

Motor Trade Policy (Road Risk)

Whereas the insured by a proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to the company for the insurance hereinafter contained and has paid or agreed to pay the premium as consideration for such insurance.

Now this policy witnesseth:-

That in respect of events occurring during the period of insurance whilst the motor vehicle is on the road or is temporarily garaged during the course of a journey elsewhere than in or any premises owned by or in the occupation of the insured and subject to the terms exceptions and conditions contained herein or endorsed hereon (hereinafter collectively referred to as the terms of this policy).

Section I - Loss Or Damage

1. The company will indemnify the insured against loss of or damage to the motor vehicle and its accessories and spare parts whilst thereon
 - a) by accidental collision or overturning or collision or overturning consequent upon mechanical breakdown or consequent upon wear and tear
 - b) by fire external explosion self-ignition or lightning or burglary housebreaking or theft.
2. At its own option the company may pay in cash the amount of the loss or damage or may repair reinstate or replace the motor vehicle or any part thereof or its accessories or spare parts. The liability of the company shall not exceed the value of the parts lost or damaged and the reasonable cost of fitting such parts. The maximum amount payable by the company in respect of any claim for loss or damage shall not exceed the value of the motor vehicle (including accessories and spare parts thereon) at the time of the loss or damage.
3. If the motor vehicle is disabled by reason of loss or damage insured under this policy the company will subject to the limits of liability bear the reasonable cost of protection and removal to the nearest repairers and of delivery within the country where loss or damage was sustained.
4. It is hereby understood and agreed that if the motor vehicles shall at the time of happening of any loss or damage (be it partial/total) be insured for a sum less than its market value then, the insured shall be considered as being his own insurer for the difference and shall bear a ratable proportion of the loss accordingly. Provided always that this clause shall not apply unless the market value at the time of the loss exceeds the insured value by 10%.

The market value of a vehicle would be determined in accordance to endorsement 99 on "indemnity in the event of total loss clause"

Exceptions To Section I

The company shall not be liable to pay for

- i. consequential loss depreciation wear and tear mechanical or electrical breakdowns failures of breakages
- ii. damage caused by overloading or strain
- iii. damage to tyres unless the motor vehicle is damaged at the same time
- iv. loss of or damage to accessories or spare parts by burglary housebreaking or theft unless the motor vehicle is stolen at the same time
- v. malicious act
- vi. the company shall not be liable for any loss or damage caused by or attributed to the act of cheating by any person within the meaning of the definition of the offence of cheating set out in the penal code.
Cheating is defined in the penal code "as whoever, by deceiving any person, fraudulently or dishonestly induces the person so deceived to deliver any property to any person or to consent that any person shall retain any property, or intentionally induces the person so deceived to do or omit to do anything which he would not do or omit if he were not so deceived, and which act or omission causes or is likely to cause damage or harm to that person in body, mind, reputation or property, is said to 'cheat'."
- vii. the company shall not be liable for any loss or damage caused by or attributed to the act of Criminal Breach of Trust (CBT) by any person within the meaning of the definition of the offence of CBT set out in the penal code.
CBT is defined in the penal code "as whoever, being in any manner entrusted with property, or with any dominion over property, dishonestly misappropriates or converts his own use that property, or dishonestly uses or disposes of that property in violation of any direction of law prescribing the mode in which such trust is to be discharge, or of any legal contract, express or implied, which he has made touching the discharge of such trust, or willfully suffers any other person so to do, commits 'criminal breach of trust'."

Section II-Liability To Third Parties

1. The company will subject to the limits of liability indemnify the insured in the event of accident caused by or arising out of the use of the motor vehicle or in connections with the loading or unloading of the motor vehicle against all sums including claimant’s costs and expenses which the insured shall become legally liable to pay in respect of
 - a) death of or bodily injury to any person
 - b) damage to property
2. In terms of and subject to the limitations of and for the purposes of this section the company will indemnify any authorised driver who is driving the motor vehicle provided that such authorised driver
 - i) shall as though he were the insured observe fulfill and be subject to the terms of this policy insofar as they can apply
 - ii) is not entitled to indemnity under any other policy
3. In the event of the death of any persons entitled to indemnity under this section the company will in respect of the liability incurred by such person indemnify his personal representatives in terms of and subject to the limitations of such section provided that such representatives shall as though they were the insured observe fulfill and be subject to the terms of this policy insofar as they can apply
4. The company will pay all costs and expenses incurred with its written consent
5. In the event of accident involving indemnity under this section to more than one person the limits of liability shall apply to the aggregate amount of indemnity to all persons indemnified and such indemnity shall apply in priority to the insured
6. The company may at its own option
 - a) arrange for representation at any inquest or fatal inquiry in respect of any death which may be the subject of indemnity under this section
 - b) undertake the defence of proceedings in any court of law in respect of any act or alleged offence causing or relating to any event which may be the subject of indemnity under this section

