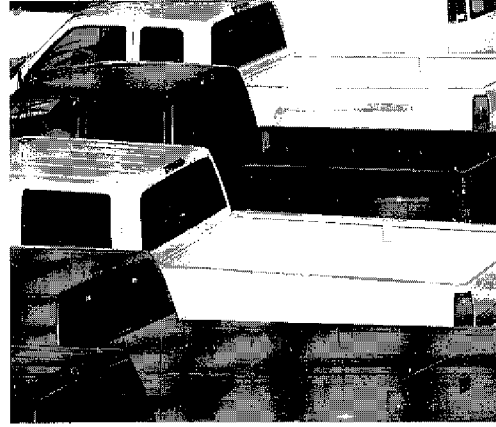


COMMERCIAL MOTOR INSURANCE



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GENERAL PROVISIONS

This Policy is evidence of the contract between You and the Company.

The Proposal and Declaration made by You, the Policy, the Schedule and the effective Certificate(s) of Motor Insurance shall be read together and any word or expression to which a specific meaning has been attached in any of them shall bear such meaning wherever it may appear.

We will indemnify You in accordance with the Insurance specified in the effective Schedule in respect of occurrences in the Geographical Area during the Period of Insurance.

The effective Schedule specifies under Insurance Provided those Sections or Subsections of the Policy which apply (subject to the Definitions, General Exceptions, the Conditions and any Endorsement to the Policy).

This Policy is governed according to the Laws of the Geographical Area.



Director and General Manager
RoyalStar Assurance Ltd.

DEFINITIONS

1. We/Us/Our/The Insurer/The Company
RoyalStar Assurance Limited
2. You/Your/The Policyholder/The Insured
The Person(s) named in the Schedule
3. Schedule
Details of the Policyholder, the Insured Vehicle, Insurance provided and Premium
4. Certificate of Motor Insurance
Evidence of the existence of motor insurance as required by law
5. Insured Vehicle
Any motor vehicle specified under Motor Vehicle details in the Schedule
6. Period of Insurance
The duration of this policy as shown in the Schedule
7. Current Market Value
The price for which a vehicle of a similar make and model and in the same condition and age can be bought in the Geographical Area on the day of the loss or damage
8. The Geographical Area
As specified in the Schedule
9. Licence
A Driver's Licence or other permit required under the Legislation or other Road Traffic laws or regulations applying within the Geographical Area
10. Airside
Any piece of land used by aircraft, any airport, airfield, aerodrome premises (including the maneuvering areas and aprons and service roads directly associated therewith) other than those areas to which the public has free vehicular access
11. Electronic Equipment
 - (i) *any computer or other equipment or system for processing or storing or retrieving data and shall include but shall not be limited to any computer hardware, firmware or software, media, microchip, integrated circuit or similar device*
 - (ii) *any in-vehicle entertainment system*

SECTION 1: INSURANCE OF THE MOTOR VEHICLE

- 1.1 We will indemnify You against loss or damage to the Insured Vehicle (and its accessories and spare parts while thereon) caused by accidental means.

At Our own option We may pay in cash the amount of the loss or damage or may repair, reinstate or replace the Insured Vehicle or any part thereof or its accessories or spare parts. Our liability is limited to the price quoted for equivalent replacement part(s) listed in the parts catalogue issued by the original manufacturers of the Insured Vehicle or the price list used by a franchised dealership either in the Geographical Area or in the United States of America together with the reasonable costs of fitting those parts.

If We agree that the Insured Vehicle is not repairable Our liability shall be limited to the current market value of the Insured Vehicle at the time of loss or damage.

1.2 PAYMENT FOLLOWING THEFT

We may at Our option postpone payment under Section 1 in respect of any claim for the total loss of the Insured Vehicle by theft, until a period of Thirty (30) days has elapsed since the date of such theft.

1.3 LEASE PURCHASE AGREEMENT OR MORTGAGE

If to the knowledge of the Company the Insured Vehicle is the subject of a Lease Purchase Agreement or a Bill of Sale by way of mortgage any payment in cash shall be made to the owner described in the Lease Purchase Agreement or the Mortgagee described in the Bill of Sale whose receipt shall be a full and final discharge to the Company in respect of such damage.

