

INDONESIAN MOTOR VEHICLE INSURANCE STANDARD POLICY

Whereas the Insured has submitted a written proposal which constitutes the basis of and incorporated in this Policy, the Insurer will indemnify the Insured against loss of and or damage to the property and or interests insured, subject to the terms and conditions printed, stated, attached and or endorsed to this Policy.

CHAPTER I COVERAGE

ARTICLE 1 COVERAGE FOR MOTOR VEHICLE

This insurance covers:

1. Any loss and or damage to Motor Vehicle and or insured interest directly caused by:
 - 1.1. collision, impact, overturning, skidding or falling into;
 - 1.2. malicious act;
 - 1.3. theft, including theft preceded or accompanied or followed by violence or threat of violence as provided in Articles 362, 363 paragraphs (3), (4), (5) and Article 365 of Criminal Code;
 - 1.4. fire, including:
 - 1.4.1. fires due to the burning of other nearby objects or Motor Vehicle garage;
 - 1.4.2. fires due to lightning;
 - 1.4.3. damage due to water and or other appliances used to prevent the spread of or extinguishing of fires;
 - 1.4.4. Total or partial destruction of Motor Vehicle by the order of the Authorities in attempt to prevent further spreading of the fire.
2. Any loss and or damage caused by those incidents above in paragraph (1) of this Article while the insured Motor Vehicle is on board of a vessel for crossing purpose which is under the supervision of Directorate General of Land Transportation, including any loss and or damage resulting from accident of the vessel.

ARTICLE 2 THIRD PARTY LEGAL LIABILITY

Insurer shall indemnify for:

1. Legal liability of the Insured against loss suffered by third party, directly caused by Motor Vehicle arising out of risks covered by Article 1 paragraph (1) items 1.1. and 1.4, whether the settlement thereof is by compromise, mediation, arbitration or through court subject to prior written consent of the Insurer, namely:
 - 1.1. damage to property;
 - 1.2. medical expenses, bodily injury and or death;a maximum of sum insured for Legal Liability coverage against any Third Party as set forth in the Policy.
1. Legal fees or professional service fees in relation to legal liability of the Insured subject to prior written consent of the Insurer. Liability of the Insurer for such fees, shall be at a maximum 10% (ten percent) of the limit of Legal Liability coverage against any Third Party as specified in paragraph (1) of this Article.

This indemnification shall constitute an addition of indemnity governed in paragraph (1) of this Article.

CHAPTER II EXCLUSION

ARTICLE 3

1. This insurance shall not cover any loss, damage, expense incurred in Motor Vehicle and or third party legal liability, caused by:
 - 1.1. the Motor Vehicle used for:
 - 1.1.1. towing or pushing other vehicles or objects, giving driving lesson;

