

**Renew Your Motor Insurance Now!**



**Policy Wording**  
**MOTOR INSURANCE**



## Welcome

### Thank You for choosing to purchase Your motor insurance from Al Rajhi Takaful (ART).

We help guard against everyday risks, endeavor to craft only the most responsive Shari'ah compliant products, deliver beyond expectations and perfect the art of customer satisfaction. ART has been in business for almost a decade growing in to top motor insurer in the Kingdom of Saudi Arabia (KSA).

As an ART customer, You will benefit from being with one of the leading financial services groups in KSA.

We hope You are happy with Your policy and look forward to having the opportunity to be Your preferred insurance provide for many years to come.

## Introduction

**All praise to Allah, Lord of the worlds, and may peace, mercy and blessings of Allah be upon our prophet Mohammad, his relatives and his companions.**

Whereas, the participant, whose name and ID No. are mentioned in the proposal form, has acknowledged that he is committed to pay the contribution charges, either by him or by his representative, to the Contribution Fund and; Whereas, Al Rajhi Company for Co-operative Insurance, herein after referred to as "the company", manages the cooperative insurance transactions and invests the participant's fund money for their benefits in accordance with the Islamic Legislation (Shari'ah) rules, in return for a percentage of the gross contribution written value (as defined in the policy schedule), which shall be paid from the net annual interest and then shall be moved to the accounts of the stock holders after distributing (10%) of the net interest directly on the participants or by reducing their contributions for the next year.

Therefore, it has been agreed between Al Rajhi Company for Co-operative Insurance, in its capacity as manager of the participant's fund, on one side and participant on the other side to accept the latter's proposal form to be under the Takaful coverage policy, for items listed in the attached schedule, during its validity period, its renewal or any subsequent term in which the participant has an additional contribution.

The participant, hereby, shall be jointly liable along with other participants for reducing the dangers and risks that affect all, or any of them, on basis of Takaful and consolation, as this policy covers the amounts that the participant is obliged to pay for third parties as a result of an accident consequential to using the covered vehicle, and the damage affects the vehicle covered. This shall be in accordance with the terms, conditions and exceptions set forth in this policy or in any additional attachment thereof.



## The Insurance Company

### Al Rajhi Company for Co-operative Insurance (ARCCI) - Al Rajhi Takaful (ART)

"Public" joint stock company, under Saudi Central Bank supervision and control,  
Capital : SAR 400,000,000

3485 - Ath Thumamah Rd., Ar Rabie Dist., Unit 25  
Riyadh 13316 - 8450, Kingdom of Saudi Arabia

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### In the Event of an Emergency, call

**92 000 4414 or 011 4409666**

Please give the following information:

- Your policy number
- Your name as on your policy.



## Definitions

Unless otherwise expressly provided herein, the following terms shall have the meaning provided in front of each of them wherever they come in this policy.

**Accident** – any incident that causes damage to the Insured's vehicle or third party as a result of the use, explosion, burning, dispersal, movement, self-propulsion or stopover.

**Authorized Driver** – whoever is driving the vehicle, whose age is 18 (in Hijri) years old or above and holding a driving license.

**Claim** – requesting indemnity for damage resulting from of an accident not excluded under this policy.

**Claimant** – an individual, their legal representative, or the legal representative of a juristic person who sustains loss resulted from accident not excluded under this policy.

**Civil Liability** – the liability of the participant and/or the driver towards a third party for material, physical damages or expenses caused by the vehicle under coverage.

**Company** – Al Rajhi Company for Co-operative Insurance. CR No. 1010270371.

**Coverage Amount** – the amount that the company (as manager of participant fund) has to pay from the participant's fund within the maximum coverage limit as set forth in this policy.

**Deductible** – the amount which will be borne by the participant from each and every admissible loss as mentioned in the policy schedule.

**Essential Change** – a change that increases the likelihood of accidental occurrence or increases its severity.

**Essential Fact** – any information that affects the company's decision of subscription pricing for 25% or more, the terms and conditions of the policy, contract or accepting a claim.

**Expenses** – all costs which are incurred by the third party as a result of damage resulted from an accident not excluded by insurance policy.

**Indemnity** – amount paid by the company to a third party within the maximum civil liability specified in the policy.

**Material Damages** – damages to property belonging to a third party or insured vehicle as a result of an accident covered under this policy.

**Medical Charges** – charges and expenses of medical treatment, as well as medicine that shall be assumed by third parties, due to an accident covered by this policy.

**Other Charges** – charges that shall be assumed by third parties due to the accident, including towing charges and damage evaluation charges.

**Participant (the insured)** – natural or legal person, who signs with the company (as the manager of the participation fund), an insurance policy and whose name is stated in the policy schedule.

**Participation Fund** – fund to collect participations from the participants as donations, to cover the benefits of Takaful of the eligible participants after deduction fees and related expenses.

**Participation Fees** – amount of money which is paid by the participants for Participation Fund according to terms & conditions of this policy through the Takaful policy coverage period.

**Physical Damages** – death and/or physical injuries that might inflict third parties under a covered reason in this policy including complete or partial disability whether permanent or temporary.

