

## **PERSONAL**

### **MOTOR INSURANCE**

Our motor insurance cover helps you protect yourself and your vehicle. We provide you with financial protection against physical/bodily injury resulting from the ownership and/or use of motor vehicles and against liability that could arise from their use. Our motor insurance cover can be used to protect both private and commercial vehicles.

#### **A. Comprehensive Insurance**

Comprehensive insurance is auto insurance that protects you, your car, and third parties against all possible risks.

It covers a wide array of events that can damage your car, including vandalism, fires, and rockslides on twisting mountain roads.

#### **This form of policy provides an indemnity in respect of: -**

- 1) Loss of or damage to any insured vehicle and its accessories and spare parts therein by: -
  - i. Accidental collision or overturning.
  - ii. Fire, external explosion, self-ignition, lightning, burglary, housebreaking, or theft.
  - iii. Malicious act.
  - iv. Whilst in transit by road, rail, inland waterway, lift, or elevator.
- 2) Indemnity in respect of legal liability to third parties for bodily injury or death and/or property damage.
- 3) The cost of protection and removal of the vehicle to the nearest repairer.
- 4) Medical expenses incurred by the driver and any occupants of the insured vehicle as a result of bodily injury sustained in an accident.

#### **B. Third Party Insurance, Fire, and Theft**

This covers the insured against Fire, external explosion, self-ignition, lightning, burglary, housebreaking, or theft and liability arising out of the damage to third party persons and injuries caused by the insured vehicle in the use for which it is insured.

#### **C. Third Party Only Insurance**

This covers the insured from liability arising out of the damage to third party persons and injuries caused by the insured vehicle in the use for which it is insured.

This liability is the most common insurance claim; it arises out of small to medium road accidents where the insured has:

- Damage to property that belongs to other people like vehicles or buildings
- Death or injury to pedestrians or public
- Death or injury to passengers.

Please note that this type of insurance protects the interest of only third parties, not yours.

#### **D. Motor Commercial Vehicles**

Commercial Motor insurance is the collective name used to describe all of the different types of policy for the different types of vehicles used by businesses for commercial purposes including, Lorries, vans, minibusses, trucks, tippers, and heavy goods vehicles - HGVs.

It also covers fleet insurance too which is aimed at businesses with two or more vehicles.

#### **Benefits**

- Vehicle damages as a result of an accident
- Theft of the vehicle
- Damage to the vehicle due to accidental fire
- Damage of property belonging to third parties
- Bodily harm to third parties
- Damage to car accessories that had been declared when the policy was bought
- Consequential Legal fees incurred with permission from the insurer.

### **FIRE AND PERIL INSURANCE**

This policy protects the physical capital represented by your buildings and contents.

The cover provides indemnity against loss or damage to property caused by Fire, Lightning, or Explosion of gas used for domestic purposes or used for lighting or heating the building.

The policy extends to cover loss or damage caused by: -

- Earthquake, shock
- Riot, strike, and malicious damage
- Storm, Tempest, and Flood
- Bursting or overflowing of water tanks apparatus and/or pipes
- Aircraft or other aerial devices and/or articles dropped therefrom
- Impact by road vehicles, horses, or cattle
- Subterranean fire, Bush fire

## **A. FIRE CONSEQUENTIAL LOSS**

This policy is issued in conjunction with a Fire Material Damage Policy.

This policy protects the earning capacity of that capital by making a good loss of your net profit, enabling you to meet overheads and defraying an increase in expenditure.

The cover provides indemnity against loss of gross profits following a reduction in turnover (or other appropriate standards e.g., rent receivable) and increased cost of working necessarily incurred to maintain or restore turnover, (for example renting temporary premises, having work done elsewhere, overtime or extra labor and special advertising) resulting from a peril covered under the attendant Fire Policy.

## **B. DOMESTIC PACKAGE**

This cover provides indemnity to the Insured against loss of or damage to residential premises including household goods due to fire, burglary, storm, water damage, earthquake, and other related perils.

The policy is extended to cover the following: -

- Liability at law including liability under Workmen's Compensation (Act Limits) legislation in force in Tanzania in respect of domestic servants employed at the private residence.
- Medical expenses following a bodily injury sustained by any person other than the Insured or a member of his household caused by a domestic animal or defects in or around the premises.
- Death of the Insured or Spouse occurring in the insured premises due to fire, accident, or violence by intruders or domestic employees.