- 1.1.2. participating in contests, trainings, channeling of skill or speed hobby, carnivals, parades, campaigns, demonstrations;
 - 1.1.3. committing crimes;
 - 1.1.4. uses other than those mentioned in this Policy;
 - 1.2. embezzlement, fraud, hypnotic and the like;
 - 1.3. malicious acts committed by:
 - 1.3.1. the Insured;
 - 1.3.2. spouses, children, parents or siblings of the Insured;
 - 1.3.3. people instructed by the Insured, working for the Insured, people with the knowledge or with the consent of the Insured;
 - 1.3.4. people living with the Insured;
 - 1.3.5. management, share holders, commissioners or employees, if the Insured is a legal entity;
 - 1.4. overload of vehicle capacity set out by the manufacturer.
2. This insurance shall not cover any loss and or damage to Motor Vehicle or expenses directly or indirectly caused by, as a consequences of, resulting from:
 - 2.1. goods and or animals inside, loaded to, piled in, unloaded from or transported by Motor Vehicle;
 - 2.2. chemicals, water or other liquids; residing inside the Motor Vehicle except as a consequence of the risk covered by the Policy;
 3. This insurance shall not cover any loss, damage to and or expense incurred in Motor Vehicle and or legal liability against any third party directly or indirectly caused by, as a consequence of, resulting from:
 - 3.1. riot, strike, lock-out, brawling, civil commotion, insurrection, usurped power, revolution, rebellion, military power, invasion, civil war, war and hostilities, subversive act, terrorism, sabotage, looting;
 - 3.2. earthquake, volcanic eruption, windstorm, tempest, tsunami, hail, flood, inundation, landslide or other geological or meteorological symptoms;
 - 3.3. nuclear reaction, including but not limited to nuclear radiation, ionization, fusion, fission or radioactive contamination, irrespective of whether or not it occurs inside or outside Motor Vehicle and or the insured interest.
 4. This insurance shall not cover any loss, damage to and or expense incurred in Motor Vehicle and or legal liability against any third party when:
 - 4.1. cause by deliberate action of the Insured and or driver;
 - 4.2. in the event of any loss or damage, Motor Vehicle is driven by a person who has no Driving License (SIM) in accordance with prevailing laws and regulations;
 - 4.3. driven by someone under the influence of alcohol, drugs or any some other hazardous substances;
 - 4.4. driven forcibly even though the condition of vehicle is technically out of order or not roadworthy;
 - 4.5. entering or going across roads that are closed, forbidden, not allocated for Motor Vehicle or violating traffic rules.
 5. This insurance shall not cover any loss and or damage to:
 - 5.1. non standard equipments which are not mentioned in the Policy;
 - 5.2. tires, rims, rim cover not accompanied by damage to other parts of Motor Vehicle except for those caused by risks covered in Article 1 paragraph (1) items 1.2, 1.3, 1.4;
 - 5.3. key and or other parts of Motor Vehicle when not attached or inside the vehicle;
 - 5.4. parts or materials of Motor Vehicle worn out due to wear and tear, inherent vice or its improper use;
 - 5.5. Motor Vehicle License (STNK), Certificate of Ownership of Motor Vehicle (BPKB) and or other Motor Vehicle documents.
 6. This insurance shall not cover legal liability against any third party directly or indirectly caused by Motor Vehicle for:
 - 6.1. damage to or loss of property, transported, loaded or unloaded from Motor Vehicle;
 - 6.2. damage to roads, bridges, viaducts, structures located under, above, alongside the roads in consequence of vibration, weight of Motor Vehicle or its load.
 7. This insurance shall not cover any loss of profit, salary, decrease in price or other financial losses suffered by the Insured.

CHAPTER III DEFINITION

ARTICLE 4

Notwithstanding anything which may be defined in any laws or regulations to the contrary, for the purpose of this Policy, all terminology printed in italics shall be defined as follows:

1. **Motor Vehicle** shall mean two wheel drive or more vehicle driven by motor or other mechanism and is licensed for use in the public road that becomes the insured object
2. **Collision or Impact** shall mean any physical contact between Motor Vehicle and other objects, located outside Motor Vehicle.
3. **Third Party** shall mean every party not being the Insured, spouses, children, parents, and siblings of the Insured, people working for and people under the supervision of the Insured.
In case that the Insured is a Legal Entity, then Management, Shareholders, Commissioners and Employees shall not be included in the definition of **Third Party**.
4. **Overloading** shall mean a condition in which Motor Vehicle transport goods and or passengers exceeding the capacity set out by the competent party.
The said capacity shall mean total weight of goods, volume, and number of people.
5. **Standard equipment** shall mean equipment provided and attached by the relevant manufacturer of Motor Vehicle.
6. **Non Standard Equipment** shall mean equipment in the relevant vehicle not being manufacturer's standard equipment.
7. **Actual value** shall mean the value of the Motor Vehicle's sales amount that may be obtained the same brand, type, model and manufacturing year as stated in the Policy in the free market immediately prior to occurrence of loss and or damage.
8. **Own Risk** shall mean a specified amount should be borne by the Insured for each incident.
9. **Personal Use** shall mean the use of such Motor Vehicle for personal purposes.
10. **Commercial Use** shall mean the use of such Motor Vehicle for rent or receiving retribution.
11. **Official Use** shall mean the use of Motor Vehicle other than **Personal Use** or **Commercial Use**.
12. **Hypnotic** shall mean a trick that makes someone lose his consciousness and become submissive and follow the desire of the hypnotist to surrender Motor Vehicle in part or in whole to the hypnotist or any other unrightfully person.
13. **Riot** shall mean an act of a group of at least 12 (twelve) persons, who in the execution of their common purpose cause public disturbance tumultuously with violence and damage to the property of others, not amounting to **Civil Commotions**.
14. **Strikes** is a deliberate act of damage, by a group of workers of at least 12 (twelve) persons or one half of the entire workforce (if the total number of workforce is less than 24 persons), refusing to work as usual in an attempt to force the employer to accept their demands or to protest against any terms of employment enforced by the employer.
15. **Locked-out Workers** is a deliberate act of damage, by a group of workers of at least 12 (twelve) persons or one half of the entire workforce (if the total number of workforce is less than twenty-four persons), to protest against the termination or suspension of a fellow employee by the employer.
16. **Malicious Acts** is an act of any person(s) deliberately causing damage to the property of others driven by vengeance, hatred, anger or vandalistic, except such acts done by the employee(s) of the Insured, or any person(s) on behalf of the Insured, or by person(s) entrusted by the Insured to maintain or keep such property, or by thieves/robbers/looters.
17. **Brawling** is the fight between groups of persons involving minimum of 5 (five) persons causing disturbances to public order and use violence and destruction to the property of others not amounting to **Riot**.
18. **Preventive Acts** is an act of any lawfully constituted authority or body in an attempt to prevent or suppress the occurrence of any of insured perils or to minimize the consequences of any such perils.
19. **Civil Commotions** is an act of a large number of people acting together disrupting public peace and disturbance tumultuously with violence and a chain of destruction of a large number of properties, indicated by the cessation of more than one half of the normal activity of commercial/shopping or business areas or schools or public transportation in one city for at least 24 (twenty-four) hours consecutively commencing immediately before, during or after the event.
20. **Insurrection/Popular Rising** is an uprising of a majority of the people in the capital city of the country, or in three or more capital cities of the provinces within 12 (twelve) days, demanding a change in the government de jure or de facto, or open resistance against the government de jure or de facto, not amounting to a **Rebellion**.
21. **Usurped Power** is a situation where the established government de jure or de facto has been overthrown and replaced by another power that impose and or enforce their own rules.

Revolution is an uprising of the people with force to make a radical change to the current public administration system of the country or to overthrow the established government de jure or de facto, not amounting to a **Rebellion**.

23. **Rebellion** is a state of organized resistance against the established authority de jure or de facto with the objective to supplant or overthrow it with force using fire arms which threatens the existence of such authority.
24. **Military Power** is an act by a group of home or foreign armed forces personnel consisting of at least 30 (thirty) persons using force with the intention to overthrow the established authority or to cause public disorder and disturbance.
25. **Invasion** is an act by the military power of one country to penetrate or invade the territory of another with the objective to permanently or temporarily occupy and take control over such territory.
26. **Civil War** is an armed conflict between regions or political factions within the territorial limits of a country with the objective to gain legitimate power.
27. **War and Hostilities** is a widespread armed conflict (whether or not war has been declared) or a warlike situation between two or more countries, including military exercises of a country or joint- military exercises between countries.
28. **Subversive** is an act by any person on behalf of or in connection with any organization with activities directed towards the overthrow by force of the government de jure or de facto, or influencing it by **Terrorism** or **Sabotage** or violence.
29. **Terrorism** is an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organization(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.
30. **Sabotage** is a destructive act against property or the obstruction of work process or causing the reduction in value of work, by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organization(s) or government(s) in an attempt to achieve a political, religious, ideological or similar goals including the intention to influence any government and/or to put the public, or any section of the public, in fear.
31. **Looting** is the appropriation of property belonging to another by any person (including those employed by or under the control of the Insured), with the intention of permanently depriving that other of it.