**Policy** – refers to the terms and conditions of the contract of insurance, also called a policy wording, plus a policy schedule and insurance certificates. Proposal forms are also an integral part of the policy.

**Policy Schedule** – the schedule attached to the policy that contains date of the insured and the vehicle, is an integral part of the policy.

**Third Party** – any normal or legal person who sustains a loss or damage covered under the provisions of this policy excluding the participant and/or the driver that caused the accident.

**Vehicle / Insured Vehicle** – any means of transportation designed to move by wheels or chain, being moved or pulled by an engine or animal power, as described in the policy – excluding trains.

**Vehicle Driver** – whoever is driving the vehicle, whose age is 18 (in Hijri) years old or above and holding a driving license.

**Wakala Fees** – amount owed to the company for its management of the Takaful operations of the wakala for the participation fund.



## Scope of Coverage

Your policy schedule shows the level and limits of coverage you have opted for.

### Section A: Comprehensive

Unless specifically excluded from your policy schedule or approved riders, the participant's vehicle(s) mentioned in the policy schedule are covered against accidental damage as a result of the following:

1. Accidental collision or overturning.
2. Fire, lightning and explosion.
3. Theft or attempted theft.
4. Deliberate damages by others.
5. Natural disasters like flood, rain, torrents and hail.

### Reasonable Precaution With Respect to the Vehicles

**Protection of the Vehicle:** The participant has to take all known measures to protect the vehicle against loss or damage and to keep the vehicle in good condition. The company has the right at all times, to check the vehicle or any of its parts.

**Custody of the Vehicle After the Accident:** In case an accident takes place or/and damages the vehicle, it mustn't be left without any guard or without taking necessary precautions to prevent further loss or damage. Any aggravation or additional damage to the vehicle will be excluded from the scope of indemnity granted by this policy.

### Exclusions under Section A:

#### This policy doesn't cover the following:

1. Consequential loss or deprivation of use, reduction of vehicle value due to accident or depreciation.
2. Depreciation and deductible amounts stated in the schedule.
3. Wear and tear, mechanical or electrical fault.
4. Damage caused by overloading or strain or the carriage was not fixed well, breaching the law, provided carrying more passengers than the registered seating capacity or carriage not fixed well was a cause of the accident.
5. Loss or damage to tires, wheels and wheel caps unless the vehicle is lost or damaged at the same time due to a covered accident.
6. DVD and CD players, radio, cassette, telephones or other accessories except for the items installed in the vehicle by the manufacturer whose value is included in the original price of the vehicle, unless type and value of these accessories are expressly stated in the policy schedule and additional contribution paid.
7. Loss or damage that may happen to the luggage and personal properties whilst being loaded or unloaded or carried inside / on the vehicle.
8. Any damage resulting from negligence of maintenance of the vehicle and keeping all its parts in good and usable condition.
9. Any liability or expenses caused by or happened in consequence directly or indirectly of criminal and / or offensive acts by the participant or his driver authorized by the participant. This exclusion shall not be applicable for liability to third parties.



10. Any expenses or indemnities paid while the vehicle is being driven by any person who is below the age band opted by the insured or above the upper age limit, expressly stated in the policy schedule.
11. Used in contravention of restrictions set forth in the schedule.
12. Failure on the part of the insured to notify the company in writing within twenty (20) working days of any material change to his disclosures in the insurance proposal form.
13. Any liability or damages to repair the insured vehicles if the insured or driver of the vehicle fled from the scene of the accident.
14. Loss or damage whilst the vehicle is left unattended with the key inside.
15. Any damage, loss or harm that may happen to the vehicle covered according to this policy or to be as a result of being:
  - a. If vehicle is driven by anyone whose age is below the age of the Main Driver or Additional Driver mentioned in the policy schedule but above 25 years old then a special deductible amount specified in the policy schedule document will be applied.
  - b. If vehicle is driven by anyone whose age is below the age of the Main Driver or Additional Driver mentioned in the policy document and below or equal to 25 years old then Al Rajhi Takaful will decline own damage claims.
  - c. Used or driven by the participant or by anybody responsible for driving the vehicle in a way contradicting the traffic system in relation with exceeding speed limit, passing the red traffic light or, driving in the wrong direction of the permitted flow of traffic or driving the vehicle without medical glasses in case this is included in the driving license.
  - d. The vehicle driven or being in its way to be driven or being possessed by non-authorized person except for its participant or the authorized driver. This exception is not applied in the case of loss or damage of the vehicle resulting from robbery.
  - e. Driven without obtaining a driving license for the vehicle type according to the relevant laws and regulations, has been issued an order to be withdrawn by the concerned authorities, or has expired at the time of the accident unless the expired license is renewed within fifty (50) working days from the date of the accident.
  - f. Used for rallying, racing, reliability trials, drifting, speed testing and off-roading.
  - g. Used in badly paved roads that are inappropriate for driving, such as sandy or desert roads.
  - h. Being driven by anyone under the influence of alcohol, drugs or medicines that may cause accidents, if the vehicle is driven after consuming them.
  - i. Used by a person who is either below or above the age band opted by the participant, expressly stated in the policy schedule.
  - j. Used or operated as a tool of trade, unless approved in writing by the company.
  - k. Used in areas that are normally not allowed for the public to drive in, such as airport or sea ports, unless the vehicle is used for commercial purposes to be driven within the permitted area.
  - l. Towed on its wheels on the road by cranes or any other craning vehicle unless the main reason for craning or towing is because of an accident covered in this policy.
  - m. Acknowledgement from the insured or the driver to bear the liability for the accident, caused intentionally to harm the company.





