

Comprehensive Householders Insurance

The **Contributor**, by accepting to deal with the **Wethaq Takaful Insurance Company (K.C.S)** (hereinafter called the "**Company**"), contributing with other contributors therewith on **Al Takaful** basis. The company shall be considered as a manager for the insurance system. The company shall invest insurance contributions in whole or in part on the basis of a speculation contract, against a prevailing share of the profit for the **Company** in its capacity as a speculator, to be determined in the general statement in the **Company's** Head Office and its branches prior to each calendar year.

The **relationship** between the **Company** and the **Contributor** shall be determined specifically with regard to the latter's entitlement to his share of the surplus which shall be realized in the insurance operations account with the company by virtue of the Bye-Laws enacted by the company's Board of Directors, subject to the formation of the necessary reserves for the **Company** and covering its administrative expenses.

Since the **Contributor**, whose name is shown in the schedule hereunder, had submitted a written Proposal to the company **comprised in the** insurance application filling form therefore, it proposal along with any declarations or written papers submitted by the **contributor**, an integral part hereof.

Since the **Contributor** has settled or agreed to settle the contribution then, the **Company** agrees to, subject to the terms, exclusions, provisions and conditions contained herein or endorsed hereon indemnify the Contributor in the manner and to the limits herein after provided.

Definitions

1) **Buildings**

The term 'buildings' as used in this policy shall mean the private residence or flat specified in the policy schedule as well as the external accessory buildings related to residence and external fences, provided the all construction must be made of brick and cement.

2) **Contents**

The term 'contents' as used in this policy shall mean all household goods, personal effects fixtures and fittings belonging to the contributor (or for which he is responsible) all in the building at situation subject to the following exclusions as well as domestic appliances available in the building excluding :-

- a) Gold ornaments, Jewelry, precious stones and fur.
- b) Motor vehicles and accessories, boats and livestock, plants and trees in gardens and balconies.
- c) Contracts, bonds, securities, maps, designs, cash, stamps and other document and paper, curious pictures, work for art, bills of exchange, coins, medals, bank notes, currying notes.
- d) Any part of the building including ceilings, wall papers, tiles and landlords fixtures and fillings

3) **Main Perils**

The term 'main perils' as used in this policy shall mean the destruction or damage resulting directly from any of the following Perils:

- a) Fire and lightning
- b) Explosion of gas cylinders and pipes or boilers used for domestic purposes.
- c) Storms and cyclone (accompanied by rain or not) and which may cause damage to the building or its contents. However it is a precondition to insure the building contents that this should be preceded by any inevitable damage due to storms and cyclones.
- d) Forced robbery or theft or any similar attempt by a forced entry to the building by violence, provided that there should be certain evidence to identify this fact.
- e) Collision of vehicles not owned to the contributor or his family members or those working under his service at the buildings, fences and external gates. (except the gates and doors used for entry of vehicles inside the house or garage).
- f) Earthquakes.
- g) Fall of aircraft or articles dropped there from.
- h) Floods :
The term " flood " means the sudden and violent out break of water over the natural borders such as the sea, river, lake, pool and the channels due to the rise in the water level and collapse of side barriers.
- i) Bursting of fresh water pipes and/overflowing of water tanks. Excluding all loss or damage to (or in) any of the building left un occupied for a period of 30 days.
- j) Breakage of glass or mirrors fixed in the house, basins, sinks and antennas other than television radio apparatus and lighting fixtures fittings not exceeding KD.50/- per accident or total accidents for year.

Policy Sections

Section I: Buildings

This part covers the building owned to the contributor or for which the contributors is responsible legally against main perils.

Section II: Contents

This part covers the contents owned to the contributor or any of this family members against main perils while as in the building at situation specified in the schedule.

This insurance shall expire for parts (I) and (II) above if the building is left unoccupied for a period of (30) days during any insurance period unless the contributor obtains the written consent of the company on the continuity of the insurance.

