

# Comprehensive Motor Insurance Policy

Easiest Online Car Insurance



English

This Policy should be read carefully, and the Company should be consulted if there is any doubt as to the cover or meaning of its contents.

Types of Cover	Sections which apply
Third Party Liability only	Section A
Own Damage/ Own Damage + Endorsements	Section B
Comprehensive Insurance	Sections A and B

## Section (A) Third Party Liability

### Article 1

This Policy shall specify the minimum limit of civil liability coverage against third party for compulsory motor insurance in accordance with the terms, conditions and exceptions provided herein or attached hereto. Insurers and the insured shall not be entitled to agree on liability limits lower than those set herein.

### Article 2: Definitions

The following words and phrases, wherever they occur herein, shall have the meanings assigned thereto, unless the context requires otherwise:

1. **Compulsory Insurance Policy (the Policy):** A motor third party liability insurance policy that is deemed a contract under which an insurer undertakes to indemnify third parties in the event of damage caused by a motor accident and covered under the Policy, for a premium paid by the insured. The Policy shall include the terms, conditions, exceptions, Policy's schedule and appendices (if any), provided that they shall not contradict or otherwise violate any of the provisions set forth herein.
2. **Insurer:** An insurance company that accepts insurance directly from the insured.
3. **The Insured:** A natural or juristic person that has entered into an insurance contract and whose name is stated in the policy schedule.
4. **Driver of the vehicle (the Driver):** Any person who is 18 years old or older (Hijri calendar) driving a vehicle and holding a driver's license.
5. **The insured motor vehicle (the Vehicle):** Any transport means designed to move by wheels or tracks or propelled using mechanical or animal power, as described in the Policy (trains are excluded).
6. **Third Party:** Any natural or juristic person sustaining loss or damage not excluded under the Policy, excluding the Insured and/or the driver, or the person responsible for the accident.
7. **Accident:** Any incident that causes damage to a third party due to the use of a vehicle, or as a result of an explosion or fire coming from the vehicle or its scattered debris, or due to its motion, self-propulsion or being stationary.
8. **Physical damages:** Death or physical injuries, which may be inflicted on a third party, including total or partial disability, whether permanent or temporary.
9. **Material damages:** Destruction occurring to property belonging to a third party.
10. **Expenses:** All expenses borne by a third party due to a damage caused by a risk not excluded in the policy.
11. **Claim:** A claim for indemnity for damages caused by a risk not excluded in the Policy.
12. **Claimant:** Any natural or juristic person or their legal representatives who sustained a damage caused by a risk not excluded in the Policy.
13. **Indemnity:** The amounts to be paid by the insurer to a third party within the maximum limit of civil liability specified herein.
14. **Premium:** The amount paid by the insured to the insurer in exchange for the insurer's agreement to indemnify third parties for damage/loss resulting directly from a risk not excluded in the Policy.
15. **Civil Liability:** The liability of the insured and/or the driver towards a third party for material/physical damages inflicted or expenses arising from the insured vehicle.
16. **Material fact:** Any information which may affect the insurer's decision in specifying the premium amount by 25% or more, the terms of the Policy or the claim approval.
17. **Material change:** Any change that leads to an increase in the likelihood or magnitude of risk.
18. **Right of recovery:** The insurer's right to recover an indemnity paid to a third party from the insured, driver, or person who caused the accident for damages excluded in the Policy or cases where the insurer has the right of recovery.
19. **Policy schedule:** The schedule annexed to the Policy containing some information about the insured and the vehicle, which is considered an integral part of the Policy.
20. **Appendix:** An agreement between an insurer and the insured, subsequent to the issuance of the Policy, whereby items of coverage are added to, amended or removed from the basic coverage, and which should be attached to the Policy and deemed an integral part thereof.



### Article 3: Insurance coverage

Whereas the insured has submitted to the insurer an insurance proposal form, which is considered the basis for this Policy, and has paid (or has undertaken to pay) the required premium and the insurer has accepted this proposal, the insurer shall, in the event of an accident occurring within the borders of Saudi Arabia and causing damages not excluded under the Policy and within the terms and conditions set forth in the Policy, indemnify the third party for all the amounts that the insured, driver or the person responsible for the accident is committed to pay for:

- a. Physical damages caused to a third party inside or outside the vehicle.
- b. Material damages inflicted on a third party outside the vehicle.
- c. Expenses.

### Article 4: Coverage limits

In the event of an accident occurring and resulting in the payment of indemnity in accordance with the provisions of this Policy, the maximum limit of the insurer's liability for one event and during the lifetime of the Policy for physical damage, expenses and material damages shall not exceed together a total sum of SAR 10,000,000 (ten million Saudi riyals) as a maximum liability limit for coverage.

### Article 5: Cases in which the company is not allowed to deny liabilities towards third parties

Subject to Article 9 hereof, an insurer may not deny liability for indemnity towards a third party because the insured, the driver or the person responsible for the accident has committed any violation, whether before or after the accident, or has not complied with the provisions hereof, without prejudice to the insurer's right of recovery against the insured, the driver or the person responsible for the accident after indemnifying the third party if the recovery is justified.

