

# MotorSmart Insurance Policy



WHEREAS the Insured (“You”, “Your”), by a Proposal and Declaration, has applied to FWD General Insurance Company Limited (“the Company”, “We”, “Us”) for this Policy of insurance, and has paid or agreed to pay the Premium as consideration for such insurance.

We will provide insurance to You as set out in this Policy, including any endorsements to the Policy, during the Period of Insurance.

## **IMPORTANT NOTICE**

1. Please note that the insurance coverage under this Policy applies only to the ownership or use of the Motor Car insured by this Policy as specified in the Schedule. If you drive or use another motor car, it is in your interest to ensure that the other motor car has been properly insured.
2. Please examine this Policy carefully. For enquiry, please contact the Company or your Insurance Broker/Agent immediately.
3. Pursuant to the Cancellation Condition of this Policy, the Company will charge a minimum premium of HK\$515 if the Policy is terminated at the request of the Insured.

## **請注意**

1. 此保單保障範圍只適用於列明之投保車輛，當閣下駕駛或使用其它車輛前應確定該車輛經已投購有效之保險以保障閣下對第三者之責任。
2. 請貴保戶詳細查閱此保單之內容，如有任何查詢，請從速與本公司或閣下之保險經紀/代理人聯絡。
3. 根據取消保險單條款，若投保人終止保單，本公司將收取不少於港幣五百一十五元正保費。

**(1) INSURING CLAUSE**

You and We agree:

- (a) the Proposal and Declaration is incorporated in and forms the basis of this insurance contract ;
- (b) We will provide the insurance subject to the terms and conditions of this Policy in respect of any Event occurring during the Period of Insurance specified in the Schedule; and
- (c) the following shall be conditions precedent to any liability of the Company:
  - (i) observance of the terms and conditions of this Policy relating to anything to be done or not to be done or to be complied with by You or any other person claiming to be indemnified; and
  - (ii) the truth of the contents and statements in the Proposal and Declaration.

**(2) GENERAL DEFINITIONS**

For the purpose of this Policy:

- (a) "The Company", "We", "Us", "Our" means FWD General Insurance Company Limited
- (b) "Event" means any one event or series of events arising out of one common cause or source in connection with the Motor Car.
- (c) "Hong Kong" means the territories of Hong Kong Special Administrative Region and includes its territorial waters for the purpose of the transit of the Motor Car by sea (including incidental loading or unloading) by a craft designed for the carriage of motor cars.
- (d) "The Insured", "You", "Your" means the person specified as such in the Schedule.
- (e) "Insured Driver" means You or any other person who is driving on Your order or with Your permission, provided that You or the person driving holds a licence to drive the Motor Car or has held and is not disqualified from holding or obtaining such a licence. The term "licence" means a licence or other permit required under the laws or regulations or by the licensing authority of Hong Kong.
- (f) "The Motor Car" means the motor car specified in the Schedule.
- (g) "The Policy" means this Private Motor Car Insurance Policy, the Schedule and endorsements to the Policy. These documents are to be read as one document, and any word or expression to which a specific meaning has been assigned will bear the same meaning throughout the Policy.
- (h) "The Proposal and Declaration" means any signed proposal form and declaration and any additional or further information supplied by or on behalf of You.
- (i) "The Schedule" means the pages attached to this Policy specifying the terms and details of this insurance contract.
- (j) In this Policy, unless the context otherwise requires, the singular includes the plural and vice versa, and a reference to one gender includes a reference to the other genders.

**(3) OPERATIVE INSURANCE COVER**

- (a) Where the "Type of Cover" in the Schedule is stated to be "Comprehensive", Sections (I), (II) and (III) of this Policy are operative. Holders of Comprehensive Gold cover as stated on the Schedule will also receive the benefits listed in Paragraph 19 of this Policy.
- (b) Where the "Type of Cover" in the Schedule is stated to be "Third Party Legal Liabilities", only Section (II) of this Policy is operative.

**(4) LIMITATIONS AS TO USE OF THE MOTOR CAR**

The insurance coverage under any part of this Policy is operative only when the Motor Car is used:

- (a) for social, domestic and pleasure purposes; or
- (b) for Your business or profession.

