only.
- (e) Such person is not less than 16 or more than 65 years of age at the time of such injury.
- (f) The Strike, Riot, Civil Commotion and Terrorism extensions under the Policy shall not apply to the extension of insurance by this Clause unless specifically covered.

#### **CLAUSE NO. 04 - PASSENGER RISK (Legal Liability to Passengers)**

**(Applicable to commercial passenger carrying Vehicles)**

In consideration of the payment of an additional premium, it is hereby understood and agreed that notwithstanding anything to the contrary contained in Sub Section 1 (ii) of Section 2 of this Policy but subject otherwise to the terms, exceptions and conditions of this Policy, the Company will indemnify the Insured, or any other person indemnified under Section 2 of this Policy against all sums including claimants costs and expenses, which he shall become legally liable to pay in respect of death of or bodily injury to any passenger being carried in or upon or entering on to or alighting from any Vehicle described in the Schedule thereto but such indemnity is limited to the sum specified in the Schedule in respect of any one such passenger.

Provided always that in the event of an accident occurring whilst such Vehicle is carrying more than the number of seats specified in the Schedule (in addition to the conductor / attendant 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 clause in respect of such accident.

#### **CLAUSE NO. 05 - WORKMAN'S COMPENSATION INSURANCE**

In consideration of the Insured having paid an additional premium, the Company undertakes to pay compensation in the terms of the Workmen's Compensation Ordinance 1934 and subsequent of the said Ordinance passed prior to the date of issue of this Policy in respect of personal injury to any paid driver and/or attendant / cleaner and/or laborer(s) as specified in the Schedule of any Motor Vehicles described in the Schedule hereto while engaged in the service of the Insured and will in addition be responsible for all costs and expenses incurred with its written consent.

Provided always that :-

- (i) This Clause does not indemnify the Insured in respect of liability directly or indirectly, proximately or remotely occasioned by or contributed to or traceable to or arising out of or in connection with war, invasion act of foreign enemy, hostilities or war like operations (whether war be declared or not) civil war, mutiny, insurrection, rebellion, revolution, conspiracy, military or usurped power
- (ii) This Clause does not indemnify the Insured in respect of any liability in cases where the Insured holds or subsequently effects with any Insurer, a Policy of Insurance in respect of Employer's liability for his general Employees.
- (iii) The Insured shall take reasonable precautions to prevent accident and shall comply with all statutory obligations.
- (iv) The Insured shall keep a record of the name of each driver / attendant / cleaner of laborer employed and amount of wages, salary and other earnings paid to such employees and shall at all times allow the Company to inspect such record.
- (v) The premium paid in respect of this Clause shall not be subject of the rebate provided under the "No Claim" Rebate Bonus of this Policy and any payment made by reason of this clause shall not be deemed to be a claim under this Policy for the purpose of the said "No Claim" Bonus.
- (vi) In the event of the Policy being canceled at the request of the Insured, no refund of the premium paid in respect of this clause will be allowed.
- (vii) Such compensation shall only be payable where the employee or his dependents as the case may be agree to accept it in full satisfaction and discharge of claims against the Insured. Failing such agreement, the Company will indemnify the Insured against his legal liability at Common Law and will in addition be responsible for all costs and expenses incurred with its written consent.
- (viii) Labourers being conveyed on the Insured Vehicle for the purpose of loading or un-loading shall not be considered as attendance for the purpose of this clause.

### **CLAUSE NO. 06 - TOWING CHARGES**

In consideration of the Insured having paid an additional premium, the maximum amount payable in respect of item 3 of Section 1 of this Policy is increased to the amount stated in the Schedule subject to the terms, exceptions and conditions of this Policy.

### **CLAUSE NO. 07 - GLASS BREAKAGE (SPECIAL WINDSCREEN COVER)**

In consideration of the Insured having paid an additional premium, it is hereby agreed that if any glass in the Windscreen(s), Windows of the Insured Vehicle shall be broken not involving other damage or body work, the Company will pay the cost of reinstatement of such windscreen(s), windows and scratched body work irrespective of cause of breakages up to but not exceeding the sum so stated in the Schedule of this Policy for any one occurrence. Further such payment will be made without prejudice in any No Claim Bonus otherwise due and irrespective of any "Excess" operative under this Policy.

