

# AS-SALAM MOTOR TAKAFUL POLICY

**HNB General Insurance Ltd** (PB5167)  
A fully owned subsidiary of HNB Assurance PLC

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### **YOUR POLICY**

This booklet is your policy document which gives full details of the takaful cover. Your Motor Takaful is made up of following documents:

- The motor proposal form
- This policy booklet
- The certificate of motor takaful
- The Schedule, which shows endorsements applying to the Takaful.

#### **IMPORTANT:**

For your protection, please read this policy carefully and if any error is found or if the cover is not in accordance with your needs, the Policy should be returned to the Company immediately for correction / amendments

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## AS-SALAM MOTOR TAKAFUL POLICY

This is to acknowledge that the applicant (hereinafter called the "Participant", as more fully described in schedule hereto:

- I. Is accepted as member of the Participant's Takaful Fund (hereinafter called the "Fund") operated by HNB General Takaful Unit (Hereinafter called the ("HNBGT / Operator") a window operation of HNB General Insurance Ltd. (PB5167)
- II. Being a member of the Fund, he/she is acknowledged as a beneficiary under the attached Indemnity Policy of the Fund, and of the benefits declared by the Fund from time to time under this policy, in accordance with the waqf Rules governing the fund.
- III. Subject to the participant continuing as a member of the Fund and complying with his/her under taking under his/her declaration made in the proposal form and details in the schedule he/she is indemnified by the fund as one of its beneficiaries against the peril/events described, in the manner and to the extent as stated hereunder.
- IV. The indemnification by the Operator shall in no case exceed in respect of each item the sum expressed in the said schedule to be covered thereon and on the whole the total sum covers hereby, or such other sum as may be substituted therefore by an endorsement hereon or attached hereto signed by or on behalf of the Operator.

### IMPORTANT

The participants should, for his own protection, examine this policy to ascertain whether it is in accordance with his intentions and correctly described, if any error or misdescription is found the same should immediately be intimated to the company for correction.

### SECTION 1: DAMAGE TO OR LOSS OF VEHICLE

1. HNBGT/Operator will indemnify the participant against loss of or damage to any Motor Vehicle covered estimated value or market value whichever is less at the time of accident described in the Schedule (s) hereto and/or its accessories and spare parts whilst thereon.
  - (a) By accidental external means
  - (b) By fire, external explosion, self-ignition lightning or burglary, house breaking or theft
  - (c) By malicious act
  - (d) Whilst in transit by road, rail, inland waterway, lift or elevator.

But excluding:-

- (i) Except in the case of Private Car, loss of or damage to accessories, spare parts or integral parts by burglary house-breaking or theft unless such Vehicle is stolen at the same time.
- (ii) Loss of or damage to Windscreen (s) windows on vehicles registered as Buses, Omnibuses and Motor Coaches in excess of 5 percentum of:
  - (a) The Participant'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
- (iii) loss of or damage to lamps, tires, mudguards, buffers, buffer aprons, buffer brackets and/or paint work on all vehicles covered for hiring purposes.

**IMPORTANT:**

The participant should, for his own protection, examine this policy to ascertain whether it is in accordance with his intentions and correctly described, if any error or misdescription is found the same should immediately be intimated to the company for correction.

2. HNBGT/Operator shall not make any payment in respect of consequential loss, depreciation, wear and tear, mechanical or electrical breakdown, failures or breakages, including that of any microchip, embedded chips, integrated circuit or similar device failing to correctly recognize any date true calendar date. Nor by overloading or strain, or by the nature of the load.
3. Participant in respect of each and every event shall be responsible for the sum specified below (or any less expenditure which may be incurred) of any expenditure hereunder. If the expenditure incurred by the Operator shall include the amount for which the Participant is responsible hereunder such amount shall be repaid by Participant to HNBGT / Operator forthwith. For the purposes of this Sub-Section the expression events shall mean an event or series of events arising out of one cause in connection with any one vehicle in respect of which indemnity is provided under this section:-
  - i) Private Cars Nil
  - ii) All Hiring Vehicles First Rs. 1000/-
4. In the event of such Motor Vehicle being disabled by reason of loss or damage covered under this Policy HNBGT/Operator will pay for the reasonable cost of protection and removal to the nearest repairers approved by HNBGT/Operator and redelivery to the Participant, but not exceeding in all Rs. 15000/- or any other such sum mentioned in the Schedule of the Policy, in respect of any one accident.

5. In the event of such Motor Vehicle sustaining damage for which HNBGT/Operator may indemnify under this Policy immediate notice shall be given to HNBGT/Operator and no work shall be commenced nor shall any part of such Motor Vehicle be dismantled nor shall Participant accept estimate of the cost of any repair to such Motor Vehicle without the prior approval in writing of HNBGT/Operator.

**NO CLAIM BONUS (NCB)**

6. In the event of no claim being made or arising under this Policy during a period of twelve months specified below immediately preceding the renewal of this Policy the renewal contribution for such part of the Takaful as is renewed shall be reduced as follows:

1st Renewal	20%
2nd Renewal	30%
3rd Renewal	40%
4th Renewal	50%
5th Renewal	60%
6th Renewal	75%

**NCB Reinstatement**

However, this benefit would be reinstated at the time of renewal if there is only one claim made during the cover period.

1. After 2 accidents for any one year the NCB will be step back by one (1) year
2. From 3rd accident onwards the NCB will be stepped back by two (2) years

Should HNBGT/Operator 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(s) of this Policy the NCB shall be applied as if separate Policy had been issued in respect of each such Motor Vehicle.

**SECTION 2: LIABILITY TO THIRD PARTIES**

**(A) Applicable to Private Cars only**

1. Subject to the limits of liability stated in this Policy hereto HNBGT/Operator will indemnify the Participant in the event of accident caused by or through or in connection with any Motor Car described in the said Schedule(s) against all sums including claimant's costs and expenses which the Participant shall become legally liable to pay in respect of:

- (a) 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 Participant and excluding liability to any person being a member of the Participant's household who is a passenger in such Motor Car.
  - (b) Damage to property other than property belonging to the Participant or held in trust by or in the custody or control of the Participant or any member of the Participant's household.
2. HNBGT/Operator will pay all costs and expenses incurred with its written consent.
3. In terms of and subject to the limitations of the indemnity which is granted by this clause to the Participant HNBGT/Operator will indemnify any person who is driving such Motor Car provided that such person:
- (a) Is not entitled to indemnity under any other Policy.
  - (b) Shall as though. He was the Participant observe fulfill and be subject to the terms, exceptions and conditions of this Policy in so far as they can apply
4. In terms of and subject to the limitation of the indemnity which is granted by this Clause in connection with any Motor Car described in the Schedule(s) hereto HNBGT/Operator will indemnify the Participant 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.
5. In the event of the death of any person entitled to indemnity under this Clause HNBGT/Operator 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 Clause provided that such personal representatives shall as though they were the Participant observe, fulfill and be subject to the terms exceptions and conditions of this Policy in so far as they can apply.
6. HNBGT/Operator may at its 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 Clause and may undertake the defence 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 indemnity under this Section.