This Policy will not operate when the Motor Car is used for:

- (a) hire or reward;
- (b) racing;
- (c) pacemaking;
- (d) reliability trial;
- (e) speed testing; or
- (f) for any purpose in connection with the Motor Trade.

**(5) SECTION (I) INSURANCE – AGAINST LOSS OF OR DAMAGE TO THE MOTOR CAR**

- (a) We will indemnify You against loss of or damage to the Motor Car, its accessories and/or its spare parts whilst on the Motor Car. We may, at Our option, repair, reinstate or replace the Motor Car, its accessories and/or its spare parts or pay in cash the amount of such loss or damage.  
Our indemnity pursuant to this paragraph 5(a) is limited to the lesser of:
  - (i) the reasonable market value of the Motor Car at the time of its loss or damage; or
  - (ii) Your Estimated Value of the Motor Car as specified in the Schedule.
- (b) If the Motor Car is disabled by reason of loss or damage insured by this Policy, We will also pay the reasonable cost of:
  - (i) protection and removal of the Motor Car to the nearest repairer; and redelivery after repair to Your address in Hong Kong
  - (ii) provided that the amount recoverable under this clause shall not exceed 20% of the agreed cost of repairs to the Motor Car.
- (c) In the event of loss of or damage covered under clause 5(a) of this Policy which requires the supply of a part not obtainable from stock held in Hong Kong or, in the event of the Company exercising the option to pay in cash the amount of the loss or damage, the liability of the Company in respect of any such part will be limited to the price quoted in the latest catalogue or price list issued by the manufacturer or his agents in Hong Kong. If no such catalogue or price list exists, the price will be that price last obtained at the manufacturer's works plus:
  - (i) the reasonable cost of transport (otherwise than by air) to Hong Kong;
  - (ii) the amount of the relative import duty; and

- (iii) the reasonable cost of fitting such part.

**(6) SPECIAL CONDITIONS APPLICABLE TO SECTION (I) INSURANCE**

- (a) If, at Your request, a Hire Purchase Owner has been specified in the Schedule or in a Memorandum endorsed to the Policy, any payment in cash by Us in respect of loss of or damage to the Motor Car may be made to that Hire Purchase Owner whose receipt shall be a full and final discharge of all Our liability in respect of such loss or damage.
- (b) You may authorize the repair of the Motor Car for damage to which this Policy may respond provided that:
  - (i) the estimated cost of such repair does not exceed HK\$2,000.
  - (ii) We are immediately provided with a detailed estimate of the repair cost; and
  - (iii) You must give Us every assistance to see that such repair is necessary and the charge is reasonable.
- (c) Where the repair cost to the Motor Car is the subject of a claim under Section (I), We have a right of veto concerning a proposed place of repair or repair firm.

**(7) SPECIAL EXCEPTIONS TO SECTION (I) INSURANCE**

We will not be liable in respect of:

- (a) consequential loss;
- (b) depreciation, wear and tear, mechanical or electrical breakdown, failure or breakage;
- (c) damage to tyres unless damage is caused to other parts of the Motor Car at the same time; and
- (d) any claims excesses applicable to Section (I).

**(8) CLAIMS EXCESSES APPLICABLE TO SECTION (I) INSURANCE**

(a) General Excess

In respect of any Event giving rise to a claim (other than an Event of theft or attempted theft), You will be liable for the first amount of such claim specified in the Schedule as "General Excess".

- (b) The first amount of any claim for which You are liable pursuant to paragraph 8(a) will be increased if at the time of the occurrence of the Event giving rise to the claim:

- (i) Unnamed Driver Excess

the Motor Car is being driven by a person other than a "Named Driver" specified in the Schedule, by an additional amount by way of the excess specified in the Schedule as "Unnamed Driver Excess";

- (ii) Young Driver Excess

the Motor Car is being driven by a person under 25 years of age, by an additional amount by way of the excess specified in the Schedule as "Young Driver Excess";

- (iii) Inexperienced Driver Excess

the Motor Car is being driven by a person who has not held for a period of 2 years a driving licence (other than a provisional driving licence), by an additional amount by way of the excess specified in the Schedule as "Inexperienced Driver Excess";

- (iv) Parking Damage Excess

the Motor Car is parked, by an additional amount by way of the excess specified in the Schedule as "Parking Damage Excess".

