

Detailed Policy Wordings for

**Comprehensive Insurance (Loss, Damage &
Third Party Liability)**

Whereas the Insured, by a proposal and Declaration which shall be the basis of this contract and is deemed to be an integral part of it, has applied to OMAN INSURANCE COMPANY (hereinafter called 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 accidents occurring during the Period of Insurance **within the United Arab Emirates** and subject to the terms, conditions and exceptions contained herein or endorsed hereon (hereinafter collectively referred to as the Terms of this Policy).

**Section One
Loss or Damage**

1. The Company undertakes to indemnify the Insured for Loss of or Damage to the Insured Vehicle, its accessories and spare parts whilst thereon:
 - (a) by accident or accidental collision or overturning consequent upon mechanical breakdown or consequent upon wear and tear
 - (b) by fire, external explosion, self ignition, lightning or thunderbolt
 - (c) by burglary or theft
 - (d) by malicious act of any third party
 - (e) while in transit (including the process of loading and unloading incidental to such transit) by road, rail, inland waterway, lift or elevator, relating to the said transportation

2. The Company shall pay in cash the amount of loss or damage to the Insured or shall repair, reinstate or replace the motor vehicle or any part thereof including its accessories or spareparts and the liability of the Company shall not exceed the replacement value of the parts lost or damaged and reasonable cost of fitting or fixing such parts, unless the Insured requests the Company to pay him the amount in cash, in this case the Company shall respond to the Insured's request.

In case the Insured request new parts instead of the damaged parts due to an accident or prefers paying its value in cash, this should be considered. The Insured is liable for depreciation percentages as mentioned in Schedule No. (1).

Regarding Taxi and Rental vehicles, the insured shall be liable for the depreciation percentages mentioned in Schedule No. (2) attached to Ministerial Decree.

Schedule no. (1)

Depreciation percentages on spare parts “Excluding Taxis and Rent A Car Vehicles”

Year	Percentage
1 st Year	-
2 nd Year	5%
3 rd Year	10%
4 th Year	15%
5 th Year	20%
6 th Year	30%

Schedule No. (2)

Depreciation percentages “Taxis and Rent A Car Vehicles”

Year	Percentage
1 st Year	10%
2 nd Year	20%
3 rd Year	25%
4 th Year	30%
5 th Year	35%
6 th Year	40%

3. The Insured has the right to repair the damage due an accident covered under the Policy provided the total cost of such repair does not exceed the Authorized Repair Limit mentioned in the Schedule attached to this Policy, and the Insured should forward to the Company without delay a detailed estimate of the cost.
4. If the motor vehicle is immobilized by reason of loss or damage insured under this Policy, the Company will bear the reasonable cost of protection and removal to the nearest repairers and delivery to the garage within the country where the loss or damage sustained.
5. If the Insured Vehicle has been lost or if it sustained total loss damage to the extent that the repair cost shall exceed 50% of it's value at the time of accident, then the Insured Value, which was agreed between the Insured and Insurer at the time of Insurance Contract and its Schedules has been signed, shall constitute the basis of calculation of the indemnity for the loss or damage, after a depreciation @ 20% per annum of the Insured Value as stated in the Schedule for the first year of the vehicle's life on the roads and part of the year shall be calculated on a pro rata basis.

As from the second year of the life of the vehicle on the roads, a depreciation rate, not exceeding, 20% shall be deducted from the vehicles Insured Value as stated in the Schedule and the depreciation will be calculated as follows:

5% as from the beginning of the 1st month until the end of the 3rd month, 10% as from the beginning of the 4th month until the end of the 6th month, 15% as from the beginning of the 7th month until the end of the 9th month, 20% as from the beginning of the 10th month until the end of the 12th month.

Exceptions to Section One

The Company shall not be liable to pay any compensation in respect of:

1. Consequential loss affecting the Insured Vehicle or decrease in the vehicle's value through usage, impairment or failure or breakdown of mechanical or electrical equipment.
2. Damage resulting from overloading or carriage at any one time of a greater number of passengers than the number for which the Vehicle is licensed by the concerned authorities, provided that the overloading or excess passengers were the cause of the accident which resulted in the loss or damage to the motor vehicle.
3. Damage to tyres, unless it occurs at the same time as the damage to the Insured Vehicle.
4. Loss or damage caused to the Insured Vehicle as a result of the following:
 - (a) use for purposes otherwise than in accordance with the Limitations of Use.
 - (b) Violation of the law if it involves a criminal act or similar wilful act as defined in articles (28) and (29) of the punitive Law under the Federal Law No. (3) of 1987.
5. damage resulting to the motor vehicle from accidents which occur while it is being driven by an unlicensed person.
6. Any accident, loss or damage whilst the driver is under the influence of intoxicating liquor or drugs at the time of happening of any accident.

