



FIRST NATIONAL INSURANCE
ASSURING PEACE OF MIND, THE ESSENCE OF LIFE

TERMS AND CONDITIONS OF THE PRIVATE CAR 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 wear and tear
 - (b) by fire, external explosion, self-ignition or lightning
 - (c) by malicious act
 - (d) whilst in transit (including the processes of loading and unloading incidental to such transit) by road, rail, inland waterway, lift or elevator, and
 - (e) by impact damage caused by falling objects provided no convulsion of nature is involved.
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 sum insured stated in the Policy shall be the maximum amount payable by the Company in respect of any claim for 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.
4. It is hereby understood and agreed that if the Motor Vehicle 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 the rateable proportion of the loss or damage accordingly. Provided always that this clause shall not apply unless the market value at the time of the loss or damage exceeds the insured value by 10%.
5. In the event of repair to the Motor Vehicle necessitated by damage for which the Company may be liable under this Policy, the Company's written approval must be obtained prior to any repair to the vehicle is carried out.



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EXCEPTIONS TO SECTION I

The Company shall not be liable to pay for:

- (i) consequential loss, depreciation or wear and tear, mechanical or electrical breakdowns, failures and breakages
- (ii) damage to tyres unless the Motor Vehicle is damaged at the same time
- (iii) any loss or damage caused by or attributed to the act of cheating by any person
- (iv) any loss or damage caused by or attributed to the act of criminal breach of trust by any person

SECTION II- LIABILITY TO THIRD PARTIES

1. The Company will subject to the Limits of Liability indemnify the Insured in respect of death or bodily injury caused to Any Other Person in the event of an accident occasioned by or arising out of the use of the Motor Vehicle.
2. The Company will subject to the Limits of Liability indemnify the Insured in respect of damage caused to Property in the event of an accident occasioned by or arising out of the use of the Motor Vehicle. The Company however shall not be liable for the damage to the property belonging to the Insured or held in trust by or in the custody or control of the Insured or any member of the Insured's household.
3. The Company will pay all costs and expenses incurred with its written consent.
4. The Company may at its own option
 - (a) arrange for representation at any inquest or 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.
5. Subject to the Limits of Liability the Company may at the request of the Insured arrange and pay for legal services for defence of any charge of causing death by driving the Motor Vehicle other than murder which may be brought against the Insured or any other person, who is



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driving on the Insured's order or with his permission in respect of any death which may be the subject of indemnity under this Section.

EXCEPTIONS TO SECTION II

The Company shall not be liable to pay for

- (i) compensation for damages in respect of judgments not in the first instance delivered or obtained from a court of competent jurisdiction within the Union of Myanmar
- (ii) costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the Union of Myanmar.

SECTION III - MEDICAL EXPENSES

The Company will subject to the Limits of Liability in respect of each person injured pay to the Insured the reasonable medical expenses incurred in connection with any bodily injury by violent, accidental, external and visible means sustained by the Insured or his driver or any occupant of the Motor Vehicle as the direct and immediate result of an accident to the Motor Vehicle.

SECTION IV - ACCIDENTS TO THE INSURED

The Company undertakes to pay compensation to the Insured or his personal representative on the scale provided below for bodily injury as hereinafter defined sustained by the Insured in direct connection with the Motor Vehicle and caused by violent, accidental, external and visible means which 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
	Kyats
(1) Death	1,000,000
(2) Total and irrecoverable loss of all sight in both eyes	1,000,000
(3) Total loss by physical severance at or above the wrist or ankle of both hands or both feet or one hand together with one foot.	1,000,000
(4) Total loss by physical severance at or above the wrist or ankle of one hand or one foot together with the total	



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and irrecoverable loss of all sight in one eye	1,000,000
(5) Total and irrecoverable loss of all sight in one eye	500,000
(6) Total loss by physical severance at or above the wrist or ankle of one hand or one foot	500,000

Payment shall be made under one only of sub-sections (1) to (6) in respect of any one occurrence and the total liability of the Company shall not in the aggregate exceed the sum of Kyats 1,000,000 during any one period of insurance. In the event of the Insured being the holder of any policy or policies with the Insurer in respect of any other motor car or motor cars, compensation shall be recoverable under one Policy only.

