

**In Case of Accident, Please Call Najm for Insurance Services**

**92 0000 560**

**Customer Service**

**8004414442**

■ Please read the policy. If you have any clarification, please don't hesitate to contact us.

**WHEREAS** the Insured by a proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to the Company for the insurance hereinafter contained and has paid or agreed to pay the Premium as consideration for such insurance.

**NOW THIS POLICY WITNESSETH** that in respect of events occurring during the Period of Insurance and subject to the terms exceptions and conditions contained herein or endorsed hereon (hereinafter collectively referred to as "the terms of this Policy")

## Definitions

- (1) **Insurance Company:** MEDGULF Cooperative Insurance and Reinsurance Company acting as a risk carrier for the policyholder.
- (2) **Insured:** the natural or legal person who obtains or otherwise covered by the policy as specified in the policy schedule.
- (3) **Driver:** person driving the vehicle at the time of accident occurrence.
- (4) **Vehicle:** Transportation mode specified in the policy
- (5) **Policy Schedule:** schedule containing policyholder information and cover and forms an integral part of the policy.
- (6) **Third Party:** Every normal or legal person who has suffered a loss or damage because of risk not excluded in the policy, except for the insured and / or the driver or whom caused the accident.
- (7) **Bodily Injuries:** death and/ or bodily injury that might be suffered by Third Party including total/ partial permanent/ temporary disability.
- (8) **Material Damages:** damages that might affect public/ private properties.
- (9) **Medical Expenses:** treatment and medicine cost caused by a covered accident under the policy.
- (10) **Depreciation:** The amount of weakness on the vehicle or its accessories because of usage.
- (11) **Claim:** Compensation request for damage resulting from a risk not excluded in the policy.
- (12) **Market Value: Estimated** value of the vehicle in the market which changes according to vehicle's condition.
- (13) **Excess: Amount** specified in the policy schedule which acts as an insured's contribution in case of a covered accident.
- (14) **Compensation:** Amount to be paid by the Company to third parties within the maximum public liability mentioned in the policy.
- (15) **Third Party Liability:** insured/ Driver's responsibility towards individuals as a result of damages caused by the Insured vehicle.

## SECTION I - LOSS OR DAMAGE

- (1) The company will indemnify the insured against loss or damages caused by accident fire, theft, or malicious act by third party to any Motor Vehicle specified in the Schedule hereto and its accessories and spare parts whilst thereon including whilst being transported (including the process of loading or unloading incidental to such transport) by road, rail inland waterway lift or elevator.
- (2) The Company may at its own option repair, reinstate or replace the Motor Vehicle or any part thereof or its accessories or spare parts or may pay in cash the amount of the loss or damage. If to the knowledge of the Company the Motor Vehicle is the subject of a hire purchase agreement such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the Company in respect of such loss or damage. The liability of the Company under sub-section (1) of this Section shall not exceed the value of the parts lost or damaged and the reasonable cost of fitting such parts it being understood that the Company's liability shall be limited to the reasonable market value of the Motor Vehicle or its parts or accessories at the time of the loss or damage but not exceeding the Insured's estimate of value stated in the Schedule.  
In case of accident which necessitates replacement of parts by new ones then the Company will deduct from the cost of such parts, the following depreciation on:
  - 10% during the 1st year of registration.
  - 15% during the rest years.
- (3) In case of accident necessitating the supply of a part not obtainable in the country in which the Motor Vehicle is held for repair 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 shall be limited to:
  - (a) 1. The price quoted in the latest price list issued by the Manufacturer's Agent for the Country.  
2. If no such price list exist, then the price list obtained of the Manufacturer plus the reasonable cost of transport to the Country in which the amount of the relative import duty. (b) The reasonable cost of replacing such part.
- (4) If the Motor Vehicle is disabled by reason of loss or damage insured under this Policy the Company will, subject to the Limits of Liability, bear the reasonable cost of protection and removal to the nearest repairers and of delivery within the country where the loss or damage was sustained.
- (5) The Insured may authorize the repair of the Motor Vehicle necessitated by damage for which the Company may be liable under this Policy provided that:
  - (a) Repair Cost does not exceed SAR. 1,500.
  - (b) A detailed bill of the cost is forwarded to the Company without delay.
- (6) **Natural Hazard:** It is hereby agreed and understood that the policy extended to cover the damages caused by Natural Hazard (i.e. Flood, typhoon, hurricanes, cyclone, tornado, volcanic, eruption, earthquake hail or other convulsion of nature) up to maximum limit vehicle insured value

## EXCEPTIONS TO SECTION I

The Company shall not be liable to pay for:

- (a) Consequential loss.
- (b) Depreciation wear and tear mechanical or electrical breakdown failures or breakages.
- (c) Damage to tires unless damage is caused to other parts of the Motor Vehicle at the same time.
- (d) Telephones and other additions unless specifically insured.

