

VOLUNTARY AUTOMOBILE INSURANCE WORDINGS

Contract no: MOT210171SBD

(Promulgated together with Official approval of vehicle insurance No. 14567/BTC-QLBH dated 22/11/2018 of Ministry of Finance and Decision No. 271/2018/UIC-QĐ dated 18/12/2018 of General Director of United Insurance Company of Vietnam)

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PART I – DEFINITION

In the wording, several lexicons are defined as below:

1. "Insurance company" is United Insurance Co. of Vietnam (UIC)
2. "Insurance Buyer" means an organization or individual who concludes an Insurance Agreement with UIC and pay the premiums. The Insurance Buyer may be the owner and the Insured at the same time.
3. "The insured" is an organization or individual having their own vehicle insured as insurance policies and take the compensation
4. "Vehicle owner" means an organization or individual owning a car or being possessed by a car owner and use a car lawfully.
5. "The automobile" includes car, pick – up, truck, bus, trailers are pulled by a tractor truck... Not including 2 wheel vehicle, 3 wheel vehicle, motorcycle, motor – bicycle and other similar types.
6. The market price of the vehicle or the vehicle value is the price of the vehicle of the same type in the same year of manufacture, same brand, same model, the same "km" used or the time of using vehicle.
7. "Time of using vehicle" is the period of time calculated from the initial month of registration in Vietnam to the month of signing the insurance contract. For imported used cars , the period of use is calculated from January of the year of make to the month of signing the insurance contract.
8. "Premium" is the amount that the Owner / Purchaser / Insured must pay to UIC or the legal representative of UIC according to the terms and conditions agreed by the parties in the Insurance contract.
9. "The Policyholder" is the Insurance Buyer or / and the Insured or / and its owner or their legal representative
10. "Third party" means a party involved in vehicle damage excluding UIC, driver, Policyholder.

PART II - GENERAL CONDITION

On the proposal of the automobile owner and his payment of premium as agreed, United Insurance Company of Vietnam (hereinafter referred as UIC) agrees to provide the voluntary insurance covers for the subject to all terms and conditions contained in these wordings.

Article 1. Insurance contract

An automobile insurance contract is an agreement between the automobile owner and UIC whereby the insurance buyer shall pay sufficient premium and UIC shall compensate the insured/automobile owner upon the occurrence of an insured event.

Insurance contract shall be made in writing. Depending on the customer and the form of issuance agreement, Insurance contract shall include a part or in whole of the below documents:

1. Endorsements
2. Certificate of insurance
3. Insurance policy or the summary of the insurance policy
4. Wording
5. Proposal Form with signature of automobile owner (if any)
6. Other documents (if any).

The priority to apply the terms and conditions specified in the insurance contract will be in the order above

Article 2. Insurance validity

1. The insurance effect shall commence and terminate as stated on insurance contract/ insurance certificate.
2. With respect to the transfer of ownership of the insured automobile, the insurance contract is automatically effective for the new owner in case the previous owner requested UIC by documents for the ownership transfer and UIC accept this request.

In any case, the insurance contract with no mention of exact start and end time is automatically interpreted that the inception date starts at 00:01 of the day and the expiry date ends at 23:59 of the day.

Article 3. Termination of an insurance contract

1. Automatically terminated insurance policy before expiry date.

In any case premiums not be paid fully and on time according to the Term of Payment agreed in the insurance Contract, and UIC do not have any agreement permitting the Insured Policyholder for owned debt in accordance with the law, the Insurance Policy and the insurance effect will automatically be terminated

Upon the expiry of payment Term (without any other conditions), UIC has no obligation to send this termination notice to the Policyholder, either before or after terminated time.

UIC has no obligation to indemnify for any loss arising from the termination of the Policy. But, even if there are no losses (or insured events) occurring prior to the termination date, the Policyholder still need to pay UIC a full premium calculated from the date of commencement to the date of expiry

2. Unilateral termination of an insurance contract

In the period of insurance, Either party (UIC or policyholder) may unilaterally terminate the insurance contract before the expiry date as specified by law by sending a written notice to the other party 07 working days before the termination time without any reason.

