



PROPERTY ALL RISKS POLICY

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PROPERTY ALL RISKS POLICY

THE INSURING AGREEMENT

IN CONSIDERATION of the Insured named in the Schedule hereto paying to AIG Malaysia Insurance Berhad (formerly known as (hereinafter called the **Company**) the Premium mentioned in the said Schedule,

THE COMPANY AGREES subject to both the General Warranties, Terms, Exceptions, Provisions and Conditions and to the specific Terms, Exceptions and Conditions and the like, applicable to each Section of the Policy (hereinafter collectively referred to as the Term of this Section), contained herein or endorsed hereon or otherwise expressed hereon and to the truthful completion of the Proposal Form, that if the Property Insured described in the said Schedule or any part of such property be destroyed or damaged, or liability created by the insured peril or event chosen for coverage which occur during the Period of Insurance as stated in the Policy Schedule or for any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the renewal of this Policy, the Company will indemnify the Insured in the agreed manner as described in greater detail in the respective Sections here below.

PROVIDED THAT the liability of the Company shall in no case exceed the value expressed in the Policy Schedule for each section or for each item in the section or in the whole as the case may be, as may be substituted thereto by endorsement whether now or hereafter issued, signed by and on behalf of the Company.

PROVIDED ALWAYS that the due observance and fulfillment of the warranties, terms, provisions, conditions and endorsements of this Policy in so far as they relate to anything to be done or complied with by the Insured shall be conditions precedent to any liability of the Company to make any payment under this Policy.

THE POLICY COVER

SECTION 1: FIRE & EXTRANEIOUS PERILS

Subject to the Insuring Agreement of the Policy and to the specific terms of this Section 1, (i.e. the Term of this Section), the Company agrees that if the Property Insured described in Section 1 of the Policy Schedule, or any part of such property be destroyed or damaged by the perils of FIRE or LIGHTNING, the Company will pay or make good to the Insured the value of that Property Insured at the time of the happening of its destruction or the actual amount of such damage under Section 1 of the Policy Schedule, subject always to the adequacy of coverage.

THE CONDITIONS AND STIPULATIONS REFERRED TO IN SECTION 1

1. MISDESCRIPTION

If there be any material misdescription of any of the property hereby insured, 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.

2. RECEIPTS

No payment in respect of any premium shall be deemed to be payment to the Company unless a printed form of receipt for the same signed by an Official or duly appointed Agent of the Company shall have been given to the Insured.

3. INSURANCE WITH OTHER COMPANIES

The Insured shall give notice to the Company of any Insurance or Insurances already effected, or which may subsequently be effected, covering any of the property hereby insured, and unless such notice be given and the particulars of such Insurance or Insurances be stated in or endorsed on this Policy by or on behalf of the Company before the occurrence of any loss or damage, all benefits under this Policy shall be forfeited.

4. FALLEN BUILDINGS

All Insurance under this Policy

- (1) on any building or part of any building,
- (2) on any property contained in any building,



- (3) on rent or other subject matter of Insurance in respect of or in connection with any building or any property contained in any building, shall cease immediately upon any fall or displacement
- (a) of such building or of any part thereof,
 - (b) of the whole or any part of any range of buildings or of any structure of which such building forms part, PROVIDED that such fall or displacement is of the whole or a substantial or important part of such building or impairs the usefulness of such building or any part thereof or leave such building or any part thereof or any property contained therein subject to increased risk of fire or is otherwise material.

AND PROVIDED that such fall or displacement is not caused by fire, loss or damage by which is covered by this Policy or would be covered if such building, range of buildings or structure were insured under this Policy.

In any action, suit or other proceeding, the burden of proving that any fall or displacement is caused by fire as aforesaid shall be upon the Insured.

5. RISKS NOT COVERED

- (1) This Insurance does not cover:
- (a) Loss by theft during or after the occurrence of a fire.
 - (b) Loss or damage to property occasioned by its own fermentation, natural heating or spontaneous combustion [except as may be provided in accordance with Condition 8(f)] or by its undergoing any heating or drying process.
 - (c) Loss or damage occasioned by or through or in consequence of
 - (1) The burning of property by order of any public authority
 - (2) Subterranean Fire
 - (d) Loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material.
- (2) This insurance does not cover loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purposes of this Condition 5(2) only combustion shall include any self-sustaining process of nuclear fission.

6. PERILS NOT COVERED

This insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:-

- (a) Earthquake, volcanic eruption or other convulsion of nature.
- (b) Typhoon, hurricane, tornado, cyclone or other atmospheric disturbance.
- (c) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war.
- (d) Mutiny, riot, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.
- (e) any act of terrorism

For this purpose an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear."

Any loss or damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be loss or damage which is not covered by this insurance, except to the extent that the Insured shall prove that such loss or damage happened independently of the existence of such abnormal conditions.

In any action, suit or other proceeding where the Company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

7. LIABILITY NOT COVERED

This insurance does not cover any liability for loss or destruction or damage caused by pollution or contamination except (unless otherwise excluded) destruction of or damage to the property insured caused by

- (i) pollution or contamination which itself results from a contingency hereby insured against.
- (ii) any contingency hereby insured against which itself results from pollution or contamination.

8. RISKS NOT COVERED UNLESS EXPRESSLY INCLUDED

Unless otherwise expressly stated in the Policy this Insurance does not cover:

- (a) Goods held in trust or on commission.
- (b) Bullion or unset precious stones.
- (c) Any curiosity or work of art for an amount exceeding RM500/-
- (d) Manuscripts, plans, drawings, or designs, patterns, models or moulds.
- (e) Securities, obligations, or documents of any kind, stamps, coins or paper money, cheques, books of account or other



- business books, or computer systems records.
- (f) Coal, against loss or damage occasioned by its own spontaneous combustion.
 - (g) Explosives.
 - (h) Any loss or damage occasioned by or through or in consequence of explosion; but loss or damage by explosion of domestic boilers and gas used for illuminating or domestic purposes in a building in which gas is not generated and which does not form part of any gas works, will be deemed to be loss by fire within the meaning of this Policy.
 - (i) Any loss or damage occasioned by or through or in consequence of the burning, whether accidental or otherwise, of forests, bush, lalang, prairie, pampas or jungle, and the clearing of lands by fire.

9. ALTERATIONS AND REMOVALS

Under any of the following circumstances the insurance ceases to attach as regards the property affected unless the Insured, before the occurrence of any loss or damage, obtains the sanction of the Company signified by endorsement upon the Policy, by or on behalf of the Company

- (a) If the trade or manufacture carried on be altered, or if the nature of the occupation of or other circumstances affecting the building insured or containing the insured property be changed in such a way as to increase the risk of loss or damage by fire.
- (b) If the building insured or containing the insured property becomes unoccupied and so remains for a period of more than thirty (30) days.
- (c) If property insured be removed to any building or place other than that in which it is herein stated to be insured.
- (d) If the interest in the property insured pass from the Insured otherwise than by will or operation of law.
- (e) If a notice to quit by any order by the local Authorities for the requisition or acquisition of the land on which the Insured's property is situated has been issued.

10. MARINE CLAUSE

This insurance does not cover any loss or damage to property which, at the time of the happening of such loss or damage, is insured by or would, but for the existence of this Section 1, be insured by any Marine Policy or Policies except in respect of any excess beyond the amount which would have been payable under the Marine Policy had this Insurance not been effected.

11. CANCELLMENT OF THE INSURANCE

This Policy may be terminated at any time at the request of the Insured, in which case the Company will retain the customary short period rate for the time the Section 1 has been in force. This insurance may also be terminated at the option of the Company by sending fourteen (14) days' notice by registered letter to the Insured at his last known address, in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of cancellation. The amount to be refunded upon termination of the Policy shall be subject to the minimum premium to be retained by the Company.

12. OCCURRENCE OF FIRE

On the happening of any loss or damage the Insured shall forthwith give notice thereof to the Company and shall within 15 days after the loss or damage, or such further time as the Company may in writing allow in that behalf, deliver to the Company:

- (a) A claim in writing for the loss and damage containing as particular an account as may be reasonably practicable of all the several articles or items of property damaged or destroyed, and of the amount of the loss or damage thereto respectively, having regard to their value at the time of the loss or damage, not including profit of any kind.
- (b) Particulars of all other Insurances, if any.

The Insured shall also at all times at his own expense produce, procure and give to the Company all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies thereof, documents, proofs and information with respect to the claim and the origin and cause of the fire and the circumstances under which the loss or damage occurred, and any matter touching the liability or the amount of the liability of the Company as may be reasonably required by or on behalf of the Company together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

No claim under this Policy shall be payable unless the terms of this Condition have been complied with.

13. EXPENSES INCURRED IN EXTINGUISHING FIRES The

insurance under this Section 1 extends to include:-

- (a) wages of the Insured's employees other than full-time members of a Works Fire Brigade.
- (b) the cost of replacement of fire fighting appliances and destruction of or damage to materials (including employees' clothing and personal effects) unless otherwise specifically insured.
- (c) Fire Brigade charges.

Provided always that the liability of the Company in respect of such wages, costs and charges shall be limited to those necessarily and reasonably incurred in extinguishing fires at or adjoining the situation of the property insured by this Section 1 or immediately threatening to involve such property.



14. RIGHTS OF COMPANY RE SALVAGE

On the happening of any loss or damage to any of the property insured by this Section 1, 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 any such property and examine, sort, arrange, remove, or otherwise deal with the same.
- (d) Sell any such property or dispose of the same for account of whom it may concern.

The powers 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, if any claim is made, until such claim is finally determined or withdrawn, and the Company shall not by any act done in the exercise or purported exercise of its powers hereunder, incur any liability to the Insured or diminish its right to rely upon any of the conditions of this Policy in answer to any claim.

If the Insured 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 benefits under this Policy shall be forfeited.

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

15. FORFEITURE

If the claim be in any respect fraudulent, or if any false declaration be made or used in support thereof, or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this Policy; or, if the loss or damage be occasioned by the wilful act, or with the connivance of the Insured; or, if the claim be made and rejected and an action or suit be not commenced within three (3) months after such rejection, or (in the case of an Arbitration taking place in pursuance of Condition 22 of this Section 1) within three (3) months after the Arbitrator or Arbitrators or Umpire shall have made their award, all benefit under this Policy shall be forfeited.

16. REINSTATEMENT

The Company may at its option reinstate or replace the property damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or may join with any other Insurer in so doing; but the Company shall not be bound to reinstate exactly or completely, but only as circumstances permit and in reasonably sufficient manner, and in no case shall the Company be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage, nor more than the sum insured by the Company thereon.

If the Company so elect to reinstate or replace any property the Insured shall, at his own expense, furnish the Company with such plans, specifications, measurements, quantities, and such other particulars as the Company may require, and no acts done, or caused to be done by the Company with a view to reinstatement or replacement shall be deemed an election by the Company to reinstate or replace.

If in any case the Company shall be unable to reinstate or repair the property hereby insured, because of any municipal or other regulations in force affecting the alignment of streets, or the construction of buildings, or otherwise, the Company shall, in every such case, only be liable to pay such sum as would be requisite to reinstate or repair such property if the same could lawfully be reinstated to its former condition.

17. MARKET VALUE

In the event of a loss to the property insured (other than stock and building item) herein, the Company shall pay the insured value or the market value of the insured property, whichever is the lower, subject to the deduction of any excess and amounts which the insured is required to bear under the Policy. For the purpose of this condition, the term market value shall mean the value of the property insured herein at the time of damage or loss less due allowance for wear and tear and/or depreciation.

The Market Value of the insured property shall for the purpose of this condition be determined by a valuation obtained by the Company from the manufacturer, authorized sole agent or agent authorized broker, authorized distributor or building contractor of the cost of replacement or reinstatement, subject to the application of appropriate depreciation, of the insured property damaged or lost as it was at the time of the occurrence of such damage or loss.

In the event that there is, at the time of damage or loss no manufacturer, authorized sole agent or agent, authorized broker, authorized distributor or building contractor for the insured property, the valuation shall be obtained from a Loss Adjuster licensed under the Insurance Act 1996 or Registered Valuer registered under the Valuers, Appraisers and Estate Agents Act 1981 and to be mutually appointed by both parties. The valuation of the insured property by the manufacturer authorized sole agent or agent, authorized broker, authorized distributor, building contractor, Loss Adjuster licensed under the Insurance Act 1996 or Registered Valuer registered under the Valuers, Appraisers and Estate Agents Act 1981 shall be conclusive evidence in respect of the market value of the insured property in any legal proceedings against the Company.



18. SUBROGATION OF RIGHTS

The Insured shall, at the expense of the Company, do, and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated, upon its paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

19. CONTRIBUTIONS CLAUSE

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

20. AVERAGE

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 Insurer for the difference, and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the Section 1 shall be separately subject to this Condition.

21. REINSTATEMENT OF SUM INSURED

In the event of a loss, the insurance hereunder shall be maintained in force for the full sum insured and the insured shall be liable to pay an additional premium at the rate stated on the Section 1 calculated on the amount of loss on a pro rata basis from the date of such loss to the expiry of the current period of insurance.

22. ARBITRATION

If any difference arises as to the amount of any loss or damage such difference shall independently of all other questions be referred to the decision of an Arbitrator, to be appointed in writing by the parties in difference, or, if they cannot agree upon a single Arbitrator, to the decision of two disinterested persons as Arbitrators, of whom one shall be appointed in writing by each of the parties within two (2) calendar months after having been required so to do in writing by the other party. In case either party shall refuse or fail to appoint an Arbitrator within two (2) calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole Arbitrator; and in case of disagreement between the Arbitrators, the difference shall be referred to the decision of an Umpire who shall have been appointed by them in writing before entering on the reference, and who shall sit with the Arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the Arbitrator, Arbitrators or Umpire respectively; and in the event of the death of an Arbitrator or Umpire, another shall in each case be appointed in his stead by the party or Arbitrators (as the case may be) by whom the Arbitrator or Umpire so dying was appointed. The costs of the reference and of the award shall be in the discretion of the Arbitrator, Arbitrators or Umpire making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such Arbitrator, Arbitrators or Umpire of the amount of the loss or damage if disputed shall be first obtained.

23. TIME LIMIT FOR COMPANY'S LIABILITY

In no case whatever shall the Company be liable for any loss or damage after the expiration of twelve (12) months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration.

24. NOTICES

Every notice and other communication to the Company required by these Conditions must be written or printed.

25. POLICY SCHEDULE

This Policy and the Schedule herein shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the said Schedule shall bear such meaning wherever it may appear.

WARRANTIES, SPECIAL/EXTRANEIOUS PERILS CLAUSES AND ENDORSEMENTS APPLICABLE TO SECTION 1 (Not applicable unless specified in the Policy Schedule)

LEGEND TO SYMBOLS:

- * Mandatory and Rating Warranties
- # Non-Mandatory and Non-Rating Warranties

WARRANTY NO.

#1 RESTRICTION OF MERCHANDISE WARRANTY

Warranted that during the currency of this Policy no part of the premises described herein be used for the manufacture or



deposit or storage of merchandise.

***1A RESTRICTION OF MERCHANDISE WARRANTY (Club/School/Office)**

Warranted that during the currency of this Policy no part of the premises described herein be used for the manufacture or deposit or storage of merchandise except in direct relation to the activities of a club, school or office.

***1B RESTRICTION OF MERCHANDISE WARRANTY (Not exceeding 10% of total floor area)**

Warranted that during the currency of this Policy not more than 10% of the total floor area of the premises insured herein be used for the manufacture or deposit or storage of merchandise.

***1C RESTRICTION OF MERCHANDISE WARRANTY (Not exceeding 20% of total floor area)**

Warranted that during the currency of this Policy not more than 20% of the total floor area of the premises insured herein be used for the manufacture or deposit or storage of merchandise.

***1D RESTRICTION OF MERCHANDISE WARRANTY (Not exceeding 50% of total floor area)**

Warranted that during the currency of this Policy not more than 50% of the total floor area of the premises insured herein be used for the manufacture or deposit or storage of merchandise.

#2 DETACHED BUILDING WARRANTY

Warranted that during the currency of this Policy the building (containing the property)* insured by (Item No.....Of)* this Policy is detached by at least #.....metres/feet on all sides from any other building (excluding small outhouses).

* required for insertion in the case of contents policies

insert distance required by the appropriate Tariff Classification.

***3A STORAGE OF HAZARDOUS GOODS WARRANTY A**

Warranted that during the currency of this Policy, storage in the premises of the following materials is permitted only up to the limit of quantities stated below, namely:-

- | | |
|--|--|
| i) All liquids including kerosene oil and diesel giving off flammable vapour with flashpoint not less 93 C (200F) | 3600 Litres (equivalent to 800 gallons) |
| ii) All liquids including petrol giving off flammable vapour with flashpoint below 38 C (100F) | 900 Litres (equivalent to 200 gallons) |
| iii) Matches, carbides, liquified petroleum gas (LPG), spontaneously combustible cartons whichever materials such as silane, sulphur, etc. and active materials such as magnesium sodium, etc. | 30kg or 4 cases or cartons whichever is higher |

***3B STORAGE OF HAZARDOUS GOODS WARRANTY B**

Rate: A.P. of 25% of basic fire rate

Warranted that during the currency of this Policy, the storage of goods and the quantity of the goods stored in or upon the within mentioned premises are in compliance with the Regulations and Laws of Malaysia.

#4A STORAGE OF PETROL WARRANTY

Warranted that during the currency of this Policy the storage of Petrol be in accordance with the Government Regulations

***4B RESTRICTION OF SPRAY PAINTING/POWDER SPRAYING WARRANTY**

Warranted that during the currency of this Policy no spray painting/powder spraying or any process in connection therewith be carried on in the premises described herein.

***4C PRINTING PROCESS WARRANTY**

Warranted that during the currency of this Policy no printing or any process in connection therewith be carried on in the premises described herein.

***6 MOTOR VEHICLE REPAIRS WARRANTY**

Warranted that during the currency of this Policy no repair work of any kind on motor vehicles and agricultural implements be carried on in the premises described herein.



***7 SOLVENT EXTRACTION WARRANTY**

Warranted that during the currency of this Policy no solvent extraction be carried on in the within described premises.

***8A SMOKING, DRYING OR STORAGE OF RUBBER WARRANTY**

Warranted that during the currency of this Policy no smoking, drying or storage of prepared rubber be carried on in the premises described herein but allowing the storage of liquid latex.

***8B SMOKING OR DRYING OF RUBBER BY ARTIFICIAL HEAT WARRANTY**

Warranted that during the currency of this Policy no smoking of rubber or drying by artificial heat be carried on in the premises described herein.

***8C DRYING BY ARTIFICIAL HEAT WARRANTY C**

Warranted that during the currency of this Policy no drying by artificial heat be carried on unless the furnace for heating and its flues be entirely outside the premises or separated therefrom by a brick, stone or concrete wall not less than 4 1/2 inches thick passing through the roof, without openings except such as may be necessary for metal pipes, and the heat conveyed by steam, hot water or hot air not directly drawn from the furnace fire or from flue gases.

Note : Where, however, the heater house roof abuts the main buildings at a lower level than the main roof such wall need only be carried up to the eaves of the main roof.

***9 REMOVAL AND BURNING OF WOOD WASTES WARRANTY**

Warranted that during the currency of this Policy:-

- a) all shavings, sawdust and other refuse be removed from the premises regularly but not less than three (3) times a week and not allowed to accumulate.
- b) no shavings, sawdust or other refuse be burned (other than in a brick incinerator or furnace used in connection with the insured's business) within 30 metres (100 feet) of any building forming part of the insured premises.

***10 BURNING OF SAWDUST (WITHIN 100 FEET) WARRANTY**

Warranted that during the currency of this Policy:

- (i) no power (other than electric) ; and
- (ii) no artificial heat be used ; and
- (iii) that shavings, sawdust and refuse be removed daily from the premises and be not burned (other than in a brick incinerator or furnace used in connection with the Insured's business) within 30 metres (100 feet) thereof.

***11A STORAGE OF UNHEWN LOGS (WITHIN 15 METRES) WARRANTY**

Warranted that during the currency of this Policy no unheewn logs be stored or stacked within 15 metres (50 feet) of the sawmill.

***11B STORAGE OF SAWN TIMBER (WITHIN 100 FEET) WARRANTY**

Warranted that during the currency of this Policy no sawn timber be stored or stacked within 30 metres (100 feet) of the sawmill.

***12 VACANT RISK WARRANTY**

Warranted that at no time during the currency of this Policy shall the premises described herein be used for the storage or deposit of goods of any kind or for any other purpose whatsoever.

It is further warranted that all doors, windows and/or other openings shall be so secured at all times as to prevent entrance by any unauthorised person or persons.

***13A PLASTICS WARRANTY A**

Warranted that during the currency of this Policy no raw materials for the manufacture of plastics other than protein based resins; products based on formaldehyde or other aldehydes; polyamide resins; polycarbonate based resins; silicone resins; fluorocarbons; polyester resins including alkyd resins, polyvinyl acetate; polyvinyl butyrate; epoxy resins, amino resins will be used or stored in the within described premises.



***13B PLASTICS WARRANTY B**

Warranted that during the currency of this Policy no raw materials for the manufacture of plastics other than protein base resins; products based on formaldehyde or other aldehydes; polyamide resins; polycarbonate based resins; silicone resins; fluorocarbons; polyester resins including alkyd resins; polyvinyl acetate; polyvinyl butyrate; epoxy resins; amino resins; polystyrene; acetal resins; acrylic resins; acrylonitrile butadiene styrene (A.B.S) resins; ethyl cellulose; polypropylene; polythene/polyethylene; methyl methacrylate; cellulose acetate; cellulose acetate butyrate; cellulose propionate; polymethyl methacrylate; polyvinyl chloride will be used or stored in the within described premises.

***13C PLASTICS WARRANTY C**

Warranted that during the currency of this Policy no nitrocellulose based plastics or foamed or expanded plastics be manufactured, used or stored in the within described premises.

#14 FUEL STORAGE TANKS INSTALLATIONS WARRANTY

Warranted that during the currency of this Policy the Fuel Storage Tank Installations comply with the following regulations:-

- a) Tanks must be of steel and placed at least 2 feet below the surface of the ground and must be filled only from the open through oil-tight pipes fitted with screwed caps or valves.
- b) Motor vehicles must stand in the open when their tanks are being filled.
- c) No artificial light other than electric light may be used near tanks or pumps.

Note : The filling of tanks under balconies or verandahs is not to be considered as non-compliance with (a) and (b) above.

#15 STORAGE TANK INSTALLATIONS WARRANTY

Warranted that during the currency of this Policy no mineral or rock oils or liquid products or mixtures thereof giving off an inflammable vapour below 150 F (closed cup test) shall be stored or deposited in, or within 50 feet of any tank, barrels, tins or drums insured or the contents of which are insured hereby.

#16 CURING BARN (SOURCE OF FUEL) WARRANTY

Warranted that during the currency of this Policy the furnaces and/or stoves of the curing barns are fired by gas, oil and/or electricity.

***17 MANUFACTURE AND STORAGE OF PAINTS, ETC. WARRANTY**

Warranted that during the currency of this Policy no manufacturing or storage of oil paints, enamels, lacquers, varnishes, varnish stains, cellulose paints or paint thinners, removers or renovators be carried on within the insured premises.

#18 USE & STORAGE OF FOAMED PLASTICS AND FOAMED RUBBER WARRANTY

Warranted that during the currency of this Policy no foamed plastic or foamed rubber or goods made therefrom be used or stored.

#19 REGULAR INSPECTIONS WARRANTY

Warranted that during the currency of this Policy the premises be inspected at the end of each day for smouldering matches, tobacco or other materials and signed reports made thereon by the employee(s) responsible for such inspection. The reports to be examined at least once each week by the Management.

#20 BITUMINOUS MATERIALS/SOLVENTS WARRANTY

Warranted that during the currency of this Policy no bituminous material and/or solvents having a flash point (closed cup test) below 32 C (90 F) be used or stored within the insured premises.

***22 LIQUIFIED PETROLEUM GASES WARRANTY**

Warranted that during the currency of this Policy, relevant government regulations dealing with storage or use of liquified petroleum gases shall be complied with at all times

***23 USE OF ELECTRICITY AND/OR SOLAR POWER ONLY WARRANTY**

Warranted that during the currency of this Policy, no power other than electricity and/or solar power be used for heating purposes.



***24 SPRAY PAINTING WARRANTY**

(I) Spray Painting Warranty (A)

Rate : 15% loading on the base rate

A. Warranted that during the currency of this Policy in the part of the premises used for spray painting*:-

- a) No cleaning off, mixing, spray painting*, or other process connected therewith, be carried on except in the open or in a separate building or compartment exclusively reserved for such work and adequately ventilated to the open by means of an exhaust fan or fans with sufficient fresh air inlets located near floor level, and that not more than one day's supply of paint, lacquer, solvent, diluent, or thinner be deposited therein.

Compartments should be constructed of brick and/or cement concrete having floor and roof (including any supports) of incombustible materials and any communications should be fitted with door(s) of hardwood or of incombustible material.

- b) All paints, lacquer, petrol, solvents, diluents, and thinners, be stored in a building used exclusively for that purpose or in a brick and/or cement concrete built compartment having floor and roof, including any supports of incombustible material, any communication having a closely fitting door or hardwood or of incombustible material.
- c) No petrol be left in the reservoir of any automobile whilst the automobile is undergoing painting process and that emptying and charging of the reservoir shall only be done in the open air.
- d) No artificial lighting, other than explosion-proof or flame-proof electric lights, be used.
- e) All places where dry deposit can accumulate will be cleaned every week with stiff fibre or nonferrous metal brushes or scrapers and the residue placed in water.

(Note*: To be replaced with the words "spray painting and powder spraying in the event the risk involve two processes).

(II) Spray Painting Warranty (B)

Rate : 35% loading on the base rate

B. In consideration of the payment of an additional premium, it is hereby agreed that spray painting* is allowed to be carried on in the premises described herein.

(Note : To be replaced with the words "spray painting and powder spraying" in the event the risk involve two processes).

***25 POWDER SPRAYING WARRANTY**

(I) Powder Spraying Warranty (A)

Rate : 10% loading on the base rate

A. Warranted that during the currency of this Policy in the part of the premises used for power spraying :-

- a) No cleaning off, mixing, powder spraying or other process connected therewith, be carried on except in the open or in a separate building or compartment exclusively reserved for such work and an adequate means of ventilation/pneumatic extraction system should be provided.

Compartments should be constructed of brick and/or cement concrete having floor and roof. Any support should be of incombustible material and any communication be fitted with door(s) of hardwood or incombustible material.

- b) All electrical lightings and fittings in the powder spraying compartment should be of explosion/flame proof types and no artificial lightings and other spark producing equipments should be used in the compartment.
- c) All places where dry deposit can accumulate will be cleaned every week with stiff fibre or nonferrous metal brushes or scrapers and the residue placed in water.

(II) Powder Spraying Warranty (B)

Rate : 20% loading on the base rate

B. In consideration of the payment of an additional premium, it is hereby agreed that powder spraying is allowed to be carried on in the premises described herein.

***26 PREMIUM WARRANTY**

It is fundamental and absolute special condition of this contract of insurance that the premium due must be paid and received by the insurer within sixty (60) days from the inception date of this Policy/endorsement/ renewal certificate.

If this condition is not complied with then this contract is automatically cancelled and the insurer shall be entitled to the pro



rata premium on the period they have been on risk.

Where the premium payable pursuant to this warranty is received by an authorised agent of the insurer, the payment shall be deemed to be received by the insurer for the purposes of this warranty and the onus of proving that the premium payable was received by a person, including an insurance agent, who was not authorised to receive such premium shall lie on the insurer.

Subject otherwise to the terms and conditions of this Policy.

***27 SILENT RISK WARRANTY**

Warranted that during the currency of this Policy the said industrial risk be silent and that the machinery be not worked (except occasionally for the purpose of keeping it in order, no material being passed through it) and that no repairs to machinery or millwrights' work, be carried on.

It is further warranted that the insured premises not be used for the storage or deposit of goods.

***28 24-HOURS SECURITY GUARD WARRANTY**

Warranted that during the currency of this policy, the premises shall be protected by security guards who are:

- a) uniform
- b) on continuous 24 hours duty, including public holidays; and
- c) with a minimum of one guard per shift on duty at any time

No liability shall attach to the Company under this policy unless the terms of this warranty are complied with.

SPECIAL/EXTRANEIOUS PERILS

**EP1 AIRCRAFT
DAMAGE**

Rate : 0.005%

In consideration of an additional premium, the Company hereby agree and declare that the insurance under the Policy shall, subject to the Special Conditions hereinafter contained, extend to include loss or damage (by fire or otherwise) to the property insured directly caused by aircraft and other aerial devices and/or articles dropped there from.

Provided always that all the conditions of the Policy shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

SPECIAL CONDITIONS

- (1) The liability of the Company shall in no case under this Endorsement and the Policy exceed the sum insured by each item of the Policy.
- (2) This insurance does not cover any loss or damage caused by any aircraft for which permission to land has been extended by the Insured. Subject otherwise to the terms and conditions of the Policy.

Note : Special Condition (2) of the Aircraft Damage Endorsement may be deleted subject to a minimum additional premium of 0.003% per annum.
The above provision for deletion is applicable only to insured buildings with helipads located either on roof-top or ground level.

**EP2 BUSH/LALANG
FIRE**

Rate : 0.005%

In consideration of an additional premium, the Company hereby agree and declare that notwithstanding anything to the contrary contained in Condition 8(i) of the Policy, the insurance is extended under Item No..... to cover loss or damage caused by bush/lalang fire (provided that during the currency of this Policy every reasonable effort shall be made to keep the Insured's ground free from lalang and undergrowth).

Subject otherwise to the terms and conditions of the Policy.

EP3 BURSTING OR OVERFLOWING OF WATER TANKS APPARATUS OR PIPES

Rates:

- i) Buildings exceeding five (5) storeys (including mezzanine) : 0.006%
- ii) Others : 0.005%

In consideration of an additional premium, the Company hereby agree and declare that the insurance under this Policy shall extend to include loss or damage to the property insured caused by the bursting or overflowing of water tanks, apparatus or



pipes installed in or on the buildings insured or containing the property insured excluding:-

- a) loss or damage caused whilst the premises are untenanted.
 - b) loss or damage by water discharged or leaking from an installation of automatic sprinklers.
 - c) the first RM1000.00** of each and every loss at each separate premises, as ascertained after the application of average, or the Company's rateable proportion of that amount.
- ** Where the sum insured is less than RM50,000 the amount of this excess may be reduced to 1% of the sum insured subject to a minimum of RM100.00.

Provided always that all the conditions of the Policy (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

SPECIAL CONDITIONS

- 1. The liability of the Company shall in no case under this endorsement exceed the sum insured by each item of the Policy.
- 2. This insurance does not cover loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever except loss of rent when such loss is included in the cover under the Policy.
- 3. The Insured shall use all reasonable diligence and care to keep the premises in a proper state of repair and if any defect therein be discovered shall cause such defect to be made good as soon as possible and shall in the meantime cause such additional precautions to be taken for the prevention of loss or damage as the circumstances may require and the Company shall not be liable for any loss or damage caused by a defect which the Insured has failed to remedy after having received notice of such defect either from the Company or any person or public body.

Subject otherwise to the terms and conditions of the Policy.

Note : It is not permissible to waive or reduce the excess.

EP4 EARTHQUAKE AND VOLCANIC ERUPTION

Rate : 0.010%

In consideration of an additional premium, the Company agrees that notwithstanding anything stated to the contrary in Condition No. 6 of the Policy, this insurance extends to cover loss or damage directly caused by fire or otherwise occasioned by or through or in consequence of earthquake and volcanic eruption.

Provided always that all the Conditions of this Policy shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this endorsement.

Subject otherwise to the terms and conditions of the Policy.

EP5 ELECTRICAL INSTALLATIONS

I) Electrical Installations Clause (A)

Rate : NIL

This Company is expressly declared to be free from liability for loss of or damage to, any electrical machine, apparatus, or any portion of the electrical installation arising from or occasioned by over-running, excessive pressure, short-circuiting, self-heating, arcing or leakage of electricity from whatever cause (lightning included) arising.

Provided that this exemption shall only apply to the particular electrical machine, apparatus, or portion of the electrical installation so affected, and not to other machines, apparatus or electrical installation destroyed or damaged by fire set up by such particular machine, apparatus or other electrical installation.

Subject otherwise to the terms and conditions of the Policy.

II) ELECTRICAL INSTALLATIONS CLAUSE (B)

Rate : 0.056%

Loss or damage by fire to the electrical appliances and installation insured by (Item(s)of) this Policy arising from or occasioned by over-running, excessive pressure, short-circuiting, arcing, self-heating or leakage of electricity, from whatever cause (lightning included) is covered subject to the terms and conditions of this Policy, but it is expressly understood that no liability exists under this Policy for loss or damage to any electrical machine, apparatus, fixture or



fitting, or to any portion of the electrical installation, unless caused by fire or lightning.

Subject otherwise to the terms and conditions of the Policy.

EP6 EXPLOSION

Rate:

I) Industrial without boilers	: 0.006%
II) Industrial with boilers	: 0.008%
III) Non-industrial without boilers	: 0.005%
V) Non-industrial with boilers	: 0.008%

In consideration of an additional premium, the Company hereby agree and declare that the insurance under (Item(s)of) this Section 1 shall, subject to the Special Conditions hereinafter contained, extend to include:-

Loss of or damage to the property insured by fire or otherwise directly caused by explosion, but excluding loss of or damage to boilers, economizers, or other vessels, machinery or apparatus in which pressure is used or their contents resulting from their explosion.

Provided always that all the conditions of the Section 1 (except in so far as Condition No: 8 (h) is hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage by explosion as aforesaid shall be deemed to be loss or damage by fire within the meaning of this Section 1.

SPECIAL CONDITIONS

- 1) The Company shall not be liable, under this extension, for loss or damage occasioned by or through or in consequence, directly or indirectly, of any acts of terrorism.

For the purpose of this Condition, an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public in fear.

In any action, suit or other proceeding, where the Company alleges that by reason of the provisions of this Condition any loss or damage is not covered by this insurance, the burden of proving that such a loss or damage is covered shall be upon the Insured.

- 2) If there shall be any other fire insurance on the property insured under this Policy, the Company shall be liable only pro rata with such other fire insurance for any loss or damage by explosion whether or not such other fire insurance be extended to cover loss or damage by explosion.
- 3) The Company shall not be liable under this extension for loss or damage which at the time of the happening of such loss or damage is insured by or would, but for the existence of this extension, be insured by any other existing Policy or Policies except in respect of any excess beyond the amount which would have been payable under such other Policy or Policies had this insurance not been effected.

Subject otherwise to the terms and conditions of the Policy.

EP7 FLOOD

Rate : 0.086%

In consideration of an additional premium, the Company agrees that notwithstanding anything stated to the contrary in Condition No. 6 of the Policy, this insurance extends to cover loss or damage directly caused by fire or otherwise occasioned by or through or in consequence of Flood (including overflow of the sea) subject to the following Excess Clause and Special Conditions attached hereto.

Note: Flood, for the purpose of this extension, shall mean the overflowing or deviation from their normal channels of either natural or artificial water courses, bursting or overflowing of public water mains and any other flow or accumulation of water originating from outside the building insured or containing the property insured, but excluding loss or damage caused by subsidence or landslide.

Provided always that all the Conditions of this Policy shall apply (except insofar as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this endorsement.

Excess Clause

It is understood and agreed that as regards loss or damage to any property hereby insured directly caused by the peril to which this Clause is hereinbefore stated to apply, the Company's liability shall be limited to its rateable proportion of the



amount by which such loss or damage exceeds either:-

- (a) 1% of the total sums insured against such peril on said property by Policies in the name of the Insured, or
- (b) the first RM2,500.00 of each and every loss.

whichever shall be the less, as ascertained after the application of any condition of average.

It is further agreed that this Clause shall apply separately to:-

- (i) each property, for which purpose all insured properties at the same address will be regarded as one property,
- (ii) each incident giving rise to such loss or damage and that for the purposes hereof an incident shall not be considered to have terminated until there have been seven (7) consecutive days' freedom from the peril concerned and that only thereafter shall the Clause apply afresh.

