



QBE Tyre Shop Retail Insurance Policy

QBE INSURANCE (MALAYSIA) BERHAD welcomes you as a Policyholder and we take this opportunity to recommend that you thoroughly examine this Document which sets out the limitations and benefits of the insurance. Please store it in a safe place.

Should you have any query, please contact your Registered Agent/Broker or our QBE office, especially if the insurance is not completely in accordance with your intentions.

“WE WOULD REMIND YOU THAT YOU MUST DISCLOSE TO US, FULLY AND FAITHFULLY, THE FACTS YOU KNOW OR OUGHT TO KNOW, OTHERWISE YOU MAY NOT RECEIVE ANY BENEFIT FROM YOUR POLICY.”

QBE TYRE SHOP RETAIL INSURANCE POLICY

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QBE TYRE SHOP RETAIL INSURANCE POLICY

We, QBE INSURANCE (MALAYSIA) BERHAD (hereinafter referred to as “the Company”), hereby agree, in consideration of the Insured having paid to the Company the premium mentioned in the Schedule and subject to the exclusions, provisions and conditions contained herein or endorsed hereon the Company will indemnify the Insured in the manner and to the extent hereinafter provided.

Please read the entire policy carefully to determine rights, duties and what is and is not covered. This policy, the Schedule, the quotation, proposal form and any endorsements shall be considered as one document and any words or expressions to which a specific meaning has been attached in any one of these documents shall bear the same meaning throughout.

SECTION 1 - FIRE INSURANCE

THE COMPANY AGREES subject to the Terms and Conditions contained herein or endorsed or otherwise expressed hereon that if the Property Insured described in the said Schedule or any part of such property be destroyed or damaged by FIRE or LIGHTNING during the Period of Insurance stated in the Schedule or of 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 Section of the Policy, the Company will pay or make good to the Insured the value of the Property Insured at the time of the happening of its destruction or the amount of such damage. PROVIDED THAT the liability of the Company shall in no case exceed in respect of each item the sum expressed in the Schedule to be insured thereon or in the whole the Total Sum Insured hereby or such other sum or sums as may be substituted therefor by endorsement hereon or attached hereto signed by or on behalf of the Company.

PROVIDED ALWAYS that the due observance and fulfilment of the terms conditions and endorsements of this Section of the 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 Section of the Policy.

DEFINITIONS

Throughout this Section of the Policy (unless more specifically described):

- “**Building**” means buildings, including Landlord’s fixtures and fittings and the walls, retaining walls, gates, fences, free standing signs and lights, underground and above ground services, site improvements within the premises.
- “**Contents**” means fixtures and fittings and furnishings, tenant’s improvements of every description and all other property not otherwise defined except building(s), stock and property defined in Condition 8.
- “**Machinery & plant**” means all machinery, equipment and plant, whether mechanical, electrical or electronic, for the purpose of Insured’s business or trade, located within the Insured’s premises.
- “**Stock**” means stock and material in trade which are not used or second-hand stock.

all being the property of the Insured or for which the Insured is legally responsible.

CONDITIONS applicable to 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 Section of the 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. **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 property hereby insured, and unless such notice be given and the particulars of such Insurance or Insurances be stated in or endorsed on this Section of the Policy by or on behalf of the Company before the occurrence of any loss or damage, all benefits under this Section of the Policy shall be forfeited.
4. **DISPLACEMENT** - All insurance under this Section of the Policy
 - a. on any building or part of any building,
 - b. on any property contained in any building,
 - c. 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

- i. of such building or of any part thereof,
- ii. 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 Section of the Policy or would be covered if such building, range of buildings or structure were insured under this Section of the 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 EXCLUDED CAUSES or EVENTS

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
 - i. The burning of property by order of any public authority
 - ii. 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. EXCLUDED PERILS - 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.

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. POLLUTION OR CONTAMINATION EXCLUSION - 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. EXCLUDED PROPERTY - 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 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 Section of the 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. TERMINATION - 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 POLICY - 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 of the Policy, 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 or Policies had this Insurance not been effected.

11. NOTIFICATION OF LOSS - 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 Section of the Policy shall be payable unless the terms of this Condition have been complied with.

13. **FIRE FIGHTING EXPENSES** - The insurance under this Section of the Policy extends to include:-
- wages of the Insured's employees other than full-time members of a Works Fire Brigade.
 - 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.
 - 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 of the Policy or immediately threatening to involve such property.

14. **RIGHTS OF COMPANY** - On the happening of any loss or damage to any of the property insured by this Section of the Policy, the Company may:-
- Enter and take and keep possession of the building or premises where the loss or damage has happened.
 - 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.
 - Keep possession of any such property and examine, sort, arrange, remove, or otherwise deal with the same.
 - 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 Section of the 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 Section of the 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. **FRAUDULENT CLAIMS** - 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 Section of the 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 8 of this Policy) within three (3) months after the Arbitrator or Arbitrators or Umpire shall have made their award, all benefit under this Section of the 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 Company or Insurers 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, authorised sole agent or agent authorised broker, authorised 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, authorised sole agent or agent, authorised broker, authorised 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 the Valuers and Appraisers Act 1981 and to be mutually appointed by both parties. The valuation of the insured property by the manufacturer authorised sole agent or agent, authorised broker, authorised 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.

18. **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 this Section of the Policy shall be separately subject to this Condition. This Average Condition shall not apply to the item "Customers' Vehicles held in Trust" where the Insured value for this item shall be the 1st loss insured value.
19. **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 policy 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.

MEMORANDA 1 - CLAUSES

This Section of the Policy extends to include the following memoranda:

1. **Alteration & Repairs Clause**
Notwithstanding condition 9(a) of this Section of the Policy, 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.
2. **Appraisalment 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 appraisalment 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.
3. **Architect, Surveyor's Engineer's & Consultant's Fees** (without separate sum and applicable only if Building is 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.
4. **Asbestos Exclusion Clause**
This insurance excludes all claims and losses based upon, arising out of, directly or indirectly resulting from or in consequence of, or any way involving:
 - a. asbestos, or
 - b. any actual or alleged asbestos related injury or damage involving the use, presence, existence, detection, removal, elimination or avoidance of asbestos or exposure or potential exposure to asbestos
5. **Contract Price**
Notwithstanding anything to the contrary contained in Condition 17 of this Section of the Policy, 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.
6. **Designation Clause**
For the purpose of determining where necessary the item under which any property is insured, the Company agrees to accept the designation under which such property is entered in the insured's books.
7. **Foundation Exclusion**
The insurance on building(s) exclude that part of any building below the under* surface of its lowest floor (and those parts of the concrete foundations for machinery which extends above such level)

Note 1: *"upper" may be substituted by "under"
Note 2: the words in bracket may be omitted
8. **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 RM1,000.00
 - 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 of the information contained therein and for an amount not exceeding RM1,000 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 of the information contained therein for an amount not exceeding RM1,000.00
 - d. Patterns, models, moulds, plans and designs, for an amount not exceeding RM1,000.00 in respect of any one pattern, model, mould, plan or design
9. **Outbuilding Clause** (applicable only if building is insured)
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.
10. **Property Damage Clarification Clause**
Property damage covered under this Section of the Policy 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 of the Policy: -

- 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 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.

