

# Motor Vehicle Policy

## OUR GUARANTEE

If **you** are not completely happy with **your** policy, please tell **us** within 30 days of its commencement date. **We** may agree to change the policy to suit **you**. If not, and **you** wish to cancel the policy, **you** can as long as **you** have not made any claims. **We** will then refund any premium **you** have paid and **we** will both regard this policy as never commencing.

## WELCOME!

*We welcome **you** as a valued client of TOWER Insurance. **You** have entrusted **us** with the insurance of **your** vehicle. **We** value that trust.*

This policy consists of this wording, the proposal and declaration and the **certificate of insurance** completed on the basis of the information that **you** have provided to **us**.

Please read this wording and the **certificate of insurance**. If there is an error of any sort, if **your** needs are not met or if **you** are in doubt then please contact **us**. **We** are happy to help at all times.

The extra cover provided under the Special Benefits and Optional Special Benefits is also subject to the general conditions, exclusions, obligations and limits of this policy.

In this policy some words are in bold, e.g. **you**. This means that the words have a special meaning. To find out the meaning please refer to the Section – Meanings of Words.

## WHAT YOU MUST TELL US

### WE WOULD LIKE TO POINT OUT SOME OF THE IMPORTANT OBLIGATIONS YOU HAVE

It is essential all statements made are correct. **We** must receive all relevant information. This means that **you** must tell **us** everything **you** know, or could reasonably be expected to know, that may influence **our** decision to insure **you**. If any circumstances change or may change during the time **we** provide **your** insurance then **you** must tell **us**.

Examples of a change in circumstances or any other information may include:

- ◆ any modifications or changes to **your vehicle** that are different from the manufacturer's standard specifications;
- ◆ if anyone becomes a new regular driver of **your vehicle**;
- ◆ if **you** or anyone who may drive **your vehicle** commits, is charged with, or convicted of, any criminal offence or traffic offence, other than parking.

These examples are a guide only. If **you** are in any doubt **you** should disclose information, whether or not **we** have asked questions that relate to it. If **we** are not told **we** have the option to decline any claim, or avoid this policy from the date of the change.

## WHAT YOUR VEHICLE IS COVERED FOR

Sudden and unforeseen accidental physical loss or damage unless the loss or damage is not covered by this policy.

## WHAT SPECIAL BENEFITS YOU ARE COVERED FOR

### SALVAGE COSTS

If your **vehicle** is unable to be driven and **we** have accepted a claim **we** will pay for the reasonable cost of removing it to the nearest repairer or place of safety.

### REPLACEMENT VEHICLE

If **you** replace **your vehicle**, **we** will hold the replacement vehicle covered for 30 days from the date of replacement. The type of cover and conditions of insurance shall be the same as that which applied to the vehicle replaced.

## ONE EVENT – ONE EXCESS

If **your vehicle** suffers loss or damage for which a claim is accepted and at the same time **we** accept a claim for loss or damage to **your** house or contents that are also insured by **us**, **we** will only deduct one excess and that will be highest excess applicable.

## WINDSCREENS AND WINDOWGLASS

If **your vehicle** suffers a broken windscreen, window glass or sunroof, **we** will repair or replace it free of any **excess** and **you** will not lose **your** no claims bonus entitlement.

## NO BLAME BONUS

**We** will not penalise **your** no claims bonus entitlement at renewal of **your** policy if **you** have been involved in an accident and:

- ◆ **you** have identified the party at fault (name, address, phone number and registered number of the vehicle);
- ◆ it is proven the other party was totally at fault.

## SECOND CHANCE BONUS

Should **you** or any other person driving **your vehicle** with **your** permission be involved in an accident and **you** have enjoyed a no claims bonus for a continuous period of five years immediately prior to the accident **you** will receive a second chance and **we** will maintain **your** no claims bonus. If **you** should have a second claim within the next five years **your** no claims bonus entitlement will be lost at the next renewal of **your** policy.