CHAPTER IV CONDITIONS

ARTICLE 5 JURISDICTION

This insurance shall prevail throughout the territory of the State of the Republic of Indonesia.

ARTICLE 6 DUTY OF DISCLOSURE

1. The Insured is obliged to :
 - 1.1. disclose any material fact, i.e. any information, description, circumstances and fact which may influence the Insurer's decision in accepting or declining an insurance proposal and in charging a premium rate on it should the proposal be accepted;
 - 1.2. make true statements regarding the matters relating to insurance contract; to be declared at the time of entering into the insurance contract as well as during the insurance period.
2. Should the Insured fail to fulfill his duties as described in paragraph (1) above, the Insurer shall not be liable to indemnify any loss and shall be entitled to terminate this insurance and shall not be liable to refund the premium.
3. Provisions under Paragraph (2) above shall not be applied to those undisclosed or untruly stated material facts which has already been known to the Insurer, but the Insurer does not exercise his rights to terminate the insurance within 30 (thirty) calendar days after the Insurer becomes aware of such breach.

ARTICLE 7 PREMIUM PAYMENT

1. It is a condition precedent to liability under this policy, that any premium payable shall have been paid off and actually received in full by the Insurer, in the event of:
 - 1.1. insurance period of 30 (thirty) days or more, then settlement of premium payment shall be conducted within a period of 14 (fourteen) calendar days as of the date of inception of this Policy;
 - 1.2. such insurance period is less than 30 (thirty) days, settlement of premium payment shall be conducted at the time of issuance of Policy.
2. Premium payment can be made by cash, cheque, bilyet giro, transfer or by any other means agreed upon between the Insurer and the Insured.

The Insurer is deemed to have received premium payment, at the time of:

 - 2.1. receipt of cash payment, or
 - 2.2. the relevant premium has already been deposited to the Insurer's bank account, or
 - 2.3. The Insurer has agreed the settlement of relevant premium in writing.
3. In case the Insured fails to fulfill the liabilities as referred to in paragraph (1) above, *this Policy shall be automatically terminated without issuing cancellation endorsement* starting from the expiry of the grace period and *the Insurer shall be discharged from any liability there from*.

However the Insured shall remain obliged to pay the time on risk premium for the insurance period already lapsed amounting to 20% (twenty percent) of the annual premium.
4. In the event of any loss covered by the Policy within time frame as referred to in paragraph (1) above, the Insurer will be held responsible for such loss if the Insured pays off premium within the relevant time frame.

ARTICLE 8 ALTERATION

1. The Insured shall be obliged to notify the Insurer of any circumstance that increases the risks covered by the Policy, not later than 7 (seven) calendar days if changes occur in parts and or use of Motor Vehicle.
2. In connection with the risk changes in paragraph (1) above, the Insurer is entitled:
 - 2.1. to determine this insurance be continued with existing premium rate or with higher premium rate, or
 - 2.2. to terminate insurance by returning premium as stipulated in Article 27 paragraph (2).

ARTICLE 9 INSPECTION

The Insurer shall be entitled to perform inspection on Motor Vehicle at any time during insurance period.

ARTICLE 10 CHANGE OF OWNERSHIP

In the event of Motor Vehicle and or the insured interest has changed its ownership in any way, this Policy shall terminate automatically after 10 (ten) calendar days as of the date of transfer of such ownership, unless the Insurer gives approval in writing to continue the insurance.