- (c) Theft Loss Excess

In respect of any claim arising out of theft or attempted theft of the Motor Car, You will be liable for the first amount of each claim specified in the Schedule as "Theft Loss Excess".

- (d) In the event of a claim under Section (I):

- (i) if paragraph 8(c) is applicable, then paragraphs 8(a) and 8(b) will not be applicable;
- (ii) if paragraph 8(a) and any or more of sub-paragraphs 8(b)(i), 8(b)(ii), 8(b)(iii) and 8(b)(iv) are applicable, the first amount of such claim for which You are liable will be calculated cumulatively;
- (iii) if the expenditure incurred by Us includes any amount for which You are liable pursuant to paragraphs 8(a), 8(b), or 8(c), You must immediately repay such amount to Us.

- (e) The provisions of paragraphs 8(a) and 8(b) shall not apply to loss of or damage to the Motor Car caused by fire, self-ignition, lightning or explosion which arises independently and not out of any preceding accident involving the Motor Car.

**(9) SECTION (II) INSURANCE – AGAINST THIRD PARTY LEGAL LIABILITIES**

We will indemnify You, any Insured Driver and/or, at Your request, any person (other than the person driving) in, getting into or out of the Motor Car against all sums including claimant's costs and expenses which You, such Insured Driver and/or such other person shall become legally liable to pay and other costs and expenses incurred by or on Your behalf and/or on behalf of such Insured Driver and/or such other person with Our written consent in respect of:

- (i) death of or bodily injury to any person; and/or
- (ii) damage to property;

where such death, bodily injury or property damage arises out of an accident caused by or in connection with the Motor Car including the loading or unloading of goods onto or from the Motor Car and within the limits of any carriageway or thoroughfare, the bringing of goods to the Motor Car for loading onto the Motor Car or the taking away of goods from the Motor Car after unloading from it.

**(10) POLICY LIMITS OF LIABILITY APPLICABLE TO SECTION (II) INSURANCE**

- (a) Our indemnity to You and/or any other person claiming to be indemnified under Section (II) including the claimant's costs and expenses and other costs and expenses incurred by or on Your behalf and/or on behalf of such other person with the Company's written consent arising out of any Event is limited to:
- (i) HK\$100,000,000 in respect of death of or bodily injury to any person pursuant to sub-paragraph 9(i); and
  - (ii) HK\$2,000,000 in respect of damage to property pursuant to sub-paragraph 9(ii).
- Where this Policy insures more than one Motor Car, the limitations of Our indemnity will nevertheless apply irrespective of the number of insured Motor Cars that may be involved in the same Event.
- (b) If the occurrence of any Event results in indemnity to more than one person, the limitations of Our indemnity specified in paragraph 10(a) will apply to the aggregate of indemnity to all persons claiming to be indemnified and shall apply with priority given to You.
- (c) At any time after the happening of any Event giving rise to a claim or a series of claims under Section (II) We may pay to You and/or any other person claiming to be indemnified the respective full amount of Our liability specified in paragraph 10(a) (after the deduction of any sums already paid) or any lesser amount for which such claims can be settled and We will relinquish the conduct of any defence, settlement or proceedings and will not then be responsible for damages payable to the claimant and claimant's costs or for any damages alleged to have been caused to You or such person in consequence of any alleged action or omission of Us in connection with such defence, settlement or proceedings or of Our relinquishing such conduct, nor will We be liable for any costs or expenses whatsoever incurred by You or by such person or by any claimant or other person after We have relinquish such conduct.

**(11) SPECIAL CONDITIONS APPLICABLE TO SECTION (II) INSURANCE**

- (a) In the event of the death of any person entitled to indemnity under Section (II), We will, in respect of the liability incurred by such person, indemnify his or her legal personal representative in terms of and subject to the limitations of this insurance which apply to that person.
- (b) We may at Our own option and expense:
- (i) arrange for representation at any inquest or fatal inquiry in respect of any death which may be the subject of indemnity under Section (II); and/or
  - (ii) 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 Section (II).