11. Reinstatement Value Clause

Notwithstanding anything to the Contrary contained in Condition 17 of the Policy, it is hereby declared and agreed that in the event of the property insured under this Section of the Policy being destroyed or damaged, the basis upon which the amount payable under this Section of the Policy 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 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 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 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 Section of the 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 Policy (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 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.

12. Removal of Debris (without separate sum)

The insurance 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 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 of the Policy.

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

13. Temporary Removal Clause

The property insured under this Section of the Policy 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.

MEMORANDA 2 – SPECIAL PERILS

This Section of the Policy extends to include the following special perils:

1. STORM, TEMPEST

In consideration of an additional premium, the Company agrees that notwithstanding anything stated to the contrary in Condition No. 6 of this Section 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 Hurricane, Cyclone, Typhoon and Windstorm, subject to the following Excess Clause and Special Conditions attached hereto.

Provided always that all the Conditions of this Section of the 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 of the 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 Section of the Policy.
 - d. Loss or damage caused by explosion except as provided in Condition 8(h) of this Section of the Policy.
 - 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 Section of the Policy.

2. EXPLOSION

In consideration of an additional premium, the Company hereby agree and declare that the insurance under this Section of the Policy 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 this Section of the Policy (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 of the Policy.

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 committed by a person or persons acting on behalf of or in connection with any organization.

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 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 Section of the 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.
3. **IMPACT DAMAGE - Including Insured's Own Vehicles**
In consideration of an additional premium, the Company hereby agree and declare that the insurance under this Section of the 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 this Section 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.

4. **BURSTING OR OVERFLOWING OF WATER TANKS APPARATUS OR PIPES**
In consideration of an additional premium, the Company hereby agree and declare that the insurance under this Section of the 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 RM1,000.00 ** 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 this Section 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 this Section 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 this Section of 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.
5. **ELECTRICAL INSTALLATIONS**
Loss or damage by fire to the electrical appliances and installation insured by this Section of the 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 Section of the Policy, but it is expressly understood that no liability exists under this Section of the 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.
6. **RIOT STRIKE AND MALICIOUS DAMAGE**
In consideration of an additional premium, the Company hereby agree and declare that the insurance under this Section of the Policy 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 of the Policy 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.

SPECIAL CONDITIONS

For the purposes of this Endorsement but not otherwise there shall be substituted for the respectively numbered Conditions of this Section of the Policy, (unless otherwise described), the following:-

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. Acts or terrorism committed by a person or persons acting on behalf of or in connection with any organization.

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 8

Unless otherwise expressly stated in this Section of 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 8 of Page 33 of this Policy

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 18

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 this Section of the Policy shall be separately subject to this condition.

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

1. All the Conditions of this Section 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 above Special Conditions and any reference to fire in the Conditions of this Section of the Policy 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 this Section of the Policy shall apply in all respects to the insurance granted by this Section of the Policy as if this Endorsement had not been made thereon.

MEMORANDA 3 – SPECIAL PERILS - Optional

This Section of the Policy extends to include the following special perils only if it is described and endorsed on the Policy Schedule:

1. AIRCRAFT DAMAGE

In consideration of an additional premium, the Company hereby agree and declare that the insurance under this Section of 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 therefrom.

Provided always that all the conditions of this Section 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 this Section of the Policy exceed the sum insured by each item of this Section 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.

2. BUSH/LALANG FIRE

In consideration of an additional premium, the Company hereby agree and declare that notwithstanding anything to the contrary contained in Condition 8(i) of this Section of the Policy, the insurance is extended to cover loss or damage caused by bush/lalang fire (provided that during the currency of this Section of the Policy every reasonable effort shall be made to keep the Insured's ground free from lalang and undergrowth).

3. DAMAGE BY FALLING TREES OR BRANCHES AND OBJECTS THEREFROM

In consideration of an additional premium, the Company hereby agree and declare that the insurance under this Section of the 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 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 this Section 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.

4. EARTHQUAKE AND VOLCANIC ERUPTION

In consideration of an additional premium, the Company agrees that notwithstanding anything stated to the contrary in Condition No. 6 of this Section 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 Section of the 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.

5. FLOOD

In consideration of an additional premium, the Company agrees that notwithstanding anything stated to the contrary in Condition No. 6 of this Section 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 landslip.

Provided always that all the Conditions of this Section of the 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 Section of the 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 Section of the Policy.
 - d. Loss or damage caused by explosion except as provided in Condition 8(h) of this Section of the Policy.

- 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.

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.

6. SRINKLER LEAKAGE

In consideration of the payment of an additional premium, it is hereby declared and agreed that the insurance under this Section of the Policy 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 Policy 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 Section of the 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.

7. SUBSIDENCE AND LANDSLIP

I. Standard Cover

In consideration of an additional premium, the Company hereby agree and declare that the insurance under this Section of the Policy 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 landslip 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 this Section 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.

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 of the Policy 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 landslip 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 this Section 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.

SECTION 2 - FIRE BUSINESS INTERRUPTION INSURANCE

The Company agrees (subject to the Conditions contained herein or endorsed or otherwise expressed thereon) that if any 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 Section of the 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 each item in the 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 and that payment shall have been made or liability admitted therefor 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 therefor by memorandum signed by or on behalf of the Company.

CONDITIONS applicable to Section 2

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 of the Policy.
2. **RECEIPT** - 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 Section of the Policy by or on behalf of the Company before the occurrence of any Damage, all benefits under this Section of the 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 of the Policy;
 - 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 of the Policy 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 of the Policy or would be covered if such building or range of buildings or structure were included in the Premises to which this Section of the Policy refers

If any claim be made upon this Section of the Policy 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 this Section of the Policy.
 - d. The burning, whether accidental or otherwise, of forests, bush lalang 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 PERILS** - 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.

