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**MOTORCYCLE INSURANCE POLICY WORDING**

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 **LIBERTY INSURANCE LIMITED** (hereafter called the Company) for the insurance hereinafter contained and has paid or agreed to pay the Premium as consideration for such insurance.

NOW THIS POLICY WITNESSES that in respect of events occurring during the Period of Insurance and subject to the terms Exclusions and conditions contained herein or endorsed hereon (hereinafter collectively referred to as the Terms of this Policy).

**GENERAL CONDITIONS****1. Interpretation**

This Policy incorporates the Schedule, Endorsements and Certificate which shall be read together as one contract. Words and expressions to which specific meanings have been attached in any part of this Policy or of the Schedule and Endorsements shall bear such specific meanings wherever they shall appear.

**2. Written Notice**

Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company.

**3. Care of Motorcycle**

The Insured shall take all reasonable steps to safeguard the Motorcycle from loss or damage and to maintain the Motorcycle in efficient condition, and the Company shall have at all times free and full access to examine the Motorcycle or any part thereof or any driver or employee of the Insured. In the event of any accident or breakdown the Motorcycle shall not be left unattended without proper precautions being taken to prevent further loss or damage, and if the Motorcycle be ridden before the necessary repairs are effected, any extension of the damage or any further damage to the Motorcycle shall be excluded from the scope of the indemnity granted by this Policy.

**4. Notification of Accidents**

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, inquiry or offer of composition 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 immediate notice to the Police and co-operate with the Company in securing the conviction of the offender.

**5. Claims Procedure**

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 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 defence 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 full settlement of any claim, and the insured and such person shall give all such information and assistance as the Company may require.

**6. Relinquishing the conduct of defence or proceedings**

At any time after the happening of any event giving rise to a claim or series of claims under Section II of this Policy the Company may pay to the Insured the full amount of the Company's liability under Section II or any lesser sum for which the claim or claims arising from such occurrence can be settled 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 in 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 or any claimant or other person after the Company shall have relinquished such conduct.

7. **Cancellation**

The Company may cancel this Policy by giving 30 days' notice by registered letter to the Insured at his last known address and in such event the Company will return to the Insured the premium paid less the pro rata portion thereof for the period during which the Policy had been in force.

This Policy may be cancelled by the Insured at any time by giving written notice to the Company and provided no claim has arisen during the period during which the Policy had been in force, in such event the Insured shall be entitled to a return of premium less the premium computed at the Company's Short Period Rates for the period during which the Policy had been in force. Provided always that in each event no claim has arisen prior to the cancellation, and the Insured shall return the current Certificate(s) of Insurance on or before the date of cancellation and pay the premium due promptly.

Short Period Rates:

<u>Period</u>	<u>Premium</u>
Up to 3 months	30% of Annual Premium
Between 3 to 6 months	60% of Annual Premium
Between 6 to 9 months	90% of Annual Premium
Over 9 months	100% of Annual Premium

8. **Other Insurance**

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 under proviso (i) to Section II - 2 of this Policy.

9. **Arbitration**

If any difference arises as to the amount to be paid under this Policy (liability otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the Company.

10. **Condition Precedent to the Company's Liability**

The due observance and fulfilment of the Terms, Exclusions and Conditions of this Policy insofar 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 to any liability of the Company to make any payment under this Policy.

11. **Law and Practice**

This insurance is subject to Vietnamese law and practice.

## GENERAL EXCLUSION

The Company shall not be liable in respect of:

1. any accident, loss, damage or liability caused sustained or incurred:
  - (a) outside the Geographical Area;
  - (b) whilst any Motorcycle in respect of which indemnity is provided by this Policy is:
    - (i) being used otherwise than in accordance with the Limitations as to Use;
    - (ii) being ridden by or is for the purpose of being ridden by him in the charge of any person other than an Authorised Driver;
    - (iii) being ridden by the Insured or by any person on the order of or with the permission of the Insured whilst under the influence of intoxicating liquor or drugs.

Provided that conviction against the driver for an offence under current Traffic Ordinance of the Socialist Republic of Vietnam incorporating all amendments up to that date, or any statutory law prohibiting the abuse of drugs shall be conclusive evidence for Exclusion (b)(iii) to apply where the offence was committed at the time of an accident or event giving rise to a claim under this Policy;

2. any accident, loss, damage or liability (except so far as is necessary to meet the requirements of the Legislation) directly or indirectly caused by resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss :
  - (a) war, invasion, act of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, rebellion, revolution, insurrection, military or usurped power;
  - (b) strike, riot or civil commotion;
  - (c) act of terrorism;
  - (d) detention, seizure, confiscation or any attempt thereat;

For the purpose of this Policy, "terrorism" means an act, including but not limited to the use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear;

This Exclusion also applies to accident, loss, damage or liability, cost or expenses of whatever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (a), (b) and/or (c) above.

