

QBE MACHINERY BREAKDOWN LOSS OF PROFIT PROPOSAL



QBE Insurance (Malaysia) Berhad Reg. No.: 161086-D

(Licensed under the Financial Services Act 2013 and regulated by Bank Negara Malaysia)
No. 638, Level 6, Block B1, Leisure Commerce Square, No. 9, Jalan PJS 8/9, 46150 Petaling Jaya,
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IMPORTANT NOTICE

Pursuant to Paragraph 4(1) of Schedule 9 of the Financial Services Act 2013, if you are applying for this Insurance for a purpose related to your trade, business or profession, you have a duty to disclose any matter that you know to be relevant to our decision in accepting the risks and determining the rates and terms to be applied and any matter a reasonable person in the circumstances could be expected to know to be relevant, otherwise it may result in avoidance of your contract of insurance, refusal or reduction of your claim(s), change of terms or termination of your contract of insurance.

The above duty of disclosure shall continue until the time your contract of insurance is entered into, varied or renewed with us.

You also have a duty to tell us immediately if at any time after your contract of insurance has been entered into, varied or renewed with us any of the information given in this Proposal Form is inaccurate or has changed.

Cover Note No.	<input type="text"/>	Intermediary No.	<input type="text"/>	
Company name	<input type="text"/>			
Are you Registered for GST ? If Yes, Please provide the following	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
GST Registration Date	<input type="text"/> / <input type="text"/> / <input type="text"/>	GST Registration Number	<input type="text"/>	
Company address	<input type="text"/>			
<input type="text"/>	Tel	<input type="text"/>		

DETAILS OF PROPOSER

Name(s) in full	<input type="text"/>				
Address	<input type="text"/>				
	<input type="text"/>				
	<input type="text"/>	Tel	<input type="text"/>		
Period of Insurance	From	<input type="text"/> / <input type="text"/> / <input type="text"/>	To	<input type="text"/> / <input type="text"/> / <input type="text"/>	(dd/mm/yy)
Trade or Profession or Nature of business:	<input type="text"/>				
	<input type="text"/>				
How long has the business been established?	<input type="text"/>				
Situation to which this insurance applies	<input type="text"/>				
	<input type="text"/>				
	<input type="text"/>				

GENERAL QUESTIONNAIRE

Note: All questions must be answered by the proposer and appropriately marked (✓) where applicable

1. What works of your business are to be insured against machinery loss of profit? (provide names and addresses of the works and their purposes)

<input type="text"/>
<input type="text"/>
<input type="text"/>
<input type="text"/>
<input type="text"/>
<input type="text"/>

Note: Unless the material damage Policy on the Machinery is covered by us, loss of profit insurance will not be considered.

GENERAL QUESTIONNAIRE (Continuation)

2. Has the machinery to be insured been formerly covered by other insurance companies against machinery loss of profits? Yes No
If YES, please name of Company
3. Since when has the works to be insured existed?
4. Please give a brief description of the production process, making special allowance for production bottlenecks and attaching a flow sheet to show the machinery to be insured.
5. Since when has the present production method used in the works to be insured been applied?
6. What type of repair work can be carried out without external help?
Please indicate external repair facilities for the individual machines in the list of machines.
7. What maintenance work and what inspections are carried out regularly to keep the machines to be insured in good working order?
State type of maintenance and intervals.
8. Number of employees in the works to be insured?
State No. of employees, No. employed for maintenance purposes and fluctuation (in %)
9. Please state normal working hours of the works to be insured?
• per day hours in shifts
• per week hours
• per year days
10. Are there any seasonal production or sales fluctuations of more than 20% in the works to be insured? Yes No
If YES, please indicate monthly figures.
11. Is there a stock of semi finished or finished products? Yes No
If YES, what period of interruption can be compensated thereby?
12. Are supplies furnished against letters of credit? Yes No
If YES, please indicate the percentage such supplies have in the turnover
13. In the case of machinery damage; is the interruption period longer than the repair period for the machinery involved? Yes No
If YES, please indicate the cause and duration of such a delay

GENERAL QUESTIONNAIRE (Continuation)

14. Is the insurance to cover only the additional expenditure caused by using an external electric power supply in the case of breakdown of machines in your own power generating plant? Yes No

