

PROSPECTUS

(3 Years Private Car Package Policy)

Coverage - What is Covered

Motor Insurance is mandatory under Motor Vehicles Act. By opting for this product, You will be protecting Your vehicle from third party liabilities and any loss to Your vehicle due to accidental damages, theft of the vehicle, fire, explosion and / or specific natural calamities.

To do away with the hassles of remembering the renewal date of your private car every year, to safeguard against premium inflation year after year, We have brought in 3 years Private Car Package Policy which will give you an option to opt for Three Year Long Term Private Car Package policy.

Scope of Cover:

The scope of cover under Section I for Own Damage (except for provisions of No Claim Bonus (NCB) and Section II for Liability to Third Parties, Section III for Personal Accident Cover for Owner-Driver, General Exceptions, Deductible etc., including all other provisions of India Motor Tariff (IMT) 2002 as are applicable to normal Private Car Package Policy shall be applicable for this Long Term Motor Private Car Package Policy of period up to three years.

SECTION I - LOSS OF OR DAMAGE TO THE VEHICLE INSURED

The Company will indemnify the Insured against Loss or Damage to the vehicle insured hereunder and/or its accessories whilst thereon

- i. by fire explosion self ignition or lightning;
- ii. by burglary housebreaking or theft;
- iii. by riot and strike;
- iv. by earthquake (fire and shock damage);
- v. by flood, typhoon, hurricane, storm, tempest, inundation, cyclone, hailstorm, frost;
- vi. by accidental external means;
- vii. by malicious act;
- viii. by terrorist activity;
- ix. whilst in transit by road rail inland- waterway lift elevator or air;
- x. by landslide, rockslide.

Subject to a deduction for depreciation at the rates mentioned below in respect of parts replaced;

1. For all rubber/nylon/plastic parts, tyres, tubes and batteries- 50%
2. For fibre glass components 30%
3. For all parts made of glass Nil
4. Rate of depreciation for all other parts including wooden parts will be as per the following Schedule

Age of Vehicle	% of Depreciation
Not exceeding 6 months	Nil
Exceeding 6months but not exceeding 1 year	5%
Exceeding 1year but not exceeding 2 years	10%
Exceeding 2years but not exceeding 3 years	15%
Exceeding 3 years but not exceeding 4 years	25%
Exceeding 4 years but not exceeding 5 years	35%
Exceeding 5 years but not exceeding 10 years	40%

5. Rate of Depreciation for Painting: in the case of painting, the depreciation rate of 50% shall be applied only on the material cost of total painting charges. In case of a consolidated bill for painting charges, the material component shall be considered as 25% of total painting charges for the purpose of applying the depreciation.

The Company shall not be liable to make any payment in respect of: (a) consequential loss, depreciation, wear and tear, mechanical or electrical breakdown failures or breakages; (b) damage to tyres and tubes unless the vehicle insured is damaged at the same time in which case the liability of the Company shall be limited to 50% of the cost of replacement. (c) Loss of or Damage to accessories by burglary housebreaking or theft unless the vehicle is stolen at the same time; and (d) any accidental Loss or Damage suffered whilst the Insured or any person driving the vehicle with the knowledge and consent of the Insured is under the influence of intoxicating liquor or drugs.

In the event of the vehicle being disabled by reason of Loss or Damage covered under this Policy, the Company will bear the reasonable cost of protection and removal to the nearest repairer and of redelivery to the Insured, but not exceeding in all Rs. 1500/- in respect of any one accident.

The Insured may authorise the repair of the vehicle necessitated by damage, for which the Company may be liable under this Policy provided that: -

- (a) the estimated cost of such repair including replacements, if any, does not exceed Rs.500/-
- (b) the Company is furnished forthwith a detailed estimate of the cost of repairs and
- (c) the Insured shall give the Company every assistance to see that such repair is necessary and the charges are reasonable.

SECTION II - LIABILITY TO THIRD PARTIES

1. Subject to the limits of liability as laid down in the Schedule hereto, the Company will indemnify the Insured, in the event of an accident caused by or arising out of the use of the insured vehicle against all sums which the Insured shall become legally liable to pay in respect of
 - i) death of or bodily injury to any person including occupants carried in the insured vehicle (provided such occupants are not carried for hire or reward) but except so far as it is necessary to meet the requirements of Motor Vehicles Act, the Company shall not be liable where such death or injury arises out of and in the course of the employment of such person by the Insured,
 - ii) damage to property other than property belonging to the Insured or held in trust or in the custody or control of the Insured.

PROVIDED ALWAYS that the Company shall not be liable in respect of death, injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of the load to the vehicle for loading thereon or the taking away of the load from the vehicle after unloading there from.