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 of the Policy shall cease if:-
- a. the Business be wound up or carried on by a Liquidator or Receiver or permanently discontinued
or
 - b. the insured's interest cease otherwise than by death
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 Policy 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 of the Policy, 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 of the Policy 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 of the Policy 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 Section of the Policy; or if the Damage be occasioned by the willful 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 14th Condition of this Section of the Policy) within three months after the Arbitrator or Arbitrators or Umpire shall have made their award, all benefit under this Section of the Policy shall be forfeited.
13. **TIME LIMITATION** - In no case whatever shall the Company be liable in respect of any claim under this Section of the Policy 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.

CLAUSES applicable to Section 2

This Section of the Policy extends to include the following clauses:

1. **Accountant's Clause**
Any particulars or details contained in the Insured' books or documents which may be required by the Insurers under condition 11 of this Section of the 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.

2. **Daily Rate Basis Specification**

Specification referred to herein forms an integral part of this Section of the Policy.

<u>Item No</u>	<u>Sum Insured</u>
On Gross Profit on an agreed daily rate	As per Policy Schedule representing 6 months Indemnity

The Insurance is limited to loss of gross profit incurred by the insured 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 on an agreed fixed daily rate calculated from the annual Gross Profit declared by the insured at the onset of this insurance.

Definitions

Gross Profits	The amount by which the sum of the Turnover and the closing Stock shall exceed the sum of the 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.
Turnover	The money (less discount received) 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 effected in consequence of the damage.
Maximum Indemnity Period	six (6) months

3. **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 Section of the Policy.

SECTION 3 – SPECIAL CONTINGENCY INSURANCE

The Company agrees that if there shall happen loss or damage to the Property Insured at the Situation described in the Schedule caused by fire, lightning, theft consequent upon actual forcible and violent entry or any attempt thereat, accidental damage, or any other contingencies specified in the Schedule, THEN the Company will, subject to the terms, exclusions, provisions and memoranda contained in endorsed on or attached to this Section of the Policy, indemnify the Insured for such loss or damage.

In event of a loss to the property insured herein, the limit of indemnity of the Company shall be 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 to bear under the policy. 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.

PROVIDED that where any of the said property:-

- a is owned by the Insured the Company may at its option as far as circumstances permit and in a reasonably sufficient manner repair reinstate or make good such property or pay the amount loss or damage thereto;
- b. is held trust by the Insured the Company may pay to or on behalf of the Insured the amount of any loss or damage to the said property provided the Insured is legally liable for such loss or damage;

But the liability of the Company shall no case exceed in respect of each item the sum expressed in the **Schedule** to be insured thereon or in the whole the total sum insured thereby or such other sum or sums as may be substituted therefor by endorsement hereon or memoranda attached hereto signed by or on behalf of the Company.

PROVIDED further that the Company shall not be liable for the first amount of any claim specified in the **Schedule** as the Excess.

EXCLUSIONS applicable to Section 3

This Section of the Policy does not cover, unless expressly provided in the Operative Clause or by endorsement hereon or by memoranda attached hereto, claims for loss or damage:-

- 1 **Cheating** - 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'."

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2. **Consequential Loss** - For consequential loss of any kind.
 3. **Contractual Liability** - Arising out of any contract of indemnity which imposes on the Insured a liability which the Insured would not otherwise have been under.
 4. **Criminal Breach of Trust** - 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, express or implied, which he has made touching the discharge of such trust, or wilfully suffers any other person so to do, commits 'criminal breach of trust'".

5. **Depreciation** - Arising depreciation, deterioration, or any process of cleaning or repairing or restoring any of the property insured.
6. **Excluded Perils** - Arising during or in consequence of:-
 - a. earthquake, volcanic eruption and subterranean fire
 - b. riot, strike, malicious damage, civil commotion, or
 - c. hailstone, storm, tempest, flood or other act of God or atmospheric conditions
 - d. landslide & landslipunless extended under Section 1 of this Policy
7. **Loss of Use** - Arising from loss of use, wear and tear, mechanical or electrical derangement or scratching or scorching of any of the property insured.
8. **Machinery Breakdown** - Caused by or consequent upon explosion machinery breakdown or failure or leakage from any sprinkler or drencher installation.
9. **Neglect** - Caused by the neglect of the Insured to use all reasonable means for the safeguarding of the property insured.
10. **Over Running** - Caused or occasioned by or arising from over running, excessive pressure, short circuiting, self heating, arching or leakage of electricity.
11. **Stocktaking** - Discovered at the time of stocktaking or inventory check.
12. **Theft** - Caused by arising out of theft or any attempt thereof by any member of the Insured's family or person whilst lawfully on the premises.
13. **Wilful Act** - Caused by the wilful act of the Insured or any person acting with the Insured's knowledge or consent; abscindment.

CONDITIONS applicable to Section 3

1. **MEANING** - This Section of the 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 Section of the Policy or of the **Schedule** shall bear such specific meaning wherever it may appear.
2. **INSPECTION** - The Company shall have access at all reasonable times to the property insured for the purpose of inspection.
3. **CESSATION OF POLICY** - If the property insured be removed to any building or place or there is a change in situation of the property insured the Policy shall cease immediately unless the Policy is endorsed and the endorsement delivered to the Insured. Furthermore the Company reserves the right to conduct surveys and the right to decide on the continuance of the Policy.
4. **NOTIFICATION OF LOSS** - The Insured shall:-
 - a. give notice in writing to the head or any branch office of the Company immediately after the occurrence of any accident, loss or damage with full particulars thereof. Every letter or process in connection with any such accident, loss or damage shall be notified or forwarded to the Company immediately on receipt thereof.
 - b. furnish to the Company all such particulars and evidence, documentary or otherwise including evidence of ownership and execute and do all such assurances and things make such declarations and give all such access as the Company may reasonably require to substantiate a claim.
 - c. if the loss or damage is caused by burglary, housebreaking or theft, report it to the Police.
5. **RIGHTS OF COMPANY** - On the happening of any loss or damage in respect of which a claim is or may be made under this Section of the Policy the Company and every person authorised by the Company may without thereby incurring any liability and without diminishing the right of the Company to rely upon any condition of this Section of the Policy enter take or keep possession of the building premises or place where the loss or damage has happened and may take possession of or require to be delivered to them any of the property insured and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the leave and license of the Insured to the Company so to do. If the Insured or anyone acting on his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the Company in doing any of the abovementioned acts then all benefit under this Section of the Policy shall be forfeited. The Insured shall not in any case be entitled to abandon any property to the Company whether taken possession by the Company or not.
6. **CONSENT TO REPAIR, REINSTATE OR TO DISPOSE** - The Insured shall not without the consent of the Company authorise the repair reinstatement or disposal of any of the property insured which is the subject of a claim under this Section of the Policy.
7. **ADMISSION OF LIABILITY** - No false declaration or statement shall be made in support of any claims under this Section of the Policy. No admission offer promise payment or indemnity shall be made or given by or on behalf of the Insured without the written

