FAIRFIRST INSURANCE LIMITED
Access Towers II (14th Floor), No. 278/4,
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Insurance Product Information Document (IPID)

Commercial Vehicle Insurance Policy

This document provides a concise summary of your insurance policy. For complete details, you must read the full **Insurance Policy document** and **Schedule**.

1. What type of insurance is this?

The **Commercial Vehicle Insurance Policy** is designed to provide financial protection for vehicles used for your business or occupation, covering damage to your vehicle and your legal liability to third parties.[3] This document primarily describes the **Comprehensive** cover.

2. Key Benefits (What is Covered under Comprehensive Cover)

Your policy protects you and your business in two main areas. Your specific coverage level (e.g., Comprehensive, Third Party) is shown on your **Policy Schedule**.

(i). Loss of or Damage to Your Vehicle (Section I)

We cover the loss of or damage to your commercial vehicle and its accessories from:

- Accidental external means (a collision or impact).
- Fire, explosion, or self-ignition.
- Burglary, housebreaking, or theft of the entire vehicle.
- Malicious acts.
- **Includes Additional Benefits (Private Dual-Purpose Vehicle Only):** We also pay for the reasonable cost of towing your vehicle to the nearest approved repairer (up to Rs.20,000/- or as specified in the policy schedule).

(i). Your Legal Liability to Third Parties (Section II)

We cover the compensation you are legally required to pay for:

- **Death or Bodily Injury to any third party:** The cover for this is **Unlimited**.
- **Damage to Third Party Property:** Covered up to **Rs. 15,000** per incident (or a higher amount if specified in your schedule).

3. Key Exclusions (What is NOT Covered)

- **Theft of Parts:** Theft of accessories or spare parts is **not covered** unless the entire vehicle is stolen at the same time.
- **Injury to Passengers:** Injury to or death of passengers being carried in the vehicle is generally **not covered**.
- **Damage from Operational Use ("Tool of Trade"):** Damage that occurs while the vehicle is being operated as a tool (e.g. Crane lifting goods, a tipper unloading) is **not covered**.

- **Damage from Overloading:** Damage caused by overloading the vehicle or the nature of the load is excluded.
- **Wear and Tear:** Gradual damage from aging, mechanical, or electrical breakdowns is not covered.
- **Driving Under the Influence:** Any accident or loss that occurs while the driver is under the influence of alcohol or drugs.
- **Unlicensed Drivers:** Any loss that occurs while the vehicle is being driven by a person who does not hold a valid driving license for that class of vehicle.
- **Use Outside of Terms:** Using your vehicle for purposes not declared and agreed upon (e.g., Usage as Rent when declared as private or Hiring, using a goods-carrying lorry for passenger transport, etc….).

4. The mode of payment of premiums

Your premium is paid as a **single payment** for the entire policy period, which is typically one year.

5. Importance of having nominees/beneficiaries

If the insured vehicle is owned by an individual (sole proprietor), it is important that their will is clear. In the event of the owner's death, any benefits or legal protection under the policy passes to their legal personal representatives (the estate).

6. Obligations of the policyholder in disclosing material facts

You must provide true and complete information in your proposal form, especially regarding the **exact nature of your business**, the **type of goods carried**, and the **intended use of the vehicle**. You must notify us of any material changes. Failure to do so can lead to your claim being rejected.

7. Obligations of the policyholder, when a claim is made

If an accident or loss occurs, you must:

- **Take Reasonable Precautions:** You must safeguard your vehicle from further loss or damage and keep it in a roadworthy condition.
- **DO NOT Admit Liability:** You must not admit fault, make an offer, or promise any payment to a third party without our written consent.
- **Cooperate Fully:** You must provide all information and assistance we need to handle the claim.

8. Procedure to be followed in the event of a claim

Step 1: Notify Us Immediately

- You must inform Fairfirst immediately after any accident, loss, or damage.
- In case of theft or a criminal act, you must also notify the Police immediately.

Step 2: Do Not Start Repairs

- You must not begin any repairs or accept any repair estimates without getting our prior written approval.

Step 3: Submit Documents

- Submit a completed claim form and all required documents to us within **15 days** of the incident.

9. Complaints and Grievance Handling

Step 1 – Contact Fairfirst Insurance:

☎ +94 11242 8282 (8:30 a.m. to 5:00 p.m.)

✉ info@fairfirst.lk

You may escalate concerns to Fairfirst's Risk & Compliance team.