PROVIDED ALWAYS THAT

- (a) the Insured is not less than 18 or more than 65 years of age at the time of such injury
- (b) no compensation shall be payable in respect of death or injury directly or indirectly, wholly or in part arising or resulting from or traceable to (1) intentional self-injury, suicide, or attempted suicide (whether felonious or not) physical defect or infirmity or (2) an accident happening whilst the Insured is under the influence of intoxicating liquor or drugs.

NO - CLAIM BONUS

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	Bonus/ Discount
The preceding year	25%
The preceding two consecutive years	30%
The preceding three or more consecutive years	40%

If the Company shall 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.



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If more than one motor vehicle is insured under one policy, the No Claim Bonus shall be applied as if a separate policy had been issued in respect of each such motor vehicle.

AVOIDANCE OF CERTAIN TERMS AND CONDITIONS AND RIGHT OF RECOVERY

Nothing in this Policy or any endorsement thereon shall affect the right of any person entitled to indemnity under this Policy to recover any amount by virtue of any Agreement or Legislation, but the Insured shall repay all sums paid by the Company which it would not have been liable to pay but for such Legislation or Agreement.

GENERAL CONDITIONS

- I. The Company shall not be liable to pay in respect of
 1. any accidental loss, damage or liability caused, sustained or incurred
 - (a) outside the Geographical Area of the Union of Myanmar
 - (b) whilst on the Insured's order or with his permission or to his knowledge the Motor Vehicle is
 - (i) being used otherwise than in accordance with the Use as indicated in the proposal.
 - (ii) being driven by any other person than a Driver who is properly licensed and qualified to drive the class of the Motor Vehicle insured
 2. any accident, loss, damage 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, 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, mutiny, rebellion, revolution, insurrection, military or usurped power or by any direct or indirect consequences of any of the said occurrences and in the event of any claim hereunder the Insured shall prove that the accident, loss, damage 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 consequences 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.



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4. (a) any accident, loss or damage to any property whatsoever, 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 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 condition combustion shall include any self-sustaining process of nuclear fission or fusion.
5. any accident, loss, damage or liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.
- II. This Policy evidences the contract between the Insured and the Company with the representation and the statements made by the Insured in the Proposal as the basis of the contract and any word or expression to which a specific meaning has been attached in any part of this Policy shall bear such specific meaning wherever it may appear.
- III. Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company.
- IV. 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 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 are 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.
- V. In the event of any occurrence which may give rise to a claim under this Policy, the Insured shall within one week give notice thereof to the Company with full particulars. 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 after the Insured shall have knowledge of any impending prosecution, inquest or fatal enquiry in connection with any such occurrence. In case of a 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.



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- VI. 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 its name the defence or settlement of any claim or to prosecute in its name for its own benefit any claim for indemnity or damages or otherwise, 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.
- VII. The Company may cancel this Policy by sending fourteen 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 fourteen 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.
- VIII. 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.
- IX. 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.
- X. The due observance and fulfilment 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 the statements and answers in the proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.



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XI. In No circumstances the Company shall be liable for any loss or damage or liability whatsoever which occurs to the Motor Vehicle insured or which attaches to the Insured, as the case may be, in consequence directly or indirectly of an illegal act perpetrated by any person. Provided that nothing in this Section shall affect the right of an innocent Third Party entitled to indemnity under Sections II and III of this Policy.

STRIKE, RIOT AND CIVIL COMMOTION (ENDORSEMENT)

Provided that the indemnity given by reason of this endorsement shall not apply to any accident, loss, damage of 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, the act of foreign enemies, hostilities or warlike operations (whether war be declared or not) civil war.
- (b) Mutiny, civil commotion assuming the proportions of or amounting to popular rising, rebellion revolution, insurrection, military or usurped power or any act of any person acting on behalf of or in connection with any organization with activities directed towards the overthrow by force of the government de jure or de facto or to the influencing of it by terrorism or violence or by the direct or indirect consequences of any of the said occurrences.

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 subject otherwise to the terms of this Policy.