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

### **CLAUSE NO. 08 - THIRD PARTY PROPERTY DAMAGE**

In consideration of the Insured having paid an additional premium, it is hereby understood and agreed, subject otherwise to the terms, exceptions and conditions of this Policy, the Company will indemnify the Insured against all sums including claimant's costs and expenses which the Insured shall become legally liable to pay in respect to damage to third party property cause by the use of any Vehicle described in the Schedule thereto but such indemnity is limited to the sum stated in the Schedule in respect of any one accident.

### **CLAUSE NO. 09 - LEARNER DRIVER / RIDER**

In consideration of the Insured having paid an additional premium, it is hereby declared and agreed that, notwithstanding anything to the contrary the written Policy is extended to be operative whilst the person(s) described in the Schedule learns to drive the vehicle described in the Schedule provided that the Insured shall have confirmed to the requirements of the Motor Traffic Act in regard to Learner Driver / Rider.

In consideration of this extension the Insured shall be responsible for the first Rupees Two Thousand Five Hundred (Rs. 2,500/-) only or (any less expenditure which may be incurred) of any expenditure for which Provisions is made under Section 1 and 2 of this Policy (including any payments in respect of costs and expenses) and of expenditure by the Company in the exercise of its discretion under Condition 2 of this Policy, In respect of each and every event whilst the person(s) described in the Schedule is learning to drive.

If the expenditure incurred by the Company shall include the amount for which the Insured is responsible hereunder, such amount shall be repaid by the Insured to the Company forthwith.

For the purpose of this Clause the expression "event" shall mean an incident or series of incidents arising out of one cause in connection with any one Vehicle in respect of which indemnity is granted under this Policy.

The amount for which the Insured is responsible under this Clause shall be considered in addition to any excess Clauses already in this Policy.

### **CLAUSE NO. 10 - EXCLUDED ITEMS (HIRING VEHICLES ONLY)**

In consideration of the Insured having paid an additional premium, it is hereby declared and agreed that the Company will indemnify the Insured in respect of damage to Lights, Tyres, Mudguards, Paintwork, Buffer Brackets, Buffer Aprons etc. are excluded on the Comprehensive cover for Vehicles used for Hire. This could be included at extra premium subject to an excess of Rupees One Thousand (Rs. 1,000/-) only for each every loss

### **CLAUSE NO. 11 - OMNI BUSES PLYING FOR HIRE IN CO-ORDINATION WITH S.L.T.B.**

In consideration of the Insured having paid an additional premium, it is hereby understood and agreed that notwithstanding anything to the contrary contained in Section 2 (1) of this Policy but subject otherwise to the terms, exceptions and conditions of this Policy, the Company will indemnify the Insured or any other person indemnified under Section 2 of this Policy against all sums including claimant's costs and excesses which he shall become legally liable to pay in respect of death of or bodily injury to any passenger being carried in or upon or entering or getting on to or alighting from any Vehicle described in the Schedule thereto.

Provided always that in the event of an accident occurring whilst such Vehicle is carrying more than the seating capacity stated in the Certificate of Registration (in addition to the Conductor / Attendant 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 Clause in respect of such accident in connection with such Vehicle.

In consideration of this extension the Insured shall bear a compulsory excess of Rupees Five Hundred (Rs. 500/-) only on each and every claim irrespective of any other excess under Section 1 of this Policy. Notwithstanding anything contained herein to the contrary, it is hereby declared and agreed that Insurance granted by this Policy is subject to the following:

1. The Insured should submit to the Insurer a Certificate of competence in respect of each driver obtained from the Automobile Association of Ceylon to the effect that such driver is fit to drive the class of Vehicle insured hereunder and the Insured should confirm that the driving experience on this class of Vehicle is over three years.
2. The maximum age of such driver should not exceed 65 years and any such Vehicle driven by a driver below 30 years of age is subject to a compulsory excess of Rupees One Thousand (Rs. 1,000/-) irrespective of any other excess under this Policy.
3. The Insured should obtain a comprehensive inspection report from the local Agents or the A.A.C. to confirm the roadworthiness and the general condition of the Vehicle if it is second hand or reconditioned.