Step 2 – External Escalation (if unresolved):

- Insurance Regulatory Commission of Sri Lanka (IRCSL)

  ☎ +94 11 2335167 | ✉ info@ircsl.gov.lk | www.ircsl.gov.lk

- Insurance Ombudsman

  ☎ +94 11 2505542 / +94 11 2505041 | ✉ info@insuranceombudsman.lk | www.insuranceombudsman.lk

10. Contact Us for More Information

Fairfirst Insurance Limited
Access Towers II (14th Floor), No. 278/4, Union Place, Colombo 02, Sri Lanka

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11. Any other information

- **Deductible:** For any claim for damage to your vehicle, you will have to pay first **Rs. 1,000** yourself or as stated in the policy schedule.
- **No Claim Bonus (NCB):** If you do not make a claim for a full year, you may get discount on your renewal premium.
- **Different Cover Types:** This document describes Comprehensive cover. Your schedule will specify if you have a lower level of cover, such as **Third Party, Fire and Theft** or **Third Party Only**.
- **Cancellation:** You can cancel the policy with 7 days' notice and may be entitled to a partial refund if no claims have been made. We can also cancel the policy with 7 days' notice and will provide a proportional refund.

Additional Optional Covers for the Commercial Vehicle Insurance Policy:

- **M01 Duty Free Vehicle:** Covers replacement of parts for a duty-free vehicle after a claim, excluding the cost of local customs duty.
- **M02 Hire Purchase or Leasing:** Ensures claim payments for an insured vehicle under a hire purchase or lease go directly to the legal owner (lender) until the loan is fully settled.
- **M03 All Claims Excess:** The insured must pay a fixed initial amount, known as excess, on every claim made under the policy.
- **M06A Personal Accident Benefits:** For an additional premium, this cover pays a specified compensation to named individuals for death or specific injuries resulting from an accident in the vehicle.
- **M07 Passenger Liability Inclusion I:** This covers the insured's legal liability for passenger injury or death up to a basic specified limit per passenger.
- **M08 Passenger Liability Inclusion II:** This provides higher limits for legal liability for passenger injury or death, with a cap per passenger and a total cap per accident.

- **M30 Strike, Riot, Civil Commotion:** This cover adds protection for vehicle damage caused by strikes, riots, and civil commotion, but excludes war and terrorism. Strike, Riot & Civil Commotion (SRCC) cover is provided through the local Riot & Strike and Terrorism Pool by the National Insurance Trust Fund (NITF), subject to the insured opting for these covers and paying the additional premium calculated at the rates prescribed by NITF. No other additional covers whether express or implied, or provided under any other name are granted by the Insurer to replace, supplement, or provide coverage similar to SRCC.
- **M30T Terrorism:** For an additional premium, this extends the policy to cover direct vehicle damage caused by acts of terrorism. Terrorism cover is provided through the local Riot & Strike and Terrorism Pool by the National Insurance Trust Fund (NITF), subject to the insured opting for these covers and paying the additional premium calculated at the rates prescribed by NITF. No other additional covers whether express or implied, or provided under any other name are granted by the Insurer to replace, supplement, or provide coverage similar to Terrorism.
- **M31 Workmen's Compensation:** This protects the employer against legal liability claims from employees injured or killed while in the insured vehicle as part of their job.
- **M33 Glass Breakage. No Claim Bonus Unaffected:** This allows you to claim for a broken windscreen or window without losing your No Claim Bonus or paying the standard policy excess.
- **M34 Specified Natural Perils Cover:** This adds protection for vehicle damage caused by specific natural disasters like floods, cyclones, earthquakes, and landslides.
- **M36 Specified Items Inclusion:** For an additional premium, this cover reinstates insurance for specific accessories or parts that are normally excluded by the policy.
- **M80 Accidental Damage Excess:** This clause makes the insured responsible for paying a specified excess amount on each claim for accidental damage to their vehicle.
- **M82 Assignment:** This directs any insurance payout for a total loss to a specified lender who has a financial interest in the vehicle.
- **M09 Goods in transit:** This covers damage to goods being transported if the vehicle overturns or has a collision, but excludes damage from fire or to certain high-risk items.
- **M09N Goods in Transit (NONHAZARDOUS):** This provides cover for damage to general, non-hazardous goods during transit from a collision or overturning, while listing numerous specific exclusions like glassware and electronics.
- **M32 Learner Driver:** This cover keeps the policy active while a designated learner is driving but applies an additional excess to any claims that occur.
- **M35 Towing Charges:** This endorsement increases the maximum amount the policy will pay for towing the vehicle after an accident.
- **M37 Third Party Property Damage:** For an additional premium, this increases the total coverage limit for damage your vehicle causes to other people's property.
- **M38 Driving Tuition:** This extends coverage to when the vehicle is being used for professional driving instruction, subject to an additional excess.
- **M41 Passenger Liability (Omni Buses):** This provides broad liability cover for injury to passengers on route-permitted buses, subject to strict conditions on driver experience and vehicle fitness.
- **M52 Theft of Parts Extension:** This covers the theft of specific parts or accessories from the vehicle, even if the vehicle itself is not stolen.
- **M54 Airbag Extension:** This cover pays for the replacement of deployed airbags after an accident, up to the monetary limit specified in the schedule.
- **M79 Hire Vehicles Driving:** This clause outlines the strict conditions required, including a signed declaration from the hirer, for the insurance to be valid when the vehicle is rented out.

Note: Please refer to the full Fairfirst **Commercial Vehicle Insurance Policy** document for comprehensive details of the exclusions, terms, and conditions.