In case the policyholder terminates the insurance contract before expiry date, the policy holder shall send a written notice to UIC. Within 15 working days from the termination date, UIC shall refund to the policyholder 70% of the part of premium corresponding to the unexpired insurance period. UIC is not obliged to refund such premium in case any insured loss/damage event has occurred.

In case UIC unilaterally terminates the insurance contract, within 15 working days from the termination date, UIC shall refund to the owner the part of premium corresponding to the unexpired insurance period.

Article 4. Obligations and rights of UIC

1. UIC's rights:

- 1.1. Collect the fee as agreed in the Policy
- 1.2. Request the Policyholder to provide complete and correct information relating to the agreements of the Policy.
- 1.3. Refusal to indemnify the Policyholder in case of non-liability or exclusion of liability as agreed in the Policy
- 1.4. To require the Policyholder to take measures to prevent losses as prescribed by law
- 1.5. Require a third party to reimburse the amount of money UIC has paid to the Policyholder caused by the third party for the insured vehicle.
- 1.6. Other rights as regulation and law

2. UIC's obligations:

- 2.1 . Explaining the policy holder about the insurance wordings, provisions and tariff, rights and obligations of the policy holder in participating in this insurance;
- 2.2. Send the Policy to the Policyholder after binding an agreement;
- 2.3. Paying compensation within 15 working days from the receipt of sufficient and valid claim files; within 30 working days in case UIC has to verify the files. Where UIC does not have enough authority to verify the factors in the files, the claim files shall be considered sufficient and valid subject to the official conclusion of competent authorities. If the verification results cannot be provided after 90 days after UIC sending a written proposal on verification to the competent functional authorities, UIC shall actively verify and consider claim settlement;
- 2.4. In case of refusal to pay claim, UIC shall explain in writing the reasons for such refusal within 15 days after UIC receives sufficient and valid claim files;
- 2.5. For cases of serious or particularly serious loss, at the request of the automobile owner/driver, UIC will coordinate to promptly solve and may pay advance a part of expenses which necessary to overcome the consequences of the loss once it is determined that such loss are covered under the scope of insurance.
- 2.6. UIC is responsible for guiding the automobile owner/driver to collect documents to make claim files as specified in Article 7 hereof.
- 2.7. UIC is responsible for re-assessing risks and defining premium within 05 working days from the receipt of a notice of changing risk factors of the insured automobiles and for refunding premium or collecting additional premium in proportion to the unexpired period of the insurance contract.
- 2.8. Other obligations as regulation and law.

Article 5. Obligations and rights of the policyholder

1. Policyholder's rights:

- 1.1. Request UIC to clarify terms and conditions in the insurance policy
- 1.2. Request UIC to pay compensation to the Insured Person or the Beneficiary as agreements in the insurance Policy in case any insured loss/damage event has occurred
- 1.3. Transfer of the Policy under the terms of this Policy, Wordings or in accordance with the law
- 1.4. Other rights as regulation and law

2. Policyholder's obligations:

- 2.1 . To pay the full premium as payment term in the Policy
- 2.2. In filling out insurance Proposal Form, the automobile owner or his/her representative shall provide information required therein in a complete and truthful manner.
- 2.3. Creating favorable conditions for UIC to inspect the automobile's status prior to issuance of an Insurance Certificate.
- 2.4. Where changes in the level of insured risks lead to the changes in the basis to calculate premium such as change of usage proposal from non-transportation to transportation, change of vehicle's structure, Conversion upgrades increase the value of the vehicle, chang of Geographical scope of vehicle, the Policyholder shall notify UIC within 15 days from the date of such changes.
 - 2.4.1. Where changes in the basis to calculate premium lead to reduce insured risks, the Policyholder is entitled to request UIC to reduce the premium for the remaining period of the insurance contract.

Within 5 days from receipt of the Policyholder's written request for premium reduction, UIC shall send a document to answer the Policyholder about approval of or objection to such reduction and the time schedule for refunding the reduced premium.