### Article 6: Claim Settlement Procedures

1. Upon receiving a claim, the insurer shall provide the claimant with an acknowledgement of receipt and inform the claimant of any missing documents within (3) working days for individuals and (9) working days for companies from receiving the claim. The insurer may appoint an assessor or a loss adjuster, if necessary, within a period not exceeding (3) working days for individuals and (9) working days for companies from the date the claim is received.
2. Insurers shall settle claims with integrity and fairness without any bargaining, within a maximum period of (15) Hijri Calendar days for individuals and (45) Hijri

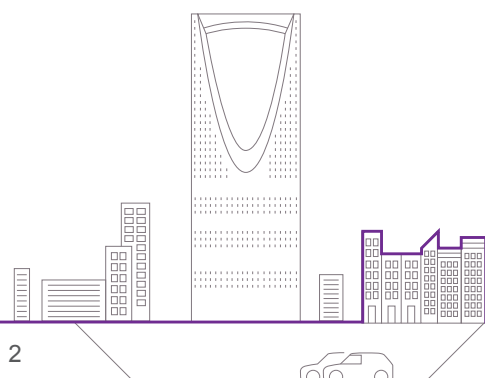
Calendar days for companies from the date the claim is received, with all required documents. If the claim was based on an enforceable court judgement and was filed by the claimant, or the insurer has been informed thereof by the insured, the insurer shall comply with the aforementioned provision.

3. The insurer shall notify the claimant of its acceptance or denial of the claim. In case of acceptance, whether fully or partially, the insurer must clarify the amount of indemnity and how it was reached.
4. The insurer shall settle and pay insurance claims by transferring the indemnity amounts to beneficiaries' bank accounts directly through their respective international bank account numbers (IBAN).
5. With observance of the periods set forth in Paragraphs 1 and 2 of this Article, the insurer shall settle the claim when submitted after repairs to the vehicle are made, provided that the claimant furnishes the insurer with actual invoices of auto repairs and the accident scene is attended by the authorized entity. The insurer shall also be provided with a vehicle damage report from an authorized entity, prepared after the accident and before auto repairs take place.
6. If the insurer fails to settle the claim within the prescribed period for no legal reason, the claimant shall be entitled to submit a complaint at website [www.samacares.sa](http://www.samacares.sa) or file a petition of dispute at the Committees for Resolution of Insurance Disputes and Violations to compel the insurer to settle the claim and indemnify the claimant for any expenses incurred as a result of the loss of use of their vehicle due to the insurer's delay in settling the claim.
7. In case of denial of the claim, whether fully or partially, the insurer shall:
  - a. Provide the claimant with the reasons for full/partial denial.
  - b. Inform the claimant of their right to submit a complaint at website [www.samacares.sa](http://www.samacares.sa) or refer their case to the Committees for Resolution of Insurance Disputes and Violations stated in article 20 of the Cooperative Insurance Companies Control Law, to be considered by these committees.
  - c. Provide the claimant, upon their request, with copies of documents in support of the insurer's decision.

### Article 7: General Conditions

1. Changes:

The insured shall notify the insurer, within 20 working days, of any material changes to the representations declared in the insurance proposal form. The insurer shall notify the insured in case it intends to increase the premium rate, or return part of the premium if the premium is reduced. If no notification is sent to the insured by the insurer, then this shall indicate the insurer's approval to continue providing the coverage at the premium rate agreed upon at the time of signing the policy.





2. Insurers' right to conduct legal proceedings and settlement:

The Insurer shall have the right to:

- a. Represent the insured or driver in any investigation or interrogation related to a claim which is the subject of indemnity under this Policy.
- b. Handle defense proceedings for the insured or driver before any judicial body against any allegation or accusation related to an accident, which is the subject of indemnity under this Policy.
- c. The insured shall notify the insurer as soon as they become aware of any claim, inquest or investigation relating to the said incident, unless the delay is justified by an acceptable excuse.

3. The insurer's right to include the insured's name in the system of the company authorized to collect consumer credit information:

The insurer has the right to include the name of the insured in the system of the company authorized to collect consumer credit information if the insured defaults on payment of insurance premiums due to the insurer.

4. In the case of occurrence of a risk not excluded in the Policy, the insured or driver shall:

- a. Inform the concerned entities as soon as an accident occurs and not leave the accident scene until procedures are completed, except in cases where it is necessary to leave, e.g. in the case of physical injuries.
- b. Not to claim responsibility with the intention of harming the insurer, pay or undertake to pay any amount to any party involved in the accident except after obtaining a prior written approval from the insurer.
- c. Cooperate with the insurer and issue powers of attorney enabling the insurer to carry out the proceedings, defending and settlement procedures on behalf of the insured or the driver.
- d. Perform, at the insurer's expense, all required actions to guarantee the insurer's right to recover, from any other party, any amounts due as a result of indemnity paid by the insurer under this Policy.

5. **Fraud**

The rights arising from this Policy shall be forfeited if the claim involves fraud; if the insured, driver, an agent thereof, or a third party uses fraudulent approaches or methods to gain benefit from this Policy; or if liability or damage results from a deliberate act by, or collusion with, the insured, driver, or others. The insurer shall have the right to recover against any party found to be responsible for such fraud, whether as a conspirator or an accomplice, provided that the insurer shall indemnify the third party if it becomes clear that they acted in good faith.