16. Any accident or damage occurs to the vehicle:
  - a. while at maintenance garages, cleaning facility or anything similar.
  - b. due to mechanical, electrical, electronic failure or breakdown unless the loss / or damage is caused by a covered accident.
  - c. in any lawful commitment to pay any compensation another party as a result of the fall of some parts of the vehicle where this led to a harm to properties, any injuries or deaths.
17. Any liability or expense occasioned by happening through or in consequence directly or indirectly of:
  - a. Wars, invasion, actions of foreign enemy, hostile acts (whether war is declared or not), civil war, rebellion, revolution, disobedience, strife, armed forces, usurped power and vandalism.
  - b. Nuclear weapons and its components besides substances emitted from it, ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel for the purpose of this exclusion, combustion shall include self-sustaining process of nuclear fission.
  - c. Disturbances, riot, civil rebellion, civil disturbances, terrorist acts, vandalism (including vandalism resulting from anyone having a relation with terrorist organizations or using terrorism to modify the legitimate or illegitimate authorities), and the like.
  - d. Confiscation/hijacking for armed purposes, seizure, destruction or damaging a building based on an order from the legitimate or actual government or any public authority, either local or municipal.
  - e. Loss or damage to the vehicle as a result of theft or attempted theft due to leaving the motor vehicle in operating mode, leaving the ignition keys therein or leaving the doors open.



## Claims Settlement for Own Damages

- The company, being the manager of participant's fund, has the choice to pay the value of damage, to fix or replace the vehicle, attachments or its parts. The maximum amount payable in respect of partial loss shall be equal to the labor cost and the value of spare parts after deducting the amount of depreciation, if any.
- The insured vehicle will be considered a total loss when it is technically not repairable, or when cost of repair is higher than 50% of the insured value and higher than the difference between the market value before the accident and the salvage value.

### When a total loss claim is payable, this will lead to the following:

- o The maximum amount payable in respect of total loss shall be limited to the declared value minus depreciated value or the reasonable market value, at the time of occurrence, whichever is lower.
- o Upon full settlement, the vehicle coverage is void.
- o The annual contribution in respect of such motor vehicle shall be fully earned to the participants' fund.
- o The participant shall transfer the ownership of the said motor vehicle to the company (as the manager of the participants' fund) or its assignees. The company shall bear the cost for ownership transfer.
- In case of partial loss, if such parts or accessories are unobtainable in the local market or outdated, the indemnification for the said parts or accessories shall not be in excess of either the manufacturer's latest price list or the quoted price. In case of replacement of tires, rim and wheel cap, the depreciation deduction shall be 50% per each year or part thereof.

## Repair Authorization

This policy won't cover any sum the participant may ask to repair the vehicle, unless:

First Case - for protection, the insured may make the necessary repairs according to the policy for the damaged vehicle, to enable the vehicle to run with self-power and this requires:

- The maximum coverage limit shall not exceed the total sum declared in the policy schedule.
- The accident should be in a place where it is necessary to fix the damage before it increases.
- It must be proved to the company that the repairs are necessary.

Second Case – necessary repairs decided by the company, without exceeding the coverage amount mentioned in the policy schedule, and obtain company approval: (For example, if there aren't any mechanics connected to the company within the participant's residency area)

- The claim indemnity will be settled for the repair authorization as the company:
  - o To approve the spare parts paid vouchers and not the quotations.
  - o To approve the labor paid vouchers and not the quotations.
  - o To choose whatever is the lower between the paid vouchers and the repair approved amount authorized.
- Pictures of the vehicles after being repaired to be delivered to the company.
- The company has the right to assign a loss estimator to assure the repair costs' accuracy.



## Depreciation and Deductible

### Depreciation Percentage:

In case of loss or damage to the insured's motor vehicle, following deductions for depreciation shall be applied:

#### 1. In case of partial loss:

- a. If the lost or damaged spare parts are replaced with new ones or new replacement value is to be paid, the company shall apply depreciation as follows:

Sedan /SUV's / Pickups owned by individuals and used for private purposes (for pleasure, social and/or domestic use only)	
Vehicle Age (in years)	Depreciation (in %)
All ages	Nil

Other vehicles owned by individual and used for private purpose	
Vehicle Age (in years)	Depreciation (in %)
Up to 2	Nil
3 to 4	20%
5 and above	30%

All types of vehicles owned by Establishments / Companies and used for Commercial purposes (used for transporting passengers or goods for businesses and not used for pleasure, social or domestic purposes)	
Vehicle Age (in years)	Depreciation (in %)
Up to 1	10%
2 to 3	20%
4 to 5	30%
Above 5	35%

- b. In the case of replacement of tires, rim and/or wheel cap, the depreciation deduction shall be 50%

- c. Nil depreciation for front & rear wind screens and side window glass.