Exceptions To Section II

The company shall not be liable in respect of

- i. death bodily injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of the load to the motor vehicle for loading thereon or the taking away of the load from the motor vehicles after unloading there from.
- ii. death of or bodily injury to any person in the employment of the insured arising out of and in the course of such employment.
- iii. damage to property belonging to held in trust by or in the custody or control of the insured or a member of the insured's household or being conveyed by the motor vehicle.
- iv. damage to any bridge weighbridge or viaduct or to any road or anything beneath by vibration or by the weight of the motor vehicle or of the load carried by the motor vehicle.
- v. compensation for damages in respect of judgments not in the first instance delivered by or obtained from a court of competent jurisdiction within West Malaysia or the Republic of Singapore.
- vii. costs and expenses of litigation recovered by any claimant from the insured which are not incurred in and recoverable in West Malaysia or the Republic of Singapore.

No Claim Discount

In the event of no claim being made or arising under this 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 as follows:

Period of Insurance	Discount
The preceding year	10%
The preceding two consecutive years	15%
The preceding three or more consecutive years	20%

If the company shall consent to a transfer of interest in this policy the period during which the interest was in the transferer shall not accrue to the benefit of the transferee.

If more than one motor vehicle is described in the schedule the no claim discounts shall be applied as if a separate policy had been issued in respect of each such motor vehicle.

Avoidance Of Certain Terms And Right Of Recovery

Nothing in this policy or any endorsement hereon shall affect the right of any person entitled to indemnity under this policy or of any other person to recover an amount under or by virtue of the legislation or the agreement executed between the Minister of Transport of the Government of Malaysia and the Motor Insurer's Bureau of West Malaysia on 15th January, 1968, or the agreement executed between the Minister for Finance of the Republic of Singapore and the Motor Insurer's Bureau of Singapore on 22nd February, 1975.

But the insured shall repay to the company all sums paid by the company which the company would not have been liable to pay but the legislation or such agreement.

General Exceptions

The company shall not be liable in respect of

1. Any accident loss damage or liability caused sustained or incurred
 - a) outside the geographical area
 - b) whilst the motor vehicle is
 - i. being used otherwise than in accordance with the limitations as to use
 - ii. being driven by or is for the purpose of being driven by him in the charge of any person other than an authorised driver
 - iii. being driven by any person whether it be the insured himself or any person on his order or with his permission, whilst under the influence of intoxicating liquor or drugs to such extent as to be incapable of having proper control of the vehicle as defined in the Road Traffic (Amendment) Act, 1976.
2. 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 flood, windstorm, rainstorm, typhoon, hurricane, volcanic eruption, earthquake, landslide, landslip or subsidence invasion the act of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war strike riot civil commotion mutiny rebellion revolution insurrection military or usurped power or any direct or indirect consequences of any of the said occurrences and in the event of any claim hereunder the insured shall prove that the accident loss damage or liability arose independently of and was in no way connected with or occasioned by or contributed to by or traceable to any of the said occurrences or any consequence thereof and in default of such proof the company shall not be liable to make any payment in respect of such a claim
3. any liability which attaches by virtue of an agreement but which would not have attached in the absence of such agreement
4. any sum which the insured would have been entitled to recover from any party but for an agreement between the insured and such party
5. (a) any accident loss or damage to any property whatsoever or any loss or expense whatsoever resulting or arising there from or any consequential loss
(b) any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exception combustion shall include any self-sustaining process of nuclear fission
6. any accident loss damage or liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.

If the law or laws are named in a section of the policy entitled "avoidance of certain terms and right of recovery" or in the policy schedule under the heading of "legislation" all references to specific sections of such laws are deemed to be deleted so that the references to such law or laws are left to apply to each law in the entirety.