## LIMITS OF INDEMNIFICATION

### PRIVATE CARS

Limit of the indemnification by HNBGT/Operator under Section 2(A)

- 1. (a) Unlimited

Limit of indemnification by HNBGT/Operator under Section 2(A)

- 1. (b) Maximum limit of liability of Rupees fifteen million. in respect of any one accident.

### (B) Applicable to Motor Cycles only

- 1. Subject to the limits of liability stated in this Policy HNBGT/Operator will indemnify the Participant in the event of accident caused by or through or in connection with any Motor Cycle described in the Schedule(s) against all sums including claimants costs and expenses which the Participant shall become legally liable to pay in respect of:
  - (a) 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 Participant and excluding liability to any person being conveyed in or on such Motor Cycle unless such person is being conveyed by reason of or in pursuance of a contract of employment.
  - (b) Damage to property other than property belonging to the Participant or held in trust by or in the custody or control of the Participant or any member of the Participant's household or being conveyed by such Motor Cycle.
- 2. HNBGT/Operator will pay all costs and expenses incurred with its written consent.
- 3. 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(s) hereto HNBGT/Operator will indemnify the Participant whilst personally driving a private Motor Cycle not belonging to him and not hired to him under a hire purchase agreement.
- 4. In the event of the death of any person entitled to indemnity under this Section HNBGT/Operator 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 Participant observe fulfill and be subject to the terms, exceptions and conditions of this Policy in so far as they can apply.

5. HNBGT/Operator may at its 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 Clause and may undertake the defence 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 indemnity under this Section.

## **LIMITS OF INDEMNIFICATION**

### **MOTOR CYCLES**

Limit of indemnification by HNBGT/Operator under Section 2(B)

1. (a) - Unlimited

Limit of indemnification by HNBGT/Operator under Section 2(B)

1. (b) - Rs. 15,000/-

in respect of any one claim or series of claims out of one event

### **(C) Applicable to all Vehicles other than Private Cars and Motor Cycles.**

1. Subject to the limits of liability stated in this Policy hereto HNBGT/Operator will indemnify the Participant against all sums including claimant's costs and expenses which the Participant shall become legally liable to pay in respect of:
- (i) Death of or bodily injury to any person caused by or arising out of the use of any vehicle described in the Schedule(s) hereto (including the loading and/ or unloading of such vehicle).
  - (ii) Damage to property caused by the use of any vehicle described in the Schedule(s) hereto (including the loading and/or unloading of such vehicle)

Provided always that HNBGT/Operator shall not indemnify in respect of:

- (a) Death, injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringof the load to such vehicle for loading thereon or the taking away of the load from such vehicle after unloading there from;
- (b) Death of or bodily injury to any person in the employment of the participant arising out of and in the course of such employment;
- (c) 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;

- (d) Damage to property belonging to, or held in trust by or in the custody or control of the participant or a member of the participant's household or being conveyed by such vehicle;
- (e) 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;
- (f) Damage to property caused by sparks or ashes from such vehicle or caused by or arising out of the explosion of the boiler of such vehicle;
- (g) Death of or bodily injury caused by or arising out of the explosion of the boiler of such vehicle unless such death or injury is caused by, or arises out of the use of such vehicle on a highway as defined in the schedule hereto.

2. HNBGT/Operator will pay all costs and expenses incurred with its written consent.

3. In terms of and subject to the limitation of the indemnity which is granted by this Section to the Participant the HNBGT/Operator will indemnify any person who is driving such vehicle provided that such person:

- (a) Is not entitled to indemnity under any other Policy;
- (b) Shall as though, he was the Participant observe, fulfill and be subject to the terms, exceptions and conditions of this Policy in so far as they can apply.

4. In the event of the death of any person entitled to indemnity under this Section HNBGT/Operator 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 Participant observe fulfill and be subject to the terms, exceptions and conditions of this Policy in so far as they can apply.

5. HNBGT/Operator may at its 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 defence of proceedings in any Magistrate's Court of First Instance in respect of any act or alleged offence causing or relating to any event which may be the subject of indemnity under this Section.

## **LIMITS OF INDEMNIFICATION**

ALL VEHICLES OTHER THAN PRIVATE CARS AND MOTOR CYCLES

Limit of indemnification by HNBGT/Operator under Section 2(C)

1.(i) - Unlimited

Limit of indemnification by HNBGT/Operator under Section 2(C)

1.(ii) - Rs. 15,000/-

in respect of any one claim or series of claims out of one event.

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

HNBGT/Operator will pay to the Participant the reasonable medical expenses incurred in connection with any bodily injury by violent accidental external and visible means sustained by the Participant or any occupant of any Motor Car described in the said Schedule(s) 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 indemnity by HNBGT/Operator under this Clause shall be limited to Rs.1500/- 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.BUT the Participant shall repay to HNBGT/Operator all sums paid by HNBGT/Operator which HNBGT/Operator would not have paid but for the said provisions.

## **APPLICATION OF LIMITS OF INDEMNITY (APPLICABLE TO ALL VEHICLES OTHER THAN PRIVATE CARS)**

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 persons indemnified and such indemnity shall apply in priority to the Participant.

## **GENERAL EXCEPTIONS**

(Applicable to all Vehicles)

HNBGT/Operator shall not indemnify under this Policy in respect of:-

1. Any accident loss, damage and/or liability caused, sustained or incurred outside the land limits of Sri Lanka.
2. Any liability which attaches by virtue of an agreement but which would not have attached in the absence of such agreement.
3. Any accident, loss, damage and/or liability caused sustained or incurred whilst any Motor Vehicle in respect of or in connection with which Takaful cover granted under this Policy is :
  - (a) Being used for any purpose not permitted by the current Certificate of Motor Takaful.
  - (b) 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 Takaful.
  - (b) Used whilst in an un roadworthy condition
4. Any accident loss damage 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 enemies hostilities or warlike operations (whether war be declared or not) civil war mutiny rebellion revolution insurrection military or usurped power.sed whilst in an un roadworthy condition
  - (b) Strike riot civil commotion
  - (c) Detention seizure confiscation or any attempt threat
  - (d) Flood typhoon hurricane cyclone tornado volcanic eruption earthquake or other convulsion of nature or by any direct 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 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 HNBGT/Operator shall not make any payment in respect of such a claim.
5. Any loss or damage caused directly or indirectly or arising as result of the Participant vehicle being driven by any person after having consumed or used any intoxicating liquor or drugs.