## **BURGLARY**

This policy covers loss or damage by theft involving entry to or exit from a building by forcible and violent means or any attempt thereat, provided there are visible marks made on the premises at the place of such entry or exit by tools, explosives, electricity, or chemicals. Outbuildings and open spaces are excluded.

Damage to the premises caused by thieves is included if the insured is responsible for the repairs provided the sum insured is adequate.

**This policy is subject to an excess.**

## **PERSONAL ACCIDENT**

Personal Accident policy is meant to provide monetary payments in the event of bodily injury sustained by an insured person. The injury must be caused solely and directly

by an "accident" and must result in physical impairment or disablement, or death within the period specified of 12 months from the date of the accident.

The amounts payable for the various benefits are agreed upon when the policy is taken out and are expressed either as a fixed specified sum or in the case of collective policies, can be related to the Insured person's annual salary.

**Age Limit:** 16 - 70 years

**Benefits covered: -**

- Death
- Permanent total disablement
- Temporary total disablement
- Medical benefit

### **TRAVEL INSURANCE**

Travel insurance is an insurance policy that is intended to protect you from a wide range of unexpected and unforeseen events when traveling internationally or domestically that could affect your health and/or cost you money.

*The most common risks that are covered by travel insurance plans are:*

Trip Cancellation or Interruption, Medical assistance, Evacuation Insurance, Baggage, and Personal Items Loss, Trip delay, Lost or delayed baggage, Medical coverage, medical evacuation, etc.

### **BENEFITS**

- Personal Accident - DEATH/PTD
- Emergency Medical Expenses and Emergency Medical Evacuation
- Emergency Dental Care
- Repatriation of Mortal Remains
- Hospital Benefits
- Loss of Checked Baggage
- Delayed Baggage –per each 12-hour period of delay
- Personality Liability
- Hijack
- Loss of Passport
- Cancellation and Curtailment
- Travel Delay
- War & Terrorism

# **BUSINESS**

## **GROUP PERSONAL ACCIDENT**

This policy covers death or bodily injury to the insured persons/Employees caused by accidental violence, external and visible means. The policy can be extended to cover Medical Expenses following an accident.

The cover provided is on a 24-hour basis for both duty and pleasure purposes.

**The benefits paid are defined in the policy schedule e.g.**

- On Death – No. of Years @ Estimated annual Earnings of the Employee
- On Permanent Disablement – No. of Years @ Estimated annual Earnings of the Employee
- On Temporary Disablement – Actual Weekly Earnings Maximum 104 Weeks
- On Medical Expenses – The Limit to be decided by the insured

## **POLICY EXTENSIONS**

- Payment on account
- Worldwide cover
- 24-hour cover duty and pleasure
- Double Benefits extension
- Automatic Addition/Deletion of employees
- Riot, Strike, and Civil Commotion
- Disappearance extension

## **PLATE GLASS**

The policy covers the breakage of fixed glass in sales shops, commercial and industrial premises, public buildings, and private dwellings.

In the event of breakage of any items of glass specified in the policy schedule, the policy pays or makes good the intrinsic value of the glass plus the cost of any necessary boarding up pending its replacement.

The maximum liability under the policy is the amount specified in respect of the particular item as being the limit of value.

## **PROFESSIONAL INDEMNITY**

Professional indemnity insurance (PII) also called Professional liability insurance (PLI), is a form of liability insurance that helps protect professionals from legal liability that may arise due to acts of negligence, error, or omission in the rendering of or failure to render professional services for others in the insured's capacity as a professional.

## **PUBLIC LIABILITY**

This cover indemnifies the insured in respect of his Legal Liability to Third parties for accidental injury or loss of or damage to property happening during the currency of the policy and caused in the course of the Insured's business within the territorial limits.

**This policy is subject to an excess.**

## **EMPLOYERS' LIABILITY AND WORKMENS COMPENSATION**

This form of insurance covers employers in respect of their legal liability under Workmen's Compensation Legislation and at Common Law to compensate employees or their dependants in respect of injuries or diseases involving death or disablement which the employees may sustain in the course of their employment, plus legal costs.

**Limits are as provided for by the Workmen's Compensation Act.**

## **FIDELITY GUARANTEE**

This policy indemnifies the insured against loss of money or goods (their own or for which they are responsible) as a result of dishonesty by their employees.

The policy cover is not limited to loss of money or goods belonging to the employer through acts of fraud or dishonesty but applies also to money or goods of clients or customers for which the employer may be responsible in the normal course of business.