Where UIC refuses to reduce premium, the Policyholder is entitled to unilaterally terminate the insurance contract by written notice.

- 2.4.2. When there is a change in the underlying factors for the insurance premium, resulting in an increase in the insured risks, the UIC is entitled to recalculate the premium or refuse insurance when the risk increases for the remaining period of the Policy. In case the Policyholder refuses to increase the premium, UIC may unilaterally terminate the policy, but must notify the Policyholder in written notice.
- 2.5. Complying with the regulations on road traffic safety.
- 2.6. In case of loss, the policyholder shall be responsible for:

- 2.6.1. Immediately notifying UIC 's Call center to cooperate in settlement, actively rescuing victims, minimizing injury to people and damage to property, protecting the scene of the accident; and notifying the local Police or government authorities of the nearest place (except for cases of force majeure);
- 2.6.2. Not moving, dismantling or repairing property without UIC's approval except it is necessary to ensure safety, prevent and minimize injury to people and damage to property or at the request of competent authorities.
- 2.6.3 Within 05 working days from the occurrence of the loss (except for cases of force majeure), the Policyholder shall notify UIC such loss by writing such as documents, email, fax, or website.
- 2.7. The Policyholder shall in good faith collect and provide information, documents and vouchers included in the claim files and create favorable conditions for UIC in the process of verifying the authenticity of such information, documents and vouchers.
- 2.8. Where a loss occurs with relation to a Third party's liabilities, the Policyholder shall follow UIC's instructions on reserving the right to complain and transferring the right to claim for compensation to UIC together with the entire files, evidence and documents of necessary and closely cooperating with UIC to claim against Third party to the extent of the claim amount which has been or will be compensated by UIC.
- 2.9. Where a damage leads to a replacement approved by UIC, after the replacement has been finished, the Policyholder shall be responsible for delivering the replaced property to UIC.
- 2.10. When the whole automobile is stolen or robbed, the Policyholder shall immediately notify the Police and UIC to settle and implement the tasks under the guidance of the Police and UIC.
- 2.11. Other obligations as regulation and law.

Article 6. Loss inspection

- 1 When a loss occurs, UIC or UIC's authorized representative will inspect the loss of property to determine the causes and extent of loss. The inspection results will be made in writing with signatures of the related parties. UIC is responsible for inspection expenses.
- 2 Where the automobile owner/driver does not agree on the causes and extend of loss determined by UIC, the two parties will negotiate to select an independent loss adjuster to implement the inspection. Where the parties fail to agree on any loss adjuster, either party is entitled to bring this dispute to the Court located in place where the loss occurs or the residence of the policyholder for designation of an independent loss adjuster. Written conclusions of such loss adjuster are conclusive and binding to the parties. Where the loss adjuster's conclusions are different from UIC's, UIC shall pay the inspection expenses for independent loss adjuster. Where the loss adjuster's conclusions are identical to UIC's, the automobile owner/driver shall pay the insection expenses for independent loss inspector.
- 4 In special cases where UIC fails to implement the loss inspection, UIC is responsible for guiding the policyholder to collect sufficient details on the causes, happening, extent of loss together with the vouchers, photographs of loss and relevant documents as a basis for claim compensation.

Article7. Claim File

For each specific case, the Claim file shall include one or more document(s) as follows:

- 1. Documents provided by the policyholder:
 - 1.1. Notice of accident and compensation request of the policyholder (in the form provided by UIC);
 - 1.2. Documents related to the automobile, the driver (copies with certification of competent authorities or UIC's employee after comparing with the originals) as follows:
 - 1.2.1. Insurance certificate /insurance contract and other written agreements (if required);
 - 1.2.2. Valid automobile registration certificate, driving license of the driver of the damaged automobile;
 - 1.2.3. Documents relating to the purchase, sale, transfer, giving, donation, authorization to use the automobile (if required);
 - 1.2.4. Valid certiciate of technical safety and environment protection of road motor vehicle (except for automobiles which are in temporary circulation with documents of approval of competent authorities or operating in the period of executing procedures of registration, initial inspection in Vietnam).
 - 1.3. Documents evidencing the property's damage, including:
 - 1.3.1. Valid invoices, vouchers of repair or replacement of the damaged property
 - 1.3.2. Documents evidencing necessary and reasonable costs paid by the policyholder to mitigate loss or to follow UIC's instructions.
 - 1.4. Effective judgements or decisions of the Court (if any);