6. **Cancellation**

Neither the insurer nor the insured has the right to cancel this Policy after its issuance, except in the following situations:

- a. The write-off of a vehicle's register.
- b. Transfer of ownership of a vehicle to another owner.
- c. The existence of an alternative policy that covers the remaining term of the insurance policy to be cancelled.

The insurer shall refund the insured the due amount payable for the uncovered period by depositing the remaining amount to their bank account via IBAN, within three working days from the date on which the insurer becomes aware of the occurrence of any of the cases mentioned above. The due amount payable to the insured for the uncovered period is calculated by subtracting the elapsed days from the total policy term (in days) and then dividing the result by the total policy term. The result is then multiplied by the insurance premium less administrative fees (a maximum of SAR 25) to determine the return premium:

$(365 - \text{elapsed days}) / 365 \times \text{insurance premium less administrative fees (a maximum of SAR 25)} = \text{return premium.}$

The insurer is exempted from its obligation to pay the due amount in the case that there is a claim—related to the policy to be cancelled and the exact vehicle covered by the policy—with a value exceeding the amount to be refunded as per the calculation formula mentioned above.

Notwithstanding the foregoing, insurers, insureds and drivers shall remain bound by the provisions of this Policy with respect to the obligations arising prior to its cancellation.

7. Policy issuance and renewal notification:

Insurers may not issue the Policy unless they are electronically connected to the system of the company approved by SAMA to collect, maintain, and exchange insurance information. The insurer shall notify the insured of the expiry date of the policy (20) working days before it expires, so that the insured can renew or replace the Policy with another policy from another insurer.

8. Judicial jurisdiction and governing law:

- a. Any dispute that arises concerning this Policy shall be subject to laws and regulations in force in the Kingdom of Saudi Arabia and shall be settled by the Committees for Resolution of Insurance Disputes and Violations, as set forth under Article 20 of the Cooperative Insurance Companies Control Law promulgated by Royal Decree No. (M/32) dated 02/06/1424H.
- b. Any dispute arising concerning this Policy shall not be looked into after the lapse of five years from the occurrence of the incident forming the basis of the claim, and of which the parties concerned are aware, unless the Committees for Resolution of Insurance Disputes and Violations are satisfied with the reason for considering the claim.



**Article 8: Cases where the insurer shall indemnify third parties while reserving the right of recovery against the insured, driver or person responsible for the accident**

**First:** The insurer shall have the right of recovery against the insured or driver to recover the amount paid to a third party in any of the following cases:

1. Any liability or expenses arising from or incurred when the insured vehicle is:
  - a. Used in contravention of the restrictions set forth in the Policy schedule.
  - b. Carrying a number of passengers exceeding the seating capacity of the vehicle, and it has been proved that the accident occurred because of such violation.
  - c. Driven against the direction of traffic.
  - d. Driven under the influence of drugs, alcohol or medications that a person is not allowed medically to drive after taking it.
  - e. Driven by a person under the age of 18 (according to the Hijri calendar) unless the said person is the insured or is included among the names of authorized drivers under the age of 18 in the Policy schedule.
  - f. Driven by a person who does not hold a proper class of license corresponding to the type of vehicle driven, according to the relevant laws and regulations, or in the event that an order is issued by a competent entity for the forfeiture of the driver's license, or the license was expired at the time of the accident unless it was renewed within (50) working days from the date of the accident.
  - g. The driver escaped the scene of the accident for no acceptable reason.
  - h. Running a red light.
2. Submitting inaccurate information in the insurance proposal form or concealing material facts.
3. If it is proved that the accident was deliberate.
4. Failure on the part of the insured to notify the insurer, within (20) working days, of any material changes to their disclosures in the insurance proposal form, with consideration to Paragraph 1 of Article 7.

**Second:** The insurer may recover the amounts paid to third parties from the person responsible for the accident, or the insured in case the vehicle was stolen or taken forcibly, and he/she has not reported the theft to the concerned entities.

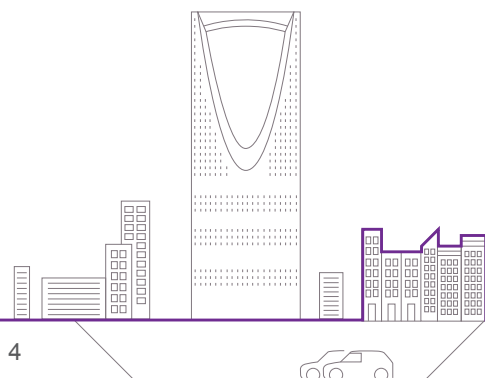
**Third:** The insurer must notify the insured within 20 working

days from the date of the claim submission to where the above recovery cases may apply, the company may exercise its right of recovery within a year from the date of the claim settlement.