Section Two

Third Party Liability

1. The Company shall be liable to compensate the Insured in the event of accident caused by or arising out of the use of the motor vehicle subject to the limits specified in the Policy against all sums which the Insured shall become legally liable to pay as compensation for:
 - (a) Death of or bodily injury to any person including the passengers in the vehicles except the Insured or the driver at the time of the accident and their families – spouse, parents and children and the employees of the Insured if they are injured during work hours or as a result of their work: and they are to be considered as passengers whether inside the vehicle or mounting or dismounting from it.
 - (b) Damages for materials and property, except those owned by the Insured or the driver at the time of the accident or property held in trust or in their custody and control.
2. The insurance mentioned in this Section is extended, in accordance with the provisions and conditions herein, to cover the liability of each licensed driver while driving the Insured Vehicle provided that he fulfils and complies with the Terms and Conditions of this Policy and obeys it as if he was the Insured himself.
3. Subject to the Limits specified in the attached Schedule of this Policy, the Company shall be liable to pay court orders or judgements in whatever amount is awarded to the plaintiff including judicial expenses and charges (except penalties and/ or fines); the Company shall pay compensation to the rightful claimant.
4. In the event of death of any person entitled to indemnity under this Section the Company will in respect of the liability towards such person indemnify his heirs in accordance with the Terms, Conditions and Exceptions of this Policy, provided that such heirs shall as though they were the Insured observe, fulfil and be subject to the Terms of this Policy in so far as applicable.
5. In the event of any accident involving indemnity under this Section to more than one person the Limits of Liability specified in the attached schedule to this Policy shall apply to the aggregate amount of indemnity due to all persons.
6. The Company shall pay all costs and expenses incurred with its prior consent.

7. The Company may arrange for representation of the Insured at any request or inquiry in respect of any accident which may be the subject of indemnity under this Section, and undertakes to defend the Insured in any Court of Law in respect of any event which may be the subject of indemnity under this Section.

General Exceptions

1. This Policy shall not cover loss or damage or Third Party Liability arising from accidents involving the Insured Vehicle in the following cases:
 - (a) Accidents which take place outside the Geographical Area specified in this Policy
 - (b) Accidents which happen directly or indirectly, proximately or remotely occasioned by, contributing to by or traceable to or arising out of or in connection with flood, storm, hurricane, volcanic eruption, earthquake or other convulsion of nature, invasion, 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, confiscation or nationalization or ionizing radiation contamination by radioactivity from any nuclear waste from the combustion of nuclear fuel direct with any of the aforementioned causes.
2. This insurance does not cover any liability due to an agreement made by the Insured where no liability would arise but for the agreement.

General Conditions

1. The Policy and the Schedule shall be considered as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy and Schedule shall bear such specific meaning wherever it may appear.
2. Every notice or communication to be given or made under this Policy shall be delivered to the Company in writing.
3. The Insured shall take all reasonable steps to safeguard the Insured Motor Vehicle from loss or damage and to maintain the Insured Motor Vehicle in a roadworthy condition. The Company shall have at all times the right of free and full access to examine such motor vehicle or any part thereof. In the event of any accident or breakdown such motor vehicle shall not be left unattended without proper precautions being taken to prevent further loss or damage and if such motor vehicle driven before the necessary repairs are effected, any extension of damage or any further damage to such motor vehicle shall be excluded from the scope of indemnity granted by this Policy.