The Company shall not be liable in respect of any accident, loss, damage or liability caused, sustained or incurred:

- (a) As a direct or indirect result of traffic violation: crossing a red traffic light or driving on the wrong side of the road.
- (b) whilst the Vehicle is not used in accordance with the limitations of the vehicle license or its seating capacity is exceeded.
- (c) whilst the vehicle is used for hire, racing, competitions or rallies.
- (d) whilst the vehicle is being driven by any person who is under the influence of intoxicating liquor or drugs.

## SECTION II - LIABILITY TO THIRD PARTIES

(1) Indemnity to the Insured or the Authorized Driver.,

The company will, subject to the Limits of Liability, indemnify the Insured against all sums including claimant's costs and expenses which the Insured shall become legally liable to pay in respect of:

- (a) Death of or bodily injury to any person.
- (b) Damage to property.
- (c) Expenses

This policy was issued on the basis of royal decree No 271 dated 20/12/1427H, in respect of compulsory Motor Insurance and the Cooperative Insurance Companies control law that issued by the Royal decree No 32/M dated 02/06/1424 H and edited by the Royal Decree No. 30/M date 27/05/1434 H and the executive regulations that issued by the decision of the Minister of Finance No. 1/596 dated 01/03/1425 H in addition to the Royal Decree No. 43108 dated 02/10/1432 H by which blood money was increased from SAR 100k to SAR 300k for death caused unintentionally and 400k for murder.

2. In the event of the death of any person entitled to indemnity under this Section the Company will in respect of the liability incurred by such person indemnify his legal personal representatives in the terms and subject to the limitations which applied to such person.

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

4. Company's Right to Legal Proceedings and Settlement:

Company has the right to:

- a) Represent the insured or the driver in any investigation or interrogation at any claim or event that is subject of indemnity under this policy.
- b) Undertake the defense proceedings of the insured and the driver in any court law in respect of any claim/event, or any charges related to an event that may be subject of indemnity under this policy.
- c) The Insured shall notify the Company as soon as he is aware of any suit or an investigation of the mentioned accident, unless the delay was based on acceptable excuse.

5. The Company will pay all costs and expenses incurred with its written consent.

6. The Company has the right to seek recovery from the Insured Member or the Driver after paying for third party within all legal means should the recovery be justified as specified in the abovementioned policy and in the cases listed below:

Firstly: The Company has the right to recover from the Insured or Driver based on the following cases:

1. Any liability or expenses arising whenever the vehicle:

- a. Is used against driving terms specified in the schedule.
- b. Holds number of passenger greater the official authorized capacity and was proven that the accident was caused by this fact.
- c. Driven by a person under the influence of drugs, alcohol or medicines that are prohibited medically while driving
- d. Driven by any person under the age of 18 years unless it's the insured or among the names of authorized drivers whose age is less than 18 years under the policy schedule.
- e. If it has been proven that the vehicle was driven without obtaining a driving license for the type of vehicle according to the relevant regulations, or an order was issued for the license to be withdrawn from the relevant authorities or due to expiry of driving license. unless the license was renewed within(50)working days of the date incident

2. Making incorrect statements or hiding a material fact in the insurance application form which affect the company's approval to accept risk or pricing
3. If proven that the accident was caused intentionally.
4. If the Insured Failed to notify the company in writing within 20 working days of any material changes to details declared in the proposal form.
5. Fleeing the scene of the accident without an acceptable excuse.
6. Crossing a red traffic light
7. Driving the vehicle on the wrong side of the road (Against Traffic)

Secondly; if the Vehicle was stolen or taken by force, then the company has the right of recourse on the one who caused the accident or the insured in case the relevant authorities were not notified of the theft to recover what was paid to third party.

Thirdly; The Company must notify the insured within 20 working days from the date of submitting a claim where recovery applies. In addition to the company should exercise the right to recover during a maximum of one year from the date of claim settlement

## ■ SECTION III – MEDICAL EXPENSES

The Company will subject to the Limits of liability specified on the Schedule hereto pay to the Insured the reasonable medical expenses incurred in connection with any bodily injury by violent accidental external and visible means sustained by the Insured or his driver of the Motor Vehicle as the direct and immediate result of an accident to the Motor Vehicle.