**(12) SPECIAL EXCEPTIONS TO SECTION (II) INSURANCE**

We will not be liable:

- (a) to indemnify any person claiming to be indemnified:
- (i) unless such person observes, fulfills and is subject to the terms and conditions of this Policy in so far as those terms and conditions can apply; or
  - (ii) if such person is entitled to indemnity under any other insurance policy;
- (b) in respect of death of or bodily injury to any person arising out of and in the course of such person's employment by:
- (i) any person (including You) claiming to be indemnified under Section (II); or
  - (ii) the employer of any person (including Your employer) claiming to be indemnified under Section (II);
- (c) in respect of damage to property belonging to or held in trust by or in the custody or control of:
- (i) any person (including You) claiming to be indemnified under Section (II); or
  - (ii) a member of the same household of any person (including Your household) claiming to be indemnified under Section (II);
- (d) in respect of judgments which are not in the first instance delivered by or obtained from a court of competent jurisdiction of Hong Kong Special Administrative Region;
- (e) any claims excesses applicable to Section (II).

**(13) CLAIMS EXCESSES APPLICABLE TO SECTION (II) INSURANCE**

- (a) Third Party Property Damage Excess  
In respect of any Event giving rise to a claim for indemnity against liabilities for third party property damage, You will be liable for the first amount of such claim specified in the Schedule as "Third Party Property Damage Excess".
- (b) The first amount of any claim for which You are liable pursuant to paragraph 13(a) will be increased if at the time of the occurrence of the Event giving rise to the claim:
- (i) Unnamed Driver Excess  
the Motor Car is being driven by a person other than a "Named Driver" specified in the Schedule, by an additional amount by way of the excess specified in the Schedule as "Unnamed Driver Excess";
  - (ii) Young Driver Excess  
the Motor Car is being driven by a person under 25 years of age, by an additional amount by way of the excess specified in the Schedule as "Young Driver Excess";
  - (iii) Inexperienced Driver Excess  
the Motor Car is being driven by a person who has not held for a period of 2 years driving licence (other than a provisional driving licence), by an additional amount by way of excess specified in the Schedule as "Inexperienced Driver Excess".
- (c) In the event of a claim under Section (II):
- (i) if paragraph 13(a) and any or more of sub-paragraphs 13(b)(i), 13(b)(ii) and 13(b)(iii) are applicable, the first amount of such claim for which You are liable will be calculated cumulatively;
  - (ii) if the expenditure incurred by Us includes any amount for which You are liable pursuant to paragraphs 13(a) and 13(b), You will immediately repay such amount to Us.

**(14) AVOIDANCE OF CERTAIN TERMS AND RIGHT OF RECOVERY**

If We are obliged by the laws of Hong Kong or by virtue of any agreement between Us and The Motor Insurers' Bureau of Hong Kong to pay an amount for which We would not otherwise be liable under this Policy, You and any other person on whose account the payment is made will immediately repay such amount to Us.

**(15) SECTION (III) INSURANCE – INDEMNITY OF MEDICAL EXPENSES**

We will pay to You the reasonable medical expenses incurred in connection with any bodily injury by violent, accidental, external and visible means sustained by You or the Insured Driver (other than You) or any occupant of the Motor Car as the direct and immediate result of an accident to the Motor Car, provided always that Our liability under Section (III) arising out of any Event shall not exceed HK\$2,000.

**(16) NO CLAIM DISCOUNT (“THE DISCOUNT”)**

(a) In the event of no claim being made or arising under this Policy during any of the periods of insurance specified below, the next renewal premium will be reduced by the Discount specified below:

<u>Periods of Insurance</u>	<u>The Discount (On Renewal Premium)</u>
One year	20%
Two consecutive years	30%
Three consecutive years	40%
Four consecutive years	50%
Five or more consecutive years	60%

(b) If a claim has been made or has arisen under this Policy during a period of insurance of which the Discount is 40% or less, the Discount will be forfeited.

If a single claim has been made or has arisen under this Policy during a period of insurance of which the Discount is 50% or 60%, the said Discount shall be reduced at the next renewal to 20% or 30% respectively, but if more than one claim has been made or has arisen, the Discount will be forfeited.