6. (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 ionizing radiations or contamination by 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.
7. Any loss or damage caused to the vehicle due to overturning without an external impact / accident.
8. Any loss or damage caused to the vehicle, of which the steering mechanism has been altered, changed or modified.
9. Any loss or damage caused to the vehicle, whilst the vehicle being ceased or taken without permission of the Participant by another person/party.
10. Any claim arising out of any contractual liability.
11. Loss or damage to construction vehicles within the respective work site premises.
12. Any loss or damage caused to the vehicle due to over loading or strain or by the nature of the load

## CONDITIONS

1. The Policy the Schedule and the Current Certificate of Motor Takaful shall be read together as one policy and any word or expression to which a specific meaning has been attached in any part thereof shall bear such specific meaning wherever it may appear.
2. Notice shall be given in writing to the issuing Office of HNBGT/Operator immediately upon the occurrence of any accident or loss or damage and in the event of any claim. Every letter, claim writ, summons and/or process shall be forwarded to HNBGT/Operator immediately on receipt by the Participant. Notice shall also be given in writing to HNBGT/Operator immediately the Participant shall have knowledge of any impending prosecution in respect of any occurrence which may give rise to a claim under this policy. In case of theft or other criminal act which may be the subject of a claim under this Policy the Participant shall give immediate notice to the Police and co-operate with HNBGT/Operator in securing the conviction of the offender.

3. (a) No admission offer, promise, payment or indemnity shall be made or given by or on behalf of the Participant without the written consent of HNBGT/Operator which shall be entitled if it so desires to take over and conduct in the name of the Participant for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings or in the settlement of any claim and the Participant shall give all such information and assistance as HNBGT/Operator may require.
- (b) At any time after the happening of any event giving rise to a claim or series of claims under Sub-Section 1. (b) of Section 2(B) in case of a Motor Cycle OR Sub-Section 1.(ii) of Section 2(C) in case of a Motor Vehicle not being a Private Car or a Motor Cycle, of this Policy HNBGT/Operator may pay to the Participant the full amount of indemnity by HNBGT/Operator under that Sub-Section and relinquish the conduct of any de-fence settlement or proceedings and HNBGT/Operator shall not be responsible for any damage alleged to have been caused to the Participant in consequence of any alleged action or omission of HNBGT/Operator in connection with such defence, settlement or proceedings or of HNBGT/Operator relinquishing such conduct nor shall HNBGT/Operator pay for any costs or expenses whatsoever incurred by the Participant or any claimant or other person after HNBGT/Operator shall have relinquished such conduct. (not applicable to Private Cars).
4. HNBGT/Operator may at its own option repair, reinstate or replace any Motor Vehicle described in the Schedule(s) 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 indemnification by HNBGT/Operator shall not exceed the actual value of the parts damaged or lost plus the reason-able cost of fitting and in no case exceed the Participant's estimate of the value (Est. Value) of such Motor Vehicle (including accessories and spare parts) as specified in the said Schedule(s), 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 HNBGT/Operator exercising the option to pay in cash the amount of the loss or damage the indemnification by HNBGT/Operator 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 in Sri Lanka ; or
  - (ii) if no such catalogue or price list exists the price list obtaining at the Manufacture's Works plus the reasonable cost of transport otherwise than by air to Sri Lanka and the amount of the relative mport duty, and
  - (b) The reasonable cost of fitting such part
5. The Participant shall take all reasonable precautions to safe guard from loss or damage and to maintain in efficient condition any Motor Vehicle described in the Schedule(s) hereto and HNBGT/Operator shall have at all times free and full access to examine such Motor Vehicle or any part thereof or any driver or employee of the Participant. 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 Participant's own risk.
6. HNBGT/Operator may cancel this Policy by sending seven days' notice by registered post to the Participant at his last known address and in such event will return to the Participant the contribution paid less the prorated thereof for the period the Policy has been in force or the Policy may be cancelled at any time by the Participant on seven days' notice and (provided no claim has arisen during the then current period of Takaful) the Participant shall be entitled to a return of contribution less contribution at HNBGT/Operator 's short period rates for the period the Policy has been in force.
7. (a) If at the time any claim arises under this Policy there is any other existing Takaful covering the same loss, damage or liability HNBGT/Operator shall not pay or contribute more than its ratable proportion of any loss, damage, compensation costs or expenses. Provided always that nothing in this Condition shall impose on HNBGT/Operator any liability from which but for this Condition it would have been relieved under Sub Section 3(a) of Section 2(A) of a Private Car OR under Sub-Section 3(a) of Section 2(C) in case of a Motor Vehicle other than Private Car or Motor Cycle.
- (b) If at the time any claim arises under this Policy there is any other existing Takaful / covering the same loss, damage or liability HNBGT/Operator shall not pay or contribute more than its ratable proportion of any loss, damage, compensation, cost or expenses (applicable to Motor Cycles).

## 8. Arbitration

If any difference shall arise under this Policy such difference shall be referred to an Arbitrator.

- (i) The Arbitrator shall be appointed in writing by the parties in difference, or if they cannot agree upon a single Arbitrator, to the decision of two disinterested persons as Arbitrators, of whom one shall be appointed in writing by each of the parties within one calendar month after having been required so to do in writing by the party. In case either party shall refuse or fail to appoint an Arbitrator within one calendar month requiring an appointment, the other party shall be at liberty to appoint a sole Arbitrator.
- (ii) In case of disagreement between the Arbitrators, the difference shall be referred to the decision of the Chairman/Umpire who shall have been appointed by them in writing before entering on the reference, and who shall sit with the Arbitrators and preside at their meetings and the making of an award shall be a condition precedent to any right of action against HNBGT/Operator.
- (iii) If HNBGT/Operator shall disclaim indemnity to the Participant for any claim hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to Arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

9. 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 Participant and the truth of the statements and answers in the said proposal shall be conditions precedent to any indemnification by HNBGT/Operator under this Policy.

10. If the vehicle/s hereby covered shall at the time of loss or damage covered by the policy, be of greater market value than the estimated value declared by the Participant thereon, then the Participant shall be considered as being his own Takaful HNBGT/Operator for the difference and shall bear a rate-able proportion of the loss or damage accordingly. Every vehicle, if more than one, shall be separately subject to this conditions. It is further understood and agreed that the market value of the vehicle means the value of equal make, model and of similar condition.

The "current market value" is not the purchase value of your vehicle. Current market value of a vehicle is the highest value for which one would dispose a similar well-maintained vehicle at the prevailing market conditions. The sum covered of a brand new / unregistered vehicle should be the invoiced value (inclusive of all taxes) of the vehicle during the first year of Takaful. It is further understood and agreed that the maximum claim payable would be the market value of the vehicle even if the sum covered is more than the market value

#### 11. Duty of Disclosure

If the participant fail to disclose to HNBGT/Operator fully & faithfully, all the facts which the Participant knows or ought to know, or if the Participant misrepresented any facts to HNBGT/Operator before the Takaful cover commenced, HNBGT/Operator may void this policy. The due observance and fulfillment of the terms, conditions, endorsement clauses & warranties of the policy in so far as they relate to anything to be done or complied with by the participant and the truth of the statements and answer to the said proposal shall be condition precedent to any indemnification by HNBGT/Operator under this policy.