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Section III : Loss of Rent

This loss covers the loss of rent and reasonable additional expenses incurred by the contributor to reside in a hotel or a replacement accommodation due to the damage of the private residence or flat caused by main perils and which renders the residence unfit to be used for a certain period this period represents the period. Necessary to repair the damage and/or decided by this Policy Whichever lesser , provided that it should not exceed xxxxx% from the content's sum Insured or KD.xxxxx/- (Kuwaiti Dinars xxxxxxx only) Whichever is lesser.

Section IV : Third Party liability

According to this part the company obliges to compensate the contributor as an owner or a user of the building or the flat for the amounts claimed legally where it is proved that incidents have occurred during the insurance period in or about the private residence or the flat and which may result into the following:

- a) Physical injuries to any person except the contributor or his family members or his lab And/or person engaged in and upon the services of the Contributor.
- b) Material damage to the properties except those owned to or under his supervision or the control of the family member or labor.
- c) Material damage to the Rented House as a result of main perils and provided that the Company's liability for any one accident or series of accidents during the period of insurance shall not exceed the sum insured for contents or **KD.xxxxxx/-** whichever is less.

Always provided that the company's liability for any loss incident or incidents resulting form one cause shall not exceed **KD.xxxxxxx/-** Inclusive of expenses and costs paid under the approval of the company in any litigation or law suite filed against the

Exclusions for Section IV : Third Party Liability

This part does not cover responsibilities resulting form or caused by following:

- a) Contributor's job or profession.
- b) Owning or holding or using any vehicle, any electrical elevator.
- c) Any agreement resulting into any liability imposed on the contributor, which would have not been imposed if it were not for this agreement.

General Condition

1. Conditions of the schedule

The Schedule and Section(s) shall be deemed to be incorporated in and form part of this Policy and the expression "This Policy" wherever used in this Policy shall be read as including the Schedule and the section(s) any work or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule(s) or of the Section(s) shall bear such meaning wherever it may appear.

2. Protection of the insured Property

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The Contributor should take the necessary precautions to protect their property and in particular should lock the doors, windows and other exits securely. It is also provided for the existence of the Company's liability that the Contributor should take all the necessary precautions to prevent and/or minimize the occurrence of such perils and he should act throughout the insurance validity period like the prudent person who is not enjoying with any insurance cover.

3. Incorrect Description

If there be a material misdescription of any of the property hereby Contributor, or of any building or place in which such property is contained, or any misrepresentation as to any fact material to be known for estimating the risk, or any omission to state such fact, the Company shall not be liable upon this Policy so far as it relates to property affected by any such misdescription, misrepresentation or omission. And the right of the Contributor to recover his paid contributions shall be forfeited, all of which shall pass to the common account of contributors.

4. Alteration occurring to the insured property

- a) The Contributor should notify the Company of any amendment which may cause an increase in the sum insured and the payment of additional Contribution in connection with such increase.
- b) Increase in the degree of risk covered under this policy.

The insurance validity shall not extend to the risks handled in such amendment unless the Contributor obtains a written consent from the Company.

5. Reinstatement of Sum Insured

After every accident, the sum insured shall be reduced to the equivalent of the value of the damages admitted by the Company for which it paid indemnity, however the Contributor may request to reinstate the sum insured to its original value against the payment of a pro-rata Contribution for the remaining period until the expiry of the insurance period.

6. Claim Procedures

The contributor shall notify the company in writing immediately of any damage occurring to the insured properties. He shall on his account and within (21) days from the incident submit a written claim containing the following details :

- a) Detailed information accompanied by supporting evidence as required by the company
- b) Should the company decide to replace or repair the damaged building the contributor shall provide the company with all maps specifications and quantities
- c) In case of any loss or damage due to theft or robbery the contributor must report to police and Company immediately.

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In all such events, the Contributor submit other information to the Company related to the claim, the origin of the accident, it's cause, the circumstances of loss or damage or related to the Company liability or with the value of indemnification due thereon.