(c) For the avoidance of doubt, any claim made under any part of this Policy during a period of insurance shall result in cancellation or reduction of the Discount pursuant to paragraph 16(b) notwithstanding any assertion or allegation that the Insured and/or the person claiming to be indemnified is not to be blamed for or has not contributed to the occurrence of the Event resulting in the claim under this Policy.

(d) In the event You transfer Your interest in the Policy with Our prior consent to another Insured, the claim-free period of qualification for the Discount so far as it affects the new Insured shall commence afresh with effect from the date of transfer, and You, as the original Insured, shall retain Your right to the Discount earned up to the date of transfer. This right is applicable to any motor insurance policy taken out by You as the original Insured on any one private motor car within 12 months of the date of transfer.

(e) If more than one Motor Car is insured under this Policy, the Discount shall be applied as if a separate Policy had been issued in respect of each such Motor Car.

**(17) GENERAL EXCEPTIONS**

(a) We will not be liable under this Policy in respect of:

(i) any accident loss damage or liability caused sustained or incurred:

(1) outside Hong Kong

(2) whilst on Your order or with Your permission or to Your knowledge, the Motor Car is being used otherwise than in accordance with Paragraph 4 above, or is being driven by any person other than an Insured Driver or is, for the purposes of being driven by him, in the charge of such person;

(ii) any accident, loss, damage or liability (except so far as is necessary to meet the requirements of the Motor Vehicles Insurance (Third Party Risks) Ordinance) directly or indirectly proximately or remotely occasioned by, contributed to by, traceable to, arising out of or in connection with:

(1) strike, riot, civil commotion; or

(2) detention, seizure, confiscation or any attempt threat;

or by any direct or indirect consequences of any of the said occurrences;

(iii) any liability which attaches by virtue of an agreement but which would not have attached in the absence of such agreement;

(iv) any accident, loss or damage to any property whatsoever or any loss or expense whatsoever resulting or arising from or any consequential loss or any liability of whatsoever nature directly or indirectly caused by, contributed to by or arising from ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel and, for the purpose of this paragraph 17(a)(iv), combustion shall include any self-sustaining process of nuclear fission; and

(v) any accident, loss, damage or liability directly or indirectly caused by, contributed to by or arising from nuclear weapon materials.

In any action, suit or other proceedings where We allege that, by reason of paragraph 17(a)(ii), any accident, loss, damage or liability is not indemnifiable by this Policy, the burden of proving that such accident, loss, damage or liability is indemnifiable shall be upon the person claiming to be indemnified.

(b) Driving under the influence of Drink or Drugs Exclusion

We will not be liable under this Policy in respect of any accident, loss, damage or liability caused, sustained or incurred whilst the Motor Car is being driven by, is in the charge of or is under the control of You or an Insured Driver:

(i) who is convicted of an offence for being under the influence of drink or drugs to such an extent as to be incapable of having proper control of the Motor Car; or