SPECIAL CONDITIONS

1. This endorsement does not extend the insurance under this Policy to cover:-
 - (a) Consequential loss of any kind.
 - (b) Loss or damage caused by hail whether driven by wind or not.
 - (c) Loss or damage caused by subsidence or landslip except when this is occasioned by earthquake or volcanic eruption, provided that these perils are insured against by this Policy.
 - (d) Loss or damage caused by explosion except as provided in Condition 8(h) of the Section 1.
 - (e) Loss by reason of any ordinance or law regulating the construction or repair of buildings.
2. The Company shall not be liable under this extension for loss or damage which at the time of the happening of such loss or damage is insured by or would, but for the existence of this extension, be insured by any other existing Policy or Policies except in respect of any excess beyond the amount which would have been payable under such other Policy or Policies had this Insurance not been effected.
3. Unless specifically and separately insured this endorsement does not cover Metal smoke stacks, awnings, blinds, signs or other outdoor fixtures or fittings of any description.

Subject otherwise to the terms and conditions of the Policy.

EP8 IMPACT DAMAGE

Rate :

- 1) Excluding Insured's own vehicles : 0.004%
- 2) Including Insured's own vehicles : 0.004%

1) Impact Damage Excluding Insured's Own Vehicles

In consideration of an additional premium, the Company hereby agree and declare that the insurance under this Policy shall extend to include loss or damage to the property described in the Schedule and/or to walls, gates and fences around and pertaining thereto directly resulting from impact by any road vehicles, animals not belonging to or under the control of the Insured or any member of this family, or any person in and upon the Insured's service, provided that the first RM50.00 of each and every claims under this endorsement shall be borne by the Insured, as ascertained after the application of any condition of average.

Provided always that all the conditions of the Policy shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Policy.

2) Impact Damage Including Insured's Own Vehicles

In consideration of an additional premium, the Company hereby agree and declare that the insurance under this Policy shall extend to include loss or damage to the property described in the Schedule and/or to walls, gates and fences around and pertaining thereto directly resulting from impact by any road vehicles, animals including any road vehicles, animals belonging to or under the control of the Insured, or any member of his family, or any person in and upon the Insured's service, provided that the first RM250.00 of each and every claim under this endorsement shall be borne by the Insured, as ascertained after the application of any condition of average.

Provided always that all the conditions of the Policy shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Policy.



Note: The Company may at their discretion, insert the words ".....forklift, other mechanically or electrically propelled vehicles (other than vehicles held as stock), railway locomotives and/or rolling stocks....." immediately after the words ".....road vehicle....."

EP9 RIOT STRIKE AND MALICIOUS DAMAGE

- i) Residential Properties : 0.010%
- ii) Other than Residential Properties : 0.014%

In consideration of an additional premium, the Company hereby agree and declare that the insurance under* this Section 1 shall extend to cover Riot and Strike Damage which for the purpose of this Endorsement shall mean (subject to the Special Conditions hereinafter contained):-

Loss of or damage to property insured** directly caused by:-

1. The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in Condition 6 of the Special Conditions hereof.
2. The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of any such disturbance.
3. The willful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out.
4. The action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

It is hereby declared further that notwithstanding anything in the within written Policy contained to the contrary, the insurance under this Section 1 shall extend to cover Malicious Damage which for the purpose of this extension shall mean:-

Loss of or damage to the property insured directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) not being an act amounting to or committed in connection with an occurrence mentioned in Special Condition 6 of the Endorsement but the Company shall not be liable under this extension for any loss or damage by fire or explosion nor for any loss or damage arising out of or in the course of burglary, housebreaking, theft or larceny or any attempt thereat or caused by any person taking part therein.

Note : If certain items only of the Section 1 are to be insured against Riot and Strike, insert the words "items.....of" and "under the items hereinbefore referred to but none other" at * and ** respectively.

SPECIAL CONDITIONS

For the purposes of this Endorsement but not otherwise there shall be substituted for the respectively numbered Conditions of Section 1 Terms, the following conditions:-

Condition 5

This insurance does not cover:-

- a) Loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever.
- b) Loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
- c) Loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
- d) Loss or damage occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building.

PROVIDED nevertheless that the Company is not relieved under (c) or (d) above of any liability to the Insured in respect of physical damage to the property insured occurring before dispossession or during temporary dispossession.

Condition 6

This insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:-

- a) War, invasion, act of foreign enemy, hostilities, or warlike operations (whether war be declared or not), civil war.
- b) Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.



- c) any act of terrorism

For this purpose an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public in fear.

In any action, suit or other proceeding, where the Company alleges that by reason of the provisions of this Condition any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

Condition 8

Unless otherwise expressly stated in the Policy this insurance does not cover:-

- a) Goods held in trust or on commission.
- b) Bullion or unset precious stones.
- c) Any curiosity or work of art for an amount exceeding RM500.00.
- d) Manuscripts, plans, drawings or designs, patterns, models or moulds.
- e) Securities, obligations, or documents of any kind, stamps, coined or paper money, cheques, books or accounts or other business books, or computer systems records.
- f) Explosives.

Condition 11

This insurance may at any time be terminated by the Company on notice to that effect being given to the Insured, in which case the Company shall be liable to repay a rateable proportion of the premium for the unexpired term from the date of cancellation. If the insurance be terminated at the request of the Insured the Company shall not be liable to repay the premium or any part of it except in so far as the insurance applies to stocks in respect of which the Company shall retain a premium calculated according to its customary short period scale for the time the said insurance has been in force.

Condition 20

If the property hereby insured shall at the breaking out of any fire or at the commencement of any destruction of or damage to such property by any other peril insured against by this Endorsement be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the amount of the loss accordingly. Every item, if more than one, of the Section 1 shall be separately subject to this condition.

PROVIDED that it is hereby further expressly agreed and declared that:-

- 1) All the Conditions of this Policy shall apply in all respects to the insurance granted by this extension save in so far as the same are expressly varied by the above Special Conditions and any reference to fire in the Conditions of the Section 1 shall be deemed to include the perils hereby insured against.
- 2) The Special Conditions herein shall apply only to the insurance granted by this extension and the Conditions of the Section 1 shall apply in all respects to the insurance granted by the Section 1 as if this Endorsement had not been made thereon.

EP10 SPONTANEOUS COMBUSTION

Rate : 0.081%

Extension A – By fire only

In consideration of an additional premium, the Company hereby agree and declare that the insurance under (Item(s).....of) the Section 1 shall, subject to the Special Conditions hereinafter contained, extend to include loss or damage to the property insured by fire only caused by its own spontaneous fermentation, heating or combustion.

Provided always that all the conditions of the Section 1 shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Note : The words "by fire only" may be deleted in respect of insurances on coal.

SPECIAL CONDITIONS

- (1) The liability of the Company shall in no case under this endorsement and the policy exceed the sum insured by each item of the policy.



- (2) This insurance does not cover loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever except loss of rent when such loss is included in the cover under the Section 1.

Subject otherwise to the terms and conditions of the Policy.

Rate : 0.161%
Extension B – Full cover

In consideration of an additional premium, the Company hereby agree and declare that the insurance under (item(s)) of the Section 1 shall, subject to the Special Conditions hereinafter contained, extend to include loss or damage to the property insured caused by its own spontaneous fermentation, heating or combustion.

Provided always that all the conditions of the Policy shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

SPECIAL CONDITIONS

- (1) The liability of the Company shall in no case under this endorsement and the Policy exceed the sum insured by each item of the Policy.
- (2) This insurance does not cover loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever except loss of rent when such loss is included in the cover under the Policy.

Subject otherwise to the terms and conditions of the Policy.

EP11 STORM, TEMPEST **Rate :** 0.015%

In consideration of an additional premium, the Company agrees that notwithstanding anything stated to the contrary in Condition No. 6 of the Section 1, this insurance extends to cover loss or damage directly caused by fire or otherwise occasioned by or through or in consequence of Hurricane, Cyclone, Typhoon and Windstorm, subject to the following Excess Clause and Special Conditions attached hereto.

Provided always that all the Conditions of this Policy shall apply (except insofar as they may be hereby expressly varied) and that any reference therein to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this endorsement.

Excess Clause

It is understood and agreed that as regards loss or damage to any property hereby insured directly caused by any peril to which this Clause is hereinbefore stated to apply, the Company's liability shall be limited to its rateable proportion of the amount by which such loss or damage exceeds either:-

- (a) 1% of the total sums insured against such peril on said property by Policies in the name of the Insured, or
- (b) RM200.00
- whichever shall be the less, as ascertained after the application of any condition of average.

It is further agreed that this Clause shall apply separately to:-

- (i) each property, for which purpose all insured properties at the same address will be regarded as one property,
- (ii) each incident giving rise to such loss or damage and that for the purposes hereof an incident shall not be considered to have terminated until there have been seven (7) consecutive days' freedom from the peril concerned and that only thereafter shall the Clause apply afresh.

SPECIAL CONDITIONS

1. The Company shall not be liable for any loss or damage caused by water or rain, whether driven by wind or not unless the building insured or containing the property insured shall first sustain actual damage to the roof or walls of same by the direct force of Hurricane, Cyclone, Typhoon and Windstorm and shall then be liable only for such damage to the interior of the building or the insured property therein as may be caused by water or rain entering the building through openings in the roof or walls made by the direct force of the said perils.
2. This endorsement does not extend the insurance under this Section 1 to cover:-
- (a) Consequential loss of any kind.
 - (b) Loss or damage caused by hail whether driven by wind or not.
 - (c) Loss or damage caused by subsidence or landslip except when this is occasioned by earthquake or volcanic eruption, provided that these perils are insured against by this Section 1.
 - (d) Loss or damage caused by explosion except as provided in Condition 8(h) of the Section 1.
 - (e) Loss by reason of any ordinance or law regulating the construction or repair of buildings.
3. The Company shall not be liable under this extension for loss or damage which at the time of the happening of such



loss or damage is insured by or would, but for the existence of this extension, be insured by any other existing Policy or Policies except in respect of any excess beyond the amount which would have been payable under such other Policy or Policies had this insurance not been effected.

4. Unless specifically and separately insured this endorsement does not cover:-

- (a) Metal smoke stacks, awnings, blinds, signs or other outdoor fixtures or fittings of any description.
- (b) Premises in course of construction, reconstruction or repair unless all outside doors, windows and other openings are complete and protected against hurricane, cyclone, typhoon and windstorm when such perils are insured against by this Policy.

Subject otherwise to the terms and conditions of the Policy.

EP12 SUBSIDENCE AND LANDSLIP

Rate:

- (I) Standard cover : 0.081%
- (II) Deletion of exclusion (a) under the standard cover : 25% loading of (I)

(I) Standard Cover

In consideration of an additional premium, the Company hereby agree and declare that the insurance under this Section 1 shall extend to cover loss or damage to the property insured caused by subsidence and/or heave of the site on which the buildings stand or land belonging thereto, or landslide excluding:-

- a) loss or damage to swimming pools, terraces, patios, drives, footpaths, walls, gates or fences unless the building, its outbuildings or garages are damaged by the same cause and at the same time.
- b) loss or damage to or resulting from movement of solid floor slabs unless the foundation beneath the external walls of the Buildings are damaged by the same cause and at the same time.
- c) loss or damage occasioned by happening through, or in consequence of:
 - * coastal or river erosion.
 - * demolition, structural alteration or structural repair.
 - * defective design or inadequate construction of foundations.
- d) in respect of each and every loss, 5% of the total sum insured or RM25,000.00 whichever is the lower, as ascertained after the application of any condition of average.

Provided that the total liability of the Company shall not exceed the sum insured by each item on the property less the amount excluded under (d) above.

Provided always that all the conditions of the Policy (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Policy.

(II) Deletion of Exclusion (a) under Standard Cover

In consideration of an additional premium, the Company hereby agree and declare that the insurance under this Section 1 shall extend to cover loss or damage to the property insured caused by subsidence and/or heave of the site on which the buildings stand or land belonging thereto, or landslide excluding :-

- a) loss or damage to or resulting from movement of solid floor slabs unless the foundation beneath the external walls of the Buildings are damaged by the same cause and at the same time.
- b) loss or damage occasioned by happening through, or in consequence of :
 - * coastal or river erosion.
 - * demolition, structural alteration or structural repair.
 - * defective design or inadequate construction of foundations.
- c) in respect of each and every loss, 5% of the total sum insured or RM25,000.00 whichever is the lower, as ascertained after the application of any condition of average.

Provided that the total liability of the Company shall not exceed the sum insured by each item on the property insured less the amount excluded under (c) above.

Provided always that all the conditions of the Section 1 (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Policy.

EP13 DAMAGE BY FALLING TREES OR BRANCHES AND OBJECTS THEREFROM

Rate : 0.010%

In consideration of an additional premium, the Company hereby agree and declare that the insurance under this Section 1 shall extend to include loss or damage to the property described in the Schedule and/or to walls, gates and fences around and pertaining thereto directly resulting from damage by falling trees or branches and objects therefrom, provided that the



first RM250.00 of each and every claim under this endorsement shall be borne by the Insured as ascertained after the application of any condition of average.

Provided always that all the conditions of the Policy shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Policy.

EP14 COLD STORAGE/INCUBATOR CLAUSE

I) Cold Storage/Incubator Clause (A)

a) Rate : Nil

This Section 1 does not cover loss or damage to the property hereby insured which may be caused by change of temperature resulting from the total or partial destruction or disablement of the refrigerating plant/incubating plant by fire or any other perils hereby insured.

Subject otherwise to the terms and conditions of the Policy.

II) Cold Storage/Incubator Clause (B) a) Rate : 0.100%

Notwithstanding anything herein stated to the contrary, this Section 1 covers loss or damage caused by change of temperature resulting from the total or partial destruction or disablement of the refrigerating plant/incubating plant by fire or any other peril hereby insured.

Subject otherwise to the terms and conditions of the Policy.

CLAUSES AND ENDORSEMENT

C1 AGGREGATE CONDITION OF AVERAGE CLAUSE

It is hereby noted and agreed that notwithstanding the declaration of individual sums insured within the Section 1, Condition 20 of this Section 1 will apply as though reference to property therein is in respect of all properties of the same insured at the same location insured therein. Accordingly, the sentence "Every item, if more than one, of the Section 1 shall be separately subject to this condition" appearing in the text of condition 20 is deemed to have been deleted.

C2 ALTERATIONS AND REPAIRS CLAUSE

Notwithstanding condition 9(a), workmen are allowed on or about the insured property to carry out alterations and repairs provided the trade, manufacture, nature of occupation and/or construction of the building remains unchanged.

C3 APPRAISEMENT CLAUSE

If the aggregate claim for any one loss does not exceed RM5,000 or 5% of the sum insured whichever is the lesser amount by the item or items affected no special inventory or appraisal of the undamaged property shall be required.

If two or more buildings be included in a single item, this provision shall apply to the range of buildings and/or contents by the item or items affected.

C4 ARCHITECT'S, SURVEYOR'S AND CONSULTANT'S FEES

a) Architect's, Surveyor's, Engineer's and Consultant's Fees (with separate sum insured) applicable to item(s) no(s):

The insurance by this item(s) is in respect of Architect's, Surveyor's and Consulting Engineer's fees for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in the reinstatement of the property insured consequent upon its destruction or damage by fire or other peril hereby insured against, but not such fees for preparing any claim hereunder. The amount payable for such fees shall not exceed those authorised under the scales of the Associations of the respective professions prevailing at the time of destruction or damage, subject to the limit of the sum insured on this item(s).

b) Architect's Surveyor's, Engineer's and Consultant's Fees (without separate sum insured)

The insurance on buildings, plant and machinery hereby insured includes Architect's, Surveyor's and Consulting Engineer's fees for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in the reinstatement of the property insured consequent upon its destruction or damage by fire or any other peril hereby insured against, but not such fees for preparing any claim hereunder. The amount payable for such fees shall not exceed those authorised under the scales of the Associations of the respective professions prevailing at the time of destruction or damage, subject to the Company's maximum liability for any loss damage and fees not exceeding the sum insured against each item.

C5 AUTOMATIC RENEWAL CLAUSE

This Policy is deemed to be automatically renewed and the appropriate premium charged upon expiry unless otherwise instructed.



C6 BRAND, LABEL AND TRADEMARK CLAUSE

In the case of damage to property bearing a brand, label or trademark, the sale of which in any way carries a guarantee of the Insured, the salvage value of such damaged property shall be determined after the removal in the customary manner of all brands, labels and any trademarks which might be taken to indicate that the guarantee of the manufacturer or the Insured attaches to the said property.

C7 BUILDINGS IN COURSE OF CONSTRUCTION

In consideration of the premium (under item of) the Section 1, the Insured hereby agrees to insure throughout the period of operations on the site the total estimated completed value of the building(s). If it should become apparent that the sum insured (under item) or the period of cover is either insufficient or excessive, the Insured shall immediately request the Company to adjust such sum insured or period. In the event of the Company agreeing to such an adjustment, premium (under item) shall then be recalculated as from the commencement date of the Policy and an appropriate adjustment of the premium shall be made.

Provided that if, at the breaking out of any fire the total estimated completed value of the property is greater than the sum insured thereon, then the Insured shall, notwithstanding any subsequent increase in the sum insured be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the Section 1 shall be separately subject to this condition.

The liability of the Company under this Section 1 shall in no case exceed the value at the time of the fire of that part of the building already erected and materials on site.

Warranted that notice shall be given to the Company when the building(s) under construction are occupied and that the Insured shall pay a suitable additional premium if required.

NOTE : Where only one item appears in the Section 1 the words in brackets in the above Clause should be omitted.

C8 CAPITAL ADDITIONS CLAUSE

(Not applicable to stock-in-trade or merchandise nor to insurance where the total sum insured is less than RM1,500,000/-)

The insurance hereby extends to cover alterations, additions and improvements (but not appreciation in value in excess of the sum insured) to property specified in (Item(s) No(s) of) this Section 1 for an amount not exceeding in respect of each item 10% of the sum insured by each item or RM1,000,000 per location whichever is the less.

The Insured undertakes to advise the Company every three months of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

The Clause is inoperative if the declaration of such alterations, additions and improvements is not received by Insurers within 90-days from the date of such alterations, additions and improvements.

For the purpose of this Clause, the inception date under the Premium Warranty shall be deemed to be the date of declaration received by the Company.

Note : In the event that there is more than one location, then the limit may be increased to RM2,000,000, this amount being the aggregate limit for all the locations.

C9A COINSURANCE AND LEADER CLAUSE

It is hereby declared and agreed notwithstanding anything contained in the within Section 1, or on any endorsement hereon to the contrary that any reference to "the Company" shall be deemed to mean the following Companies each of which agrees for its individual proportion set against its name subject to the terms, exceptions and conditions herein or attached hereto or endorsed hereon, that if during the period of insurance stated in the Schedule the Insured shall sustain loss or damage in the circumstances provided for by this Section 1 indemnify the Insured in the manner herein described:

Company	Policy No.	Proportion	Signature
---------	------------	------------	-----------

It is further declared and agreed notwithstanding anything contained to the contrary that the lead co-insurer, is authorised to sign the Policy/Endorsement/Renewal Receipt.

For all intents and purposes this Section 1 shall have effect as though each of the above-mentioned insurance companies had issued a separate Policy for its individual proportion of the sum insured.

C9B COINSURANCE CLAUSE (FOR DEALINGS WITH TAKAFUL COMPANIES)

The Insurers hereby severally agree, each for the proportion or share of participation set against its name, to indemnify the Insured by payment or at the option of the Insurers by reinstatement repair or replacement in accordance with the terms and conditions hereunder or endorsed herein or in a Certificate of Takaful.

Provided that :

1. The liability of the Insurers shall not exceed the limits of liability expressed in the said Schedule or such other



limits of liability as may be substituted therefore by any endorsement or attached hereto, signed by or on behalf of the Insurers.

2. The liability of each of the Insurers individually in respect of such loss shall be limited to the proportion set against its name.

It is further agreed that the Following Insurer shall be subject to and follow the same intention, risks, terms and conditions, warranties, clauses, valuation, amendments or alterations of any description or any decision as may be made by the Lead Insurer irrespective of any variation or difference in terminology under either the Insurance Act 1996 or the Takaful Act 1984 as the case may be or as applicable therefore.

Notwithstanding that the Insurers hereby attest to the intention and meaning of the Special Memorandum as lodged with them, the Lead Insurer shall be entitled to investigate settle compromise control discharge or repudiate any claims and to institute prosecute defend settle and compromise any proceedings in respect of any risks and/or interest arising from this Section 1 and/or under the applicable provisions of either the Insurance Act 1996 or Takaful Act 1984 or both as the case may be or as applicable therefore.

To the extend the Lead Insurer is liable to pay under this Section 1 to that extent the Following Insurer shall follow the fortunes of the Lead Insurer in all respects all loss or damage provided for by this Section 1.

<u>The Insurer</u>	<u>Share of Participation</u>	<u>Signed/Stamped</u>
1. (as the Lead Insurer) in compliance with the Insurance Act 1996 and the general principles of Insurance Law)	%
2. (as the Following Insurer and also as the Co Takaful as per Certificate No. under Takaful Act 1984 and in compliance with Syariah Principles)	%

SPECIAL MEMORANDUM

The Special Memorandum serves to encapsulate the intentions and arrangements that were discussed and agreed upon between the parties as set below and with whom it shall be lodged with without altering reducing or amending the rights and duties of each party under the Insurance Policy Nos. or Co Takaful Certificate Nos. issued or signed accordingly under the provisions of the Insurance Act 1996 and/or Takaful Act 1984.

It has been agreed that:

1. For the purpose of determining any liability to indemnify the Insured under a Policy of Insurance including as prescribed by any endorsements attaching thereto, all parties shall primarily refer to a Policy or conventional language as normally issued under the provisions of the Insurance Act 1996 and signed on by all insurers for their respective share of participation of such liability, all loss or damage provided for by this Section 1.
2. For the purpose of determining any entitlement under al-Mudharabah to the favour of the Insured (or participant as equivalently known under a contract of takaful), the Co Takaful Certificate/s and any attachment thereto issued by (Insurer's Name) shall be referred to and it is hereby understood that the rate of al-Mudharabah returns shall be proportionate to the Co Takaful share of participation.
3. In as far as the required presence of representatives of the insurers is concerned, in particular for meetings with the (Insured's Name) or its representatives or for any other official occasion or functions related to matters of insurance, (Insurer's Name) may be called upon to act as the spokesperson without prejudice to the rights and duties of each insurer.
4. The Lead Insurer shall perform its obligations as prescribed under the Coinsurance Clause and shall be entitled to conduct an annual inspection or survey relating to risk management for and on behalf of all insurers for their own rightful purpose or for the benefit of the Insured.
5. The Insurers shall agree to nominate an internationally recognised and licensed loss adjuster or panel of such loss adjusters which is/are acceptable to the Insured.
6. Notwithstanding the above arrangement, (Broker's Name) shall retain its rights and perform its duties as the appointed Insurance Broker for the (Insured's Name).

Provided that all arrangements as set hereon or herewith are not against the provisions of any acts of law in Malaysia or guidelines or regulations that may be prescribed or to be prescribed from time to time by the Malaysian Authorities.



Hereby understood agreed and signed, on behalf of:

(as the Insured)

.....

.....

On.....

(as the Lead Insurer)

.....

.....

On.....

(as the Following Insurer)

.....

.....

On.....

(as the Appointed Broker)

.....

.....

On.....

C10 COMPUTER SYSTEMS RECORDS

Computer systems records are insured only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value of the information contained therein.

C11 CONTRACT PRICE

Notwithstanding anything to the contrary contained in Condition 17 of the Section 1, it is hereby declared and agreed that in respect only of goods sold but not delivered for which the insured is responsible and with regard to which under the conditions of the sale, the sale contract is cancelled by reason of the fire or any other peril hereby insured against, either wholly or to the extent of the loss or damage, the liability of the Company shall be based on the contract price, and for the purpose of calculating the value of all goods to which this clause would in the event of destruction or damage be applicable the same basis shall be used.

C12 DESIGNATION CLAUSE

For the purpose of determining where necessary the item (column heading) under which any property is insured, the Company agrees to accept the designation under which such property is entered in the insured's books.

C13 ESCALATION CLAUSE

In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the undernoted item(s), the sum(s) insured thereby shall, during the period of insurance, be increased each day by an amount representing 1/365th of the specified percentage increase per annum.

Item Number	Specified percentage increase per annum
_____	_____
_____	_____
_____	_____
_____	_____

Unless specifically agreed to the contrary the provisions of this Clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each renewal date the Insured shall notify the Company:-

- i) the sums to be insured under each item above, but in the absence of such instructions the sums insured by the above items shall be those stated on the Section 1 (as amended by any endorsements effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this clause during the period of insurance up to that renewal date, and
- ii) the specified percentage increase(s) required for the forthcoming period of insurance, but in the absence of instructions to the contrary prior to renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the Policy except insofar as they may be hereby expressly varied shall apply as if they had been



incorporated herein.

C14 FOUNDATION EXCLUSION

The Insurance on Building(s) excludes that part of any building below the under* surface of its lowest floor (and those parts of the concrete foundations for machinery which extend above such level).

Note 1 : "upper" may be substituted for "under".

Note 2 : The words in brackets may be omitted.

C15 GOODS AND STOCKS UNDERGOING ANY HEATING OR DRYING PROCESS ENDORSEMENT

Rate: 0.01% per annum of the sum insured on the item concerned or 10% of the basic fire rate for the item sum insured whichever is the higher.

Notwithstanding anything to the contrary contained in Condition 5(i)(b) of the Section 1, it is hereby understood and agreed that the insurance under item no: of this Section 1 shall extend to include loss or damage to the property occasioned by its undergoing any heating or drying process provided that loss or damage due to smoke, fumes, scorching, charring, chemical reaction, change of state or original composition or discolouration of the property is excluded.

C16 HIRE PURCHASE ENDORSEMENT

It is hereby understood and agreed that(hereinafter referred to as the Owners) are the owners of the property insured by item(s)and that such property is the subject of a Hire Purchase Agreement made between the Owners of the one part and the Insured of the other part. It is further understood and agreed that any payment made in respect of loss or damage (which loss or damage is not made good by repair, reinstatement or replacement) under the terms of this Section 1 shall be made to the Owners as long as they are the owners of the property and their receipt shall be full and final discharge to the Company in respect of such loss or damage.

It is understood and agreed that notwithstanding any provision in the Hire Purchase Agreement to the contrary this Section 1 is issued to the Insured namely: as the principal party and not as agent or trustee for the Owners and nothing herein shall be construed as constituting the Insured, as agent or trustee for the Owners or as an assignment (whether legal or equitable) by the Insured to the Owners of his rights, benefits and claims under this Policy.

Non-Cancellation Clause

And it is further agreed that cancellation of the Policy shall not be effected by the insured except upon prior notification to the Owner in writing giving fourteen (14) days notice to the last known address of the Owner .

C17 INTERNAL REMOVAL CLAUSE

It is understood and agreed that in the event of removal of property from one building to another at any of the aforesaid situations being inadvertently not advised to the Company the insurance on such property shall follow removal, the necessary adjustments in sum insured and premium being made as from the date of removal as soon as the oversight is discovered.

C18 LEASING ENDORSEMENT

It is hereby understood and agreed that.....(hereinafter referred to as the lessors) are the owners of the property insured by item.....and that such property is the subject of a Leasing Agreement made between the lessors of the one part and the insured of the other part and it is further understood and agreed that the lessors are interested in any monies which but for this endorsement could be payable to the insured under this Section 1 in respect of loss of or damage to the property (which loss or damage is not made good by repair reinstatement or replacement under the terms of the Section 1) and such monies shall be paid to the lessors as long as they are the owners of the property and their receipt shall be a full and final discharge to the company in respect of such loss or damage. Save as by this endorsement expressly agreed nothing herein shall modify or affect the rights and liabilities of the insured or the company respectively under or in connection with this Section 1.

Non-Cancellation Clause

And it is further agreed that cancellation of the Policy shall not be effected by the insured except upon prior notification to the Lessor in writing giving fourteen (14) days notice to the last known address of the Lessor.

C19 MORTGAGEE (CHARGE) CLAUSE

A. Mortgagee (Charge) Clause 1

Loss, if any, payable to as Mortgagee (Charge) as interest may appear in this insurance, as to the interest of the Mortgagee (Charge) only therein, shall not be invalidated by any act or neglect of the Mortgagor (Chargor) or the Owner of the within described property nor any foreclosure or other proceedings or notice of sale relating to the property or by the occupation of the premises for purposes more hazardous than are permitted by this Policy, or by the non-occupation thereof, or by any other increase of risk taking place in the property insured hereunder, Provided that in case the Mortgagor (Chargor) or Owner shall neglect to pay any premium due under this Policy the Mortgagee (Charge) shall on demand pay the same. Provided also that the Mortgagee (Charge) shall notify the Company of any non-occupancy or any change of ownership or occupancy or increase of hazard which shall come to the knowledge of the said Mortgagee (Charge) and unless permitted by this Policy it shall be noted thereon and the Mortgagee (Charge) shall on demand pay the premium for such increased hazard for the term thereof otherwise this Policy shall be null and void.



And it is further agreed that whenever the Company shall pay the said Mortgagee (Chargee) any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgagor (Chargor) or Owner no liability therefor existed, the Company shall become legally subrogated to all the rights of the Mortgagee (Chargee) to the extent of such payment but not so as to impair the right of the said Mortgagee (Chargee) to recover the full amount of any claim it may have on such Mortgagor (Chargor) or Owner or on any other party or parties insured hereunder of from any securities or funds available.

Non-Cancellation Clause

And it is further agreed that cancellation of this Policy shall not be effected by the insured except upon prior notification to the Mortgagee (Chargee) in writing giving fourteen (14) days notice to the last known address of the Mortgagee (Chargee).

Note : When the interest is that of Chargee and Chargor the words in brackets are deemed to be inserted in place of Mortgagee and Mortgagor.

B. Mortgagee (Chargee) Clause 2

It is hereby agreed that this Insurance {as to the interest of the Mortgagee (Chargee)} shall not be invalidated by any change of occupancy or increase of risk taking place in the property insured without the knowledge of the Mortgagee (Chargee) provided that the Mortgagee (Chargee) shall immediately on the same coming to his knowledge, give notice thereof to the Company and pay the additional premium (if any) which may be required by the Company from the date of such increase of risk.

Non-Cancellation Clause

And it is further agreed that cancellation of this Policy shall not be effected by the insured except upon prior notification to the Mortgagee (Chargee) in writing giving fourteen (14) days notice to the last known address of the Mortgagee (Chargee).

Note : When the interest is that of Chargee and Chargor the words in brackets are deemed to be inserted in place of Mortgagee and Mortgagor.

C20 OTHER CONTENTS CLAUSE

It is agreed that the term "Other Contents" in so far as they are not otherwise insured is understood to include:-

- a) Money and stamps not otherwise specifically insured for an amount not exceeding RM
- b) Documents, manuscripts and business books but only for the value of the materials as stationery, together with the cost of clerical labour expended in writing up, and not for the value to the Insured of the information contained therein and for an amount not exceeding RM in respect of any one documents, manuscript or business book.
- c) Computer systems records but only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value to the Insured of the information contained therein for an amount not exceeding RM.....
- d) Patterns, models, moulds, plans and designs, for an amount not exceeding RM in respect of any one pattern, model, mould, plan or design.
- e) Employees' pedal cycles, clothing, tools and other personal effects for an amount not exceeding RM in respect of any one Employee.

Note : The monetary limit of RM1,000 maximum for items (a) to (e) are obligatory. Paragraph (e) may be omitted entirely if it is not desired to insure such property.

C21 OUTBUILDING CLAUSE

The insurance by each item under Buildings is understood to include walls, gates and fences, small outbuildings, extensions, annexes, exterior staircase, fuel installations, steel or iron frameworks and tanks in the said premises and the insurance by each item under Contents extends to include the contents of each outbuilding.

C22 PAWNBROKERS

In the event of destruction or damage to pledged goods by fire or any other peril hereby insured against the amount payable shall not exceed the amount advanced by the insured on such goods plus 25% and the value of all goods which this clause applies shall be calculated on the same basis.

C23 REINSTATEMENT VALUE CLAUSE

Notwithstanding anything to the Contrary contained in Condition 17 of the Section 1, it is hereby declared and agreed that in the event of the property insured under (items Nos of) the within Section 1 being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the Section 1 is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the insured property when new, subject to the following Special Provisions and subject also to the terms and conditions of the Policy except insofar as the same may be varied hereby.



SPECIAL PROVISIONS

1. The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch and in any case must be completed within 12 months after the destruction or damage, or within such further time as the Company may (during the said 12 months) in writing allow otherwise no payment beyond the amount which would have been payable under the Policy if this memorandum had not been incorporated therein shall be made.
2. Until expenditure has been incurred by the Insured in replacing or reinstating the property destroyed or damaged the Company shall not be liable for any payment in excess of the amount which would have been payable under the Section 1 if this memorandum had not been incorporated therein.
3. If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered has been destroyed exceeds the sum insured thereon at the breaking out of any fire or at the commencement of any destruction of or damage to such property by any other peril insured against by this Policy, then the Insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the Section 1 (if more than one) to which this Memorandum applies shall be separately subject to the foregoing provision.
4. This Memorandum shall be without force or effect if:-
 - a) The Insured fails to intimate to the Company within six (6) months from the date of destruction or damage, or such further times as the Company may in writing allow, his intention to replace or reinstate the property destroyed or damaged.
 - b) The Insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.
5. No payment beyond the amount which would have been payable under the Section 1 if this memorandum had not been incorporated therein shall be made if at the time of any destruction or damage to any property insured hereunder such property shall be covered by any other insurance effected by or on behalf of the Insured which is not upon the identical basis of reinstatement set forth therein.

C23A REINSTATEMENT VALUE (STRATA TITLED PROPERTY) CLAUSE

Notwithstanding anything to the contrary contained in Condition 17 of the Section 1, it is hereby declared and agreed that in the event of the property insured under (items nos....) of the within Section 1 being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the Section 1 is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the insured property when new, subject to the following Special Provisions and subject also to the terms and conditions of the Policy except insofar as the same may be varied hereby.

SPECIAL PROVISIONS

- 1) The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increase) must be commenced and carried out with reasonable despatch and in any case must be completed within 12 months after the destruction or damage, or within such further time as the Company may (during the said 12 months) in writing allow otherwise no payment beyond the amount which would have been payable under the Policy if this clause had not been incorporated therein shall be made.
- 2) Until expenditure has been incurred by the Insured in replacing or reinstating the property destroyed or damaged the Company shall not be liable for any payment in excess of the amount which would have been payable under the Policy if this clause had not been incorporated therein.
- 3) If the Sum Insured at the breaking out of any fire or at the commencement of any destruction of or damage to the property by any other peril hereby insured against be less than 85% of the sum representing the cost at the time of replacement or reinstatement which would have been incurred in replacement or reinstatement if the whole of the property insured had been destroyed then the Insured shall be considered being his own insurer for the difference between the sum insured and the sum representing the full cost at the time of replacement or reinstatement which would have been incurred in replacement or reinstatement if the whole of the property insured had been destroyed and shall bear a rateable proportion of the loss accordingly. Every item, if more than one of the Policy shall be separately subject to this Special Provision.
- 4) This clause shall be without force or effect if :-
 - a) The Insured fails to intimate to the Company within six (6) months from the date of destruction or damage, or such further time as the Company may in writing allow, his intention to replace or reinstate the property destroyed or damaged.



- b) The Insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or upon another site.
- 5) No payment beyond the amount which would have been payable under the Policy if this clause had not been incorporated therein shall be made if at the time of any destruction or damage to any property insured hereunder such property shall be covered by any other insurance effected by or on behalf of the Insured which is not upon the identical basis of reinstatement set forth therein.
- 6) In the event that the Company is liable to make any payment (other than payment representing the cost of replacing or reinstating the property destroyed or damaged) under the provisos of this clause the Company shall only make such payment in accordance with the Strata Titles Act, 1985 and the Strata Titles (Federal Territory of Kuala Lumpur) Rules, 1988 and/or its subsequent amendments.

C24 REINSTATEMENT - DAY ONE BASIS

Memorandum

Day One Basis (Non-Adjustable) Memorandum applicable to Item(s) No(s) (Buildings and/or Machinery)

1. Notwithstanding anything to the contrary contained in Condition 17 of the Section 1, it is hereby declared and agreed that the Insured having stated in writing the Declared Value incorporated in such item to which this Memorandum applies, the Premium has been calculated accordingly.