Limits of Liability

Limit of the amount of the company's liability under section I-3	S\$200/-
Limit of the amount of the company's liability under section II-1 (a) in respect of any one claim or series of claims arising out of one event	Unlimited
Limit of the amount of the company's liability under section II-1 (b) in respect of any claim or series of claims arising out of one event	S\$500,000/-

AUTHORISED REPAIR LIMIT : S\$200/-

Geographical Area

West Malaysia and Republic of Singapore

Legislation

Road traffic ordinance 1958 (Federation of Malaysia) motor vehicles (third party risks & compensation) act (cap. 88 of the revised edition) (Republic of Singapore) (the reference to legislation under the heading "avoidance of certain terms and right of recovery" is limited to section 78, 79 and 80 of the Federation of Malaya ordinance and section 6, 7 and 8 of the Singapore act)

AUTHORISED DRIVER :

Any of the following:-

- a) The policyholder.
- b) Any other person who is driving on the policyholder's order or with his/their permission

Provided that the person driving is permitted in accordance with the licensing or other laws or regulations to drive the motor vehicle or has been so permitted and is not disqualified by order of court of law or by reason of any reason of any enactment or regulations in that behalf from driving the motor vehicle

LIMITATIONS AS TO USE :

The policy does not cover use for hire or reward or for racing pacemaking reliability trail or speed testing. Use solely for "breakdown" purposes is not deemed to be use for hire or reward

Conditions

1. This policy and the schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this policy or of the schedule shall bear such specific meaning wherever it may appear.
2. Every notice or communications to be given or made under this policy shall be delivered in writing to the company.
3. The insured shall take all reasonable steps to safeguard the motor vehicle from loss or damage and to maintain the motor vehicle in efficient condition and the company shall have at all times free and full access to examine the motor vehicle or any part thereof or any driver or employee of the insured. In the event of any accident or breakdown the motor vehicle shall not be left unattended without proper precautions being taken to prevent further loss or damage and if the motor vehicle be driven before the necessary repairs and effected any extension of the damage or any further damage to the motor vehicle shall be excluded from the scope of the indemnity granted by this policy.
4. Notification of accident
 - a) In the event of any accident involving the motor vehicle, irrespective of whether it would give rise to a claim, the insured shall, together with the motor vehicle, call at the company's approved reporting centre and report the accident within 24 hours of the accident or by the next working day thereof.
 - b) In case of theft or other criminal act which may give rise to a claim under this policy the insured shall give immediate notice of the occurrence to the company and the police and co-operate with the company in securing the conviction of the offender.
 - c) Every letter, claim, writ, summons and process shall be notified or forwarded unanswered to the company immediately upon receipt. Notice shall also be given to the company immediately after the insured or any person claiming to be indemnified shall have knowledge of any impending prosecution, inquest, inquiry, or offer of composition in connection with any such accident and/or occurrence.

This condition, notification of accident, is a very important condition and failure to comply with this condition after an accident and/or occurrence will result in the insured losing all or part of his no claim discount as set out below.

Current	Upon Renewal (Non-Reporting)
20%	15%
15%	10%
10%	0%
0%	0%

- Accident NCD - Means the % of NCD you are entitled to or is deducted from your entitlement because of claims made by or against you from accidents your car has been involved in.
- Non-reporting NCD - Means the % of the NCD that would be deducted from your NCD entitlement because of not reporting or being late in reporting an accident

5. No admission offer promise or payment shall be made by or on behalf of the insured without the written consent of the company which shall be entitled if it so desires to take over and conduct in his name the defence or settlement of

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

6. At any time after the happening of any event giving rise to a claim or series of claims under section II-1 (b) of this policy the company may pay to the insured the full amount of the company's liability under section II-1 (b) and relinquish the conduct of any defence 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 defence settlement or proceedings or the company relinquishing such conduct nor shall the company be liable for any costs or expenses whatsoever incurred by the insured or any claimant or other person after the company shall have relinquished such conduct.
7. The company may cancel this policy by sending seven days' notice by registered letter to the insured at his last known address and in such event will return to the insured the premium paid less the pro-rata portion thereof for the period the policy has been in force or the policy may be cancelled at any time by the insured on seven days' notice and (provided no claim has arisen during the then current period of insurance) the insured shall be entitled to a return of premium less premium at the company's short period rates for the period the policy has been in force.
8. If at the time any claim arises under this policy there is any other insurance covering the same loss damage or liability the company shall not be liable to pay or contribute more than its ratable 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 this condition it would have been relieved under proviso (ii) of section II-2 of this policy.
9. All differences arising out of this policy shall be referred to the decision of an arbitrator to be appointed in writing by the parties in difference or if they cannot agree upon a single arbitrator to the decision of two arbitrators one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties or in case the arbitrators do not agree of an umpire appointed in writing by the arbitrators before entering upon the reference. The umpire 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 the company. If the company shall disclaim liability to the insured 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.
10. The due observance and fulfillment of the terms of this policy insofar as they relate to anything to be done or not to be done by the insured and the truth of the statements and answers in the proposal shall be conditions precedent to any liability of the company to make any payment under this policy.

