

**AUTOMOBILE OWNER'S VOLUNTARY CIVIL LIABILITY  
INSURANCE WORDING**

*(Issued together with the Decision No.686/QĐ-BHBV dated February 05<sup>th</sup>,  
2021 of Baoviet Insurance Corporation)*

**IMPORTANT NOTICE**

1. Customers read carefully the conditions and terms of the Wording before insured;
2. In the event of accident, the Automobile Owner (or driver) shall immediately inform to Baoviet for support and guidance.

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Pursuant to the Government's Decree No. 03/2021/NĐ-CP stipulating compulsory civil liability insurance of Automobile owners, Baoviet Insurance Corporation shall accept to insure voluntary civil liability insurance of Automobile Owner as following articles:

## **SECTION 1 - GENERAL PROVISIONS**

### **Article 1. Defination of Words**

- 1.1 "Bao Viet": is Baoviet Insurance Corporation or Branches which belong to Bao Viet network.
- 1.2 "Automobile Owners" (organizations or individuals) is the actual Automobile owner or Automobile owner to possess, use legitimate.
- 1.3 "Automobile": is a type of road transport vehicle and specialized motorbike, in which:
  - a) Road transport automobile include car; tractor; trailer or semi-trailer towed by car or tractor; and others with similar structure in accordance with the Road Traffic Law.
  - b) Specialized motorbikes include construction motorbikes, agricultural motorbike, forestry motorbike and other special used for defense and security purposes in accordance with the Road Traffic Law.
- 1.4 "*Passenger*" means a person transported on a vehicle pursuant to a passenger transport contract in any of the forms stipulated in the Civil Law.
- 1.5 "*Third party*" means a person who suffers from death, bodily injury and/or property loss and damage caused by a motor vehicle, but excluding the following persons:
  - a) A driver, the person on that Automobile;
  - b) Automobile owners, unless the owner has transferred possession and use of such motor vehicle to another person.
- 1.6 The insured is a automobile owners or the driver who has civil liability is insured under the insurance contract.
- 1.7 Active automobile means a motor vehicle is being operated by a driver, including moving, stopping and parking.
- 1.8 Participating in traffic means automobile owners, drivers operate the motor vehicle to participate in road traffic.
- 1.9 "Date" (duration) stipulated in this Wording means the working days.

### **Article 2. Insurance Contract.**

- 2.1 Voluntary civil liability insurance certificate for Automobile owners (refer to hereinafter Insurance Certificate) is the sole evidence of the insurance contract between Automobile owners and Bao Viet. Each automobile is issued one Insurance Certificate. If losing Insurance Certificate, the automobile owner has to present the

application for re-issuing Insurance Certificate to Bao Viet (where issued the original Insurance Certificate).

- 2.2 Baoviet shall issue insurance certificate for Automobile owner when automobile owner paid premium or commitment to pay premium as stipulated in the insurance certificate.

### **Article 3. Duration and Validity Insurance**

- 3.1 The effective date and expiry date are written on the Insurance Contract/Insurance Certificate/ Insurance Policy.
- 3.2 In case of transferring ownership of insured automobile, the insurance contract automatically takes effect for the new automobile owner unless the old automobile owner requests to terminate the insurance contract.

### **Article 4. Termination of Insurance Contract**

- 4.1 The insurance contract is terminated in cases the automobile registration certificate , license plate are revoked according to the regulations of the Ministry of Public Security.
- 4.2 The insurance contract is terminated in case the Automobile Owner fails to fully pay the insurance premium as prescribed in the Insurance Certificate/Insurance Contract.

The insurance contract is terminated in case the Automobile Owner fails to fully pay the insurance premium according to the payment term agreed upon in the initial insurance contract and BaoViet does not have an agreement for the policyholder to owe premium in accordance with the law.

Within 5 days from the date of contract termination, Baoviet must refund the Automobile Owner the overpaid premium (if any) or request the Automobile Owner to pay the full premium up to the time of the contract terminate. Baoviet does not have to refund the premium in the event that the insured event has occurred.

The insurance contract continues to be valid from the time the Automobile Owner makes full payment of the insurance premium and must be approved in writing by Baoviet.

- 4.3 Unilaterally terminate the insurance contract

During the term of insurance, either party has the right to unilaterally terminate the insurance contract in accordance with the law regulation by notifying in writing to the other party.