consent of the Company which shall be entitled if it so desires to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute in the name of the Insured for its own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings or in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.

8. **REINSTATEMENT OF SUM INSURED** - Immediately upon the happening of any loss destruction or damage the Total Sum Insured and the Sum Insured upon the various descriptions of Property which have been lost destroyed or damaged shall be reduced by the amount of the loss destruction or damage and such reduced Sum Insured shall be the limits of the Company's liability in respect of any further losses destruction or damage occurring during the current Period of Insurance unless the Company consent upon payment of an additional premium to reinstate the full Sum Insured.
9. **AVERAGE** - It is understood and agreed that in the event of the total value at risk of the property being at the time of any loss within the meaning of this Section of the Policy is of greater value than the sum insured as specified in the **Schedule** the Insured shall be considered as being their own insurers for the difference and shall bear a rateable proportion of the loss accordingly.
10. **WAIVER OF POLICY CONDITIONS** - No provision or requirement of this Section of the Policy requiring any matter or thing to be done by the Insured or to be endorsed hereon or attached hereby by the Company shall be deemed waived by reason of any alleged notice or waiver which has not been expressly written or endorsed hereon or attached hereto by the Company; nor shall the Company be deemed to have waived any provision or condition of this Section of the Policy or any forfeiture thereunder by any requirement act or proceeding on its part relating to the appraisalment of any alleged Loss under such provision condition or forfeiture be expressly stated in writing by the Company to be so waived.

CLAUSES applicable to Section 3

This Section of the Policy extends to include the following clauses:

1. **Appraisalment 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 appraisalment 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.
2. **Designation Clause**
For the purpose of determining where necessary the item under which any property is insured, the Company agrees to accept the designation under which such property is entered in the insured's books
3. **Reinstatement Value Clause**
It is hereby declared and agreed that in the event of the property insured under this Section of the Policy being destroyed or damaged, the basis upon which the amount payable under this Section of the Policy 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 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 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 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 Section of the 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 Policy (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 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.
4. **Temporary Removal Clause**
The property insured under this Section of the Policy 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.

SECTION 4 – BURGLARY INSURANCE

The Company agrees that if at any time during the period of insurance stated in the Schedule any of the property insured described in the Schedule whilst contained within the Premises (which shall not include any garden, yard, open verandah, porch, outbuilding or other appurtenances specified in the Schedule be lost or damaged as the result of:

- a. THEFT consequent upon actual forcible and violent entry upon the said premises or any attempt thereat
- b. THEFT or any attempt thereat by a person feloniously concealed on the said premises

the Company will pay to the Insured the value (as at the time of the loss) of the property lost or the amount of the damage or at its option reinstate or replace such property or any part thereof.

PROVIDED THAT during any one period of insurance the liability of the Company shall in no case exceed in respect of each item of the property insured described in the **Schedule** the sum insured thereon or in respect of the whole total sum insured.

The company further agrees that in the event of

- a. Damage to the building(s) due to THEFT as aforesaid or any attempt thereat the Company will:-
 - i. pay for or at its option repair or make good the damage failing to be made good by the Insured.
 - ii. indemnify the Insured in respect of the cost of temporary protection reasonably necessary for the safety and protection of the property pending repair of the damage provided that the total liability of the Company during any one period of insurance for all such cost shall be limited to the sum of RM100.00.
- b. THEFT as aforesaid from the Premises specified of Cash, Notes, Negotiable Cheques, Postal Notes, Post Office Money Orders, Negotiable Securities and/or Stamps, the Company will pay to the Insured the amount of such loss not exceeding in total the sum of RM50.00,

but only to the extent to which the total sum insured on property at such premises is not otherwise exhausted.

PROVIDED ALWAYS THAT the Insurance hereby made is and shall be subject to the Conditions and Memoranda contained herein or endorsed otherwise expressed hereon which Conditions and Memoranda shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the right of the Insured to recover hereunder.

DEFINITIONS

Throughout this Section of the Policy (unless more specifically described):-

- “**Building(s)**” shall mean structure, including landlord's fixtures and fittings and the walls, retaining walls, gates, fences, free-standing signs and lights, underground and above ground services, site improvements within the Premises.
- “**Plant / Contents**” shall mean machinery and equipment business fixtures and fittings and furnishings, tenant's improvements of every description and all other property not otherwise defined except Building(s), Stock and property defined in Exclusion (5).
- “**Stock in Trade**” shall mean raw material, semi-finished goods and materials in trade, all being the property of the Insured or for which the property is held in trust or on commission. Stock in Trade shall refer to new stocks and not second hand or used or recycled stocks.
- “**Customer's Vehicle Held in Trust**” shall mean vehicle kept at insured's premises, registered for repair or service (insured under this Section of the Policy), not belonging to the Insured or his employees, being owned by the Insured's customers.

EXCLUSIONS applicable to Section 4

This Section of the Policy does not cover

1. **Cheating** - 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’.”

2. **Consequential Loss** - Any consequential loss whatsoever.
3. **Criminal Breach of Trust** - 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, express or implied, which he has made touching the discharge of such trust, or wilfully suffers any other person so to do, commits 'criminal breach of trust'."