- 1.5. Documents necessary to transfer to UIC the right to recourse against the party causing damage to the insured automobile for which the policyholder has been compensated by UIC (in case of recourse against third parties).
2. Documents collected by UIC in coordination with the automobile owner:
 - 2.1 Copies certified by the Police in case of accidents with the involvement in settlement of the Police, including:
 - 2.1.1. Minutes of on-site inspection (if any);
 - 2.1.2. Layout of the accident scene, pictures (if any);
 - 2.1.3. Minutes of examination of the accident-related automobile (if any);
 - 2.1.4. Preliminary notice of the results of initial investigation of the accident (if any);
 - 2.1.5. Minutes of accident settlement (if any); Conclusions on accident investigation in writing (if any);
 - 2.1.6. Minutes of agreement/reconciliation (in case of reconciliation).
 - 2.2. Documents related to third parties' liabilities (if any);
 - 2.3. Minutes of loss inspection agreed by the parties.
3. In case of theft or robbery of partial or the whole automobile, documents collected by UIC in coordination with the automobile owner including:
 - 3.1. Report on the theft, robbery to the Police with the Police's confirmation;
 - 3.2. Decision on prosecution and criminal investigation (if any) related to the theft or robbery of the insured automobile;
 - 3.3. Decision on suspension of investigation or prosecution of the criminal case related to the theft or robbery of the insured automobile;
 - 3.4. Declaration on the loss of documents and materials related to the stolen, robbed automobile which put in the automobile with the certification of the Police.

Article 8. Double insurance (not applied to Section 2 – Personal Accident Insurance for driver, driver's assistant and passenger)

Double insurance is the case in which the same subject is insured with the same coverage under different insurance certificates/insurance contracts. The claim settlement shall be implemented in the following principles:

1. For double coverage in such insurance certificates /insurance contract: UIC shall only be responsible for compensating in proportion to the ratio of the agreed sum insured on the total sum insured of all contracts that the policyholder has entered into.
2. The total amount of insurance claims does not exceed the total amount of actual damages of motor vehicles.

Article 9. Duration for compensation, claim and statute of limitations

1. The claim period is within 01 year from the occurrence of the insured event. The period in which force majeure events or other objective obstacles occur is not counted in the claim period.
2. The period of complaint about UIC's compensation decisions is within 90 days from the time when the policyholder receives UIC's notice of compensation. Complaint made beyond the period mentioned above shall not be settled by UIC.
3. The statute of limitations on taking legal proceedings against UIC on insurance contract shall be within 03 years from the time a dispute arising from insurance contract. If the policyholder fails to complain his / her right within the prescribed statute of limitation due to illness, natural calamity or enemy sabotage, business trips or study in distant places or other objective obstacles, the time limit therefor Not included in the statute of limitations.
4. If any dispute arising from insurance contract cannot be resolved by negotiation between UIC and the policyholder, it will be referred to a Court in Vietnam for settlement.

PART III. SPECIFIC TERMS AND CONDITIONS

Article 10. Scope of coverage

1. UIC is responsible for compensating the automobile owner for physical damage as a result of natural disasters, unexpected and unforeseen accidents in the following cases:
 - 1.1. Crash, collision (including collisions with objects other than automobile), overturn, falling, sinking, falling of the whole automobile, impacted by other objects;
 - 1.2. Fire, explosion;
 - 1.3. Nature disaster;
 - 1.4. Loss of the whole automobile due to theft, robbery.