1.4 PROTECTION AND REMOVAL AFTER ACCIDENT

If the Insured Vehicle is disabled by reason of damage insured under this Policy We will indemnify You for the reasonable cost of protection and removal to the nearest competent repairer. We may require You to place the Insured Vehicle in a safe place of storage designated by Us pending its repair or disposal.

1.5 VEHICLE RADIO AND OTHER EQUIPMENT

Our liability for loss of or damage to vehicle radios, compact disc or cassette players including component parts will be limited to the make and model originally supplied as standard equipment in the Insured Vehicle unless otherwise specified in the Schedule.

1.6 BREAKAGE OF GLASS IN WINDSHIELDS OR WINDOWS

We will indemnify You for the cost of reinstating any glass in the windshield or in the windows of the Insured Vehicle following breakages of such glass (provided there is no further damage to the Insured Vehicle and that no more than one payment is made in any policy period) up to an amount not exceeding \$800.00 and any payment made under this Section shall be deemed not to be a claim. No excess applies to this Section.

1.7 COMPREHENSIVE - NO CLAIM DISCOUNT

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 shall be reduced as follows:-

| PERIOD | REDUCTION |
|---|-----------|
| The preceding year | 10% |
| The preceding two consecutive years | 15% |
| The preceding three or more consecutive years | 25% |

If the Company shall consent to a transfer of interest in this Policy No Claims Discounts accrued cannot be transferred to another person.

If more than one motor vehicle is described in the schedule the No Claim Discount shall be applied as if a separate Policy has been issued in respect of each motor vehicle.

1.8 EXCEPTIONS TO SECTION 1

We will not be liable for:-

- (a) consequential loss
- (b) loss of use, depreciation, wear and tear, mechanical or electrical breakdown failure or breakage or any failure of any Electronic Equipment.
- (c) damage to tyres by application of brakes or by punctures, cuts or bursts.
- (d) loss of value following repair.
- (e) loss of or damage to the Insured Vehicle caused directly or indirectly by deception.
- (f) damage caused or expedited or in any way brought about by the Insured or any member of the Insured's family, any person residing with the Insured or any person employed by the Insured in a domestic capacity.
- (g) loss of or damage to cellular or radio telephones, transceivers, CB or VHF Radios or ancillary equipment.
- (h) damage caused by overloading or strain

SECTION 2: LIABILITY TO THIRD PARTIES

2.1 INDEMNITY TO THE POLICYHOLDER

We will indemnify You against legal liability for:-

- (a) death of or bodily injury to any person (other than to a passenger carried in the Insured Vehicle unless that passenger is a passenger who is being lawfully carried by reason of or in pursuance of a contract of employment)

- (b) damage to property up to a limit of \$150,000.00 in respect of any one event or occurrence arising from an accident involving:
 - (i) the Insured Vehicle or the loading or unloading of the Insured Vehicle;
 - (ii) any trailer or disabled mechanically propelled vehicle whilst being towed as allowed by law except when it is being towed for reward.

2.2 INDEMNITY TO OTHER PERSONS

We will indemnify:-

- (a) any person entitled to drive as defined by the Certificate of Motor Insurance who is driving the Insured Vehicle with Your permission.
- (b) the legal personal representative of any deceased person covered under this Section in respect of liability incurred by such person.

In the event of an accident involving indemnity under this Section to more than one person the limit of liability shall apply to the aggregate amount of indemnity to all persons indemnified and such indemnity shall apply in priority to the Insured.

2.3 COSTS AND EXPENSES

In the event of an accident which may be the subject of indemnity under this Section we will pay at Our discretion:-

- (a) the Attorney's fees for representation at any Coroner's inquest or fatal enquiry in respect of any death.
- (b) the Attorney's fees for defending any proceedings in any Court of Summary Jurisdiction.
- (c) the costs of legal services for Defense in the event of proceedings being taken for manslaughter or causing death by reckless driving.
- (d) claimants' costs and expenses.
- (e) all other costs and expenses incurred with Our written consent.