**Article 9: Exclusions (cases not covered under the Policy)**

Insurers shall not be liable for paying any indemnities in any of the following cases:

1. Loss or damage to the insured vehicle, properties inside or outside the vehicle which belong to either the insured or the driver, or goods transported in the vehicle or placed in the insured's or driver's custody, control or care;
2. Death or physical injury to the insured or the driver;
3. If the vehicle is used in any type of racing or for testing its speed or power;
4. If the vehicle is driven in areas that are normally off-limits to the public, such as airports or seaports, unless the vehicle is used for commercial purposes within the permissible scope;
5. Acknowledgement by the insured or the driver to bear the liability for the accident undeservedly for the purpose of harming the insurer;
6. If the accident is deliberately caused by an insured and a third party, which is proved in the accident report issued by the authorized entity to attend accident scenes;
7. Car drifting;
8. If the vehicle is being used or operated as working machinery;
9. Fines, financial penalties or bails, which may be imposed on the insured or the driver due to the accident; and
10. Any liability or expenses arising, directly or indirectly, from the following:
  - a. War, invasion, acts of foreign enemy, hostilities, warlike acts (whether war is declared or not), or civil war;
  - b. Rebellion, military or popular uprising, insurgence, revolution, usurping authority, martial laws, siege, or any events or reasons leading to declaration or continuation of martial laws, siege, or acts of vandalism and terrorism committed by person(s) working individually, on behalf of, or in relation with any terrorist organization. Terrorism means the use of violence for political, intellectual, philosophical, racial, ethnic, social, or religious purposes. Such use of violence includes putting the public and/or a segment thereof under a state of terror, causing turmoil, affecting and/or intervening in any of the government's operations, activities and/or policies, and/or causing any disturbance that negatively affects the national economy or any related sectors;
  - c. Strikes, riots, or civil or labor unrest;



- d. Damage directly or indirectly caused by nuclear weapons, ionizing radiation, radioactive contamination resulting from any nuclear fuel or waste, or contamination due to nuclear fuel combustion. For the purposes of this exclusion, combustion shall include any nuclear fission; and
- e. Natural disasters such as hurricanes, earthquakes, floods, or volcanoes.

## Section B: Own Damage

### Article 1: Definitions

The words defined below will have the same meaning wherever they are shown in the policy.

1. **Certificate of Insurance:** means the document which proves that the Insured has insurance for the vehicle in line with Kingdom of Saudi Arabia road traffic laws.
2. **Excess:** means the amounts shown in the schedule which the Insured must pay when he makes a claim which cannot be recovered from a Third Party. The Company will not charge an Excess for Theft, Fire or Windscreen claims.
3. **Insured Accessories:** means:
  - A radio, cassette, compact disc player or other audio equipment,
  - A phone or other communication equipment,
  - Navigation equipment,
  - A television or other visual entertainment equipment including video cassette recorders, DVD players and games consoles,

The equipment must be permanently fitted in the vehicle and its value stated in the proposal form.
4. **Vehicle/Insured Value:** the amount stated in the schedule which the Company shall pay in the event of a total loss after deducting depreciation in line with the scale given in the policy.
5. **No Claims Discount:** means a discount on the premium in return for the insured not making a claim.
6. **Period of Insurance:** this policy runs for the period specified in the schedule.
7. **Policy:** this policy is made up of the following documents:
  - The proposal form for this insurance or vehicle information/slip provided by the broker
  - Policy document
  - Schedule
  - Certificate of motor insurance
  - Clauses and Endorsements applied to the policy and as mentioned on the Schedule
8. **Schedule:** means the document which describes the Insured and the Insured Motor Vehicle and any special details of the policy such as deductibles or special terms and conditions.
9. **Geographical Area (Territorial Limits):** These are:

- Kingdom of Saudi Arabia and
- Any other territory/country stated in the Schedule

10. **Agency Repairs:** If Agency Repairs are included in the Policy, as shown in the Schedule, then the Insured has the option of having his car repaired at the manufacturer's authorised dealers. If he does not have this cover then the Company shall select one of its own approved garages to undertake the repairs.
11. **Company:** means Al Alamiya for Cooperative Insurance Company.
12. **Insured:** means the contributor i.e. the person named as the policyholder in
  - Proposal Form,
  - The Certificate of Insurance,
  - The Schedule.
13. **Insured Motor Vehicle:** means the motor vehicle:
  - Whose details have been proposed and accepted by the Company for insurance.
  - Whose chassis or registration number is shown in the Certificate of Insurance and the Schedule.

This includes any in-car equipment fitted as standard by the manufacturer.
14. **Authorised Driver:** means the Insured or any person driving on the Insured's order or with his permission provided that the person driving holds a "Licence" to drive such motor vehicle, or has held and is not disqualified for holding or obtaining such a "Licence".
15. **Total Loss:** means the complete loss or damage to the Insured Motor Vehicle that renders its repair unfeasible technically or economically.
16. **Market Value:** means the value at which the Insured Motor Vehicle is sold in the market. The market value changes according to Motor Vehicle's condition and supply and demand.
17. **Policyholder's Account:** means the account allocated for entry of policyholders' contributions collected, returns on investments of policyholder's account, compensation received from re-insurers and any indemnities, fees or other expenses deducted from it.

### Article 2: Insurance Coverage (Cases Insured Under Section B)

- a) The Company undertakes to indemnify the insured for accidental Loss or Damage to the Insured Motor Vehicle, its Insured Accessories and spare parts caused:
  1. By accident or overturning consequent upon accidental collision or mechanical breakdown or consequent upon wear and tear.
  2. By fire, external explosion, self ignition, lightning or thunderbolt.