2. In addition to the compensation amount, UIC shall also reimburse the policyholder for any necessary and reasonable costs as agreed in insurance contract in order to implement the tasks in accordance with UIC's requests and instructions, including:
 - 2.1. Costs of preventing, minimizing of further loss, not exceed to 5% of the sum insured
 - 2.2. Costs of rescuing and towing the damaged automobile to the nearest garage, not exceed to 5% of the sum insured
 - 2.3. For the total loss of coverage, in addition to the full indemnity, UIC will pay the expenses referred to in paragraph 2 of this Article. However, in all cases the total amount of compensation under paragraph 2, Article 10 shall not exceed 10% of the sum insured

Article 11. Exclusions

UIC shall not be responsible for making claim payment in the following cases:

1. Acts of deliberately causing damage by the automobile owner, the driver and the people with interests relating to the ownership, exploitation and use of the automobile;
2. A valid certificate of technical safety and environment verification of road motor vehicles as specified by law is not available at the time the loss or damage occurs (Unless the Policyholder is a contributor to the additional terms and additional premiums)
3. The driver does not have a driving license or the driver's driving license is inappropriate with respect to the type of automobile for which driving licenses are required. Where the driver is subject to the revocation of a driving license for a definite or indefinite period, he/she shall be deemed not to have a driving license.
4. The driver is driving with alcohol in the blood or breath or in use of drugs and stimulants prohibited by laws.
5. Driving in banned roads, banned areas, reverse direction road; turning, changing direction at where prohibited, going through red lights or not complying with the command of the Traffic Police; driving at night without lights turned on.
6. Racing (legaly or illegally); using the insured automobile to tow another automobile in contravention of legal regulations or the vehicle exceeds the permissible speed of 50% or more.
7. The automobile carries illegal goods as specified by law; or not complying with regulations on goods transportation and handling.
8. Losses occur outside the territory of the Socialist Republic of Vietnam (unless in case contract owner buy related additional clauses and pay full additional premium);
9. Losses occur in cases of war, terrorism;
10. Losses occur due to normal wear and tear or due to inherent natures of the property, reduction in commercial value, malfunction due to defects or additional malfunction due to repairs or in the repair process (including testing);
11. Engine is damaged caused by water hammer (Unless the Policyholder is a contributor to the additional terms and additional premiums):
 - a. When the automobile runs in the flooded area
 - b. Due to the water in the engine bay and makes the engine broken
 - c. Drivers intentionally restart the engine that has stopped working while the vehicle is operating in a submerged area
12. Damage to tires, hull, labels caused by any reason (Unless the Policyholder is a contributor to the additional terms and additional premiums). This exclusion does not apply to the label of the vehicle of assembled by the manufacturer.
13. Parts of the automobile are lost due to theft or robbery (Unless the Policyholder is a contributor to the additional terms and additional premiums)
14. Total Loss of the vehicle in case of cheat or misappropriation of the vehicle (rental, lender, foreclosure, or dispute vehicle), unless the policyholder participates in supplemental and additional terms premiums
15. Damages to machine, electrical tools or parts of electrical equipment as a result of overload, over pressure, short circuit, self-heating, electrical arcing or leakage due to any cause whatsoever
16. Overloading of goods or passengers more than 50% as regulated in automobile registration certificate (For cargo trucks, tractors, trailers, pick – up cars based on the load, passenger vehicles based on the number of passengers in the vehicle, for both passenger and cargo vehicles, based on the load or number of passengers on the car)

17. Loss of additional equipment on the vehicle is covered in addition to the equipment of the manufacturer that has assembled and the loss of the car caused by or arising from such mountings (unless the Policy Holder Coverage for additional terms and additional premiums). In case of other agreement on additional equipment at the time of contracting, the policyholder must declare the items and value of these components to add to the premium and accepted by UIC.
18. The Policyholder is dishonest in providing information, documents and evidence in the claim file, or does not facilitate UIC in the process of verifying the truthfulness of the information.