## AVOIDANCE OF CERTAIN TERMS AND RIGHT OF RECOVERY

Nothing in this Policy or any endorsement hereon shall effect the right of any person entitled to indemnity under this Policy or of any other person to recover an amount under or by virtue of the Legislation.

But the Insured shall repay to the Company all sums paid by the Company which the Company would not have been liable to pay but for the Legislation.

## ■ Limitations and Exclusions

This policy shall not cover claims arising from:

Any responsibility or cost arising from the following:

1. Loss or damage to the insured vehicle, to property belonging to any insured or driver inside or outside the vehicle, or to goods transported by the vehicle or in the custody, supervision or trusteeship.
2. Death or bodily injury to the Insured or the Driver
3. If the vehicle is used for any type of race or for determining the speed or the test of capability.
4. If the vehicle is used in areas where the public is not normally allowed to drive within airports or seaports unless the vehicle is used for commercial purposes within the allowable range
5. The insured or the driver bear to the accident responsibility harm the company.
6. Collusion of the Insured with others on an accident that is proven and confirmed in the accident report that issued by the authorized department.
7. Drifting
8. If the vehicle is used or operated as a working mechanism.
9. Fines, financial penalties, guarantees, securities instated against the Insured or the driver and arising from the accident
10. Any responsibility or expense arising directly or indirectly from the following:
  - a. War, invasion, act of foreign enemy, hostilities (whether war is declared or not) or civil war.
  - b. Riot, military or civil uprising, revolution, disobedience, martial law, blockade or any event causing the continuation of martial law, blockade, acts of sabotage, or acts of terrorism caused by one person or a group of people acting independently or associated with a terrorist organization. Terrorism is defined as any usage of hostility for political, cultural, philosophical, racial, social or religious reasons. It includes usage of hostility and/ or spreading fear among small group of people or the public; or influencing and/ or causing strikes and/ or intervening in any acts and/ or policies within the government jurisdiction. Or causing a strike negatively affecting the national economy or any of its sector.
  - c. Strikes, riots, or civil/ labor strikes.
  - d. Any event caused by ionizing radiations, nuclear weapons, radioactive pollution as a result of nuclear fuel, nuclear waste caused by nuclear combustion; including any nuclear fusion.
  - e. Natural hazards like hurricanes, earthquakes, flood or volcanoes

## ■ CONDITIONS

- (1) This Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear such specific meaning wherever it may appear.

- (2) The due observance and fulfillment of the Terms of this Policy in so far as they relate to anything to be done or not to be done by the Insured or any person claiming to be indemnified and the truth of the statements and answers in the proposal shall be conditions precedent or any liability of the Company to make any payment under this Policy.
- (3) Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company.
- (4) The Insured shall take all reasonable steps to safeguard the Motor Vehicle from loss or damage and maintain the Motor Vehicle in efficient condition and the Company shall have at all times free and full access to examine the Motor Vehicle or any part thereof or any driver or employee of the Insured. In the event of any accident or breakdown the Motor Vehicle shall not be left unattended without proper precautions being taken to prevent further loss or damage and if the Motor Vehicle be driven before the necessary repairs are effected any extension of the damage or any further damage to the Motor Vehicle shall be excluded from the scope of the indemnity granted by this Policy.
  