## **CLAUSE NO. 12 - HIRE VEHICLES (VEHICLES ON RENT)**

In consideration of the Insured having paid an additional premium, it is hereby understood and agreed that notwithstanding anything to the contrary contained in this Policy unless the Vehicle described in this Schedule hereto is being driven by or is for the purpose of being driven by him in the charge of the Insured or a person in his employment the Policy shall be operative only while such Vehicle is let on hire by the Insured to any person (hereinafter called the "Hirer") who;

1. shall have entered into a Hire Contract with the Insured and who prior to such hiring shall have satisfactorily completed and signed a Declaration Form.
2. shall have satisfied the Insured;
  - (a) that such Vehicle will be driven only by a person duly licensed to drive whose license has not been endorsed.
  - (b) that such person has not been refused Motor Insurance or had his Insurance Policy cancelled or had special conditions imposed or had increased premium asked for by reason of claims experience.

While such Vehicle is let on hire to the Hirer the company shall not be liable:

- (i) for any loss damage or liability due to or arising from theft or conversion by the Hirer.
- (ii) if such vehicle is used by the Hirer for the carriage of passengers and/or goods for hire or reward.

It is further understood and agreed that it is a condition precedent to any liability under this Policy that the Insured shall have forwarded to the Company the Declaration Form referred to above completed by the Hirer together with the Proposal and the Declaration shall be the basis of the contract expressed in this Clause. Furthermore, in consideration of this extension the Insured shall bear the first Rupees Five Thousand (Rs. 5,000/-) on each and every claim irrespective of any other excess under this Policy.

## **CLAUSE NO. 13 - DRIVING TUITION**

In consideration of the Insured having paid an additional premium, it is hereby declared and agreed that notwithstanding anything to the contrary contained herein the within written Policy is extended to be operative whilst the Insured or his authorized representatives uses the Vehicle described in the Schedule hereto for driving tuition subject to the requirements of Motor Traffic Act No. 14 of 1951 and its subsequent amendments in regard to the learners.

In consideration of this extension, the Insured shall bear the first Rupees Five Thousand (Rs. 5,000/-) on each and every claim irrespective of any other excess under this Policy.

## **CLAUSE NO. 14 - NATURAL PERILS**

In consideration of the Insured having paid an additional premium, it is hereby declared and agreed that the Company will indemnify the Insured in respect of any accident, loss, damage and/or liability directly or indirectly proximately or remotely occasion by contributed to by or traceable to or arising out of or in connection with Cyclone, Storm Tempest, Flood, Earthquake Landslide, Typhoon, Hurricane, Hail, Tsunami, Tornado, Volcanic, Eruption and Tidal Waves subject otherwise to the terms exceptions and conditions of this Policy.

## **CLAUSE NO. 15 - DUTY FREE VEHICLES**

It is hereby declared and agreed that the Estimated Value which includes accessories and spare parts appearing in the Schedule of this Policy, as declared by the Insured, excludes the local Customs Duties.

In consideration of the above it is hereby declared and agreed that in the event of a claim under Section 1 of this Policy necessitating the replacement of parts, the liability of the Company for such parts shall exclude the local customer duty of such parts.

## **CLAUSE NO. 16 - COMPULSORY EXCESS**

It is hereby understood and agreed that notwithstanding anything to the contrary contained in Section 1 of this Policy the Insured in respect of each and every event shall be responsible for the sum specified in the Schedule (or any less expenditure which may be incurred) of any expenditure for which provision is made thereunder (including any payments in respect of costs and expenses) and of any expenditure by the Company in the exercise of its discretion under Condition 2 of this Policy.

If the expenditure incurred by the Company shall include the amount for which the Insured is responsible hereunder, such amount shall be repaid by the Insured to the Company forthwith.

For the purposes of this Clause the expression "incident" shall mean an incident or series of incidents arising out of one cause in connection with any one Motor Vehicle in respect of or in connection with which indemnity is granted under this Policy.

## **CLAUSE NO. 17 - INSTITUTIONAL LOAN / MORTGAGE**

It is hereby understood and agreed that in consideration of money advanced on the security of the Vehicle described in the Schedule hereto the institution stated in the Schedule is interested in any money which but for this Clause would be payable to the Insured under this Policy in respect of loss or damage to the said Vehicle (which loss or damage is not made good by repair, reinstatement or replacement) and such money shall be paid to the said institution as long as they are interested in the said Vehicle and their receipt shall be a full and final discharge to the Company in respect of such loss or damage.

## **CLAUSE NO. 18 - AIRBAG COVER**

In consideration of the payment of an additional premium, it is hereby declared and agreed that the within written Policy is extended to include cover for new Airbag replacement as a result of loss / damage caused to the Vehicle up to but not exceeding the sum specified in the Schedule of the within written Policy in respect of any one occurrence.