#### 12. Fraudulent Claims Clause.

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

#### 13. Pair & Set Clause

Where any covered item consists or articles in a pair or set this Policy is not to pay more than value of any particular part of parts which may be lost or damaged, without reference to any special value which such articles or article may have as part of such pair or set; not more than a proportionate part of the covered values of the pair or set.

#### 14. Share Of Net Surplus

If at end of the period of Takaful stated in the schedule there is a general surplus in the Takaful Fund the same shall be shared among the Participant on a prorated basis provided always that the Participant has not incurred any claim and/or received any benefits under this Policy whilst in force. HNBGT/Operator may hold a portion of the surplus as a contingency reserve.

#### 15. The participant shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon their paying for or making good any loss or damage under this Policy whether such acts and things shall be or become necessary or required or after his indemnification by the Company.

#### 16. Takaful contribution payment warranty

- (i) Notwithstanding anything herein contained but subject to clause 2 and 3 hereof, it is hereby agreed and declared that the full Takaful contribution due and payable in respect of this Takaful is required to be settled to the Takaful Operator (HNBGT) on or before the Takaful contribution due date specified in the Schedule of this Policy, Renewal Certificate, Endorsement 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 Takaful contribution due date, the full settlement of the Takaful contribution is required to be made or effected on or before the expiry of the 60th day from the date of inception of this Policy, Renewal Certificate, Endorsement or Cover Note (hereinafter referred to as the "due date").

For the purpose of this warranty the "due date" shall be recognized from the date of inception or commencement of the coverage.

- (ii) It is also declared and agreed that the participant having settled the full Takaful contribution on or before the due date the Takaful Operator (HNBGT) shall indemnify under this policy, Renewal Certificate, Endorsement or Cover Note

In the event any claim arises between date of commencement of this Takaful and the "due date" for the settlement of Takaful contribution, the Takaful Operator (HNBGT) may defer any decision on indemnity or postpone the settlement of any such claim until full settlement of the Takaful contribution is effected on or before the "due date".

- (iii) It is also declared and agreed that where the full Takaful contribution payable hereunder remains outstanding as at the closure of business of the Takaful Operator on the "due date", then the cover under this Takaful and any obligations assumed or imputed under this Takaful shall stand to be cancelled, ceased and revoked immediately.

However such cancellation will not prejudice the rights of the Takaful Operator (HNBGT) to invoke any legal defences or to recover the full or any part of the defaulted Takaful contribution attributable to the expired period of the Takaful

**IT IS HEREBY UNDERSTOOD AND AGREED THAT THE FOLLOWING CLAUSES ARE INCORPORATED INTO THIS POLICY PROVIDED SUCH CLAUSES ARE MENTIONED IN THE SCHEDULE OF THIS POLICY. ALL TERMS, CONDITIONS AND EXCEPTIONS OF THE POLICY SHALL APPLY EXCEPT IN SO FAR AS THEY ARE EXPRESSLY VARIED.**

## CLAUSE 1 - HIRE PURCHASE/LEASE

It is hereby understood and agreed that the Institution stated in the Schedule(s) (hereinafter referred to as the Owners) are Owners of the vehicle described in the Schedule(s) 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 Participant of the other part, and it is further understood and agreed that the said Owners are interested in any monies which but for this Clause would be payable to the Participant 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 monies 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 HNBGT/Operator in respect of such loss or damage.

Save as by this Clause expressly agreed nothing herein shall modify or affect the rights or liabilities of the Participant or HNBGT/Operator respectively under or in connection with this Policy or any condition or term thereof.

## CLAUSE 2 - VOLUNTARY EXCESS - ALL CLAIMS

It is hereby understood and agreed that notwithstanding anything to the contrary contained in Sections 1 and 2 of this Policy the Participant in respect of each and every event shall be responsible for the amount specified in the Schedule(s) 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 HNBGT/Operator in the exercise of its discretion under Condition 4 of this Policy.

If the expenditure incurred by HNBGT/Operator shall include the amount for which the Participant is responsible hereunder such amount shall be repaid by the Participant to HNBGT/Operator forthwith. For the purposes of this Clause the expression 'event' shall mean an event or series of events 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 3 - PERSONAL ACCIDENT BENEFITS

It is hereby understood and agreed that HNBGT/Operator undertakes to pay compensation on the scale provided below for bodily injury as hereinafter defined sustained by any person stated in the Schedule whilst mounting into, dismounting from or travelling in any vehicle described in the Schedule(s) hereto and caused by violent accidental external and visible means independently of any other cause (excepting medical or surgical treatment consequent upon such injury) shall within three calendar months of the occurrence of such injury result in:

## SCALE OF COMPENSATION

(Applicable on the Sum Covered mentioned in the Schedule of the Policy)

01	Death	100%
02	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%
03	Total loss by physical severance at or above the wrist or ankle, of one hand or one foot or the total and irrecoverable loss of all sight in one eye.	50%

### Provided always that:-

- Compensation shall be payable under one only of items (1) to (3) above in respect of any such person arising out of any one occurrence and the total indemnification by HNBGT/Operator shall not in the aggregate exceed the amount payable under items of the scale of compensation or the multiples thereof as stated in the Schedule(s).
- 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) intentional self-injury, suicide or attempted suicide physical defect or infirmity or (2) an accident happening whilst such person is under the influence of intoxicating liquor or drugs.
- Such compensation shall be payable only with the approval of the Participant and directly to the covered person or to his legal personal representatives whose receipt shall be a full discharge in respect of the injury to such person.
- Not more than the number of persons specified in the Certificate of Registration is in the said vehicle at the time of occurrence of such injury.
- Such person is not less than 16 or more than 65 years of age at the time of such injury.
- The Strike, Riot and Civil commotion or Terrorism granted under the Policy shall not apply to the extension of Takaful by this clause unless specifically covered.

## CLAUSE 4 - PASSENGER RISK

(Applicable to Commercial Passenger Carrying Vehicles)

The Participant having paid an additional contribution it is hereby understood and agreed that notwithstanding anything to the contrary contained in Sub-Section 1(ii) (c) of Section 2(C) of this Policy but subject otherwise to the terms, exceptions and conditions of this Policy HNBGT/Operator will indemnify

the Participant, 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 or getting on to or alighting from any vehicle described in the Schedule(s) thereto but such indemnity is limited to the sum specified in the Schedule(s) 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(s) (in addition to the conductor/attendant if any, and the driver) the Participant shall repay to HNBGT/Operator a rate-able proportion of the total amount payable by HNBGT/Operator by reason of this Clause in respect of such accident in connection with such vehicle.