In any action, suit or other proceeding where the Company alleges that by reason of the provisions of this Exclusions (a), (b) and (c) above any accident, loss, damage or liability, cost or expenses is not covered by this insurance the burden of proving that such accident, loss, damage or liability, cost or expenses is covered shall be upon the Insured.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

3. any liability which attaches by virtue of an agreement but which would not have attached in the absence of such agreement;
4. liability in respect of injury illness disease loss or damage which results from a deliberate act or omission of the Insured and which could reasonably have been expected having regard to the nature and circumstances of such act or omission;
5. damage, liability or accident directly or indirectly caused by or arising from or in consequence of or

contributed to by:

- (a) nuclear weapons material;
  - (b) (i) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this Exclusion 5(b) combustion shall include any self-sustaining process of nuclear fission;
  - (ii) the radioactive, explosive or other hazardous properties of any explosive nuclear component thereof.
6. fines, penalties or liquidated damages;
7. punitive damages and/or exemplary damages and/or aggravated damages and/or any additional damages resulting from the multiplication of compensatory damages;
8. Any actual or alleged liability whatsoever for any claim or claims in respect of losses directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.
9. Any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of, or in any way involving:
- (a) diethylstilbestrol (DES), dioxin, urea formaldehyde, SARS, Bird Flu, transmissible spongiform encephalopathies (TSE)
  - (b) acquired immune deficiency syndrome (AIDS) or AIDS related complex (ARC) or any syndrome or condition of a similar kind howsoever it may be named.

## **SPECIAL EXCLUSIONS**

### **1. Sanction Limitation Exclusion**

The Company shall not provide cover and shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Liberty to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United State of America.

## SECTION I - INSURANCE ON THE MOTORCYCLE

### COVER

1. **Loss or Damage**

The Company will indemnify the Insured against loss of or damage to the Motorcycle and its accessories and spare parts whilst thereon arising anywhere within the Geographical Area. At its own option the Company may pay in cash the amount of the loss or damage or may repair, reinstate or replace the Motorcycle or any part thereof or its accessories or spare parts. The liability of the Company shall not exceed the value of the parts lost or damaged and the reasonable cost of fitting such parts. The Company's maximum liability shall be limited to the prevailing market value of the Motorcycle at the time of the loss or damage, but not exceeding the Insured's Estimate of Market Value (Sum Insured) stated in the Schedule.

2. **Hire Purchase Agreement**

If to the knowledge of the Company the Motorcycle is the subject of a Hire Purchase Agreement, any payment in cash including payment in lieu of repair shall be made to the Hire Purchase Owner(s) described in the Schedule of the Policy, whose receipt shall be full and final discharge to the Company in respect of such loss or damage, whilst nothing herein shall be construed as constituting the Insured an agent or trustee for the Owners or as an assignment (whether legal or equitable) by the Insured to the Owners of his rights, benefits and claims under this Policy, it being understood and agreed that the Insured shall not assign his rights, benefits and claims under this Policy without the prior consent in writing of the Company.

### EXCLUSION TO SECTION I

The Company shall not be liable to pay for:

- (a) the first amount of each and every loss as Deductible stated in the Schedule;
- (b) partial loss by theft;
- (c) loss of use or any other consequential loss;
- (d) depreciation, wear and tear, mechanical or electrical breakdown, failure or breakage;
- (e) damage to tires unless damage is caused to other parts of the Motorcycle simultaneously in the same accident;
- (f)
  - (i) any equipment or computer malfunction, and/or
  - (ii) the failure or inability of any equipment or any computer program to recognise or to correctly interpret or process any date as the true or correct date or to continue to function correctly beyond that date.
- (g) damage to engine caused by water resulting from the insured riding into high water area.

## SECTION II - LIABILITY TO THIRD PARTY

### COVER

1. **Indemnity to the Insured**

The Company will, subject to the Limits of Liability, indemnify the Insured against all sums, including claimants 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

where such death or injury or damage arises out of an accident caused by or arising out of the use of the Motorcycle.

2. **Indemnity to Authorised Driver**

The Company will, subject to the Limits of Liability, indemnify any Authorised Driver who is riding the Motorcycle against all sums, including claimant's costs and expenses, which such Authorised Driver shall become legally liable to pay in respect of:

- (a) death of or bodily injury to any person
- (b) damage to property

where such death or bodily injury or damage arises out of an accident caused by or arising out of the use of the Motorcycle, provided that such Authorised Driver:

- (i) is not entitled to indemnity under any other policy;
- (ii) shall as though he were the Insured observe, fulfil and be subject to the Terms, Exclusions and Conditions of this Policy insofar as they can apply.

3. **Indemnity to Personal Representatives**

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 personal representatives in the terms and subject to the limitations of such Section, provided that such representatives shall as though they were the Insured observe, fulfil and be subject to the Terms, Exclusions Conditions of this Policy insofar as they can apply.