## **CLAUSE NO. 19 - GOODS IN TRANSIT (HAZARDOUS)**

In consideration of the payment of an additional premium, it is hereby declared and agreed that the Company will, subject to the terms, exceptions and conditions of this Policy, indemnify the Insured against damage (other than damage caused directly or indirectly by fire or explosion or Strike, Riot, Civil Commotion and Terrorism unless specifically covered) to goods while being conveyed in or on any Vehicle described in the Schedule directly caused by collision or impact of such Vehicle with any object or by the overturning of such Vehicle but such indemnity is limited to the sum stated in the Schedule in respect of any one occurrence.

Provided that if the goods being conveyed by such Vehicle shall at the time of the accident be collectively of greater value than the Sum Insured hereby then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the cost of such damage accordingly.

For the purposes of this Clause the expression "incident" shall mean an incident or series of incidents arising out of one cause in connection with any one Vehicle in respect of which indemnity is provided under this Clause.

The Cover provided under the within Clause does not include any petroleum, fibre, cotton waste, paper waste, explosives unless specially covered.

## **CLAUSE NO. 20 - GOODS IN TRANSIT (NON-HAZARDOUS)**

In consideration of the payment of an additional premium, it is hereby declared and agreed that the Company will, subject to the terms, exceptions and conditions of this Policy, indemnify the Insured against damage (other than damage caused indirectly by fire or explosion or strike, riot, civil commotion and terrorism unless specially covered) to goods while being conveyed in or on any Vehicle described in the Schedule directly caused by collision or impact of such Vehicle with any object or by the overturning of such Vehicle but such indemnity is limited to the sum stated in the Schedule in respect of any one occurrence.

Provided that, if the goods being conveyed by such Vehicle shall at the time of the accident be collectively of greater value than the sum insured hereby then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the cost of such damage accordingly.

It is further declared and agreed that the Company shall not be liable under this Clause in respect of damage to;

Chinaware & Earthenware	Clocks or Watches	Jewelry	Petroleum
Glassware	Electrical Appliances or Parts	Furniture	Fibre
Ornaments	Pictures. Prints or Drawings	Livestock	Cotton Waste
Wine or Spirits	Goods in Glass containers	Paper Waste	Explosives
Scientific Instruments	Photographic Equipment	Electronic Items	

For the purpose of this Clause the expression "incident" shall mean an incident or series of incidents arising out of one cause in connection with any one Vehicle in respect of which indemnity is provided under this Clause.

## **CLAUSE NO. 21 - THEFT OF PARTS EXTENSION (PRIVATE CARS ONLY)**

In consideration of the payment of an additional premium, it is hereby declared and agreed that the within written Policy is extended to indemnify the Insured for loss of or damage to accessories spare parts and/or integral parts by burglary, housebreaking or theft in the event the Vehicle is not stolen at the same time.

In consideration of this extension the Insured shall bear the first Rs. 2,000/- on each and every claim irrespective of any other excesses if any, subject to the terms, exceptions and conditions of the Policy.

## **CLAUSE NO. 22 - PASSENGER RISK (TRANSPORTATION OF SCHOOL CHILDREN / PARENTS / GUARDIANS OR TEACHERS BY PRIVATE VEHICLES)**

In consideration of the payment of an additional premium, it is hereby understood and agreed that notwithstanding anything to the contrary contained in Proviso (ii) of Section 2 - 1 of this Policy, the Company will indemnify the Insured or any other person indemnified under Section 2 of this Policy against all sums including claimants cost and expenses which he shall become legally liable to pay in respect of death of or bodily injury to School Children / Parents / Guardians or Teachers being carried in or upon or entering or getting on to or alighting from any Vehicle described in the Schedule thereto.

Provided always that in the event of an accident occurring whilst such Vehicle is carrying more than the number of persons specified by the Registrar of Motor Vehicles (in addition to the Conductor / Attendant if any and the Driver) the Insured shall repay to the Company a rateable proportion of the total amount payable by this Company by reason of this Clause in respect of such accident in connection with such Vehicle.