#### 2. In case of total loss:

#### Liability of the company shall not exceed the lesser of the following:

- a. Insured's declared value as stated in the policy schedule less 1.5% per month or portion from the insurance effective date under the policy or latest renewal with a maximum of 15%.
- b. The reasonable market value of the motor vehicle at the time of loss or damage.



## Application of Deductible

Where the percentage of fault by the insured / authorized driver is 0% and third party is identified, either by the Company or individual, deductible will not be applied. Conversely, for those cases where third party is not possible to be identified (i.e. hit and run cases), collision with animals or theft or damages below the amount of deductible, policy deductible will be applied.

## Company's Right to Recourse Against Any Person Who is Responsible for an Accident

If the company paid any amount from the participant's fund for any party against any claim/s and afterwards found that the claim arise out of an exclusion under scope of coverage or excluded cover by this policy or if there has been fraud, deception, forgery or falsification, then the company has the right to charge the participant to refund all the amount which was paid earlier from the participation fund. Also the company has the right to charge the participant in case of theft or any attempt to, or the vehicle being driven by unauthorized person.

## Section B: Third Party Liability Coverage

In the event of damage covered under this policy, whether arising out of the vehicle while traveling or stopping within the territory of Saudi Arabia, this policy covers the monetary compensation required by the subscriber (the insured) or the driver to third parties within the terms and conditions set forth herein.

- Physical damages inflicted on third party inside or outside the vehicle.
- Material damages outside the vehicle.
- Expenses.

## Limits

In the event of an accident resulting in the payment of indemnity in accordance with the provisions of this policy, the maximum limit of the company's liability for one event for both physical damage (including blood money, bodily injuries damages and medical expenses) and material damages, shall not exceed together a total sum of SAR 10,000,000 (Ten Million Saudi Riyals) as a coverage liability limit, according to the insurance coverage of this policy.

## Cases in which the company is not allowed to disclaim liabilities towards third party

Taking in to consideration the exclusions, the company may not disclaim liability for indemnity under this policy towards the third party because the insured, driver or the person causing the accident has committed any violation. Whether the violation occurred before or after the accident, or because of the insured's, the driver's or the person that is causing the accident, noncompliance with what is stated in this policy, without prejudice to the company's right of recovery from the insured or the driver after indemnifying the third party if the recourse is justified.



### Cases in which the company is obliged to indemnify the third party while reserving the right of recourse against the insured, the driver or the person causing the accident

The company has the right of recovery from the insured, the driver or the person causing the accident to recover the amount it had paid to the third party in any of the following cases:

1. Any liability or expenses arising / occurring where the insured vehicle is:
  - a. Used in contravention of restrictions set forth in the policy schedule.
  - b. Carrying passengers beyond the capacity authorized for the vehicle, and it has been proved that the accident occurred because of this violation.
  - c. Used for rallying, racing, reliability trials, drifting, speed testing and off-roading.
  - d. Driven by a person under the influence of drugs, alcohol or medicines that are not allowed to be taken when driving.
  - e. Driven by any person under the age of 18 (Hijri years) unless insured or among the names of authorized drivers whose age is less than 18 (Hijri years) under the policy schedule.
  - f. If the vehicle is stolen or taken by compulsion, the company shall have the right to recourse against the person who caused the accident or the insured, if he does not notify the competent authorities of the theft, so that it can recover what is paid to the third party.
  - g. Driven without obtaining a driving license for the vehicle type according to the relevant laws and regulations, has been issued an order to be withdrawn by the concerned authorities, or has expired at the time of the accident unless the expired license is renewed within fifty (50) working days from the date of accident.
2. If it is proven that the insured has made false representations or concealed substantial facts in the insurance proposal form in such a way as to affect the company acceptance of risk coverage, the insurance contribution or its terms and conditions.
3. If it is proven that the insured or the driver has deliberately caused the accident.
4. Failure on the part of the insured to notify the company in writing within twenty (20) working days, of any material change to his disclosures in the insurance proposal form.
5. The participant's (the insured) or the driver's escape from the scene of the accident for no acceptable reason.
6. The participant's or the driver's acknowledgement that the driver is completely responsible for the accident with all fault lie on him, aiming to cause losses to the company.
7. Crossing the traffic red light by the insured or driver.
8. Driving the vehicle in the opposite direction of the traffic.
9. Failure on part of the insured, to notify the company within twenty (20) working days of any material changes to their disclosures in the insurance proposal form, with consideration of paragraph 1 of Article VII
10. The company must notify the insured within twenty (20) working days from the date of the claim submitting to where the above recovery cases may apply. The company shall also exercise the right of recovery within a year from the date of the claim settlement.