## MEDICAL EXPENSES

If **your vehicle** is involved in an accident for which a claim is accepted and **you** or any person travelling with **you** incurs medical, dental, hospital, chemist or ambulance expenses as a result of the accident, **we** will reimburse the reasonable cost up to \$150 per person. No cover is provided if **you** or any person travelling with **you** is entitled to any benefit under any Workers' Compensation Law.

## TRAILERS

If **you** have a trailer this policy is extended to cover it up to \$800, free of any **excess**.

## LIABILITY PROTECTION

**We** will cover **you** for up to \$100,000 for **your** legal liability for claims made on **you** for property damage as a result of accidents involving **your vehicle**, or any **vehicle** not owned by **you** that **you** are using with the owners permission.

**We** will only pay for claims relating to accidents which happen during the period of insurance.

**We** will also cover any other person using **your vehicle** with **your** permission provided that person was not insured under another policy.

If **you** have liability cover with **us** under any other policy then **our** maximum combined liability under all policies is \$100,000.

## WHAT YOU ARE NOT COVERED FOR

The **excess**.

**Any loss, damage or liability while your vehicle is:**

- ◆ not registered in your name;
- ◆ on hire;

- ◆ outside the Solomon Islands;
- ◆ being shipped on any vessel, aircraft or road conveyance vehicle including while it is being loaded or unloaded;
- ◆ being tested for or in preparation for or engaging in racing, pace making, hill climbing, off roading, reliability trials, rallying or speed tests;
- ◆ in an unsafe condition;
- ◆ being used otherwise than described in the section of this policy – What Your Vehicle Will Be Used For, or not being used for the purpose it was designed for or not as a vehicle as defined in the relevant laws and regulations;
- ◆ being driven by or in charge of any person who:
  - does not have a licence which is in full force and effect to drive **your vehicle** at the time and place of the accident;
  - is not complying with the conditions of their licence;
  - has a proportion of alcohol in their blood or breath which exceeds the legal limit prescribed;
  - is under the influence of alcohol or drugs and where alcohol or drugs contribute in any way to the accident. This means that **your** claim may be declined even if the driver of **your vehicle** is under the legal limit prescribed;
  - following an event resulting in a claim under this policy fails or refuses to permit a specimen of blood or breath test to be taken after having been lawfully required to do so;
  - is convicted of any alcohol or drug related offence arising from circumstances resulting in any claim under this policy;
  - leaves the scene of the accident when it is an offence to do so.

This exclusion does not apply to claims for loss or damage to **your vehicle** when the person who is in charge of **your vehicle** has stolen it.

**Any loss, damage or liability caused by or arising from, or claim for:**

- ◆ aggravated, punitive or exemplary damages;
- ◆ any bridge or viaduct or weighbridge or to any road including the material beneath such surface or structure where damage is caused by vibration or by the weight of **your vehicle** or load carried by **your vehicle**;
- ◆ any underground pipelines, cables or sewerage or underground installations of any description;
- ◆ any time or date device or any item of which it forms part (including the **vehicle** itself), arising from its failure to recognise any date, character or value as the correct date, character or value (e.g. Year 2000), however **we** will pay for any loss or damage which it causes to any other item;
- ◆ any unreasonable, criminal, reckless or wilful act or omission. This exclusion does not apply to any person who is in charge of **your vehicle** after stealing it;
- ◆ confiscation or requisition by order of any public authority;
- ◆ deliberate damage caused by **you** or **your** relative;
- ◆ handling, transportation, storage, installation, removal, treatment or use of asbestos, asbestos products or asbestos contained in any products or materials;
- ◆ loss of use of **your vehicle**, depreciation, wear and tear, rust, corrosion, action of sunlight, existing defects;

- ◆ nuclear weapons material or ionising radiation or contamination by radioactivity from any nuclear waste or from the combustion of nuclear fuel; for the purpose of this exclusion combustion includes any self-sustaining process of nuclear fission or fusion;
- ◆ war, invasion, act of foreign enemy, hostilities or war-like operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, or any act of any person or persons acting on behalf of or in connection with any organisation the objects of which are to include the overthrowing or influencing of any de jure or de facto government by terrorism or by any violent means.