**This policy is subject to an excess and our underwriting investigations of employees to be insured.**

## **GOODS IN TRANSIT**

The policy covers loss of or damage to property caused by fire, theft, or accidental means whilst in transit by road or rail or whilst temporarily housed in the ordinary course of transit within the territorial limits.

Limits covered are:

- Anyone carry
- Estimated Annual Carry

**The policy is subject to an excess.**

## **MONEY IN TRANSIT**

The policy covers loss or destruction of or damage to money belonging to the insured, or for which he is responsible for by any cause whilst being conveyed by an employee or other authorised person or in the insured premises or a bank night safe. In addition, it covers loss of or damage to the safe or strong room of the insured as a result of theft or attempted theft of money.

“Money” refers to cash, bank notes, cheques, money orders, postal orders, bills of exchange, postage, and other stamps (not being a stamp collection or part thereof) having a monetary value.

Limits covered include: -

- Money in Transit
- Money in premises
- Money in safe
- Money in the custody of employees

**This policy is subject to an excess.**

## **MARINE INSURANCE**

This policy covers the risk of loss, destruction, or damage to the goods in Transit by sea, air, or land.

The insurance attaches from the time the goods leave the warehouse or place of storage named in the policy for the commencement of the transit, continues during the ordinary course of transit, and terminates either: -

- On delivery to the consignees or other final warehouse or place of storage at the destination named in the policy.
- Or on the expiry of sixty days after completion of discharge of the goods from the vessel at the final port of discharge.

**This policy is subject to an excess.**

## **COMPUTER MATERIAL DAMAGE**

This policy covers accidental damage including a mechanical and electrical breakdown of computers, installation, and peripheral equipment.

The policy does not cover mechanical and electrical breakdowns if a manufacturer's service/maintenance contract is not in force. The policy is also subject to an excess and excludes transit.

The sum insured should represent the new replacement value of the computer installation, including the cost of freight, installation, and custom dues.

**This policy is subject to an excess.**

## **COMPUTER CONSEQUENTIAL LOSS**

The policy is issued in conjunction with Computer Material Damage Insurance. It covers consequential loss following damage to the computer installation indemnifiable under the attendant computer material damage policy.

Cover includes: -

- Additional expenditure

The sum insured should be sufficient to cover all extra costs, which are expected to be incurred.

- Cost of reproducing data

The sum insured should be sufficient to cover all extra costs, which are expected to be incurred.

- Loss of revenue

The sum insured is the amount of turnover in twelve months less noncontinuing expenses.

**This policy is subject to an excess.**

## **MACHINERY BREAKDOWN**

This cover is suitable for installed plants and machinery including lifts.

The policy covers sudden and unforeseen mechanical and electrical breakdowns extended to include extraneous damage.

### **Main Exclusions**

- Fire, lightning, explosion, theft, the collapse of buildings, subsidence, water damage, flood, earthquake, riot, and strike.
- Gradual deterioration, wear and tear.
- Exchangeable parts/tools and parts not made of metal.
- Defective design, materials, or workmanship.

The sum insured should represent the new replacement value of the machinery including the cost of freight, installation, and customs dues.

**This policy is subject to an excess.**



## **MACHINERY BREAKDOWN (LOSS OF PROFITS)**

The policy covers loss of gross profit or revenue plus increased cost of working within the economic provision following indemnifiable damage to machinery covered under the Machinery Breakdown or Boiler Explosion policies.

### **Main Exclusions**

- Fire, lightning, explosion, theft, the collapse of buildings, subsidence, water damage, flood, earthquake, riot, and strike.
- Gradual deterioration, wear and tear.
- Exchangeable parts/tools and parts not made of metal.
- Defective design, materials, or workmanship.
- Re-leveling unless necessitated solely by accidental damage covered by the policy.
- Any gradual loss of contents or normal trade loss.

**This policy is subject to a time exclusion.**

## **BOILER AND PRESSURE VESSEL**

The policy covers explosion or collapse of steam boilers including, where applicable, economizers, superheaters, steam piping, and pressurised process plant.

## **STORAGE TANKS**

The policy provides cover in respect of:

- a) Accidental damage to the tank was caused by: -
  - Bursting
  - Splitting
  - Rupture
  - Collapse
  
- b) Loss of contents Exclusions

**The main exclusions are: -**

- Fire, lightning, flood, explosion, aircraft, earthquake, riot, and strike or hurricane.
- Gradual deterioration, wear and tear, or erosion.
- Defective design, material, or workmanship.
- Damage due to subsidence.
- War, civil war, or nuclear risks.
- Gradual losses of contents by seepage, evaporation, or any form of normal trade loss.