"Declared Value" shall mean the Insured's assessment of the cost of replacement or reinstatement of the property insured arrived at in accordance with the opening paragraph of the Reinstatement Value Memorandum, at the level of costs applying at the inception of the period of insurance (ignoring inflationary factors which may operate subsequently) together with, insofar as the insurance by the item provides, due allowance for :-

- (i) the additional cost of reinstatement to comply with Public Authority requirements,
 - (ii) professional fees,
 - (iii) debris removal costs.
2. At the inception of each period of insurance the Insured shall notify the Insurers of the Declared Value of the property insured by each of the said item(s). In the absence of such declaration the last amount Declared by the Insured shall be taken as the Declared Value for the ensuing period of insurance.
 3. Notwithstanding any general indication or endorsement to the contrary the following wording applies to Special Provision 3 of the Reinstatement Value Clause:-
 - (i) If at the time of loss the Declared Value of the property covered by such item be less than the cost of replacement or reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum) at the inception of the period of insurance then the Insurer's liability for any loss hereby shall be limited to that proportion hereof which the Declared Value bears to the cost of replacement or reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum). Each item of the Section 1 (if more than one) to which this Memorandum applies shall be separately subject to the foregoing provision.

and the following new Special Provision 6 is incorporated into the Reinstatement Value Clause

- (ii) Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under the Policy if this Memorandum had not been incorporated therein the rights and liabilities of the Insurers and the Insured in respect of the destruction or damage shall be subject to the terms and conditions of the Section 1 including any Conditions of Average therein, as if this memorandum had not been incorporated therein except that the sums insured shall be limited to 120% of the Declared Value.

Memorandum

Day One Basis (Adjustable) Memorandum applicable to Item(s) No(s)(Buildings and/or Machinery)

1. The Insured having stated in writing the Declared Value incorporated in each item to which this Memorandum applies, the premium has been calculated accordingly.

"Declared Value" shall mean the Insured's assessment of the cost of replacement or reinstatement of the property insured arrived at in accordance with the opening paragraph of the Reinstatement Value Clause, at the level of costs applying at the inception of the period of insurance (ignoring inflationary factors which may operate subsequently) together with, insofar as the insurance by the item provides, due allowance for:-

- (i) the additional cost of reinstatement to comply with Public Authority requirements,
 - (ii) professional fees,
 - (iii) debris removal costs.
2. At the inception of each period of insurance the Insured shall notify the Insurers of the Declared Value of the property insured by each of the said item(s). In the absence of such declaration the last amount declared by the Insured shall be



taken as the Declared Value for the ensuing period of insurance.

3. The premium thereon is provisional. On expiry of each period of insurance the premium shall be adjusted by 50% of the difference between:-
 - (i) the provisional premium at the commencement of the period and
 - (ii) the premium calculated at the terms which have applied during the period under adjustment based on the Declared Value for the subsequent period of insurance.
4. For purposes of paragraph 3 of this Memorandum only:-
 - (i) if the Section 1 (or any item thereof) is cancelled or not renewed the Insured shall provide the Declared Value of the property insured by each of the said item(s) calculated in accordance with paragraph 1 of this Memorandum but at the level of costs applying at the date of cancellation or non-renewal,
 - (ii) where property has not been reinstated following loss the Insured shall provide the Declared Value as though the property had not been damaged or destroyed,
 - (iii) where a declaration of the Declared Value is not submitted to the Insurers an additional premium of 10% of the provisional premium shall become payable.
5. Notwithstanding any general indication or endorsement to the contrary the following wording applies to Special Provision 3 of the Reinstatement Value Clause:-
 - (i) If at the time of loss the Declared Value of the property covered by such item be less than the cost of replacement or reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum) at the inception of the period of insurance then the Insurer's liability for any loss hereby shall be limited to the proportion hereof which the Declared Value bears to the cost of replacement or reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum). Each item of the Section 1 (if more than one) to which this Memorandum applies shall be separately subject to the foregoing provision.
and the following new Special Provision 6 is incorporated into the Reinstatement Value Clause
 - (ii) Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under the Section 1 if this Memorandum had not been incorporated therein the rights and liabilities of the Insurers and the Insured in respect of the destruction or damage shall be subject to the terms and conditions of the Section 1 including any Conditions of Average therein, as if this Memorandum had not been incorporated therein except that the sums insured shall be limited to 120% of the Declared Value.

C25 REINSTATEMENT IN COMPLIANCE WITH THE REQUIREMENT OF PUBLIC AUTHORITIES

Notwithstanding anything to the contrary contained in Condition 17 of the Section 1, it is hereby declared and agreed that the insurance by (Item No.....of) this Section 1 extends to include such additional cost of reinstatement of the destroyed or damaged property thereby insured as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Government Act or Bye-Laws of any Municipal or Local Authority provided that:-

- 1) The amount recoverable under this Extension shall not include:-
 - a) the cost incurred in complying with any of the aforesaid Regulations or Bye-Laws :-
 - i) in respect of destruction or damage occurring prior to the granting of this extension,
 - ii) in respect of destruction or damage not insured by the Section 1,
 - iii) under which notice has been served upon the Insured prior to the happening of the destruction or damage.
 - iv) in respect of undamaged property or undamaged portions of property.
 - b) the additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-Laws not arisen;
 - c) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid Regulations or Bye-Laws.
- 2) The work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within twelve (12) months after the destruction or within such further time as the Company may (during the said 12 months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-Laws so necessitate) subject to the liability of the Company under this extension not being thereby increased.
- 3) If the liability of the Company under (any item of) the Section 1 apart from this extension shall be reduced by the application of any of the terms and conditions of the Section 1 then the liability of the Company under this extension (in respect of any such item) shall be reduced in like proportion.
- 4) The total amount recoverable under any item of the Section 1 shall not exceed the sum insured thereby.



- 5) All the conditions of the Policy except insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

C26 REMOVAL OF DEBRIS

a) Removal of Debris (with separate sum insured)

The insurance by this item is in respect of costs and expenses necessarily incurred by the Insured with the consent of the Company in the :-

- (a) removal of debris
- (b) dismantling and/or demolishing
- (c) shoring up or propping

of the portion or portions of the property insured by this Section 1 destroyed or damaged by fire or by any other peril hereby insured against. (Items (b) and (c) above are deemed to be deleted when neither Buildings nor machinery are insured).

The Company will not pay any costs or expenses :

- (i) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site.
- (ii) arising from pollution or contamination of property not insured by this Section 1.

(b) Removal of Debris (without separate sum insured)

The insurance on Item(s) No(s) hereby insured includes costs and expenses necessarily incurred by the Insured with the consent of the

Company in the :-

- (a) removal of debris
- (b) dismantling and/or demolishing
- (c) shoring up or propping

of the portion or portions of the property insured by the said Item(s) above of this Section 1 destroyed or damaged by fire or by any other peril hereby insured against. (Items (b) and (c) above are deemed to be deleted when neither Buildings nor machinery are insured).

The amount payable for such costs and expenses shall not exceed 10% of the Sum Insured of each Item or Ringgit Malaysia Two Million (RM2,000,000) in aggregate any one loss, whichever is lower.

The Company will not pay any costs or expenses:

- (i) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site.
- (ii) arising from pollution or contamination of property not insured by this Section 1.

Provided always the Company's maximum liability shall not exceed the sum stated in the Schedule for which the Item(s) is/are insured.

C27 RENT

(a) Rent (applicable to owner non-occupier of the premises)

On..... months rent insured. Sum Insured :RM(refer Policy schedule for actual coverage term)

This insurance on Rent applies only if (any of) the said buildings(s) or any part thereof is unfit for occupation in consequence of fire or any other peril hereby insured against and the amount payable shall not exceed such proportion of the sum insured on Rent as the period necessary for reinstatement or repairs bears to the total number of months of Rent insured.

(b) Rent (applicable to owner-occupier of the premises)

On..... months expenses insured. Sum Insured : RM(refer Policy schedule for actual coverage term)

This insurance on Rent applies only if (any of) the said building(s) or any part thereof is unfit for occupation in consequence of fire or any other peril hereby insured against and the amount payable shall be the reasonable additional expenses necessarily incurred by the insured in renting an alternative premise elsewhere. Provided that the total amount payable shall not exceed such proportion of the expenses insured as the period necessary for reinstatement or repairs bears to the total number of months expenses insured.

C28 SMOKE DAMAGE ENDORSEMENT

Rate : 10% of the basic fire rate.

Notwithstanding anything contained in this Policy to the contrary, it is hereby declared and agreed that in consideration of the payment of an additional premium, the insurance under item no: of this Section 1 shall extend to



include:-

Destruction of or damage to the property insured (by fire or otherwise) directly caused by smoke due to a sudden, unusual and faulty operation of any heating or cooking unit, only when such unit is connected to a chimney by exhaust pipe or vent pipe, and while in or on the described premises but not smoke from fire-places or industrial apparatus.

In respect of loss or damage caused by the peril hereby insured against, the Company shall not be liable for the first RM50,000 of each and every loss as ascertained after the application of any condition of average.

Provided always that all the conditions of the Policy (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any destruction or damage as aforesaid shall be deemed to be destruction or damage by fire.

C29 DECLARATION POLICIES

Special Conditions For Declaration Policies

- 1) In consideration of the premium by this Section 1 being provisional in that it is calculated on 100% of the sum insured hereby and is subject to adjustment on expiry of each period of insurance:-

The Insured agrees to declare to the Company in writing the value of his stocks, less any amount insured by Policies other than Declaration Policies, on the following basis namely(insert the appropriate wording in accordance with Rule 1.25.5 of Section 1 and to make such declaration within thirty days of the(insert the appropriate day or date) of each calendar month, such declaration to be signed by the Insured or by a responsible person authorised to sign on his behalf.

If other Policies on a declaration basis cover the stock hereby insured the declarations shall be made so as to apportion to each Section 1 a share of the value of the stocks insured under such Declaration Policies, pro-rata to the respective amounts named in the Policies.

In the event of a declaration not being made within the thirty days mentioned above then the Insured shall be deemed to have declared the sum insured hereby as the value at risk.

On the expiry of each period of insurance the premium shall be calculated at the rate applicable on the average sum insured, namely, the total of the values declared or deemed to have been declared divided by the number of declarations due to have been made. If the resultant premium be greater than the provisional premium the Insured shall pay the difference; if it be less the difference shall be repaid to the Insured but such repayment shall not exceed 50% of the provisional premium.

- 2) The basis of value for declarations shall be the market value and any loss hereunder shall be settled on the basis of the market value immediately anterior to the loss.
- 3) If at the time of any loss, there be any other subsisting insurance or insurances on other than a declaration basis, whether effected by the Insured or by any other person or persons, covering the stocks hereby insured, this Section 1 shall apply only to the excess of the value of such stocks at the time of the loss over the sum insured by such insurance or insurances, and this Company shall not be liable to pay or contribute more than that proportion of such loss which such excess (or, if there be other declaration insurances covering the same stocks, a rateable proportion of such excess), but not exceeding the sum insured hereby, bears to the total value of the stocks.
- 4) If after the occurrence of a loss it is found that the amount of the last declaration previous to the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said last declaration bears to the amount that ought to have been declared.
- 5) In the event of a loss occurring the Insured undertakes to pay extra premium on the amount of any loss pro rata from the date of such loss to the expiry of the period of insurance, the premium being calculated at the rate applicable to the stocks destroyed and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment of premium.
- 6) In the event of this Policy being cancelled by the Insured during its currency (whether stocks exists or not) the premium to be retained by the Company shall be the appropriate short period premium calculated on the average amount insured up to the date of cancelment, or 50% of the provisional premium whichever is the greater; but if the Policy is cancelled by the Insured after a loss has occurred the premium to be retained by the Company shall be the pro-rata proportion of the premium calculated on the average amount insured up to the cancelment plus the pro-rata proportion of the premium from the date of loss to the expiry of the period of insurance on the amount of the loss paid, or 50% of the provisional premium whichever is the greater.



- 7) It is warranted that every other Policy on a declaration basis covering the stocks insured hereby shall be identical in wording with this Section 1.
- 8) This insurance is subject in all respects to the printed conditions of the Policy except in so far as they may be varied by these Special Conditions.

C30 SPRINKLER LEAKAGE ENDORSEMENT

Rate:	(a) Buildings	: 0.005% of total sum insured on buildings
	(b) Contents	: 0.025% of total sum insured on contents.
	(c) Deletion of Exclusion (d) and/or (e)	: 10% loading on the Sprinkler leakage rate.

In consideration of the payment of an additional premium, it is hereby declared and agreed that the insurance under this Section 1 extends to include loss of or damage to the property insured directly caused by water or other fire extinguishing agent accidentally discharged or leaking from the automatic sprinkler installation and/or drencher and/or fire suppression or extinguishing installation or apparatus.

Provided always that otherwise the insurance under this endorsement and the Section 1 shall be subject to all the terms, limitations, stipulations, exclusions, provisions and exceptions printed on, expressed in, endorsed upon or attached to the Policy and that without in any way limiting the generality of the foregoing, the liability of the Company shall in no case under this endorsement exceed in respect of each item the sum expressed in the Schedule or in the whole the total sum insured.

This insurance does not cover loss or damage occasioned by or through or in consequence of:-

- a) explosion, the blowing up of buildings or blasting
- b) the order of any authority
- c) heat caused by fire
- d) repairs or alterations to the buildings or premises
- e) the automatic sprinkler installation being either repaired, removed or extended.

No liability shall attach if the building insured or containing the insured property becomes unoccupied and so remains for a period of more than thirty (30) days unless the Insured obtains the sanction of the Company signified by endorsement upon the Policy.

SPECIAL CONDITIONS

- 1) The Insured shall at all times during the currency of this Policy take all reasonable steps to maintain in proper working order the installation of Automatic Sprinklers, including the Automatic Alarm signal.
- 2) The Company shall not be responsible for loss or damage which may occur after notice has been given to the Insured by the Company that Sprinkler Installations is/are liable to accident by reason of defective construction or condition nor if the Insured is himself aware of defect in construction or condition.

C31 TEMPORARY REMOVAL CLAUSE

a) Contents of Private Dwellings

The property insured under (item(s) of) this Section 1 is covered whilst temporarily removed including whilst in transit but remaining in Malaysia, the Republic of Singapore or Brunei Darussalam for an amount not exceeding 15% of the sum insured under (each item of) this Section 1.

The amount recoverable under this extension in respect of (each item of) the Section 1 shall not exceed the amount which would have been recoverable had the loss occurred in the premises from which the property was temporarily removed.

This extension does not apply to property in so far as it is otherwise insured nor to property removed for sale or exhibition or to a furniture depository.

N.B. The words in brackets may be omitted where appropriate.

b) Other Property Excluding Stock-in-Trade and Merchandise

The property insured under item(s)..... of this Section 1 is covered (limited to 10% of the sum insured) whilst temporarily removed including whilst in transit for cleaning, renovation, modification, repair or other similar purpose, elsewhere on the same or to any other premises and in transit thereto and therefrom by road, rail, or inland waterway, all in Malaysia, the Republic of Singapore or Brunei Darussalam.

The amount recoverable under this extension in respect of the property so removed shall not exceed the amount which would have been recoverable had the loss occurred in that part of the premises from which the property is temporarily removed.



This extension does not apply to property if and so far as it is otherwise insured, nor does it apply to items covering stock and merchandise of every description, nor as regards losses occurring elsewhere than at the premises from which the property is temporarily removed to:-

- i) Motor Vehicles and Motor Chassis.
- ii) Property (other than machinery and plant) held by the Insured in trust.

C32 TEMPORARY STORAGE CLAUSE

The property (excluding buildings) insured under this Section 1 is covered whilst temporarily stored anywhere in Malaysia, Brunei Darussalam and Singapore PROVIDED that:-

- a) the period of temporary storage shall not exceed sixty (60) days.
- b) the liability of the Company is limited to 10% of the total sum insured or RM500,000 whichever is the lower for property covered under this clause.
- c) the Company shall not be liable for any loss or damage to the property whilst in transit (including the processes of loading and unloading incidental to such transit).
- d) this insurance does not apply to property in so far as it is otherwise insured nor does it apply to motor vehicles and motor chassis licensed for road use or being used on a road as defined in the Road Transport Act 1987 (including accessories thereon).

C33 VEHICLE LOAD CLAUSE

In the event of any of the Insured's vehicles being left loaded overnight whilst in or on the premises described in the specification hereto the Company will indemnify the Insured in respect of such load in the event of loss or damage by any of the perils insured against by this Section 1.

C34 AGREED VALUE ENDORSEMENT FOR ART OBJECTS/PAINTINGS, ANTIQUES AND SUCH LIKE ITEMS

It is hereby declared and agreed that in the event of the undernoted item(s) of property insured being totally lost, destroyed or damaged by any peril insured against, the liability of the insurers shall not exceed the corresponding agreed value stated in the schedule below :-

Property Insured	Agreed Value
_____	_____
_____	_____
_____	_____
_____	_____

Notwithstanding anything contained in this Section 1 to the contrary, where any insured items consist of articles in a pair or set, the Company shall not be liable to pay more than the proportionate value of any particular parts which may be lost, without reference to any special value which such article or articles may have as part of such pair or set.

Subject otherwise to the terms exceptions and conditions of the Policy

C35 OTHER INSURANCE CLAUSE

It is understood and agreed that the insured shall be deemed to have complied with condition no. 3 of this Section 1 provided that he has declared to the company the total amount of insurance effected with other Insurance Companies on the property hereby insured.

C36 PAIRS AND SETS CLAUSE

It is hereby declared and agreed that notwithstanding anything contained in this Section 1 to the contrary, where any insured item consists of articles in a pair or set, the Company shall not be liable to pay more than the proportionate value of any particular part or parts which may be lost, without reference to any special value which such article may have as part of such pair or set.

Subject otherwise to the terms exceptions and conditions of the Policy.

C37 MARKET VALUE CLAUSE

In the event of a loss to the property insured (other than stock and building item) herein, the Company shall pay the insured value or the market value of the insured Property, whichever is the lower, subject to the deduction of any excess and amounts which the insured is required to bear under the Policy.

The Market Value of the insured property shall for the purpose of this clause be determined by a valuation obtained by the Company from the manufacturer, authorized sole agent or agent, authorized broker, authorized distributor or building contractor of the cost of replacement or reinstatement, subject to the application of appropriate depreciation, of the insured Property damaged or lost as it was at the time of the occurrence of such damage or loss.

In the event that there is, at the time of damage or loss no manufacturer, authorized sole agent or agent, authorized broker, authorized distributor or building contractor for the insured Property, the valuation shall be obtained from a Loss Adjuster licensed under the Insurance Act, 1996 or Registered Valuer under Valuers and Appraisers Act, 1981 and to be mutually



appointed by both parties. The valuation of the insured property by the manufacturer, authorized sole agent or agent, authorized broker, authorized distributor, building contractor, Loss Adjuster licensed under the Insurance Act, 1996 or Registered Valuer under the Valuers and Appraisers Act, 1981 shall be conclusive evidence in respect of the market value of the insured property in any legal proceedings against the Company.

C38 TENANTS CLAUSE (AS TO INTEREST OF THE OWNER)

Rate: 10% of the basic trade/occupation rate (for fire and lightning only)

It is hereby agreed that this insurance as to the interest of the Insured where the property insured is used or occupied by a tenant of the Insured, shall not be invalidated by any change of occupancy or increase of risk taking place in the property insured without the knowledge of the Insured provided that the Insured shall immediately on the same coming to his knowledge, give notice thereof to the Company and pay the additional premium (if any) which may be required by the Company from the date of such increase of risk.

Subject otherwise to the terms and conditions of the Policy.

C39 SELF-INSURANCE CLAUSE

It is hereby declared and agreed that the Insured agrees to self-insure and that the sum(s) insured nominated under [item(s) no(s)of] this Section 1 represent(s) only% of the actual Market Value (or reinstatement value in the event that this Section 1 is on reinstatement value basis) of the property insured herein.

In consequence of the foregoing, the Insured agrees to be his own insurer for% and undertakes to bear that rateable proportion of :-

(a) each and every loss or damage (including any amounts in respect of fees charges costs and expenses) payable under this Section 1; and

(b) any expenditure payable in the exercise of Condition 18 of this Section 1.

It is further declared and agreed that in the event the sum(s) insured under [item(s) no(s)..... of] this Section 1 is less than% of the actual value of the insured property at the time of loss, Condition 20 of this Section 1 (Average Clause) shall apply accordingly.

**C40 AUTOMATIC HOLD COVER
(PROPERTIES IN NEW LOCATIONS) CLAUSE**

It is understood and agreed that any additional properties situated in locations within Malaysia not insured by the Section 1 which may be acquired by the Insured during the currency of this Policy is automatically held covered up to 10% of the Section 1 limit or RM1 million, whichever is the lower, provided that the Insured shall advise the Company within 30 days of any acquisition of any such properties and shall pay the additional premium from effective date of acquisition.

Subject otherwise to the terms, exceptions and conditions of the Policy.

C41 FLOATING INSURANCE

(a) Specified locations

The stocks insured under (item... of) this Section 1 is subject to a floating sum insured declared hereon against all the locations as specifically described in the schedule.

Provided always the Company's maximum liability shall not exceed the floating sum insured stated in the schedule for which the item is insured. Note: The premium charged thereon shall be calculated based on the highest amongst the rates applicable to the said locations concerned.

(b) Unspecified locations

The stocks insured under (item.....of) this Section 1 is subject to a floating sum insured declared hereon all the locations owned and/or occupied by the Insured anywhere in Malaysia.

Provided always that :-

- (i) there shall be a minimum of ten (10) locations covered under this item in the Section 1.
- (ii) the sum insured any one location shall not exceed the limit of RM500,000.

In the event of any loss or damage, the Company's maximum liability shall not exceed the sum of RM500,000 for any one of the unspecified location and the floating sum insured declared hereon in respect of all the unspecified locations covered under the Section 1.

Note :

- (i) The total sum insured floating for the unspecified locations shall be greater than RM500,000
- (ii) The premium charged is subject to a 25% loading on the highest rate applicable on the Section 1.

(c) Unspecified homogeneous locations

The stocks insured under (item.....of) this Section 1 is subject to a floating sum insured declared hereon against all the locations owned and/or occupied by the Insured anywhere in Malaysia.

Provided always that :

- (i) there shall be a minimum of one thousand (1,000) locations under this item at inception of the Policy.



- (ii) the sum insured limit per unit of stock shall not exceed RM5,000.00
- (iii) the Insured shall declare to the Company in writing the total value of the stocks within thirty days of the.....(insert the appropriate day or date) of each calendar month.
- (iv) the basis of value for declaration shall be the full value of the stocks insured, any loss shall be settled on the basis of the market value immediately anterior to the loss.

In the event of any loss or damage, the Company's maximum liability shall not exceed the sum insured limit of RM5,000 per unit of stock and the floating sum insured declared hereon in respect of all the unspecified locations covered under the Section 1.

C42 DATE RECOGNITION

(a) DATE RECOGNITION (For Fire Insurance Section 1 Only)

It is noted and agreed this Section 1 is hereby amended as follows:-

- A. The Company will not pay for any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly caused by, consisting of, or arising from, the failure or inability of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the Insured or not, and whether occurring before, during or after the year 2000 that results from the failure or inability of such device and/or software as listed above to :
 - 1. correctly recognize any date as its true calendar date ;
 - 2. capture, save, or retain, and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date other than as its true calendar date; and/or
 - 3. capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.
- B. It is further understood that the Company will not pay for the repair or modification of any part of any electronic data processing system or any part of any device and/or software as listed above in A.
- C. It is further understood that the Company will not pay for any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly arising from any advice, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Insured or for the Insured or by or for others to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in A. above.
- D. It is further understood that the Company will not pay for any consequential loss resulting from any continuing inability of the computer and equipment described in A above to correctly recognize any date as its true calendar date after the lost or damaged property has been replaced or repaired.

Such loss or damage or any consequential loss referred to in A, B, C or D above, is excluded regardless of any other cause that contributed concurrently or in any other sequence to the same.

Saving clause : This endorsement shall not exclude subsequent loss or damage or consequential loss which itself results from an insured peril as defined in the Section 1.

Subject otherwise to the terms and conditions of the Policy.

C43 DEDUCTIBLES AND EXCESS CLAUSE

It is hereby declared and agreed that the deductibles and/or excess as specified in the schedule and/or endorsement and/or clauses attaching to this Policy shall be applied in the following manner and as ascertained after the application of any condition of average :-

- a) only one deductible and/or excess, as may be applicable, will be applied for each and every loss or losses arising out of one event, irrespective of the number of co-insurers;
- b) the deductible and/or excess shall be apportioned amongst the co-insurers;
- c) the deductible and/or excess apportioned above, shall be applied to the respective rateable liability of each co-insurer;
- d) in no event shall the insured be liable to bear more than one Section 1 deductible and/or excess as the case may be.

Subject otherwise to the terms, conditions and exceptions of this Policy.

C44 WAIVER OF SUBROGATION RIGHTS OF INSURERS

Rate: 0.005% on the sum insured and subject to a minimum premium of RM50.00 per named basis, whichever is the higher. In consideration of the payment of an additional premium, the Company agrees to waive any rights and remedies or relief or indemnity to which it may become entitled by subrogation against the following entity(ies) :-



However, the Company's entitlement to enforce any rights and remedies or to obtain relief or indemnity from any other party(ies) by way of subrogation shall remain unaffected.

C45 AUTOMATIC INCLUSION CLAUSE (FOR INSURANCE OF RUBBER TREES ONLY)

Where the Insured has acquired newly planted trees in the existing or in new acreage acquired, the insurance hereby extends to cover such acquired newly planted trees in the existing or in the new acreage acquired (but not appreciation in value in excess of the sum insured) specified in (Item(s) No(s).....of) this Section 1 for an amount not exceeding in respect of each Scheme 10% of the sum insured and subject to a maximum of RM5,000 whichever is the less.

The Insured undertakes to advise the Company every three months of such additions and to pay the appropriate additional premium thereon.

C46 VOLUNTARY DEDUCTIBLES

This Section 1 does not cover the amounts of the deductibles stated in the Schedule in respect of each and every loss or series of losses arising out of any one event as ascertained after the application of all other terms and conditions of the Section 1 including any other deductibles and condition of average.

The duration and extent of any loss occurrence arising out of any one event so defined shall be limited to :-

- 72 consecutive hours as regards cyclone, hurricane, typhoon and/or windstorm.
- 72 consecutive hours as regards earthquake, and/or flood (including overflow of the sea).
- 72 consecutive hours and within the limits of one City or Town as regards civil commotions, riot and strike and/or malicious damage.
- 168 consecutive hours for any other catastrophe of whatsoever nature.

Warranted that during the currency of the Policy the insured shall not effect insurance in respect of the amounts of the deductibles stated in the schedule.

C47 PROPERTY DAMAGE CLARIFICATION CLAUSE

Property damage covered under this Section 1 shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by deletion, a corruption or a deformation of the original structure.

Consequently the following are excluded from this Section 1 :-

- A. Loss of or damage to data or software, but not limited to any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss or damage to data or software, which is the direct consequence of insured physical damage to the substance of property, shall be covered.
- B. Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs and any business interruption losses resulting from such loss or damage."

C48 WAR & TERRORISM EXCLUSION ENDORSEMENT

This endorsement cancels and replaces Section 1 condition 6(e) thereof.

Notwithstanding any other provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- (1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- (2) any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in



full force and effect.

C49 RADIOACTIVE/NUCLEAR ENERGY RISKS EXCLUSION CLAUSE

This insurance does not cover loss, damage, cost or expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:-

- 1) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- 2) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- 3) any weapon of war employing atomic or nuclear fission and/or fission or other like reaction or radioactive force or matter.

C50 UNVALUED POLICY CLAUSE

This is an unvalued policy. The onus is on the Insured to prove the actual value of the Property insured at the time of the happening of its destruction or the actual amount of such damage.

C51 SANCTION EXCLUSION CLAUSE

No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the insurer to any sanction, prohibition or restriction under the United Nations' Security Council resolutions (UNSC) or the trade or economic sanctions, laws or regulations of the European Union or the United States of America."

FIRE EXTINGUISHING APPLIANCES

SCALE OF ALLOWANCES FOR FIRE EXTINGUISHING APPLIANCES

1. INTERNAL APPLIANCES ALLOWANCES

A. Approved Portable Extinguishers complying with General requirement I	2½%
B. Hydraulic Hose Reels or Internal Hydrants with Small Bore Hose attached complying with General requirements II	5%
C. Internal Hydrants complying with General requirements III and:-	
(i) with water supply fed by public main	5%
(ii) with independent water supply	7½%
D. Dry Riser complying with General requirements IV	2½%
E. Wet Riser complying with General requirements V	7½%
F. Automatic Fire Alarm and Detection Systems complying with General requirements VI	3%
G. Gas Extinguishing System (e.g. Halon 1301, Halon 1211, carbon dioxide or Nitrogen)	5%

The allowance is only for the item so protected by the appliance

In the event you wish to apply the allowance on the Total Sum Insured, details of such system must be submitted to the Rating Committee for approval.

2. EXTERNAL APPLIANCES ALLOWANCES

A. Mobile Power-Driven Fire Pumps complying with General requirements VII	7½%
B. Hydrants complying with General requirements VIII and :-	
(i) with water supply fed by public mains	7½%
(ii) with independent water supply and manual stationary pumps	10%



(iii)with independent water supply and automatic pumps 12½%

3. TRAINED PRIVATE FIRE BRIGADE

If a trained Private Fire Brigade complying with **General requirements IX** is available and no allowance has been given for either Wet Riser (item 1E), Mobile Pumps (item 2A) or Internal/External (item 1C/2B) Hydrants2½%

MEMO 1 : The allowances for internal appliances are cumulative and are subject to a maximum of 15 per cent.

MEMO 2 : The allowances for external appliances are cumulative and are subject to a maximum of 15 per cent.

MEMO 3 : No greater accumulated allowances than 25 per cent may be made for any combination of the above mentioned internal and external appliances.

MEMO 4 : No greater accumulated allowances than 75 per cent may be made for any combination of appliances including trained private fire brigade, external drenchers and sprinkler allowance as specified in item 5 on page 9-12.

General requirements I - Portable Extinguishers as in item 1A.

- (1) Portable fire extinguishers to be installed complying with UBBL, MS1539 or any other equivalent Standards/Rules approved by the fire authority.
- (2) The combined A rating of all portable fire extinguishers on each storey/floor must not be less than 0.065 x area of floor (square metre) of the storey/floor with an absolute minimum of 26A supplied by 2 portable fire extinguishers.
This minimum may be reduced to 13A from one portable fire extinguisher for upper floors with areas less than or equal to 100 square metres in single-occupancy buildings.
- (3) For area where Carbon Dioxide extinguishers are more suitable, such as in electrical rooms, the equivalent A rating required of the room should be calculated based on (2). As a guide, 2 kg of Carbon Dioxide is equivalent to 1 kg of dry powder.
- (4) Portable fire extinguishers must be maintained in a fully charged and operating condition, and kept at their designated locations at all times when they are not being used.
- (5) Portable fire extinguishers must be located in such a way that they are readily accessible in the event of a fire. They should preferably be located along normal paths of travel including exits from an area.
- (6) Portable fire extinguishers must not be obstructed or obscured from view. Where visual obstruction cannot be completely avoided, means must be provided to indicate the location of the extinguishers.
- (7) Portable fire extinguishers may be installed on hangers/brackets, mounted in cabinets, or set on shelves unless the extinguishers are of the wheeled type. Cabinets housing extinguishers must not be locked. Where extinguishers are subjected to malicious use, locked cabinets with emergency access may be used.
- (8) Each portable fire extinguisher must be securely attached with a valid certificate from the fire authority.

Maintenance requirements I

Portable fire extinguishers must be inspected weekly to ensure that they comply with General requirements for portable fire extinguishers. The portable fire extinguishers must be serviced at least once a year.

Records must be kept of all tests and inspections carried out, any faults discovered and details of all replacement fitted.

FEA WARRANTY I

To be attached to each policy under which an allowance for portable fire extinguishers is made :-

The insured hereby warrants that during the currency of this policy the provisions laid out under General requirements I and Maintenance requirements I for Portable Fire Extinguishers are complied with; in consideration of which an allowance on the premium is made to the Insured. No liability shall attach to the Company under this policy unless the terms of this warranty are complied with.

General requirements II - Hydraulic Hose Reels and Internal Hydrants with small bore hose attached as in item 1B.

- (1) The hydraulic hose reels and/or internal hydrants must be sited in prominent and easily accessible positions at each floor level in such a way that no part of the floor is more than 6 metres (20 feet) from a hose nozzle when the hose is fully extended.
- (2) The flow rate at the most hydraulically remote hose reel or internal hydrant must not be less than 24 litres (5 gallons) of water per minute through a nozzle and capable of achieving a water throw of not less than 6 metres (20 feet).
- (3) The hoses for hydraulic hose reels must be of reinforced rubber and that for internal hydrants must be rubber lined. The hoses must not be less than 19.05 mm (0.75 inch) nor more than 31.75 mm (1.25 inch) internal diameter.
- (4) The hoses must not exceed 45 metres (148 feet) in length.
- (5) The hydraulic hose reels and/or internal hydrants must be permanently connected to a constant water supply.
- (6) Where the hydraulic hose reel and/or internal hydrant system is connected to a suction tank, the tank must be constantly filled with water. The minimum capacity of the tank must be 3,600 litres (800 gallons).
- (7) Where stationary pumps are provided the pumps must be capable of discharging at a rate of not less than 90.92 litres per minute (20 gallons per minute).
- (8) Each pump must be housed in an easily accessible position where it will not be liable to be damaged by fire or otherwise.
- (9) Each pump must be so arranged that it will start automatically in the case of automatic pumps; or can be readily started by one person.



- (10) There must be kept on hand at all times sufficient fuel to run the pumps at full load for not less than four (4) hours and power must always be available for each stationary pump.

Maintenance requirements II Weekly

The hose reels and/or internal hydrants must be inspected to ensure that they are not obstructed, remain usable and readily accessible at all times.

The pumps must be tested for automatic and manual starting. They must be run for the recommended period to reach maximum operating temperature. In the case of diesel engine driven pumps, they must be run for not less than 5 minutes when tested.

Power supplies, batteries and battery chargers must be inspected to ensure these are in good condition and the battery water level topped up if necessary.

Fuel, oil and coolant levels must be inspected and topped up if necessary.

Every six months

The hose reels and/or internal hydrants must be inspected to ensure that the inlet valves, hoses and shut-off nozzles are free from leaks and in good condition and also to ensure that the outlet of the nozzles are not choked.

The water storage tank must be inspected to ensure that there is no debris inside the tank and that the tank and the water level indicator(s) are in good condition.

The water in the storage tank must be inspected to ensure it is clean.

The pumps and their associated mechanical equipment must be thoroughly checked to ensure that they are in good operating condition.

Annually

The hose must be completely run out and subjected to operational water pressure to ensure that the hose is in good condition. A flow test must be carried out to ensure that a discharge of at least 24 litres per minute (5 gallons per minute) is achieved. If it is not possible to test every hose reel and/or internal hydrant, at least the hose reel and/or internal hydrant at the hydraulically most remote point in the system must be tested.

FEA WARRANTY II

To be attached to each Policy under which an allowance for hose reels and/or internal hydrants with small bore hose is made :-

The insured hereby warrants that during the currency of this Policy the provisions laid out under General requirements II and Maintenance requirements II are complied with; in consideration of which an allowance on the premium of per cent is made to the Insured. No liability shall attach to the Company under this Policy unless the terms of this warranty are complied with.

General requirements III - Internal Hydrants as in item 1C.

Internal hydrants as in item 1C constitute hydrants installed inside buildings of not more than 30.5 metres (100 feet) above fire appliance access level (usually ground level)

- (1) The internal hydrants must be positioned in such a way that no portion of the building floor is more than 15 metres (50 feet) from a hose nozzle when the hose is fully extended.
- (2) The internal hydrant system can be fed from an independent water supply having a minimum capacity of 54,552 litres (12,000 gallons) of water with manual or automatic pumps complying with General requirements VIII(9) or permanently connected to an adequate constant supply of water from the public mains.
- (3) The internal hydrant mains and hose for use in connection therewith must have a clear waterway of at least 63.5 mm (2½ inch) diameter.
- (4) Every internal hydrant must be provided with a canvas / rubberised hose of at least 30 metres (100 feet) length and a nozzle permanently connected to the internal hydrant or kept under cover in a convenient place nearby the internal hydrant.
- (5) The internal hydrants must be protected against mechanical impact damage.
- (6) A trained private fire brigade complying with General requirements IX must be available at all times in the premises to operate the system.