- (ii) when the proportion of alcohol in his or her breath, blood or urine exceeds the prescribed limit as stipulated in Section 2 of the Road Traffic Ordinance (Cap.374) as may be amended from time to time or any legislation which replaces the same; or
- (iii) who is convicted of an offence for failing, without reasonable excuse, to provide a specimen of breath, blood, or urine for testing or analysis as required by law.
- (c) War and Terrorism Exclusion  
 Notwithstanding any provision to the contrary within this Policy or found in any attached endorsement, it is agreed that this Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
- (i) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power: or
- (ii) any act of terrorism.  
 For the purpose of this exclusion an act of terrorism 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 organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.
- This exclusion also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (i) and/or (ii) above.
- If We allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this policy the burden of proving the contrary shall be upon You.
- In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
- (d) Terrorism Exclusion for Contamination & Explosives  
 It is agreed that, regardless of any contributory causes, this Policy does not cover any loss, damage, cost or expense directly or indirectly arising out of
- (i) biological or chemical contamination
- (ii) missiles, bombs, grenades, explosives
- due to any act of terrorism.
- For the purpose of this endorsement an act of terrorism 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 organisation(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.
- For the purpose of (i) "contamination" means the contamination, poisoning, or prevention and/or limitation of the use of objects due to the effects of chemical and/or biological substances.
- If We allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon You.
- (e) Cyber Risks Exclusion  
 Property damage covered under this Policy means physical damage to the substance of property.  
 Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure.  
 Consequently the followings are excluded from this Policy:
- (i) Loss of or damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss of or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered.
- (ii) Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.
- (f) Sanction Exclusion  
 Notwithstanding anything to the contrary in the Policy the following shall apply:  
 If, by virtue of any law or regulation which is applicable to Us at the inception of this Policy or becomes applicable at any time thereafter, providing coverage to You is or would be unlawful because it breaches any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United States of America or The People's Republic of China/Hong Kong SAR, We shall provide no coverage or benefit or have no liability whatsoever to the Insured, to the extent that it would be in breach of such law or regulation.
- (g) Airside Liability Exclusion  
 We will not be liable under this Policy in respect of any accident, loss damage or liability caused sustained or incurred in or on part of Airside or military base provided for:
- (i) the takeoff or landing of aircraft or the movement of aircraft on the surface;
- (ii) aircraft parking aprons including the associated service roads, refueling areas, ground equipment parking areas, maintenance areas and hangars.
- For the purpose of this exclusion Airside means that part of the aerodrome, airfield, airstrip or airports designated as Airside and to which the general public does not have free access.

**(18) GENERAL CONDITIONS**

- (a) Every notice or communication to be given or made under this Policy shall be delivered in writing to Us.
- (b) In the event of any occurrence which may give rise to a claim under this Policy You must immediately give notice of this occurrence to Us with full particulars. Every letter, claim, writ, summons and process must be notified or forwarded to Us immediately on receipt by You. Notice must also be given in writing to Us immediately that You or any person claiming to be indemnified has 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 You must give immediate notice to the Police and cooperate with Us in securing the conviction of the offender.
- (c) No admission, offer, promise, payment or indemnity shall be made by You or given on your behalf or by or on behalf of any person claiming to be indemnified without Our prior written consent. We are entitled to take over and conduct in Your name or the name of such person the defence or settlement of any claim or to prosecute in Your name or the name of such person for Our own benefit any claim for indemnity or damages or otherwise. We shall have full discretion in the conduct of any proceedings and in the settlement of any claim and You and such person must give all such information and assistance as We may require.
- (d) You must take all reasonable steps to safeguard the Motor Car from loss or damage and to maintain it in efficient condition and We shall have, at all times, free and full access to examine the Motor Car or any of its parts. In the event of any accident or breakdown the Motor Car must not be left unattended without proper precautions being taken to prevent further damage or loss, and if the Motor Car is driven before the necessary repairs are effected, any extension of the damage or any further damage to the Motor Car shall be excluded from the scope of indemnity granted by this Policy.
- (e) We may cancel this Policy by giving seven days' notice by registered letter to You at Your last known address and in such event will return to You the premium paid less the pro rata portion for the period the Policy has been in force. You may cancel the Policy at any time on seven days' notice and (provided no claim has arisen during the current Period of Insurance and the current Certificate of Insurance has been returned to Us on or before the date of cancellation) You shall be entitled to a return of premium less the premium calculated at Our short period rates as per table specified below for the period the Policy has been in force.

<u>Period of Insurance already covered</u>	<u>Refund Premium</u>
Not Exceeding 1 month	80% of premium paid
2 months	70% of premium paid
3 months	60% of premium paid
4 months	50% of premium paid
5 months	40% of premium paid
6 months	30% of premium paid
8 months	20% of premium paid
Over 8 months	No refund