In case the Automobile Owner terminates the insurance contract before the expiry date, the Automobile Owner must notify in writing to Baoviet. Within 15 days from the date of receipt the Automobile Owner's written notice, Baoviet must refund 70% of premium corresponding to the remaining period of the insurance contract unless any insurable event occurs during the validity of the insurance contract.

In case Baoviet unilaterally terminates the insurance contract, within 15 days from the date Baoviet notifies the Automobile Owner in writing, Baoviet must refund the

premium to the Automobile Owner corresponding to the remaining period of the insurance contract.

## **SECTION 2 –SCOPE OF COVERAGE**

### **Article 5. Scope of Insurance**

- 5.1 Damage of bodily injuries, deaths or property of third parties caused by automobile that not specified in insurance contract and the Insured is legally responsible for indemnification.
- 5.2 Damage of bodily injuries, deaths of passengers by automobile that the Insured is legally responsible for indemnification.
- 5.3 Baoviet is only responsible for damage compensation caused by motor vehicle accidents occurring within the territory of Vietnam.

### **Article 6. Insurance Benefit Settlement**

- 6.1 The limit of liability means the maximum amount that Baoviet pay for deaths, bodily injuries or property damage to the third party and passengers for each undesirable occurrence by motor vehicles covered by insurance.
- 6.2 When a covered occurrence occurs, Baoviet shall indemnify automobile owner for the amount that the automobile owner paid or is going to pay as an indemnity to victims.

In case the insured dies or loses his/her civil act capacity under a court decision, Baoviet directly indemnify for such damaged people or the heirs of damaged people (in case of the damaged people die) or the representative of the damaged people (in case the damaged people loses his/her civil act capacity under a court decision or is under six year olds).

- 6.3 Bodily injuries compensation: the amount of injuries compensation after indemnity is settled in accordance with the Decree No. 03/2021/NĐ-CP dated January, 15<sup>th</sup>, 2021 of the Government, the rest will be calculated to the voluntary civil liability insurance contract as the following principles:
  - a) Voluntary insurance liability of up to 150 million dong: the specific compensation amount for injuries, death is determined according to the Regulations Table for Injuries and Death Payment Compensation specified in the Appendix 01, enclosing with the Decree No. 03/2021/NĐ-CP dated January, 15<sup>th</sup>, 2021 or as agreement (if any) between the insured and the damaged people or the heirs of damaged people (in case of the damaged people die) or the representative of the damaged people (in case the damaged people loses his/her civil act capacity under a court decision or is under six year olds), but does not exceed the compensation amount specified in Appendix 01, enclosing with the Decree No. 03/2021/NĐ-CP dated January, 15<sup>th</sup>, 2021.
  - b) Voluntary insurance liability more than 150 million dong:
    - Compensation amount is calculated on the basis of reasonable actual damage and fault degree of the Automobile Owner;
    - Reasonable actual damage includes:

- + Reasonable expenses for medical treatment, nursing and rehabilitation and functional loss or decline of the victims; Reasonable expenses for medical treatment, foster care for the victims before death (deaths). These costs include: rent vehicles to carry the victims to emergency medical facility, medicines and medical equipment, the cost of screening, X-rays, tomography, ultrasound , tests, surgery, blood transfusion, physiotherapy ... as directed by doctor; hospital bills; supplements, protein, allowances recharge for the victims as directed by doctor; the actual costs, other necessities to the victims (if applicable) and the cost for fitting prostheses, prosthetic, eyes, purchase of wheelchairs, scooters, crutches and cosmetic fix.. . to support or replace part of the body functions lost or impaired of victims (if any).
  - + Actual income loss or decline of the victims during injury treatment.
  - + Where the victim is no longer able to work due to spinal paralysis, blindness, paralysis of two limbs, severe mental illness and other circumstances by the competent state authority stipulated impaired ability permanent employees by 81% or more, pay more reasonable expenses for the care of the victims including reasonable costs of monthly feeding, treating and people who regularly care for victims;
  - + Real income is calculated by the victim's income per 6 months preceding the occurrence of accidents. Where income does not determine the level of income, real income is based on the minimum wage prescribed by the state at the time of the accident.
  - + Funeral costs: buy a coffin, the necessary tools for shrouding, mourning, incense, candles, flowers, hearse renta; and other expenses served for the burial or ceremation for vitim as general practices. According to the Law, Baoviet does not to compensate for costs sacrifice, worship, meals, building tombs, exhumation.
  - + Pension amount for people who are received pension obligations before death or before loss of working capacity from victims
  - + Other damage items as prescribed by law.
  - + In case there is no basis for determining the actual damage as defined above, or unfulfill basis for determining damage, Baoviet will pay compensation as prescribed in the Appendix 01, enclosing with the Decree No. 03/2021/NĐ-CP dated January, 15<sup>th</sup>, 2021 on the limit of liability is VND 150 million.
- c) In all cases, the total compensation amount under both compulsory and voluntary liability is not exceed compensation settlement between the Automobile Owner and the victim, or the amount of compensation awarded by the court.
- 6.4 In case traffic accident caused by more than one motor vehicles resulting in bodily injuries or deaths, the indemnities shall be determined according to the level of the automobile owner's faults but the total amount of indemnity shall not exceed the limit of liability
- 6.5 In case, accident caused by entirely faults of thirt party which are certified by competent authorities, the indemnity for third party in respect of bodily injuries or deaths shall be 50% indemnity amount prescribed in the Clause 6.3, Article 6 or by agreement (if any) between the Insured and the heirs of the damage people (in case damage people die) or the representative of the damaged people (in case the damaged people loses his/her civil act capacity under a court decision or is under six year olds) but not exceeding 50% of the compensation amount that prescribed in the Clause 6.3, Article 6.

- 6.6 Property damage compensation/ one accident case: The amount of compensation is determined by the actual damage and level of fault of the automobile owner but does not exceed the limit of liability.
- 6.7 In case automobile owner participated in more than one voluntary insurance contracts for civil liability of automobile owner , Baoviet will compensate according to the ratio between the level of voluntary liability insurance recorded on insurance certificate and total voluntary insurance liability of all contracts that automobile owner signed. Total compensation of all contract shall not exceed the actual amount (minus amount of compensation under the compulsory liability insurance) that the automobile owner must pay compensation to the victim under civil mediation or Judgment court.

These conditions do not overlap coverage of insurance contracts (if any) will be resolved independently by each insurance contract.

### **SECTION 3- INSURANCE EXCLUSION**

**Article 7. Baoviet shall not be liable for any damage incurred in the following cases:**

- 7.1 The automobile owner, driver or victim intentionally causes damage to his/herself.
- 7.2 The driver who caused the accident intentionally runs away to unfullfill his/her civil liability. In case the driver, after running away, has after fulfilled the civil liability of the Automobile Owner, it is not belong to the case of insurance exclusion.
- 7.3 The driver who are underage or over the age of driving a automobile in accordance with the Road Traffic Law; the driver does not have a driver's license uses an invalid driver license (whose number written on the back of driving license does not match the number of the latest issued in the driver's license management information system) or uses using a driver license that is not issued by a competent authority, having a driver license erased, or using an expired driver license at the time of the accident, or using an inappropriate driver license for automobile which required driver license. In case a driver is deprived of the right to use a driver license for a definite term or has his/her driver license revoked, he/she is considered to have no driver license.
- 7.4 Indirect damages include: loss of commercial value, loss of business due to inability to use or exploit the damaged property.
- 7.5 Damage to property resulting from driving a vehicle with alcohol in the blood or breath, using drugs and stimulants prohibited by law.
- 7.6 Property is stolen or robbed in the traffic accident
- 7.7 Loss or damage of special property includes: gold, silver, and gemstones, valuable papers such as money, antiques, valuable paintings or pictures, dead bodies or corpses.
- 7.8 Wars, terrorism attacks or earthquakes occur.

### **SECTION 4- SUPPLEMENTARY**

(Additional terms take effective when stipulated in insurance certificate / insurance contract / Amendment )



## **1. Insurance for Accident Occurring outside The Territory of the Socialist Republic of Vietnam (PLNLT)**

In consideration of proposal and the payment of addition premium by the Insured, this endorsement modifies insurance provided under the following:

Expanded coverage: Baoviet will be indemnity for the accident occurring outside the territory of Vietnam and in China, Laos, Cambodia and Thailand.

Other terms and conditions of this Wording remain unchanged.