Article 12. Sum insured and value insured (market value)

1. The sum insured is requested to UIC by the Policyholders for their own vehicle, stated in the Policy and not more than the market price of the vehicle. In any case, the total amount of indemnity in the period of insurance can not exceed the total sum insured.
2. The basis for determining the sum insured is the market price of the vehicle. The Policyholder may negotiate with UIC to buy insurance with the sum insured equal to or less than the market value of his automobile. In case the sum insured less than the market value, UIC determines the compensation as the under - value insurance.
 - 2.1. For a brand-new automobile (100% brand new), the value of such automobile is its selling price announced by domestic manufacturers in the Vietnamese market, or the value mentioned in the purchase invoice and the sale contract.
 - 2.2. For used cars: the market price of the vehicle is the price of the vehicle of the same type in the same year of manufacture, same brand, same model, the same "km" used or the time of using the vehicle (whichever is more reasonable), the same purpose of use under the agreement objectively in the normal market transactions at the time of contracting.

Article 13. Loss compensation

1. 1. Partial loss compensation
 - 1.1. UIC is responsible for paying for actual and reasonable expenses to repair, replace (in case it is impossible to repair) parts or paying moneys to automobile owners to compensate for any loss covered hereby provided that it is possible to determine reasonable expenses for such repair, recovery of losses possibly payable after application of deductibles (if any). UIC will only accept new replacements in case it is impossible to repair as technical evaluation and recommendation of a professional or the cost of repairing exceeds 70% of the replacement value of the item.
 - 1.2. Method to calculate the compensation amount:
 - 1.2.1. In case the automobile is underinsured, the compensation amount shall be calculated according to the proportion of such loss or damage as the sum hereby insured bears to the actual value of the automobile at the time of application;
 - 1.2.2. In case the automobile is insured at or higher than its actual value, the compensation amount shall be reasonable expenses for repairing the damaged automobile. UIC shall determine reasonable expenses for replacing damaged parts with new ones which is equal to actual replacement expenses less the amount of depreciation calculated according to the depreciation rate as set forth (In case the automobile is not covered by New Replacement Value Clause), The minium percentage (%) of the depreciation of the covered automobile is determined as follows:
 - The automobile has been used for 03 year or less: 0% depreciation
 - The automobile has been used for a period from 03 year to less than 06 years: 15% depreciation to new replacement part value
 - The automobile has been used for a period from 06 years to less than 10 years: 25% depreciation to new replacement part value
 - The automobile has been used for a period from 10 years to less than 15 years: 35% depreciation to new replacement part value
 - The automobile has been used for 15 years or more: 50% depreciation to new replacement part value
2. Total loss compensation
 - 2.1. UIC shall compensate for total loss in case over 75% of the actual value of the automobile is damaged; or expenses for repairing damages is equal to or more than 75% of the actual value of the automobile at the time before a loss occurs.
 - 2.2. UIC shall compensate for any total loss due to theft, robbery when a conclusion is made by the police on suspension of investigations or suspension of institution of criminal proceedings related to such loss.

2.3. In case of total loss, market prices of vehicles of the same type and specifications with insurance vehicle at the time of loss are the basis for calculation of compensation.

3. Recovery of assets after compensation

When UIC has paid for total loss or partial loss, it shall take possession of such automobile or damaged parts, namely:

3.1. In case of replacement with new parts, UIC shall take back damaged parts which have been replaced with new ones (even in case of depreciation deduction).

3.2. In case of total loss, after UIC has compensated for whole automobile, UIC shall have the right with the salvage of the damaged automobile. In case the automobile is underinsured, UIC shall have the right with the salvage of such automobile up to the proportion of the sum insured to the market value of the automobile. Where the automobile owner requests for retaking the wholly-damaged automobile, UIC shall reduce total loss compensation amount equivalent to the salvage value of the damaged automobile according to UIC's valuation.

3.3. Where UIC has compensated for loss due to theft or robbery but then such automobile is found, UIC shall take possession of such automobile.

4. Principles of compensation calculation

UIC shall actively verify and calculate the compensation amount:

4.1. Determine necessary and reasonable costs to repair loss and other compensation

4.2. Applying the compensation reduction as following order: depreciation of New for old replacement, underinsured, compensation reduction

4.3. Reduction for Deductible/Franchise

4.4. Reduction for liquidation of assets (if any)

4.5. Applying double insurance (if any)

4.6. Other reductions (if any).

Article 14. Deductible

1. Deductible is an amount stated in the insurance certificate /insurance contract to be borne by the Insured in each and every partial loss to the automobile to which physical damage insurance is applicable. In any case, UIC shall apply the compulsory and minimum deductible 500,000 VND / 1 occurrence.