If YES, please indicate

Item numbers of the machines to be insured	<input type="text"/>
Power requirements of the works (kW, kWh p.a.)	<input type="text"/>
Percentage of power requirement met by the factory generator	<input type="text"/>
Extent (kW, kWh p.a.) of current that may be drawn from external power sources	<input type="text"/>
Cost per kWh of external power	<input type="text"/>
Factory generating costs saved per kWh if external power is used	<input type="text"/>
Please indicate the annual increased cost of electricity under question 19. (item 2)	<input type="text"/>

15. In respect of question 14, are you subject to maximum demand charge per kW of external power? Yes No

If YES, please indicate

Maximum demand charge per kW of external power	<input type="text"/>
Annual maximum demand charge for external power to be insured under question 19. (item 3)	<input type="text"/>
Percentage of deductible desired for maximum demand charges (minimum deductible 10%)	<input type="text"/>

Indicate the method of calculation (enclose copy of electricity supply contract).

<input type="text"/>
<input type="text"/>
<input type="text"/>
<input type="text"/>

Limit of indemnity for airfreight

16. If business interruptions due to the failure of public supplies (power, water, gas) are to be included in the cover, please fill in a separate questionnaire. Please contact our branch nearest to you.

17. If the risk of deterioration of goods (raw materials, semi-finished or finished goods) due to a business interruption is to be included in the cover, please fill in a separate questionnaire. Please contact our branch nearest to you.

18. Calculation of Sum Insured for Gross Profit

The subject matter insured is the profit achieved by selling the goods manufactured in the works insured and the profit gained from services rendered as well as all standing charges which continue to accrue in the works insured in the event of a business interruption. The annual total of net profit and standing charges, the gross profit, is conveniently determined on the basis of the Profit and Loss Account.

The following calculation is based on the Profit and Loss Account of the Year

Commencement of business year	<input type="text"/>	Currency	<input type="text"/>
Deductions from turnover (such as discounts granted to customer, rebates, price deductions)	<input type="text"/>	Turnover	<input type="text"/>
Excise and turnover taxes	<input type="text"/>	Expenditure incurred for external power, goods, raw materials and supplies used for maintenance	<input type="text"/>
Total expenditure incurred for external power, goods, raw materials and supplies	<input type="text"/>	Company-manufactured additions to assets	<input type="text"/>
Others costs (such as carriages paid to other firms, customs duties, postage, turnover-dependent insurance premiums, licenses)	<input type="text"/>	Reduction in Gross Profit due to damage incurred during the business year	<input type="text"/>
Inventory value of finished and semi-finished goods at the commencement of the business year	<input type="text"/>	Inventory value of finished and semi-finished goods at the end of the business year	<input type="text"/>
Total	<input type="text"/>	Total	<input type="text"/>
		Less	<input type="text"/>
		Gross Profit	<input type="text"/>
If a separate indemnity period is desired for wages, please subdivide the sum insured accordingly and indicate the indemnity period desired for the item of wages under question 19.		Safety margin for increase during the policy year	<input type="text"/>
		Sum Insured	<input type="text"/>

GENERAL QUESTIONNAIRE (Continuation)

19. Summary of Insurance covers desired

Item No.	Subject matter to be Insured	Sum Insured
1	Gross Profit	<input type="text"/>
2	Increase Cost of Electricity	<input type="text"/>
3	Maximum Demand Charges	<input type="text"/>
4	<input type="text"/>	<input type="text"/>
5	<input type="text"/>	<input type="text"/>

20. What time excess is desired? 2 days 4 days 7 days 14 days

21. What is the maximum indemnity period required? months

22. Name and address of chartered accountant who audits the accounting records and at what Intervals.

23. Are your books regularly audited? Yes No
If YES, please state how often and name of auditor.

24. Please list the details of Plant and Machinery to be insured in the next page.

25. What interruptions due to a machinery loss have occurred in the works to be insured during the last 5 years?
Please state number of incidences, duration and which machinery(ies) was(were) the cause, including name of insurance company, if insured.

26. Name of Insurance company who is currently covering the machinery to be insured under a Machinery Breakdown policy. Please provide date of issue of the Machinery Breakdown policy.