Maintenance requirements III

Weekly

The internal hydrants must be inspected to ensure that they are not obstructed, remain usable and readily accessible at all times.

All pumps must be tested for manual starting. In case of automatic pumps, these must be tested for automatic starting. They must be run for the recommended period to reach maximum operating temperature. In the case of diesel engine driven pumps, they must be run for not less than 5 minutes when tested.

Power supplies, batteries and battery chargers must be inspected to ensure these are in good condition and the battery water level topped up if necessary.

Fuel, oil and coolant levels must be inspected and topped up if necessary.

Every six months

The hydrant valves, isolation valves and fire boxes must be inspected to ensure that these are in good condition.



The water storage tank must be inspected to ensure that there is no debris inside the tank and that the tank and the water level indicator(s) are in good condition.

The water in the storage tank must be inspected to ensure that it is clean.

Annually

Flow and pressure tests at the most remote internal hydrant must be carried out and test results recorded. Any significant deterioration in the flow and pressure of the internal hydrant system must be promptly rectified. The hydrant valve handwheels, glands, washers and indicator plates must be checked to ensure that these are in good condition.

FEA WARRANTY III

To be attached to each Policy under which an allowance for internal hydrants is made:-

The insured hereby warrants that during the currency of this Policy the provisions laid out under General requirements III and Maintenance requirements III are complied with; in consideration of which an allowance on the premium of per cent is made to the Insured. No liability shall attach to the Company under this Policy unless the terms of this warranty are complied with.

General requirements IV - Dry Riser as in item 1D.

- (1) The dry riser must not be less than 100 mm (4 inch) in diameter in buildings in which the highest outlet is 23 metres (75 feet) or less above the fire brigade pumping inlet and not less than 150 mm (6 inch) diameter where the highest outlet is higher than 23 metres (75 feet) above the pumping inlet.
- (2) 100 mm (4 inch) diameter dry risers shall be equipped with a two way pumping inlet and 150 mm (6 inch) dry risers shall be equipped with a four way pumping inlet.
- (3) The dry riser landing valves must be provided inside the building at each level above the ground level.
- (4) The dry riser landing valves outlets must be at least 63.5 mm (2½ inch) diameter.
- (5) Each dry riser landing valve shall comprise at least 30 metres (100 feet) of canvas hose, 1 nozzle and 1 coupling kept under cover in a convenient place.

Maintenance requirements IV

Weekly

The dry riser landing valves and breeching inlets must be inspected to ensure that they are not obstructed and remain accessible at all times.

Every six months

The dry riser breeching inlets, landing valves, canvas hoses, nozzles, couplings and drain valves including the glands and washers, landing valve boxes, locking arrangement to the inlet must be inspected to ensure that they are in good condition.

Annually

A wet test must be carried out using the top most landing valve of the dry riser. Any leak in the dry riser system must be promptly rectified.

FEA WARRANTY IV

To be attached to each Policy under which an allowance for dry risers is made :-

The insured hereby warrants that during the currency of this Policy the provisions laid out under General requirements IV and Maintenance requirements IV are complied with; in consideration of which an allowance on the premium of per cent is made to the Insured. No liability shall attach to the Company under this Section 1 unless the terms of this warranty are complied with.

General requirements V - Wet Riser as in item 1E.

- (1) The wet riser landing valves must be provided inside the building at each level above the ground level.
- (2) The number and disposition of the wet riser landing valves must be such that one is provided for every 900 square metre (9,700 square feet), or any part thereof, of the floor area at each level other than the ground floor.
- (3) Wet risers must have a clear waterway of at least 150 mm (6 inch) diameter and the outlet must be at least 63.5 mm (2½ inch) in diameter.
- (4) Each wet riser landing valve shall comprise at least 30 metres (100 feet) of canvas hose, 1 nozzle and 1 coupling kept under cover in a convenient place.
- (5) The wet riser system must be provided with supply of water from tank having a minimum capacity of 54,552 litres (12,000 gallons).
- (6) A trained private fire brigade complying with General requirements IX must be available at all times in the premises to operate the system.
- (7) Each pump connected to the wet riser system must be capable of discharging at a rate of not less than 1,500 litres per minute (330 gallons per minute) of water.
- (8) Each pump must be housed in an easily accessible position where it will not be liable to be damaged by fire or otherwise.
- (9) Each pump must be so arranged that it will start automatically in the case of automatic pumps; or can be readily started by one person.

There must be kept on hand at all times sufficient fuel to run all the pumps at full load for not less than 4 hours and power must always be available for each pump.



Maintenance requirements V

Weekly

The wet riser landing valves, drain valves and breeching inlets must be inspected to ensure that they are not obstructed and remain accessible at all times.

The wet riser pumps must be tested for automatic and manual starting. They must be run for the recommended period to reach maximum operating temperature. In the case of diesel engine driven pumps, they must be run for not less than 5 minutes when tested.

Power supplies, batteries and battery chargers must be inspected to ensure these are in good condition and the battery water level topped up if necessary.

Fuel, oil and coolant levels must be inspected and topped up if necessary.

Every six months

The wet riser landing valves, drain valves, canvas hoses, nozzles, couplings and isolation valves including the glands and washers, breeching inlets, locking arrangements to the inlet and landing valve boxes must be inspected to ensure that they are in good condition.

The water storage tank must be inspected to ensure that there is no debris inside the tank and that the tank and the water level indicator(s) are in good condition.

The water in the storage tank must be inspected to ensure that it is clean.

The booster pumps and their associated mechanical and electrical equipment must be thoroughly checked to ensure that they are in good operating condition.

Annually

A wet test to determine the static and running pressure of the top most landing valve of the wet riser must be carried out and test result recorded. Any significant deterioration in the pressure of the wet riser system must be promptly rectified. During the test, the system must be inspected for leaks.

FEA WARRANTY V

To be attached to each Policy under which an allowance for wet risers is made :-

The insured hereby warrants that during the currency of this Policy the provisions laid out under General requirements V and Maintenance requirements V are complied with; in consideration of which an allowance on the premium of per cent is made to the Insured. No liability shall attach to the Company under this Section 1 unless the terms of this warranty are complied with.

General requirements VI - Automatic Fire Alarm and Detection Systems as in item 1F.

- (1) The spacing of the detectors shall be as follows:
 - a. For open areas, the horizontal distance from any point in the area to the detector nearest to that point should not exceed 5.3 metres (17 feet) for heat detectors or 7.5 metres (25 feet) for smoke detectors. For line or beam detectors, the distance should be taken as the distance to the nearest point on the line or beam.
 - b. In corridors less than 5 metres (16 feet) wide, the horizontal distance given in (1)a above may be increased by half the difference between 5 metres (16 feet) and the width of the corridor, e.g. in a corridor of 3 metres (10 feet) wide the distance may be increased by 1 metre (3 feet). A corridor wider than 5 metres (16 feet) should be treated as an open area as in (1)a above.
- (2) The detectors must be connected to a central fire control panel which in turn, must be linked directly to a Fire Services Department (BOMBA) station or alternatively the central fire control panel may be connected to a remote central monitoring station which must be directly linked to a BOMBA station. Under both circumstances the Insured must obtain a certification from the BOMBA or the remote central monitoring station certifying that their automatic fire alarm system is so connected.
- (3) The central fire control panel must be manned 24 hours a day. If the central fire control panel is connected to the BOMBA station via a remote central monitoring station, the remote central monitoring station must also be manned 24 hours a day and the Insured must obtain a certification to this effect.
- (4) The detectors and central fire control panel must be maintained in proper working order.
- (5) The detector head must be of the types approved by the Standard & Industrial Research Institute of Malaysia (SIRIM).

Maintenance requirements VI

Inspections must be carried out by a competent person weekly to ensure that :

- a. the detectors are not obstructed or painted over so as to prevent normal operation ;
- b. no obstruction is placed within 0.3 metre (1 foot) horizontally or 0.6 metre (2 feet) below a detector head; and
- c. the detectors are protected against mechanical impact damage.



The central fire control panel must be inspected to ensure maintenance in good condition and all bulbs tested weekly to be in proper working order. Selected heat and smoke detectors must be tested monthly to ensure they are in proper working order.

Records must be kept of all tests and inspections carried out, any faults discovered and details of all replacement fitted.

FEA WARRANTY VI

The insured hereby warrants that there is an automatic fire alarm installation for the detection of fires in the premises and that during the currency of this Policy such installation shall comply with all the general and maintenance requirements VI; in consideration of which an allowance on the premium ofper cent is made to the insured. No liability shall attach to the Company under this Section 1 unless the terms of this warranty are complied with fully.

General requirements VII- Mobile Power-Driven Fire Pumps as in item 2A.

- (1) The mobile pumps and associated equipment must always be available on the premises.
- (2) Mobile pumps must be capable of discharging water at a rate of not less than 900 litres per minute (200 gallons per minute) in aggregate.
- (3) Each mobile pump must be capable of discharging water at a rate of not less than 450 litres per minute (100 gallons per minute) to the highest point of the protected premises and must be provided with a full complement of hoses and nozzles, and adequate constant supply of water.
- (4) A trained private fire brigade complying with General requirements IX must be available at all times in the premises to operate the appliances.
- (5) Each pump must be housed in an easily accessible position where it will not be liable to be damaged by fire or otherwise.
- (6) There must be kept on hand at all times sufficient fuel to run the pumps at full load for not less than 4 hours.
- (7) The use of the mobile pumps must be restricted to fire extinguishment and fire fighting training only.

Maintenance requirements VII

Weekly

All pumps must be tested for manual starting. They must be run for the recommended period to reach maximum operating temperatures, in any case, not less than 5 minutes when tested.

Power supplies, batteries and battery charges must be inspected to ensure these are in good condition and the battery water level topped up if necessary.

Fuel, oil and coolant must be inspected and topped up if necessary.

Every six months

Where water is obtained from a water storage tank, the tank must be inspected to ensure that there is no debris inside the tank and that the tank and the water level indicator(s) are in good condition.

The water in the storage tank must be inspected to ensure that it is clean.

FEA WARRANTY VII

To be attached to each Policy under which an allowance for mobile power driven fire pump is made:-

The insured hereby warrants that during the currency of this Policy the provision laid out under General requirements VII and Maintenance requirements VII are complied with; in consideration of which an allowance on the premium of per cent is made to the Insured. No liability shall attach to the Company under this Section 1 unless the terms of this warranty are complied with.

General requirements VIII - External Hydrants as in item 2B.

- (1) External hydrants must be positioned not more than 23 metres (75 feet) away from the external wall of the building.
- (2) There must be at least one hydrant for every 76 metres (250 feet) of external wall measurement of the building.
- (3) There must be at least one opening for every 76 metres (250 feet) of external wall measurement of the building for purpose of fire fighting.
- (4) The external hydrant system can be fed from an independent water supply having a minimum capacity of 54,552 litres (12,000 gallons) of water with manual or automatic pumps complying with General requirements VIII(9) or permanently connected to an adequate constant supply of water from the public mains.
- (5) The hydrant mains and hose for use in connection therewith must have a clear waterway of at least 63.5 mm (2½ inch) diameter.
- (6) Every hydrant must be provided with at least 1 canvas/rubberized hose of at least 30 metres (100 feet) length, 1 nozzle and 1 coupling kept under cover in a convenient place. However, there must be a minimum of 4 hoses of 30 metres (100 feet) length each, 2 nozzles and 2 couplings for each protected premises.
- (7) The hydrants must be protected against mechanical impact damage.
- (8) A trained private fire brigade complying with General requirements IX must be available at all times in the premises to operate the system.
- (9) Requirements for hydrant pumps:



- a. Each pump connected to the hydrant system must be capable of discharging at a rate of not less than 900 litres per minute (200 gallons per minute) of water.
- b. Each pump must be housed in an easily accessible position where it will not be liable to be damaged by fire or otherwise.
- c. Each pump must be so arranged that it will start automatically in the case of automatic pumps; or can be readily started by one person.
- d. There must be kept on hand at all times sufficient fuel to run all the pumps at full load for not less than 4 hours and power must always be available for each pump.

Maintenance requirements VIII

Weekly

The hydrants must be inspected to ensure that they are not obstructed by parking of vehicles, loading, unloading or storage of goods and remain accessible at all times.

All pumps must be tested for manual starting. In the case of automatic pumps, these must be tested for automatic starting. They must be run for the recommended period to reach maximum operating temperature. In the case of diesel engine driven pumps, they must be run for not less than 5 minutes when tested.

Power supplies, batteries and battery chargers must be inspected to ensure these are in good condition and the battery water level topped up if necessary.

Fuel, oil and coolant levels must be inspected and topped up if necessary

Every six months

The hydrant valves, isolation valves, fire boxes and associated equipment must be inspected to ensure that these are in good condition.

The water storage tank must be inspected to ensure that there is no debris inside the tank and that the tank and the water level indicator(s) are in good condition.

The water in the storage tank must be inspected to ensure that it is clean.

Annually

Flow and pressure tests of all the external hydrants must be carried out and test results recorded. Any significant deterioration in the flow and pressure of the hydrant system must be promptly rectified. The hydrant valve handwheels, glands, washers, pits, frames, covers and indicator plates must be checked to ensure that these are in good condition. On completion pits must be left empty and clean.

FEA WARRANTY VIII

To be attached to each Policy under which an allowance for external hydrant is made :-

The insured hereby warrants that during the currency of this Policy the provisions laid out under General requirements VIII and Maintenance requirements VIII are complied with; in consideration of which an allowance on the premium of per cent is made to the Insured. No liability shall attach to the Company under this Section 1 unless the terms of this warranty are complied with.

General requirements IX - Trained Private Fire Brigade as in item 3 .

- (1) A trained Private Fire Brigade must comprise not less than six (6) persons available in every shift.
- (2) "Trained" is defined as having undergone a fire fighting course which provides training in the usage of the fire fighting facilities provided in the premises.
- (3) The Private Fire Brigade must carry out fire fighting drills at least once in 6 months utilising the fire fighting facilities provided in the premises.

FEA WARRANTY IX

To be attached to each Policy under which an allowance for private fire brigade is made :-

The insured hereby warrants that during the currency of this Policy the provisions laid out under General requirements IX are fully complied with; in consideration of which an allowance on the premium of per cent is made to the Insured. No liability shall attach to the Company under this Section 1 unless the terms of this warranty are complied with.

EXTERNAL DRENCHERS

An allowance of 5 per cent may be made for External Drenchers (independently of sprinklers) if fitted up in accordance with the rules of the Fire Insurance companies

SPRINKLER INSTALLATIONS

Applicable only to Approved Sprinkler Installations which comply with any one of the following design rules:

- A. the 29th Edition of the Rules of the Fire Offices' Committee for Automatic Sprinkler Installations adopted by the Fire Offices' Committee (Foreign) supplemented by the Brochure for use overseas as from the 1st January 1970,
- B. the Rules of the Loss Prevention Council for Automatic Sprinkler Installations,



- C. other Rules for Automatic Sprinkler Installations which are of equivalent or superior standard.

Risks provided with approved Sprinkler Installations must have in addition Internal Appliances according to General requirements I (Portable Extinguishers and/or Buckets) and are subject to the following percentage allowances which are inclusive of allowances for the internal appliances mentioned above :-

Classification of Occupancies	Sprinkler System		
	Grade I	Grade II	Grade III
Extra Light Hazard (ELH)	35%	30%	25%
Ordinary Hazard (OH)	50%	42 ½%	35%
Extra High Hazard (EHH)			

Any sprinkler installations other than the Approved Sprinkler Installations as defined in DEFINITIONS 1 must be referred to the Rating Committee for an approved allowance.

DEFINITIONS

- (1) An Approved Sprinkler Installation is one erected in conformity with any one of the following :
 - a. the 29th edition of the Rules for Automatic Sprinkler Installations of the Fire Offices' Committee as adopted by the Fire Offices' Committee (Foreign),
 - b. the Rules of the Loss Prevention Council for Automatic Sprinkler Installations,
 - c. other Rules for Automatic Sprinkler Installations which are of equivalent or superior standard.
- (2) Sprinkler Rules are any one of the following :
 - a. the 29th Edition of the Rules for Automatic Sprinkler Installations of the Fire Offices' Committee as adopted by the Fire Offices' Committee (Foreign),
 - b. the Rules of the Loss Prevention Council for Automatic Sprinkler Installations,
 - c. other Rules for Automatic Sprinkler Installations which are of equivalent or superior standard.
- (3) Classification of Occupancies referred to in the above rules is that appearing in :
 - a. paragraphs 1200 to 1232 of the 29th Edition of the Rules for Automatic Sprinkler Installations of the Fire Offices' Committee and in the Fire Offices' Committee (Foreign) Brochure, II - Modifications of the Rules when applied Outside the United Kingdom,
 - b. paragraphs 5 to 5.5 of the Rules of the Loss Prevention Council for Automatic Sprinkler Installations, or
 - c. the relevant paragraphs of the other Rules for Automatic Sprinkler Installations which are of equivalent or superior standard.

The occupancies listed in the Sprinkler Rules are for the purpose of illustration and are not intended to be comprehensive.

- (4) The Grading of Sprinkler Systems is that appearing in :
 - a. paragraphs 2200 to 2231 of the 29th Edition of the Rules for Automatic Sprinkler Installations of the Fire Offices' Committee,
 - b. Technical Bulletin TB 4:1990:1 of the Rules of the Loss Prevention Council for Automatic Sprinkler Installations, or
 - c. the relevant paragraphs of the other Rules for Automatic Sprinkler Installations which are of equivalent or superior standard.

REGULATIONS

- (1) No allowance may be made unless the installation is fitted up in strict accordance with the Sprinkler Rules in force at the date of installation.
- (2) Before any allowance is made, the following documents must be submitted to and approved by the Association or an organisation nominated by it :
 - a. particulars of the sprinkler installation in accordance with the Automatic Sprinkler System Section of the PIAM Special Rating Application Form,
 - b. schematic plans of the sprinkler installation,
 - c. sprinkler floor plans of the entire building,
 - d. the original or certified true copy of Sprinkler Completion Certificate (Appendix 4 of the 29th Edition of the Rules for Automatic Sprinkler Installations of the Fire Offices' Committee, paragraph 10.3 and Figure 6 of the Rules of the Loss Prevention Council for Automatic Sprinkler Installations)
- (3) Periodic reports in the prescribed forms as to the efficiency of the installation must be supplied by the Insured in an authorised form approved by the Association or an organisation nominated by it.
- (4) The decision in respect of any allowance approved shall be immediately announced by official notice in which the percentage of the allowance and the date from which the same is to take effect and the form of warranty be inserted in the policies shall be



specified.

- (5) In respect of automatic sprinkler installation for risks with sums insured between RM10 million and RM30 million and subject to the Rules for Self-Rating under Section 17 of the Tariff, member companies may allow a maximum discount depending on whether the insured does or does not have full control of the system i.e. at 12.5% or 6.25% respectively and subject to the sprinkler system being set on automatic mode, in working condition and applicable to fully sprinklered risks only. Any discount in excess of this maximum levels stated herein can only be determined by the Rating Committee upon submission of full documentation by the applicant company.
- (6) The following rules are applied in respect of FEA discounts to be given to the Insured:-
 - a) in respect of tenants/owners who have full control and responsibility to maintain the FEA installation and/or responsibility to install and maintain the system i.e. tenants/owners with full control over the FEA system including conducting the required regular tests of the equipment, a full FEA discount as provided in the Fire Tariff may be allowed.
 - b) in respect of those tenants/owners who do not have control and maintenance responsibility for the FEA system installed in the insured premises, a discount of half the tariff discount for sprinkler systems may be allowed for such tenants/owners. (Note: This discount is not allowable for other than sprinkler systems).

In addition, it must be warranted that the insured premises must be sprinklered and the insured must obtain yearly inspection reports of the Fire Authorities from the owners of the building. The inspection reports are to be lodged with the insurer annually.

Maintenance requirements IX

The sprinkler system must be maintained and tested weekly in accordance with the PIAM Automatic Sprinkler Installation Weekly Test Card as outlined below :-

- 1) Inspection must be carried out by a designated personnel to ensure that :
 - the sprinkler heads are free from paint, white wash or other coating.
 - the sprinkler heads are not obstructed by storage of goods etc. and sufficient clearance must be maintained below sprinkler heads.
 - the sprinkler water storage tank is clean without debris inside, the water level indicators and ball valve are in good condition and the water level is adequate.
 - all the control valves in the sprinkler system are secured in their appropriate position.
 - power supplies, batteries and battery chargers are in good condition and the battery water level topped up if necessary.
 - fuel, oil and coolant levels topped up if necessary.
- 2) The pumps must be tested for manual starting and automatic starting. The pumps must be run for the recommended period to reach maximum operating temperature.
- 3) The turbine alarm (alarm gong) and electric alarm (transmitted direct to Fire Station) must be tested to ensure that these are in good working condition.

In addition to the above weekly maintenance procedures, a flow test must be carried out on a monthly basis to ensure that the sprinkler system is capable of providing sufficient flow and pressure at the highest and most remote parts of the protected premises.

Note: Immediate notice must be given to the Company should the water supply(ies) be turned off or the sprinkler installation(s) be rendered inoperative from any cause.

- (7) The following are the forms of Warranty prescribed :-
 - (i) **For insertion in policies in the case of sprinkler allowances where the whole of the appliances are under the control of the Insured :**

FEA WARRANTY X

The Insured hereby warrants that there is in the aforesaid an approved automatic sprinkler installation complying with Maintenance requirements IX and internal appliances according to General requirements I (Portable Extinguishers and/or Buckets) for the extinction of fires and that during the currency of this Policy such installation shall be kept in proper working order and the pumpsets are put on automatic mode at all times. No liability shall attach to the Company under this Policy unless the terms of this warranty are complied with.

In consideration of the above warranty and subject to periodic reports as prescribed in the duly authorised form as to the efficiency of the installation an allowance on the premium of per cent is made to the Insured.

- (ii) **For insertion in policies in the case of sprinkler allowances where the appliances are not wholly under the control of the Insured :-**

FEA WARRANTY XI

The Insured hereby warrants that there is in the aforesaid an approved automatic sprinkler installation complying with Maintenance requirements IX and internal appliances according to General requirements I (Portable Extinguishers and/or Buckets) for the extinction of fires and that during the currency of this Policy such installation under his/their control shall be kept in proper working order. No liability shall attach to the Company under this Policy unless the terms of this warranty are complied with.

In consideration of the above warranty and subject to periodic reports as prescribed by the Association in the duly authorised form as to the efficiency of the installation being supplied by the Insured for approval by the Company an allowance on the premium of per cent is made to the Insured.



SECTION 2 : FIRE CONSEQUENTIAL LOSS

Subject to the Insuring Agreement of the Policy and to the specific terms of this Section 2, (i.e. the Term of this Section), the Company agrees that if the building or other property or any part thereof used by the Insured at the Premises for the purpose of the Business be destroyed or damaged by:-

- 1) Fire,
- 2) Lightning,
- 3) Explosion, in a building in which gas is not generated and which does not form part of any gasworks, of gas used therein for illuminating or domestic purposes.

destruction or damage so caused being hereinafter termed Damage at any time during the Period of Insurance or any subsequent period in respect of which the Company agrees to accept the premium required for the renewal of this Policy and the Business carried on by the Insured at the premises be in consequence thereof interrupted or interfered with, then the Company will pay to the Insured in respect of in the items covered in Section 2 of the

Policy Schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provisions therein contained.

Provided that at the time of the happening of the Damage there shall be in force an insurance covering the interest of the Insured in the property at the premises against such Damage, under Section 1, and that payment shall have been made or liability admitted t under such insurance.

And that the liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon or in the whole the total sum insured hereby or such other sum or sums as may hereafter be substituted therefore by memorandum signed by or on behalf of the Company.

CONDITIONS

1. MISDESCRIPTION

If there be any material misdescription of the Business or Premises to which this insurance refers 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 Section 2.

2. PREMIUM PAYMENT

No payment in respect of any premium shall be deemed to be payment to the Company unless a printed form of receipt for the same signed by an Official or duly appointed Agent of the Company shall have been given to the Insured.

3. OTHER INSURANCE

The Insured shall give notice to the Company of any insurance or insurances already effected, or which may subsequently be effected, covering any of the loss hereby insured against and unless such notice be given and the particulars of such insurance or insurances be stated in or endorsed on this Policy by or on behalf of the Company before the occurrence of any Damage, all benefits under this Policy shall be forfeited.

4. DISPLACEMENT

Immediately upon any fall or displacement

- (a) of any building Damage to which might give rise to a claim under this Section 2;
- (b) of any part of such building;
- (c) of the whole or any part of any range of buildings or of any structure of which such building forms part.

The insurance under this Section 2 shall cease in respect of loss resulting from Damage to such building or property

therein **PROVIDED THAT -**

- (i) Such fall or displacement is of the whole or a substantial or important part of such building or impairs the usefulness of such building or any part thereof or leaves such building or any part thereof or any property contained therein subject to increased risk of Damage or is otherwise material;
- (ii) Such fall or displacement is not caused by Damage, loss resulting from which is covered by this Section 2 or would be covered if such building or range of buildings or structure were included in the Premises to which this Section 2 refers

If any claim be made upon this Section 2 in consequence of Damage whether occurring before, during or after such fall or displacement the Insured shall produce such proof as may reasonably be required that the loss was not, either in origin or in extent, directly or indirectly, proximately or remotely; occasioned by or contributed to by any such fall or displacement and did not either in origin or extent, directly or indirectly, proximately or remotely, arise out at or in connection with any such fall or displacement.

5. EXCLUDED INTERRUPTION LOSS

The Company shall not be liable in so far as the interruption loss is increased:-

- a) by extraordinary events taking place during the interruption,
- b) by restrictions imposed by the authorities on the reconstruction or operation of the business,
- c) due to the Insured's lack of sufficient capital for timely restoration or replacement of property destroyed, damaged or lost.



6. EXCLUDED COVER

This insurance does not cover:-

Loss occasioned by or happening through or in consequence of:-

- (a) The burning of property by order of any Public Authority,
- (b) Subterranean Fire,
- (c) Explosion except as stated on the Policy,
- (d) The burning, whether accidental or otherwise, of forests, bush, prairie, pampas or jungle and the clearing of lands by fire,
- (e) Damage to property occasioned by its own fermentation, natural heating or spontaneous combustion or by its undergoing any heating or drying process.

7. EXCLUDED COVER

This insurance does not cover any loss resulting from Damage which either in origin or extent is directly or indirectly, proximately or remotely, occasioned by or contributed to by any of the following occurrences, or which, either in origin or extent, directly or indirectly, proximately or remotely, arises out of or in connection with any of such occurrences namely:-

- (a) Earthquake, volcanic eruption, typhoon, hurricane, tornado, cyclone or other convulsion of nature or atmospheric disturbance,
- (b) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), mutiny, riot, civil commotion, insurrection, rebellion, revolution, conspiracy, military or usurped power, martial law or state of siege, or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.
- (c) Loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material.
- (d) Loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
- (e) Any act of Terrorism

For this purpose an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

Any loss resulting from Damage happening during the existence of abnormal conditions (whether physical or otherwise), directly or indirectly, proximately or remotely, occasioned by or contributed to by or arising out of or in connection with any of the said occurrences shall be deemed to be loss not covered by this insurance, except to the extent that the insured shall prove that such Damage happened independently of the existence of such abnormal conditions.

In any action, suit or other proceeding, where the Company alleges that by reason of the provisions of this condition any loss is not covered by this insurance the burden of proving that such loss is covered shall be upon the insured.

8. CHANGE IN RISK

The insurance by this Section 2 shall cease if:-

- (a) the Business be wound up or carried on by a Liquidator or Receiver or permanently discontinued, and/or
- (b) the Insured's interest cease otherwise than by death, and/or
- (c) any alteration be made either in the Business or in the Premises or property therein whereby the risk of Damage is increased, at any time after the commencement of this insurance, unless its continuance be admitted by memorandum signed by or on behalf of the Company.

9. INCREASE IN RISK

Notice shall be given to the Company and, if required, an additional premium paid, if the rate of premium payable in respect of the insurance covering the interest of the Insured in the property at the Premises against Damage shall be increased.

10. CANCELLATION

This insurance may be terminated at any time at the request of the insured, in which case the Company will retain the customary short period rate for the time the Section 2 has been in force. This insurance may also at any time be terminated at the option of the Company on notice to that effect being given to the Insured, in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.

11. CLAIM PROCEDURE

On the happening of any Damage in consequence of which a claim is or may be made under this Section 2, the Insured shall forthwith give notice thereof to the Company and shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss and in the event of a claim being made under this Section 2 shall, not later than thirty days after the expiry of the Indemnity Period or within such further time as the Company may in writing allow, at his own expense deliver to the Company in writing a statement setting forth particulars of his claim, together with details of all other insurances (if any) covering the Damage or any part of it or consequential loss or any kind resulting therefrom. The Insured shall at his own expense produce, procure and give to the Company such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonably be required by or on behalf of the Company for the purpose of investigating or verifying the claim together with a declaration on oath or in other legal form of the truth of the claim and of any



matters connected therewith. No claim under this Section 2 shall be payable unless the terms of this condition have been complied with and in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the Company forthwith.

12. FRAUD

If the claim be in any respect fraudulent, or if any false declaration be made or used in support thereof, or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this Policy; or if the Damage be occasioned by the wilful act, or with the connivance of the insured; or, if the claim be made and rejected and an action or suit be not commenced within three months after such rejection, or (in case of an arbitration taking place in pursuance of the 15th Condition of this Section 2) within three months after the Arbitrator or Arbitrators or Umpire shall have made their award, all benefit under this Policy shall be forfeited.

13. CONTRIBUTION

If at the time of any loss under this Section 2 there be any other subsisting insurance, whether effected by the insured or by any other person or persons covering such loss or any part of it, the Company shall not be liable to pay or contribute hereunder more than its rateable portion of such loss.

14. SUBROGATION

The Insured shall, at the expenses of the Company, do and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated, upon its paying for any loss under this Section 2, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

15. ARBITRATION

If any difference arises as to the amount of any loss such difference shall independently of all other questions be referred to the decision of an Arbitrator to be appointed in writing by the parties in difference, or, if they cannot agree upon a single Arbitrator, to the decision of two disinterested persons as Arbitrators, of whom one shall be appointed in writing by each of the parties within two calendar months after having been required so to do in writing by the other party. In case either party shall refuse or fail to appoint an Arbitrator within two calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole Arbitrator; and in case of disagreement between the Arbitrators, the difference shall be referred to the decision of an Umpire who shall have been appointed by them in writing before entering on the reference and who shall sit with the Arbitrators and preside at their Meetings. The death of any party shall not revoke or affect the authority or powers of the Arbitrator, or Arbitrators or Umpire respectively, and in the event of the death of an Arbitrator or Umpire, another shall in each case be appointed in his stead by the party or Arbitrators (as the case may be) by whom the Arbitrator or Umpire so dying was appointed. The cost of the reference and of the award shall be at the discretion of the Arbitrator, Arbitrators or Umpire making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such Arbitrator, Arbitrators or Umpire of the amount of the loss if disputed shall be first obtained.

16. REINSTATEMENT OF SUM INSURED

In consideration of the Insured undertaking to pay an additional premium at the agreed rate on the amount of loss calculated on a pro rata basis from the date of such loss to the expiry of the correct period of insurance, it is agreed that in the event of loss the insurance hereunder shall be maintained in force for the full sum insured.

17. TIME LIMITATION

In no case whatever shall the Company be liable in respect of any claim under this Section 2 after the expiration of

- (a) one year from the end of the Indemnity Period, or if later,
- (b) three months from the date on which payment shall have been made or liability admitted by the insurers covering the Damage giving rise to the said claim, unless the claim is the subject of pending action or arbitration.

18. MEANING

This Section 2 and the Schedule annexed (which forms an integral part of this Policy) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of the Section 2 or of the Schedule shall bear such specific meanings wherever they may appear.

19. NOTICE

Every notice and other communication to the Company required by these conditions must be written or printed.

CLAUSES AND ENDORSEMENTS **(Not applicable unless specified in the Policy Schedule)**

CL.01 - ACCOUNTANTS' CLAUSE

Any particulars or details contained in the Insured's books or documents which may be required by the Insurers under Condition 11 of this Policy for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the Insured and their report shall be prima facie evidence of the particulars and details to which such report relates.



CL.02 - ALTERNATIVE BASIS CLAUSE

It is agreed and declared that in the event of a claim, adjustment may be based on 'Turnover or Output' whichever affords the most equitable result, and except in the definition of turnover the word "Turnover" wherever used in this Policy shall read as 'Turnover or Output'. 'Output' shall mean sale value of goods manufactured by, or sold by, the Insured in the course of the Business at the Premises, provided that: (a) only one such meaning shall be operative in connection with any one occurrence involving damage as within defined. (b) if the meaning set out in this Clause be used, the Alternative Trading Clause shall be held to be altered to read as follows:-

Alternative Trading Clause

If during the Indemnity Period goods shall be manufactured elsewhere than at the Premises affected by the damage for the benefit of The Business either by the Insured or by others on the Insured's behalf the sale value of the goods so manufactured shall be brought into account in arriving at the output during the Indemnity Period.

CL.03 - ACCUMULATION OF STOCK CLAUSE

In adjusting any loss account shall be taken and an equitable allowance made if any shortage of turnover due to the damage is postponed by reason of the turnover being temporarily maintained from accumulated stocks of finished goods in warehouses and/or depots.

CL.04 - DEPARTMENTAL CLAUSE

If the business be conducted in departments the independent trading results of which are ascertainable the provisions of Clauses (a) and (b) of Item 1 of the specifications attached shall apply separately to each Department affected by the damage except that if the Sum Insured by the said item be less than the aggregate of the Sums produced by applying the rate of Gross Profit for each department of the business (whether affected by the damage or not) to the relative annual output thereof, the amount payable shall be proportionately reduced.

CL.05 - INTERDEPENDENCY CLAUSE

It is hereby expressly declared and agreed that if damage to any of the joint Insured's premises/property should result in another of the Insured suffering a reduction in turnover or increase in cost of working then such loss is deemed to be covered by this Policy notwithstanding that no material damage was sustained by the latter premises/property.

Note : The Interdependency Clause may only be used for joint insureds who stand in the relationship as parent and subsidiary companies.

CL.06 - MATERIAL DAMAGE PROVISIO WAIVER CLAUSE

It shall not be a condition precedent to liability in respect of interruptions or interference in consequence of destruction or damage that the payment shall have been made or liability admitted under the Insurance covering the interest of the Insured in the property at the premises against such destruction or damage if no such payment shall have been made nor liability admitted solely owing to the operation of a proviso in such insurance excluding liability for losses below a specified amount.

CL.07 - PAYMENT ON ACCOUNT CLAUSE

Payment on account will be made to the Insured if desired provided that it is established that the loss is indemnifiable under this Policy.

CL.08 - SALVAGE SALES CLAUSE

If, following damage giving rise to a claim under this Policy, the Insured shall hold a salvage sale during the Indemnity Period, Clause (a) of Item No.1 of the specifications attached shall for the purpose of such claim read as follows:-

- (a) IN RESPECT OF REDUCTION IN TURNOVER: the sum produced by applying Rate of Gross Profit to the the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) shall in consequence of the damage, fall short of the Standard Turnover from which sum shall be deducted from the Gross Profit actually earned during the period of the salvage sale.

CL.09 - UPWARD ADJUSTMENT CLAUSE

In the event of the *Gross Profit/Gross Rental/Gross Revenue earned during any annual period of insurance (or during the accounting period of 12 months more nearly concurrent with any period of insurance) as certified by the Insured's Auditors being greater than the Sum Insured thereon, the Insured will be held covered to the extent of.....% of the Sum Insured thereof and pro-rata additional premium not exceeding..... % of the premium paid on such Sum Insured for such period of insurance will be charged in respect of the difference.

N.B. The maximum percentage of upward adjustment shall be limited to 25% only. An additional premium calculated at 75% of the upward adjustment percentage shall be imposed. This additional premium shall be treated as provisional, and shall be adjusted in accordance to the actual *Gross Profit/Gross Rental/Gross Revenue earned as certified by the Insured's auditors.

- To delete appropriately.