4. **Legal Liability of Passengers for Acts of Negligence**

The Company will also indemnify in the terms of Section II of this Policy any person mounting into dismounting from or travelling in the Motorcycle, such person being hereinafter called "the Passenger", provided that the passenger:

- (i) is not riding the Motorcycle or in charge of the Motorcycle for the purpose of riding;
- (ii) is not entitled to indemnity under any other Policy;
- (iii) shall as though he were the Insured observe, fulfil and be subject to the Terms, Exclusions and Conditions of this Policy in so far as they can apply.

The Company shall not be liable in respect of:

- (a) death of or bodily injury to any person in the employment of the Passenger where such death or bodily injury arises out of or in the course of such employment;
- (b) damage to property belonging to or held in trust by or in the custody or control of the Insured or of the Passenger or being conveyed by the Motorcycle.

5. **Expenses**

Inclusive in the limit of liability for any one occurrence, the Company will pay all costs and expenses incurred with its written consent.

6. **Representation and Defence**

The Company may at its own option:

- (a) arrange for representation at any inquest or inquiry, the subject matter of which may give rise to indemnity under this Section;
- (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 Section;
- (c) arrange at the request of the Insured and pay, subject to the Limit of Liability under Section II and subject to its prior consent, for any necessary and reasonable expenses for legal services for defence of any charge of causing death by riding the Motorcycle, other than murder, which may be brought against the Insured or any other person who is riding on the Insured's order or with his permission, in respect of any death which may be the subject of indemnity under this Section.

## **EXCLUSIONS TO SECTION II**

The Company shall not be liable:

- (a) in respect of death of or bodily injury to any person arising out of and in the course of such person's employment by the person claiming to be indemnified under this Section;
- (b) in respect of death of or bodily injury to driver and/or passengers travelling in or mounting into or dismounting from the vehicle;
- (c) in respect of damage to property belonging to or held in trust by or in the custody or control of:
  - (i) the Insured or any member of his household;
  - (ii) any Authorised Driver claiming to be indemnified under Section II-2 or any member of his household;
- (d) compensation for damages in respect of judgements not in the first instance delivered by or obtained from a Court of competent jurisdiction within the Socialist Republic of Vietnam;
- (e) costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the Socialist Republic of Vietnam.



**LIMITS OF LIABILITY**

Limit of the amount of the Company's combined liability under Section II in respect of any one claim or series of claims arising out of one event.

See Schedule.

**AUTHORISED DRIVER**

Persons or Classes of Persons entitled to ride with the consent of the vehicle's owner. Provided that the person riding is permitted in accordance with the licensing or other laws or regulations to ride any vehicle described in the Schedule or has been so permitted and is not disqualified by order of a Court of Law or by reason of any enactment or regulation in that behalf from riding such vehicle.

**GEOGRAPHICAL LIMIT**

As described in the Schedule.

**LIMITATIONS AS TO USE**

As described in the Schedule.

## PREMIUM WARRANTY

1. Notwithstanding anything herein contained to the contrary, and subject only and without prejudice to clause 2 hereinafter set out, it is hereby declared and agreed that it is a condition precedent to liability under this Policy, Renewal Certificate, Endorsement or Cover Note that any premium due must be paid and actually received in full by the Company, the registered broker or registered agent through whom this Policy was effected:
  - (a) where the period of insurance is more than 30 (thirty) days, within 30 (thirty) days from the:
    - (i) INCEPTION date of the cover under the Policy, Renewal Certificate or Cover Note; or
    - (ii) EFFECTIVE date of the cover stated on each Endorsement, if any, issued under the Policy, Renewal Certificate or Cover Note; or
    - (iii) where the ISSUANCE date of the Policy or the Endorsement, if any, issued under the Policy, Renewal Certificate or Cover Note is more than 30 (thirty) days from the inception date or effective date, the premium must be paid upon presentation of the Debit Note(s); or
  - (b) where the Company has allowed payment of that premium by installments
    - (i) within 15 days from INCEPTION date of the cover under the Policy, Renewal Certificate or Cover Note for the first installment and thereafter from the agreed dates on which the subsequent installments become payable; or
    - (ii) Any Endorsement, if any, issued under the Policy, Renewal Certificate or Cover Note, the premium must be paid on the due date of latest installment and before the expiry date of the Policy
    - (iii) where the period of insurance is less than 30 (thirty) days, the premium must be paid upon presentation of the Debit Note(s).
2. In the event any of the abovementioned premium is not paid in full to the Company, registered broker or registered agent as described above in the manner and within the time stipulated above (the "premium warranty period"), the cover under this Policy, Renewal Certificate, Endorsement or Cover Note shall be deemed to have terminated automatically from the expiry of the premium warranty period and the Company shall be discharged from all liability therefrom but without prejudice to any liability incurred before that date and the Company shall be entitled to a pro-rata time on risk premium subject to a minimum of US\$100.
3. In case of claim, all the outstanding premiums will be paid immediately to the Company.

## IMPORTANT NOTICE

**We would remind that you must disclose to us, fully and faithfully, the facts you know or ought to know, otherwise you may not receive any benefit from your Policy.**