## Section C: Optional Covers

### Personal Accident

If the participant adds this extension of cover, the company undertakes to pay compensation according to the scale and provisions stated below for the injury as described below, sustained by the participant and/or the authorized driver and/or any of the passengers specifically stated in the policy Schedule as a direct result of an accident to the motor vehicle described in the policy schedule and caused by violent and accidental means which independently of any other cause, shall within 52 consecutive weeks of the occurrence of such injury result in:

#	Type of Cover	Amount (in SAR)
1	Accidental death	100,000
2	Permanent disablement from attending any employment or occupation whatsoever	100,000
3	Total loss by physical severance at or above the wrist or ankle of both hands or both feet	100,000
4	Total loss by physical severance at or above the wrist or ankle of one hand or one foot	50,000
5	Permanent total loss of sight in both eyes	100,000
6	Permanent total loss of sight in one eye	50,000
7	Expense incurred in respect of medical and surgical treatment	25,000

### The enforcement of the above scale of compensation shall be subject to the following:

- Compensation shall not be payable to any one person in respect of benefits under 1 to 7 inclusive for more than SAR 100,000 in aggregate in respect of any one accident.
- The age of the person at the time of accident shall not be over 70 years.
- Injured person under 16 year of age at the time of the accident shall receive only 50% of the scale of compensation with maximum aggregate of SAR 50,000 in respect of one accident.
- Such compensation shall be payable only with the approval of the participant (the Insured) or the participant's (Insured)'s legal representative and directly to the injured person or his/her legal representative whose receipt shall be a full discharge in respect of the injury to such person, or to the heirs in case of death.
- Compensation shall only be payable in respect of injury sustained by any persons carried inside the cabin of the motor vehicle at the time of the accident.
- If the number of persons (including the driver) in the cabin of the motor vehicle at the time of the accident exceeds the number stated as the seating capacity in the schedule, the compensation payable will be decreased proportionately, but this compensation shall not be payable if carrying more passengers than the registered seating capacity was a cause of the accident.
- Compensation under benefit 7 shall be restricted to treatment obtained within Saudi Arabia only. However, the company will not compensate any expenses incurred directly.
- Compensation under clause 2 shall be payable only when the disablement has lasted 52 consecutive weeks and has been certified by a qualified registered medical practitioner appointed by the company.

## Roadside Assistance

This coverage applies to the insured vehicle while it is being driven by the insured or his authorized driver and will be applicable only when using the roadside assistance provider appointed by the company.

The insurance schedule and riders will include the description and limits of the coverage which will include for example: vehicle towing, lock out, dead battery, fuel deficiency and flat tire change, are some of the services available.

## Geographical Extension

Loss and damage to the vehicle's coverage could be extended to include other GCC countries, or countries within the MENA region. Third Party Liability shall be excluded as this should be purchased separately at the border.

If this coverage is opted for, your policy schedule states the exact limits of coverage.

## Replacement Car

If the insured's vehicle is unusable due to loss or damage by an accident covered under this policy, the policy holder will be eligible for this benefit. Maximum benefit per day and annual aggregate under this coverage shall be shown in your policy schedule.

## Waiver of Depreciation

This coverage is applicable for vehicles aged up to 1 year from the date of purchase from the original dealer in case the insured vehicle is declared total loss, as defined in the policy schedule. Such claims if payable, the company will pay for a new replacement of the same model of the car.

## Agency Repair

If the Agency Cover is specified in the Policy Schedule, then it is applicable immaterial of the vehicle age.

## Emergency Medical Expenses

The company will be subject to the limit of liability stated in the policy schedule, pay the insured the reasonable medical expenses incurred in connection with any bodily injury by violent, accidental, external and visible means sustained by the insured, the authorized driver, or passenger of the vehicle insured under this policy, as the direct and immediate result of an accident to the insured motor vehicle.

## Towing and Protection

If the vehicle insured under this policy is not drivable by reason of loss or damage due to a covered peril, the company will be subject to the limits of liability stated in the policy schedule, and bear the cost of protection and removal to a safe place or to the nearest approved workshop.



## General Exclusions (for all covers)

### This policy does not cover the following:

- Any loss or damage that may take place to the covered vehicle according to the policy while it is outside the geographical region shown in the schedule which may lead to official commitment to pay compensation for the others or any consequent cost, unless otherwise expressly stated in the policy.
- Any liability which attaches by virtue of an agreement but which would not have attached in the absence of such agreement.
- Any liability or expenses directly or indirectly caused by or arising from or contributed by nuclear weapons material, ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel (for the purpose of this exclusion combustion shall include any self-sustaining process of nuclear fission).
- Fines, guarantees, penalties, bonds being imposed on the insured or the driver due to the accident.
- The loss or damage that take place to goods or personal luggage while being carried or uploaded or transported in/or on the vehicle unless it is mentioned explicitly in the policy or its attachments along with clarifying how much it covers besides the participant's payment of an additional share to list it in the covering of the policy.
- Any accident, damage, harm or legal commitment to pay compensations to the others concerning properties done on purpose by the participant.

## General Provisions (for all covers)

### Commitment:

### In order to cover any claim for payments under this policy, it is fundamental condition that:

- The participant shall completely fulfill what is stated by the terms of this policy to be done or not.
- The ultimate correctness of all data and acknowledgements made by the participant in this policy signed by him or his representative.
- The participant shall notify the company in writing, about any substantial change than stated in the proposal form within a period of ten (10) working days. The company shall, in return, within a period of three (3) working days thereof, notify the participant in writing in case it refused to cover the participant under this policy. If the participant did not abide by this, his claim for coverage shall be terminated.

### False or Inaccurate Declaration

The company, in its capacity as the manager of the participant's fund, shall not be committed to execute the terms of this policy. The participant has no right to demand for fees paid by him if he advised false data or concealed substantial information from the company at the time of this policy signature or during the validity period of this policy or its renewal.