2. Ladder deductible is an amount stated in the insurance certificate /insurance contract to be borne by the Insured, it is increased by the number of losses. The first occurrence is VND 500,000, the second is VND 1,000,000, and from the third occurrence, it is VND 2,000,000. In any case, UIC shall apply the compulsory and minimum deductible 500,000 VND / 1 occurrence.

A loss occurrence is understood as an unexpected accident that happen at a location, in a time and with one progress and cause.

Article 15. Compensation reduction

1. UIC shall pro-rata reduce the compensation amount in any of the following cases:

1.1. Reduction of 10% of the compensation amount in the following cases:

1.1.1. The policyholder fails to give a notice on loss to UIC's Call Center/hotline immediately to cooperate in settlement

1.1.2. The policyholder fails to give a notice on loss to the local Police or government authorities of the nearest place (except for cases of force majeure) when:

* A loss occurs with relation to a Third party's liabilities

* A loss estimated more than VND 10,000,000 not involve in a Third party's liabilities

1.1.3. The policyholder fails to take rescue, limit personal or property damages, protect the scene (except where it is necessary to ensure safety, prevent from and limit personal or property damages or such actions are taken at the request of competent authority)

1.1.4. Reduction of 30% in case 2 of these above violations happen at the same time and increase the high level of damage

1.2. Reduction of 25% of the compensation amount in the following cases:

1.2.1. The automobile owner deliberately removes, disassembles or repairs assets without approval of UIC (except where it is necessary to ensure safety, prevent from and limit personal or property damages or such actions are taken at the request of competent authority);

1.2.2. The automobile owner drives exceeding the permitted speed (from 20% to 50%);

- 1.3. Reduction of from 50% to 100% of the compensation amount following the level of violation of policyholder in case the policyholder refuse to reserve the right to claim and transfer the right of recovery against a third party to UIC, and fails to closely cooperate with UIC to recover from a third party (including but not limit at providing all necessary documents, evidences to recover from a third party or automatically negotiates with a third party about the compensation, causing damage to UIC)
- 1.4. Reduction of the compensation amount equivalent to the overloading rate (%) (over 20% - 50%) as prescribed in the registration certificate.
- 1.5. Reduction of the compensation amount according to the proportion of premium actually paid and premium payable as prescribed in cases:
 - 1.5.1. The policyholder provides false information in the Proposal Form (inconsistent with the use purpose of the automobile), resulting in insufficient premium collected as compared to those provided for;
 - 1.5.2. The policyholder fails to give notice to UIC in case risk exposure increases in order to charge additional premiums (such as change of use purpose, alterations, improvements, which increase automobile value).
2. Compensation reduction principle:
When the automobile owner is subject to the reduction of compensation at different rates due to different violations, UIC shall choose to apply the highest reduction rate.

Article 16. Premium Payment

1. The Policyholder is obliged to pay the premium correctly and in full according to the payment period stated in the Policy. The prerequisite for compensation is that the premium must be paid in full and on time according to the payment period. The premium is stated in the Policy (hereinafter referred to as the "Term of Payment ") to UIC or organizations and individuals authorized by UIC. In all cases the Premium is not paid fully and on time (by the Policyholder or by another method agreed by UIC) under the Payment Period (whether in whole or in part) UIC will not be liable for any loss or event that occurs after the expiry date of the Premium Payment Period, whether the Agreement is terminated or not.
2. When a loss or event has occurred, UIC has the right to immediately collect all Premiums before paying compensation, regardless of the fees are due or not. UIC has the right to deduct any unpaid Premiums (whether due or not) into compensation payments

PART IV – EXTENTION

In addition to the terms and conditions specified in this wording, in order to meet the Policyholder's demand for coverage, UIC shall provide the policyholder for more coverage by additional extention. UIC will collect the corresponding premium as the additional extention required by the Policyholder.