## **2. Other Additional Terms:**

Apart from the above additional terms, automobile owner and Baoviet may reach to other written supplementary conditions for other insurance requests of each party, upon the acceptance of Baoviet and follow the principle as expanded the scope will increased premium, narrowing the scope to reduce cost.

## **SECTION 5 – RIGHTS AND OBLIGATIONS OF EACH PARTY**

### **Artical 8. Rights of Automobile Owner, Policyholder**

- 8.1 Request Baoviet to clarify and provide information related to the conclusion, performance or termination of compulsory insurance contracts.
- 8.2 Request Baoviet to reduce premium for the remaining period of insurance contracts where any factor varies leading to the decrease in risks of occurrences.
- 8.3 Request Baoviet to fully and promptly indemnify for damage under insurance contracts.
- 8.4 Others rights under regulations of laws.

### **Artical 9. Obligations of Automobile Owner, Policyholder**

- 9.1 Promptly notify Baoviet to apply the appropriate premium for the remaining period insurance contract in case of changing car use leads to increase or decrease the risks covered.
- 9.2 Obey laws on road traffic safety.
- 9.3 In case of traffic accidents, automobile owners shall:
  - a) Promptly notify to Baoviet and cooperate to rescue victims, resolve issues and mitigate property damage and injuries; protect accident scenes and report to the nearest local police authority or local government & cooperate with authorities in investigating and verifying the cause of traffic accidents
  - b) Do not move, dismantle or restore the property until it is approved by insurers; unless where it is necessary to mitigate the damage to people and property or carry out upon requests of competent authorities.
  - c) Actively collect & provide document required in applications for indemnity specified in clauses 13 in this Wording
  - d) Create favorable conditions for BAOVIET in the process of verifying the documents provided.

## **Artical 10. Rights of Baoviet**

- 10.1 Collect premiums from automobile owner as agreed in the insurance contract
- 10.2 Request automobile owner to provide accurate and reliable information stipulated in insurance certificate; check motor vehicle conditions prior to issue insurance certificates.
- 10.3 Maximum deduction of 5% the amount of compensation for property damage in case the policy holder does not notify the accident to BAOVIET as prescribed at Point a, Clause 12.1, Article 12 of this Policy Wording or After the occurrence of the insured event, BAOVIET discovers that during the performance of the insurance contract, the policy holder have not fulfilled the obligation to notify when there is any factor varies leading to increases in occurrences.
- 10.4 Refuse to indemnify for damage not covered by insurances
- 10.5 Others rights under regulations of laws

## **Artical 11. Obligations of Baoviet**

- 11.1 Explain to policyholder and automobile owner about insurance terms and conditions; rights and obligations of policyholder and automobile owner when participating in insurance.
- 11.2 To issue insurance certificate, insurance policy or insurance contract after concluding insurance agreement
- 11.3 Baoviet shall be liable to consider and settle the claim within 15 (fifteen) days after receiving full reasonable documents and not beyond 30 (thirty) days if the inspection of documents is needed.
- 11.4 In case of refusal to idemnify, Baoviet have to explain in writing the reasons for refusing to compensate within 15 (fifteen) days after receiving full reasonable documents
- 11.5 Baoviet is responsible for guiding the automobile owners, the insured to collect documents for compensation as specified in Article 13 hereof.
- 11.6 Baoviet is responsible for re-assessing risks and charge premiums within 5 days upon receipt of a notice of changing risk factors of the insured motor vehicle and for refunding premium or collecting additional premium in proportion to the remaining term of the insurance contract.
- 11.7 Others obligations under regulations of laws.

## **SECTION 6- ACCIDENT NOTICE, DAMAGE INSPECTION AND DISPUTE SETTLEMENT**

### **Article 12. Accident Notice and Damage Inspection**

- 12.1 Notice of Accident:
  - a) In the event of accident, the Automobile Owner (or driver) shall take all necessary measures to assist the victim, to avert and minimize the damage and shall at the same

time immediately notify to the Police, the nearest office of Baoviet in order to jointly handle the consequences of accident. Within 5 (five) days after the date on which the accident occurred, the Automobile Owner shall reconfirm by sending a written notice (following the printed form) to Baoviet.(except for force majeure);