ARTICLE 11 OBLIGATIONS OF THE INSURED IN THE EVENT OF LOSS AND OR DAMAGE

1. The Insured, after knowing or should have known the existence of loss and damage to Motor Vehicle and or insured interest, shall be obliged :
 - 1.1. to notify the Insurer in writing or verbally followed by written notice to the Insurer not later than 5 (five) calendar days as of the occurrence of loss and or damage;
 - 1.2. to report to and obtain record from Sector Police at minimum in the scene of incident, in the event of partial loss and or damage occasioned by theft or that involves any third party, which may be made the basis of claim for damages to or from any third party;

- 1.3. to report to and obtain record from Regional Police in the scene of incident in the event of total loss due to theft.
2. In the event of any third party files a claim against the Insured in relation to any loss and or damage occasioned by Motor Vehicle, the Insured shall be obliged:
 - 2.1. to notify the Insurer of the existence of such claim not later than 5 (five) calendar days since the claim is accepted;
 - 2.2. to deliver documents of third party's claim and deliver report of Sector Police in the scene of incident;
 - 2.3. to deliver authorization letter to the Insurer to handle claim for damages from the third party, if the Insurer desire so;
 - 2.4. not to give any promise, remarks or take actions giving the impression that the Insured acknowledges a responsibility.
3. At the time of loss and or damage, the Insured shall be obliged :
 - 3.1. to make every reasonable effort to protect, maintain, save Motor Vehicle and or insured interest and allow for another party to save Motor Vehicle and or such interest;
 - 3.2. to provide full assistance and opportunity for the Insurer or Insurer's Representative or another party appointed by the Insurer to conduct investigation over loss and or damage occurring to Motor Vehicle prior making any repair or replacement;
 - 3.3. to secure Motor Vehicle and or insured interest that may be saved.

All rights for claim shall be forfeited if the Insured fails to fulfill the provisions in this Article.

ARTICLE 12 SALVAGES

1. In the event of any loss and or damage, the Insured shall be held responsible to protect and keep the salvage and parts of Motor Vehicle that may be saved.
2. Provision in paragraph (1) above shall not be construed as an acknowledgement of the Insurer's liability hereunder.
3. The salvage and parts of Motor Vehicle that have been indemnified shall become due to the Insurer.

ARTICLE 13 FRAUDULENT REPORT

The Insured with the intention of taking benefit from this Policy shall not be entitled to get indemnification if the Insured deliberately:

1. discloses facts and or makes statements which are untrue regarding circumstances relating to the proposal submitted at the time of effecting this Policy and relating to the loss and or damage that occurred;
2. exaggerates the amount of loss suffered;
3. declares items which did not exist as being existent at the time of incident and states such items as had been destroyed;
4. hides saved items or their salvage and declares those items as had been destroyed;
5. uses any letter or evidence which is fake, falsehood or deceit.

ARTICLE 14 SUPPORTING DOCUMENTS FOR CLAIM

In case of an incident occurs that would possibly gives rise to any claim for damages, the Insured shall be obliged to deliver the following claim supporting documents :

I In Case of Partial Loss

1. Report of loss including chronology of incident.
2. copy of :
 - 2.1. Policy, Certificate, Attachment/ Endorsement.
 - 2.2. Driving License of the Driver at the time of incident, Motor Vehicle Number, Resident Identification Card of the Insured.

II In Case of Total Loss

1. Report of loss including chronology of incident.

2. Original documents :
 - 2.1. Policy, Certificate, Attachment/ Endorsement.
 - 2.2. Motor Vehicle License, Certificate of Ownership of Motor Vehicle, Sales invoice, receipt and letter of ownership assignment signed by the Insured.
 - 2.3. Documents required in accordance with the regulation applicable to diplomatic Motor Vehicle or that of international agency.
 - 2.4. Motor Vehicle Inspection Book for types of vehicle that are required by regulation.
 - 2.5. Regional Police Record, in case of Total loss.
 - 2.6. Document of Motor Vehicle License blockage, in case of Total loss.
3. copy of the Driver's Driving License at the time of incident, Resident Identification Number of the Insured.