CL.10 – NEW BUSINESS CLAUSE

For the purpose of any claim arising from damage occurring before the completion of the first year's trading of the business at the premises, the terms, 'Rate of Gross Profit' 'Annual Turnover' and 'Standard Turnover' shall bear the following meanings and not as within stated:-

Rate of Gross Profit

Rate of Gross Profit
The rate of gross profit earned on the turnover during the Period between the commencement of the business and the date of the damage

Annual Turnover

The proportional equivalent for
The period of twelve months
Turnover realised during
The period between the
Commencement of the business
And the date of the damage

Standard Turnover

The proportional equivalent for a period equal to the Indemnity period, of the Turnover realised during the period between the commencement of the business and the date of the damage

to which such adjustment shall be made as may be necessary to provide for the trend of the business and the variations in or special circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the damage

After twelve months of trading have been completed the normal specification wording operates.

N.B.: The gross profit specification wordings is shown as an example only. Member companies are required to substitute other wordings used other than gross profit.

CL 11 PROPERTY DAMAGE CLARIFICATION AGREEMENT

Property damage covered under this Agreement shall mean physical damage to the substance of property. Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure. Consequently, the following are excluded from this Agreement :

- A. Loss or damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered.
- B. Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs and any business interruption losses resulting from such loss or damage

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

CL 12 WAR & TERRORISM EXCLUSION ENDORSEMENT

This endorsement cancels and replaces Policy condition 7(e) thereof.

Notwithstanding any other provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- (1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- (2) any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

If the Company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.



CL13 SANCTION EXCLUSION CLAUSE

No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the insurer to any sanction, prohibition or restriction under the United Nations' Security Council resolutions (UNSC) or the trade or economic sanctions, laws or regulations of the European Union or the United States of America."

EXTENSIONS

(Not applicable unless specified in the Policy Schedule)

EP.1 - PUBLIC UTILITIES CLAUSE

In consideration of the payment of additional premium it is hereby declared that subject to the conditions of the Policy, loss as insured by this Policy resulting from interruptions of or interference with the business consequent upon failure of public supplies of electricity/water/gas resulting from a damage as defined in the Policy at any:-

- generating station or substation of the public electricity supply undertaking,
- land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith,
- water works or pumping station or the public water supply undertaking,

from which the Insured obtains electricity/water/ gas* shall be deemed to be loss resulting from damage to property used by the Insured at the premises. Any transmission lines or pipes feeding to the Insured's premises are not included.

A deliberate act of the supply undertaking not performed for the purpose of safeguarding life or protecting the system and rationing not necessitated solely by accidental damage to the supply undertaking's equipment are excluded.

PROVIDED that the Insurers shall not be liable for any loss insured by this extension unless failure of the public supplies of electricity exceeds a period of seventy-two (72)* hours and the liability of the insurer under this extension shall apply only to such period in excess of seventy-two (72)* hours.

* Delete as appropriate.

EP.2 - PREVENTION OF ACCESS

In consideration of the payment of an additional premium which is included in the premium hereon it is hereby agreed and declared that subject to the conditions of the Policy, loss as insured by Item(s) No(s)..... of this Policy resulting from interruptions of or interference with the business in consequence of damage by insured peril (as within defined) to property in the vicinity of the Insured's premises which shall prevent or hinder the use thereof or access thereto, whether the premises or property of the insured therein shall be damaged or not, shall be deemed to be loss resulting from damage to property used by the insured at the premises

EP.3 - INFECTIOUS OR CONTAGIOUS DISEASES, MURDER, SUICIDE, PEST, FOOD OR DRINK POISONING; OR DEFECTIVE SANITARY ARRANGEMENTS

It is hereby agreed and declared that the insurance of this Policy is extended to cover contingencies hereunder specified: -

- (i) Human infectious or contagious disease manifested within any person whilst in the Premises
- (ii) Murder or suicide or pest occurring at the Premises
- (iii) Injury or illness sustained by any person arising from or traceable to foreign injurious matter in the food or drink provided on the Premises
- (iv) Vermin or pests at the Premises
- (v) Defects in the drains and other sanitary arrangements at the Premises

which directly and solely results in the restriction of use of the Premises (whether total or partial) by the order of the competent public authority.

Any interruption of or interference with the Business of the Insured in accordance with the provisions herein contained in the Schedule shall be deemed to be DAMAGE as defined .

SPECIAL CONDITIONS

1. Notifiable Disease or illness shall mean illness sustained by any person resulting from –
 - a) food or drink poisoning, or
 - b) any human infectious or human contagious disease [excluding Acquired Immune Deficiency Syndrome (AIDS)] an outbreak of which the competent local authority has stipulated shall be notified to them.
2. For the purpose of this memorandum:
Indemnity Period shall mean the period during which the results of the Business shall be affected in consequence of the occurrence or discovery or accident, beginning: -
 - a) in the case of (i) , (iv) and (v) above, with the date of the occurrence or discovery
 - b) in the case of (ii) and (iii) above, with the date from which the restrictions on the Premises are applied and ending not later than when restrictions are lifted or Maximum Indemnity Period thereafter, whichever is the shorter period.

Maximum Indemnity Period shall meanmonths

Premises shall mean only those locations stated in the Premises definition; in the event that the policy includes an extension



which deems loss destruction or damage at other locations to be an Incident such extension shall not apply to this memorandum.

3. The Insurer shall not be liable under this memorandum for any costs incurred in the cleaning, repair, replacement, recall or checking of property.
4. The Insurer shall only be liable for the loss arising at those Premises which are directly affected by the occurrence discovery or accident.
5. The Insurer's liability under this memorandum shall not exceed 10% of Sum Insured or RM10 million, whichever is lower in any one period of insurance, after the application of all other terms and conditions of the policy.

PROVIDED that the Insurers shall not be liable for any loss insured by this extension unless interruption of or interference with the Business of the Insured exceeds a period of seventy-two (72) hours and the liability of the insurer under this extensions shall apply only to such period in excess of seventy-two (72) hours.

EP.4 - SPECIFIED SUPPLIERS' PREMISES

In consideration of the payment of an additional premium which is included in the premium hereon it is hereby agreed and declared that, subject to the conditions of the Policy, loss as insured by Items(s) No. (s)of this policy resulting from interruptions of or interference with the business in consequence of damage (as within defined) to property at the undernoted situations shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Provided that the liability under this memorandum in respect of any one location under (each of) Item(s) Nos(s).....shall not exceed the percentage of the sum insured thereunder shown against each situation.

Situations	Limit
_____	_____
_____	_____

EP.5 - UNSPECIFIED SUPPLIERS' PREMISES

In consideration of the payment of an additional premium which is included in the premium hereon it is hereby agreed and declared that, subject to the conditions of the Policy, loss as insured by Items(s) No. (s)of this policy resulting from interruptions of or interference with the business in consequence of damage (as within defined) to property at the undernoted situations shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Provided that the liability under this memorandum in respect of any one location shall not exceed..... the percentage of the sum insured thereunder.

Situations:

The premises situate in Malaysia, Singapore or Brunei of the insured's suppliers, manufacturers or processors of components, goods and materials.

EP.6 - SPECIFIED CUSTOMERS' PREMISES

In consideration of the payment of an additional premium which is included in the premium hereon it is hereby agreed and declared that subject to the conditions of the Policy, loss as insured by Item(s) No(s)..... of this policy resulting from interruptions or interference with the business in consequence of damage (as within defined) to property at any premises in Malaysia, Singapore or Brunei of the under-noted customer(s) shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Provided that if the percentage shown below against the name of the Customer at whose premises damage has occurred shall be less than the percentage of the annual turnover derived by the insured from that customer, the amount otherwise payable under the terms of this memorandum in respect of that customer shall be proportionately reduced.

Customer	Percentage
_____	_____
_____	_____

SPECIAL PERILS

(Not applicable unless specified in the Policy Schedule)

SP.1 - RIOT, STRIKE & MALICIOUS DAMAGE ENDORSEMENT

It is hereby agreed and declared that notwithstanding anything in the within written Policy contained to the contrary the term Damage as defined in this Policy shall extend to include (subject always to the Special Conditions hereinafter contained):



(A) Riot and Strike damage directly caused by :-

- (1) The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in Condition 7 of the Special Conditions hereof.
- (2) The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimising the consequences of any such disturbance.
- (3) The wilful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out.
- (4) The action of any lawfully constituted Authority in preventing or attempting to prevent any such act or in minimising the consequences of any such act.

(B) Malicious Damage directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) not being an act amounting to or committed in connection with an occurrence mentioned in Condition 7 of the Special Conditions hereof.

SPECIAL CONDITIONS

For the purpose of this endorsement but not otherwise there shall be substituted for the respectively numbered Conditions of the Policy the following:-

Condition 6.

This insurance does not cover:-

- (a) Loss resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation, other than that arising directly from destruction of or damage to the Premises or the property therein of the Insured caused by the perils insured against under this Policy.
- (b) Loss occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted Authority.
- (c) Loss occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building.
- (a) Loss occasioned by or happening through or in consequence of damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material.
- (e) Loss occasioned by or happening through or in consequence of damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contamination by radio activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this Condition 6(e) only, combustion shall include any self-sustaining process or nuclear fission.

Provided nevertheless that the Company is not relieved under (b) or (c) above of any liability to the Insured in respect of loss following physical damage to the Premises or the property therein of the Insured occurring before dispossession or during temporary dispossession.

Condition 7.

This insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:-

- (a) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) civil war.
- (b) Mutiny, civil commotion assuming the proportions of or amounting to popular arising, military rising, insurrection, rebellion, revolution, military or usurped power.
- (c) Act of terrorism committed by a person or persons acting on behalf or in connection with any organisation.

For the purpose of this Condition, "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.

In any action, suit or other proceeding, where the Company alleges that by reason of the provisions of this Condition any loss or damage is not covered by this Insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

Condition 10

This insurance may at any time be terminated by the Company on notice to the effect being given to the Insured, in which case the Company shall be liable to repay a rateable proportion of the premium for the unexpired term from the date of cancellation. If the insurance be terminated at the request of the Insured the Company shall not be liable to repay the premium or any part of it.

PROVIDED THAT it is hereby further expressly agreed and declared that:-

- (1) The liability of the Company shall in no case under this endorsement and the Policy exceed the sum insured by the Policy.
- (2) All the conditions of this Policy shall apply in all respects to the insurance granted by this extension save in so far as the same are expressly varied by the above Special Conditions.

The Special Conditions herein shall apply only to the insurance granted by this extension and the Conditions of the Policy shall apply in all respects to the insurance granted by the Policy as if this endorsement had not been made thereon.

SP2 – ADDITIONAL PERILS ENDORSEMENT

It is hereby agreed and declared that notwithstanding anything in the within written Policy contained to the contrary the term Damage as defined in this Policy shall extend to include destruction or damage (by fire or otherwise) caused by the following perils as covered under the corresponding Material Damage Insurance Policy No.



- (a) Aircraft and other aerial devices or articles dropped therefrom
- (b) Earthquake and volcanic eruption
- (c) Hurricane, cyclone, typhoon, windstorm
- (d) Flood (including overflow of the sea)
- (e) Explosion but excluding loss or damage to boilers, economizers or other vessels, machinery or apparatus in which pressure is used or their contents resulting from their explosion
- (f) Impact by any road vehicles, animals not belonging to or under the control of the Insured, or any member of his family, or any person in and upon the Insured's service or Impact by any road vehicles, animals including any road vehicles, horses or cattle belonging to or under the control of the Insured, or any member of his family, or any person in and upon the Insured's service
- (g) Bursting or overflowing of water tanks, apparatus or pipes installed in or on the premises insured but excluding water Discharged or leaking from an installation of automatic sprinklers
- (h) Bush/lalang fire
- (i) Subsidence and/or heave of the site on which the buildings stand or land belonging thereto, or landslip
- (j) Fire only caused by spontaneous fermentation, heating or combustion or Spontaneous fermentation, heating or combustion
- (k) Smoke damage due to a sudden, unusual and faulty operation of any heating or cooking unit, only when such unit is Connected to a chimney by exhaust pipe or vent pipe, but not smoke from fire-laces or industrial apparatus
- (l) water or other fire extinguishing agent accidentally discharged or leading from any automatic sprinkler installation and/or drencher and/or fire suppression or extinguishing installation or apparatus
- (m) loss or damage to property occasioned by its undergoing any heating or drying process, but excluding loss or damage due to smoke, fumes, scorching, charring, chemical reaction, change of state or original composition, or discoloration.

Provided that the liability of the Company shall in no case under this Endorsement and the policy exceed the sum insured by this Policy.

All the conditions of this Policy shall apply in all respects to the insurance granted by this Endorsement save in so far as the same are expressly varied hereunder.

SP3 – ADDITIONAL PERILS ENDORSEMENT

It is hereby agreed and declared that notwithstanding anything in the within written Policy contained to the contrary the term Damage as defined in this Policy shall extend to include destruction or damage (by fire or otherwise) caused by the following perils as covered under the corresponding Material Damage Insurance Policy No.

Provided that the liability of the Company shall in no case under this Endorsement and the policy exceed the sum insured by this Policy.

All the conditions of this Policy shall apply in all respects to the insurance granted by this Endorsement save in so far as the same are expressly varied hereunder.

Note* : The additional perils endorsement wordings (a) or (b) to be used where applicable.

MANDATORY CLAUSES AND WARRANTY APPLICABLE TO THE POLICY:-

DATE RECOGNITION CLAUSE

It is noted and agreed this policy is hereby amended as follows :

- A. The Company will not pay for any loss or damage including loss of use with or without physical damage, injury (including bodily injury), expenses incurred or any consequential loss directly or indirectly caused by, consisting of, or arising from, the failure or inability of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the Insured or not, and whether occurring before, during or after the year 2000 that results from the failure or inability of such device and/or software as listed above to:
 - 1. correctly recognize any date as its true calendar date ;
 - 2. capture, save, or retain, and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date other than as its true calendar date; and/or
 - 3. capture, save, retain, or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.
- B. It is further understood that the Company will not pay for the repair or modification of any part of any electronic data processing system or any part of any device and/or software as listed above in A.
- C. It is further understood that the Company will not pay for any loss or damage including loss of use with or without physical damage, injury (including bodily injury), expenses incurred or any consequential loss directly or indirectly arising from any advice, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Insured or for the Insured or by or for others to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in A above.
- D. It is further understood that the Company will not pay for any consequential loss resulting from any continuing inability of the computer and equipment described in A above to correctly recognize any date as its true calendar date after the loss or damaged property has been replaced or repaired.



Such loss or damage, injury (including bodily injury), expenses incurred or any consequential loss referred to in A, B, C or D above, is excluded regardless of any other cause that contributed concurrently or in any other sequence to the same.

Saving Clause

This endorsement shall not exclude subsequent loss or damage or consequential loss which itself results from an insured peril as defined in the policy.

Subject otherwise to the terms and conditions of the policy.

PREMIUM WARRANTY ENDORSEMENT

It is a fundamental and absolute Special Condition of this contract of insurance that the premium due must be paid and received by the Insurer within sixty (60) days from the inception date of this Policy/Endorsement/Renewal Certificate.

If this condition is not complied with then this contract is automatically cancelled and that the Insurer shall be entitled to the pro-rata premium for the period they have been on risk.

Where the premium payable pursuant to this warranty is received by an authorised agent of the Insurer, the payment shall be deemed to be received by the Insurer for the purposes of this warranty and the onus of proving that the premium payable was received by a person, including an insurance agent, who was not authorised to receive such premium shall lie on the Insurer.

SUBJECT OTHERWISE TO THE TERMS AND CONDITIONS OF THIS POLICY.

LIST OF SPECIFICATIONS WORDINGS

SW.01 - GROSS PROFIT DIFFERENCE BASIS WORDINGS

SPECIFICATION referred to in Section 1 in the name of _____ and forming an integral part of that policy

ITEM NO

SUM INSURED

1. ON GROSS PROFIT

THE INSURANCE UNDER ITEM NO. 1 is limited to loss of Gross Profit due to (a) REDUCTION IN TURNOVER and (b) INCREASE IN COST OF WORKING and the amount payable as Indemnity thereunder shall be:-

- (a) IN RESPECT OF REDUCTION IN TURNOVER: The sum produced by applying the Rate of Gross profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the damage fall short of the Standard Turnover.
- (b) IN RESPECT OF INCREASE IN COST OF WORKING: The additional expenditure (subject to the provisions of the Uninsured Standing Charges Clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the damage but not exceeding the sum produced by applying the Rate of Gross profit to the amount of the reduction thereby avoided:

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business payable out of Gross Profit as may cease or be reduced in consequence of the damage:

provided that if the Sum Insured by this Item be less than the sum produced by applying the rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

DEFINITIONS

GROSS PROFIT

The amount by which the sum of the Turnover, Closing Stock Shall exceed the sum of Opening Stock, Work-in-progress and the Specified Working Expenses.

N. B. 1

The amount of the Opening and Closing Stocks shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation.

N. B. 2

The words and expressions used in this Definition shall have the meaning usually attached to them in the books and accounts of the Insured unless otherwise defined in this Specification.

SPECIFIED WORKING EXPENSES

As per Memo attached.



TURNOVER	The money (less discount allowed) paid or payable to the Insured for goods sold and delivered and for services rendered in course of the business at the premises.
INDEMNITY PERIOD	The period beginning with the occurrence of the damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the business shall be affected in consequence of the damage.
MAXIMUM: INDEMNITY PERIOD:	As specified in the policy schedule

RATE OF GROSS PROFIT - The rate of Gross Profit earned on the turnover during the financial year immediately before the date of damage.	) to which such adjustment shall be
	) made as may be necessary to provide
	) for the the trend of the business and for
	) variations in or special circumstances
	) affecting the business either before or
	) after the damage or which would have
	) affected the business had the damage
	) not occurred so that the figures thus
	) adjusted shall represent as nearly as
	) may be reasonably practicable the
	) results which but for the damage would
	) have been obtained during the relative
	) period after the damage
)
)
ANNUAL TURNOVER - The Turnover during the twelve months immediately before the date of the damage	
STANDARD TURNOVER - The Turnover during that period in the twelve months immediately before the date of the damage which corresponds with Indemnity Period	

Alternative Trading Clause. If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales of services shall be brought into account in arriving at the Turnover during the Indemnity Period.

Uninsured Standing Charges Clause. If any standing charges of the business be not insured by this policy (having been deducted in arriving at the Gross Profit defined herein) then in computing the amount recoverable hereunder as Increase in Cost of Working that proportion only of the additional expenditure shall be brought into account which the Gross Profit bears to the sum of the Gross Profit and all the Uninsured Standing Charges.

Premium Adjustment Clause. In the event of the Gross Profit (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) earned during the accounting period of twelve months most nearly concurrent with any period of insurance as certified by the Insured's Auditors, being less than the sum insured thereon a pro-rata return of premium not exceeding fifty per cent (50%) of the premium paid on such sum insured for such period of insurance will be made in respect of the difference. If any damage shall have occurred giving rise to a claim under this section, such return shall be made in respect only of so much of the said difference as is not due to such damage.

This Premium Adjustment Clause is only valid for twelve (12) months from the date of expiry of the Policy.

SW.02 – DUAL BASIS WAGES WORDING

SPECIFICATION referred to in Section 1 in the name of _____ and forming an integral part of that policy

Item No.	Sum Insured
1.	ON WAGES

THE INSURANCE UNDER ITEM NO. 1 is limited to loss in respect of Wages and the amount payable as indemnity thereunder shall be:

(a) INRESPECT OF REDUCTION IN TURNOVER:

- during the Initial Period: the sum produced by applying the Rate of Wages to the shortage in Turnover during such period less any saving during such period through reduction in consequence of the damage in the amount of Wages paid.
- during the remaining portion of the Indemnity Period: the sum produced by applying the Rate of Wages to the shortage in Turnover during such

period less any saving during period through reduction in consequence of the damage in the amount of Wages paid but not exceeding the sum produced by applying the remainder percentage of the Rate of Wages to the shortage in Turnover during the said remainder portion of the Indemnity Period increased by such amount as is deducted for savings under the terms of Clause (i).

Note: At the option of the Insured the Alternative Period may be substituted for the Initial Period provided that the amount arrived at under the provisions of Clause (a) (ii) shall not exceed such amount as is deducted under Clause (a) (i) for savings effected during



the Alternative Period.

(b) IN RESPECT OF INCREASE IN COST OF WORKING:

so much of the additional expenditure described in Clause (b) of the relative gross profit item as exceeds the amount payable thereunder:

but not more than the additional amount which would have been payable in respect of Reduction in Turnover under the provisions of Clause (a) (i) and (ii) of this item had such expenditure not been incurred:

Provided that if the Sum Insured by this Item be less than the sum produced by applying the Rate of Wages to the Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable under this Item shall be proportionately reduced.

DEFINITIONS

INDEMNITY PERIOD	The Period beginning with the occurrence of the damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the business shall be affected in consequence of the damage
MAXIMUM INDEMNITY PERIOD	As specified in the policy schedule
INITIAL PERIOD	The portion of the Indemnity Period beginning with the occurrence of the damage and ending not later than _____ weeks thereafter. (as per Memo attached)
REMAINDER PERCENTAGE	_____ PER CENT (as per Memo attached)
ALTERNATIVE PERIOD	The portion of the Indemnity Period beginning with the occurrence of the damage and ending not later than _____ weeks thereafter.
WAGES	The remuneration (including EPF contribution, SOCSO, bonuses, holiday pay or other payments pertaining to Wages) of all employees.
RATE OF WAGES	The Rate of Wages to Turnover during the financial year immediately before the date of the damage to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or after the damage or circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the damage.
TURNOVER	The money (less discount allowed) paid or payable to the Insured for goods sold and delivered and for services rendered in course of the business at the premises
ANNUAL TURNOVER	The Turnover during the twelve months immediately before the date of the damage.
STANDARD TURNOVER	The Turnover during that period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period.
SHORTAGE IN TURNOVER	The amount by which the Turnover during a period shall in consequence of the damage fall short of the part of the Standard Turnover which relates to that period.

Alternative Trading Cause. If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

Uninsured Standing Charges Clause. If any standing charges of the business be not insured by this policy (having been deducted in arriving at the Gross Profit as defined herein) then in computing the amount recoverable hereunder as Increase in Cost of Working that proportion only of the additional expenditure shall be brought into account which the Gross Profit bears to the sum of the Gross Profit and all the Uninsured Standing Charges.

Premium Adjustment Clause. In the event of the Wages (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) earned during the accounting period of twelve months most nearly concurrent with any period of insurance as certified by the Insured's Auditors, being less than the sum insured thereon a pro-rata return of premium not exceeding fifty per cent (50%) of the premium paid on such sum insured for such period of insurance will be made in respect of the



difference. If any damage shall have occurred giving rise to a claim under this section, such return shall be made in respect only of so much of the said difference as is not due to such damage.

This Premium Adjustment Clause is only valid for twelve (12) months from the date of expiry of the Policy.

SW.03 – GROSS PROFIT ADDITON BASIS WORDINGS

SPECIFICATION referred to in Section 1 in the name of _____ and forming an integral part of that policy

Item no.	Sum Insured
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1. ON GROSS PROFIT

THE INSURANCE UNDER ITEM NO. 1 is limited to loss of Gross Profit due to (a) REDUCTION IN TURNOVER and (b) INCREASE IN COST OF WORKING and the amount payable as Indemnity thereunder shall be:

- (a) **IN RESPECT OF REDUCTION IN TURNOVER:** The sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the damage fall short of the Standard Turnover:
- (b) **IN RESPECT OF INCREASE IN COST OR WORKING:** The additional expenditure (subject to the provisions of the Uninsured Standing Charges Clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided:

less any sum saved during the Indemnity Period in respect of such of the Insured Standing Charges as may cease or be reduced in consequence of the damage:

provided that if the Sum Insured by this Item be less than the Sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

DEFINITIONS

GROSS PROFIT The sum produced by adding to the Net Profit the amount of the Insured Standing Charges or if there be no Net Profit the amount of the Insured Standing Charges less such a proportion of any net trading loss as the amount of the Insured Standing Charges bears to all the Standing Charges of the business.

NET PROFIT The net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all standing and other charges including depreciation but before the deduction of any taxation chargeable on profits.

INSURED STANDING CHARGES As per Memo attached

TURNOVER The money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the business at the premises.

INDEMNITY PERIOD The period beginning with the occurrence of the damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the business Shall be affected in consequence of the damage.

MAXIMUM INDEMNITY PERIOD As specified in the policy schedule

RATE OF GROSS PROFIT - The rate of Gross Profit earned on the turnover during the financial year immediately before the date of damage.) to which such adjustment shall be made
) as may be necessary to provide for the
) the trend of the business and for variations in or
) special circumstances affecting the business
) either before or after the damage or which
) would have affected the business had

ANNUAL TURNOVER - The Turnover during the twelve months immediately before the date of the damage) the damage not occurred so that the figures
) thus adjusted shall represent as nearly
) as may be reasonably practicable the
) results which but for the damage would
) have been obtained during the relative
) period after the damage.

STANDARD TURNOVER - The Turnover during that period in the twelve months immediately before the date of the damage which corresponds with Indemnity Period)
)
)
)



Alternative Trading Clause. If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales of services shall be brought into account in arriving at the Turnover during the Indemnity Period.

Uninsured Standing Charges Clause. If any standing charges of the business be not insured by this policy then in computing the amount recoverable hereunder as Increase in Cost of Working that proportion only of the additional expenditure shall be brought into account which the sum of the Net Profit and the Insured Standing Charges bears to the sum of Net Profit and all the Standing Charges.

Premium Adjustment Clause. In the event of the Gross Profit (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) earned during the accounting period of twelve months most nearly concurrent with any period of insurance as certified by the Insured's Auditors, being less than the sum insured thereon a pro-rata return of premium not exceeding fifty per cent (50%) of the premium paid on such sum insured for such period of insurance will be made in respect of the difference. If any damage shall have occurred giving rise to a claim under this section, such return shall be made in respect only of so much of the said difference as is not due to such damage.

This Premium Adjustment Clause is only valid for twelve (12) months from the date of expiry of the Policy.

SW.04 – GROSS REVENUE WORDING

SPECIFICATION referred to in Section 1 in the name of _____ and forming an integral part of that policy

Item no.	Sum Insured
1. ON GROSS REVENUE	

THE INSURANCE UNDER ITEM NO. 1 is limited to (a) LOSS OF GROSS REVENUE and (b) INCREASE IN COST OF WORKING and the amount payable as Indemnity thereunder shall be:

- (a) IN RESPECT OF LOSS OF GROSS REVENUE: The amount by which the Gross Revenue during the Indemnity Period shall in consequence of the damage fall short of the Standard Gross Revenue.
- (b) IN RESPECT OF INCREASE IN COST OF WORKING: The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the damage but not exceeding the amount of the reduction hereby avoided:

less any sum saved during the Indemnity Period in respect of such of the Working Expenses and Standing Charges of the business as may cease or be reduced in consequence of the damage:
provided that if the Sum Insured by this Item be less than Annual Gross Revenue (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

DEFINITIONS

INDEMNITY PERIOD The period beginning with the occurrence of the damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the business shall be affected in consequence of the damage.

MAXIMUM INDEMNITY PERIOD As specified in the Policy Schedule

GROSS REVENUE The money paid or payable to the Insured in respect of work done and services rendered in the course of the business at the premises, excluding

STANDARD GROSS REVENUE

The Gross Revenue during that Period in the twelve months immediately before the date of damage which corresponds with the Indemnity Period

ANNUAL GROSS REVENUE

The Gross Revenue during the twelve months immediately before the date of the damage

-) to which such adjustments shall be made as
-) may be necessary to provide for the the
-) trend of the business and for variation in or
-) other special circumstances affecting the
-) business either before or after the damage
-) or which would have affected the business
-) had the damage not occurred so that the
-) figures thus adjusted shall represent as
-) nearly as may be reasonably practicable the
-) results which but for the damage would
-) have been obtained during the relative
-) period after the damage

Alternative Trading Clause. If during the Indemnity Period work shall be done or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of



such sales of services shall be brought into account in arriving at the Revenue during the Indemnity Period.

Premium Adjustment Clause. In the event of the Gross Revenue (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) earned during the accounting period of twelve months most nearly concurrent with any period of insurance as certified by the Insured's Professional Accountants being less than the sum insured thereon a pro-rata return of premium not exceeding fifty per cent (50%) of the premium paid on such Sum Insured for such period of insurance will be made in respect of the difference. If any damage shall have occurred giving rise to a claim under this policy such return shall be made in respect only of so much of the said difference as is not due to such damage.

This Premium Adjustment Clause is only valid for twelve (12) months from the date of expiry of the Policy

SW.05 – STANDING CHARGES ONLY WORDING

SPECIFICATION referred to in Section 1 in the name of _____ and forming an integral part of that policy

Item no. Sum Insured

1. ON STANDING CHARGES ONLY

THE INSURANCE UNDER ITEM NO. 1 is limited to loss in respect of INSURED STANDING CHARGES due to (a) REDUCTION IN TURNOVER and (b) INCREASE IN COST OF WORKING and the amount payable as Indemnity thereunder shall be:

- (a) **IN RESPECT OF REDUCTION IN TURNOVER:** The sum produced by applying the Rate Payable to the amount by which the Turnover during the Indemnity Period shall in consequence of the damage fall short of the Standard Turnover:
- (b) **IN RESPECT OF INCREASE IN COST OR WORKING:** The additional expenditure (subject to the provisions of the Uninsured Standing Charges Clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided:

less any sum saved during the Indemnity Period in respect of such of the Insured Standing Charges as may cease or be reduced in consequence of the damage:

provided that if the Sum Insured by this Item be less than the sum produced by applying the Rate Payable to the Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

DEFINITIONS

NET PROFIT	The net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the Insured at the Premises after due provision has been made for all standing and other charges including Depreciation but before the deduction of any taxation chargeable on profits
INSURED STANDING CHARGES	The amount for the undermentioned Insured Standing Charges, or if the business is showing a net trading loss the amount of the said Insured Standing Charges less such a proportion of any net trading loss as the amount of the Insured Standing Charges bears to all the Standing Charges of the business
LIST OF INSURED STANDING CHARGES	As per Memo attached
TURNOVER	The money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the business at the premises.
INDEMNITY PERIOD	The period beginning with the occurrence of the damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the business shall be affected in consequence of the damage.
MAXIMUM INDEMNITY PERIOD	As specified in the policy schedule



RATE PAYABLE - The percentage that the insured Standing charges bears to the Turnover during the financial year immediately before the date of damage.

ANNUAL TURNOVER - The Turnover during the twelve months immediately before the date of the damage

STANDARD TURNOVER - The Turnover during that period in the twelve months immediately before the date of the damage which corresponds with Indemnity Period

) to which such adjustment shall be made
) as may be necessary to provide for the
) the trend of the business and for variations in or
) special circumstances affecting the business
) either before or after the damage or which
) would have affected the business had the
) damage not occurred so that the figures) thus
) adjusted shall represent as nearly as may be
) reasonably practicable the results which but for
) the damage would have been obtained during
) the relative period after the damage
)

Alternative Trading Clause. If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales of services shall be brought into account in arriving at the Turnover during the Indemnity Period.

Uninsured Standing Charges Clause. If any standing charges of the business be not insured by this policy (having been deducted in arriving at the Gross Profit defined herein) then in computing the amount recoverable hereunder as Increase in Cost of Working that proportion only of the additional expenditure shall be brought into account which the Gross profit bears to the sum of the Gross profit and all the Uninsured Standing Charges.

SW.06 – GROSS RENTAL

SPECIFICATION referred to in Section 1 in the name of _____ and forming an integral part of that policy

Item no.	Sum Insured
1. ON GROSS RENTAL	

THE INSURANCE UNDER ITEM NO. 1 is limited to (a) LOSS OF GROSS RENTAL and (b) INCREASE IN COST OF WORKING and the amount payable as Indemnity thereunder shall be:

- (a) **IN RESPECT OF LOSS OF GROSS RENTAL:** The sum by which the Gross Rental during the Indemnity Period shall in consequence of the damage fall short of the Standard Gross Rental
- (b) **IN RESPECT OF INCREASE IN COST OR WORKING:** The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Loss of Gross Rental which but for that expenditure would have taken place during the Indemnity Period in consequence of the damage but not exceeding the amount of the reduction in Gross Rental thereby avoided:

less any sum saved during the Indemnity Period in respect of such of the expenses and charges payable out of Gross Rental as may cease or be reduced in consequence of the damage:

provided that if the Sum Insured by this Item be less than the Annual Gross Rental (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

DEFINITIONS

GROSS RENTAL	The money paid or payable to the insured by tenants in respect of rental of the Premises.
INDEMNITY PERIOD	The period beginning with the occurrence of the damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the business shall be affected in consequence of the damage.
MAXIMUM INDEMNITY PERIOD	As specified in the policy schedule

STANDARD GROSS RENTAL

The Gross Rental during the period corresponding with the Indemnity Period in the twelve months immediately before the date of damage which corresponds with the Indemnity Period

) to which such adjustments shall be made as
) may be necessary to provide for the
) the trend of the business and for variations in
) or other circumstances affecting the business
) either before or after the damage or which
) would have affected the business had
) the damage not occurred so that the figures
) thus adjusted shall represent as nearly
) as may be reasonably practicable the results
) which but for the damage would have been
) obtained during the relative period after the
) damage
)

ANNUAL GROSS RENTAL

The Gross Rental during the twelve months immediately before the date of the damage



Alternative Trading Clause. If during the Indemnity Period the business shall be conducted elsewhere than at the premises the money paid or payable to the Insured in respect of rent at such other premises shall be brought into account in arriving at the Gross Rental during the Indemnity Period.

Premium Adjustment Clause. In the event of the Gross Rental (or a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) during the accounting period of twelve months most nearly concurrent with any period of insurance as certified by the Insured's auditors being less than the sum insured thereon a pro-rata return of premium not exceeding fifty per cent (50%) of the premium paid on such sum insured for such period of insurance will be made in respect of the difference. If any damage shall have occurred giving rise to a claim under this policy such return shall be made in respect only of so much of the said difference as is not due to such damage.

This Premium Adjustment Clause is only valid for twelve (12) months from the date of expiry of the Policy.

SW.07 – 100% WAGES

SPECIFICATION referred to in Section 1 in the name of _____ and forming an integral part of that policy

Item No.	Sum Insured
1.	ON WAGES

THE INSURANCE UNDER ITEM NO. 1 is limited to loss in respect of WAGES due to (a) Reduction in Turnover and (b) Increased in Cost of Working, and the amount payable as indemnity thereunder shall be:

- (a) IN RESPECT OF REDUCTION IN TURNOVER: The sum produced by applying the Rate of Wages to the amount by which the turnover during the Indemnity Period shall in consequence of the damage fall short of the Standard Turnover.
- (b) IN RESPECT OF INCREASE IN COST OR WORKING: The additional expenditure (subject to the provisions of the Uninsured Standing Charges Clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the damage but not exceeding the sum produced by applying the Rate of Wages of the reduction thereby avoided:

less any sum saved during the Indemnity Period if Wages shall cease or be reduced in consequence of the damage. It being understood that allowances to employees retained in the insured's services during the Indemnity Period while unable to work in consequence of the damage shall be treated as wages paid:

provided that if the Sum Insured by this Item be less than the sum produced by applying the Rate of Wages to the Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

DEFINITIONS

WAGES The remuneration (including EPF contribution, SOCSO, bonuses, holiday pay or other payments pertaining to payroll) of all employees other than those whose remunerations is treated as salaries in the Insured's book of accounts

INDEMNITY PERIOD The period beginning with the occurrence of the damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the business shall be affected in consequence of the damage.

MAXIMUM INDEMNITY PERIOD As specified in the policy schedule.

RATE OF WAGES The Rate of Wages earned on the Turnover during the financial year immediately before the date of the damage	<ul style="list-style-type: none">) to which such adjustments shall be made) as may be necessary to provide for the) the trend of the business and for variations) in or other circumstances affecting the) business) either before or after the damage or which) would have affected the business had) the damage not occurred so that the figures) as may be reasonably practicable the) results which but for the damage would) have been obtained during the relative) period after the damage
ANNUAL TURNOVER The Turnover during the twelve months immediately before the date of the damage	

Alternative Trading Clause. If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

Uninsured Standing Charges Clause. In computing the amount recoverable hereunder as Increase in Cost of Working, that proportion only of the additional expenditure incurred in respect of the Indemnity Period shall be brought into account which the



amount of Wages bears to the sum of Net Profit and all the Standing Charges and Wages.