4. **Excluded Perils** - Loss or damage arising during (unless it be proved by the Insured that such loss or damage was not occasioned thereby) or in consequence of
 - i. Earthquake, Subterranean Fire.
 - ii. Riot, Strike or Civil Commotion.
5. **Excluded Property**
 - i. Cash, Notes, Negotiable Cheques, Postal Notes, Post Office Money Orders, Negotiable Securities and/or Stamps except as otherwise provided for in this Section of the Policy.
 - ii. Documents, Manuscripts, Business Books, Patterns, Models, Mould, Plans, Designs unless specially mentioned as insured by this Section of the Policy.
6. **Family Members / Employers** - Loss or damage due to theft or any attempt committed by:-
 - i. any member of the Insured's family or employees.
 - ii. any person or persons whilst lawfully on the premises.
7. **Fire** - Loss or damage occasioned by or consequent upon Fire.
8. **Fraud** - Loss or damage by or through the collusion of or the fraudulent embezzlement by or the fraudulent misappropriation by the Insured or any person or persons in the service of the Insured.
9. **Other Policy** - 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 Section of the Policy, be insured by any other Policy, other than a Burglary Policy.
10. **Plate Glass** - Breakage of Plate Glass
11. **Error or Omission** - Shortages due to error or omission or shortages resulting from clerical or accounting errors or loss of or damage or shortages discovered at stocktaking or inventory checking.
12. **Unattended Vehicle** - Loss from an unattended vehicle, loss of or damage arising from robbery or extortion or abscondment.
13. **Unsecured Safe or Strongroom** - Loss from any safe or strongroom opened by keys or by use of details of combination either of which has been left on the Insured's premises whilst closed for business.

CONDITIONS applicable to Section 4

1. **DECLARATION of INFORMATION** - The due observance and fulfillment by the Insured of the terms, provisions, conditions and memoranda contained in endorsed on or attached to this Section of the Policy in so far as they relate to anything to be done or complied with by the Insured and the truth if the statement and answers in the said proposal together with all statements made in writing by the Insured or any one acting on behalf of the Insured for the purpose of this Section of the Policy shall be conditions to any liability of the Company to make any payment under this Section of the Policy.
2. **AVERAGE** - Each and every item specified in the Schedule is separately but similarly subject to Average that is to say if the Property insured shall at the time of any loss or damage be collectively of greater value than the Sum Insured thereon then the Insured shall be considered to be his own insurer for the difference and shall bear a rateable share of the loss or damage accordingly. [This Average Condition shall not apply to the item "Customers' Vehicles held in Trust" if insured under this Section of the Policy.](#)
3. **CHANGE IN SITUATION** - If the property insured be removed to any building or place or there is a change in situation of the property insured, this Section of the Policy shall cease immediately unless this Section of the Policy is endorsed and the endorsement delivered to the Insured. Furthermore, the Company reserves the right to conduct surveys and the right to decide on the continuance of this Section of the Policy.
4. **CLAIMS PROCEDURE** - Upon the happening of any event giving rise or likely to give rise to a claim under this Section of the Policy, the Insured shall:-
 - a. give immediate notice to the Police.
 - b. take all practicable steps to discover the guilty person or persons.
 - c. take all practicable steps to recover the property lost.
 - d. give immediate notice in writing to the Company.
 - e. within thirty (30) days after loss or damage (or such further time as the Company may in writing allow) at the Insured's own expense furnish to the Company a statement in writing containing as particular an account as may be reasonably practicable of the several articles or portions of property lost or damage and of the amount of loss or damage thereto respectively having regard to their value at the time of the loss or damage excluding profit of any kind.
 - f. furnish to the Company a statement giving details of any other insurances of any property hereby insured.
 - g. furnish to the Company all such proofs and information with respect of the claim as may reasonably be required together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith.
5. **ENFORCEMENT OF RIGHTS AND REMEDIES** - Any claimant under this Section of the Policy shall at the request and 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 Section of the Policy whether such acts and things shall be or become necessary or required before or after such payment or making good.

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6. **FIRST LOSS** - If this Section of the Policy is issued as a First loss Insurance up to an amount (as shown in the Schedule) being part of the full value as described in the Schedule, it is understood and agreed that in the event of the value at risk being at the time of any loss within the meaning of this Section of the Policy is of greater value than the full value as described in the Schedule, the Insured shall bear such a proportion of loss or damage as the excess over the total amount declared bears to the total value at the time of the loss or damage and the Insured shall to that extent be considered as being their own insurers.
 7. **REINSTATEMENT AND REPLACEMENT** - The Company may at any time instead of paying the amount of the loss or damage, reinstate or replace the property lost or damaged or repair, or make good the damage to the premises but in so doing shall not be bound to reinstate or replace exactly and completely but only as circumstances permit and in reasonably sufficient manner, and the Company may join with other Insurers, if any, in so reinstating or replacing. After payment for or replacement of any property lost, such property if recovered, shall belong to the Company subject to the Insured's right to reclaim it upon repayment to the Company of the amount paid by the Company in respect of such property.
 8. **REASONABLE PRECAUTIONS** - The Insured shall take all reasonable precautions for the safety and protection of the property insured and comply with all statutory obligations, by laws and regulations imposed by any Public Authority for the safety, use and storage of the property insured.
 9. **OTHER INSURANCE** - If at the time of any occurrence causing loss or damage covered by this Section of the Policy there be any other subsisting insurance covering the same loss or damage, the Company shall not be liable for more than its rateable proportion thereof.
 10. **REDUCED SUM INSURED** - Immediately upon the happening of any loss, destruction of or damage, the Total Sum Insured and the Sums Insured upon the various descriptions of Property which have been lost, destroyed or damaged shall be reduced by the amount of the loss, destruction or damage and such reduced Sums Insured shall be the limits of the Company's liability in respect of any further losses, destruction or damage occurring during the current Period of Insurance unless the Company consent upon payment of an additional premium to reinstate the full Sum Insured.
 11. **WAIVER OF POLICY CONDITIONS** - No provision or requirement contained in this Section of the Policy endorsed or to be endorsed hereon or attached or to be attached hereto requiring any matter or thing to be done by the Insured shall be deemed waived by reason of any alleged notice or waiver which has not been expressly written or endorsed hereon or attached hereto by the Company nor shall the Company be deemed to have waived any provision or condition of this Section of the Policy or any forfeiture thereunder by any requirement act or proceeding on its part relating to the appraisalment of any alleged loss unless such provision, condition or forfeiture be expressly stated in writing by the Company to be so waived.
 12. **WILFUL ACT** - If any claim be in any respect fraudulent or if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this Section of the Policy or if any loss damage be occasioned by the wilful act or with the connivance of the Insured, all benefit under this Section of the Policy shall be forfeited.
 13. **WRITTEN CONSENT** - Unless the written consent of the Company shall have previously been obtained, this Section of the Policy shall be voidable:-
 - a. if there should occur any alteration of the premises of the property insured so that the particulars and information furnished to the Company are no longer correct statement of fact.
 - b. if the interest of the Insured ceases except by will or operation of law.
 - c. if any of the property insured is charged by Bill of Sales or other security.
 - d. for any period during which the premises become unoccupied and remain so for a period exceeding thirty consecutive days.
 14. **WRITTEN NOTICE** - The Insured shall give notice in writing to the Company of any insurance or insurances already effected, or which may subsequently be effected, covering any of the property insured, and unless such notice be given and the particulars of such insurance or insurances be stated in or endorsed on this Section of the Policy by or on behalf of the Company before the occurrence of any loss or damage, all benefit under this Section of the Policy shall be forfeited.