## Contractual Relationship

All articles in this policy and its attachments shall compose the contractual relationship between the participant and the company, in its capacity as the manager of the participant's fund, along with the remaining participants. This policy, however, shall not cover any guarantee or statement, whether oral or in writing, offered by the company or its agent, and whether this was before issuing this policy or after, unless this statement which is signed by the official clerk, the broker or the official agent approved from the company, is set out in this approved policy or in any of its attachments.

## Non Relinquishment

The participant is not entitled to relinquish this policy to any third party in any way.

## Policy Modification

Any modification in the articles of this policy or in any of its attachments shall not be effective, unless it is duly signed by the company's approved representative with the approval of the participant. The change or update, however, shall not be deemed effective unless it is written on the official letterhead paper pertaining to the company and duly signed by the official clerk, the broker or the official approved company agent.

## Participant Rights Abatement

- If the participant applies any false claim or any claim aiming for fraudulence or tried to obtain any of the benefits provided by this policy through dishonest or fraudulent ways - of any kind - then the cover provided for this policy will be cancelled. In this case, all the paid shares by the participant over the period of the start date of this policy till the discovery of manipulation and deception will be non-refundable.
- If the participant or his representative received an order or an authorization from the company to fix the damages of his vehicle but he didn't fix it within a year after receiving it.
- If the participant or his representative reported to the company about any accident to his vehicle, then he stopped checking with the company within a year since he reported this.

## Laws and Regulations Amendment

In the event that laws, regulations or customs were partially or completely amended, the company is entitled to modify this policy to the extent needed to meet this amendment after notifying the participant with this policy modification. The amendments, hereof, include, but not limited to, levying any kind of taxes on contributions, amounts pertaining to this policy, which shall affect badly the ability of the company in the management and execution of this policy. Furthermore, the policy shall be deemed valid only within a 30-day term from the notification date, unless the participant is willing to cancel it within the said term. If the participant, however, did not cancel the policy within the said period, it would be considered an implied approval from the participant about all modifications or any of them.

## Legal Validity

If any article in this policy relating to any person, property or circumstances is considered legally invalid or inapplicable, the remaining provisions shall not be affected and they will stay valid and effective. Thus, each article or clause shall be deemed effective to the limit of legality.



## Participant Contributions

- Renewal Contribution Changes:** As soon as the first year comes to an end, the company keeps its right to change the contribution by notifying the participants in writing within a minimum period of thirty (30) days before the date of any change. Any change, hereby, in the policy contribution shall be considered effective from the validity date of this change.
- Contribution Payment Method:** The contribution shall be paid by the participant to the participant's fund in the way defined by the company in writing.
- Contribution Reception:** Any payment related to any contribution shall not be considered received unless a printed signed receipt is issued by the official clerk, the broker or the official agent of the company and delivered to the participant. Also, approved electronic payments are accepted.
- Non-payment of Contributions:** If the participant did not pay the entitled contribution within the time period stipulated and agreed mutually and the company, hereby, did not receive the said fee, this policy shall be deemed null and void.

## Statements, Information, Notifications

Any statement, information or notification which has to be sent in accordance with this policy, it shall be addressed in writing to both parties' addresses stated in this policy.

The participant shall give notice in writing to the company of any modification made to the vehicle, within ten (10) working days, of such modification which might materially affect the judgment of the company in deciding whether to accept the risk or not, and if decided to accept it may affect the terms on which it will do so or contribution payable. This insurance shall cease from the date of such modification unless the participant obtains agreement of the company in writing. The company is obliged to process a pro-rata refund of the paid subscription amount, based on the remaining insurance period.

## Jurisdiction and Applicable Law

- Without violation to the Islamic Legislation (Shari'ah) Laws, any dispute that arises in connection with this policy shall be subject to the laws and regulations in force in the Kingdom of Saudi Arabia, and it shall be settled by the Committees for Resolution of Insurance Disputes and Violations set forth under Article No. 20 of the Law on Supervision of Co-operative Insurance Companies, issued by Royal Decree No. M/32 dated 2/6/1424H.
- Any case arising in connection with this policy shall not be looked into after five years from the occurrence of the incident of which the parties concerned were informed, unless the Committees for Resolution of Insurance Disputes and Violations is satisfied with the reason for its consideration.

## Company Written Approvals

The participant, or his representative, is not entitled to acknowledge, offer, promise or pay any amount of money without the written approval of the company.

## Subrogation

The company, in its capacity as the manager of the participant's fund and on its discretion, to defend or compromise any claim on behalf of the participant, and it shall be entitled as well to claim for all amounts which cover damages, losses, accidents, liabilities and so on. The company also has the ultimate discretion to render any claim, compromise or coverage, the participant, hereby, shall provide help and data required form him by the company.

## Company Rights to Legal Proceedings

This policy shall not cover any amounts that results from any claim or claims arising from an accident in accordance with Section B, set forth in this policy, after paying the whole coverage amount which is due under this article. Moreover, the company, in its capacity as the manager of the participant's fund, shall cease by then to render any defense, compromise or lawsuits; and the policy, hereby, is not entitled to cover expenses and charges of any kind which is assumed by the participant, or any claims for coverage or any other party after ceasing to render such issues by the company.