2.4 THIRD PARTY - NO CLAIM DISCOUNT

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 shall be reduced as follows:-

| PERIOD | REDUCTION |
|---|-----------|
| The preceding year | 10% |
| The preceding two consecutive years | 15% |
| The preceding three or more consecutive years | 20% |

If the Company shall consent to a transfer of interest in this Policy No Claims Discounts accrued cannot be transferred to another person.

If more than one motor vehicle is described in the schedule the No Claim Discount shall be applied as if a separate Policy has been issued in respect of each motor vehicle.

2.5 EXCEPTIONS TO SECTION 2

We will not be liable:-

- (a) to indemnify anyone entitled to indemnity under any other policy.
- (b) in respect of Judgments which are not in the first instance delivered by or obtained from a Court of competent jurisdiction in the Geographical Area.
- (c) in respect of death or bodily injury to any person arising out of and in the course of such person's employment by the person claiming to be indemnified under this Section, except so far as is necessary to meet the requirements of the Legislation.
- (d) in respect of death or bodily injury to any person not being conveyed in a properly constructed and secured seat, except so far as is necessary to meet the requirements of Legislation.
- (e) in respect of death of or bodily injury to any person arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of the load to the Motor Vehicle for loading thereon or the taking away of the load from the Motor Vehicle after unloading therefrom.
- (f) in respect of damage by vibration or by the weight of the Motor Vehicle or of the load carried by the Motor Vehicle to any bridge weighbridge viaduct road or anything beneath.
- (g) in respect of damage to any disabled mechanically propelled vehicle attached to any motor vehicle in respect of which indemnity is provided by this Policy.

AVOIDANCE OF CERTAIN TERMS AND RIGHT OF RECOVERY

If the Company is obliged by the law of any country within the Geographical Area to pay an amount for which the Company would not otherwise be liable under this Policy the Insured shall repay the amount to the Company.

GENERAL EXCEPTIONS APPLYING TO THE WHOLE POLICY

We will not be liable in respect of:-

1. the Excess forming part of the Schedule
2. any claim arising while any Insured Vehicle in connection with which indemnity is or would otherwise be provided under this Policy is being:
 - (a) driven by a person other than You or who is not an Authorised Driver entitled to drive as stated in the effective Certificate of Insurance.
 - (b) driven by a person who does not hold a current license to drive the Insured Vehicle unless such person has held and is not disqualified from holding or obtaining such a license.
 - (c) used Airside.
3. any liability which attaches by virtue of an agreement but which would not have attached in the absence of such agreement.

4. (a) loss of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or
(b) any legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any irradiated nuclear fuel or from any nuclear waste from the combustion of nuclear fuel, radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

5. any consequence of war, invasion, act of foreign enemy hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power, except so far as is necessary to meet the requirements of the Legislation.
6. loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss notwithstanding any provision to the contrary within this insurance or any endorsement thereto. Any 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 any act of terrorism is also excluded.

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), which from its nature or context is done for or in connection with 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.

7. any accident injury loss or damage (except so far as is necessary to meet the requirements of the Legislation) arising during or in consequence of strike, riot, civil commotion, detention, seizure, confiscation or any attempt thereat.
8. contamination or pollution by any Insured Vehicle unless caused by a sudden and unexpected incident except so far as is necessary to meet the requirements of the Legislation.
9. used for any purpose not permitted by the Certificate of Motor Insurance.
10. any accident loss damage or liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.
11. losses of any kind directly or indirectly caused by, arising from, or consisting of, in whole or in part by:-
 - (a) the use or misuse of the Internet or similar facility;
 - (b) any electronic transmission of data or other information;
 - (c) any computer virus or similar problem;
 - (d) the use or misuse of any Internet address, website or similar facility;
 - (e) any data or other information posted on a Website or similar facility;
 - (f) any loss of data or damage to any computer system, including but not limited to hardware or software (unless such loss or damage is caused by an earthquake, a fire, a flood, or a storm);
 - (g) the functioning or malfunctioning of the Internet or similar facility, or of any Internet

- address, Website or similar facility (unless such malfunctioning is caused by an earthquake, a fire, a flood, or a storm);
- (h) any infringement, whether intentional or unintentional, of any intellectual property rights (including but not limited to trademark, copyright or patent).