- (f) If at the time any claim arises under this Policy there is any other insurance covering the same loss, damage or liability We will not be liable to pay or contribute more than Our rateable proportion of any loss, damage, compensation costs or expenses provided always that nothing in this paragraph 18(f) shall impose on Us any liability from which but for this paragraph 18(f) We would have been relieved pursuant to sub-paragraph 12(a)(ii).
- (g) All differences arising out of this Policy shall be determined by arbitration in accordance with the prevailing Arbitration Ordinance. If the parties fail to agree upon the choice of arbitrators or umpires, then the choice shall be referred to the Chairman for the time being of the Hong Kong International Arbitration Centre. It is expressly stipulated that it shall be a condition precedent to any right of action or suit upon this Policy that an arbitration award shall be first obtained. If We disclaim liability to You for any claim under this Policy and such claim has not within twelve calendar months from the date of such disclaimer been referred to arbitration under the this clause then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable under this Policy.
- (h) This Policy is subject to the exclusive jurisdiction of Hong Kong Special Administrative Region and is to be construed according to the laws of Hong Kong Special Administrative Region.
- (i) The Contracts (Rights of Third Parties) Ordinance (Cap 623 of the Laws of Hong Kong) does not apply to this Policy, and the only parties who may enforce the terms of the Policy are Us and You (or our/your authorized representatives).

**(19) LIFETIME NCD PROTECTOR**

(Applicable Only to Comprehensive Cover for Gold or Silver Plan as specified on the Schedule)

- (a) You are automatically eligible for Our Lifetime NCD Protector if Your current No Claims Discount when purchasing or renewing a Comprehensive Cover for Gold or Silver Plan under MotorSmart insurance policy reaches 60%.
- (b) Your 60% No Claims Discount is protected regardless of the number of claims You make against Your policy as the driver at the time of the Event as long as You are continuously insured by Us.
- (c) This benefit is not transferable to another person or insurer, and only applies to one car at a time. If, however, You are the Insured of more than one Comprehensive Cover for Gold or Silver Plan under a MotorSmart Insurance Policy, Your Lifetime NCD Protector will apply to that policy as well.
- (d) Eligibility for the Lifetime NCD Protector does not guarantee Our acceptance or offer of renewal terms, and We reserve the right to change the terms of any renewal.
- (e) The Lifetime NCD Protector will be lost if Your Motor Car is involved in an accident and You are not the driver at the time of the Event.

**(20) EXTRA BENEFITS ENDORSEMENT**

(Applicable Only to Comprehensive Cover for Gold Plan as specified on the Schedule)

(a) New For Old Replacement Vehicle

In the event of the Motor Car having sustained a total loss, We agree to replace the Motor Car by a new vehicle of the same make and model without deducting any depreciation provided that:

- (i) You are the first registered owner of that Motor Car;
- (ii) the first registration of the Motor Car with the Transport Department must be made within twelve months from the date of manufacture (the "First Registration")
- (iii) the loss occurs within the first twelve months of the First Registration;
- (iv) the make and model of the Motor Car is available in Hong Kong;
- (v) the modifications, if any, are deducted;
- (vi) any additional accessories and equipment, other than optional accessories and equipment installed by the Motor Car manufacturer and the value of which is insured, are excluded;
- (vii) the net purchase price of the replacement car does not exceed the Estimated Value of the Motor Car specified in the Schedule under Section (I) of the Policy; and
- (viii) Our written consent must be obtained before replacement.

However, if You choose not to accept the replacement car or the replacement car is not available, We will pay You in accordance with the terms and conditions of the Policy as if this extra benefit does not apply.

(b) No Claim Discount Protection

If the total claims incurred under any section of the Policy in any one period of insurance do not exceed HK\$60,000 or 15% of the Estimated Value of the Motor Car specified in the Schedule under Section (I) of the Policy, after the application of any excess, whichever is the lesser amount, You will, at the next renewal, be entitled to the same percentage of No Claim Discount as under the current Policy.

It is understood and agreed that all claims will be accounted for in the event the No Claim Discount is to be transferred to any other insurance company.

(c) Windscreens / Windows Extension

In respect of loss or damage occasioned to the front windscreen and/or rear window and/or any side windows, excluding any mirrors, sun or glass roofs of any kind, where the repair of the windscreen or windows does not exceed HK\$5,000, the claims excesses under paragraph 8 of Section (I) of the Policy will not be applicable.

It is further noted and agreed that any claim made under this extension will not be, for the purpose of applying No Claim Discount Protection, accounted for in the calculation of the claims settlement in any one period of insurance.

