FAIRFIRST INSURANCE LIMITED
Access Towers II (14th Floor), No. 278/4,
Union Place, Colombo 02, Sri Lanka
Tel: 011-2428428 | Email: info@fairfirst.lk
Website: www.fairfirst.lk

Insurance Product Information Document (IPID)

Motor Trade 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. Type of insurance cover:

The **Motor Trade Insurance Policy** is a specialized policy for businesses like garages, vehicle dealers, importers, and repairers. Instead of insuring a specific vehicle, this policy covers your legal liabilities and damage to vehicles that are temporarily in your custody for business purposes and are being driven on the road using your **Motor Trade Plate**.

2. Key Benefits (What is Covered)

(i). Damage to Vehicles in Your Custody (Section I)

- We cover accidental loss or damage to a vehicle being driven under your trade plate. This includes damage from collision, fire, theft of the **entire vehicle**, and malicious acts.

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

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

- **Death or Bodily Injury** to other road users, with **Unlimited** cover.
- **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)

- **Injury to Passengers: This is a critical exclusion.** The policy **does not cover** your legal liability for the death of or injury to any passenger being carried in a vehicle operating under your trade plate.
- **Theft of Parts:** Theft of accessories or spare parts is **not covered** unless the entire vehicle is stolen at the same time.
- **Damage to Property in Your Care:** While the vehicle itself is covered under Section I, this liability section excludes damage to other property in your care, custody or control (e.g., items inside a customer's car).
- **Business Use as a "Tool of Trade":** Liability that arises while a vehicle is being used as a tool (e.g., operating a winch on a tow truck) is not covered. The cover applies only while it is being driven.

- **Damage from Overloading.**
- **Driving Under the Influence** or by a driver who is not legally licensed.
- **Natural Disasters, Riots, and Terrorism** (unless specifically added to your policy).
- **Damage whilst used within your premises.**
- **Damages whilst the trade plate has been used for a reason other than approved specified usages as per dealers license terms/ agreement.**

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 your business is a sole proprietorship, it is important that your will is clear. In the event of your death, any benefits or legal protection under the policy passes to your legal personal representatives (your estate).

6. Obligations of the policyholder in disclosing material facts

You must provide true and complete information about the exact nature of your motor trade business and operations. Any failure to disclose important facts can lead to your claim being rejected or your policy being cancelled.

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

If an accident or loss occurs, you must:

- **Take Reasonable Precautions:** You must safeguard any vehicle in your care from further loss or damage and ensure it is maintained 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

☎ 011-2428428 | 🖂 info@fairfirst.lk | www.fairfirst.lk

11. Any other information

- **Deductible:** For any claim for damage to a vehicle, you will have to pay the first **Rs. 1,000** yourself.
- **Proper Use of Trade Plate:** This insurance is only valid for vehicles being used legitimately in connection with your motor trade business and displaying your trade plate as required by law.
- **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 Covers:

M03 – All Claims Excess: The insured must bear the stated excess amount for each event before the insurer's liability applies, with any paid excess recoverable by the company from the insured.

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.

M34 – Specified Natural Perils Cover: Extends insurance to include damage caused by named natural disasters such as cyclones, earthquakes, tsunamis, floods, and landslides.

M80 – Accidental Damage Excess: Requires the insured to pay the stated excess amount for each event of accidental damage before the insurer's liability applies.

M35 – Towing Charges: Increases the maximum payable amount for towing charges following insured damage, as specified in the schedule.

M37 – Third Party Property Damage: Covers legal liability for damage to third-party property caused using an insured motor trade plate vehicle, up to the stated policy limit per accident.

M54 – Airbag Extension: Extends cover to include the cost of replacing airbags damaged in an insured event, up to the specified limit.

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