- (5) In the event of any occurrence which may give rise to a claim under this Policy the Insured shall as soon as possible give notice thereof to the Company with full particulars. Every letter claim writ summons and process shall be notified or forwarded to the Company immediately on receipt.  
Notice shall also be given to the Company immediately the Insured or any person claiming to be indemnified shall have knowledge of any impending prosecution inquest or fatal inquiry in connection with any such occurrence. In case of theft or other criminal act which may give rise to a claim under this Policy the Insured shall give as soon as possible notice to the police and co-operate with the Company in securing the conviction of the offender.
- (6) No admission offer promise or payment shall be made by or on behalf of the Insured or any person claiming to be indemnified without the written consent of the Company which shall be entitled if it so desires to take over and conduct in the name of the Insured or such person the defense or settlement of any claim or to prosecute in the name of the Insured or such person for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured and such person shall give all such information and assistance as the Company may require.
- (7) At any time after the happening of any event giving rise to a claim or series of claims under Section II - 1 (b) of this Policy the Company may pay to the Insured or any person claiming to be indemnified the full amount of the Company's liability under Section II - 1 (b) and relinquish the conduct of any defense settlement or proceedings and the Company shall not be responsible for any damage alleged to have been caused to the Insured or such person in consequence of any alleged action or omission of the Company in connection with such defense settlement or proceedings or of the Company relinquishing such conduct nor shall the Company be liable for any costs or expenses whatsoever incurred by the Insured or such person or by any claimant or other person after the Company shall have relinquished such conduct.
- (8) 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 ratable 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.
- (9) The Company may cancel this Policy by sending a thirty day's notice by registered letter to the Insured at his last known address and in such event will return to the Insured the premium paid less the pro rata portion thereof for the period the policy has been in force or the Policy may be cancelled at any time by the Insured on seven days notice and (provided no claim has arisen during the current period of Insurance), in which case the company will retain The a percentage part within three working days as per cancellation clause
- (10) Arbitration: Any dispute or controversy arising out of or in connection with this Policy shall be settled by Committees for Resolution of Insurance Disputes and Violations according to the rules of the Arbitration Regulations issued by the Royal Decree No. M/32 dated 2/6/1424H and any supplements or amendments thereto. Any case that is raised and connected to the policy will not be looked into after five years from the occurrence of the incident, unless in the case of the Committees for Resolution of Insurance Disputes and Violations is satisfied and took it into consideration.
- (11) Participating in the Surplus of Insurance Operations (Concept of Cooperative Insurance), The Company shall determine at the end of each financial year the Net Surplus arrived at by adding to the Gross Surplus, or deducting from it, the Policyholders share of the Investment Income after computing their share of the income and deducting their share of incurred expenses. Ten percent (10%) of said Net Surplus shall be distributed to all Policyholders, each proportionately to his premium, by reducing the premium of the following year.
- (12) Notices:
  - (a) Every notice and other communication to the Company required by these Conditions must be written or printed.
  - (b) The company may not issue a policy if it is not electronically linked with the system of NAJEM Company for Insurance Services.
  - (c) The company will notify the insured of the expiry date of the policy two weeks earlier so that it can be renewed or get another policy.
- (13) Arabic to Prevail: In the event of any difference in meaning between the Arabic and English texts in this Policy, the Arabic text shall prevail.

(14) Amendment: The Insured has to notify the Company within 20 business days of any crucial changes declared in the application. The Company should notify the Insured within three business days of the receipt of notification in case it rejecting to continue insurance cover.

(15) Right of Subrogation and Legal Settlement:

The Company has the right to:

- (a) Represent the Insured or the Driver in any investigation or interrogation related to the claims eligible for indemnity under the policy.
- (b) Handles the proceeds of defending the Insured or Driver in courts against lawsuits resulting in liability paid under the policy.

(16) SIMAH: The Company has the right to add Insured's name under licensed company consumer credit information collection in case of failure to pay policy premium

(17) Policy Issuance: the company do not have the right to issue the policy unless it is electronically connected to NAJM company for insurance services system.

(18) Cancellation :

The company and the insured are not entitled to cancel the policy after issuance except in the following cases:

1. Vehicle Registration has been cancelled.
2. Transfer of Ownership.
3. Provide an alternative insurance policy covering the remaining period of the policy to be cancelled.

The company shall refund the remaining balance of the premium for the unexpired period of the policy to the insured bank account by way of transfer to the International Bank Account Number (IBAN) within three business days from the date of the company's knowledge of any of the cases mentioned at the beginning of the paragraph.

The amount owed to be returned to the insured is calculated for the unexpired period of the insurance coverage by subtracting elapsed days from total coverage days and then dividing the result by the number of total days of insurance coverage. Then the result is multiplied by the premium subtracting the administrative fees (maximum 25 riyals) the result is the remaining contribution. The formula as follows:  $(365 - \text{Elapsed Days}) / 365 * \text{premium} = \text{remaining Contribution}$ .

An exception to the obligation of the company to pay the remaining contribution in the event of a claim-relating to the policy to be cancelled and the same vehicle-exceeds the value of the amount assumed to be returned according to the method of calculation above.

The company, the insured and the driver shall remain accountable to terms and conditions stipulated by the policy before the cancellation date.

## Documents Necessary to Submit a Claim

- Copy of insurance certificate or insurance card.
- Fill and sign the claim that must be done by the authorized or official concerned person. "Provide a mandate in case claimant wasn't the owner."
- Notice of the accident from Najm indicated with the date and the incident number. Najm will send data to the company. In case accident was handled directly by traffic original copy of their report is required.
- Original copy of traffic's repair permission.
- Estimation of three approved workshops by motor with the invoice price of spare parts in case there is a common ration in the accident or the third-party conviction's rate is 100%.
- Estimation of Sheikh Al Maareedh if the cost of repair is expensive. (above 50%)
- Clear photos of the vehicle affected by the damage with the plate number.
- Copy of driving license, vehicle registration and personal ID with the original ones.
- In case of an injury and the insured has personal accidents coverage the compensation will be according to policy wording with the need of providing the company a copy of the medical report.
- In care of death and the insured has a personal accidents coverage, a copy of the death certificate with the original will be sufficient for conformity.