3. By burglary or theft.
  4. By malicious act of any third party.
  5. Whilst in transit (including the process of loading and unloading incidental to such transit) by road, rail, inland waterway, lift or elevator, relating to the said transportation.
- b) The Company shall pay in cash the amount of loss or damage to the Insured or shall repair, reinstate or replace the vehicle or any part thereof including its accessories or spare parts and the liability of the Company shall not exceed the replacement value of the parts lost or damaged and the reasonable cost of fitting or fixing such parts, unless the Insured's requests the Company to pay him the amount in cash, in this case the Company shall respond to the Insured's request.
  - c) The Insured has the right to repair the damage due to an accident covered under the policy provided the total cost of such repair does not exceed the Authorised Repair Limit mentioned in the schedule attached to this policy, and the Insured should forward to the Company without delay a detailed estimate of the cost.
  - d) **Total Loss or Damage:** The maximum amount payable by the Company in respect of any claim for total loss shall be limited to the reasonable Market Value of the Motor Vehicle at the time of occurrence, but not exceeding the Insured sum of the Motor Vehicle. If the Company decides to pay to the Insured the insured sum, the depreciation amount will be deducted in accordance with the "Depreciation Clause" stated hereunder. The Company reserves the right to declare a total loss if, in its opinion, it is found that the Motor Vehicle cannot be economically repaired. When a total loss claim is payable in respect of a Motor Vehicle the annual contribution in respect of such Motor vehicle shall be fully earned by the Company. Furthermore, the Insured shall transfer the ownership of the said Motor Vehicle to the Company or its assignees, provided always that in case of theft, the indemnity will be affected after 30 days of the Police notifying date.
  - e) **Natural Perils:** The Company will cover the natural perils including the loss or damage to the Insured Motor Vehicle arising out of hail, flood due to rain, volcanic eruption, and/or any disturbances to nature.
  - f) **Depreciation:** In case of loss of or damage to the Insured Motor Vehicle, the Company will apply the following deductions for depreciation:

• **In Respect of Partial Loss:**

If the lost or damaged spare parts are replaced with new ones or paying the new replacement value thereof, the

Company will not apply any depreciation in respect of any motor vehicle less than 7 years age since manufacturing year. The depreciation will only be applicable on motor vehicles above 7 years age and the deduction ratio will be 50% of the value of new parts replacement.

In case of replacement of new tires, wheels and/ or wheel caps by new ones, the depreciation deduction will be 25% per each year or a part thereof, but up to 50% of the new replacement value thereof.

The "Depreciation Clause" will not be applied to the windscreen, rear screen and doors screen.

• **In respect of Total loss:**

If the claim is settled on the basis of total loss of the Insured Motor Vehicle, the liability of the Company shall not exceed the lesser of the following two amounts:

The Insured Value of the motor vehicle estimated by the Insured as stated in the Schedule, less 1% per month or portion thereof from the insurance effective date under the Policy or latest renewal thereof, or the reasonable market value of the Motor Vehicle at the happening of loss or damage.

- g) If the vehicle is immobilized by reason of loss or damage insured under this Policy, the Company will bear the reasonable cost of protection and removal to the nearest repairers and delivery to the garage within the country where the loss or damage was sustained.
- h) **Medical Expenses:** The Company will pay a benefit up to SAR 2,000 per person for the cost of emergency medical treatment for anyone injured in an accident involving the Insured Motor Vehicle, provided the injured person is travelling in the Insured Motor Vehicle as the Driver or a non-fare paying passenger.

**Article 3: Cases where the Company undertakes to indemnify Third Parties while retaining the right of recourse against the Insured or the driver or the person responsible for the loss**

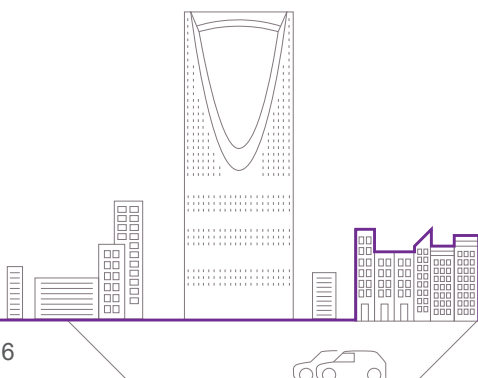
As per Article 8 of Section (A) Third Party Liability

**Article 4: Claims Settlement Procedures**

The Company undertakes upon receipt of a Claim, to provide the Claimant with a letter evidencing the Claim's receipt, to inform him of any deficiencies within 7 days of the receipt of his Claim, and to appoint a loss Assessor or a loss Adjuster if and when necessary within a period of time not exceeding 3 days of the Claim's receipt.

The Company also undertakes to settle any amounts claimed by the General Directorate of Traffic or by Najm for Insurance Services Company or by any other authorized entities covered under the Policy in all fairness and justice without any compromise within a maximum period of 15 Hijri days from the date of receipt of a fully documented Claim.

In the event the Company does not comply with its obligation to settle Claims within the specified period for unjustified reasons, the Insured will be entitled to apply before the Committee for the Settlement of Insurance Disputes and require the Company to indemnify him for any expenses incurred by him as a result of not being able to use the Motor





Vehicle due to the delay of settling the Claim by the Company (car rental fees for example).

