



MARINE CARGO INSURANCE

PRODUCT DISCLOSURE SHEET

September 2018

IMPORTANT NOTE

Read this Product Disclosure Sheet before you decide to take out the Marine Cargo Insurance Policy. Be sure to also read the policy wording for full terms and conditions.

1) What is this product about?

This policy provides you with coverage for loss of or damage to your goods transit by sea, air and land.

2) What are the cover / benefits provided?

There are three main types of coverage available

- a) Institute Cargo Clauses (A) – ICC(A)
- b) Institute Cargo Clauses (B) – ICC(B)
- c) Institute Cargo Clauses (C) – ICC(C)

	Covered Perils	ICC (A)	ICC (B)	ICC (C)
1	Fire or Explosion	Yes	Yes	Yes
2	Stranding, Grounding, Sinking, Capsize	Yes	Yes	Yes
3	Overturning or derailment of land conveyance	Yes	Yes	Yes
4	Collision or Contact of vessel with any external object other than water	Yes	Yes	Yes
5	Discharge of cargo at port of distress	Yes	Yes	Yes
6	Earthquake, volcanic eruption, or lightning	Yes	Yes	No
7	Jettison	Yes	Yes	Yes
8	Washing Overboard	Yes	Yes	No
9	Entry of sea, lake, river water into the vessel	Yes	Yes	No
10	Total loss of any package lost overboard or dropped during loading and discharge	Yes	No	No
11	Pirates	Yes	No	No
12	Thieves	Yes	No	No
13	General average sacrifice	Yes	Yes	Yes
	Excluded Perils	ICC(A)	ICC(B)	ICC(C)
1	Willful misconduct of assured	No	No	No
2	Ordinary leakage, loss in weight or volume, ordinary wear and tear	No	No	No
3	Insufficient or unsuitability of packing	No	No	No
4	Inherent vice or nature of subject insured	No	No	No
5	Loss by delay / port of delay	No	No	No
6	Insolvency or financial default of carrier	No	No	No
7	Un-seaworthiness or financial default of carrier	No	No	No
8	Malicious damage	Yes	No	No
9	War and Strike, Riot, Civil Commotion (unless extended)	No	No	No

3) What is the premium I have to pay?

The premium is noted on the quotation documents. It is calculated according to various factors, of which the main factors are:

- Applicant's Name & Registered Address
- Nature of Trade / Business
- Goods to be Insured
- Type of packing – Cartons, Crates, Case, Drums, Pallets, Rolls, Bundles, Bales, Bottles
- Shipped in FCL, LCL, or Conventional
- Conveyance – Land transport, Sea transport, Air transport, or Courier Services
- Limit of Liability
- Estimated Annual Carrying
- Voyage / Transit
- Basis of Valuation
- Claims History (past 3 years)

4) What are the fees and charges I have to pay?

Type	Amount
Services Tax (with effect from 1 September 2018, when applicable)	6% of Gross Premium
Stamp Duty	RM 10.00
Commission paid to the insurance agent (when applicable)	Up to maximum 15%

5) What are some of the key terms and conditions that I should be aware of?

- Importance of Disclosure: You should disclose to the best of your knowledge all material facts and confirm all the declarations are true and correct; otherwise your policy may be invalidated
- No Admission of Liability: You should not admit liability, offer, promise or pay to claimant without our written consent
- Premium Warranty: The premium due must be paid and received by the insurer within 60 days from the inception date of the policy / endorsement/ renewal certificate
- If you fail to pay the premium within the period, your policy will be automatically cancelled and we are entitled to the pro rata premium on the period you have been on risk.

6) What are the major exclusions under this policy?

This policy does not cover:

- loss, damage or expense due to wilful misconduct
- ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the goods insured
- loss, damage or expense caused by insufficiency or unsuitability of packing
- business / products as follows:

	Nature of business / products	Example
1	Livestock Risks	Chicken, cows, poultry
2	Perishables	Vegetables, flowers, fruits, fresh fish
3	Precious metals / stones	Diamond jewellery, platinum, gold, silver
4	Antiques / object of art / valuable paintings	
5	Scrap metal	
6	Documents of title of any kind & monies	Bonds, shares scripts, stamps, medals, money, cheques
7	Explosives	Fireworks, gun powder
8	Manufacturer of glass products	

- If, by virtue of any law or regulation which is applicable to an Insurer, its parent company or its ultimate controlling entity, at the inception of this Policy or at any time thereafter, providing coverage to the Insured is or would be unlawful because it breaches an applicable embargo or sanction, that Insurer shall provide no coverage and have no liability whatsoever nor provide any defense to the Insured or make any payment of defense costs or provide any form of security on behalf of the Insured, to the extent that it would be in breach of such embargo or sanction.

(This list is non-exhaustive; please refer to the policy wording for full terms and conditions.)

7) Can I cancel my policy?

You may cancel your policy by giving us written notice. You are entitled to a refund premium for the unused period subject to a minimum premium for the policy. No refund premium is allowed if there is a claim under the policy.

8) What do I need to do if there are changes to my contact details?

It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.

9) Where can I get further information?

Should you require additional information about this insurance, please contact us at:

AIG Malaysia Insurance Berhad (795492-W)

Menara Worldwide, Level 18,

198, Jalan Bukit Bintang,

55100 Kuala Lumpur,

Malaysia

Tel: 1800 88 8811

Fax: +60 3 2118 0388

Email: AIGCare@aig.com

Web: www.aig.com

10) Other types of similar insurance cover available?

None

IMPORTANT NOTE

YOU SHOULD SATISFY YOURSELF THAT THE POLICY WILL BEST SERVE YOUR NEEDS. YOU SHOULD READ AND UNDERSTAND THE INSURANCE POLICY AND DISCUSS WITH THE AGENT OR CONTACT THE INSURANCE COMPANY DIRECTLY FOR MORE INFORMATION.

Financial Services Act (FSA) 2013

The **Insured** must take reasonable care to ensure that all the answers to the proposal form questions are complete, correct, honest and to the best of **Insured's** knowledge. The **Insured** also have a duty to inform the **Insurer** of any change in the information given to **Insurer** earlier before the **Insurer** issue the policy schedule, before **Insured** renew or change any of the terms of the policy. If **Insured's** does not, the **Insurer** may:-

- (i) declare **Insured's** policy void from inception (which means treating it as invalid) and the **Insurer** may not return the premium or recover any unpaid premium; or
- (ii) cancel this policy and return any premium less the **Insurer's** cancellation charge or recover any unpaid premium; or
- (iii) recover any shortfall in premium; or
- (iv) not pay any **Claim** that has been or will be made under the policy; or
- (v) be entitled to recover from the **Insured** the total amount of any **Claim** already paid under the policy or any **Claim** the **Insurer** have to pay under any relevant legislation, plus any recovery costs.

The information provided in this disclosure sheet is valid as of the date shown.