2. The Company will pay all costs and expenses incurred with its written consent.
3. In Terms of and subject to the limitations of the indemnity granted by this Section to the Insured, the Company will indemnify any driver who is driving the vehicle on the Insured's order or with Insured's permission, provided that such driver shall as though he/she was the Insured observe fulfill and be subject to the Terms Exceptions and Conditions of this Policy in so far as they apply.
4. In the event of the death of any person entitled to indemnity under this Policy the Company will in respect of the liability incurred by such person indemnify his/her personal representative in terms of and subject to the limitations of this Policy, provided that such personal representative shall, as though such representative was the Insured, observe fulfill and be subject to the Terms, Exceptions and Conditions of this Policy in so far as they apply.
5. 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 Policy and
 - (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 Policy.

SECTION III – PERSONAL ACCIDENT COVER FOR OWNER-DRIVER

Subject otherwise to the Terms Exceptions Conditions and limitations of this Policy the Company undertakes to pay compensation as per the following scale for bodily injury/ death sustained by the Owner-Driver of the vehicle in direct connection with the vehicle insured whilst mounting into/dismounting from or traveling in the insured vehicle as a co-driver, caused by violent accidental external and visible means which independent of any other cause shall within six calendar months of such injury result in:

Details of injury	Scale of compensatio
(i) Death 100% of CSI*	100% of CSI*
(ii) Loss of two limbs or sight of two eyes or one limb and sight of one eye.	100% of CSI*
(iii) Loss of one limb or sight of one eye	50% of CSI*
(iv) Permanent Total Disablement from injuries other than named above.	100% of CSI*

*CSI - CAPITAL SUM INSURED

Provided always that

- A) the compensation shall be payable under only one of the items (i) to (iv) above in respect of the Owner-Driver arising out of any one occurrence and the total liability of the Insurer shall not in the aggregate exceed the sum of Rs. 15 lakh during any one period of period of insurance.
- B) no compensation shall be payable in respect of death or bodily injury directly or indirectly wholly or in part arising or resulting from or traceable to (a) intentional self-injury, suicide or attempted suicide, physical defect or infirmity or (b) an accident happening whilst such person is under the influence of intoxicating liquor or drugs.
- C) such compensation shall be payable directly to the Insured or to his/her legal representatives whose receipt shall be the full discharge in respect of the injury to the Insured.

This cover is subject to

- (a) the Owner-Driver is the registered owner of the vehicle insured herein;
- (b) the Owner-Driver is the Insured named in this Policy.
- (c) the Owner-Driver holds an effective driving licence, in accordance with the provisions of Rule 3 of the Central Motor Vehicles Rules, 1989, at the time of the accident

Conditions

This Policy and the Schedule shall be read together 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 the same meaning wherever it may appear.

1. Notice shall be given in writing to the Company immediately upon the occurrence of any accidental Loss or Damage and in the event of any claim and thereafter the Insured shall give all such information and assistance as the Company shall require. Every letter claim writ summons and/or process or copy thereof shall be forwarded to the Company immediately on receipt by the Insured. Notice shall also be given in writing to the Company immediately where the Insured shall have knowledge of any impending prosecution Inquest or Fatal Inquiry 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 Insured shall give immediate notice to the Police and co-operate with the Company in securing the conviction of the offender.

2. No admission offer promise payment or indemnity shall be made or given 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 defence or settlement of any claim or to prosecute in the name of the Insured 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 Insured shall give all such information and assistance as the Company may require.

3. The Company may at its own option repair, reinstate or replace the vehicle or part thereof and/or its accessories or may pay in cash the amount of the Loss or Damage and the liability of the Company shall not exceed:

(a) for Total Loss/Constructive Total Loss of the vehicle -the Insured's Declared Value (IDV) of the vehicle (respective year) (including accessories thereon) as specified in the Schedule less the value of the wreck.

(b) for partial losses, i.e. losses other than Total Loss/Constructive Total Loss of the vehicle - actual and reasonable costs of repair and/or replacement of parts lost/damaged subject to depreciation as per limits specified.

4. The Insured shall take all reasonable steps to safeguard the vehicle from Loss or Damage and to maintain it in efficient condition and the Company shall have at all times free and full access to examine the vehicle or any part thereof or any driver or employee of the Insured. In the event of any accident or breakdown, the vehicle shall not be left unattended without proper precautions being taken to prevent further damage or loss and if the vehicle be driven before the necessary repairs are effected any extension of the Damage or any further Damage to the vehicle shall be entirely at the Insured's own risk.

