



PRINCIPLE OF INSURANCE

1. INSURABLE INTEREST

You must have an insurable interest toward the property, item or life in order to purchase an insurance policy.

The following are the conditions for Insurable Interest

- a. Must have a relationship recognized by law on the subject matter insured
- b. You will stand to lose in the event of loss/damage to the subject matter insured arising from a happening or incident and will benefit on the well being of the subject matter of insurance.
- c. For Property and Casualty Insurance, insurable interest must exist both at the time the insurance is purchased and the time a loss occurs.

If you do not have an insurable interest, we have the right to void the policy.

2. UTMOST GOOD FAITH

You have a duty to disclosure to us all material facts pertaining to the subject matter insured

Material facts are information that will influence our judgements in declining the risk or accepting it by imposing additional premium, terms and conditions.

Material facts that are known or ought reasonably to be known by you must be disclosed to us

If you are not sure whether the information is material, disclosure all those information to us to decide whether it is material.

Consequences of failure to disclosure a material fact, we reserve the right to decline a claim if it arises.

3. INDEMNITY*

Financial compensation to restore, as best as possible, you to the same position you had enjoyed immediately before the loss.

The rules of indemnity prevent you from making a profit from an insurance loss.

We may choose to indemnify you in the following methods:

- a. cash
- b. repair
- c. replacement
- d. reinstatement

4. CONTRIBUTION*

The rules of indemnity prevent an insured party from claiming more than the true amount of his loss. If you have more than one policy covering the same risk against the same peril (double insurance), you are therefore unable to claim the full loss against each policy.

However, you can claim the full amount from one insurer, and the insurer is entitled to call for a contribution from every other insurer involved.

** Not Applicable to Personal Accident Policies*