## Company Rights to Relinquish Proceedings

**By choice, the company is entitled, in its capacity as the manager of the participant's fund, to:**

- Represent the participant at any investigation or interrogation that takes place pertaining to any claim under policy coverage.
- Undertake defense proceedings for defending the insured or the driver before any judicial body against any allegation or accusation related to an accident subject of indemnity under this policy.

## Insured Co-operation

The participant shall help, facilitate and accept doing – on the account of the participant's fund – all necessary works that is required by the company within the reasonable known limits, with the aim of supporting rights and legal compensation as well as obtaining such compensation, whether partial or complete, from third parties. The participant, moreover, shall accept preparing every letter, claim, call or any relative matters which has been informed or transferred to the company as soon as it receives it. The participant is also committed to provide the company with a written notification soonest as his awareness of any inquiries, claims or substantial questionnaires pertaining to any accident set forth in this article.

## Cancellation / Termination

### a. Cancellation by the Participant:

If a client requests to cancel his / their policy, the company shall obtain an official / formal letter from the client for cancellation together with an undertaking stating that there is no pending claims and he is aware of the fact that Al Rajhi Takaful's liability to pay any such claims shall cease to attach from the date of cancellation. All original policy documents and Insurance Certificates / Cards, if any, should also be obtained before canceling the policy.

The client must either retain TPL coverage (Section B) or produce evidence of a TPL coverage if a Comprehensive Policy has to be cancelled without an acceptable reason as stated under. Neither the company nor the participant (the insured) are entitled to cancel TPL coverage under this policy, after its issuance, except in the following situations:

1. Cancellation of the vehicle registration.
2. Transfer of vehicle ownership to another owner.
3. Existence of an alternative insurance policy covering the remaining period of the policy to be cancelled.

The company shall refund the amount due from the remaining period of the policy, to the insured through IBAN within three (3) business days from the date of the company's knowledge of any of the cases mentioned above. The amount to be returned:

$$\text{Refund} = (\text{Contribution} / 365.25 \text{ days} \times \text{number of remaining days}) - \text{SAR } 25 \text{ (being Refund Administration Fee)}$$

In the event of a claim - related to the document to be canceled on the same vehicle - its value exceeds the amount that should be returned according to the above formula; there is no refund relating to the policy. Notwithstanding the foregoing, the company, the insured, and the driver shall remain bound by the provisions of this policy in respect of obligations arising prior to cancellation.

#### b. **Cancellation by the Company:**

The company has the right to cancel own damage cover of the policy, while it benefits the Takaful fund, and inform the participant in writing, thirty (30) days before the cancellation date.

#### **The company can cancel the own damage cover of the policy, under the following circumstances:**

1. Customer has committed a fraudulent claim and/or transaction
2. Purpose of the insurance is different to what has been declared at the time of policy issuance and/or wrong data provided at the time of policy issuance
3. Misuse of the vehicle
4. Nonpayment of contribution as agreed between the company and the insured.

#### **The company is obliged to refund the remaining contribution amount in a pro-rata basis. The company is not entitled to cancel Third Party Liability Insurance Coverage under this policy, after its issuance, except in the following situations:**

1. Cancellation of the vehicle registration
2. Transfer of ownership of the vehicle to another owner
3. The existence of an alternative insurance policy covering the remaining period of the policy to be cancelled.



## Multiple Insurances

If the vehicle is covered by the same kind of insurance from more than one company, this policy will include coverage of only a partial payment of the compensation, expenses or fees value equivalent to proportion between the insurance amount and the total of all other insurance amounts. However, if there is another kind of insurance providing coverage to the liability or the expenses itself (e.g. comprehensive insurance policy), this policy will be entitled to cover the liability or expenses towards third parties. Moreover, the company, in its capacity as the participant's fund manager, is entitled to represent the participant (the insured) in claiming other insurance companies to pay their proportion in this claim.

## Policy Considerations

- This policy, schedule, general terms, specific terms, sureties, exceptions and attachments shall all be defined as policy articles and it shall be read and explained as a single agreement. Any word or term, herein, which is given a special definition at any part of it, shall have the same definition in the whole agreement.
- Unless otherwise mentioned in the text, the singular also refers to plural and vice versa, and masculine also refers to feminine wherever stated in the policy clauses.
- Any reference to day, month, year or other periods shall be defined as per the Gregorian calendar, unless stated in the policy or its riders as driver's age.
- In case of any dispute, the Arabic version will prevail over the English version.

## Policy Issuance and Renewal Notification

The company may not issue this policy if it is not electronically linked with the system of the company which is authorized by SAMA to gather, archive, and exchange insurance data. The company shall notify the insured of the expiry date of the policy thirty (30) days prior to the expiry date, so that it can be renewed.

## Claim Settlement Procedures:

### Notification and Documentation

The insured should communicate the loss or damage to the company within ninety (90) days from the date of the accident. Otherwise acceptance of own damage claims may not be guaranteed unless acceptable justification is provided. Upon receiving the claim, the company shall acknowledge receipt of the claim and inform the claimant of any missing documents, within the next three (3) days for individual customers and nine (9) days for corporate customers. The company may appoint an assessor or loss adjuster, if necessary, within that period.