## **CLAUSE NO. 23 - PASSENGER RISK (II)**

In consideration of the payment of an additional premium, it is hereby understood and agreed that notwithstanding anything to the contrary contained in Proviso (ii) of section 2 - 1 of this Policy but subject otherwise to the terms, exceptions and conditions of this Policy, the Company will indemnify the Insured or any other person indemnified under Section 2 of this Policy against all sums including claimant's costs and expenses which he shall become legally liable to pay in respect of death of or bodily injury to any passenger being carried in or upon or entering or getting on to or alighting from any Vehicle described in the Schedule thereto but such indemnity is limited to the sum of Rs. 5,000/- in respect of any one such passenger and subject to the aforementioned limit in respect of any one passenger to Rs. 20,000/- in respect of any number of claims in connection with any one such Vehicle arising out of one cause.

## **CLAUSE NO. 24 - STRIKE RIOT AND CIVIL COMMOTION**

The words "Strike, Riot, Civil Commotion" in General Exception 5 of this Policy shall not apply to any accident, loss, damage or liability directly caused by;

- (1) the act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out)
- (2) the action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of such disturbance.
- (3) the wilful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out.
- (4) the action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.
- (5) Provided, that the indemnity given by reason of this Clause shall not apply to any accident loss damage or liability (except so far as in necessary to meet the requirements of the Legislation) directly or indirectly proximately or remotely occasioned by contributed to by or traceable to or rising out of or in connection with :-
  - (a) war, invasion, the act of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war.
  - (b) 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 of maintenance of martial law or state of siege.
  - (c) any act of terrorism which 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.

further any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, or resulting from any action taken in controlling, preventing, suppressing action during any engagement between Government forces and any group as defined about on land, sea, or air shall be regarded as falling within the definition of Terrorism above.

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

It is further declared and agreed notwithstanding what is stated in the condition No. 5 of this Policy, this insurance may at any time be terminated by the insurer on notice to that effect being given by registered post to the insured's last known address, in which case the insurer shall be liable to repay a rateable, proportion of the premium for the un-expired term from the date of cancellation. If the insurance be terminated at the request of the insured the insurer shall not be liable to repay the premium or any part thereof.

## **CLAUSE NO. 25 - TERRORISM**

In consideration of a payment of an additional premium, it is hereby declared and agreed that notwithstanding anything contained to the contrary in the Riot & Strike and Civil Commotion endorsement/clause/extension of the within written policy, the insurance granted therein is extended to include loss or damage other than Consequential Losses of any kind directly relating to or caused by any act of terrorism which 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.

Further any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, or resulting from any action taken in controlling, preventing, suppressing action during any engagement between Government forces and any group as defined about on land, sea, or air shall be regarded as falling within the definition of Terrorism above.

PROVIDED that this insurance does not cover:-

- (a) consequential or indirect loss or damage of any kind or description whatsoever;
- (b) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (c) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.

The maximum liability in respect of damage to any one insured Vehicle shall not exceed the sum insured / market value of such Vehicle whichever is less under this Clause in respect of any one event.

Notwithstanding what is stated to the contrary in the Policy if the Terrorism extension to the Policy is being cancelled by the Insurer a pro-rata refund will be allowed to the Insured. However, no return of premium shall be granted if this cover is cancelled at the request of the Insured.

It is further declared and agreed that this extension is subject to the following exclusions:

**A. INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIOCHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE**

This clause shall be paramount and shall override anything contained in this insurance inconsistent herewith;

1. in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:
  - 1.1 ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel.
  - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
  - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
  - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub Clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific, or other similar peaceful purposes.
  - 1.5 any chemical, biological, bio chemical, or electromagnetic weapon.

**B. INSTITUTE CYBER ATTACK EXCLUSION CLAUSE**

1. Subject only to clause 1.2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
2. Where this Clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme of any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

This extension is granted for and on behalf of the National Insurance Trust Fund and any liabilities whatsoever under this specific extension shall devolve solely upon the said Fund. If any action, suit or proceeding where it is alleged that any loss or damage is not covered by this Endorsement, the burden of proving that such loss or damage is covered shall be upon the Insured.

Subject otherwise to the terms, conditions, exclusions and exceptions of the policy.

**PREMIUM PAYMENT WARRANTY FOR POLICIES OF GENERAL INSURANCE**

1. Notwithstanding anything herein contained but subject to Clause 2 and 3 hereof, it is hereby agreed and declared that full premium due and payable in respect of this insurance is required to be settled to the Insurer, (*The Company*) on or before the premium due date specified in the Schedule of this Policy, Renewal Certificate, Endorsements or Cover Note (which shall be a date not exceeding 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 60<sup>th</sup> day from the date on 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.

