

### LONG TERM TWO WHEELER PACKAGE POLICY

Your vehicle is one of your most prized possessions. With HDFC ERGO's Motor Insurance, your vehicle is protected against any unforeseen circumstances. Traditional Motor Policy provides cover for annual term. HDFC ERGO's long term Two Wheeler Policy provides cover to your prized possession for multiple years to suit your requirements. Now, you can stay worry free from annual renewals up to three years. Our service is backed by authorized workshops across India and end to end automated process which ensures fast track claim settlement. It ensures you to get back to driver's seat quickly, no matter what happens to your vehicle.

#### PRODUCT HIGHLIGHTS

- Comprehensive cover with two and three year option.
- Protection of No Claim Bonus.
- Protection from annual increase in Third Party premium
- No hassles of annual renewals.
- Estimate approval in 24 hours of vehicle reaching garage.
- Cashless claim service at authorized network garages.
- Toll free help line for any policy queries and claim intimation.
- Fair and transparent claim settlement.

#### ELIGIBILITY

The product is being offered to all Two Wheeler vehicle owners. You have option to purchase policy for a period of two years or three years.

#### WHAT IS COVERED

##### Section I: Loss or Damage to the Insured Vehicle caused by:

- I. by fire explosion self ignition or lightning
- II. by burglary housebreaking or theft
- III. by riot and strike
- IV. by earthquake (fire and shock damage)
- V. by flood typhoon hurricane storm tempest inundation cyclone hailstorm frost
- VI. by accidental external means
- VII. by malicious act
- VIII. by terrorist activity
- IX. whilst in transit by road rail inland-waterway lift elevator or air
- X. by landslide rockslide

Subject to a deduction for depreciation at the rates mentioned below in respect of parts replaced:

1. For all rubber/ nylon/ plastic parts, tyres and tubes, batteries and air bags - 50%
2. For fibre glass components - 30%
3. For all parts made of glass - Nil
4. Rate of depreciation for all other parts including wooden parts will be as per the following schedule.

Age of Vehicle	% of Depreciation
Not exceeding 6 months	Nil
Exceeding 6 months but not exceeding 1 year	5%
Exceeding 1 year but not exceeding 2 years	10%
Exceeding 2 years but not exceeding 3 years	15%
Exceeding 3 years but not exceeding 4 years	25%
Exceeding 4 years but not exceeding 5 years	35%
Exceeding 5 years but not exceeding 10 years	40%
Exceeding 10 years	50%

5. Rate of Depreciation for painting: In the case of painting, the depreciation rate of 50% shall be applied only on the material cost of total painting charges. In case of a consolidated bill for painting charges, the material component shall be considered as 25% of total painting charges for the purpose of applying the depreciation.

In the event of the vehicle being disabled by reason of loss or damage covered under this Policy the Company will bear the reasonable cost of protection and removal to the nearest repairer and of redelivery to the Insured but not exceeding in all Rs.300/- in respect of any one accident.

The insured may authorise the repair of the vehicle necessitated by damage for which the Company may be liable under this Policy provided that:-

- a. the estimated cost of such repair including replacements, if any, does not exceed Rs.150/-
- b. the Company is furnished forthwith a detailed estimate of the cost of repairs and
- c. the insured shall give the Company every assistance to see that such repair is necessary and the charges are reasonable.

#### Section II - Liability to Third Parties

1. Subject to the limits of liability as laid down in the Schedule hereto the Company will indemnify the insured in the event of an accident caused by or arising out of the use of the insured vehicle against all sums which the insured shall become legally liable to pay in respect of
  - i. death of or bodily injury to any person including occupants carried in the insured vehicle (provided such occupants are not carried for hire or reward) but except so far as it is necessary to meet the requirements of Motor Vehicles Act, the Company shall not be liable where such death or injury arises out of and in the course of the employment of such person by the insured,
  - ii. damage to property other than property belonging to the insured or held in trust or in the custody or control of the insured.