- b) The Automobile Owner shall not be permitted to remove, dismantle or repair the damaged automobile without obtaining the Baoviet's consent, unless such actions are considered to be necessary either for the safety of the automobile or the observance of the order of the competent authority.
- c) Where the accident caused by other party's liability, the Automobile Owner shall specify & supply information for Baoviet to contact & define the accident

#### 12.2 Inspection of damage

- a) When the accident occurred, Baoviet or the person is authorized by Baoviet to coordinate closely with the Automobile Owner, third party or legal representative of relative parties to inspect damage and determine causes and extent of the loss. The results of assessment must be made in writing signed by the concerned parties. Baoviet is responsible for inspection cost.
- b) Where the Automobile Owner, Driver do not agree on the cause and extent of damage identified by Baoviet, both parties may agree to select independent inspection agency carry out the assessment, unless otherwise agreed in the insurance contract. In the event the parties fail to reach agreement on the requisition of the independent assessment, one of the parties requested the court where the loss occurred or the residence of Automobile Owner to independent inspection. Written conclusions of independent inspection agency becomes mandatory for the parties.
- c) Where the conclusion of the third-party inspection agency is inconsistent with that of Baoviet, Baoviet shall pay all incurring costs for the third party inspection agency's assessment. Where the conclusion of the third-party inspection agency matches Baoviet, the Automobile Owner shall pay all incurring costs for the third party inspection agency's assessment.
- d) Where it is unable to carry out the damage assessment, Baoviet is permitted to determine the degree of damage and causes of occurrence based on records, conclusions of competent authorities and other relevant documents.

### **Article 13. The Claim Files**

Baoviet shall cooperate with Automobile Owner, victims, the police authority and relevant authorities to collect evidences of occurrences prior to making applications for indemnities. The claim file includes the following documents:

- 13.1 Accident/damage notification and claim forms included documents related to the vehicle and driver (Copies are certified by Baoviet after comparison with the originals)
  - a) Vehicle Registration Certificate (a valid copied by bank / credit institution may be used) or vehicle ownership transfer documents and vehicle origin documents (in case there is no vehicle registration certificate).
  - b) Driving license

- c) The driver's ID card or passport or personal identity documents
  - d) Certificates of insurance.
- 13.2 Documents as proof of damage to bodily injury provided by the policyholder or the insured (copies of medical facilities or certified true copies of Baoviet), or the following documents depending on the seriousness of bodily injuries/deaths :
- a) Injury Certificate
  - b) Hospital discharge slip
  - c) Certificate of death/Death declaration or Written certification of the police or the results of the forensic examination of the case of the victim who died on the means of transport or died due to an accident.
- 13.3 Evidences of property damage provided by the policyholder or the insured:
- a) Valid invoices or documents on repairs or replacement of damaged property by gara designated by Baoviet or approved by Baoviet.(In case BAOVIET performs the repair / remedy damage, BAO VIET is responsible for collecting these documents).
  - b) Documents as proof of reasonable expenses for mitigating damage or according to instructions of Baoviet.
- 13.4 Copies of relevant documents of the police agency collected by BAOVIET in fatal accidents involving third parties and passengers, including: Result of investigation, verification and settlement of traffic accident or Notice of conclusion of investigation and settlement of traffic accident.
- 13.5 The minutes of assessment to determine the cause and extent of damage made by BAOVIET that agreed between BAOVIET and the policyholder and the insured.
- 13.6 Other relevant documents (if any).

#### **Article 14. The duration for claim, compensation**

- 14.1 Automobile Owner shall submit their applications for indemnity within 01 year from the date of occurrence, except in case of delay by objective reasons or force majeure events under regulations of laws.
- 14.2 Baoviet shall settle the claim within 15 (fifteen) days from the date of receipt of the application and shall not exceed 30 days if it is necessary to certify the application.
- 14.3 In case of refusal to indemnify, Baoviet shall send the Automobile Owner a written notice in which reasons for refusal shall be specified within 30 days from the date of receipt of the application.
- 14.4 Statute of limitations for making a claim on the insurance policy shall be 03 years from the date on which the insurer indemnifies or refuses to indemnify. After the statute of limitations, neither party has the right to make claims.

#### **Article 15. Dispute Settlement**

Any dispute arising from the performance of insurance contracts that fails to reach amicable agreement shall be brought to the Court of Vietnam.

**GENERAL MANAGER**