5. The Company may cancel the Policy on the grounds of mis-representation, fraud, non-disclosure of material facts or non-cooperation by the insured, by sending seven days notice by recorded delivery to the Insured at the Insured's last known address and 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 Policy may be cancelled at any time by the Insured on seven days 'notice by recorded delivery and provided no claim has arisen during the currency of the Policy, 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. Return of the premium by the Company will be subject to retention of the minimum premium of Rs. 100 (Rs. 25 for the vehicle modified for handicapped). Where the ownership of the vehicle is transferred, the Policy cannot be cancelled unless evidence that the vehicle is Insured elsewhere is produced

No Motor Third Party Insurance may be cancelled by either the insurer or the insured except on the following grounds:

- (a). Double Insurance
- (b). Vehicle not in use anymore because of Total Loss or Constructive Total Loss
- (c). In the event the vehicle is sold and/or transferred

6. If at the time of occurrence of an event that gives rise to any claim under this Policy there is in existence any other insurance covering the same liability, the Company shall not be liable to pay or contribute more than its rateable proportion of any compensation, cost or expense.

7. The due observance and fulfilment of the Terms, Conditions and Endorsements of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the said proposal shall be Conditions precedent to any liability of the Company to make any payment under this Policy.

8. In the event of the death of the sole Insured, this Policy will not immediately lapse but will remain valid for a period of three months from the date of the death of Insured or until the expiry of this Policy (whichever is earlier). During the said period, legal heir(s) of the Insured to whom the custody and use of the Motor Vehicle passes may apply to have this Policy transferred to the name(s) of the heir(s) or obtain a new insurance Policy for the Motor Vehicle.

Where such legal heir(s) desire(s) to apply for transfer of this Policy or obtain a new Policy for the vehicle such heir(s) should make an application to the Company accordingly within the aforesaid period. All such applications should be accompanied by: -

- a) Death Certificate in respect of the Insured
- b) Proof of title to the vehicle
- c) Original Policy.

Eligibility /Applicability:

1. All Private Cars shall be eligible for 3 Years Private Car Package Policy

Proposal Form:

Separate proposal form for this product will be available

Insured's Declared Value (IDV):

The IDV for the vehicle will be arrived as per the provisions of the IMT. IDV for each year of policy period which will be 3 years and will be calculated by applying the applicable depreciation rates and the depreciated IDV for each year will be mentioned in the policy.

The IDV for all the years as the case may be will be displayed on the face of the policy.

No Claim Bonus (NCB)

The NCB will be offered as per Your eligibility.

Three Year Policy:

NCB will normally begin at 0% and will remain so for the duration of the policy. If there is no accident during the currency of the policy, we will offer 35% NCB on renewal of the policy for the next slab of 3 years. If one claim is reported during any of the three years, the NCB on next renewal will drop by one slab to 25%. If 2 claims are reported during the current term of the policy, You will not be eligible for any NCB on renewal.

An illustration of NCB applicability at renewal for various scenarios is given below

Expiring Policy Tenure - 3 Years			
S. No	NCB at inception	No of OD Claims	NCB eligibility on renewal at the end of 3 years
1	0%	0	35%
2	0%	1	25%
3	0%	2 or more	0%
4	20%	0	45%
5	20%	1	35%
6	20%	2 or more	0%
7	25%	0	50%
8	25%	1	45%
9	25%	2 or more	0%
10	35%	0	50%
11	35%	1	45%
12	35%	2 or more	0%
13	45%	0	50%
14	45%	1	45%
15	45%	2 or more	0%
16	50%	0	50%
17	50%	1	45%
18	50%	2 or more	0%

All other rules pertaining to provision of NCB as mentioned in GR 27 of IMT 2002 shall remain applicable to this policy

Period of Insurance:

The period of insurance will be three years only

Definitions	
You, Your, Policy holder	The person named as the policyholder on your current Certificate of Motor Insurance and Policy Schedule.
Your vehicle	Any private car insured under your policy and as specified on your current Certificate of Motor Insurance and Policy Schedule
We, Company, Insurer	The Insurance Company as defined in your Certificate of Motor Insurance and Policy Schedule
Policy period	The length of time covered by this insurance, as shown on your current Certificate of Motor Insurance.
Policy Schedule	The document that bears the details of the car we are insuring and the coverage along with the schedule of premium paid by you
Certificate of Insurance and Policy Schedule	The legal document which is evidence that you have the insurance and Policy Schedule needed by law, showing who can drive the car and for what purposes it can be used. The document also contains the details of the car we are insuring and the coverage along with the schedule of premium paid by you
Authorized garage	A motor vehicle repair garage authorized by us

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