III Applicable to paragraph I and II above:

1. Photos of damage, estimation of reparation cost, if requested by the Insurer.
2. Local Police Report, if such loss and or damage involve a third party or in case of partial loss due to theft.
3. Letter of claim from the third party if such loss and or damage involve a third party.
4. Other relevant documents requested by the Insurer in connection with settlement of claim.

**ARTICLE 15
BASIS OF INDEMNITY**

Unless otherwise provided in the Policy, basis of indemnity in case of:

1. Partial damage:
 - 1.1. if such damage is repairable, based on reasonable repair cost;
 - 1.2. if such damage is irreparable, based on acquisition price of spare parts in the free market plus reasonable installation cost;
 - 1.3. if a spare part is no longer traded in the free market, the price shall be based on the latest recorded price in Indonesia or the Insured provides the relevant spare part and the Insurer shall reimburse the actual value of such spare part including reasonable installation cost;
2. Total loss shall be based on the actual value.
 - 2.1. Total Loss occurs when:
 - 2.1.1. any damage and or loss due to an incident covered by the Policy in which cost of repair, replacement or reinstatement to original condition immediately prior to occurrence of such loss and or damage shall be equal or higher than 75% (seventy five percent) of the actual price; or
 - 2.1.2. lost due to theft as referred to in Article 1 paragraph (1) item 1.3. and is not found within 60 (sixty) days since the occurrence of theft;
 - 2.2. In the event of under-insurance as referred to in Article 17 and the Insured has received payment of indemnity from the Insurer as much as the Sum Insured, the Insured shall be entitled to have some portion of selling value of salvage calculated proportionally between difference of the actual value and Sum Insured to the actual value.
 - 2.3. In case of a loss does not meet the requirements as referred to in paragraph item 2.1. of this Article , such loss shall be deemed to be a partial Loss.

**ARTICLE 16
ASSESSMENT AND SETTLEMENT OF CLAIM**

1. In the event of any loss and or damage to Motor Vehicle and or insured interest, the Insurer shall have the right to take option to indemnify as follows:
 - 1.1. repair at the workshop appointed or approved by the Insurer;
 - 1.2. cash payment;
 - 1.3. replacement of spare parts or vehicle corresponding to the same brand, type, model and year as set forth in the Policy
2. The Insurer's liability for any loss and or damage to vehicle and or insured interest shall not exceed the Sum Insured.
3. Calculation of the amount of loss shall not exceed the difference of the actual value immediately prior to and after the incident of loss and or damage.

4. In the event of any loss, the Insured shall be obliged to pay off premium payable for the current insurance period.

ARTICLE 17 UNDER INSURANCE

If at the time of the loss or damage caused by perils covered by this Policy, the total sum insured is less than actual value of the motor vehicle insured immediately prior to the loss or damage, then the Insured shall be considered as being his own insurer for the difference and shall bear in proportion of the loss accordingly.

These conditions shall be applied before the application of deductible as stated in this Policy

ARTICLE 18 REIMBURSED EXPENSES

Reasonable expenses incurred by the Insured, in the event of any loss and or damage due to risks covered for protection, transport or towing to the workshop or another place to prevent or minimize such loss and or damage.

Reimbursement for such expenses shall not exceed 0,5% (half percent) of the Sum Insured. This reimbursement shall not be deducted by Own Risk.

ARTICLE 19 OTHER INSURANCE

1. At the time of the attachment of this insurance, the Insured is obliged to notify the Insurer of any other insurances already effected on the same vehicle and or interest, if any.
2. If subsequent to the attachment of this Insurance, the Insured effected other insurance on the same vehicle and or interest, such other insurance should be notified to the Insurer.