**Any loss or damage to:**

- ◆ any accessory or set of accessories that are not standard with the **vehicle** when new if their total value is over \$1,500 unless shown in the **certificate of insurance**;
- ◆ tyres unless malicious or there is other damage to **your vehicle** for which a claim is payable;
- ◆ or failure or breakage of the engine, transmission, mechanical, electrical or computer systems unless it occurs as a result of other damage to **your vehicle** for which a claim is payable;
- ◆ **your vehicle** as a result of **your** failure to secure it after it has broken down or been damaged in an accident.

**Liability for:**

- ◆ loss of or damage to property belonging to or under the care, custody or control of **you** or **your** driver or being conveyed in or loaded or unloaded from **your vehicle**. However this exclusion does not apply to any disabled vehicle being towed by **your vehicle** for no financial gain or reward;
- ◆ loss or damage if **you** or **your** driver have agreed with any party to accept responsibility for any loss or damage for which the law would not otherwise hold **you** responsible.

**HOW TO MAKE A CLAIM**

It is important that **you** tell us immediately **you** become aware of any circumstances which may result in a claim.

**You** will be asked to complete a claim form. **We** must receive **your** completed claim form within 30 days.

**SOME OF YOUR OTHER IMPORTANT OBLIGATIONS ARE**

**You or the person in charge of your vehicle must:**

- ◆ allow **us** to complete all necessary documents and authorities in respect of any claims under this policy as **your** authorised agent;
- ◆ allow **us** to inspect the damaged **vehicle** and deal with salvage in a reasonable manner. No property may be abandoned to **us**;
- ◆ allow **us** to take over for **our** own benefit and settle any legal right of recovery **you** may have and **you** must co-operate fully in any recovery action;
- ◆ comply with all **our** requests relating to **your** claim including providing all co-operation information and assistance;
- ◆ ensure **your vehicle** is securely locked when left unattended;
- ◆ establish that you have complied with all **your** obligations under this policy and that none of the exclusions apply;
- ◆ inform the Police if it appears that there has been arson, theft, burglary, malicious damage or injury;
- ◆ not discuss a claim made on **you** by another person with them. Instead, refer them to **us**;
- ◆ not make a claim that is false or fraudulent in any way;

- ◆ not start repairs to **your vehicle** without **our** prior approval;
- ◆ obtain two written quotations for repairs to **your vehicle**;
- ◆ provide **us** immediately with full particulars of any claim made against **you** by any other person and all legal documents served on **you**, and allow **us** to instruct a solicitor of **our** choice to conduct **your** defence. **You** must follow the recommendations of that solicitor as to the conduct or continuation of the defence. That solicitor shall be entitled to confer with **us** when necessary as to the details of the case and the conduct or continuation of **your** defence;
- ◆ take all steps which **we** consider reasonable to prevent further loss or damage.

Otherwise **we** can decline **your** claim and/or recover any payment already made.

#### **HOW WE WILL LOOK AFTER YOUR CLAIM**

Once **we** receive advice of **your** claim **we**:

- ◆ will acknowledge that **we** have received **your** claim form, and ask **you** for any further information or assistance **we** may require to enable **us** to consider **your** claim;
- ◆ may appoint an assessor or loss adjuster to look after **your** claim.

#### **HOW WE WILL SETTLE YOUR CLAIM**

**We** will arrange for the repair, replacement or pay for the loss, once **your** claim has been accepted.

**We** may choose to repair the damage or to pay the amount of the loss up to the **market value** of **your vehicle** or the sum insured shown in the **certificate of insurance**, whichever is less.

**In all cases:**

- ◆ if **you** pay **your** premium by instalments and **your vehicle** is a total loss **you** must pay the rest of the annual premium before **we** settle **your** claim;
- ◆ **we** may make payment to an interested party (Bill of Sale Holder etc) if **you** have one registered on **your vehicle**. Their receipt will discharge **us** completely.

