

## Engine Protect

### (Add-on to Long Term Private Car Package Policy for 3 years)

Policy Issuing Office

Whereas the insured by a proposal and declaration, as stated in the schedule, which shall be the basis of this contract and is deemed to be incorporated herein, has applied to National Insurance Company Limited (herein called the Company) for the insurance herein after set forth and has paid the premium as consideration for such insurance in respect of the vehicle (herein after called the Insured Vehicle) as described in the Schedule.

#### 1 Operative Clause

Subject to terms, definitions, exclusions, and conditions contained herein, it is hereby understood and agreed that the Company shall extend the Policy to cover repair or replacement of the following loss of or damage to the insured vehicle, arising during the policy period.

1. Engine and/or engine parts arising out of water ingress due to flood/ inundation resulting in hydrostatic lock.
2. Engine and/or engine parts and/or gear box parts and/or differential parts arising by engine seizure and/or gear box/ differential failure due to leakage of lubricating oil directly caused by an accidental external impact on the engine/gear box/ differential.

In addition to the above, the cost of consumables replenished while undertaking the repair or replacement of the parts covered shall also be payable.

#### 2 Definitions

- 2.1 **Consumables** mean material which are used up and need replenishment including engine oil, gear box oil but excluding fuel.
- 2.2 **Differential Parts** mean all internal lubricated parts of the differential assembly.
- 2.3 **Engine Parts** mean all internal lubricated parts of the engine assembly.
- 2.4 **Gear Box Parts** mean all internal lubricated parts of the gearbox/ transfer gearbox assembly
- 2.5 **Policy** means the Long Term Private Car Package Policy for 3 years.
- 2.6 **Schedule** means a document forming part of the Policy, containing details including insured details, period of insurance, Insured Declared Value (IDV), premium paid, insured vehicle details including vehicle make, type of body, engine number, and chassis number.

#### 3 Exclusions

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

- 3.1 Losses covered under any other insurance of any nature or manufacturer's warranty or recall campaign at the time of happening of any loss or damage.
- 3.2 Losses including corrosion of engine due to delay in intimation to the Company and/ or retrieval of the insured vehicle from the water logged area and/or repair of the vehicle.
- 3.3 Claims where the repair has been carried out without prior approval of the Company.
- 3.4 Depreciation of the replaced parts.
- 3.5 Losses caused by any faults or defects existing at the time of inception of the Policy within the knowledge of the insured.
- 3.6 Delay of more than twenty four hours, in delivering the insured vehicle to the workshop from the time of occurrence of accidental damage or loss, unless the event is declared as catastrophic and removal of the vehicle from the spot of accident is not possible immediately.
- 3.7 Break down of any other assembly(s) in the insured vehicle, as the consequence of the cover mentioned above.

#### 4 Conditions

- 4.1 One claim shall be payable in a year during the policy period.
- 4.2 The claim amount payable shall be up to a maximum of 25% of the IDV on the year of loss.
- 4.3 Liability shall be subject to the final assessment of loss after consideration of the terms and conditions of the Policy and other Add-Ons opted.
- 4.4 Loss due to leakage of lubricating oil shall be considered, provided there are visible evidences of accidental damage/damages to the engine or respective assembly.

#### 4.5 Claim Procedure

##### 4.5.1 Claim Intimation

Notice shall be given to the Company within twenty four hours of the insured vehicle being stuck or submerged in water or in the event of leakage of lubricating oil, resulting in a claim, and thereafter the insured shall give all information and provide assistance as the Company shall require.

#### **4.5.2 Evidence of Damage**

Evidence shall be provided with respect to

- a) The insured vehicle being stuck or submerged in water logged area resulting in damage/loss to the internal parts of the engine due to water ingress.
- b) Visible accidental impact leading to leakage of lubricating oil from the engine/ gear box/differential resulting in seizure/failure of the same assembly.

#### **4.5.3 Documents**

- i. Duly completed and signed Claim Form
- ii. Any other documents as required by the surveyor/ Company

**4.6** In the event of transfer of ownership, the cover shall cease.

**Subject otherwise to terms, conditions, limitations and exclusions of the Policy.**