SECTION 2

PERSONAL ACCIDENT INSURANCE FOR DRIVER AND DRIVER'S ASSISTANT AND PASSENGER

PART I – DEFINITION

Following Part 1: Physical Damage Insurance

PART II - GENERAL CONDITION

Following Part 1: Physical Damage Insurance excluding Article 8. Double Insurance

PART III - SPECIFICE TERM AND CONDITION

Article 1: Persons insured

Drivers, driver's assistant and passengers on board of the insured automobile vehicle (hereafter called the Person insured).

Article 2: Scope of coverage

Bodily injury to the person insured caused by the accident while being in the automobile, getting into/out of the automobile during its operation.

Article 3: Exclusions

UIC will not pay any compensation for injury of the insured person under the following cases:

1. Loss incurs outside the territory of the Socialist Republic of Vietnam (unless otherwise agreed);
2. Losses occur in cases of war, terrorism;
3. The person insured has the willful act of causing accident;
4. The person insured gets into fighting unless it is determined that it is self-defense;

5. The person insured is driver whom is driving with alcohol in the blood or breath or in use of drugs and stimulants prohibited by laws;
6. The person insured is driver whom does not have a driving license or the driver's driving license is inappropriate with respect to the type of automobile for which driving licenses are required;
7. Automobile using for driver training, sporty race and other races (legaly or illegally);
8. The automobile carries illegal goods as specified by law; or not complying with regulations on goods transportation and handling causing bodily injury and death to the person insured.

Article 4: Benefits of the insured person

1. In case the insured person dies due to an insured accident, UIC will pay the total sum insured specified in insurance certificate/ insurance contract
2. In case of bodily injury of the insured person:
 - a. Permanent disability: shall be paid in accordance with rate stipulated in Table of Indemnity Payment for Bodily Injury promulgated together with the Decision No. 05/TC-BH dated January 2nd, 1993 of the Minister of Finance.
 - b. Partial Body Injury under coverage shall be indemnified by several certain reasonable expenses as following:

Actual medical expenses and supportive expenses (not exceeding 0.1% of the sum insured per day) for the injured person within the treatment period, but not exceeding rate stipulated in Table of Indemnity Payment for Bodily Injury promulgated together with the Decision No. 05/TC-BH dated January 2nd, 1993 of the Minister of Finance.

The number of treatment days shall be determined as below whichever is the lesser (but maximum not exceeding 180 days/occurrence):

 - The number of inpatient treatment days plus the number of outpatient rehabilitation days. The number of outpatient rehabilitation days is indicated by doctor's appointment.
 - The number of days-off work due to the consequence of the accident as certified by the insured person's employer.

In case, any disability is not listed in the above mentioned Table, the compensation amount would be based on the comparison its seriousness with other cases in the Table.
3. At the time of accident, the actual number of person on automobile is higher than number of the insured person specified in insurance certificate /insurance contract, the compensation amount shall be reduced to such proportion as the number of the insured to the actual number of persons on the automobile.
4. In case of the insured accident, in which the person insured dies due to that accident within insurance period, UIC will pay the difference between the sum insured specified in the insurance certificate/insurance contract and the compensation amount which had been previously paid.
5. In case the consequence of the insured accident is more severe due to the pre-existing illness or disablement of the insured or due to untimely treatment or due to not taking treatment indicated by medical establishments, then UIC's compensation will be just the same as that for a similar injury to a person with normal health under proper treatment.

Article 5: Payment of compensation

Compensation will be paid by UIC to the insured person or his legally authorized representative.

SECTION 3

VOLUNTARY THIRD PARTY LIABILITY INSURANCE FOR THE VEHICLE OWNER

Based on request of the vehicle Owner/the Insured, UIC agrees to cover for liability exceeding compulsory liability insurance limit as stipulated by Ministry of Finance.

Wordings is applied in accordance with vehicle owner's civil liability insurance policy wordings issued according to Circular No. 04/2021/TT-BTC dated 15/01/2021 by Ministry of Finance.