CLAUSES applicable to Section 4

This Section of the Policy extends to include the following clauses:

1. Alarm and Protection Clause

It is a condition precedent to the liability of the company under this insurance that

- a. The premises containing the property insured 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,
- b. The burglar alarm system and all locks and padlocks 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,
- c. The burglar alarm system shall have been maintained in full working order throughout the currency of this insurance with the installing company or manufacturer or dealer,
- d. All other protection provided for the safety of the property insured shall be maintained in good order throughout the currency of this insurance and that they are in full and effective operation at all appropriate times,
- e. All keys and duplicate keys relative to the alarm system and other protection are removed from the premises, when the premises are closed for business and at all other appropriate times.

2. Book-Keeping Clause

It is a condition precedent to the right of the Insured to recover under the within policy that, in the event of a claim hereunder, the Insured shall be able to produce to the company in support of the claim the following record(s):-

- i. Record of all stocks held as at the date of the last stock-taking prior to the date of the burglary in respect of which the claim is made.
- ii. Record of all goods taken into stock since the date of the last stock taking (this record must be supported by invoices).
- iii. Record of the daily sales whether for cash or otherwise and any other transfers of stock since the date of the last stocktaking.

The foregoing provisions shall not debar the company from asking for any further necessary information in the event of a claim being made under the policy.

3. Car Accessories Clause

Car accessories e.g. rims, audio/video equipment is insured at the value of 1/3 (one third) of the total value insured under item (1) of the Schedule under this Section. This item is not insured as a separate item but forms part of the total value insured under item (1) of the schedule.

4. Watchman Warranty

Where the Insured has declared that a full time Watchman or Caretaker is employed, it is warranted that the premises must be guarded by such watchman or caretaker, 24 hours per day including weekends and public holidays.

5. Customer's Vehicle Held in Trust

Where insurance cover is selected to insure customer's vehicle held in trust, it is a condition precedent to liability under this Section of the Policy, that the customer's vehicle must be securely locked within the Insured's premises whilst not being worked upon. Should such vehicle be left at Insured's premises overnight, the key/s to such vehicle is to be held in the personal custody of the Insured or his assigned supervisor, and not be left in the Insured's premises.

SECTION 5 – MONEY INSURANCE

The Company agrees subject to the terms, exclusions, limits, conditions and memoranda contained in this Section of the Policy or endorsed hereon to indemnify the Insured against:-

1. loss of Money by any cause whatsoever occurring in the Situation during the Period of Insurance.
2. the cost of repair or replacement of the Safe or Strongroom not otherwise insured directly associated with any theft or attempted theft therefrom occurring during the Period of Insurance

provided that out of Business Hours, the Safe or Strongroom whilst containing the Money or any part thereof, shall be kept locked and the keys thereof shall at all times be kept in the personal custody of the Insured or a responsible official or employee of the Insured who on leaving the premises shall remove the keys therefrom.

DEFINITIONS

Throughout this Section of the Policy (unless more specifically described) :-

1. **"Money"** shall mean Current Coins, Bank and Currency Notes, Cheques, Money Orders, Postal Orders, Current Unused Postage Stamps and Revenue Stamps all belonging to the Insured or for which the Insured has accepted liability.
2. **"Business Hours"** shall mean the period which the Insured's Premises are actually occupied for business purposes and during which the Insured or his employees entrusted with money are in the Premises.
3. **"Situation"** shall mean
 - A. Money other than crossed Cheques, crossed Money Orders and crossed Postal Orders:
 - i. In Transit: Whilst in transit between the Premises and Bank or Post Office and whilst in the Premises during Business Hours. In the case of money drawn from the Bank as wages and/or salaries whilst in the Premises until paid out on the day of withdrawal PROVIDED THAT the Company's liability in respect of salaries and/or wages, not paid out on that day of withdrawal shall be limited to 40% of that particular withdrawal.
 - ii. On Premises: Whilst secured in the locked safe or strongroom in the Premises (including the salaries and or wages or other earnings not paid out on the day of withdrawal)
 - iii. On Premises: Whilst secured in the Premises under lock and key other than safe or strongroom and being money other than for payment of wages and or salaries and other earnings.
 - B. Crossed Cheques crossed Money Orders, crossed Postal Orders whilst in transit and whilst on the Premises, all within Malaysia.
4. **"Safe or Strongroom"** shall mean any safe or strongroom in the Premises.
5. **"Premises"** shall mean the Premises specified in the **Schedule**.
6. **"Limit any one Loss"** shall mean the limit of the Company's liability for any single loss arising in the Situation or for the cost of repairs or replacement of the Safe or Strongroom.

EXCLUSIONS applicable to Section 5

This Section of the Policy does not cover

1. **Strike and Riot** - Any consequence of strike or riot.
2. **Forgery** - Any loss due to or arising out of forged bank or currency notes.
3. **Error or Omission** - Shortages due to error or omission or shortages resulting from clerical or accounting errors or loss due to errors in receiving or paying out.
4. **Cheating** - Any loss or damage caused by or attributed to the act of cheating by the Insured or any person in the service of the Insured, 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'."

5. **Criminal Breach of Trust** - Any loss or damage caused by or attributed to the act of criminal breach of trust by the Insured or any person in the service of the Insured, 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, express or Implied, which he has made touching the discharge of such trust, or wilfully suffers any other person so to do, commits 'criminal breach of trust'."