### **Sum Insured**

The sum insured for the tank must be its installed new replacement value.

The sum insured for the contents is the maximum value of the contents.

### **Basis of Indemnification**

This is as per the Machinery Breakdown Policy, namely: -

- Cost of repairs up to the actual value immediately before the incident with no deduction for wear and tear or deterioration.
- If the cost of repair is above the actual value then the actual value becomes the limit of liability.

**This policy is subject to an excess.**

### **CONTRACTORS ALL RISKS (CAR)**

This policy covers the contractor's obligations on works of civil engineering construction from site investigation through site preparation, construction, and testing (where applicable) to handover and during any prescribed subsequent maintenance period.

The policy is written on an "all risks" basis and cover includes: -

- Fire and allied perils
- Accidental damage
- Collapse, collision, impact, theft, malicious damage
- Damage due to faults in design, materials, workmanship
- Maintenance

The sum insured should reflect the contract value in respect of civil works.

The policy is subject to a single excess or both a basic and a higher differential excess.

By extension, the cover can include the contractor's plant and equipment in use in pursuance of the contract.

The policy can also be combined with an Erection All Risks policy where there is an element of machinery erection.

**This policy is subject to an excess.**

### **ERECTION ALL RISKS (EAR)**

With this policy, machinery is covered during site erection from storage through handling, erection, and commissioning to final testing and during any prescribed subsequent maintenance period. The policy is intended to cover the contractor for his contractual obligations.

The policy is written on an "all risks" basis and cover includes:-

- Fire and allied perils
- Accidental damage
- Collapse, collision, impact, theft, malicious damage
- Damage due to faults in design, materials, workmanship
- Electrical and mechanical breakdown and explosion during testing
- Maintenance

The sum insured should reflect the contract value in respect of machinery.

The policy is subject to either one excess or:-

- basic
- major perils
- commissioning / testing / maintenance excesses

By extension, the cover can include the contractor's plant and equipment in use in pursuance of the contract.

The policy can also be combined with a Contractors All Risks policy where there is an element of civil engineering work.

**This policy is subject to an excess.**

### **BOND INSURANCE.**

Bond means a written instrument executed by the principal (Bidder or Contractor) and the surety to assure fulfillment of the contractual obligation to a third party identified in the bond. Such instrument shall include any reinsurance accepted by the surety and indemnity or guarantee given by the surety in respect of bond procured.

#### **Scope of cover**

Surety Bond protects one party from the consequences of premature termination of contract or failure to perform contractual obligation by the other party to the contract.

Bonds involve three parties: - a Surety, Executor, and the Principal (sometimes known as Employer). It is drafted so that it remains in force until the obligations of the execution have been completed.

In practice, most bonds stipulate a date upon which they cease. (Normally the date is an anticipated one to finish work and do also consider extending the period named as, the maintenance period).

## **Types of Bonds**

Under this class of insurance, there are two main categories of Bonds issued by the UDIA, namely Contract Bonds and Custom Bonds.

### ➤ **Contract Bonds**

A contract Bond, as the term is used by underwriters is an undertaking whereby Surety agrees to indemnify the Employer, to a designated amount against loss or damage sustained by the latter through the failure of the principal to perform or execute the contract.

In the usual form of Contract Bond, the surety does not guarantee the actual completion of the contract work, but rather the surety bind himself to pay or remunerate such loss as the owner may sustain because of non-completion of the work by the contractor, or his failure to otherwise fulfill or conform to the terms of the contract. Upon default by the contractor, the surety is not compelled to complete the work. However, he usually reserves the optional right to take over the contract and complete the work.

The following are types of Contract Bonds:

- **Performance Bond:** Provides assurance for performance and fulfillment of the contract's obligations.
- **Tender/Bid Bond:** Form of security assuring the employer/principal that a bidder is a responsible one and that if the bid is accepted the bidder will proceed to execute a contract. If the bidder fails to do; and an employer incurs loss and expenses in the retendering process, those losses could form a claim under the bond.
- **Advance payment Bond:** Secures/protect an employer for advance payment provision made as a result of loss due to default by the contractor.
- **Retention Bond:** issued in lieu of retention monies. It is used to permit the early release of the retention element of monthly progress payments.

**Note.** University of Dar es salaam Insurance Agency has an internal Risk surveyor who is helping the client to conduct the Risk Survey and determine the present status of the properties and advise the recommendations to be carried out to minimize the risk.