**We** will pay for costs and expenses incurred by **you** with **our** approval in defending claims under Liability Protection plus any costs and expenses awarded against **you**.

#### **WHAT YOUR VEHICLE CAN BE USED FOR**

**We** insure **your vehicle** only whilst it is being used:

- ◆ for social, domestic or pleasure purposes;
- ◆ by religious, social welfare or youth organisation workers in the course of that work.

**Your vehicle** is not insured for use in connection with any trade, business or profession unless **you** have paid an additional premium and the **certificate of insurance** states **your vehicle** is insured for business use.

#### **CANCELLING THIS POLICY**

**You** may cancel this policy at any time by writing to **us**. **We** will refund 80% of **your** unused premium.

**We** may cancel this policy at any time by writing to **your** postal address on **our** policy records. This letter will contain at least 14 days notice. **We** will refund **your** unused premium.

If **you** make a claim which is false or fraudulent in any way **we** may avoid **your** policy or cancel it effective immediately and **we** will not pay the claim.

**Your** policy is automatically cancelled if **your vehicle** is a total loss and no refund of premium is given however **you** may apply to **us** to insure **your** new vehicle.

### **MAKING CHANGES TO THIS POLICY**

**You** can have this policy altered at any time as long as **we** agree in writing to such alteration before it takes effect. **We** can, in exceptional circumstances, alter the terms of this policy by writing to **your** postal address on **our** policy records and the change will take effect 14 days after the date of that letter from **us**.

### **MODIFICATIONS TO YOUR VEHICLE**

Unless shown in the **certificate of insurance** it is agreed that **your vehicle** complies with the makers' standard specifications for the model and year of manufacture and has not been modified in any way. A conversion to run on CNG, LPG or Bio Gas will not be a breach of this policy as long as the conversion has been installed in accordance with the manufacturer's specifications and complies with all laws relating to CNG, LPG or Bio Gas conversions.

### **REPLACEMENT PARTS**

**We** will pay for any part or accessory not currently available in the Solomon Islands up to the last known list price in the Solomon Islands when the part was available or for the part's closest the Solomon Islands equivalent whichever is the lesser.

**Your vehicle** is not covered for

- ◆ air freight and other costs to import parts and accessories from outside the Solomon Islands;
- ◆ any costs due to the inability to match existing paint;
- ◆ costs to replace any part or accessory that has not suffered accidental damage.

### **OTHER INSURANCE**

**We** will only pay over and above the cover provided by any other policy.

### **AUTOMATIC REINSTATEMENT**

In the case of partial loss or damage to **your vehicle** **we** will pay the premium to reinstate **your** insurance after **we** meet any claim.

### **JURISDICTION**

The laws of the Solomon Islands apply to this policy. The Solomon Islands Courts have exclusive jurisdiction in relation to legal proceedings about this policy.

Any judgement for costs or damages awarded by any Court in any other country or any judgement or order obtained in the Solomon Islands for the enforcement of a judgement obtained in another country is not covered.

### **CURRENCY AND TAXES**

All sums insured and policy limits are expressed in Solomon Islands currency. All claims will be paid in Solomon Islands currency.

### **MEANINGS OF WORDS**

- ◆ **"Certificate of insurance"** means the certificate of insurance first issued to **you** or the current renewal certificate whichever applies and any endorsement certificates that have been added during the period of insurance.
- ◆ **"Excess"** means the amount of any claim which **you** must bear. The amounts are shown in the **certificate of insurance** and this wording.

- ◆ **“Market value”** means the value of **your vehicle** immediately prior to any claim assessed by a motor valuer approved by **us**.
- ◆ **“Vehicle”** means the vehicle shown in the **certificate of insurance** including spare parts and attached equipment and accessories.
- ◆ **“We”, “us” or “our”** means TOWER Insurance Limited.
- ◆ **“You” or “your”** means the person(s) or entity named in the **certificate of insurance** as the insured. Where **you** jointly own the **vehicle**, this policy insures **you** jointly.