#### **CLAUSE 5 - WORKMEN'S COMPENSATION TAKAFUL**

The Participant having paid an additional contribution HNBGT/Operator undertakes to pay compensation in the terms of the Workmen's Compensation Ordinance, 1934, and subsequent amendments of the said Ordinance passed prior to the date of issue of this Clause in respect of personal injury to any paid driver and/or attendant/cleaner and or laborer(s) of any motor vehicle describe in the Schedule(s) hereto while engaged in the service of the Participant and will in addition be responsible for all costs and expenses incurred with its written consent.

The Participant shall certify at the expiry of each period of Takaful the maximum number of drivers, (and/or attendants/ cleaners and or laborers) employed at any one time during such period in connection with the vehicle(s) described in the Schedule of this Policy and the contribution shall be adjusted accordingly,

#### **Provided always that:-**

- (i) This Clause does not indemnify the Participant in respect of liability directly or indirectly, proximately or remotely occasioned by or contributed to by 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 Participant in respect of any liability in cases where the Participant holds or subsequently effects with any Takaful Operator or group of Underwriters, a Policy of Takaful in respect of liability as herein defined for his general employees.
- (iii) The Participant shall take reasonable precautions to prevent accidents and shall comply with all statutory obligations.

- (iv) The Participant shall keep a record of the name of each driver/ attendant/cleaner or laborer employed and amount of wages, salary and other earnings paid to such employees and shall at all times allow HNBGT/Operator to inspect such record.
- (v) The Takaful contribution paid in respect of this Clause shall not be subject of the rebate provided under the "No-Claim" Rebate Clause of this policy. Any payment made by reason of this Clause shall not be deemed to be a claim under the Policy for the purpose of the said "No Claim" Rebate clause.
- (vi) In the event of the Policy being cancelled at the request of the Participant no refund of the contribution paid in respect of this Clause will be allowed.
- (vii) Laborers being conveyed on the covered vehicle for the purpose of loading or un-loading shall not be considered as attendants for the purposes of this Clause.
- (viii) Such compensation shall only be payable where the employee or his dependants as the case may be agree to accept it in full satisfaction and discharge of claims against the Participant. Failing such agreement, HNBGT/Operator will indemnify the Participant against his legal liability at Common Law and will in addition be responsible for all costs and expenses incurred with its written consent. (Applicable to Private Cars only.)

#### **CLAUSE 6 - TOWING CHARGES**

It is hereby understood and agreed that the maximum amount payable in respect of item 4 of Section 1 of the Policy is increased to the amount stated in the Schedule subject to the terms, exceptions and conditions of this policy.

#### **CLAUSE 7 - THIRD PARTY PROPERTY DAMAGE**

It is hereby understood and agreed, subject otherwise to the terms, exceptions and conditions of this policy HNBGT/Operator will indemnify the Participant against all sums including claimant's costs and expenses which the Participant shall become legally liable to pay in respect of damage to property caused by the use of any vehicle described in the Schedule (s) thereto but such indemnity is limited to the sum stated in the Schedule(s) in respect of any one accident.

#### **CLAUSE 8 - LEARNER DRIVER/RIDER**

It is hereby declared and agreed that, notwithstanding to the contrary the within written Policy is extended to be operative whilst the person(s) described in the Schedule(s) learns to drive the vehicle, described in the Schedule(s) provided that the Participant shall have conformed to the requirements of the Motor Traffic Act, in regard to Learner Driver/Riders.

The policy having being extended, the Participant shall be responsible for the first Rs. 2,500/- or (any less expenditure which may be incurred) of any expenditure for which Provision is made under Sections 1 and 2 of this Policy (including any payments in respect of costs and expenses) and of expenditure by HNBGT/Operator 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(s) is learning to drive.

If the expenditure incurred by HNBGT/Operator shall include the amount for which the Participant is responsible hereunder, such amount shall be repaid by the Participant to HNBGT/Operator forthwith.

For the purpose of this Clause the expression 'event' shall mean an event or series of events 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 Participant is responsible under this Clause shall be considered in addition to any excess Clauses already in the Policy.

#### **CLAUSE 9 - EXCLUDED ITEMS**

It is hereby declared and agreed that HNBGT/Operator will indemnify the Participant in respect of damage to lamps, tires, mudguards, buffers, buffer brackets, buffer aprons and/or paint-work subject to an excess of Rs. 1,000/- each and every loss.

#### **CLAUSE 10 - FLOOD**

It is hereby declared and agreed that any accident loss damage and/or liability directly or indirectly proximately or remotely occasioned by contributed to by or traceable to or arising out of or in connection with flood is covered under this Policy.

#### **CLAUSE 11 - NATURAL PERILS**

It is hereby declared and agreed that the cover under this Takaful policy, shall be extended to indemnify, loss of or damage to property described in the schedule hereto, caused by or through or in consequence of;

- |                     |                       |
|---------------------|-----------------------|
| a) Tsunami          | b) Tidal Waves        |
| c) Earthquake       | d) Volcanic Eruptions |
| e) Storms & Tempest | f) Earth Slips        |
| g) Land Slide       | h) Hurricanes         |
| i) Tornado          | j) Cyclone            |

This Takaful does not cover any loss of or damage caused directly or indirectly by other atmospheric disturbances and convulsions of nature not related to the aforementioned covered perils.

#### **CLAUSE 12 - DUTY FREE VEHICLES**

It is hereby declared and agreed that the Estimated Value which includes accessories and spare parts appearing in the Schedule(s) of the within Policy as declared by the Participant, 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 indemnification by HNBGT/Operator for such parts shall exclude the local customs duty of such parts.

#### **CLAUSE 13 - COMPULSORY EXCESS**

It is hereby understood and agreed that notwithstanding anything to the contrary contained in Section 1 of this Policy the Participant in respect of each and every event shall be responsible for the sum specified in the Schedule(s) (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 HNBGT/Operator in the exercise of its discretion under Condition 4 of this Policy.

If the expenditure incurred by HNBGT/Operator shall include the amount for which the Participant is responsible hereunder such amount shall be repaid by the Participant to HNBGT/Operator forthwith.

For the purposes of this clause the expression 'event' shall mean an event or series of events 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 14 - INSTITUTIONAL LOAN**

It is hereby understood and agreed that in consideration of monies advanced on the security of the vehicle described in the Schedule(s) hereto the institution stated in the Schedule(s) are interested in any monies which but for this Clause would be payable to the Participant 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 monies 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 HNBGT/Operator in respect of such loss or damage.