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 Insurer’s (*The Company’s*) liability or an obligation to settle a claim under this Policy, Renewal Certificate, Endorsement or Cover Note.

In the event of any claim arises between date of commencement of this insurance and the “due date” for the settlement of premium, the Insurer (*The Company*) may defer any decision on liability or postpone the settlement of any such claim until full settlement of the premium is effected on or before the “due date”.

3. It is also declared agreed that where the full premium payable here under 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 Insurer (*The Company*) to invoke any legal defences or to recover the full or any part of the defaulted premium attributable to the expired period of the insurance.

## Owners Contribution for Brand New Replacements

Following rates subject to annual revision and can be varied based on the condition of the damaged unit and repairability

### All Vehicles

Year of Make	Windscreen for Agent Price	Body Parts	Electrical / Electronic / Rubber / Lubricants & Plastic
1st year	0	0	50%
2nd year	0	0	50%
3rd year	0	0	50%
4th year	0	15%	50%
5th year	0	20%	50%
6th year	10%	25%	50%
7th year	20%	30%	50%
8th year	30%	35%	50%
9th year	40%	40%	50%
Over 9 years	45%	45%	50%

\* Brand new windscreen for MR - No contribution applied

\* Indian Vehicle – The above rates will apply

## Owners Contribution for Brand New Replacements

Following rates subject to annual revision and can be varied based on the condition of the damaged unit and repairability

### Three Wheelers

Year of Make	Windscreen for Agent Price	Body Parts	Working Moving / Electrical / Electronic / Rubber / Lubricants & Plastic
1st year	0	0	50%
2nd year	0	0	50%
3rd year	0	0	50%
4th year	15%	15%	50%
5th year	20%	20%	50%
6th year	25%	25%	50%
7th year	30%	30%	50%
8th year	35%	35%	50%
Over 8 years	40%	40%	50%

## Motor Cycles

<b>Year of Make</b>	<b>Body Parts</b>	<b>Electrical / Electronic / Rubber / Lubricants &amp; Plastic</b>
1st year	0	50%
2nd year	15%	50%
3rd year	20%	50%
4th year	25%	50%
5th year	30%	50%
6th year	35%	50%
Over 6 years	40%	50%

## Grievance / Complaints Handling Procedure

MBSL Insurance is committed to providing the highest quality of service to its policyholders. If you are dissatisfied with our service or the outcome of a claim, you may submit a formal complaint through one of the channels listed below.

- Complaints may be submitted to the Complaint Management Unit (CMU) through any of the following methods:
  - Email: [info@mbslinsurance.lk](mailto:info@mbslinsurance.lk)
  - Hotline: +94 011 756 6666
  - Direct Line: +94 011 230 4500
  - Fax: +94 011 230 0499

Please include any supporting documents or evidence with your complaint submission. This will help us assess and resolve your concern more efficiently.

- The following timelines will be adhered to in the complaint handling process:
  - Complaints will be acknowledged within 24 hours with a reference number.
  - Complaints will be resolved within 48 hours (Level 1) or 7 working days (Level 2), depending on the nature of the issue.
  - Appeals will be reviewed and responded to within 14 calendar days.
  - If no further communication is received from the customer within 4 weeks of the final response, the complaint will be considered closed.
- If you are not satisfied with the outcome, you may escalate the matter to the Insurance Ombudsman:

Sri Lanka Insurance Ombudsman  
No. 143/A, Vajira Road, Colombo 05  
Tel: +94 11 452 8671 / 011 250 5542  
Fax: +94 11 452 8670 / 011 259 5625  
Email: [info@insuranceombudsman.lk](mailto:info@insuranceombudsman.lk)

- Alternatively, you may escalate your complaint to the Insurance Regulatory Commission of Sri Lanka (IRC SL), particularly in the event of delays or unresolved matters:
  - Before approaching the IRC SL, please ensure that you have contacted MBSL Insurance in writing and received a formal response.
  - IRC SL Contact Details:

Level 11, East Tower, World Trade Centre, Colombo 01  
Tel: +94 11 239 6184-9 (General) / +94 11 233 5167 (Complaints)  
Fax: +94 11 239 6190  
Email: [info@ircsl.gov.lk](mailto:info@ircsl.gov.lk)

**This process aligns with our Complaint Management Policy – Version 2.0 (June 2025), which ensures fair, timely, and confidential resolution of all customer grievances.**