27. Which Insurance company insures these works against
 - Fire

 - Fire Loss of Profits

28. Has any insurance company ever
 a) declined your proposal Yes No
 b) refused to renew your policy? Yes No
 c) cancelled your policy? Yes No
 d) required an increased rate or imposed special terms on renewal? Yes No
If any answer above is YES, please give details.

DECLARATION AND SIGNATURE

Privacy Policy Statement

I/We understand, acknowledge, agree and consent that QBE Insurance (Malaysia) Berhad and all of its related companies ("QBE") is permitted to collect, use, disclose and/or process my personal data revealed hereto. QBE is at liberty to disclose and transfer (including outside Malaysia) such personal data to relevant third parties provided that the revelation of my personal data is strictly for the purpose(s) in relation to the insurance which I have applied hereto, including but not limited to, the purpose(s) of: (i) processing, handling and/or dealing with my claims including the settlement of the claims and any necessary investigations relating to the claims; (ii) exercising any rights that QBE may have to recover monies from third parties; (iii) making reinsurance recoveries; (iv) investigating the accident and/or my claims; (v) carrying out and/or dealing with my instructions or responding to any enquiries by me; (vi) administering my claims (including the mailing of correspondence, statements, invoices, reports or notices to me, which could involve disclosure of certain personal data about me to bring about delivery of the same as well as on the external cover of envelopes/mail packages); (vii) the development of databases on claims, claims statistics and/or claims development; and/or (viii) complying with applicable law in administering, processing, handling and/or dealing with my claims; (collectively the "Purpose"). My consent given hereto covers any repeated collection of my personal data in the same circumstances and is in line with the requirement set forth on the Personal Data Protection Act 2010.

QBE Insurance (Malaysia) Berhad is committed to ensuring the safety and security of your personal data. You may refer to our Privacy Policy Statement which is posted at our website www.qbe.com.my. If you seek further enquiries, please contact the Personal Data Privacy Officer at telephone number 03-78618400.

I/We do hereby declare that:

1. I am/we are authorised to make this proposal.
2. The answers stated in this proposal are true and complete and I have not withheld any information which may influence the acceptance of this application.
3. This application and declaration hereby given shall be the basis of the contract with the Company and I/we will accept the terms, exclusions and conditions which will be set out in the policy to be issued.
4. The liability of the Company does not commence until the application has been accepted.

Proposer's Signature:

Date: (dd/mm/yy)

and company stamp

DECLARATION BY AGENT / BROKER / OFFICER (STAFF OF QBE)

In compliance with Section 16(2) of the Anti-Money Laundering and Anti-Terrorism Financing Act 2001 (AMTFA):

1. I/We hereby certify that one or more of the following original documents was verified and authenticated by me/us at the point of sales.
2. I/We have attached together with this proposal form a copy of the document(s) above of the applicant of individual policies or group Insurance policies where premium is more than RM50,000.00 or RM100,000.00 respectively.

Name

NRIC No

Signature &
Company Stamp:

Date: (dd/mm/yy)

SPECIFICATION OF REFRIGERATING PLANT

Item No.	Qty.	Description of machine or plant 1 (designation, manufacturer, type, capacity, speed, number of cylinders, transmission ratio, voltage, pressure, temperature, heating surface, new replacement value, etc.)	Year of Manufacture	Load ²	Relative Importance ³	Spare parts available, replacement period for machine or plant	Desired indemnity period limit ⁴ (months)	Special remarks: Loss minimizing possibilities 5, external repair facilities? Prototype? Remaining period of maker's guarantee? Teething troubles? Last inspection? Results thereof? Hazard of interruption being prolonged due to solidifying melt, long cooling or starting-up periods/etc.

<p>1 Each prime mover and machine should be listed separately. Spare machines should be designated as such and are to be included in the insurance cover.</p> <p>2 Ratio between actual load and designed load (e.g. 80%)</p> <p>3 Reduction (per cent of the gross profit in the event of failure of a machine (disregarding any loss minimizing possibilities).</p>	<p>4 The indemnity period limit represents the maximum period during which the insurers pay indemnification for loss of profits. 3, 6, 9 or 12 months may be agreed on as indemnity periods.</p> <p>5 Reduction (per cent) of the loss of production by using machines not fully utilized or not utilized at all, carrying on production on other premises, etc. How long does it take to procure hired machinery?</p>
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