ARTICLE 20 INDEMNIFICATION OF MULTIPLE INSURANCES

1. In the event of loss of or damage to the vehicle and or interest insured by this Policy, where such vehicle and or interest has also been insured by one or more other policies and the sum of the total sum insured under all policies (in force) is higher than the actual value of the vehicle and or interest immediately before the occurrence of loss, the maximum amount recoverable under this Policy shall be reduced proportionately based on the proportion of the total sum insured of this Policy to the sum of the total sum insured of all policies (in force), but the premium shall not be reduced or refunded.
2. The provision stated in paragraph (1) shall remain in effect, even though said insurances are made up of several policies effected on various different dates, if the date of the policy or all policies precede the date of this Policy and they do not contain provision as stipulated in paragraph (1) above.
3. In the event of loss or damage, the Insured is obliged to notify in writing of any other insurance in force covering the same vehicle and or interest.

Should the Insured fail to comply with these requirements his rights to indemnification shall be forfeited.

ARTICLE 21 DEDUCTIBLE

For each and every loss, the Insured shall bear the amount of the deductible as stated in the Policy. In case of under insurance as stated in Article 17, the calculation of the deductible will be applied after the calculation of under insurance.

ARTICLE 22 S UBROGATION

1. Upon payment of indemnity on the vehicle and or interest insured by this Policy, the Insurer shall replace the Insured as regard to any rights that the Insured has against third party concerning the loss. The rights of subrogation set out above shall be in force automatically without requiring any Power of attorney from the Insured.
2. The Insured remains responsible for any action that could possibly prejudice the rights of the Insurer against third party.
3. The failure of the Insured to carry out his responsibilities under paragraph (2) above may remove or reduce the rights of the Insured to indemnification under this Policy.

ARTICLE 23 INDEMNIFICATION

The Insurer is obliged to settle the payment of indemnity within 30 (thirty) calendar days after a written agreement between the Insurer and the Insured on the amount of the indemnity.

ARTICLE 24 REINSTATEMENT OF THE SUM INSURED

After the occurrence of loss of or damage to the vehicle and or interest insured, the Sum Insured will be reduced by the amount of such loss or damage.

After the reinstatement of the damage, the Insured may request reinstatement of the Sum Insured by paying additional premium on prorata basis for the unexpired period of insurance. However, the Insurer has the rights to decline such request.

ARTICLE 25 FORFEITURE OF RIGHTS TO INDEMNIFICATION

1. The rights of the Insured to indemnification will be automatically forfeited if the Insured:
 - 1.1. fails to submit claim within 12 (twelve) month from the time of loss and or damages although the notice of the event already submit;
 - 1.2. fails to file an objection nor request for settlement by arbitration or other legal proceeding within 6 (six) months from the time the Insurer declares in writing that the Insured does not have any rights for indemnification;
 - 1.3. fails to comply with obligations under this Policy;
2. The rights of the Insured to claim for an indemnification which is greater than that has been agreed by the Insurer will be forfeited if within 3 (three) months from the time the Insurer notifies in writing, the Insured does not submit any written objection or does not take settlement by arbitration or other legal proceeding.

ARTICLE 26 CURRENCY

In case of premium and or claim under this Policy is denominated in foreign currency but the payment will be settled in Rupiah currency, such payment shall be executed based on the selling rate of Bank Indonesia at the time of payment.

ARTICLE 27 TERMINATION OF INSURANCE

1. Other than those stipulated in article 6 paragraph (2), the Insurer and the Insured are respectively entitled to terminate this Insurance at any time and are obliged to state the reasons
Such notification of termination shall be made in writing by registered letter by the party who wants the termination to the other party at their latest known address. The Insurer is released from all liabilities under this Policy within 5 (five) calendar days from the dispatch date of their notification.
2. Should there be any termination of insurance as stated in paragraph (1) above, a refund premium shall be made on pro rata basis for the unexpired insurance period, after being deducted by the Insurer's acquisition cost. However, in case this insurance is terminated by the Insured whereas during the

insurance period already lapsed there were claims with amounts exceeding the premium stated in the Schedule, the Insured shall not be entitled to any refund premium for the unexpired insurance period.