SW.08 – INCREASED COST OF WORKING ONLY

SPECIFICATION referred to in Section 1 in the name of _____ and forming an integral part of that policy

Item No.	Sum Insured
1. ON INCREASE IN COST OF WORKING ONLY	

The insurance under Item No. 1 is limited to Increase in Cost of Working and the amount payable as Indemnity thereunder shall be:

The additional expenditure necessarily and reasonably incurred by the insured during the Indemnity Period and in consequence of the damage for the sole purpose of avoiding or diminishing a reduction in Turnover or for the purpose of resuming or maintaining normal business operation:

less any sum saved during the Indemnity Period in respect of any revenue expenditure as may cease or be reduced in consequence of the damage : provided always that the liability of the Company shall not exceed:

- (a) in respect of the first month of the Indemnity Period 40 per cent of the amount insured by this item:
- (b) in respect of the second month of the Indemnity period 20 per cent of the amount insured by this item:
- (c) in respect of the subsequent months of the Indemnity period 10 per cent of the amount insured by this item:

but if the expenditure for the first and second month of the Indemnity Period is less than the limits specified above the unexhausted balance may be utilized by the insured in the subsequent months of the Indemnity Period.

DEFINITIONS

INDEMNITY PERIOD The Period beginning with the occurrence of the damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the business shall be affected in consequence of the damage.

MAXIMUM INDEMNITY PERIOD As specified in the policy schedule.

TURNOVER The money (less discount allowed) paid or payable to the Insured for goods sold and delivered and for services rendered in course of the business at the premises.

SW.09 – PRO-RATA WAGES

SPECIFICATION referred to in Section 1 in the name of _____ and forming an integral part of that policy

Item No.	Sum Insured
1. ON WAGES	

THE INSURANCE UNDER ITEM NO. 1 is limited to loss incurred by the insured by the payment of Wages for a period beginning with the occurrence of the damage and ending not later than the Indemnity Period.

The amount payable as indemnity under this item shall be the actual amount which the insured shall pay as wages for such period to employees whose services cannot in consequence of the damage be utilised by the insured at all and an equitable part of the wages paid for such period to employees whose services cannot in consequence of the damage be utilised by the insured to the full:

Provided that if the sum insured by this item be less than the aggregate amount of the wages that would have been paid during the Maximum Indemnity Period immediately following the damage had the damage not occurred the amount payable shall be proportionately reduced.

DEFINITIONS

WAGES The remuneration (including EPF contribution, SOCSO, bonuses, holiday pay or other payments pertaining to payroll) of all employees other than those whose remunerations is treated as salaries in the insured's book of accounts

INDEMNITY PERIOD The period beginning with the occurrence of the damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the business shall be affected in consequence of the damage.

MAXIMUM INDEMNITY PERIOD As specified in the policy schedule.



SW.10 – BOOK DEBTS

SPECIFICATION referred to in Section 1 in the name of _____ and forming an integral part of that policy

Item No.

Sum Insured

1.ON BOOK DEBTS

The Insurance under Item No.1 is limited to the loss sustained by the Insured in respect of Book Debts shown in the Insured's record of Account Receivable, directly due to the damage and the amount payable in respect of any one occurrence of damage shall not exceed: -

- (i) the difference between
 - (a) Book Debts
 - and
 - (b) the total of the amounts received or traced in respect thereof
- (ii) the additional expenditure incurred with the previous consent of the company in tracing and establishing customer's debit balance after the damage;

provided that if the Sum Insured by this Item be less than the Book Debts the amount payable shall be proportionately reduced.

DEFINITIONS

BOOKS DEBTS The total declared in the statement last given under the provisions of Memo 1 adjusted for:-

- (a) bad debts;
- (b) amount debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the damage) to customer's account in the period between the date to which said last statement relates and the date of the damage, and
- (c) any abnormal conditional of trade which had or could have had as material effect on the business, so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have obtained at the date of the damage had the damage not occurred.

CUSTOMERS' ACCOUNTS This insurance applies to outstanding debit balances derived from accounts of all room guest on credit or otherwise, F & B guest on credit; travel agent on credit; international credit card companies and other trade debtors

WARRANTY It is warranted that the Insured's books of account or other business books or records or computer storage media in which customers' account are shown shall be kept in fire resisting safes and cabinets.

Memo 1 The Insured shall within thirty days of the end of each month deposit with the Company a signed statement showing the total amount outstanding in customers' accounts as set out in the Insured's accounts as the end of the said month.

On expiry of each period of insurance the actual premium shall be calculated at the rate per cent annum on the average amount insured, i.e. the total of the sum declared divided by the number of declarations. If the actual premium shall be less than the First premium (or in the case of the second and subsequent periods of insurance the Annual Premium) the difference shall be repaid to the Insured, but such repayment shall not exceed one-half of the First or Annual Premium respectively.

If the amount of declaration exceeds the sum insured applicable at the date of such declarations, then for the purpose of this memorandum only, the Insured shall be deemed to have declared such sum insured.

In consideration of the insurance not being reduced by the amount of any loss the Insured shall pay the appropriate extra premium on the amount of the loss from the date thereof to the date of the expiry of the period of insurance.

SW.11 – ADDITIONAL INCREASE COSTS OF WORKING

The insurance under Item No. _____ is limited to such further additional expenditure beyond that recoverable under clause (b) of Item No. _____ on gross profit and item No. _____ on wages/ payroll as the as the insured shall necessarily and reasonably incur during the indemnity period in consequence of the damage for the purpose of avoiding or diminishing the reduction in turnover

SW.12 – AUDITORS' FEES CLAUSE

The insurance under Item No. _____ of this Policy is limited to reasonable fees payable by the Insured to their Auditors for producing and certifying any particulars or details contained in the Insured's books of account or other business books or documents or such other proofs, information or evidence as may be required by the Company under the terms of condition 11 of this policy



SW.13 – 100% WAGES AND SALARIES ON PAYROLL BASIS WORDING

SPECIFICATION referred to in Section 1 in the name of _____ and forming an integral part of that policy

Item No. _____ **Sum Insured**

1. ON PAYROLL

THE INSURANCE UNDER ITEM NO. 1 is limited to loss in respect of Payroll due to (a) Reduction in Turnover and (b) Increase in Cost of Working, and the amount payable as indemnity thereunder shall be:

- (a) IN RESPECT OF REDUCTION IN TURNOVER: the sum produced by applying the Rate of payroll to the amount by which the turnover during the Indemnity Period shall in consequence of the damage fall short of the Standard Turnover.
- (b) IN RESPECT OF INCREASE IN COST OF WORKING: the additional expenditure (subject to the provisions of the Uninsured Standing Charges Clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the damage but not exceeding the sum produced by applying the Rate of Payroll to the amount of the reduction thereby avoided:

Less any sum saved during the Indemnity Period if Payroll shall cease or be reduced in consequence of the damage. It being understood that allowances to employees retained in the insured's services during the indemnity period while unable to work in consequence of the damage shall be treated as payroll paid:

Provided that if the sum insured by this Item be less than the sum produced by applying the Rate of Payroll to the Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable under this Item shall be proportionately reduced.

DEFINITIONS

PAYROLL	The remuneration (including employee provident fund, bonuses, SOCSO contributions , pensions insurance costs or other payments pertaining to payroll) of all employees
WAGES	payments made to employees who are concerned with production and all others whose remuneration is not included as salaries.
SALARIES	payments made usually weekly or monthly to staff permanently employed and whose duties are not directly concerned with production or, if so are in an executive capacity.
INDEMNITY PERIOD	the period beginning with the occurrence of the damage and ending not later than the Maximum Indemnity Period thereafter during which the results of the business shall be affected in consequence of the damage.
MAXIMUM INDEMNITY PERIOD	As specified in the policy schedule.

RATE OF PAYROLL

The Rate of Payroll earned on the Turnover during the financial year immediately before the date of the damage

-) to which such adjustments shall be made
-) as may be necessary to provide for the
-) the trend of the business and for
-) variations in or other circumstances
-) affecting the business either before or
-) after the damage or which would have
-) affected the business had the damage
-) not occurred so that the figures thus
-) adjusted shall represent as nearly as may
-) be reasonably practicable the results
-) which but for the damage would have
-) been obtained during the relative period
-) after the damage

ANNUAL TURNOVER

The Turnover during the twelve months immediately before the date of the damage

STANDARD TURNOVER

The Turnover during that period in the twelve months immediately before the damage which corresponds with the Indemnity Period

Alternative Trading Clause. If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.



Uninsured Standing Charges Clause. In computing the amount recoverable hereunder as Increase in Cost of Working, that proportion only of the additional expenditure incurred in respect of the Indemnity Period shall be brought into account which the amount of payroll bears to the sum of Net Profit and all the Standing Charges and Payroll.

SW.14 – NET TAKINGS BASIS

SPECIFICATION referred to in Section 1 in the name of _____ and forming an integral part of that policy

Item No.	Sum Insured
1.	ON NET TAKINGS

THE INSURANCE UNDER ITEM NO. 1 is limited to (a) Loss of Net Takings and (b) Increase in Cost of Working, and the amount payable as indemnity thereunder shall be:

- (a) IN RESPECT OF REDUCTION IN TURNOVER: the sum produced by applying the Rate of Net Takings to the amount by which the Turnover during the Indemnity Period, shall in consequence of the damage, fall short of the Standard Turnover.
- (b) IN RESPECT OF INCREASE IN COST OR WORKING: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the damage, but not exceeding the sum produced by applying the Rate of Net Takings to the amount of the reduction thereby avoided:

less any sum saved during the Indemnity Period in respect of such of the charges and working expenses of the business payable out of Net Takings as may cease or reduced in consequence of the damage:

provided that if the Sum Insured by this Item be less than the sum produced by applying the Rate of Net Takings to the Annual Turnover, the amount payable under this Item shall be proportionately reduced.

DEFINITIONS

NET TAKINGS	The amount by which the Turnover shall exceed the amount of the Purchase relative thereto.
TURNOVER	Net value of Sales made and charges for work done in course of the business at the premises.
INDEMNITY PERIOD	The period beginning with the occurrence of the damage and ending not later than months thereafter during which the results of the business shall be affected in consequence of the damage.
MAXIMUM INDEMNITY PERIOD	As specified in the policy schedule.
RATE OF NET TAKINGS	The Rate of Net Takings earned on the Turnover during the financial year immediately before the date of the damage
ANNUAL TURNOVER	The Turnover during the twelve months immediately before the date of the damage
STANDARD TURNOVER	The Turnover during that period in the twelve months immediately before the damage which corresponds with the Indemnity Period

) to which such adjustments shall be made
) as may be necessary to provide for the
) the trend of the business and for variations in or
) other circumstances affecting the business
) either before or after the damage or which
) would have affected the business had
) the damage not occurred, so that the figures
) thus adjusted shall represent as nearly
) as may be reasonably practicable the
) results which but for the damage would
) have been obtained during the relative
) period after the damage
)
)
)
)
)
)

Memo 1. If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

SECTION 3: COMBINED COVERAGES

Subject to the Insuring Agreement of the Policy and to the specific terms of this Section 3 and its sub-sections, (i.e. the Term of this Section), the Company agrees that in the event of a fortuity as described in this Section, the company will pay for all such loss or damage up to the limit specified under the sum insured provided for, for each item that is insured in the Policy Schedule.



**SUB-SECTION 3.01
ALL RISKS INSURANCE**

3.01 COVERAGE

This Subsection provides coverage for accidental loss or damage of property insured as described in the Policy Schedule, subject to the adequacy of the limits insured and to the terms of this sub-section, common sections and the terms of the Policy in whole.

3.01 CONDITIONS

Valuation

Unless otherwise provided in form attached, this Company shall not be liable beyond the actual cash value of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost the Insured to repair or replace the same with material of like kind and quality.

Reinstatement

Every claim paid hereunder reduces the amount insured by the sum so paid unless the same be reinstated by payment of additional premium thereon.

Replacement/ Repair of Parts

In the event of loss or damage to any part or parts of an insured property caused by the policy the sum recoverable shall not exceed the cost of replacement or repair of such part or parts which can include charges for forwarding the refitting, if incurred, but excluding duly unless full duty is included in the amount insured in which case any loss compounded by payment of additional duty shall be recoverable.

Machinery

In case of loss or damage to any part of the insured property consisting, when complete for sale or use, of several parts, this Company shall only be liable for the insured value of the part lost or damaged.

Sue and Labor

In case of loss or damage where it is incumbent and necessary for the Insured, his or their factors, servants and assigns, to sue, labor and travel for, in and about the defense, safeguard and recovery of the property insured hereunder, or any part thereof the Company will contribute according to the rate and quantity of the sum herein insured. No acts of the Insured or this Company, in agreeing, partaking assuming immediate measures in the act of recovering, saving and/or property insured in case of loss or damage shall be considered a waiver or an acceptance of abandonment.

Average

In the event of a loss, if the property hereby insured shall be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own Insurer for the difference, and shall bear a rateable proportion of the loss accordingly. Every item if more than one of the Policy shall be separately subject to this condition.

Loss Appraisal

In case the Insured and this Company shall fail to agree as to the amount of loss or damage, the same shall be ascertained by two competent and disinterested appraisers, the Insured and this Company each selecting one, and the two so chosen shall first select a competent and disinterested umpire; the appraisers together shall then estimate and appraise the loss, stating separately the sound values and damage, and failing to agree, shall submit their differences to the umpire; and the award in writing of any two shall determine the amount of the loss; the parties thereto shall pay the appraisers respectively selected by them, and shall bear equally the expense of the appraisal and umpire.

**SUB-SECTION 3.02
MONEY INSURANCE**

3.02 COVERAGE

This Subsection provides coverage for loss of money carried in transit to and from the bank as well as on the premises, the limits of which are as described in the policy Schedule, subject to the adequacy of the limits insured and to the terms of this sub-section, the common sections and the terms of the Policy in whole.

Coverage A – Robbery Inside the Premises

- a) To pay for loss of money and securities by robbery or attempt thereat within the premises.
- b) To Pay for damage to the premises by such robbery or attempt thereat, provided the insured is the owner thereof or is liable for such damage.

Coverage B – Robbery Outside the Premises

- a) To pay for loss of money and securities by robbery or attempt thereat outside the premises while being carried by a messenger.



Coverage C – Safe Burglary

- a) To pay for loss of money and securities from within the vault or locked safe or locked cash register or locked drawer or locked steel cabinet by burglary or attempt thereat.
- b) To pay for damage to premises caused by burglary or attempt thereat, provided that the insured is the owner of the premise or is liable for such damage as the tenant or licensee.

EXTENSION OF PERSONAL ACCIDENT INSURANCE FOR MONEY CARRIER ONLY

PERSONAL ACCIDENT BENEFIT

the Company hereby agrees to insure a maximum of two (2) employees of the Insured at any one time against bodily injury caused by violent, accidental, external and visible means during the time of collection and delivery of the money referred to in the Schedule to this Section 3.02 and subject to the Terms Exclusions and conditions of this Section 3.02, the common terms and the terms of the Policy the Company will pay to the Insured Person or in the event of death to the legal personal representative of that insured employee the sum of money so provided per the following Schedule of Compensation

SCHEDULE OF COMPENSATION

Bodily injury caused by violent, accidental, external and visible means and solely independently of any other cause, for each employee insured:-

1. Death.....	RM10,000/- each
2. Total and irrecoverable loss of all sight in both eyes	RM10,000/- each
3. Total loss by physical severance of hands or both feet or one hand & one foot.....	RM10,000/- each
4. Total loss by physical severance of one hand or one foot together with the total and recoverable loss of all sight in one eye.....	RM10,000/- each
5. Total and irrecoverable loss of all sight in one eye	RM5,000/- each
6. Total loss physical severance of one hand or one foot.....	RM5,000/- each

Special provision; A claim can only be made for one benefit (choice of items (1) to (6) above arising from one (1) incident. Furthermore, such benefit is only payable if it occurs within three (3) months of the incident date.

CONDITIONS

All certificates, information and evidence required by the Company shall be furnished at the Expense of the Insured's employee or his legal personal representative and shall be in such nature as the company may prescribe. The Insured's employee, as often as required, shall submit to medical examination on behalf of the company at its own expense in respect of any alleged bodily injury. The Company shall in the case of death of any of the Insured's employee be entitled to have a post-mortem examination at its own expenses.

SUB-SECTION 3.03 THEFT INSURANCE

3.03 COVERAGE

This Subsection provides coverage for loss or damage due to burglary or robbery or attempt thereat, as described below of all movable and immovable property of every description including office equipment, and fixtures and fittings of every description as described in the Policy Schedule, subject to the adequacy of the limits insured and to the terms of this sub-section, the common sections and the terms of the Policy in whole.

3.03 COVERAGE A – BURGLARY

1. To pay for loss of merchandise or damage to premise due to burglary of premise and/or to robbery of a watchman, while the premises are not open for business, of stock and merchandise, office and manufacturing equipment, furniture, fixtures and fittings
 - i) within the premises or
 - ii) within a showcase or show window used by the insured and located outside the premises but inside the building line of the building containing the premises or attached to said building.
2. To pay for loss of merchandise within a safe by safe burglary or attempt thereat while the premises are not open for business.
3. To pay for damage to the insured merchandise within the premises or within such showcase or show window and to the premises by such burglary, safe burglary, robbery of a watchman, or attempt thereat, provided that for damage to the premises to be recoverable the insured must be the owner thereof or is liable for such damage as the legal occupier or tenant.

3.03 COVERAGE B - ROBBERY

1. To indemnify the Insured for loss of stock and merchandise from within the premises arising from Robbery except as provided for in the Exclusions.



3.03 EXCLUSIONS

This Sub-section does not apply:

- (a) to loss due to any fraudulent, dishonest or criminal act by any insured, a partner therein, or an officer, employee, director, trustee or authorized representative thereof, while working or otherwise and whether acting alone or in collusion with others;
- (b) to loss of furs or articles containing fur which represents their principal value, by removal of such property from within a showcase or show window by a person who has broken the glass thereof from outside the premises or by an accomplice of any such person;
- (c) to loss occurring following a change in the physical condition of the risk, such as when the door or window of the premises is damaged by typhoon or during a fire in the premises;
- (d) to damage by vandalism or malicious mischief

SUB-SECTION 3.04 PLATE GLASS INSURANCE

3.04 COVERAGE

This Subsection provides coverage for the repair or replacement of plate glass signage and display units as described in the policy Schedule (including the cost of re-lettering or re-ornamentation, frame or fittings), and the additional costs of temporary replacements, shoring or propping up, due to accidental breakage subject to the adequacy of the limits insured and to the terms of this sub-section, the common sections and the terms of the Policy in whole.

Sub-section 3.04 pays only for the cost of :-

- (a) repairing or replacing frames immediately encasing and contiguous to such glass/sign boards when necessary because of such damage;
- (b) installing temporary plates in or boarding up openings containing such glass/sign boards when necessary because of unavoidable delay in repairing or replacing such damaged glass/sign boards;
- (c) removing or replacing any obstructions, other than window displays, when necessary in replacing such damaged glass/sign boards, lettering or ornamentation.

3.04 EXCLUSIONS

This Sub-section does not insure against the following events:-

- 1. Damage arising during removal or alterations to premises;
- 2. Interruption or delay or loss of business or damage of any kind occurring during the time intervening between the occurrence of a breakage and the replacement of the glass/sign boards;
- 3. Damage arising directly or indirectly from or in consequence of fire;
- 4. Damage arising directly or indirectly from or in consequence of typhoon, cyclone, hurricane, tornado, hail, earthquake, or other Convulsion of Nature and explosion. The Insured shall, if so require, and as a condition precedent to any liability of the Company, prove that the loss did not in any way arise under or through any of the above excepted circumstances or causes.

SECTION 3 COMMON TERMS & CONDITIONS

EXCLUSIONS SPECIFIC TO SECTION 3:

This Sub-section does not insure against :-

- 1. Infidelity of Insured's employees or persons to whom the insured property is entrusted.
- 2. Transportation of the property insured by Land, Air and Sea.
- 3. Loss or damage to the property insured caused by scratching, denting, marring, wear & tear, inherent vice, latent defect, deterioration, gradual depreciation, moths, insects or vermin or by the action of light or climatic conditions, rust or corrosion, or by change of temperature or humidity or failure or inadequate operation of an air-conditioning cooling or heating system howsoever caused.
- 4. Loss or damage to electrical appliances, devices, apparatus or machinery of any kind, including wiring caused by electrical current artificially generated unless fire ensues and then for this Company's proportion of loss caused by such ensuing fire.
- 5. Electrical or mechanical breakdown or derangement of plant machinery or equipment.
- 6. While the property insured is waterborne and/or in the course of being loaded or unloaded on or from any watercraft or aircraft.
- 7. Use on public roads under vehicle's own power.
- 8. Loss discovered due to inventory stock checking or loss attributed to mere disappearance. Any shortage disclosed by any inventory is not covered hereby unless such shortage can be reasonably shown to have been occasioned by a peril insured in this section. In such event, there shall be deducted from the amount thereof, when determined, an amount equal to the average shortage revealed in the last five annual physical inventories increased or decreased by the percentage of increase or decrease, if any, in the total gross sales for the twelve months period immediately preceding the date of the claim over or under (as the case may be) the average annual gross sales for the said five-year period.



9. Consequential loss or damage of any kind or description including loss of market or delay.
10. Loss or damage caused by defective design, workmanship, material, specifications or design.
11. Deeds, bonds, bills of exchange, promissory notes, money or securities for money, medals, bullion, gold, precious stones, postage stamps, collections of stamps or coins, curiosities or works of art, manuscripts or business books, plans, patterns, models or moulds drawings of designs, computer system records, contracts or other documents unless specifically mentioned.
12. Breakage of glass or articles of a brittle nature unless such breakage is caused by Fire or Theft. **(unless expressly covered by Section 3.04)**
13. Property or structures in course of demolition, construction or erection, testing/commissioning and materials or supplies in connection therewith.
14. Loss or damage caused by seizure or destruction under quarantine or customs regulations or by risks of contraband or illegal transportation or trade.
15. Loss or damage arising from abandonment or cessation of work.
16. Any willful act of the Insured or his representatives.
17. Loss due to any fraudulent, dishonest or criminal act by any insured or a partner therein, whether acting alone or in collusion with others;
18. Loss of manuscripts, books of account or records;
19. Damage by vandalism or malicious mischief;
20. Loss due to use of any key or duplicate thereof irrespective whether the key belongs to the Insured or not.
21. **CRIMINAL BREACH OF TRUST**
The Company shall not be liable for any loss or damage caused by or attributed to the act of criminal breach of trust by any person within the meaning of the definition of the offence of criminal breach of trust set out in the Penal Code.
Criminal breach of trust as defined in the Penal Code is as follows:-
"Whoever, being in any manner entrusted with property or with any dominion over property, dishonestly misappropriates or converts to his own use that property, or dishonestly uses or disposes of that property in violation of any direction of law prescribing the mode in which such trust is to be discharged, or of any legal contract, expressed or implied, which he has made touching the discharge of such trust, or willfully suffers any other person so to do, commits 'criminal breach of trust'."
22. **THEFT BY DECEPTION (CHEATING)**
The Company shall not be liable for any loss or damage caused by or attributed to the act of cheating by any person within the meaning of the definition of the offence of cheating set out in the Penal Code.
Cheating as defined in the Penal Code is as follows:-
"Whoever, by deceiving any person, fraudulently or dishonestly induces the person so deceived to deliver any property or intentionally induces the person so deceived to do or omit to do anything which he would not do or omit if he were not so deceived, and which act or omission causes or is likely to cause damage or harm to that person in body, mind, reputation or property, is said to 'cheat'."

DEFINITIONS:

For the purpose of this Section 3 :

- 1) "Burglary" means the criminal abstraction of insured property from within the insured premise by unauthorized person or persons who has made unlawful entry into or exit out of the insured premise, that is accompanied by actual force and violence as evidenced by visible marks of intrusion or exit; or through violence or threat of violence inflicted upon the owner, employee or security employed to guard the insured premise.
- 2) "Custodian" means the insured, a partner therein or an officer thereof, or any employee thereof who is in the regular service of and duly authorized by the insured to have the care and custody of the insured property within the premises, excluding any person while acting as a watchman, porter or janitor.
- 3) "Damage to glass" shall mean physical breakage of the glass or damage by chemicals whether accidentally or maliciously caused.
- 4) "Guard" means any male person not less than seventeen nor more than sixty-five years of age who accompanies a messenger by direction of the insured, but who is not a driver of a public conveyance.
- 5) "Loss" includes damage.
- 6) "Messenger" means the insured, a partner therein or an officer thereof, or any employee thereof who is in the regular service of and duly authorized by the insured to have the care and custody of the insured property outside the premises.
- 7) "Money" shall mean cash, bank noted, currency notes, cheques (other than pre-signed bank cheque whether crossed or uncrossed) postal and money orders and current postage stamps belonging to the insured for which the Insured is responsible
- 8) "Money in Transit" shall mean Money in direct transit in the custody of the insured or of a director, partner or employee of the insured or any third party authorized by the insured
- 9) "Premises" means the interior of that portion of any building at a location designated in the declarations which is occupied by the insured in conducting the business as stated therein.
- 10) "Robbery" means the taking of insured property (1) by violence inflicted upon a messenger or a custodian; (2) by putting him in fear of violence; (3) by any other overt criminal act committed in his presence and of which he was actually cognizant, provided such other act it is not committed by an officer, partner or employee of the insured; (4) from the person or direct care and custody of a messenger or custodian who has been killed or rendered unconscious; or (5) under Coverage A, (a) from within the premises by means of compelling a messenger or custodian by violence or threat of violence while outside the premises to admit a person into the premises or to furnish him with means of ingress into the premises, or (b) from a showcase or show window within the premises while regularly open for business, by a person who has broken the glass thereof from outside the



premises.

- 11) "Safe Burglary" means the criminal abstraction of insured property from within a vault or safe described in the declarations and located within the premises by a person making criminal entry into such vault or such safe and any vault containing the safe, when all doors thereof are duly closed and locked by all combination locks thereon, provided such entry shall be made by actual force and violence, of which force and violence there are visible marks made by tools, explosives, electricity or chemicals upon the exterior of (a) all of said doors of such vault or such safe and any vault containing the safe, if entry is made through such doors, or (b) the top, bottom or walls of such vault or such safe and any vault containing the safe through which entry is made, if not made through such doors, or (2) the criminal abstraction of such safe from within the premises.
- 12) "Securities" means all negotiable and non-negotiable instruments of contracts representing either money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include money.

SPECIAL WARRANTY COMMON TO SECTION 3:

A) WARRANTIES APPLICABLE TO ALL SECTIONS

1) SECURITY MEASURES:

It is a condition precedent of the liability of the Company under this Section 3 coverage that :-

- a) The insured shall take all reasonable precautions to prevent loss and damage
- b) All locks bolts intruder alarm systems and other protective devices shall be in full operation during any time the premises are left unattended or closed for business
- c) All keys are (including those relating to any part of the intruder alarm system) shall be Removed from the premises Or placed within a locked safe or strongroom in any Building provided the keys to such safe and strong room are removed from the premises during any time the premises are left unattended or closed for business

2) SET/PAIR WARRANTY

a. PAIR AND SET

It is understood and agreed that, in the event of loss of or damage to any article or articles which are a part of a set, the measure of loss or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, giving consideration to the importance of said article or articles, but in no event shall such loss or damage be construed to mean total loss of set.

b. MACHINERY

In case of loss to or damage of any part of the insured property whether complete or in parts, for sale or for use, the Company shall only be liable for the insured value of the part lost or damaged.

3) KEY CLAUSE

It is hereby declared and agreed that this Policy does not cover the loss of cash abstracted from the safe/drawer following the use of the key to the safe/drawer or any duplicate thereof belonging to the Insured unless such key has been obtained by threats or violence and that the safe/drawer be kept locked except when in immediate use.

It is further declared and agreed that key to the safe/drawer must be at all times kept by the Insured or officers responsible for their custody and such keys must not be left in the premises in which the safe are located any time they should have to go out of the premises.

B) WARRANTIES APPLICABLE ONLY IF SPECIFIED FOR THE SECTION IN THE POLICY SCHEDULE

1) BURGLARY ALARM WARRANTY

It is a condition precedent of the liability of the Company under this Section 3 coverage that :

- i) The premises containing the Insured's property are fitted with a burglar alarm system, and that no withdrawal, alteration or variation of the system, or any structural alteration which might affect the system, shall be made without the consent of the Company.
- ii) The burglar alarm system and all lock and padlock shall have been put into full and effective operation at all times when the insured's premises are closed for business and at all other appropriate times.

2) WATCHMAN WARRANTY

Warranted that the premises be guarded by a watchman or caretaker immediately the premises are closed for business or during the night between the hours of 7.00pm to 7.00am including weekend and public holidays.

SPECIAL TERMS & CONDITIONS TO SECTION 3:

1. **Policy Period Territory.** This Sub-section applies only to loss which occurs during the policy period within the premises or outside the premises but within the territorial limit of transit declared in the declarations.
2. **Limits of Liability Settlement Options.** The limit of the company's liability for loss shall not exceed the applicable limit of liability stated in the declarations, nor what it would cost at the time of loss to repair or replace or replace the property with other of like kind and quality, nor as respects securities the actual cash value thereof at the close of business on the business day next preceding the day on which the loss was discovered, nor as respects other property the actual cash value thereof at the time of loss; provided, however, the actual cash value of such other property held by the insured as a pledge, or as collateral for an advance or a loan, shall be deemed not to exceed the value of the property as determined and recorded by the insured when making the advance or loan, nor, in the absence of such record, the unpaid portion of the advance or loan plus accrued interest thereon at legal rates.

The applicable limit of liability stated in the declarations is the total limit of the company's liability with respect to all loss of property of one or more persons or organizations arising out of any one occurrence. All loss incidental to an actual or attempted fraudulent, dishonest or criminal act or series of related acts at the premises, whether committed by one or more persons, shall be deemed to arise out of one occurrence.

The company may pay for the loss in money or may repair or replace the property and may settle any claim for loss of property either with the insured or the owner hereof. Any property so paid for or replaced shall become the property of the company. Any property recovered after settlement of a loss shall be applied first to the expense of the parties in making such recovery,



with any balance applied as if the recovery had been made prior to said settlement, and loss readjusted accordingly. The insured or the company, upon recovery of any such property, shall give notice thereof as soon as practicable to the other.

Subject to the other provisions of this condition, any payment made by the company because of loss under Coverage C shall reduce the applicable limit of liability, provided the amount of such reduction shall be reinstated upon approval of the vault or safe by the company.

3. **Ownership of Property Interests Covered.** The insured property may be owned by the Insured or held by the insured in any capacity whether or not the insured is liable for the loss thereof, or may be property as respects which the insured is legally liable, provided, the insurance applies only to the interest of the insured in such property, including the insured's liability to others, and does not apply to the interest of any other person or organization in any of said property.
4. **Joint Insured.** If more than one insured is named in the declarations, the insured first named shall act for every insured for all purposes of this policy. Knowledge possessed or discovery made by any insured shall constitute knowledge possessed or discovery made by every insured.
5. **Books and Records.** The insured shall keep records of all the insured property in such manner that the company can accurately determine there from the amount of loss.
6. **Other Insurance.** If there is any other valid and collectible insurance which would apply in the absence of this policy, the insurance under this policy shall apply only as excess insurance over such other insurance; provided, the insurance shall not apply (a) to property which is separately described and enumerated and specifically insured in whole or in part by any other insurance; or (b) to property otherwise insured unless such property is owned by the insured.



SECTION 4: MACHINERY BREAKDOWN

Subject to the Insuring Agreement of the Policy and to the specific terms of this Section 4, (i.e. the Term of this Section), the Company agrees to indemnify the Insured in respect of any unforeseen and sudden physical loss or damage from causes such as defects in casting and material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short circuit, or from any other cause not specifically excluded hereinafter, in a manner necessitating repair or replacement, by payment in cash, replacement or repair (at the Company's option) up to an amount not exceeding in any one year of insurance in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum expressed in the Schedule as insured hereby.

This Section 4 shall apply to the insured items after successful completion of their performance acceptance tests whether they are at work or at rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the premises, or during subsequent re-erection.

SPECIFIC EXCLUSIONS TO SECTION 4:

The Insurers shall not be liable for:

1. the deductible stated in the Schedule to be borne by the Insured in any one occurrence; if more than one item is lost or damaged in one occurrence, the Insured shall not, however, be called upon to bear more than the highest single deductible applicable to such items.
2. loss of or damage to exchangeable tools, eg dies, moulds, engraved cylinders, parts which by their use and/or nature suffer a high rate of wear or depreciation, e.g. refractory linings, crushing hammers, objects made of glass, belts, ropes, wires, rubber tyres, operating media, eg lubricants, fuels, catalysts.
3. loss or damage due to fire, direct lightning, chemical explosion (except flue gas explosions in boilers), extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft, burglary or attempts thereat, collapse of buildings, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes.
4. loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract.
5. loss or damage caused by any faults or defects existing at the time of commencement of this Policy within the knowledge of the Insured or his representatives, whether such faults or defects were known to the Insurers or not.
6. loss or damage arising out of the wilful act or gross negligence of the Insured or his representative.
7. loss or damage as a direct consequence of the continual influence of normal operation or use (eg wear and tear, cavitation, erosion, corrosion, rust, boiler scale).
8. consequential loss or liability of any kind or description, any payments over and above the indemnity for material damage as provided herein.

PROVISIONS:

Memo 1 – Sum Insured

It shall be a requirement of this Section 4 that the sum insured is equal to the cost of replacement of the insured machinery by new machinery of the same kind and capacity, which means its cost of replacement including, eg, Freight, dues and customs duties, if any and cost of erection. If the sum insured is less than the amount required to be insured the Insurers shall pay only in such proportion as the sum insured bears to the amount required to be insured. Every item if more than one shall be subject to this condition separately.

Memo 2 – Basis of Indemnity

- (a) In cases where damage to an insured item can be repaired – the Insurers shall pay expenses necessarily incurred to restore the damaged machine to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues, if any, to the extent such expenses have been included in the sum insured. If the repairs are executed at a workshop owned by the Insured the Insurers shall pay the cost of materials and wages incurred for the purpose of repairs plus a reasonable percentage to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced, but the value of any salvage shall be taken into account.

If the cost of repairs as detailed hereinabove equals or exceeds the actual value of the machinery insured immediately before the occurrence of the damage the item shall be regarded as destroyed and settlement shall be made on the basis provided for in (b) below.

- (b) In cases where an insured item is destroyed – the Insurers shall pay the actual value of the item immediately before the occurrence of the loss including charges for ordinary freight, cost of erection and customs duties, if any, provided such expenses have been included in the sum insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the item. The Insurers shall also pay any normal charges for the dismantling of the machinery destroyed, but the salvage shall be taken into account.

Any extra charges incurred for overtime, night work, work on public holidays, and express freight shall be covered by this Section 4 only if especially agreed in writing.

The cost of any alterations, additions, improvements or overhauls shall not be recoverable under this Section 4.



The cost of any provisional repairs shall be borne by the Insurers if such repairs constitute part of the final repairs and do not increase the total cost of repair.

The Insurers shall make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be.

CONDITIONS:

1. The Insured shall on his own expense take all reasonable precautions and comply with all reasonable recommendations of the Company to prevent loss or damage and comply with statutory requirements and manufacturers' recommendations.
2. In the event of any occurrence which might give rise to a claim under this Section, the Insured shall
 - a) immediately notify the Company either by teletype (telex, telefax, telegram) or by telephone confirmed in writing, giving an indication as to the nature and extent of the loss or damage
 - b) take all reasonable steps within his power to minimize the extent of the loss or damage
 - c) preserve the parts affected and make them available for inspection by a representative or surveyor of the Company
 - d) furnish all such information and documentary evidence as the Company may require

The Company shall on no account be liable for loss or damage of which no notice has been received by the Company within 14 days of its occurrence. Upon notification being given to the Company under this condition, the Insured may carry out repairs of any minor damage or replace items which have sustained any minor damage; in all other cases a representative of the Company shall have the opportunity of inspecting the loss or damage before any repairs or alterations are effected. If a representative of the Company does not carry out the inspection within a period of time which could be considered adequate under the circumstances, the Insured shall be entitled to proceed with the repairs of replacement.

The liability of the Company under this Section in respect of any insured items shall cease if said item is kept in operation after a claim without being repaired to the satisfaction of the Company or if temporary repairs are carried out without the Company's consent.