4. The Insured shall remain throughout the validity of this Policy, the sole and absolute owner of motor vehicle and shall not make any agreement to let out upon hire the Insured Vehicle or enter into any agreement restricting his absolute control and possession of the Insured Vehicle without written permission of the Company having first been obtained.
5. In the event of any occurrence, which may give rise to a claim under the Policy, the Insured shall give immediate notice to the Company, with all relevant information. Every letter, claim, writ, summons and process shall be notified or forwarded to the Company immediately on receipt. Notice shall also be given to the Company immediately the Insured has knowledge of any impending prosecution or investigation into a fatal accident in connection with any such occurrence; in case of theft or other criminal act which may give rise to a claim under this Policy, the Insured shall give immediate notice to the police and cooperate with the Company in securing the conviction of the offender.
6. 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 the name of the Insured, the defense or settlement of any claim or to prosecute in his name for its own benefit any claim form indemnity to 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 such information and assistance as the Company may require.
7. At any time after the happening of any event giving rise to a claim or series of claims under Clause 1(b) of Section Two of this Policy, the Company may pay to the Insured the full amount of Company's liability under the above mentioned clause and relinquish the conduct of any defense, settlement or proceedings and the Company shall not be responsible for any damages alleged to have been caused to the Insured in consequence of any alleged action or omission of the Company in connection with such defense, settlement or proceedings, or the Company relinquishing such conduct. Also the Company shall not be liable for any costs or expenses whatsoever incurred by the Insured or any claimant or other person after the Company have relinquished such conduct.
8.
 - (a) The Company may cancel Section One of this Policy sending thirty days notice by registered letter to the Insured at his last known address in such event the Company 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 Insured may cancel Section One on seven days written notice and provided no claim has arisen during the current Period of Insurance, the Insured shall be entitled to return of premium at the Company's short period rates for the period the Policy has been in force.
 - (b) Neither the Company nor the Insured has the right to cancel Section Two of this Policy during its period of validity as long as the Vehicle's license is valid. In case the Policy is cancelled before its expiry date because of cancellation of the vehicle's permit, or presentation of a new Policy due to change in details of the Vehicle or transfer of its ownership, the Company will refund to the Insured the paid premium less the short period premium due.

The Company shall pay to the Insured, in all cases of cancellation, the balance premium due prior to the expiry of the notice period.

9. If at the time when any claim arises under this Policy there be any other Insurance covering the same loss, damage or liability, the Company shall not be liable to pay or contribute more than its rateable proportion of any such loss or damage or compensation or costs or expenses.

10. The due observance and fulfillment of the Terms and Conditions of this Policy insofar as they relate to anything to be done or not to be done by the Insured and the truth of all statements and declarations expressed by the Insured in the Proposal shall be conditions precedent to any liability of the Company to make any payment under the Policy.
Furthermore any notice of claim is to be fully in accordance with the requirements of Clause 2 and 5 of the General Conditions of this Policy.

11. The Company may claim back the value of what has been paid as compensation by the Company in the following cases:

(a) if it is proved that the insurance contract has been made on the basis of false statements by the Insured or if he has concealed relevant information which affects the acceptance of this insurance by the Company or otherwise affects the premium or the Terms of this Policy.

(b) Using the motor vehicle for other purposes than stipulated in the Policy or exceeding the permitted number of passengers, overloading more than the permitted limit or the load not stowed correctly, or exceeding the dimensions of width or length or height permitted.

(c) Violation of the law if it involves a criminal act or similar wilful act as defined in Articles (28) and (29) of the punitive law under the Federal Law No.(3) of 1987.

(d) If the driver whether the Insured or person driving with his permission, has no driving license for the type of vehicle involved.

(e) If it is proved that the accident, death or bodily injury has resulted from an intentional act by the Insured.

The right of recourse for the Company under this General condition as well as the Terms and Conditions of this Policy, will not affect the rights of Third Parties towards the Insured.

If it is proved that the accident happened whilst the driver (the Insured or any driver drives with the knowledge and consent of the Insured) under the influence of intoxicating liquor or drugs.

12. Nothing in this Policy or any endorsement on it will affect the rights of any person entitled to compensation by virtue of this Policy, or any other person's right to recover any due amount by virtue of the law.

13. Any claim under this Policy shall be time barred if not submitted to the Company within three years from the date of accident: even if the Insured had knowledge of such accident or event no claim will be accepted.

14. It is possible that the Company and the Insured by virtue of additional endorsements attached to this Policy and within the limits of its provisions and conditions, agree that the Company will cover other damages and injuries which are not mentioned in this Policy especially the following:

(14/1) Insurance against accidents which may occur to the Insured or his family and the driver at the time of accident and persons working for the Insured, including the medical expenses due to bodily injury to any one of them.

(14/2) Insurance against damage of property owned by the Insured or the driver at the time of accident or whatever is under their custody and control.

15. Any dispute arising out of this Policy falls within the jurisdiction of United Arab Emirates Courts.