

# MOTOR INSURANCE COMPREHENSIVE

## CONTRACT

**INSURED** :.....  
**ADDRESS** : ....., **Rwanda**  
**POLICY NO** : .....  
**COMMENCEMENT DATE** : .....  
**EXPIRY DATE** : .....

The present contract is made this day of .....**day of** ..... by and between:

- The “.....” Kigali, Rwanda, hereinafter referred to as “**the Insured**” on one side, And;
- **BK GENERAL INSURANCE COMPANY LTD**, P.O. BOX 724, Kigali, Rwanda, hereafter called the ‘**insurer**’ on the other side.

### **Witnesseth**

WHEREAS, the Insured has requested to the insurer to cover by an insurance contract its vehicle(s) in the present contract (hereafter called the ‘services’); WHEREAS, the insurer, has agreed to have the professional skills, the required competence as well technical resources as in staff;

### **THE PARTIES HERETO AGREE AS FOLLOWS:**

## **Article 1: OBJECT OF THE CONTRACT**

THE INSURER hereby agrees within the jurisdiction of Rwanda to indemnify against Road accidental loss and legal liability arising out of the use of the vehicle of **(Insured name)** while in Rwanda.

## **Article 2: PREMIUM, COVERS AND LIMITS OF INDEMNITY**

The Insured amounts and covers are those defined in the attached list of vehicle.

### **2.1. Premium**

a. The total contract annual premium is ..... **All Taxes Inclusive.**

### **b. Endorsement on the risk and adjustment of the premium**

The list of covered vehicle is attached on this policy and may be updated by an endorsement in order to take into account relevant changes. The calculation of supplementary premium or a refund will be done on the basis of the prorata.

### **2.2. Cover This policy covers material damage, theft, fire ,occupants and third party liability in Rwanda.**

#### **2.2.1. Material damage**

The body of the vehicle shall be compensated according to the Insured value less depreciation of elapsed time from inception date at 2% per month.

#### **2.2.2 Excess**

Excess will be applied on Each and Every Claim of Material Damages, Theft and Fire

<b>Type of vehicle</b>	<b>Material Damage</b>	<b>Theft &amp; Fire</b>	<b>Minimum (Frw)</b>
	5%	2.5%	

### 2.2.3. Third party liability

The insurer covers according to the particular conditions any damage caused in Rwanda by the designed vehicle, and for which the Insured may become legally liable. The insurer shall indemnify the victims of the road accident (third parties) caused by the Insured as follows:

#### Vehicle

<b>Description</b>	<b>Limits (Frw)</b>
Third Party bodily injury/ death i) Any one person ii) Any one event/ occurrence	Unlimited
Third Party property damage	Unlimited

### 2.2.4. Limits of liability against passengers

The limits of indemnity against passengers carried in the Insured's vehicle shall be compensated by the insurer as shown here below:

- ❖ Accidental Death : FRw 3,000,000
- ❖ Permanent total Disability : FRw 3,000,000
- ❖ Medical Fees : FRw 300,000

❖ Accidental Partial Permanent Disability : Limits of indemnity will depend on degree of incapacity determined by medical report which will be multiplied by the limits of accidental total permanent disability (3,000,000 Frw).

### **Article 3:**

#### **CLAUSES/WARRANTIES:**

The following are clauses and warranties which govern this contract:

- \* In case of accident, the client shall inform the traffic police for police statement report;
- \* The driver is any person authorized by the Insured and holding a valid driving license. However, this clause does not apply in cases where invalidity of licenses is caused by error or omission by the owner or driver to renew provided such invalidity does not exceed 14 days;
- \* vehicle as the main objective for the insurance will be Insured only on the territory of the Republic of Rwanda.

### **Article 4: GENERAL EXCLUSIONS**

#### 4.1. vehicle

The following exclusions are applied to damage or loss resulting from the following events:

- \* Loss or damage whilst the vehicle is being driven by anyone not licensed to drive;
- \* War and related risks;
- \* Damage to tires arising out of braking, punctures, cuts or bursts;
- \* Ordinary wear and tear;

- \* Damage to any vehicle being driven by or in the charge of any person under the influence of any drug or intoxicating liquor.
- \* Consequential loss of any kind
- \* Normal wear and tear of the Insured vehicle
- \* Mechanical breakdown
- \* Theft by employees of the Insured
- \* Any damage caused by deliberate acts of the Insured
- \* Vehicle usage other than that specified in the contract
- \* Any damage caused by the violation of manufacturer's guidelines for the use of the insured vehicle
- \* Accessories clause: Unless otherwise agreed in this policy and an extra payment has been made, it is agreed that accessories are not covered by this contract. Within the scope of this policy, accessories means any part which is not indispensable for the movement of the vehicle. These include but not limited to, spare parts, jacks, tires except if the damage results from covered accident, tool boxes, tire cover, baggage racks and ski racks.

## **ARTICLE 5: SPECIAL CLAUSES**

### **In the event of damage, the Insured must:**

- Declare the damage to the insurer as soon as he/she becomes aware of it and at the latest within the twenty four hours;
- Provide to the police and to the insurer a statement, certified, truthful and signed by him/her, detailing damaged goods or missing goods;
- Lend his assistance to the police and to the insurer to facilitate the search for the criminals and the recovery of the stolen goods or valuables;

- File a complaint with the public prosecutor's office.
- In the event of recovery of stolen goods, the Insured must immediately inform the insurer in writing.

If the stolen goods are recovered:

- Before the payment of the indemnity, the Insured regain possession of the aforesaid goods and the insurer will pay allowance corresponding to any deterioration and expenses the Insured may have reasonably incurred with the agreement of the insurer for the recovery of these goods;
- After the payment of the indemnity, the recovered goods will become the property of the insurer. If the Insured becomes aware that someone is holding the stolen good(s), they must inform the insurer in writing within twenty four hours.