MILLENNIUM BUG EXCLUSION ENDORSEMENT

The policy is hereby amended as follows:-

- A. The Insurer will not pay for Damage or Consequential Loss directly or indirectly caused by, consisting of, or arising from, the failure of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the insured or not, and whether occurring before, during or after the year 2000 that results from the inability to:
 1. Correctly recognize any date as its true calendar date;
 2. Capture, save, or retain and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date; and/or
 3. Capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.
- B. It is further understood that the Insurer will not pay for the repair or modification of any part of an electronic data processing system or its related equipment, to correct deficiencies or features of logic or operation.
- C. It is further understood that the Insurer will not pay for Damage or Consequential Loss arising from the failure, inadequacy, or malfunction of any advice, consultation, design evaluation, inspection installation, maintenance, repair or supervision done by the Insured or for the Insured or by or for others to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in A above.

Such damage or Consequential Loss described in A, B or C above, is excluded regardless of any other cause that contributed concurrently or in any other sequence.

All other terms, conditions and exclusions of this policy remain unchanged.

ENDORSEMENT – A2

DATA DISTORTION/CORRUPTION ENDORSEMENT (MB)

It is noted and agreed that this policy is hereby amended as follows:

The Insurer will not pay for Damage or Consequential loss directly or indirectly caused by, consisting of, or arising from:

- (A) Any functioning or malfunctioning of the internet or similar facility, or of any intranet or private network or similar facility,
- (B) Any corruption, destruction, distortion, erasure or other loss or damage to data, software, or any kind of programming or instruction set,
- (C) Loss of use or functionality whether partial or entire of data, coding, program, software, any computer or computer system or other device dependent upon any microchip or embedded logic, and any ensuing inability or failure of the Insured to conduct business.



This Endorsement shall not exclude subsequent damage or Consequential loss, not otherwise excluded, which itself results from a Defined Peril. Defined Peril shall mean: Accidental Breakdown of an Object including Mechanical and Electrical Breakdown.

This Endorsement shall not act to increase or broaden coverage afforded by this policy.

Such Damage or Consequential loss described in A, B, or C above is excluded regardless of any other cause that contributed concurrently or in any other sequence.

In consequence of all the foregoing the Annual Premium remains unaltered.

All other terms, conditions and exclusions of this policy remain unchanged.



SECTION 5: MACHINERY BREAKDOWN LOSS OF PROFIT INSURANCE

Subject to the Insuring Agreement of the Policy and to the specific terms of this Section 5 (i.e. the Term of this Section), the Company agrees that if the business carried out by the Insured at the premises specified in the Schedule is interrupted or interfered with in consequence of an accident (as hereinafter defined) of any machinery described in the list of machinery and plant insured as per Section 4 Coverage, then the Company shall in respect of each subject matter insured, indemnify the Insured against the amount of loss as hereinafter defined resulting from such interruption or interference

Provided that the liability of the Company in no case exceeds in respect of each subject matter insured in any one year of insurance the sum expressed in the schedule(s) to be insured thereon or in the whole the total sum insured hereby or such other sum or sums as may hereinafter be substituted therefor by endorsement signed by or on behalf of the Company

SPECIFIC EXCLUSIONS TO SECTION 5:

This Section shall not cover any loss resulting from interruption of or interference with the business directly or indirectly attributable to any of the following causes:

1. loss or damage due to fire, direct lightning, chemical explosion, extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft or attempts thereat, collapse of buildings, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes;
2. loss or damage due to the imposition of abnormal conditions directly or indirectly resulting from testing, intentional overloading or experiments;
3. loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;
4. loss or damage caused by any faults or defects existing at the time of commencement of this Policy within the knowledge of the Insured or his representatives, whether such faults or defects were known to the Company or not;
5. loss or damage arising out of the wilful act or gross negligence of the Insured or his representatives;
6. loss of or damage to
 - a) foundations and masonry, unless specifically included and described in the list of machinery and plant insured;
 - b) exchangeable and replaceable parts such as bits, drills, knives, saw blades;
 - c) dies, moulds, patterns, blocks, stamps, punches, coatings or engravings on cylinders and rolls;
 - d) parts which by their use and/or nature suffer a high rate of wear or depreciation such as crushing surfaces, balls, hammers, screens and sieves, engraved soft metal cylinders, wear plates, elevator and conveyor belts or bands, chains, flexible pipes, jointing and packing materials, filter cloths, parts made of glass, rubber, textile or synthetics, grinding wheels, ropes, belts, straps, cables other than electrical conductors, brushes, batteries, tyres, refractory materials, grate bars, burner jets;
 - e) operating media such as fuels, chemicals, catalysts, filter substances, heat transfer media, cleansing agents, lubricants;
7. repair or replacement necessitated by direct damage due to wear and tear, corrosion, erosion, deposits of scale, sludge or other sediment, rust or scratching of painted or polished surfaces, or by any other direct consequences of progressive or continuous influences from working or atmospheric or chemical action, but the Insurers shall be liable for any loss resulting from interruption or interference caused by damage arising from such causes and otherwise insured by this Policy;
8. shortage, destruction, deterioration of or damage to raw materials, semi-finished or finished products or other materials required for proper operation, even if the consequence of material damage to an item indicated in the list of machinery and plant insured is involved;
9. any restrictions on reconstruction or operation imposed by any public authority;
10. the Insured not having at his disposal in good time sufficient capital for repairing or replacing destroyed or damaged machinery;
11. loss of or damage to machinery, mechanical installations and their additional installations or other items which are not listed in the list of machinery and plant insured, even if the consequence of material damage to an item indicated in the list of machinery and plant insured is involved;
12. loss of business due to causes such as suspension, lapse or cancellation of a lease, license or order, etc. which occurs after the date when the machinery affected by an accident is again in operating condition and the business could have been resumed, if said lease, license or order, etc. had not lapsed or had not been suspended or cancelled.

In any action, suit or other proceeding where the Company allege that by reason of the provision of exclusions 3-5 above any loss is not covered by this Policy, the burden of proving that such loss is covered shall be upon the Insured.

PROVISIONS:

Memo 1 – Benefits from Other Premises

If during the indemnity period goods are sold or services are rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others acting on his behalf, the money paid or payable in respect of such sales or services shall be taken into account in arriving at the turnover during the indemnity period.

Memo 2 – Return of Premium

If the Insured declares at the latest six months after the expiry of any policy year that the gross profit earned during the accounting period of twelve months most nearly concurrent with any period of insurance, as certified by the Insured's auditors, was less than the sum insured thereon, a pro rata return of premium not exceeding one third of the premium paid on such sum insured for such period of insurance shall be made in respect of the difference.



If any accident has occurred giving rise to a claim under this Section, such return shall be made in respect only of so much of said difference as is not due to such incident.

Memo 3 – Relative Importance

The term “relative importance” referred to in the list of machinery and plant insured shall be the percentage effect which a breakdown of a particular machine will have on the total gross profit, disregarding any loss- minimizing measures. If in the event of an accident affecting an insured item of machinery the percentage of relative importance stated in the list of machinery and plant insured for this item is lower than the actual percentage of relative importance subsequently arrived at for the period of interruption, the Company shall only be liable to indemnify the proportion which the percentage of relative importance stated in the list of machinery and plant insured bears to the actual percentage.

Memo 4 – Overhauls

In calculating the loss, due allowance shall be made for the time spent on any overhauls, inspections or modifications carried out during any period of interruption.

Memo 5 – Benefits after Recommissioning

If during a period of six months immediately following the recommissioning of insured machinery after an accident, the Insured derives benefits from deferred sales or from increased production and/or profits as a consequence of an interruption, such benefits shall be taken into account in determining the indemnity payable under this Policy.

Memo 6 – Reinstatement of Sum Insured

For the period following the occurrence of an accident up to the end of the policy period the sum insured shall be reinstated by payment of an additional premium on a pro rata basis, such premium to be calculated from that part of the sum insured which corresponds to the indemnity paid; the agreed sum insured shall remain unaltered.

Memo 7 – Material Damage Cover Machinery Insured

The machinery described in the list of machinery and plant insured shall be covered against machinery breakdown during the currency of this Policy.

BASIS OF INSURANCE

The cover provided under this Section shall be limited to loss of gross profit due to reduction in turnover and increase in cost of working and the amount payable as indemnity hereunder shall be

- ♦ **in respect of reduction in turnover:** the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period, in consequence of the accident, falls short of the standard turnover
- ♦ **in respect of increase in cost of working:** the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the accident, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of the gross profit as may cease or be reduced in consequence of the accident,

provided that if the sum insured hereunder is less than the sum produced by applying the rate of gross profit to the annual turnover, the amount payable is proportionately reduced.

DEFINITIONS

Gross Profit	The amount by which the sum of the value of the turnover and the value of the closing stock exceed the sum of the value of the opening stock and the amount of the specified working expenses. The values of the opening and closing stocks shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation
Specified Working Expenses	the variable expenses of the business which are not insured by this Policy: <ul style="list-style-type: none"> 1 turnover and purchase taxes 2 purchases (less discount received) 3 carriage, packing and freight
Turnover	The money (less discounts allowed) paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the business at the premises
Indemnity Period and Time Excess	The period not exceeding the indemnity period limit stated in the list of machinery and plant insured commencing with the occurrence of the accident during which the results of the business are affected in consequence of such accident, provided always that the Insurers are not liable for the amount of loss arising during the time excess, such time excess to commence as from the beginning of the interruption of or interference with the business resulting in a claim under this Policy.



Rate of Gross Profit	The rate of gross profit earned on the turnover during the financial year immediately before date of accident	) to which such adjustments are made as) may be necessary to provide for the trend) of the business and for variations in or) special circumstances affecting the) business either before or after the accident) or which would have affected the business) had the accident not occurred, so that the) figures thus adjusted represent as nearly) as may be reasonably practicable the) results which but for the accident would) have been obtained during the relative period after the accident.
Standard Turnover	The turnover during that period in the twelvemonths immediately before the date of the accident which corresponds to the indemnity period	
Annual Turnover	The turnover which the Insured would have been able to obtain but for the accident during the twelve months immediately before either the date when the business is no longer affected or when the indemnity period ends, whichever occurs first.	
Accident	<p>Unforeseen and sudden physical loss or damage occurring to the insured machinery and necessitating its immediate repair or replacement due to causes such as defects in casting and material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, malice, shortage of water in boilers, physical explosion (as defined hereunder), tearing apart on account of centrifugal force, short circuit, storm, or any other cause not specifically excluded hereinafter whilst such machinery is</p> <ul style="list-style-type: none"> ◆ working or at rest ◆ being dismantled, moved or re-erected for the purpose of cleaning, inspection, repair or installation at another location within the premises, provided such machinery has successfully completed its performance acceptance tests. 	

CONDITIONS:

1. The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Insurers to prevent loss or damage and comply with statutory requirements and manufacturers' recommendations.
2. The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Insurers to prevent loss or damage and comply with statutory requirements and manufacturers' recommendations.
3. The Insured shall be obliged to keep complete records. All records, e.g. inventories, production and balance sheets, for the three preceding years shall be held in safe keeping or, as a precaution against their being simultaneously destroyed, the Insured shall keep separate sets of such records.
4. In the event of any occurrence which gives rise or is likely to give rise to a claim under this Policy, the Insured shall
 - a) immediately notify the Insurers by telephone or telegram and send them written confirmation thereof within forty-eight hours of the occurrence;
 - b) do and concur in doing and permit to be done all such things as may be reasonably practicable to minimize or establish the extent of any interruption of or interference with the business or to avoid or diminish the loss resulting therefrom;
 - c) as far as may be reasonably practicable, without causing any increase in the period of interruption or interference, take precautions to preserve any things which might prove necessary or useful by way of evidence in connection with any claim;

discontinue the use of any damaged machinery unless the Insurers authorize otherwise, and the Insurers shall not be liable in respect of any further interruption or interference arising out of the continued use of any damaged machinery without their having given their consent to such use until said machinery has been repaired to the satisfaction of the Insurers.



SECTION 6: ELECTRONIC EQUIPMENT INSURANCE

Subject to the Insuring Agreement of the Policy and to the specific terms of this Section 6 (i.e. the Term of this Section), the Company agrees that in the event of any unforeseen physical loss of or damage due to a Section 6 coverage event during the period of insurance specified in the Schedule or any renewal of that period to any part of the Items described under Section 6 of the Schedule from any cause whatsoever other than those specifically excluded, the Insurers will pay for all such loss or damage per Section 6 Coverage up to an amount not exceeding, in respect of each of the Items, the sum set opposite thereto in the Schedule and not exceeding in all the Total Sum Insured.

COVERAGE

Section 6 covers against the risk of sudden and unforeseen physical loss or damage resulting from :-

- a) negligence, improper handling, willful acts of third parties;
- b) short circuit, over voltage, induction;
- c) fire lightning, explosion or implosion, including loss or damage caused by actions required to prevent further loss or damage from any such occurrences;
- d) water, moisture, inundation;
- e) burglary, theft, robbery, plundering and sabotage;
- f) acts of God;
- g) faulty construction, error in design, defects in material, bad workmanship

EXCLUSIONS

B. The Insurer shall also not be liable for:

1. Loss or damage due to faults or defects known to the Insured or any of his responsible employees at the time of entering into this insurance and not disclosed to the Insurers;
2. Wasting or wearing away or wearing out of any part of an Insured Item caused by or naturally resulting from ordinary use or working or gradual deterioration; if an adjacent part of the Insured Item is affected by such loss or damage, the Insurers shall indemnify according to the terms of this Section 6.
3. Consequential loss of any kind or description whatsoever.

SPECIAL CONDITIONS

1. Insured Items

The Items specified in Section 6 of the Schedule shall be insured as soon and as long as they are ready for operation. The Items shall be considered as ready for operation as soon as they are prepared to take up work or already in operation upon termination of trial run and - as far as provided - upon termination of trial operation. Provided the Insured Items have once been ready for operation, they remain under insurance cover; also during maintenance, stocking, overhaul or, repair. The same shall apply when the Insured Items are subsequently dismantled or reassembled or tested in trial operation for such purposes.

Tubes and valves are only insured against loss or damage caused by:

- I. fire, lightning, explosion or implosion, including loss or damage caused by actions required to prevent further loss or damage from any such occurrences;
- II. water, moisture, inundation.

Exclusively, if and when they have been made the subject of special agreements, this Section 6 shall cover the following items:

- mobile items;
- external cables, poles and fittings for external cables;
- underground or buried cable;
- data media

The following items are not insured:

- a) electricity or power sources, unless an indemnifiable loss or damage has occurred to the Insured Item of which such electricity or power source forms a part, or to which it was temporarily attached at the time the loss was incurred.
- b) auxiliary material, expendable parts and operating media such as developing agents, typewriter ribbons, prepared papers, films, sound carriers such as magnetic tapes and discs, sound pick-up systems including stylus tips of disc recorders, screen plates and type carriers.

2. Sum Insured

The Sum Insured for each Item shall not be less than the New Replacement Cost. New Replacement Cost shall mean the current valid list price plus the respective cost for freight and installation; provided that if the Insured Item is no longer specified in price lists at a later date, the latest list price shall apply and be adapted to any change of wages and prices;

in the event that an Insured Item cannot be assigned to any list price, the respective purchase or delivery price of this Item shall apply and also be adapted to any change of wages and prices;

in the event that neither a list price nor a purchase or delivery price can be determined, the sum of those costs shall apply which in each individual case are necessary for manufacturing the Item in actual design and capacity;

Special rebates and price allowances must not be considered.



If at the time of loss of or damage to any Item insured under this Section 6 it is found that the Sum Insured is less than the New Replacement Cost then the amount recoverable by the Insured under this Section 6 shall be reduced in such proportion as the Sum Insured bears to the New Replacement Cost.

Each Item insured under this Section 6 shall be separately subject to this condition.

3. Adjustment of the Sum Insured

Should the New Replacement Cost vary by more than 5 percent as Compared with the latest fixing of the Sum Insured or change on account of an extension or alteration of the Insured Item, the Insurers shall be entitled to increase or reduce the Sum Insured accordingly.

4. Basis of Indemnity

- i) The Insurers shall at their option indemnify the Insured
 - a) either by repair or replacement of the lost, damaged or stolen Item (compensation in kind); and the replaced parts (salvaged material), shall become the property of the Insurers;
 - b) or by payment in cash of the cost required for repair or replacement (compensation in money)
- ii) If compensation is made in money, the Insurers shall pay:
 - a) in the case of Partial Loss, the actual repair costs less the value of the salvaged material; when no repair is made, the Insurers shall compensate for the estimated cost of repair, however, not more than the Actual Cash Value of the depreciated Insured Item immediately before the occurrence of the loss or damage.
 - b) in the case of an actual or constructive Total Loss, the New Replacement Cost Less the value of the salvage of the salvage material; when no replacement is made, the insurers shall compensate only for the Actual Cash Value of the depreciated Insured Item immediately before the occurrence of the loss or damage, the same shall apply in the cases specified under Special Conditions 4. iii)b).
- iii) A loss shall be deemed to be a Partial Loss if the cost of restoring the damaged Item to its former working condition (repair) plus the value of the salvaged material:
 - a) is less than the New Replacement Cost or
 - b) is less than the Actual Cash Value immediately before the occurrence of the loss or damage with regard to Items for which spare parts of series production are no longer available (Obsolete items)Otherwise the loss shall be deemed to be a Total Loss.
- iv) Furthermore, the Insurers shall compensate for necessary extra charges incurred for:
 - a) express freight;
 - b) overtime, night work, work on public holidays and Sundays.
- v) Only subject to, special agreements, compensation shall be paid for:
 - a) extra charges for air freight;
 - b) any cost for masonry, plastering, painting, earth and chisel or similar work.
- vi) The Insurers shall not pay compensation for:
 - a) any cost which would have been incurred even if the loss or damage had not occurred (e.g. for maintenance)
 - b) additional costs of any alteration or improvement of the Insured Item in connection with an insured loss event;
 - c) any other costs which by their nature or amount are not included in the Sum Insured;
 - d) the amount of the Deductibles stated in the Schedule in respect of each and every occurrence giving rise to loss or damage.
- vii) If the damaged, Item is provisionally repaired, the liability of the Insurers shall be limited to the final repair cost which would have been incurred if provisional repairs had not been made.

EXTENSION

(Not applicable unless specified in the Policy Schedule)

INCREASED COST OF WORKING (ICOW)

The Insurers hereby agree with the Insured that if any physical loss or damage insurable under Section 6 of this Policy gives rise to a total or partial interruption of the normal functions of any Item entered under Section 6 of the Schedule, the Insurers will indemnify the Insured for the actual additional expenditures as specified in the Schedule which were necessarily and reasonably incurred during the Indemnity Period for the sole purpose of avoiding or diminishing the effects of such interruptions or interference.

Particularly, this Section shall cover additional expenditures incurred for:

- a) the use of substitute items;
- b) the application of other operating or manufacturing methods;
- c) the hiring of services or the purchasing of, semi-manufactured or finished products.

SPECIFIC EXCLUSIONS UNDER ICOW:

The Insurers shall not be liable for any additional expenditures incurred as a result or consequence of:

1. any restriction imposed by any public authority concerning the reconstruction or resumption of operation;
2. the Insured not having, at his immediate disposal sufficient capital for repairing damaged or replacing lost items;
3. any alteration, improvement or overhauling of an Insured Item in connection with an insured loss event;
4. the reinstatement of damaged or lost data and programs and loss or damage to data media;
5. the discontinuance of manufacture of the lost or damaged Item or any non-availability of spare parts of series production



for such Item.

SPECIAL CONDITIONS UNDER ICOW COVERAGE:

1. Annual Sum Insured

The Annual Sum Insured under this Section shall be the total amount which the Insurers would have to pay as additional expenditures as specified in the schedule for a period of 12 months. The Annual Sum Insured shall be based on the maximum amounts agreed per day and per month as specified in the Schedule.

2. Indemnity Period

The Insurers shall be liable only for additional expenditures arising within the agreed Indemnity Period stated in the Schedule.

The Indemnity Period shall commence at the date of the earliest possible discovery of the physical loss or damage by the Insured in accordance with the technical rules, but at the latest date when additional expenditures arise.

3. Basis of Indemnity

- i The Insurers shall be liable up to an amount not exceeding the indemnification agreed per day and per Item the Indemnity Period as specified in the Schedule, however, not exceeding the amount agreed for any monthly period.
- ii The Insurers shall not be liable for such additional expenditures which would have been incurred even if there would not have been a physical loss or damage giving rise to a total or partial interruption of the normal functions of an Item entered in the Schedule, particularly if such additional expenditures result from planned or necessary alteration, improvement or overhauling work on the insured Item.
- iii Any savings in cost shall be taken into account when calculating the indemnity amount to be paid by the Insurers.
- iv The Insurers shall not be liable in respect of the amount of the Deductibles stated in the Schedule in respect of each and every occurrence giving rise to loss or damage.

ENDORSEMENTS

ENDORSEMENT 656 – INTERNAL BREAKDOWNS

It is agreed and understood that, subject to the terms, exceptions and conditions contained in the Section 6 or, endorsed thereon, the Insurers will not indemnify the Insured for costs which are usually covered by a maintenance agreement.

Especially not for costs of rectification (including costs for search and fault identification) of

1. mechanical or electrical failure, malfunction, derangement or breakdown;
2. loss or damage to individual components, printed circuit boards or other individual parts of the Insured item

Unless it can be proven that such loss or damage is the result of an external accident as far as covered under this Section 6, or fire or explosion ensues and then only for the loss or damage caused by such fire or explosion provided that the perils of fire or explosion are not excluded elsewhere in this Section .

Subject of maintenance as far as this endorsement is concerned are:

- ◆ security checks
- ◆ preventative maintenance
- ◆ repair of defects due to wear and tear
- ◆ repair of defects occurred during normal operations without external influence.

ENDORSEMENT 640 – MAINTENANCE

It is agreed and understood that, subject to the terms, exceptions and conditions contained in the Section 6 or endorsed thereon, the Insurers will indemnify the Insured for loss of or damage to the Insured Item only if the Insured has concluded a comprehensive maintenance agreement.

Nevertheless, the Insurers will not indemnify the Insured for costs which are covered by this maintenance agreement.

Especially not for costs of rectification (including the costs of search and fault identification) of

1. mechanical or electrical failure, malfunction, derangement or breakdown
2. loss or damage to individual components, printed circuit boards or other individual parts of the Insured item

Unless it can be proven that such loss or damage is the result of an external accident as far as covered under this Section 6, or fire or explosion ensues and then only for the loss or damage caused by such fire or explosion, provided that the perils of fire or explosion are not excluded elsewhere in this Section .

Subject of maintenance as far as this endorsement is concerned is:

- ◆ security checks
- ◆ preventative maintenance
- ◆ repair of defects due to wear and tear
- ◆ repair of defects occurred during normal operations without external influence.

ENDORSEMENT 102 (applicable to mobile equipment)

(Extension of Territory)

It is agreed and understood that, subject to the Terms, Exceptions and Conditions contained in the Policy or endorsed thereon, the territorial area of applicable for insurance cover is extended to provide worldwide cover.

COMPUTER VIRUS AND EXTERNAL NETWORKS ENDORSEMENT

It is understood and agreed, notwithstanding any provision to the contrary within this Policy or any endorsement thereto, the following is included:-



- This Policy does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA caused by COMPUTER VIRUS or the FAILURE OF AN EXTERNAL NETWORK or loss of use, reduction in functionality, cost or expense of whatsoever nature resulting there from, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
- ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.
- COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorised instructions or code including a set of maliciously introduced unauthorised instructions or code, programmatic or otherwise, that propagate themselves through a computer or network of whatsoever nature, COMPUTER VIRUS includes but is not limited to Trojan Horses, Worms and time or logic bombs.

FAILURE OF AN EXTERNAL NETWORK means failure of some or all services provided by an internet service provided, or telecommunications provider outside a radius of 150 meters from the insured location specified in the original policy.



STANDARD EXTENSION CLAUSES APPLICABLE TO SECTIONS 3 TO 6
(Not applicable unless specified in the Policy Schedule)

1 ALTERATIONS AND REPAIRS CLAUSE

Workmen are allowed in or about any premises herein referred to carrying out alterations and repairs without prejudice to the terms of this Insurance.

2 APPRAISEMENT CLAUSE

If the aggregate claim for any one loss does not exceed RM5,000/- or 5% of the sum insured whichever is the lesser by the item or items affected no special inventory or appraisal of the undamaged property shall be required.

3 ARMED ROBBERY AND HOLD-UP CLAUSE

It is hereby declared and agreed that this Policy is extended cover the risk of Armed/ Robbery/ Hold-up occurring during business hours. Armed robbery shall be deemed to be in felonious and forcible theft of insured property:

- (a) by violence inflicted upon any employee of the Insured.
- (b) by the placing of the Insured's employee in fear of violence
- (c) by any other overt, felonious act committed in the presence of the Insured's employees and of which the employees were actually cognizant; provided such other act is not committed by the employees of the Insured.

Mere disappearance of the property insured hereunder is not a loss covered hereby. Any shortage disclosed by any inventory is not covered hereby unless such shortage can be reasonably shown to have been occasioned by armed robbery.

Provided always that the Company's limit of liability shall not exceed RM_____ per occurrence.

4 AUTOMATIC INCLUSION CLAUSE – NEW PREMISES

It is hereby understood and agreed that this Policy is extended to provide the Insured with Automatic Coverage for new premises secured during the period of insurance.

The automatic coverage provided by this clause is limited to 10% of the Policy limit or RM1,000,000/- whichever is the lower.

In view of the Automatic Coverage being provided the Insured shall provide the Company within one month from the day the Insured acquires the premises a list containing the following information:

- (a) Construction of Building
- (b) Sum Insured

5 AUTOMATIC REINSTATEMENT OF SUM INSURED CLAUSE

In consideration of the Insured undertaking to pay an additional premium at the agreed rate on the amount of loss calculated on a pro rata basis from the date of such loss to the expiry of the current period of insurance it is agreed that in the event of loss the insurance hereunder shall be maintained in force for the full sum insured.

6 BRAND, LABEL AND TRADEMARK CLAUSE

In the case of damage to property bearing a brand, label or trademark, the sale of which in any way carries a guarantee of the Insured, the salvage value of such damaged property shall be determined after the removal in the customary manner of all brands, labels and any trademarks which might be taken to indicate that the guarantee of the manufacturer or the Insured attaches to the said property.

7 CAPITAL ADDITIONS CLAUSE (Not applicable to Stock-in-Trade or Merchandise)

This Policy hereby extends to cover alterations, additions and improvements (but not appreciation in value in excess of the sums insured) to property specified in this Policy for an amount not exceeding RM100,000/- or 10% of the Sum Insured under its respective items/ columns whichever shall be the less. It being understood that the Insured undertakes to advise the Company every three months of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

The Clause is inoperative if the declaration of such alterations, additions and improvements is not received by the Company within 90 days from the date of such alterations, additions and improvements.

For the purpose of this Clause, the inception date under the Premium Warranty shall be deemed to be the date of declaration received by the Company.

Note: In the event that there is more than one location, limit may be increased to RM500,000/-, this amount being the aggregate limit for all the locations

8 CASH IN LOCKED DRAWER/ LOCKED SAFE/ LOCKED STEEL CABINET/ CASH REGISTER/ STRONGROOM CLAUSE

Notwithstanding anything herein contained to the contrary it is hereby declared and agreed that this Policy is extended to indemnify the Insured in respect of cash in locked drawer/ locked safe/ locked steel cabinet/ cash register/ strongroom by burglary or robbery but in respect of the extended cover, the Company shall not be liable for loss directly or indirectly due to fraud or dishonesty of employees of the Insured.



It is further declared and agreed that a complete record of the amount of cash in locked drawer/ locked safe/ locked steel cabinet/ cash register/ strongroom shall be kept secure in some place other than in locked drawer/ locked safe/ locked steel cabinet/ cash register/ strongroom and that the liability of the Company shall be limited to the amount of cash shown by record to be kept in the Locked safe/strongroom at the time of loss but not exceeding in all the sum of RM_____ (as specified in the Schedule)

9 CONTRACT PRICE CLAUSE

It is agreed that in respect only of goods sold but not delivered for which the Insured is responsible and with regard to which under the conditions of sale the sale contract is by reason of loss or damage by the coverage hereby insured against cancelled, either wholly or to the extent of the loss or damage, the liability of the Company shall be based on the contract price and for the purpose of average the value of all goods to which this Clause would in the event of loss or damage be applicable shall be ascertained on the same basis.

10 COMPUTER SYSTEMS RECORDS

Computer systems records are insured only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value of the information contained therein.

11 DAMAGE TO PREMISES CLAUSE

This policy will indemnify the Insured for the cost of temporary repairs and temporary protection necessary for the safety of the property pending completion of the repairs as a result of the Burglary or any attempt thereat subject to a limit of RM2,000/- any one occurrence.

12 DAMAGE TO DRAWER/ SAFE/ STEEL CABINET/ CASH REGISTER/ STRONGROOM

It is hereby declared and agreed that this Policy is extended to indemnify the Insured against damage to drawer/ safe/ steel cabinet/ cash register/ strongroom arising from, connected with or traceable to any loss hereby insured under this Policy.

Provided that the Company has the option to indemnify by payment reinstatement or repair.

Subject to a limit of RM2,000/- any one occurrence.

13 DESIGNATION CLAUSE

For the purpose of determining where necessary the heading under which any property is insured, the Company agrees to accept the designation under which such property has been entered in the Insured's books.

14 EXPEDITING EXPENSES EXTENSION

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, this insurance shall be extended to cover extra charges for overtime, night work, work on public holidays and express freight (including air-freight).

Provided always that such extra charges are incurred in connection with any loss or damage to the Insured items recoverable under this Policy.

If the sum(s) of damaged item(s) is/are less than the amount(s) required to be insured the amount(s) required to be insured the amount payable under this endorsement for such extra charges shall be reduced in the same proportion.

Provided further that the amount payable under this endorsement in respect of this extension shall not exceed 10% of claim or maximum RM5,000/- whichever is the lesser during the Period of Insurance.

15 EMPLOYEES EFFECTS CLAUSE

It is hereby declared and agreed that this Policy is extended to cover the Insured's employees in respect of loss or damage to their clothing and personal effects arising out of any attempted robbery or theft consequent upon actual forcible and violent entry upon the Insured's premises subject to a limit of RM1,000/- any one claim and in the aggregate.

16 FIRST LOSS CLAUSE (WITH AVERAGE)

This Policy is issued as a First loss Insurance on stock and movable contents up to an amount specified in the Policy Schedule.

It is further understood and agreed that in the event of the total stock/movable contents referred to being at the time of any loss within the meaning of the Policy of greater value than the amount as above mentioned, the insured shall be considered as being their own insurers for the difference and shall bear a rateable share of the loss accordingly.

17 FIRST LOSS CLAUSE (WITHOUT AVERAGE)

This Policy is issued as a First loss Insurance on stock and movable contents up to an amount of RM (as specified in the Policy Schedule) being part of the Insured's total stock of RM (as specified in the Policy Schedule).

It is further understood and agreed that in the event of the total stock/movable contents referred to being at the time of any loss within the meaning of the Policy of greater value than the amount as above mentioned, the insured shall be considered as being their own insurers for the difference and shall bear a rateable share of the loss accordingly.



It is further understood and agreed that average clause is not applicable to this Policy.

18 ESCORT WARRANTY

Warranted that all carrying of money in transit between the Insured's premises and the banks or post offices be accompanied by armed guard escort if such carrying exceed RM_____ (as specified in the Schedule).

19 FULL THEFT (ENDORSEMENT) (SUB-SECTION 3.01)

It is hereby agreed and declared that notwithstanding anything herein contained to the contrary, this Policy extends to cover Full Theft i.e. if the Property Insured be stolen by any person or persons (other than the Insured's employees) not consequent upon forcible and violent entry upon the premises, the policy extends to cover such risks.

Notwithstanding the foregoing it is further declared that

- a) the loss must occur from a specific occurrence reported to the Company within 14 days after the event.
- b) Loss discovered at periodical checking is not covered by this extension.

It is noted and agreed that the Company shall not be liable for the first RM_____ (as specified in the Schedule) each and every claim arising from, connection with or traceable to Theft as defined above.

Provided always that the Company's liability shall not exceed RM_____ per occurrence.

20 FULL THEFT (ENDORSEMENT) (SUB-SECTION 3.03)

- i) The word "burglary" appearing in Insuring Agreement I is amended to read as "Burglary or Theft".
- ii) This endorsement does not apply to loss caused by the Insured or anyone acting on the express or implied authority of the Insured, being induced by any fraudulent scheme, trick, device or false pretense to part with title to or possession of any property.
- iii) The Insured, shall at least once in every twelve months, make a physical inventory of the merchandise insured hereunder. If the Insured has failed to make such an inventory within twelve months immediately preceding the date of the discovery of a loss occasioned by theft, such loss shall not be covered hereby.
- iv) Mere disappearance of the property insured hereunder is not a loss covered hereby. Any shortage disclosed by an inventory is not covered hereby unless such shortage can be reasonably shown to have been occasioned by theft.
- v) The definition of "**Theft**" under the named Section of this Policy is hereby revised to mean:-
 - "the felonious abstraction of insured property from within -
 - (1) the premises by a person making felonious entry therein or exit therefrom or
 - (2) a showcase or show window outside the premises by a person making felonious entry to such showcase or show windows".
- vi) It is noted and agreed that the Company shall not be liable for the first RM_____ (as specified in the Schedule) each and every claim arising from, connection with or traceable to Theft as defined above.
- vii) Subject otherwise to the terms, conditions and exceptions of this policy.
- viii) Provided always that the Company's liability shall not exceed RM_____ per occurrence.

21 HIRE PURCHASE ENDORSEMENT

It is hereby understood and agreed that the Bank or Finance Company as specified in the Schedule of this Policy (hereinafter referred to as the Owners) are the owners of the insured property and that the insured property is the subject of Hire Purchase Agreement made between the owners of the one part and the Insured of the other part. It is further understood and agreed that any payment made in respect of loss or damage (which loss or damage is not made good by repair, reinstatement or replacement) under this Policy shall be made to the Owners as long as they are owners of the insured property and their receipt shall be a full and final discharge to the Company in respect of such loss or damage.

It is also understood and agreed notwithstanding any provision in the Hire Purchase Agreement to the contrary this Policy is issued to the Insured as the Principle party and not as agent or trustee for the Owners and nothing herein shall be construed as constituting the insured an agent or trustee for the Owners or as an assignment (whether legal or equitable) by the Insured to the Owners of his rights benefits and claims under this Policy.

It is lastly understood and agreed that the Insured shall not assign his rights benefits and claims under this Policy without the prior consent in writing of the Company

Non Cancellation Clause

And it is further agreed that cancellation of the Policy shall not be effected by the Insured except upon prior notification to the Owner in writing giving fourteen (14) days notice to the last known address of the Owner.

22 INTERNAL REMOVAL CLAUSE

It is understood and agreed that in the event of removal of the property hereby insured from one building to another at any of the aforesaid situations being inadvertently not advised to the Company the insured on such property shall follow the removal and the necessary adjustments in the sums insured and premium being made as from the date of removal as soon as the oversight is discovered.

23 LEASING ENDORSEMENT

It is hereby understood and agreed that the Bank or Finance Company specified in the Schedule of this Policy (hereinafter referred to as the Lessors) are the owners of the Property insured by this Policy and that such property is the subject of a Leasing Agreement made between the Lessors of the one part and the Insured of the other part. It is further understood and agreed that any payment made in respect of loss or (which loss or damage is not made good by repair, reinstatement or replacement) under the terms of this Policy shall be made to the Lessors as long as they are the owners of the Property and their receipt shall be full and final discharge to the Company in respect of such loss or damage.



It is understood and agreed that notwithstanding any provision in the Leasing Agreement to the contrary this Policy is issued to the Insured as the Principle party and not as agent or trustee for the Lessors and nothing herein shall be construed as constituting the Insured, as agent or trustee for the Lessors or as an assignment (whether legal or equitable) by the Insured to the Lessors of his rights benefits and claims under this Policy, nothing herein shall be construed as creating any right in the Lessors to sue the Company in any capacity whatsoever for any alleged breach of its obligations hereunder.

Non Cancellation Clause

And it is further agreed that cancellation of the Policy shall not be effected by the Insured except upon prior notification to the Lessor in writing giving fourteen (14) days notice to the last known address of the Lessor.