#### **CLAUSE 15 - GOODS IN TRANSIT (NON-HAZARDOUS)**

It is hereby declared and agreed that HNBGT/Operator will, subject to the terms, exceptions and conditions of this Policy, indemnify the Participant against damage (other than/including damage caused directly or indirectly by fire or

explosion or strike, riot, civil commotion unless specifically covered) to goods while being conveyed in or on any vehicle described in the Schedule(s) 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(s) 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 covered hereby then the Participant shall be considered as being his own Takaful Operator for the difference and shall bear a ratable share of the cost of such damage accordingly.

It is further declared and agreed that HNBGT/Operator shall not indemnify under this Clause in respect of damage to:

Clocks or Watches	Electrical Appliances or Parts
Glassware	Pictures, Prints or Drawings
Ornaments	Goods in Glass containers
Wines or Spirits	Petroleum
Jewellery	Fiber
Furniture	Cotton Waste
Livestock	Paper Waste
Scientific Instruments	Explosives
Chinaware and Earthenware	

For the purpose of this Clause the expression 'occurrence' shall mean an occurrences or series of occurrences arising out of one cause in connection with any one vehicle in respect of which indemnity is provided under this Clause.

#### **CLAUSE 16 - GOODS IN TRANSIT (HAZARDOUS)**

It is hereby declared and agreed that HNBGT/Operator will subject to the terms, exceptions and conditions of this Policy, indemnify the Participant against damage including/excluding damage, caused directly or indirectly by fire or explosion to goods while being conveyed in or on any vehicle described in the Schedule(s) 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 (s) 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 covered hereby then the Participant shall be considered as being his own Takaful HNBGT/Operator for the difference and shall bear a ratable share of the cost of such damage accordingly.

For the purposes of this Clause the expression "occurrence" shall mean an occurrence or series of occurrences 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, cotton waste, paper waste, explosives and damages/losses arising out of strikes, riots or civil commotion unless specifically covered.

#### **CLAUSE 17 - THEFT OF PARTS EXTENTION (PRIVATE DUAL PURPOSE VEHICLES ONLY)**

The Participant having paid an additional contribution, it is hereby declared and agreed that the within written policy is extended to indemnity the insures for loss of or damage to accessories spare parts and/or integral parts by burglary, housebreaking of theft in the event the vehicle is not stolen at the same time.

The policy having being extended, the Participant 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 18 - STRIKE RIOT AND CIVIL COMMOTION**

The words: "Strike, Riot, Civil Commotion" in General Exception 4 of this Policy shall not apply to any accident loss damage or liability directly caused by:

- (1) The 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 willful act any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of such disturbance,
- (3) The willful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lockout;
- (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.

Provided that the indemnity given by reason of this Clause shall not apply to any accident loss damage 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,

- (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 or 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 no 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 Participant shall prove that 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 of the said occurrences or any consequence thereof and in default of such proof HNBGT/Operator shall not make any payment in respect of such a claim,

It is further declared and agreed notwithstanding what is stated in the condition No..... of the Policy, this Takaful may at any time be terminated by Takaful Operators on notice to that effect being given by registered post to the Participant's last known address, in which case Takaful Operators shall repay a ratable, proportion of the Takaful contribution for the unexpired term from the date of cancellation, If the Takaful be terminated at the request of the Participant HNBGT/Operator shall not repay the contribution or any part thereof.

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 Takaful inconsistent herewith

- 1. In no case shall this Takaful 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
- 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**

- 1.1 Subject only to clause 1.2 below, in no case shall this Takaful 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 program, malicious code, computer virus or process or any other electronic system
- 1.2 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 program of any other electronic system in the launch and / or guidance system and/or firing mechanism of any weapon or a 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 Participant.

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

#### **CLAUSE 19- TERRORISM**

The Participant having paid an additional contribution, 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 Takaful 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 Takaful 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 indemnification in respect of damage to any one covered vehicle shall not exceed Rs. 50,000,000 or the sum covered 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 HNBGT/Operator a pro-rata refund will be allowed to the Participant. However, no return of contribution shall be granted if this cover is cancelled at the request of the, Participant.

Exclusion (A) & (B) hereunder are applicable to this clause

#### **CLAUSE 20 - TERRORISM ENDORSEMENT GOODS IN TRANSIT - UNDER MOTOR**

The Participant having paid an additional contribution, it is hereby declared and agreed that the terms and conditions of the Strike Riot & Civil Commotion and the Terrorism Endorsement attached to this policy shall be applicable to the cover granted by this Endorsement.

However in respect of any claim that would not have been payable but for the said Strike, Riot & Civil Commotion Endorsement and Terrorism Endorsement, the Participant shall be responsible for the first 10% of the Sum covered for goods subject to a minimum amount of Rs.5000/- each and every loss.

Furthermore, indemnification by HNBGT/Operator in respect of any one loss shall not exceed a maximum of Rs. .... or the sum covered whichever is less any one loss / occurrence.

Upon the occurrence of any event giving rise to a claim hereunder this Takaful shall be reinstated by the Participant upon payment of an additional contribution calculated at 100% pro-rate to the amount only.

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

Exclusions (A) & (B) hereunder are applicable to this clause

#### **CLAUSE 21 - TERRORISM ENDORSEMENT W.C.I TO DRIVER / CLEANER / ATTENDANT**

The Participant having paid an additional contribution, it is hereby declared and agreed that notwithstanding anything contained to the contrary in the proviso (a) of the Workmen's Compensation Takaful Endorsement attached to the policy, cover provided there under is extended for payment of compensation for death or bodily injury to the categories of employees described in the schedule 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 groups) of persons, whether acting alone or on behalf of or in connection with any organizations) or Governments), 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.

The indemnity payable under this endorsement shall however not exceed Rs.550,000/= per employee and is restricted to occurrences whilst on duty excluding indemnity under Common Law.

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

Exclusions (A) & (B) hereunder are applicable to this clause



#### **CLAUSE 22 - TERRORISM COVER ON PERSONAL ACCIDENT TO DRIVER/ CONDUCTOR/ CLEANER/ ATTENDANT/ LABOURER ON MOTOR COACHES**

The Participant having paid an additional contribution, it is hereby declared and agreed that HNBGT/Operator shall on behalf of the National Insurance Trust Fund and Terrorism undertakes to pay a sum of Rupees One Hundred Thousand (Rs. ) in the event of Death or Total Permanent Disability to Driver/ Conductor/ Cleaner/ Attendant/ Labourer in the employ of the Participant described in the schedule of this policy or the covered in any of the said capacities 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 always that no payment shall be made:

- a. In respect of more than four persons during one period of Takaful. However, in the event of a claim, the cover may be reinstated on payment of 100% of the contribution as applicable;
- b. Unless such act results in the death independently of any other cause (excepting medical or surgical treatment consequent upon such act) within three (3) calendar months from the date of occurrence.