6. **Unattended Vehicle** - Loss from an unattended vehicle.
7. **Unsecured Safe or Strongroom** - Loss from any safe or strongroom opened by keys or by use of details of combination either of which has been left on the Insured's premises whilst closed for business.
8. **Consequential Loss** - Any consequential loss whatsoever.
9. **Outside Situation** - Loss or damage occurring outside the Situation.

CONDITIONS applicable to Section 5

1. **ASSIGNMENT** - The interest of the Insured under this Section of the Policy shall not be assignable except with the written consent of the Company
2. **CLAIM PROCEDURE** - The Insured shall take all reasonable precautions for the safety of the Money and immediately upon having knowledge of any event giving rise or likely to give rise to a claim under this Section of the Policy shall:-
 - a. give notice immediately to the Company and render all reasonable assistance in causing the discovery and punishment of any guilty person and in tracing and recovering the Money.
 - b. give notice thereof to the Company in writing and within seven days thereafter deliver to the Company a claim in writing and supply all such detailed proofs and particulars as may be reasonably required.In no case shall the Company be liable for any loss not notified to the Company within fourteen days (14) after the event.
3. **RECOVERY** - The Company may at any time at its own expense use all legal means in the name of the Insured for recovery of any of the Money lost and which forms the subject of a claim under this Section of the Policy and the Insured shall give all reasonable assistance for that purpose. The Company shall be entitled to any of the Money for the loss of which a claim is paid hereunder and the Insured shall execute all such assignment and assurances in respect of such Money as may be reasonably required.
4. **PROPER RECORDS** - A proper record shall be kept in the books of the Insured of all the Money (including the names of all employees and the amount of wages salaries or other earnings paid to them). The Insured shall at all times allow the Company to inspect such books and within one month from the expiry of the Period of Insurance shall supply the Company with a correct statement of the Money in transit during the said period. A proper record shall also be kept of all Money in the Safe/s or Strongroom/s in some place other than the Safe(s) or Strongroom(s)
5. **FRAUD** - If any claim be in any respect fraudulent or if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this Section of the Policy or if any loss or damage be occasioned by the wilful act or with the connivance of the Insured all benefit under this Section of the Policy shall be forfeited.

CLAUSES applicable to Section 5

This Section of the Policy extends to include the following clauses:

1. **Cash in Locked Safe and/or Strongroom Clause**

It is hereby declared and agreed that this Section of the Policy is extended to cover cash and/or currency notes belonging to the Insured whilst kept in the locked safe and/or strongroom in the Insured's premises as described in the schedule against loss as provided for by the within policy.

Warranted that:-

 - a. A complete record of the amount of cash in locked safe and/or strongroom shall be kept secured in some place other than in the said locked safe and/or strongroom and that the company's liability shall be limited to the amount of cash shown by the record to be in the said locked safe and/or strongroom at the time of the loss but not exceeding the sum insured.
 - a. The company will not be liable in respect of loss of money from the locked safe and/or strongroom following the use of the keys to the said locked safe and/or strongroom:-
 - i. Unless the said keys are obtained by threats or violence;
 - ii. If whenever the premises are left unattended the said keys have not been removed from the premises by the Insured or some responsible person nominated by them.

2. **Key Clause**

It is hereby declared and agreed that this Section of the Policy does not cover the loss of cash and/or valuables abstracted from the drawer/cabinet or petty cash box following the use of the key or any duplicate to the drawer/cabinet or petty cash box belonging to the Insured and that the drawer/cabinet or petty cash box be kept locked at all times except when they are being used.

It is further declared and agreed that the key to the drawer/cabinet or petty cash box be at all times kept by the officers responsible for their custody and such keys must not be left behind in the premises in which the drawer/cabinet or petty cash box is located at any time when the officers responsible for their custody have to go out of the premises.

3. **Cash in Locked Drawer/Cabinet or Petty Cash Box Clause**

Notwithstanding anything herein contained to the contrary, it is hereby declared and agreed that a complete record of the amount of cash in locked drawer/cabinet or petty cash box shall be kept secure in some place other than in the said drawer/cabinet or petty cash box and that the liability of the Company shall be limited to the amount of cash shown by the record to be in the said drawer/cabinet or petty cash box at the time of the loss not exceeding in all the sum insured as stated in the policy.

4. **Damage to Premises or Safe/Drawers and/or Cabinets**

It is hereby understood and agreed that this Section of the Policy is extended to cover damage to premises or safe/drawers and/or cabinets in consequence of burglary/theft upon the premises but limited to the amount as stated the Schedule, any one event.

SECTION 6 – PLATE GLASS INSURANCE

The Company will indemnify the Insured subject to the terms, exceptions and memoranda contained herein or endorsed hereon or attached hereto

- a. to the extent of the market value of any of the panes of glass broken.
- b. to an amount not exceeding that insured on and set opposite the respective other items in the Schedule hereto occurring during the Period of Insurance as a result of any breakage of any of the glass insured under this Section of the Policy.

Provided always that the word "breakage" shall not include any disfiguration or damage other than fracture extending through the entire thickness of the items insured.

For the purpose of the insurance under this Section of the Policy, "glass" insured herein shall also include Insured's neon/advertising signboard

EXCLUSIONS applicable to Section 6

This Section of the Policy does not cover

1. **Excluded Perils** - Breakages arising during (unless it be proved by the Insured that such breakage was not occasioned thereby) or in consequence of:-
 - i. Fire, artificial heat, earthquake, subterranean fire, explosion.
 - ii. Hailstorm, windstorm, flood.
 - iii. Riot, strike & civil commotion, any consequential loss or legal liability of whatsoever nature.
2. **Wilful Act/ Decoration/ Removal/ Crack**
 - a. Breakage caused by the wilful act or with the connivance of the Insured;
 - b. Glass writing, ornamentation or frames or framework of any description;
 - c. The cost of removal or replacement or any fittings, fixtures, or other obstructions;
 - d. Cracked or imperfect glass unless specially declared as such and specifically included in the **Schedule** hereto.

Provided also that the insurance hereby made is and shall be subject to the Exclusions, Conditions and Memoranda, if any, endorsed hereon or attached hereto, in like manner as if the same were respectively repeated and incorporated herein, and compliance with such Conditions and Memoranda, and each of them, shall be a condition precedent to the right of the Insured to sue or recover hereunder.

In respect of item 2(b) of this exclusion, the restriction will not apply to sign boards.