Provided always that the Company shall not be liable in respect of death injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of the load to the vehicle for loading thereon or the taking away of the load from the vehicle after unloading there from.

2. The Company will pay all costs and expenses incurred with its written consent.
3. In terms of and subject to the limitations of the indemnity granted by this section to the insured, the Company will indemnify any driver who is driving the vehicle on the insured's order or with insured's permission provided that such driver shall as though he/she was the insured observe fulfill and be subject to the terms exceptions and conditions of this Policy in so far as they apply.
4. In the event of the death of any person entitled to indemnity under this policy the Company will in respect of the liability incurred by such person indemnify his/her personal representative in terms of and subject to the limitations of this Policy provided that such personal representative shall as though such representative was the insured observe fulfill and be subject to the terms exceptions and conditions of this Policy in so far as they apply.
5. The Company may at its own option
  - A. arrange for representation at any Inquest or Fatal Inquiry in respect of any death which may be the subject of indemnity under this Policy and
  - B. undertake the defence of proceedings in any Court of Law in respect of any act or alleged offence causing or relating to any event which may be the subject of indemnity under this Policy.

#### Section III - Personal Accident Cover for Owner - Driver

Subject otherwise to the terms exceptions conditions and limitations of this Policy, the Company undertakes to pay compensation as per the following scale for bodily injury/ death sustained by the owner-driver of the vehicle indirect connection with the vehicle insured whilst mounting into/dismounting from or traveling in the insured vehicle as a co-driver, caused by violent accidental external and visible means which independent of any other cause shall within six calendar months of such injury result in:

Nature of injury	Scale of compensation
i. Death	100%
ii. Loss of two limbs or sight of two eyes or one limb and sight of one eye.	100%
iii. Loss of one limb or sight of one eye	50%
iv. Permanent total disablement from injuries other than named above.	100%

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Provided always that,

- A. the compensation shall be payable under only one of the items (i) to (iv) above in respect of the owner-driver arising out of any one occurrence and the total liability of the insurer shall not in the aggregate exceed the sum of Rs. 1 lakh during any one period of insurance.
- B. no compensation shall be payable in respect of death or bodily injury directly or indirectly wholly or in part arising or resulting from or traceable to (a) intentional self injury suicide or attempted suicide physical defect or infirmity or (b) an accident happening whilst such person is under the influence of intoxicating liquor or drugs.
- C. Such compensation shall be payable directly to the insured or to his/her legal representatives whose receipt shall be the full discharge in respect of the injury to the insured.
1. This cover is subject to
- the owner-driver is the registered owner of the vehicle insured herein;
  - the owner-driver is the insured named in this policy.
  - the owner-driver holds an effective driving license, in accordance with the provisions of Rule 3 of the Central Motor Vehicles Rules, 1989, at the time of the accident

(c) loss of or damage to accessories by burglary housebreaking or theft unless the vehicle is stolen at the same time; and

(d) any accidental loss or damage suffered whilst the insured or any person driving the vehicle with the knowledge and consent of the insured is under the influence of intoxicating liquor or drugs.

#### NO CLAIM BONUS:

The NCB discount will be applicable on the first year premium. The discounts applicable on the subsequent years of the policy shall be applicable as per the below table:

NCB / Policy Year	Max. Disc. On Annual Policy Premium for Long Term Cover		
	1 <sup>st</sup> Year Premium	2 <sup>nd</sup> Year Premium	3 <sup>rd</sup> Year Premium
0%	0%	33%	38%
20%	20%	40%	45%
25%	25%	45%	50%
35%	35%	55%	60%
45%	45%	65%	65%
50%	50%	65%	65%
55%	55%	65%	65%
65%	65%	65%	65%

#### WHAT IS NOT COVERED

(Applicable to all sections of the Policy)

The Company shall not be liable in respect of:

- any accidental loss damage and/or liability caused sustained or incurred outside the Geographical Area.
- any claim arising out of any contractual liability.
- any accidental loss damage and/or liability caused sustained or incurred whilst the vehicle insured herein is:
  - being used otherwise than in accordance with the Limitations as to Use or
  - being driven by or is for the purpose of being driven by him/her in the charge of any person other than a Driver as stated in the Driver's clause.
- any accident loss or damage to any property whatsoever or any loss or expense whatsoever resulting or arising there from or any consequential loss
  - any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purposes of this exception combustion shall include any self-sustaining process of nuclear fission.
- any accidental loss or damage or liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material
- any accidental loss damage and/or liability directly or indirectly or proximately or remotely occasioned by or contributed to by or traceable to or arising out of or in connection with war, invasion, the act of foreign enemies, hostilities or warlike operations (whether before or after declaration of war), civil war, mutiny rebellion, military or usurped power or by any direct or indirect consequences of any of the said occurrences and in the event of any claim hereunder the Insured shall prove that the accidental loss damage and/or liability arose independently of and was in no way connected with or occasioned by or contributed to by or traceable to any of the said occurrences or any consequences thereof and in default of such proof the Company shall not be liable to make any payment in respect of such a claim.

The Company shall not be liable to make any payment in respect of:

- consequential loss, depreciation, wear and tear, mechanical or electrical breakdown failures or breakages;
- damage to Tyres and Tubes unless the vehicle insured is damaged at the same time in which case the liability of the company shall be limited to 50% of the cost of replacement.

In case of total loss due to theft or constructive total loss the NCB would not be applicable as the vehicle & policy ceases to exist.

#### NO CLAIM BONUS PROTECTION

NCB will remain protected during the policy period, if the insured registers own damage partial loss claim during the policy term, there will be no additional recovery of No Claim Bonus. However, after completing the full term of the policy, the insured will be eligible for No Claim Bonus on renewal for every completed and consecutive, claim free period of 12 months as per the erstwhile Indian Motor Tariff 2002. The below tables illustrate the NCB eligibility at renewal for a long term private car package policy.

Two Year Long Term Policy		
NCB at entry	Claims registered	NCB eligibility at renewal
0%	No Claims made during entire policy term	25%
0%	Claims made during 0 to 12 months, but no claims during 12 to 24 months	20%
0%	Claims made during 12 to 24 months	0%

Three Year Long Term Policy		
NCB at entry	Claims registered	NCB eligibility at renewal
0%	No Claims made during entire policy term	35%
0%	Claims made during 0 to 12 months, but no claims during 12 to 24 months	25%
0%	Claims made during 12 to 24 months, but no claims during 24 to 36 months	20%
0%	Claims during 24 to 36 months	0%

In case of total loss due to theft or constructive total loss the NCB would not be applicable as the vehicle & policy ceases to exist.

#### DEDUCTIBLE

The Company shall not be liable for each and every claim under Section -1 (loss of or damage to the vehicle insured) of this Policy in respect of the deductible stated in the schedule.

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#### CANCELLATION & REFUND

- a. The Company may cancel the policy by sending seven days notice by recorded delivery to the insured at insured's last known address in case of misrepresentation, fraud, non-disclosure of material fact or non-cooperation by the Insured, the Insurer reserve the right to cancel the Policy and is not obliged to refund the premium already paid under the policy.
- b. The policy may be cancelled at the option of the insured by sending seven days notice of cancellation to the insurer and the insurer will refund to the insured the premium as per below table. Refund of premium will be subject to:
  - i. there being no claim under the policy, or in case of partial loss claim under the policy the insured shall be entitled to a refund of premium as per the below short period table for unexpired years of the policy tenure.
  - ii. the retention of minimum premium as specified in the Tariff.