### Settlement Period for Third Party Claimants

The company shall settle the claims in a fair and impartial manner within a maximum period of fifteen (15) days for individual customers and forty five (45) days for corporate customers, from the date of receipt of the completed claim form. In the event that the claim is pursuant to an enforceable court judgment submitted by the claimant or the insured informs the Company of the payment order, the company will be obliged to pay immediately.



### Notifications about Claims Status

The company shall be committed to inform the claimant in writing of its acceptance or rejection of the claim. In case of acceptance, in whole or in part, the company must clarify the amount of indemnity, and how it was calculated.

The company shall settle and pay the insurance claims by depositing the amount of compensation in the beneficiary's bank account directly through the IBAN.

Subject to the periods specified in definitions, the company shall settle the claim in case the claim is submitted after the repair of the vehicle. The claimant shall provide the company with the actual invoices for repair, provided that the accident is directly handled by the concerned authorities and the company is provided with damage report after the accident and before repair.

If the company fails to settle the claim within that prescribed period without statutory reasons, the claimant is entitled to file a complaint through SAMA Care [www.samacares.sa](http://www.samacares.sa) or file a petition of dispute at the Committees for Resolution of Insurance Disputes and Violations, stated in article no. 20 of Law of Supervision of Cooperative Insurance Companies.

### In case of rejection, the company shall:

- Provide the claimant with the reasons for rejection.
- Inform the claimant of his right to file a complaint through SAMA Care [www.samacares.sa](http://www.samacares.sa) or file a petition of his case to the Committees for Resolution of Insurance Disputes and Violations stated in Article 20 of the Law of Supervision of Co-operative Insurance Companies.
- Provide the claimant, upon his request, with copies of documents in support of the company's decision.

### Fraud

This policy shall be forfeited if the claim involves fraud; or the participant (the insured), the driver, or the agent of any of them, or a third party uses fraudulent ways or methods to gain benefit from this policy; or if liability or loss results from a deliberate act by the insured, the driver, or others or due to collusion with any one of them. The company may recourse to any party who appears to have been responsible for this fraud either by participation or collusion. Then the company, shall indemnify a third party if his intention is good.

### Company's right to enlist the participant's name in the Saudi Credit Bureau (SIMAH) system

The company has the right to include the name of the insured in the system of the authorized organization to collect consumer credit information if the insured defaults on insurance contribution payments.



### Participant or authorized driver's commitments when an accident covered under this policy occurs

- Shall inform the concerned authorities as soon as accident covered under this policy occurs, and shall not leave the scene of the accident until procedures have been completed, except in cases where leaving the scene of the accident is required, such as in the case of physical injuries.
- Shall not claim responsibility with the intention of harming the company, pay or undertake to pay any amount to any party involved in the accident except after obtaining a prior written approval from the company.
- Shall cooperate with the company, and issue legal power of attorney, enabling the company to out the proceedings, defending and settlement procedures on behalf of the participant or the driver.
- To do all needed work, on the account of the participant's fund, to enable the company, in its capacity as the manager of the participant's fund, to collect any due amounts from any third party that arises as a consequence to amounts paid by the company from the participant's fund under this policy.

### Alterations

The participant (the insured) shall, within twenty (20) days, notify the company of any substantial change than what was stated in the insurance application form. The company shall notify the insured if it requires to increase the participation amount, or return part thereof in the event of a reduction. If the company does not notify the insured, it shall mean its consent to continue coverage as agreed in the contract.

### How to Make a Claim

Please notify us within thirty (30) days of any occurrence likely to give rise to a claim. To report a claim, please contact us on

920004414 or 011 4409666 or [claims@alrajhitakaful.com](mailto:claims@alrajhitakaful.com)

### You will need to complete a claim form in order for us to process your claim.

Before making a claim, check these terms and conditions, the specific exclusions under each section, your certificate of insurance, including the schedule of benefits. If you have a valid claim and you follow the proper process for claiming, upon submitting all required supporting documents, we will pay your claim within fourteen (14) working days to the participant's bank account via electronic transfer. The most we pay for any insured event is the benefit limit shown on the schedule of benefits.

If we reject your claim, we will write to you to let you know, within seven (7) working days. You have the right to object to our decision. Your objection must be in writing and we must receive it within thirty (30) days of the date of the rejection email or letter.



## Requirements to Make a Claim

Claim Form (will be sent to you upon claim notification or is available online), which will have all the relevant information to make a claim.

## Complaints Procedure

At Al Rajhi Takaful, We aspire to be the preferred Motor Takaful provider measured by operational excellence and customer satisfaction. Our aim is to provide excellent service to our customers. However, we recognize that sometimes things could go wrong. Complaints, if any, could be sent to our Customer Care Unit who will analyze your complaints, follow up and solve them. You can reach them via telephone or email:

920004414 or [customerservices@alrajhitakaful.com](mailto:customerservices@alrajhitakaful.com)

Upon receiving your complaint, our team will acknowledge and will contact you to help resolve.

**We'd like to thank you for choosing Al Rajhi Takaful.**





## MOTOR INSURANCE

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