(d) Vehicle Assistance Benefits

**(24-HOUR HOTLINE - 3122 2900)**

We have arranged with International SOS Assistance (HK) Ltd ("Intl. SOS") to provide You with the following cover:

(i) Alternative Vehicle

In the event the Motor Car is:

1. immediately immobilised to be driven due to an accident (other than Mechanical Breakdown or any repair) to the Motor Car which requires a repair exceeding 48 repairing hours; OR
2. discovered stolen and is not found within 48 hours after such discovery,

We will at Your request arrange and pay for the supply of an alternative vehicle of similar make and model through an independent car rental company nominated by Intl. SOS provided that:

- a) the make and model of the alternative vehicle are at the discretion of Intl. SOS and may not be identical to the Motor Car;
- b) Intl. SOS is not responsible for the delivery of the alternative vehicle;
- c) only You or the Named Driver specified in the Policy Schedule can be registered as the driver of the alternative vehicle.
- d) in the event of a traffic accident, the towing of the immobilised Motor Car subsequent to the accident must be directly arranged by Intl. SOS OR the driver of such Motor Car must obtain the prior consent from Intl. SOS before arranging the towing of the Motor Car by another party;
- e) in the event of the Motor Car being stolen, the Police Report confirming the date and time of loss must be produced;
- f) You or the driver referred to in paragraph c) above, upon claiming for this benefit, must comply with the terms and conditions of the car rental company and meet the requirements of the car rental company;
- g) You or the driver referred to in paragraph c) above are responsible for 20% of the car rental expense.

This Benefit will terminate when the repair of the Motor Car is duly completed or the stolen Motor Car is recovered in normal condition and handed over to the Insured.

Our maximum liability under this Benefit is up to HK\$5,000.00 of the actual car rental costs per event with a daily limit not exceeding HK\$1,000.00. Any collision damage charge, optional insurance or cost of fuel shall be borne by You directly and entirely.

(ii) 24-Hour Emergency Roadside Assistance Benefit

If the Motor Car is immobilised on the road due to an accident or Mechanical Breakdown, We will, at Your request or the request of Your authorised driver, arrange and pay up to a maximum of HK\$2,000.00 for each and every case for the emergency roadside repair service excluding the costs of any parts or accessories and fuel. Under this circumstance the Motor Car must not be left unattended prior to the arrival of the provider of the repair service.

(iii) 24-Hour Emergency Towing Assistance Benefit

If the Motor Car is immobilised and is beyond repair at the roadside due to an accident or Mechanical Breakdown, We will at Our own expenses arrange for the Motor Car to be towed to the nearest repairer or to a repairer nominated by You, or to Your residence. Our maximum liability for this benefit is HK\$2,000.00 for each and every case.

For the purpose of this benefit, Mechanical Breakdown means any unforeseen and unavoidable malfunction of the engine of the Motor Car and does not include any breakdown of the security system. Such malfunction should be the cause of the immobilisation of the Motor Car or should render it unsafe for driving.



The above benefits are only available within the territory of Hong Kong.

(e) Theft of Mobile Phone

In the event of the theft of a Mobile Phone from the Motor Car, We will indemnify You for 70% of the cost of replacing the Mobile Phone with a new mobile phone of the same model and specifications, or, if the said model is not available, a model with similar functions and specifications, provided that in any case, the new mobile phone must be purchased from the phone manufacturer's authorized dealer in Hong Kong. Our liability shall not exceed HK\$ 3,000 any one Event.

For the purpose of this Benefit, "Mobile Phone" means a mobile phone handset that is owned by You and was purchased from the Mobile Phone manufacturer's authorized dealer in Hong Kong in the 3 years immediately prior to the date of loss. "Theft" means the taking and removing of property by another person without consent and with the intent to permanently deprive the true owner of possession of that property.

(f) Claims Recovery Advisory Service

In the event of the adjusted claim being under the Claims Excesses We will, at Your request, assist in pursuing the claim against the liable third party. The assistance will be advisory only and We will not be obligated to take any action against any parties in pursuing the recovery. Provided You must have lodged a complaint with the Police against the third party and that the third party is successfully prosecuted for careless driving by the court.

(g) Increase of Third Party Property Damage Limit

The limit of liability under Section II - sub-paragraph 10(a)(ii) of this policy in respect of any Event is increased from HK\$2,000,000 to HK\$3,000,000.