The Company undertakes to notify the Claimant in writing of the approval or the rejection of its Claim. In the event of approval, the Company undertakes to specify the amount of indemnity and the method of its calculation. In the event of rejection, the Company undertakes to the following:

1. Provide the Claimant with the reasons of the rejection.
2. Inform the Claimant of the possibility to present his Claim before the Committee for the Settlement of Insurance Disputes provided for in Article 20 of the Law on the Supervision of Co-operative Insurance Companies for examination by the committee.
3. Provide the Claimant with a copy of the documents justifying the Company's decision if so requested in writing from the Company.

#### **Article 5: Exclusions (Cases Not Insured in Under Section B)**

1. The Company shall not be liable to pay any indemnity or compensation in respect of:
  - a. The amount stated in the Schedule or Endorsements as the Excess/deductible(s) payable by the Insured in the event of a claim.
  - b. Any consequential loss or loss of use affecting the Insured Motor Vehicle or decrease in the vehicle's value through usage, impairment or failure or breakdown of mechanical or electrical equipment
  - c. Damage resulting from overloading or carriage at any one time of a greater number of passengers than the number for which the vehicle is licensed by the concerned authorities, provided that the overloading or excess passengers were the cause of the accident which resulted in the loss or damage to the vehicle.
  - d. Damage to tyres unless it occurs at the same time as the damage to the Insured Motor Vehicle
  - e. Loss of or damage to goods and/ or personal belongings whilst being loaded unloaded or carried in/ on the motor vehicle.
  - f. Loss or damage to any trailer unless such trailer is specifically declared in the Schedule.
  - g. Loss or damage to the motor vehicle as a result of theft or any attempt threat due to leaving the motor vehicle in operating mode, leaving the keys therein or non-closing of the doors or screens.
  - h. Radios, stereo equipment, telephones or other accessories other than those originally installed by the vehicle manufacturers and incorporated in the original price of the motor vehicle unless the make and values of such accessories are specifically declared in the Schedule.
  - i. Loss or damage caused by using the motor vehicle in unpaved streets or sand hills being driven dangerously or recklessly.
  - j. Loss or damage to the Insured Motor Vehicle caused

by any kind of storm, earthquake, typhoon, tornado and cyclone.

- k. Loss and damage caused to the Insured Motor Vehicle as a result of the following:
  - i) Use for purpose otherwise than in accordance with the Limitations of Use
  - ii) Violation of the law
2. The Company shall not be liable in respect of:
  - a) Any accident, loss or damage whilst the driver is under the influence of intoxicating drugs and/or alcohol or hallucinating drugs affecting his ability to control the vehicle if it has been proved to the competent authorities or upon the confession of the driver of the vehicle
  - b) Any loss, damage, liability or expense caused, sustained or incurred whilst the Motor Vehicle is:
    - i) Outside the borders of Saudi Arabia (unless otherwise expressly covered in the Schedule).
    - ii) Being used otherwise than in accordance with the "Limitation as to Use" indicated in the Schedule.
    - iii) Being driven by or is for the purpose of being driven by or in the charge of any person other than the Insured or Authorized Driver.
    - iv) Being used for rallying, racing, pace making, reliability trials, speed testing or being driven dangerously or recklessly.
    - v) Being driven by any person who is less than 21 years of age (unless otherwise expressly stated in the Schedule).
    - vi) Used within any areas of airports or marine ports, which are not normally accessible to the general public (unless otherwise stated in the Schedule and an extra premium agreed with the Company has been paid).
    - vii) Being used or operated as a tool of trade (unless otherwise stated in the Schedule and an extra premium agreed with the Company has been paid).
    - viii) Being driven by any person who is not holding a driving license or whose driving license is not valid or does not permit him to drive such type of Motor Vehicle or where such driving license is permanently or temporary cancelled.
    - ix) Jumping red traffic lights or driving in the wrong direction of the permitted flow of traffic by the Insured or the Authorized Driver.
3. Any liability or expense occasioned by happening through or in consequence directly or indirectly of criminal and/ or offensive acts by the Insured or Authorized driver.





4. Any liability, which attaches by virtue of an agreement, but which would not have attached in the absence of such agreement.
5. Any liability or expense occasioned by happening through or in consequence directly or indirectly of:
  - a) War, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war;
  - b) Mutiny, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege, or acts of terrorism committed by a person or persons acting on behalf of or in connection with any organization. For the purpose of this Exception, "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear;
  - c) Strike, riot, civil commotion, labour disturbances;
  - c) Confiscation, requisition, seizure, destruction or damage by order of the Government de jure or de facto or any public, municipal or local authority.
6. Any liability or expenses directly or indirectly caused by or arising from or contributed to by:
  - a) Nuclear weapons material,
  - b) Ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel and solely for the purpose of this Exception combustion shall include any self-sustaining process of nuclear fission,
  - c) Any fines, penalties, bonds or cautions that may be imposed,

#### Article 6: Cancellation

This Section B may be cancelled by the Company at any time in the event that:-

- a) The Insured fails to pay the premium in accordance with the premium payment terms stated in the Policy.
- b) The Insured fails to comply with any Warranty or risk improvement in the manner and within the time required and expressed by the Company in this Policy or otherwise in writing.
- c) if there has been any fraudulent misrepresentation, misdescription or non-disclosure of any material fact.