## How and when will the compensation and claim procedures finish (End-be completed)?

The company is committed to inform the claimant in a writing of acceptance or rejection of the claim and, if they accepted the claim they are committed to clarify The amount of compensation and how to reach it, But when they reject a claim, the company is committed to do the following:

1. Provide the Claimant with the reasons for rejection.
  2. Inform the claimant of the possibility of submitting his claim to the committees to settle disputes and violations of insurance provided for in Article 20 of the control system of cooperative insurance companies for consideration by the committees.
  3. Provide the claimant with a copy of the documents and the documents supporting the decision the caused the company to reject, if requested by the claimant.
- Kindly dont start repairing the vehicles before getting our consent and start the repair.

## Personal Accident For Driver & Passengers

In consideration of the payment of the additional premium, the Company undertakes to pay compensation on scale provided below for bodily injury, as hereinafter defined, sustained by any driver or/and any person whilst mounting into, dismounting from or travelling in the Motor Vehicle(s) described in the schedule hereto and caused by violent accidental and visible means which independently of any other cause (excepting medical or surgical treatment upon such injury) shall within three calendar months of the occurrence of such injury result in one of the following losses:

1.	Death	SR. 100,000
2.	Total and irrecoverable loss of all sight in both eyes	SR. 100,000
3.	Total loss of both hands or both feet or of one hand together with one foot	SR. 100,000
4.	Total loss of one hand or one foot together with total and irrecoverable loss of all sight in one eye	SR. 100,000
5.	Total and irrecoverable loss of all sight in one eye	SR. 50,000
6.	Total loss of one hand or one foot	SR. 50,000

Total loss of hand or foot means loss by physical severance at or above the wrist or ankle.

### Provided Always That:

- (a) Compensation shall be payable under one only of items (1) to (6) above in respect of any one person arising out of one occurrence and the total liability of the company in respect of any one person shall not in the aggregate exceed the sum of SR.100,000.00 during the period of insurance.
- (b) Such person is not less than 18, nor more than 65 years of age at the time of such injury.
- (c) No compensation shall be payable in respect of death or injury directly or indirectly wholly or in part resulting from (1) intentional self injury, suicide or attempted suicide, physical defect or infirmity or (2) an accident happening whilst such person is under the influence of intoxicating liquor or drugs.
- (d) Compensation shall be payable only with the approval of the insured and directly to the injured person or to his/her legal personal representatives whose receipt shall be full discharge in respect of the injury to such person.
- (e) If the number of persons (Including the driver) in the Motor Vehicle at the time of the occurrence exceeds the lawful seating capacity of said vehicle, the Company shall be liable only for a pro-rata proportion of the compensation which would otherwise be payable.
- (f) In the event of any person being entitled to benefit under this or any other Motor Policy with this company, compensation shall be recoverable under one Personal Accident cover only.

All other terms, conditions, exceptions and exclusions of the policy remain unchanged.

**This coverage will only be valid if stated as covered in the policy schedule.**

## ■ Replacement Vehicle Coverage

It is hereby agreed and understood that Rent-A-Car facility and/or replacement car facility has been incorporated in the policy subject to the following:

- a. The insured vehicle is not drivable due to damages resulting from a covered accident and that has been notified to the insurance company.
- b. Duration: From the date of Hand-over of the insured vehicle to the workshop up to the date on which the vehicle is repaired or declared unrepairable – total loss.
- c. Up to maximum 15 days per event, and SR 100 per day.

In consequence of the foregoing, an additional premium as agreed is hereby charged to the insured.

All other terms, conditions, exceptions and exclusions of the policy remain unchanged.

**This coverage will only be valid if stated as covered in the policy schedule.**

## ■ Geographical Extension

It is hereby understood and agreed that within the specified period, the policy is extended to include the Geographical Limits as mentioned in the policy schedule for Own Damage Only in respect of the insured vehicle.

It is further understood and agreed that this insurance does not apply to any law suit brought in or any judgment rendered by any court outside Saudi Arabia or to any action on such judgment wherever brought.

It is also further understood and agreed that this endorsement excludes any Third Party Liability Claim and/or Personal Accident to Driver or Passenger Claim, which may occur during the period of the above-mentioned Geographical Extension.

In consequence of the foregoing, an additional premium as agreed is hereby charged to the insured.

All other terms, conditions, exceptions and exclusions of the policy remain unchanged.

**This coverage will only be valid as mentioned in the policy schedule**