Payment shall be made only with the approval of the Participant and directly to the deceased person's legal personal representatives whose receipt shall be a full and final discharge.

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

Exclusions (A) & (B) hereunder are applicable to this clause

#### **CLAUSE 23 - TERRORISM COVER ON PERSONAL ACCIDENT TO PASSENGERS IN BUSES**

The Participant having paid an additional contribution, it is hereby declared and agreed HNBGT/Operator shall on behalf of the National Insurance Trust Fund undertakes to pay a sum of Rs .... in respect of anyone passenger travelling in a bus referred to in the schedule of this policy 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.

Payment shall be made directly to the deceased person's legal personal representatives whose receipt shall be a full and final discharge.

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

Exclusions (A) & (B) hereunder are applicable to this clause

#### **CLAUSE 24 - TERRORISM COVER FOR PASSENGERS IN VEHICLES**

The Participant having paid an additional contribution, it is hereby declared and agreed that HNBGT/Operator shall on behalf of the National Insurance Trust Fund undertakes to pay a sum of Rs..... in respect of any one passenger traveling in a vehicle referred to in the schedule of this policy directly relating 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.

Payment shall be made directly to the deceased person's legal personal representatives whose receipt shall be a full and final discharge.

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

Exclusions (A) & (B) hereunder are applicable to this clause

**It is further declared and agreed that Clause Number 19, 20, 21, 22, 23 and 24 are 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 Takaful inconsistent herewith

1. In no case shall this Takaful 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**

- 1.1 Subject only to clause 1.2 below, in no case shall this Takaful 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 program, malicious code, computer virus or process or any other electronic system
- 1.2 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 program 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 an on behalf of the National Insurance Trust Fund and any indemnification whatsoever under this specific extension shall devolve solely upon the said Fund. If any action, suit or proceeding where it is alleged that any Death or Total Permanent Disability is not covered by this Endorsement, the burden of proving that such loss or damage is covered shall be upon the Participant

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

**CLAUSE 25 - NO CLAIM BONUS PROTECTION**

Notwithstanding what is stated under item 6 of section 1 of the policy the No Claim Bonus benefit is revised as follows.

1. After 4 accidents for any one year the NCB will be stepped back by one (1) years
2. From 5th accident onwards the NCB will be stepped back by (2) years This benefit is applicable only after the policy has earned a No Claim Bonus for 3 years.

**CLAUSE 26 - HOSPITAL CASH BENEFIT**

Age at entry     18-64  
Age at expiry    65 years

Whilst the motor policy is in force and contribution has been paid, in the event of the policyholder being hospitalized as a result of an accident of the motor vehicle covered with HNBGT/Operator the sum specified below will be payable subject to

a forty eight (48) hours deferment period up to a maximum of twenty five (25) days per year. Benefit payable under this benefit will be limited to three (3) accidents for any one policy year subject to the terms and conditions and exclusions applicable to this benefit.

#### **PER DAY LIMIT - Rs. 2,000/-**

In the event of hospitalization in an Intensive Care Unit twice the above benefits will become payable.

#### **EXCLUSIONS APPLICABLE TO HOSPITAL CASH BENEFIT**

No benefits are available hereunder and no payment will be made by HNBGT/Operator for any claim under this Policy on account of Hospitalization directly or indirectly caused by, based on, arising out of or howsoever attributable to any of the following:

- a. "Pre-existing conditions including but not limited to pre-existing accidental injuries"-

Pre-existing Injury or diseases means any medical condition(s), disease(s) or injury(ies) or related condition(s) (e.g. illnesses, symptoms, treatments, pains and surgery), arising or subsisting prior to his/her first health policy with this Takaful Operator which the Policyholder or policyholder's dependents know, knew or could reasonably have been assumed to have known, irrespective of the fact whether any medical treatment or advice was sought, will be deemed to be pre-existing. Any complications arising out of pre-existing conditions would also deemed to be pre-existing.

- b. Self-afflicted injuries or conditions and/or conditions/ailments arising out of the use or misuse of any drugs or alcohol.
- c. Participation in motor racing or any other form of motor sport.
- d. Any breach of Criminal Law by the policyholder.
- e. Hospitalization for non-allopathic methods of surgery and treatment
- f. Hospitalization for the sole purpose of physiotherapy or any ailment for which hospitalization is not warranted due to advancement in medical technology.
- g. Any treatment not performed by a Physician / Surgeon, registered with the Medical Council of Sri Lanka or any treatment of a purely experimental nature.
- h. Any hospitalization primarily for diagnostic, X-ray or laboratory examinations.

- i. Aesthetic treatments of any description or plastic surgery unless such plastic surgery is necessary for the treatment of Accidental Bodily Injury as a direct result of the motor accident.
- j. Dental treatment or surgery of any kind unless necessitated by Accidental Bodily Injury as a direct result of the motor accident.

#### **SPECIAL CONDITIONS APPLICABLE TO HOSPITAL CASH BENEFIT**

- a. Policyholder needs to be the driver or a passenger of the vehicle covered with HNBGT/Operator at the time of the accident.
- b. Hospitalizations should be notified in writing immediately, but not later than 7 (seven) days from the date of hospitalization.
- c. The total number of days hospitalized should not be less than two (02) days and the benefit will be payable for a maximum period of Twenty Five (25) days in anyone event, "Day" means any period of twenty four (24) hours stay in a hospital.
- d. This benefit form part of the basic policy and contribution payments at the time of hospitalization should be up to date and paid in full on the due date or within the grace period.
- e. Nominee or beneficiary shall not have the right to receive any money from the hospitalization cover.
- f. Proof of hospitalization and further certificates, and information required by HNBGT/Operator shall be furnished at the expense of the Policyholder.
- g. Medical Officer or other representative appointed by HNBGT/Operator shall be allowed to see and examine the Policyholder at all reasonable times and in such manner required by HNBGT/Operator.
- h. The Hospitalization Benefit is granted on a yearly renewable basis and HNBGT/Operator reserves the right to alter contributions, terms and conditions under which this benefit is granted or cancel at any Policy anniversary.
- i. The same terms and conditions of the main Policy shall be applicable to this benefit.
- j. This benefit shall cease :-
  - 1. If contribution remains unpaid during the benefit paying period
  - 2. If motor policy is considered lapsed, cancelled or expired
  - 3. When the Policyholder attain the age of 65