(Definition: A material fact is one which affects the judgment of the Company in deciding whether to accept a risk or not

and if it decides to accept, the terms upon which the Company will do so. For an existing insurance it affects the Company's judgment of whether they wish to continue to insure the risk and if so on what terms).

- d) The Insured's interest in this Policy has ceased or substantially and materially altered.
- e) There has been a material change in occupation, process, procedure or other material alteration in risk.

Other than in respect of c. above, when the Company elect to cancel this Policy it will give the Insured 30 days written notice thereof and shall be liable to repay on demand a ratable proportion of the Premium for the unexpired term from the date of the cancellation. When the Company elects to cancel this Policy in accordance with c. above, the cancellation will take effect from the inception date of this Policy and the Company shall be liable to pay the whole Premium for the Period of Insurance.

This Policy may also be cancelled at any time at the request of the Insured in which case the Company will retain the short period proportion of the Premium as detailed below.

PERIOD OF INSURANCE	PROPORTION OF ANNUAL PREMIUM TO BE RETAINED BY THE COMPANY
Not exceeding one week	12.50%
Not exceeding one month	25.00%
Not exceeding two months	37.50%
Not exceeding three months	50.00%
Not exceeding four months	62.50%
Not exceeding six months	75.00%
Not exceeding eight months	87.50%
Exceeding eight months	100.00%

#### Article 7: Distribution of surplus

The surplus shall be distributed among Insured persons in accordance with the provisions of article 70 of the implementing regulations of the Law on Supervision of Co-operative Insurance Companies promulgated by Royal Decree No M/32 dated 2/6/1424 H.

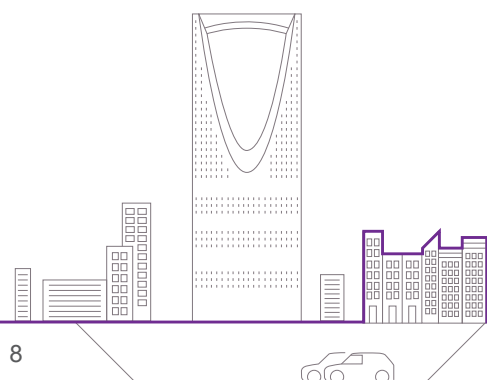
### General Conditions

#### 1. Interpretation

The Policy, Schedule, General Conditions, any Special Conditions, Exceptions, Warranties, Exclusions and Endorsements, known collectively as the "Terms of the Policy", shall be read together as one contract and any word or expression to which a special meaning has been attached in any part shall bear such meaning throughout.

#### 2. Multitude of Insurance sources and other Insurances

If the Motor Vehicle is covered with the same type of insurance by more than one insurance Company, the Company will be only obliged to pay a portion of the indemnification, expenses or fees equivalent to the ratio of the insurance amount under this Policy and the aggregate amounts of the other insurances. In the event of existence of other types of insurances that covers



the same liability or expenses (for example the existence of a comprehensive coverage insurance), the Company will be obliged to cover such liability or expenses towards Third Parties, and then it shall substitute the Insured and claim other insurance companies to pay their respective shares of such claim.

### 3. Changes

The Insured shall notify the Company in writing within 10 working days of any substantial change in the statement made by him in the insurance application, and the Company must notify the Insured within 3 working days as of the date of receipt of such notification in case it rejected to cover the Insured.

### 4. The Company's Right to Undertake Legal Proceedings and Settlement

The Company has the right to:

- a) Represent the Insured or the Driver in any investigation or interrogation in connection with any Claim in accordance with this Policy.
- b) Defend the Insured or the Driver before any judicial body in connection with any Claim or charge relating to an accident that might be subject to indemnification according to this Policy.

### 5. The Company's Right to Include the Name of the Insured in the Saudi Arabian Credit Bureau System (SIMAH)

The Company has the right to list the name of the Insured at the Saudi Arabian Credit Bureau System (SIMAH), in the event the Insured fails to pay the Company its dues resulting from the premiums or any other Claim Recoveries.

### 6. Obligations of the Insured or the Driver Upon the Occurrence of an Accident Covered by the Policy

- Notify concerned authorities immediately upon occurrence of an accident covered by this Policy and remain at the accident scene until the completion of necessary formalities, except for cases that require the Insured to leave the accident scene due to the suffering of Physical Damages or after waiting for a period of not less than 2 hours.
- Not acknowledging liability with the intent to harm the Company or to pay or commit to pay any amount to any party involved in the accident unless with the Company's written approval.
- To collaborate with the Company and issue required proxies which will allow the Company to plead, defend and execute settlement procedures on behalf of the Insured, or the Driver, if it expressed its willingness to.
- To undertake, on the Company's expense, all necessary actions to guarantee the right for the Company to collect any amounts due to it from any other party as a result of an indemnification due under this Policy.

### 7. Obligations of the Company in case of a delay in the settlement of a fully documented claim

The Company undertakes to indemnify the beneficiary of the coverage under this Policy for any expenses incurred as a result of not using the damaged Motor Vehicle due to a delay in the settlement of the Claim by the Company for more than 15 days following completion of the Claim's documentation, and failure to provide convincing justification for such a delay.