Short Period Premium Retention		
2 Years Long Term Policy	3 Years Long Term Policy	% Retention
Up to 4 Months	Up to 9 Months	20%
Exceeding 4 month but not exceeding 6 months	Exceeding 9 months but not exceeding 12 months	30%
Exceeding 6 months but not exceeding 8 months	Exceeding 12 months but not exceeding 15 months	40%
Exceeding 8 months but not exceeding 10 months	Exceeding 15 months but not exceeding 18 months	50%
Exceeding 10 months but not exceeding 12 months	Exceeding 18 months but not exceeding 21 months	60%
Exceeding 12 months but not exceeding 14 months	Exceeding 21 months but not exceeding 24 months	70%
Exceeding 14 months but not exceeding 16 months	Exceeding 24 months but not exceeding 27 months	80%
Exceeding 16 months but not exceeding 18 months	Exceeding 27 months but not exceeding 30 months	90%
Exceeding 18 months	Exceeding 30 months	100%

- c. In case of Total Loss including theft and Constructive Total Loss (TL / CTL), full premium for unexpired years as mentioned on the policy schedule will be refunded.
- d. A policy can be cancelled only after ensuring that the vehicle is insured elsewhere, at least for Liability Only cover and after surrender of the original Certificate of Insurance for cancellation.
- e. In case of misrepresentation, fraud, non-disclosure of material fact or non-cooperation by the Insured, the Insurer reserve the right to cancel the Policy and is not obliged to refund the premium already paid under the policy.

#### Treatment of No Claim Bonus in case of Cancellation:

An insured becomes entitled to No Claim Bonus only for every claim free block of 12 months. In case if the insured cancel the policy, the insured will be eligible for No Claim Bonus for every completed and continuous, claim free period of 12 months as per the erstwhile Indian Motor Tariff 2002. The illustration of the NCB eligibility is produced below:

Two Year Long Term Policy					
	NCB at Entry	Cancellation period	Claim in 0 to 12 Months	Claim in 12 to 24 Months	NCB on Cancellation
Scenario 1	0%	0 -12 months	N	NA	0%
Scenario 2	0%	12 - 24 months	N	N	20%
Scenario 3	0%	0 -12 months	Y	NA	0%
Scenario 4	0%	12 - 24 months	Y	N	20%
Scenario 5	0%	0 -12 months	N	Y	0%

Three Year Long Term Policy						
	NCB at Entry	Cancellation period	Claim in 0 to 12 Months	Claim in 12 to 24 Months	Claim in 24 to 36 Months	NCB on Cancellation
Scenario 1	0%	0-12 months	N	NA	NA	0%
Scenario 2	0%	12-24 months	N	N	NA	20%
Scenario 3	0%	24-36 months	N	N	N	25%
Scenario 4	0%	0-12 months	Y	NA	NA	0%
Scenario 5	0%	12-24 months	N	Y	NA	0%
Scenario 6	0%	24-36 months	N	N	Y	0%
Scenario 7	0%	12-24 months	Y	N	NA	0%
Scenario 8	0%	24-36 months	Y	N	N	20%

In the event of transfer of ownership, the insured will be issued NCB reserving letter as per the eligibility upon submission of proof of sale.

#### CLAIMS INTIMATION

In the event of loss due to an insured event the insurance company must be informed immediately.

Our contact details are as follows: - Toll Free Helpline 1800 2 700 700

DISCLAIMER: THE ABOVE IS DESCRIPTIVE ONLY. THE ACTUAL TERMS AND CONDITIONS CAN BE FOUND IN THE POLICY DOCUMENT. INSURED'S ARE ADVISED TO READ THE POLICY DOCUMENT COMPLETELY FOR A FULL DESCRIPTION OF THE TERMS AND CONDITIONS OF COVERAGE AND THE EXCLUSIONS RELATING THERETO.

#### PROHIBITION OF REBATES (SECTION 41 of Insurance Act, 1938 as amended)

1. No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer: provided that acceptance by an insurance agent of commission in connection with a policy of life insurance taken out by himself on his own life shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.
2. Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.