## GENERAL EXCLUSIONS APPLICABLE TO HOSPITAL CASH BENEFIT (CLAUSE 28)

- a. Total Exclusion of Indemnity: No benefit shall be payable under this Policy if arising directly or indirectly as a result of the participation of the Policyholder in any war, invasion, act of foreign enemies, hostilities or war operations (where war be declared or not), civil war, mutiny, civil commotions assuming the proportions of, or amounting to a popular rising, military rising, insurrection, rebellion, military or usurped power or any acts of any person acting on behalf of or connection with any organization directed towards the overthrow by force of any Government or to the influencing of it by terrorism or violence.
- b. Suicide: No benefit shall be payable if the Policyholder commits suicide (whether of sound mind or otherwise at the time) within One (1) year after the commencement date of the Policy.
- c. Disappearance of Policyholder: Where the death of the Policyholder is sought to be established on the basis of a presumption generated in circumstances where he had not been heard of for a period of one year by those who would have naturally heard of him, if he had been alive, no money shall become due under the Policy until the effluxion of a period of Seven (7) years computed from the time when the Policyholder had ceased to be heard of, and this fact notified to HNBGT/Operator.
- d. AIDS Exclusion: If at any time during the currency of this Policy including both before and after the making of any claim or whilst any benefits are being paid, the Policyholder is found to be infected with any human immune deficiency virus, this Policy lapses with immediate effect and indemnification by HNBGT/Operator will be limited to the portion of the annual contribution paid under the Policy.
- e. Non-Payment of claims in Certain Events: In case the contribution shall not be duly paid or in case any condition herein contained or endorsed hereon shall be contravened or in case it is found that any untrue or incorrect statement regarding any Policyholder is contained in the proposal, personal statement, declaration and connected documents or any material information is withheld, then and in every such case the cover on respective Policyholder shall be void and claims to any benefit in virtue hereof shall cease and determine and all moneys that have been paid in consequence hereof shall belong to HNBGT/Operator .
- f. No benefit shall be paid in respect of death or hospitalization if liability is not admitted under the motor damage claim except in the event of a death arising from natural causes

It is hereby declared and agreed that the policy is extended to include the following benefits subject to the terms and conditions expressed hereto.

## NAMED DRIVER DISCOUNT

It is agreed and understood that the vehicle covered under this policy would be driven only by the Participant or spouse or named person at any time with the named person being changed a maximum of two times during the year.

At the time of accident, if neither of the above persons are at the wheel the unnamed driver excess stated in the policy schedule would be deducted from each and every claim.

## LOST KEY COVER (INTELLIGENT KEY-ELECTRONICALLY PROGRAMMED KEY)

HNBGT/Operator would reimburse up to Rs.20,000 being the cost of repairing and/or re-programing the electronically programmed key during the period of Takaful in the event such key is lost by the Participant or by persons authorized by the Participant to drive the vehicle.

These costs would be paid by HNBGT/Operator to the authorized agents of the vehicle.

## EMERGENCY EXPENSES COVER

In the event of the motor vehicle covered under the policy being disabled by reason of damage and cannot be driven under its own power HNBGT/Operator will pay the amounts stated below as emergency expenses.

TYPE OF VEHICLE	LIMIT (Rs.)
Motor Car	3500
Other vehicles	2500

This benefit is limited to two events during the policy period and would be paid as an addition to the payable claim amount approved by HNBGT/Operator.

The sole discretion of deciding the immovability of the vehicle would be with HNBGT/Operator engineer and/or the motor assessor representing HNBGT/Operator.

## NCB MATCH

HNBGT/Operator will offer the earned NCB under this vehicle to Participant's second vehicle when purchasing Takaful from HNB General Takaful Ltd for the first time.

## DEPRECIATION PROTECTION COVER

In the event of the vehicle sustaining loss and/or damage covered under this policy HNBGT/Operator agrees to reimburse the full cost of the repaired item subject to these replacements being authorized by HNBGT/Operator.

### However this benefit,

1. Will not prejudice the right of HNBGT/Operator to pursue the primary option of repairing the damaged items
2. And is limited to items directly damaged by an covered peril.

## IMPORTANT NOTES

### WHAT NEEDS TO BE DONE WHEN FACED WITH AN ACCIDENT?

1. Immediately report the accident to **HNB General Takaful** through our 24hour helpline 0114 677 700 (Do not move the vehicle without our permission).
2. **HNB General Takaful** will arrange an engineering officer to carry out the onsite inspection.
3. Participant can select either estimate based settlement or onsite offer settlement with the guidance of the engineering officer.

### FOR ONSITE OFFER SETTLEMENT

1. Discharge document in the settlement advice need to be filled with customer's signature.
2. For lease vehicles no objection letter is required from the finance institute.
3. Police statement or driving license copy (if required).

### FOR ESTIMATE BASED SETTLEMENT

1. Obtain an estimate and call our helpline 0114 677 700 to inspect and approve the estimate.
2. HNB General Takaful will arrange an engineering officer for garage inspection and to release approvals. (vehicle should not be dismantled without HNB General Takaful permission)
3. Proceed with the repair according to the approved estimate issued by the HNB General Takaful engineering officer.
4. Submit the final bills, Salvage and produce vehicle for the after repair inspection.

5. For lease vehicles no objection letter is required from the finance institute

## IMPORTANT

- We strongly advise you to report the accident to the nearest police station to be in line with regulatory requirements.
- For theft of parts, theft of vehicle, Malicious act, Riot & strike, terrorism and 3rd party claims, police entry is compulsory.
- Please keep the salvage items under safe custody until the claim is settled.
- Whenever we request, the vehicle should be presented for an after repair inspection.
- Please inform us and get approvals for dismantle reports, supplementary estimates and price quotation for spares.
- All approvals are given subject to "Without prejudice".
- Claiming procedure will be different for total loss claims. Please call our helpline 0114 677 700 for assistance.
- 3rd party claim/compensation will be settled subjected to a civil court order. If you receive a letter of demand with regard to a third party liability
- Inform HNB General Takaful immediately
- Do not respond without informing HNBGI
- If required, first statement made to the police will be requested.
- All the settlements will be carried out based on the scope of the policy.

## LEGAL ENTITLEMENT OF THE COVER

In the event of purchasing a vehicle, which already has a valid Takaful policy under previous owner's name, the participant should protect his legal entitlement by way of purchasing a new Takaful policy under his name.

## PRE UNDERWRITING INSPECTION

Please ensure that the vehicle is submitted for an underwriting inspection to avoid a "3rd party only" cover. Pre under writing inspection should be conducted,

1. At a time a wider cover than the existing cover is required, i.e. – conversion of a third (3rd) party Takaful cover for a comprehensive cover.
2. If the comprehensive Takaful cover hasn't been obtained before the expiry date of the previous year Takaful.

Underwriting inspections shall be waived off in respect of unregistered/brand new vehicles, provided the Takaful is applied within three (3) days of purchase of the vehicle.

#### **LUXURY/SEMI LUXURY TAXES**

The participant should make arrangements to pay luxury/semi luxury taxes, if applicable for the vehicle and must check the certificate of registration and should make payment on the appropriate date to avoid a penalty. HNB General Takaful shall not be held responsible to pay any penalties arising from late payments.