#### **Article 6: PREMIUM**

The annual premium to be paid by the client is detailed as follows:

Currency	Rwandan Francs
Basic Premium	-
Admin. Fees:	-
SGF	-
VAT @ 18%:	-
Total Premium	-

#### **Article 7: RIGHTS AND OBLIGATIONS**

The mutual rights and obligations of the Insured and the insurer are those mentioned in the contract; in particular:

- a) The insurer will provide services in accordance with the clauses of the contract and terms and conditions contained in all related documents;
- b) As stipulated in the contract, the contract is granted subject to full payment of the premium effective immediately from inception or renewal. It is further declared and agreed that this policy will be voidable at the insurer discretion if the premium is not paid immediately.

### **Article 8 : PREMIUM WARRANTY AND PAYMENT**

In line with National Bank of Rwanda (BNR) directive reference **no. 6/2016 of 23/08/2016 on Conduct of insurance business** , article **number 10**, it is hereby declared and agreed that cover under this Policy is subject to payment of full premium as indicated in the schedule of this policy. The total premium shall be paid by the Insured to the Insurer at the inception/commencement date of this policy. Consequently, this policy shall always be considered invalid if the premium is not fully paid in BK GENERAL INSURANCE COMPANY LTD accounts. An Insurance Policy dully signed by both parties whose premiums have not been paid shall be considered as an insurance offer that does not bind the Insurer in any way. There shall be no claim admissible to insurer based on insurance policy whose premium has not been paid in full/totality. The enforceability of any clause of an insurance policy shall depend on the provisions of this clause.

### **Article 9: DURATION OF THE CONTRACT**

This contract takes effect from ..... and expires on ..... This policy is established in two (2) copies and is subject to conditions attached which forms part of this contract.

## **Article 10: TERMINATION OF THE CONTRACT**

In the event of non compliance with any of the articles of this contract, the wronged party reserves the right to terminate the contract for lawful reason and with a notice period of one month. However, claims declared prior to the termination will be handled even beyond the cover period of the contract.

## **Article 11: DECLARATION CONDITION**

It is hereby declared and agreed that any claim must be reported to Insurer by telephone or e-mail within 24 hours of the happening of incident and in writing within 5 working days. The maximum limit the Insured should claim under this policy is the annual aggregate limit described in the schedule. If the limit for a given period is exhausted the Insured must reinstate the insurance by paying the reinstatement premium upon agreement with the insurer otherwise the insurance end immediately .

## **Article 12: AVERAGE CLAUSE 85%**

Average clause 85%: It is hereby agreed that Insured value must not be less than 85% of actual value of the property. If at the time of a loss, it is found that the sum insured is less than 85% of the replacement (reinstatement) value, the indemnity shall be prorated as follows:  $[(\text{Amount of Adjusted Loss} \times \text{Insured Value}) / \text{Reinstating Value}]$ . In case of overinsurance, we will not pay more than it costs to repair, or replace. We will consider the current market value less depreciation (for total loss) based on elapsed time

### **Article 13: REPAIR TO VALUE RATIO**

If the cost of repair is equal or above 50% of the sum Insured, the Insured property will be written off.

### **Article 14: REINSTATEMENT AFTER SETTLEMENT OF A CLAIM**

All sums to be paid by way of indemnity under this policy in any one period of insurance shall be deducted from the Total Sum Insured. In event of any subsequent claim during the same period the total amount payable by the Company shall not in any case exceed the Total Sum Insured. If the lost, destroyed or damaged property is replaced, the Company may, at the insured's request extend this insurance to include the replacement property upon payment of the appropriate pro-rata premium.

### **Article 15; LOSS PAYEE CLAUSE**

It is hereby agreed that indemnity due under this policy shall be payable to the Insured unless advised otherwise by writing. Insurer commit not to change or alter the policy without the prior written consent of the loss insured. Insurer also commits not to terminate the policy for any reason without prior written notice thirty (30) days before enforcing the termination. It is furthe agreed that any payment made to the Insured, shall be regarded as a valid discharge to Insurer.

### **Article 16: DISPUTE RESOLUTION**

Any dispute arising out of the contract that cannot be amicably settled between the two parties, shall be referred to an arbitrator agreed upon by both parties. Should the parties still fail to reach a fair settlement, the matter shall be brought before the competent courts of law in the Republic of Rwanda. IN TESTIMONY THEREOF, the parties have signed the present contract in their respective names this day, month and year as stated above. Subject to the terms and conditions of **BK GENERAL INSURANCE COMPANY Ltd** forming part of motor insurance contract.

**Article 17: FINAL DISPOSITION**

The parties agree that in case of a conflict between the terms of these particular conditions and the general conditions, the terms of these particular conditions shall prevail. This policy is established in two (2) copies and comes into effect from..... Notice of the occurrence of any loss covered under the policy should be given immediately to the Company. Please read your policy and its conditions and, if incorrect return it to the Company with any written advice regarding the necessary rectifications. IN WITNESS WHEREOF the undersigned acting on behalf of and under the authority of the Company has hereunto set his hand.

IN WITNESS WHEREOF, the undersigned, one acting on behalf of the Company and the other as the Insured, have hereunto set their hands.

**Done at ..... on .....**

**On behalf of Insured**  
.....

**On behalf of Insurer**  
**BK GENERAL INSURANCE CO.LTD**

Vehicle Details

Reg No.	Make	Chassis	Licensed To carry	Y.O.M	Sum Insured	Cover
.....	.....	.....	.....	.....	.....	.....