3. Insurance shall terminate automatically after the occurrence of incident that causes the vehicle sustain Total Loss. The Insured shall not be entitled to any premium return for the period not yet taken, whether for insurance period of less or more than 12 (twelve) months

ARTICLE 28 REFUND OF PREMIUM

The Insured shall not be entitled to any refund of premium other than as stipulated in Articles 8, 10 and 27.

ARTICLE 29 DISPUTE CLAUSE

1. In the event of any dispute arising between the Insurer and the Insured as consequence of the interpretation of liability or amount of indemnity of this Policy, the dispute shall be settled amicably within 60 (sixty) calendar days from the dispute arose. The dispute arises since the Insured has expressed in writing his disagreement on the subject matter of the dispute
2. If the dispute could not be settled amicably as provided in item 1 above, the Insured may request the Indonesian Insurance Mediation Board (BMAI) to act as a mediator in order to settle the dispute subject to the terms and conditions applied by BMAI
3. If the dispute could not be settled amicably as provided in item 1 above, the Insured does not take settlement through BMAI or take the settlement through BMAI but the decision of adjudication of BMAI can not be accepted by the Insured then the Insurer shall give the option to the Insured to select either one of the following dispute clauses as stated below:

A. Arbitration

It is hereby declared and agreed that the Insured and the Insurer shall settle the dispute through Arbitration Ad Hoc as follows :

- a.1. The Ad Hoc Arbitration consists of 3 (three) Arbitrators. The Insured and the Insurer shall each appoint one Arbitrator within 30 (thirty) calendar days from the date of the receipt of the written notification, then the two Arbitrators shall choose and appoint the third Arbitrator within 14 (fourteen) calendar days from the date of appointment of the second Arbitrator. The third Arbitrator shall act as Umpire of the Arbitration Ad Hoc.
- a.2. Should there be any failure as to the appointment of the third Arbitrator, the Insured and or the Insurer could request the Chairman of the court (Ketua Pengadilan Negeri) where the defendant domiciles to appoint the Umpire.
- a.3. The examination of the dispute shall be settled within 180 (one hundred and eighty) calendar days from the date of the formation of the Arbitration Ad Hoc. The period of examination of the case could be extended.
Upon the agreement of both parties and if it is deemed necessary by the Arbitration Ad Hoc, the period of examination of the dispute could be extended.
- a.4. The Arbitration award is final and enforceable at law and binding the Insured and the Insurer. Should the Insured and or the Insurer fail to comply with the arbitration award, then the award shall be executed under the order of the Chairman of the competent court (Ketua Pengadilan Negeri yang berwenang) at the request of the other party in dispute.
- a.5. Other matters which are not provided under this clause shall be subject to the provisions of laws on arbitration, which currently be the Act of the Republic of Indonesia Nr. 30 year 1999 dated August 12, 1999 regarding Arbitration and Alternative Dispute Resolution.

B. Court

It is hereby declared and agreed that the Insured and the Insurer shall settle the dispute through the Court (Pengadilan Negeri) within the territory of the Republic of Indonesia.

4. In case of the decision of adjudication of BMAI is declined by the insured, but the insured does not take the case to arbitration or court within 180 (one hundred eighty) calendar days from the date of the adjudication's decision made by BMAI in writing, then the rights of the Insured to indemnification will be automatically forfeited.

**ARTICLE 30
CONCLUSION**

1. Should there be any difference in the wordings contained in this Policy and that circulated under a decree of the Board of Executives of General Insurance Association of Indonesia to all members of the General Insurance Association of Indonesia (AAUI), the original of which is filed at the Secretariat of AAUI, then the valid version shall be the latter.
2. Other matters which may have not been sufficiently stipulated in this Policy shall be subject to the provisions of the Commercial Code (Kitab Undang-Undang Hukum Dagang) and or prevailing Laws and Regulations.

(This wording is a translation of the original version in Bahasa Indonesia; in the event of any dispute arising from the interpretation of any meaning herein, the terms and conditions shall be interpreted according to the original Bahasa Indonesia version)