- d) Upon receipt of any notification on the incident or any claim which may lead to a claim for compensation as per part (IV) the contributor obliges to notify the company and provide it with all available details and information also he should provide the company with every and each court order or notification regarding the legal procedures upon receipt thereof. The contributor shall assist the company and provide all necessary information to enable to company to defend or reject the claim. The contributor shall not be entitled to negotiate defend settle confess or reject any claim without the company's written consent.

If the Contributor did not carry out obligations provided for in all the above or delayed the performance thereof, he shall loose his right for any indemnification under this policy unless it is evident from the circumstances that his delay is attributed to a valid excuse.

- e) In all events, the Company acknowledgement for any material event related to the accident shall not be considered as an evident for the Company admission for the right of indemnification.

7. Other insurance

If at the time of any loss or damage happening to any property hereby insured, there be any other subsisting insurance or insurance, whether effected by the Insured or by any person or persons, covering the same property, this company shall not be liable to pay or contribute more than its ratable proportion of such loss or damage.

8. Proportional rule

If the property hereby insured shall, at the breaking out of any fire, be collectively of greater value than the sum insured thereon, then the insured shall be considered as being his own insure for the difference, and shall bear a ratable proportion of the loss according, Every item, if more than one, of the policy shall be separately subject to this condition.

9. Cancellation of insurance

This insurance policy may be terminated at any time at the request of the contributor then, the company shall be entitled to retain the contribution or party thereof, the company also may refund the contribution to the contributor or parts thereof according to the company's regulations.

Furthermore, this policy may be cancelled at any time at the choice of the company by way of a fifteen days prior written notice to that effect, to be submitted to the contributor, the company shall pay to the contributor at his request, the proportionate part from the contribution for the un-expired period

10. Notices

Each notice (s) or notification (s) to be required by the clauses stipulated herein shall be in writing or printed.

11. Company's right upon the occurrence of loss:

On the happening of any loss or damage to any of the property insured by his policy, the Company may.

- a) Enter and take and keep possession of the building or premises where the loss or damage has happened.
- b) Take possession of or require to be delivered to it any property of the Insured in the building or on the premises at the time of the loss or damage,
- c) Keep possession of may such property and examine, sort, arrange, remove, or otherwise deal with same.
- d) Sell any such property or dispose of the same for account of whom it may concern.

The power conferred by this condition, shall be exercisable by the company at any time until notice in writing is given by the insured that he makes no claim under the policy or, it any claim is made. Until such claim is finally determined or withdrawn, and the company shall not by act done in the exercise or purported exercise of its powers hereunder, incur any liability to the Contributor of diminish its right to rely upon any of the conditions of this policy in answer to any claim.

If the Contributor or any person on his behalf shall not comply with the requirements of the company or shall hinder or obstruct the company in the exercise of its powers hereunder, all benefit under this policy shall be forfeited.

The Contributor shall not in any case be entitled to abandon any property to the company whether taken possession of by the company or not.

12. Subrogation

The Contributor shall be obligated, whether prior to or following the obtaining of indemnity from the company, to act, permit, or contribute in performing, at the expense of the company, every thing which may be necessary or requested by the company with a view to enable the company to invoke the rights and proceed with the cases in which it shall subrogate the contributor and to obtain from third parties the discharges or the indemnity for the contributor by virtue of this policy. The Contributor is not entitled in whatsoever event to subrogate his right to pursuit those responsible for the destruction or damage sustained by the contributor funds, their sponsors and warrantors.

13. Abatement of Claim

All *Contributors'* rights in the indemnity shall cease to be valid by virtue of this policy:

- (a) If it contained fraud in whatsoever way
- (b) If forged data have been submitted or used in order to confirm the claim

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- (c) If any data, which should have been submitted, have been concealed.
- (d) If the contributor adopted fraudulent methods or ways in order to obtain any benefit under this policy.
- (e) If the damage or injury has intentionally occurred by the contributor or his collusion.
- (f) If the contributor acted intentionally to impede the salvage in whatsoever way or if he acted in whole or in part in the insured events in such away leading to aggravate the damages
- (g) If he has reconciled or negotiated with others who are the cause of the damages. Without the knowledge or the company and its written approval

In all such events, the right of the contributor to redeem the contributions shall be forfeited, and it shall devolve upon the contribution accounts.