24 LOADING & UNLOADING CLAUSE

It is hereby declared and agreed that the Policy is extended to indemnify the Insured against loss or damage to property arising out of and in the course of loading or unloading operations from a stationery vehicle including delivery or collection of the load from or to the vehicle.

Provided always that the Company' limit of liability shall not exceed RM5,000/- per occurrence.

25 MALICIOUS DAMAGE CLAUSE

It is hereby declared and agreed that the insured under this Policy is extended to include Malicious Damage which for the purpose of this extension shall mean loss of or damage to the property insured directly caused by the Malicious act of any person (whether or not such act is committed in the cause of a disturbance of the public peace).

26 MISDESCRIPTION CLAUSE

It is hereby agreed and declared that this Policy shall not be prejudiced by any alteration or misdescription of occupancy. Notice to be given to the Company immediately the Insured become aware of the same and to pay additional premium if required from the date of the inception.

27 MORTGAGEE (CHARGE) CLAUSE

Loss, if any, payable to the Bank or Finance Company specified in the Schedule as Mortgagee (Chargee) as interest may appear in this insurance, as to the interest of the Mortgagee (Chargee) only therein, shall not be invalidated by any act or neglect of the Mortgagor (Chargor) of the Owner of the within described property nor by any foreclosure or other proceedings or notice of sale relating to the property or by the occupation of the premises for purposes more hazardous than are permitted by this Policy, or by the non-occupation thereof, or by any other increase of risk taking place in the property insured hereunder. Provided that in case the Mortgagor (Chargor) or Owner shall neglect to pay any premium due under this Policy the Mortgagee (Chargee) shall on demand pay the same. Provided also that the Mortgagee (Chargee) shall notify the Company of any non-occupancy or any change of ownership or occupancy or increase of hazard which shall come to the knowledge of the said Mortgagee (Chargee) and unless permitted by this Policy it shall be noted thereon and the Mortgagee (Chargee) shall on demand pay the premium for such increased hazard for the term thereof otherwise this Policy shall be null and void.

And it is further agreed and that whenever the Company shall pay the said Mortgagee (Chargee) any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgagor (Chargor) or Owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Mortgagee (Chargee) to the extent of such payment but not so as to impair the right of the said Mortgagee (Chargee) to recover the full amount of any claim it may have on such Mortgagor (Chargor) or Owner or on any other party or parties insured hereunder or from any securities or funds available.

Note : When the interest is that of Chargee and Chargor the words in brackets are deemed to be inserted in place of Mortgagee and
Mortgagor.

Non Cancellation Clause

And it is further agreed that cancellation of the Policy shall not be effected by the Insured except upon prior notification to the Mortgagee (Chargee) in writing giving fourteen (14) days notice to the last known address of the Mortgagee (Chargee).

28 OTHER CONTENTS CLAUSE

It is agreed that the term "Other Contents" is understood to include:

- a) Money and stamps not otherwise specifically insured for an amount not exceeding RM1,000/-.
- b) Documents, manuscripts and business books but only for the value of the materials as stationery, together with the cost of clerical labour expended in writing up, and not for the value to the Insured of the information contained therein and for an amount not exceeding RM1,000/- in respect of any one document, manuscript or business book.
- c) Computer systems records but only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value to be Insured of the information contained herein for an amount not exceeding RM1,000/-.
- d) Patterns, models, moulds, plans and designs for an amount not exceeding RM1,000/- in respect of any one pattern, model, mould, plan or design

29 PAYMENT ON ACCOUNT CLAUSE

Payment on account will be made to the Insured if desired provided that it is established that the loss is indemnifiable under this Policy.



30 PORTABLE EQUIPMENT (LOSS THROUGH THEFT) CLAUSE

It is agreed and understood that, subject to the Terms, Exceptions and Conditions contained in the Policy or endorsed thereon, the Company shall indemnify the Insured for loss of, or damage to:

- a) Portable electronic equipment if used outside of the Insured Location as specified in the Policy Schedule.
- b) In the event of loss through burglary and/or theft, the Insured's deductible shall amount to 25% of the indemnifiable loss, unless otherwise stated in the policy schedule.
- c) If the Insured Item was stolen (burglary/theft) out of a vehicle, the Company shall only be liable to payment indemnity if:
 - The vehicle had a hardtop roof;
 - The vehicle was properly locked after having been parked;
 - The Insured Item was stored inside the vehicle where it was not visible from outside, e.g. the car boot, under vehicle's seat

31 REINSTATEMENT VALUE CLAUSE

It is hereby declared and agreed that in the event of the property insured under this Policy being lost, destroyed or damaged, the basis upon which the amount payable under this Policy is to be calculated shall be the cost of replacing or reinstating the property of the same kind or type but not superior to or more extensive than the property insured when new subject to the following Special Conditions and subject also to the terms and conditions of the Policy except insofar as the same may be varied hereby.

SPECIAL CONDITIONS

1. The reinstatement must be commenced and carried out within 12 months after the loss, destruction or damage or within such further time as the Company may (during the said 12 months) in writing allow otherwise no payment beyond the amount which would have been payable under the Policy if this memorandum had not been incorporated therein shall be made.
2. Until expenditure has been incurred by the Insured in replacing or reinstating the property destroyed or damaged the Company shall not be liable for any payment in excess of the amount which would have been payable under the Policy if this memorandum had not been incorporated therein.
3. If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered has been destroyed exceeds the sum insured thereon, then the Insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the Policy (if more than one) to which this Memorandum applied shall be separately subject to the foregoing provision.
4. This Memorandum shall be without force or effect if:-
 - a) The Insured fails to intimate to the Company within six (6) months from the date of destruction or damage, or such further time as the Company may in writing allow, his intention to replace or reinstate the property destroyed or damaged.
 - b) The Insured is unable or unwilling to replace or reinstate the property destroyed or damaged.
5. No payment beyond the amount which would have been payable under the Policy if this memorandum had not been incorporated therein shall be made if at the time of any destruction or damage to any property insured hereunder such property shall be covered by any other insurance effected by or on behalf of the Insured which is not upon the identical basis of reinstatement set forth therein.

32 REMOVAL OF DEBRIS

Costs and expenses necessarily incurred by the Insured with the consent of the Company in the removal of debris dismantling and/or demolishing shoring up or propping of the portion or portions of the property insured by this Policy destroyed or damaged by fire or by any other peril hereby insured against.

33 RIOT STRIKE AND CIVIL COMMOTION

It is hereby declared and agreed that this Policy extends to cover Strike, Riot and Civil Commotion damage which for the purpose of this endorsement shall mean loss of or damage to the property insured directly caused by :

- a. The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not)
- b. The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of any such disturbance.
- c. The wilful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out.
- d. The action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

PROVIDED that it is hereby further expressly agreed and declared that:-

- i) All the terms exclusions, provisions and conditions of the Policy shall apply in all respects to the insurance granted by this extension save in so far as the same are expressly varied by the following Special Conditions and any reference to loss or damage in the wording of the Policy shall be deemed to include the perils hereby insured against.
- ii) The following Special Conditions shall apply only to the insurance granted by this extension and the wording of the



Policy shall apply in all respects to the insurance granted by the Policy as if this Endorsement had not been made thereon.

SPECIAL CONDITIONS

1. This insurance does not cover : -
 - a. loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
 - b. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
 - c. loss or damage occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building.

Provided nevertheless that the Company is not relieved under (b) or (c) above of any liability to the Insured in respect of physical damage to the property insured occurring before dispossession or during temporary dispossession.

2. This insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely :-
 - a) War, invasion, act of foreign enemy, hostilities, or warlike operations (whether war be declared or not), civil war.
 - b) Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.
 - c) Any act of any person acting on behalf of or in connection with any organisation with activities directed toward the overthrow by force of the government de jure or de facto or to the influencing of it by terrorism or violence.
3. In any action, suit or other proceeding, where the Company alleges that by reason of the provisions of this Condition any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

34 TEMPORARY REMOVAL CLAUSE

It is hereby declared and agreed that the Property insured under this Policy is covered (limited to 10% of the Sum Insured) whilst temporarily removed for cleaning, renovation, modification, repair or other similar purpose, elsewhere on the same or to any other premises and in transit thereto and therefrom by road or rail, all in Malaysia. The amount recoverable under this extension in respect of the property so removed shall not exceed the amount which would have been recoverable had the loss occurred in that part of the premises from which the property is temporarily removed.

This extension does not apply to property if and so far as it is otherwise insured, nor does it apply to items covering stock and merchandise of every description, nor as regards losses occurring elsewhere than at the premises from which the property is temporarily removed to: -

1. Motor Vehicles and Motor Chassis.
2. Property (other than machinery and plant) held by the Insured in trust

35 TEMPORARY STORAGE CLAUSE

The property (excluding buildings) insured under this Policy is covered whilst temporarily stored anywhere in Malaysia PROVIDED that: -

- a) the period of temporary storage shall not exceed sixty (60) days.
- b) the liability of the Company is limited to 10% of the total sum insured or RM100,000 whichever is the lower for property covered under this clause.
- c) the Company shall not be liable for any loss or damage to the property whilst in transit (including the processes of loading and unloading incidental to such transit).
- d) this insurance does not apply to property in so far as it is otherwise insured nor does it apply to motor vehicles and motor chassis licensed for road use or being used on a road as defined in the Road Transport Act 1987 (including accessories thereon).

36 VEHICLE LOAD CLAUSE

In the event of any of the Insured's vehicle being left loaded overnight (provided securely locked in the vehicle) whilst in and/or on the premises described in the specification hereto the Company will indemnify the Insured in respect of such load in the event of loss or damage insured against by this Policy.

Provided always that the Company's limit of liability shall not exceed RM5,000/- per occurrence.

37 WAGES AND SALARIES CLAUSE

The cover under payroll includes wages and/or salaries until paid to employees or otherwise disbursed provided the wages and/or salaries are kept in a locked safe or strongroom when the premises are closed for business.



GENERAL WARRANTIES, TERMS & EXCLUSIONS APPLICABLE TO ALL SECTIONS:

1. **PREMIUM WARRANTY ENDORSEMENT:** It is a fundamental and absolute Special Condition of this contract of insurance that the premium due must be paid and received by the Company within sixty (60) days from the inception date of this Policy/Endorsement/Renewal. If this condition is not complied with then this contract is automatically cancelled and the Company shall be entitled to the pro-rata premium for the period they have been on risk. Where the premium payable pursuant to this warranty is received by an authorized agent of the Company, the payment shall be deemed to be received by the Company for the purposes of this warranty and the onus of proving that the premium payable was received by a person, including an insurance agent, who was not authorized to receive such premium shall lie on the Company.
2. **WARRANTY IN EVENT OF FRAUD:** Any fraud, misstatement or concealment in respect of this insurance or any claim hereunder shall render this Policy or the respective Certificates of Insurance as the case may be, null and void and Benefit due hereunder shall be or become forfeited.
3. **SANCTIONS CLAUSE:** No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the insurer to any sanction, prohibition or restriction under the United Nations' Security Council resolutions (UNSC) or the trade or economic sanctions, laws or regulations of the European Union or the United States of America."

4. **WAR AND TERRORISM EXCLUSION ENDORSEMENT:**

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

- (1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- (2) any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

If the Company allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

NMA2918
08/10/2001

5. **JURISDICTION & TERRITORIAL EXCLUSION CLAUSE**

Unless specifically expressed, it is agreed that the insurance coverage afforded under all Sections above do not cover:

- a) damages for bodily injury and/or property damage in respect of judgment not in the first instance delivered by or obtained from a court of competent jurisdiction within Malaysia.
- b) defense costs and/or costs and expenses of litigation recovered by any claimant from the Insured, which are not incurred in and recoverable in Malaysia.
- c) any occurrences, claims made, suits filed or judgments rendered in the United States of America, its territories or possessions and Dominion of Canada.

6. **DATE RECOGNITION**

It is noted and agreed this policy is hereby amended as follows:-

- A. The Company will not pay for any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly caused by, consisting of, or arising from, the failure or inability of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the Insured or not, and whether occurring before, during or after the year 2000 that results from the failure or inability of such device and/or software as listed above to :
 1. correctly recognize any date as its true calendar date;
 2. capture, save, or retain, and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date other than as its true calendar date; and/or



3. capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.
- B. It is further understood that the Company will not pay for the repair or modification of any part of any electronic data processing system or any part of any device and/or software as listed above in A.
- C. It is further understood that the Company will not pay for any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly arising from any advice, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Insured or for the Insured or by or for others to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in A. above.
- D. It is further understood that the Company will not pay for any consequential loss resulting from any continuing inability of the computer and equipment described in A above to correctly recognize any date as its true calendar date after the lost or damaged property has been replaced or repaired.

Such loss or damage or any consequential loss referred to in A, B, C or D above, is excluded regardless of any other cause that contributed concurrently or in any other sequence to the same.

Saving clause

This endorsement shall not exclude subsequent loss or damage or consequential loss which itself results from insured peril as defined in the policy.

Subject otherwise to the terms and conditions of the policy.

7. NUCLEAR ENERGY RISKS EXCLUSION CLAUSE (REINSURANCE) (1994) NMA 1975(a) (WORLDWIDE EXCLUDING U.S.A. & CANADA)

- A) This insurance shall exclude Nuclear Energy Risks whether such risks are written directly and/or by way of insurance and/or via Pools and/or Associations.

For all purposes of this insurance Nuclear Energy Risks shall be defined as all first party and/or third party insurances (other than Workers' Compensation and/or Employers' Liability) in respect of:

- i. All Property on the site of a nuclear power station. Nuclear Reactors, Reactor Buildings and Plant Equipment therein on any site other than a nuclear power station.
- ii. All Property, on any site (including but not limited to the sites referred to in (i) above) used or having been used for:-
 - (a) The generation of nuclear energy; or
 - (b) The production, Use or Storage of Nuclear Material.
- iii. Any other Property eligible for insurance by the relevant local Nuclear Insurance Pool and/or Association but only to the extent of the requirements of that local Pool and/or Association.
- iv. The supply of goods and services to any of the sites, described in (i) to (iii) above, unless such insurances shall exclude the perils of irradiation and contamination by Nuclear Material.

Except as under noted, Nuclear Energy Risks shall not include:-

- (i) Any insurance in respect of the construction or erection or installation or replacement or repair or maintenance or decommissioning of property as described in (i) to (iii) above (including contractor's plant and equipment).
- (ii) Any Machinery Breakdown or other Engineering insurance not coming within the scope of (a) above;

Provided always that such insurance shall exclude the perils of irradiation and contamination by Nuclear Material.

However, the above exemption shall not extend to:-

- (1) The provision of any insurance whatsoever in respect of:-
 - (a) Nuclear Material;
 - (b) Any Property in the High Radioactivity Zone or Area of any Nuclear Installation as from the introduction of Nuclear Material or - for reactor installations - as from fuel loading or first criticality where so agreed with the relevant local Nuclear Insurance Pool and/or Association.
- (2) The provision of any insurance or reinsurance for the under noted perils:-
 - * Fire, lightning, explosion;
 - * Earthquake;
 - * Aircraft and other aerial devices or articles dropped there from;
 - * Irradiation and radioactive contamination;
 - * Any other peril insured by the relevant local Nuclear Insurance Pool and/or Association; in respect of any other Property not specified in (1) above which directly involves the Production, Use or Storage of Nuclear Material as from the introduction of Nuclear Material into such Property.

Definitions:

"Nuclear Material" means:-

- (i) Nuclear fuel, other than natural uranium and depleted uranium, capable of producing energy by a self-sustaining chain process of nuclear fission outside a Nuclear Reactor, either alone or in combination with some other material; and
- (ii) Radioactive Products or Waste.

"Radioactive Products or Waste" means any radioactive material produced in, or any material made radioactive by



exposure to the radiation incidental to the production or utilisation of nuclear fuel, but does not include radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose.

"Nuclear Installation" means:-

- (i) Any Nuclear Reactor;
- (ii) Any factory using nuclear fuel for the production of Nuclear Material, or any factory for the processing of Nuclear Material, including any factory for the reprocessing of irradiated nuclear fuel; and
- (iii) Any facility where Nuclear Material is stored, other than storage incidental to the carriage of such material.

"Nuclear Reactor" means any structure containing nuclear fuel in such an arrangement that a self-sustaining chain process of nuclear fission can occur therein without an additional source of neutrons.

"Production and/or Use and/or Storage of Nuclear Material" means the production, manufacture, enrichment, conditioning, processing, reprocessing, use, storage, handling and disposal of Nuclear Material.

"Property" shall mean all land, buildings, structures, plant, equipment, vehicles, contents (including but not limited to liquids and gases) and all materials of whatever description whether fixed or not.

"High Radioactivity Zone or Area" means:-

- (i) For nuclear power stations and Nuclear Reactors, the vessel or structure which immediately contains the core (including its support and shrouding) and all the contents thereof, the fuel elements, the control rods and the irradiated fuel store; and
- (ii) For non-reactor Nuclear Installations, any area where the level of radioactivity requires the provision of biological shield.

NMA 1975A

- B) Any other liability, loss, cost or expense of whatsoever nature directly or indirectly caused by, resulting from, arising out of or in connection with nuclear reaction, nuclear radiation or radioactive contamination regardless of any other cause contributing concurrently or in any other sequence to the loss, save where such liability, loss, cost or expense arises under insurances or reinsurances expressly exempted from NMA 1975A in respect of which the insured has specifically granted cover.

8. PROPERTY DAMAGE CLARIFICATION CLAUSE

Property damage covered under this Agreement shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure.

Consequently the following are excluded from this Agreement :-

- a. Loss of or damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss of or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered.
- b. Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.

9. INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith

1.0 In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

1.1 ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel

1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof

1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes

1.5 any chemical, biological, bio-chemical, or electromagnetic weapon.

10. POLITICAL RISK EXCLUSION ENDORSEMENT

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

"Confiscation, expropriation, nationalization, commandeering, requisition or destruction of or damage to property by order of the Government de jure or de facto or any public, municipal or local authority of the country or area in which the property is situated; seizure or destruction under quarantine or customs regulation"



This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to the above.

If the Underwriters allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Assured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

11. INDUSTRIES, SEEPAGE, POLLUTION AND CONTAMINATION CLAUSE NO. 3 (NMA 1685)

This Insurance does not cover any liability for:

1. Personal Injury or Bodily Injury or loss of, damage to, or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this paragraph 1. shall not apply to liability for Personal Injury or Bodily Injury or loss of or physical damage to or destruction of tangible property, or loss of use of such property damaged or destroyed, where such seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this Insurance.
2. The cost of removing, nullifying or cleaning-up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening during the period of this Insurance.
3. Fines, penalties, punitive or exemplary damages.

This Clause shall not extend this Insurance to cover any liability which would not have been covered under this Insurance had this Clause not been attached.

12. ASBESTOS & SILICA EXCLUSION

It is hereby declared and agreed that this Policy excludes all claims arising out of Asbestos and Silica.

ASBESTOS : Directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the manufacture of, mining of, use of, sales of, installation of, survey or investigation of, management of, removal of, distribution of, existence of or exposure to asbestos products, asbestos fibers or asbestos dust, or property or materials containing any of the foregoing, including without limitation all liability to pay claimants' or the Insured's legal costs and expenses or any other costs and expenses, howsoever incurred in the investigation, defense and/or settlement of any claim or Legal Proceeding against the Insured.

SILICA : Directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form, or to any obligation of the insured to indemnify any party because of Bodily Injury or Property Damage arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form.

13. ELECTRONIC DATA AND INTERNET ENDORSEMENT

It is noted and agreed that this Policy is hereby amended as follows:

The Insurer will not pay for Damage or Consequential loss directly or indirectly caused by, consisting of, or arising from:

1. Any functioning or malfunctioning of the internet or similar facility, or of any intranet or private network or similar facility,
2. Any corruption, destruction, distortion, erasure or other loss or damage to data, software, or any kind of programming or instruction set,
3. Loss of use or functionality whether partial or entire of data, coding, program, software, any computer or computer system or other device dependent upon any microchip or embedded logic, and any ensuing inability or failure of the Insured to conduct business.

Such Damage or Consequential loss described in 1, 2, or 3 above is excluded regardless of any other cause that contributed concurrently or in any other sequence.

All other terms, conditions and exclusions of this Policy remain unchanged.



GENERAL POLICY CONDITIONS APPLICABLE TO ALL SECTIONS:

1. **EFFECTIVE DATE:** The effective date of this Policy is as stated in the Policy Schedule.
2. **COMPLETENESS OF DOCUMENT:** This policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear such specific meaning wherever it may appear.
3. **COMMUNICATION :** Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company
4. **ALTERATIONS:** The Company reserves the right to amend the terms and provisions of this Policy and may at any time be amended and changed by written agreement between the Company and the Insured. Any amendment to this Policy shall be binding on all persons whether insured under this Policy prior to, during, or after the effective date of the amendment. No alteration in this Policy shall be valid unless approved by an authorized representative of the Company and such approval be endorsed herein.
5. **CURRENCY OF SETTLEMENT:** All claim settlement under this Policy shall be in Ringgit Malaysia.
6. **NOTICE OF CLAIM:** Written notice of claim must be given to the Company within fourteen (14) days after the date of loss. The Insured Member hereunder shall produce for the Company's examination pertinent documents at such reasonable times and shall co-operate with the Company in all matters pertaining to any loss and/or claims. Failure to comply with this condition may prejudice the claim. Written notice of claim given by or on behalf of the Named Insured Member to the local Office of the Company, or to any authorized official of the Company providing information sufficient to identify the Insured Member shall be deemed notice to the Company. For convenience a notification format is attached at end of the Policy.
7. **PROOF OF LOSS:** Written proof of loss must be furnished to the Company at its said office within ninety (90) days after the date of loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time provided such proof is furnished as soon as possible and in no event, except in the absence of legal capacity, later than one (1) year from the time proof is otherwise required.
8. **LIMITATION OF CLAIMS:** No claim benefits shall be payable under this Policy if presented to the Company beyond a period of one (1) year from the date of loss.
9. **RECEIPTS:** The Company shall not be committed by any notice or any trust charge, a lien, assignment or other dealing with the Policy and the receipt of the Insured Member for any compensation payable herein shall in all cases be effectual discharge of liability of the Company.
10. **LEGAL PROCEEDINGS:** No action at law or in equity shall be brought to recover on this policy prior to the expiration of sixty (60) days after written proof of loss has been filed in accordance with the requirements of this policy, nor shall such action be brought at all unless brought within one (1) year from the expiration of the time within which the written proof of loss is required by the Policy.
11. **ACTION AGAINST COMPANY.** No action shall lie against the company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this policy, nor until ninety days after the required proofs of loss have been filed with the company.
12. **SUBROGATION:** If the Company become liable for any payment under this Policy in respect of loss or damage the Company shall be subrogated, to the extent of such of such payment, to all the rights and remedies of the Insured against any party in respect of such loss or damage and shall be entitled at their own expense to sue in the name of the Insured. The Insured shall give to the Company all such assistance in his power as the Company may require to secure their rights and remedies and, at the Company's request shall execute all documents necessary to enable the Company effectively to bring suit in the name of the Insured including the execution and delivery of the customary form of loan receipt.
13. **SALVAGE AND RECOVERIES:** All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.
14. **FALSE OR FRAUDULENT CLAIMS:** if the Insured shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Policy shall become void and all claims hereunder shall be forfeited.
15. **ABANDONMENT:** There shall be no abandonment to the Company any property.
16. **INSPECTION AND AUDIT:** The Company shall be permitted but not obligated to inspect the Insured's property at any time. Neither the Company's right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to determine or warrant that such property is safe.

The Company may examine and audit the Insured's books and records at any time during the Policy period and extensions



thereof and within two years after the final termination of this Policy, as far as they relate to the subject matter of this Insurance.

17. **ASSIGNMENT:** Assignment or transfer of this Policy shall not be valid except with the written consent of the Company.
18. **RIGHTS OF THIRD PARTIES EXCLUSION:** This Policy is effected solely between the Insured and the Company. This Policy shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any term of this Policy.
- This clause shall not affect the rights of the Insured.
19. **CHANGES.** Notice to any agent or knowledge possessed by any agent or by other person shall not effect a waiver or a change in any part of this policy or stop the Company from asserting any right under the terms of this policy; nor shall the terms of this policy be waived or change, except by endorsement issued to form a part of this policy, signed by a duly authorized representative of the company.
20. **CANCELLATION.** Both the Company and the Insured may cancel the Policy at any time by tendering at least thirty (30) days written notice to the other, by way of A R registered mail to their last known address as indicated in the Company's record. Premium refund will be according to the Company's preset scale.
- If the insured cancels, earned premium shall be computed in accordance with the customary short rate table and procedure. If the company cancels, earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.
- The Insured may elect to cancel Sections of the Policy mid-term, however, this will not attract any refund in premium.
21. **MIS-REPRESENTATION AND FRAUD :** This entire Policy shall be void if the Insured has concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof; or in case of any fraud or false declaration by the Insured touching any matter relating to this insurance or the subject matter thereof; whether before or after a loss.
22. **COMPLIANCE WITH POLICY CONDITIONS:** Failure to comply with any of the provisions contained in this Policy shall invalidate all claims hereunder.
23. **ARBITRATION CLAUSE :**
- a) Any dispute, difference or question which may arise at any time hereafter between the Company and the Insured and/or Insured Member and/or his/her legal representatives in relation to the true construction of the Policy or the rights or liabilities of parties hereto shall be referred to arbitration.
- b) The arbitration shall be heard by a single arbitrator to be agreed by the parties hereto within fourteen (14) days of the commencement of the arbitration. In default of agreement, the arbitrator shall be appointed in accordance with and subject to the provisions of the Arbitration Act of Malaysia or any statutory modification or reenactment thereof for the time being in force.
24. **LIMITATION OF TIME OF BRINGING ARBITRATION:** If a claim is made under the Policy and is rejected by the Company, the Insured or his/her legal personal representatives shall commence arbitration proceedings in accordance with Clause (21) of Clause 9 hereof within six (6) months of such rejection, failing which Company shall be discharged from all liability whatsoever for that claim.
25. **RENEWAL:** This policy may be renewed with the consent of the Company from term to term.
26. **CONFLICT IN POLICY TERMS:** In the event of ambiguity or conflict between the policy terms under the General Policy Conditions and the Specific Terms expressed in the various specific Sections of cover, the terms in that specific Section shall prevail over the General Terms.
27. **TERMS OF POLICY CONFORMED TO STATUTE.** Terms of this policy which are in conflict with the statutes of the country wherein this policy is issued are hereby amended to conform to such statutes.
28. **SEVERABILITY:** Any provision of this Policy or of any Section which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining terms, Sections or Sub-sections hereof.
29. **DECLARATION:** By acceptance of this policy the insured agrees that the statements in the declarations are the agreements and representations of the insured, that this policy is issued in reliance upon the truth of such representations and that this Policy embodies all agreements existing between the insured and the company or any of its agents relating to this insurance.



30. **DUTY OF DISCLOSURE:** The Insured must take reasonable care to ensure that all your answers to the questions are complete, correct, honest and to the best of insured's knowledge. You also have a duty to inform Company of any change in the information given to us earlier before we issue the policy schedule to you, before you renew or change any of the terms of your policy. If insured does not, the Company may:
- declare insured's policy void from inception (which means treating it as invalid) and the Company may not return the premium or recover any unpaid premium;
 - cancel this policy and return any premium less the Company's cancellation charge or recover any unpaid premium;
 - recover any shortfall in premium;
 - not pay any claim that has been or will be made under the policy; or
 - be entitled to recover from The Insured the total amount of any claim already paid under the policy or any claim the Company have to pay under any relevant legislation, plus any recovery costs.

Issued by

A handwritten signature in cursive script that reads "AIG Malaysia".

IN WITNESS WHEREOF, AIG Malaysia Insurance Berhad has caused this policy to be signed by its Authorized Representative

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DISCLOSURE & POLICY STATEMENT

KETERANGAN & KENYATAAN POLISI

1. Under the prudential framework of Corporate Governance the following avenues have been set up to handle customer grievances:

Di bawah rangka kewaspadaan Kawalan Korporat, cara-cara berikut telah disediakan kepada sesiapa yang ingin membuat aduan:-

- a) The Customer Care Officer of AIG Malaysia Insurance Berhad (795492-W) ("Company") at tel: 603 2118 0188 or fax: 603 2685 4896 or via e-mail to AIGMYCare@aig.com. At branch level, complaints can be received by the respective Branch Managers who will direct it to the Customer Care Officer.
Pegawai Khidmat Pelanggan AIG Malaysia Insurance Berhad (795492-W) ("Syarikat") di tel: 603 2118 0188 atau faks: 603 2685 4896 atau e-mel pada AIGMYCare@aig.com. Bagi bahagian cawangan, segala aduan boleh ditujukan kepada Pengurus Cawangan yang akan memanjatkan kepada Pegawai Khidmat Pelanggan.
- b) The Financial Mediation Bureau (FMB) at tel: 03-2272 2811 or fax: 03-2272 1577
Any policyholder who is not satisfied with the decision of an insurance company may write to the FMB, giving details of the dispute, the name of the insurance company and the policy number. Copies of the correspondence between the policyholder and the insurance company must be submitted to facilitate FMB's reference.
Biro Pengantaraan Kewangan (BPK) di tel: 03-2272 2811 atau faks: 03-2272 1577 Pemegang polisi yang tidak berpuas hati dengan keputusan sesebuah syarikat insurans boleh menulis surat aduan kepada BPK dengan butir-butir pertikaian, nama syarikat insurans dan nombor polisi. Salinan surat antara pemegang polisi dan pihak syarikat insurans perlu diserahkan kepada BPK untuk rujukan.

An award of the FMB is binding on the Company. The policyholder can choose to accept or not. Acceptance is acknowledged only if it is in writing within 14 days of the decision. The Company shall settle the award within 30 days of policyholder's acceptance. But if the policyholder is not satisfied, he can reject the FMB's decision and pursue an alternative legal recourse instead. There is no fee charged for services of the FMB.

Pihak Syarikat adalah terikat kepada keputusan BPK. Pemegang polisi boleh memilih sama ada bersetuju atau tidak. Persetujuan hanya diterima secara bertulis dalam tempoh 14 hari. Pihak Syarikat akan menyelesaikan tuntutan dalam tempoh 30 hari dari persetujuan pemegang polisi. Sekiranya pemegang polisi tidak berpuas hati dengan keputusan BPK, beliau boleh memilih untuk mengambil tindakan alternatif undang-undang. Tidak ada yuran bayaran yang dcaj untuk perkhidmatan BPK.

The address is / Alamat ialah:-

Biro Pengantaraan Kewangan
Tingkat 14, Blok Utama
Dataran Kewangan Darul Takaful
No 4 Jalan Sultan Sulaiman
50000 Kuala Lumpur

- c) Laman Informasi Nasihat dan Khidmat of Bank Negara Malaysia (BNM) at tel: 1-300-88-5465 (1300-88-LINK) or fax: 03-2174 1515.

Any policyholder who is not satisfied with the conduct of an insurance company may write to the Corporate Communication Department of BNM, giving details of the complaint, the name of the insurance company and the policy number or the claim number. Documentary support should be provided to facilitate reference.

Laman Informasi Nasihat dan Khidmat di Bank Negara Malaysia (BNM) di tel: 1-300-88-5465 (1300-88-LINK) atau faks: 03-2174 1515. Pemunya polisi yang tidak puas hati dengan bimbingan pihak syarikat insurans boleh membuat aduan kepada Jabatan Komunikasi Korporat di BNM dengan butir-butir pertikaian, nama pihak syarikat insurans dan nombor polisi atau nombor tuntutan. Sokongan dokumen perlu diserahkan untuk rujukan.

The address is / Alamat ialah:-

Pengarah
Laman Informasi Nasihat dan Khidmat (LINK)
Tingkat Bawah, Blok C
Bank Negara Malaysia
Peti surat 10922
50929 Kuala Lumpur

2. By virtue of the Anti-Money Laundering & Anti-Terrorism Financing Act 2001, any 'Suspicious Transaction' as classified by the law is required to be reported to the Competent Authority at Bank Negara Malaysia.

Bersandarkan Akta Pencegahan Pengubahan Wang Haram & Pencegahan Pembiayaan Keganasan 2001, sebarang 'Transaksi yang Mencurigakan' seperti yang termaktub di bawah undang-undang hendaklah dilaporkan kepada pihak berkuasa yang berkenaan di Bank Negara Malaysia.

3. For all intents and purposes where there is a conflict or ambiguity as to the meaning in the English provisions or the Bahasa Malaysia provisions of any part of the contract, it is hereby agreed that the English version of the contract prevails.

Boleh dikatakan di mana terdapat konflik atau kekaburan berkenaan makna dalam peruntukan Bahasa Inggeris atau peruntukan Bahasa Malaysia tentang mana-mana bahagian kontrak, adalah dipersetujui bahawa versi kontrak Bahasa Inggeris akan mengatasi dan diikuti.

4. **CONSENT TO USE PERSONAL DATA:** By submitting the application for coverage, you consent to the collection of your personal information by AIG Malaysia (whether through the phone or otherwise obtained) and such information may be held, used and disclosed by AIG Malaysia to individuals, service providers and organizations associated with AIG Malaysia or any other selected third parties (within or outside of Malaysia, including reinsurance and claims investigation companies and industry associations) for the purpose of storing and processing this insurance and providing subsequent service(s) for this purpose, AIG Malaysia's financial products and services, data matching, surveys, and to communicate with you for such purposes. You reserve the right to obtain access, request correction or withdraw your consent to the use of any of your personal information held by AIG Malaysia. Such request can be made by writing to the Company at AIG Malaysia Customer Care, Menara Worldwide, 198, Jalan Bukit Bintang, 55100 Kuala Lumpur or phone: 603 2118 0188, fax: 603 2685 4896 or email: AIGMYCare@aig.com.

KESETUJUAN PENGGUNAAN MAKLUMAT PERIBADI: Dengan mengemukakan permohonan untuk perlindungan, anda bersetuju untuk pengumpulan maklumat peribadi anda oleh AIG Malaysia (samaada melalui telefon atau lain-lain cara diperolehi) dan mungkin akan dipegang, digunakan dan didedahkan oleh AIG Malaysia kepada individu, penyedia-peyedia perkhidmatan dan organisasi-organisasi yang berkaitan dengan AIG Malaysia atau mana-mana pihak ketiga yang dipilih (di dalam atau luar Malaysia, termasuk syarikat insurans semula dan penyiasatan tuntutan dan persatuan-persatuan industri) untuk tujuan memproses insurans ini dan memberikan perkhidmatan selanjutnya untuk tujuan ini, produk kewangan AIG Malaysia dan perkhidmatan-perkhidmatan dan penyesuaian data, soal selidik dan untuk berkomunikasi dengan anda untuk tujuan seperti itu. Anda berhak untuk mendapatkan akses, meminta pembetulan atau menarik balik persetujuan untuk penggunaan maklumat peribadi anda yang dipegang oleh AIG Malaysia. Permohonan seperti itu boleh dibuat secara bertulis kepada pihak Syarikat di AIG Malaysia Customer Care, Menara Worldwide, 198, Jalan Bukit Bintang, 55100 Kuala Lumpur atau menelefon: 603 2118 0188, fax: 603 2685 4896 atau e-mel: AIGMYCare@aig.com.

IMPORTANT NOTICE

Please take note that a Product Disclosure Sheet is attached to your policy contract:

The Product Disclosure Sheet contains a summary of the product features. If you have any queries or are unsure of any of the policy terms or conditions, kindly call our Customer Service at **603 2118 0188** (Monday – Friday, 9am – 5pm).

NOTIS PENTING

Sila ambil perhatian bahawa sesalanan Helaian Pendedahan Produk adalah dilampirkan dengan kontrak polisi anda:

Helaian Pendedahan Produk mengandungi ringkasan ciri-ciri produk. Jika anda ada sebarang pertanyaan atau tidak pasti mengenai apa jua terma-terma atau syarat-syarat polisi, sila hubungi Talian Perkhidmatan Pelanggan kami di **603 2118 0188** (Isnin – Jumaat, 9pagi – 5petang).



AIG Malaysia Insurance Berhad (795492-W)
Menara Worldwide,
198, Jalan Bukit Bintang,
55100 Kuala Lumpur.

Telephone: 603 2118 0188
Facsimile: 603 2685 4896
www.aig.my