GENERAL CONDITIONS APPLYING TO THE WHOLE POLICY

1. ACCIDENTS

- (a) Details of any accident loss or damage and all subsequent developments must be reported to us within five days of occurrence of the accident loss or damage.
- (b) Notice of any prosecution, inquest, fatal enquiry and any writ summons or process must be forwarded to Us immediately upon receipt.
- (c) In case of theft or any other criminal act which may give rise to a claim under the Policy the Policyholder must give immediate notice to the Police and co-operate with Us in securing the conviction of the offender.

2. CLAIMS PROCEDURE

- (a) Except with Our written consent, no person shall make any offer promise or payment on behalf of You or Us or anyone claiming indemnity under the Policy.
- (b) We shall have full discretion in conducting Your defense or settlement of any claim and in prosecuting in Your name any claim for indemnity or damages.
- (c) You shall give such information and assistance as We may require.

3. CANCELLATION

The Policy may be cancelled:-

- (a) By Our sending at least Thirty (30) Days' notice to You in writing at Your last known address and in such event We will return to You the pro rata portion of the premium for the unexpired Period of Insurance.
- (b) By You at anytime by sending Us Seven (7) Days Notice in Writing and (provided no claim has arisen during the then current Period of Insurance) We shall return the premium after deduction of premium at Our short period rates for the period the Policy has been in force.

The surrender of the current Certificate of Motor Insurance to Us shall be a condition precedent to any return of the premium.

4. OTHER INSURANCES

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 rateable proportion of any loss damage compensation costs or expenses Provided Always that nothing in this Condition shall impose on the Company any liability from which but for this Condition it would have been relieved under Exception (b) to Section 2 of this Policy.

5. **CARE OF VEHICLE**
You and any other person having charge of the Insured Vehicle shall take all reasonable steps to safeguard the Insured Vehicle from loss or damage and maintain it in an efficient and road worthy condition. We shall have at all times free and full access to examine the Insured Vehicle.
6. **POLICYHOLDER'S DUTY**
Our liability will be conditional on
 - (a) Your compliance (and that of any other person entitled to indemnity) with the obligations imposed on You by this Policy.
 - (b) Your immediate notification to Us of any alteration in the risk which materially affects this Insurance.
7. **LAWS RELATING TO COMPULSORY MOTOR INSURANCE**
If we are obliged by the law of any Country to make a payment for which We would not otherwise be liable under the Policy we reserve the right to recover that amount from You.
8. **PAYMENT OF THE INDEMNITY**
We may at any time pay the amount of indemnity claimed within the limitations and conditions of this Policy upon deduction of any sum or sums already paid or any less amount for which any claim or claims arising out of one occurrence can be settled, and then relinquish the conduct and control thereof and be under no further liability in respect thereof.
9. **ARBITRATION**
All difference 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 (2) Arbitrators one to be appointed in writing by each of the parties with in one calendar month after having been required in writing so to do by wither of the parties or in case the Arbitrators do not agree on a 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 for any claim hereunder and such claim shall not within twelve (12) calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for the purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
10. **TOOL OF THE TRADE EXCLUSION**
The Company shall not be liable under this Policy in respect of loss of, or damage to the Insured Vehicle arising out of the operation of the Insured Vehicle as a tool of such motor vehicle, or tool of trade of the Insured Person / Company, or plant forming part of such Motor Vehicle attached thereto.

Further, the Company shall not be liable under this Policy for loss of or damage to any Third Party property, or loss resulting in third party injury or death, while the Insured Vehicle is being operated as a tool, or tool of trade of the Insured Person / Company, or plant forming part of such motor vehicle attached thereto.