The Following Endorsements/ Clauses Apply Only When Specified In The Schedule

MB - USE A-PADLOCK-CLAUSE

It is hereby understood and agreed that the motor vehicle shall be secured by a steel cable lock and that the company shall not be liable for the loss of motor vehicle if it was not so secured at the time of the loss.

ENDORSEMENT NO. M₁ – EXCESS ALL CLAIMS

It is hereby understood and agreed that notwithstanding anything to the contrary contained in sections I and II of this policy the insured in respect of each and every event shall be responsible for the first amount stated under "excess" in the schedule of the policy (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 5 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 the endorsement the expression "event" shall mean an event or series of events arising out of one cause connection with any one motor vehicle in respect of or in connection with which indemnity is granted under this policy.

Subject otherwise to the terms of this policy

ENDORSEMENT NO. M₂(A) – EXCESS – OWN DAMAGE CLAIMS

It is hereby declared and agreed that notwithstanding anything to the contrary contained in section I of this policy the insured in respect of each and every event shall be responsible for the first amount stated under "excess" in the schedule of the policy (or any less expenditure which may be incurred) of any expenditure for which provision is made thereunder.

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 endorsement the expression "event" shall mean an event or series of events arising out of one cause in connection with the motor vehicle.

Subject otherwise to the terms of this policy.

ENDORSEMENT NO M₃(P) THIRD PARTY ONLY

It is hereby understood and agreed that section I (and its exceptions), of this policy are deemed to be cancelled.

It is further understood and agreed that the printed wording of condition 3 of the policy is also cancelled and is replaced by the following new condition.

The Insured shall take all reasonable steps to maintain the motor vehicle in efficient condition and the company shall have at all times free and full access to examine the motor vehicle or any part thereof of any driver or employee of the insured.

Subject otherwise to the terms of this policy.

ENDORSEMENT NO M93

It is hereby understood and agreed that notwithstanding anything contained herein to the contrary under section I of the policy, the company shall not be liable whilst the motor vehicle is in transit between:-

- (a) Singapore and her offshore islands
- (b) West Malaysia and her offshore islands other than Penang.

ENDORSEMENT NO. M94

In the event of the death of the insured, the policy covers:

- (a) any member of the insured's family, or a paid driver who has been driving the vehicle during the life of the insured and permission to drive has not been withdrawn prior to the death of the insured; and
- (b) any other person who has been given permission to drive the vehicle prior to the death and such permission had not been withdrawn by the insured

Provided that the person driving is permitted in accordance with the licensing or other laws or regulation to drive the motor vehicle or has been so permitted and is not disqualified by order of a court of law or by reason of any enactment or regulation in that behalf from driving the motor vehicle.

Policy Owners' Protection Scheme

This policy is protected under the policy owners' protection scheme which is administered by the Singapore Deposit Insurance Corporation (SDIC). Coverage for your policy is automatic and no further action is required from you. For more information on the types of benefits that are covered under the scheme as well as the limits of coverage, where applicable, please contact your insurer or visit the GIA / LIA or SDIC websites (www.gia.org.sg or www.lia.org.sg or www.sdic.org.sg).

Personal DATA Use

Any information collected or held by us whether contained in your application or otherwise obtained may be used and/or disclosed to our associated individuals/companies or any independent third parties (within or outside Singapore) for any matters relating to your application, any policy issued and to provide advice or information concerning products and services which we believe may be of interest to you and to communicate with you for any purpose. Your data may also be used for audit, business analysis and reinsurance purposes.

Important Notice

It is our duty to remind you that you must disclose to us, fully and faithfully, all the facts you know or ought to know, otherwise you may not receive any benefit from this policy.