14. Abatement of indemnity be prescription

The company shall not be liable in any event for the legal claims connected with any loss or damage following the elapse of three years from the date of the accident which gave rise to such claims unless the allegation is still pending before courts or arbitration.

15. Arbitration Clause

Both parties may resort to arbitration in order to resolve any dispute, which may arise between them out of this policy pursuant to the applicable rules and regulations mentioned in the arbitration regulation without contradiction to the **ISLAMIC SHARIA PROVISIONS**. However, if they do not agree to that effect then, it is agreed upon between the parties here to if a dispute is arising in construing its provisions consequently, the laws of the state of Kuwait and the customary practices shall govern it thereof without contradiction to the **ISALMIC SHARIA PROVISIONS**.

Furthermore, they acknowledge their agreement on the jurisdiction Capital's Courts to hear any dispute arising executing this policy or any other court to be chosen by the first party in the state of Kuwait:

16. Jurisdiction and applicable laws:

Kuwait laws herein shall govern the provisions without contradiction to the **ISLMIC SHARIA PROVISIONS**.

Exclusions

This insurance does not cover indemnity for the following:

1. Loss, damage all liability resulting directly or indirectly from the following:
 - A) Nuclear weapon, ionized radiation's, nuclear pollution resulting from any nuclear fuel or materials.
 - B) War, invasion, foreign enemy act, hostilities, war operations (whether war declared or not) or civil war.

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- C) Riots, civil commotions, strikes, uprising, military law, conventional law, siege or any of the reasons causing the conventional law to continue in case of siege.
 - D) Terrorist acts committed by persons in favor of or connected to any organization. For this insurance the term " terrorism " means the usage of violence for political reasons and includes the usage of violence to terrorize society.
 - E) Any legal act to terminate or end or attempt to terminate or mitigate the results of any of the aforementioned items (B, C, D).

Any claim or procedure to support any claim for any loss according to this policy the liability of proving the loss or damage which are not included in the exclusions A, B, C, D, and (E) shall fall on part the contributor .

- 2. Loss or damage directly or indirectly caused by mines, bombs, missiles or any other weapons or explosives remaining from hostilities or military exercises.
- 3. Theft, loss or damage to any of the property by deliberate act or accomplishment of the Contributor or any of his family members and/or person engaged in and upon the services of the Contributor.
- 4. Destruction or damage caused or arising directly or indirectly due to accumulation of water from air conditioning devices, flooding of sewage water and leakage of water from the corroded drains or pipes.
- 5. Destruction or damage occurs to the insured property if a part of the premises is leased unless the Company is notified about the same in advance and approved in writing in consideration of the Contributor paying the appropriate additional Contribution.
- 6. The theft occurs to the properties existing on the roof or the place annexed to the house, balconies or gardens unless the same is expressly stated in the insurance policy the appropriate additional contribution.
- 7. Expenses for removing the debris arising out of any damage sustained in the building.
- 8. Damages arising as a result of any order from military, municipality or health authority.
- 9. Any consequential or indirect loss which resulted or may result from a covered accident other than the rent indemnification.

The contributor acknowledges that he has perused the terms and conditions endorsed herewith and that he received upon the issue of this policy, a copy thereof.

Legal Advice and Legislative Review Committee has approved this policy in its meeting held on No. 8/2001 held on 14 November/1422 AH corresponding to 08/04/2001 AD.

WETHAQ TAKAFUL INSURANCE COMPANY

THE CONTRIBUTOR

Kuwait : xxxxxxxxxxxxxx

N.B: In the event of any difference in interpretation between the English and Arabic Text in this policy the Arabic text shall prevail