### 8. Fraud

The rights arising out from this Policy will forfeit in the event the Claim was raised on fraudulent basis or in the event the Insured or the Driver or the person acting on their behalf or Third Parties have used methods or means of fraud in order to benefit from such Policy, or when the liability or damage was caused by the deliberate act of the Insured or the Driver or Third Parties or in conspiracy with any of them. The Company shall have recourse against any party found liable for the fraud whether as a participant or an accomplice, provided that the Company will stay committed to indemnify Third Parties with good faith.

### 9. Policy issuance and renewal notification

The Company shall not issue this Policy unless it is automatically linked to the system of Najm for Insurance Services Company. The Company must notify the Insured of the Policy's expiry date two weeks ahead of its term in order to enable him to renew it or to procure another policy.

### 10. Misrepresentation, Misdescription and Non-Disclosure (This condition applies to section B only)

This insurance shall be voidable if there had been misrepresentation, misdescription or non-disclosure of any material fact. Cancellation of this insurance shall be subject to the cancellation conditions applying to Section B.

### 11. Defence or Settlement (This condition applies to Section B only)

No admission, offer, promise, payment or settlement shall be made by or on behalf of the Insured or the Authorized Driver without the written consent of the Company which shall be entitled, at any time and if it so desires to take over and conduct in the name of the Insured/Authorized Driver the defence or settlement of any claim or to prosecute in the name of the Insured/and Authorized Driver for the benefit of policyholders' account 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 Authorized Driver shall give all such information and assistance as the Company may require (such as executing powers of attorney at the Notary Public, submit any documents needed and the like).



## 12. Company's Right to Relinquish Proceedings (This condition applies to Section B only)

At any time after the happening of any event giving rise to a claim or series of claims, the Company may pay to the Insured or Authorized Driver the full amount of the Company's liability pursuant to Section B and relinquish the conduct of any defence, settlement or proceedings and the Company shall not be responsible for any damage alleged to have been caused to the Insured or the Authorized Driver in the consequence of any alleged action or omission of the Company in connection with such defence, 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, Authorized Driver or any claimant or other person after the Company shall have relinquished such conduct.

## 13. Notices (This condition applies to Section B only)

Every notice and other communication to the Company required by these conditions must be written or printed.

## 14. Subrogation (This condition applies to Section B only)

The Insured or Authorized Driver, as the case may be, shall, at the expense of the Company, do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company to recover any legal rights or remedies or of obtaining relief or indemnity from other parties (excluding the persons Insured under this Policy) to which the Company shall be or would become entitled or subrogated upon its paying for or making good any loss or damage under this policy whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

## 15. The Company's Right of Recourse against Any Person Who Is Involved in an Accident (This condition applies to Section B only)

Upon its paying any amount, whatsoever, for claims or damages which are excluded from the cover under Section B, as revealed later, or if any claim involves fraud or forgery the Company has the right of recourse against the Insured to recover such payment. The Company also has the right of recourse against any person who is involved in an accident while the Insured Motor Vehicle have been stolen or any attempt thereat or being driven by any person not having permission from the Insured.

## 16. Prescription (This condition applies to Section B only)

All claims arising out of Section B shall be forfeited after the expiration of three (3) years from the actual date of an accident or from the date that the Insured knew of such accident, unless a convincing reason for such delay is presented to the Company.

## 17. Reasonable Precautions (This condition applies to Section B only)

The Insured shall take all reasonable steps to safeguard the Motor Vehicle from loss or damage and to maintain the Motor Vehicle in an efficient condition and the Company shall have at all times free and full access to examine the Motor Vehicle or any part thereof. 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, damage or liability and if the Motor Vehicle is 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 Section B.

## 18. Complaints Procedure

In case of any objection or inquiry, we are happy to serve you through the following channels:

- Customer Toll free number: 8002444481
- Email: [customer.care@sa.rsagroup.com](mailto:customer.care@sa.rsagroup.com)

### We promise to:

- fully investigate your complaint;
- keep you informed of progress;
- do everything possible to resolve your complaint; and
- use the information from your complaint to proactively improve our service in the future.

If you are still not satisfied after the review you have the right to escalate your complaint in line with article 20 of the Law on Supervision of Cooperative Insurance Companies through the following channels:

- Toll free number: 8001256666
- Website: [www.samacares.sa](http://www.samacares.sa)

Or file a petition of dispute at the Committees for Resolution of Insurance Disputes and Violations through: [www.idc.gov.sa](http://www.idc.gov.sa)

## 19. Jurisdiction and applicable law

Any dispute arising out of this Policy is subject to applicable rules and regulations in the Kingdom of Saudi Arabia, and shall be referred to the Committee for the Settlement of Insurance Disputes provided for in Article 20 of the Law on Supervision of Co-operative Insurance Companies promulgated by Royal Decree No M/32 dated 2/6/1424 H.

Any lawsuit arising out of this policy shall not be approved in the event it is filed after the expiration of three years of the event giving rise to such lawsuit and which interested parties were aware of, unless there was a convincing reason to the Committee for the Settlement of Insurance Disputes.

## 20. Language

In the event of any difference in the meaning between the Arabic and English texts in this Policy the Arabic text is deemed to prevail.





**Al Alamiya for Cooperative Insurance Company**  
(Public Listed Company)

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