CONDITIONS applicable to Section 6

1. **ALTERATION** - No alteration in the terms of this Section of the Policy or its conditions shall be valid unless the same be signed or initialed by some official thereunto authorised by the Company.
2. **REINSTATEMENT OF COVER** - In the event of all or any portion of the glass insured by this Section of the Policy being broken, this Section of the Policy shall not cover any glass substituted for such broken glass, unless such additional premium is paid in respect thereof as the Company may require.
3. **CESSATION** - Unless the written consent of the Company shall have been previously obtained, this Section of the Policy ipso facto ceases to be in force:-
 - a. if the trade or manufacture carried on be altered, or if the nature of the occupation, or other circumstances affecting the building containing the insured property be changed.
 - b. if the building containing the insured property become unoccupied and so remain for a period of more than thirty (30) consecutive days.
 - c. if the insured shall cause or suffer and change or alteration in the premises or the property insured hereunder so that the particulars and information set forth in the within-mentioned proposal are no longer correct statements of the facts;
 - d. as to any part of the property hereby insured upon the interest of the insured therein passing from him or upon the charging thereof by a bill of sale or other security.

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4. **CLAIM PROCEDURE** - Upon the happening of any event giving rise or likely to give rise to a claim under this Section of the Policy the Insured shall:-
 - a. Forthwith give Notice thereof to the Company explaining the circumstances of the case, and unless such notice be received by the Company within seven days no compensation shall be payable under this Section of the Policy; and the Insured shall not cause or permit the removal of the broken glass from its position without the consent of the Company;
 - b. At all times furnish to the Company all such particulars and evidence, documentary and otherwise, and execute and do all such assurances and things, make such declarations and give all such access as the Company may reasonably require to substantiate the Claim, to discover and punish any guilty person or persons, and to recoup the Company, so far as may be, in respect of the amount it shall pay, or be liable to pay, under this Section of the Policy and if any person other than the Insured's own servant is responsible for the breakage, shall empower the Company to sue in the Insured's name, but at the cost of the Company and shall otherwise assist the Company to recover compensation. The Company shall bear the expense of all such particulars, evidence, assurances, declarations and things as it may require with the above objects or any of them other than those required to substantiate the claim.
 5. **MONETARY PAYMENT OR REPLACEMENT** - It shall be at the option of the Company either to pay the Insured the amount of the loss in money, or to make replacement with glass of a similar manufacture and quality. In no case shall compensation be payable by the Company for interruption or delay of business, or damage of any kind during the time intervening between the occurrence of a breakage and the replacement thereof. All salvage glass is the property of the Company and must be carefully preserved.
 6. **PRECAUTION** - The Insured shall take all due precautions for the property insured as if the same were not insured.

CLAUSE applicable to Section 6

1. **First Loss**

The Insured having declared the value of the property to which this insurance is attached at the sum as specified in the policy being part of the full value and the premium of this Section of the Policy having been calculated accordingly, it is agreed that if the property covered shall at the time of the happening of any loss or damage hereby insured against be collectively of greater value than the total amount declared as aforesaid then the Insured shall bear such a proportion of loss or damage as the excess over the total amount declared bears to the total value at the time of the loss or damage and the Insured shall to that extent be considered as being their own insurers.

SECTION 7 – PUBLIC LIABILITY INSURANCE

The Company will indemnify the Insured as follows:

1. **LIABILITY**

The Company will pay to or on behalf of the Insured all sums which the Insured shall become legally liable to pay by way of compensation in respect of:

 - a. bodily injury (which expression includes death and illness).
 - b. property damage (which expression includes loss of property).

happening within the territorial limit as stated on the policy schedule during the Period of Insurance caused by an Occurrence in connection with the Business of the Insured.

2. **LAW COSTS AND EXPENSES**

With respect to the indemnity afforded by this Section of the Policy, the Company will:

 - a. defend in the name of and on behalf of the Insured any suit against the Insured alleging such bodily injury, property damage and seeking damages on account thereof even if such suit is groundless, false or fraudulent, and the Company may make such investigation, negotiation and settlement of any claim or suit as the Company may deem expedient.
 - b. pay all expenses incurred by the Company, all costs taxed or awarded against the Insured in any suit and all interest accruing after entry of judgement until the Company has paid, tendered or deposited in court such part of such judgment as does not exceed the limit of the Company's liability as specified in the **Schedule**.
 - c. reimburse the Insured for all reasonable expenses, other than loss of earnings, incurred with the consent of the Company.

Provided that

- i. the Company shall not be obliged to pay any claim or judgement or to defend any suit after the limit of liability has been exhausted by payment of judgements or settlements.
- ii. if a payment exceeding the limit of liability has to be made to dispose of a claim, the Company's liability to pay any law costs and expenses in connection therewith shall be limited to such proportion of the law costs and expenses as the limit of liability bears to the amount paid to dispose of the claim.

The amounts thus incurred, except payments in settlement of claims, suits, all costs awarded against the Insured and non-manual workers or supervisors of work travelling in the United States of America or the Dominion of Canada, are payable by the Company in addition to the limit of liability specified in the **Schedule**.

3. **LIMIT OF LIABILITY**

The maximum liability of the Company in respect of any claim or any series of claims for bodily injury and/or property damage caused by or arising out of one Occurrence shall not exceed the Limit of Liability specified in the **Schedule**. All bodily injury and property damage arising out of continuous or repeated exposure to substantially the same general conditions shall be construed as arising out of one Occurrence.
4. **DEDUCTIBLE**

When specified in the **Schedule**, each Occurrence arising under this Section of the Policy is subject to the deductible shown and such deductible is to apply to Law Costs and Expenses.

DEFINITIONS

Throughout this Section of the Policy (unless more specifically described):-

- "Aircraft"** means any vessel, craft or thing made or intended to fly or move in or through the atmosphere or space.
- "Business"** shall include the provision and management of canteens, social, sports and welfare organisations for the benefit of the Insured's employees and first aid, fire and ambulance services and maintenance of the Insured's premises.
- "Insured"** each of the following is deemed to be an Insured under this policy to the extent set forth:
- The named Insured specified in the **Schedule**.
 - All the subsidiary companies (now or hereafter constituted) of the named Insured if their places of incorporation are within Malaysia.
 - Every Director, Executive Officer, Employee, Partner or Shareholder of the Insured or of a company designated in paragraph (b) above but only whilst acting within the scope of their duties in such capacity.
 - Every principal, in respect of the liability of such principal arising out of the performance by the Insured or by a company designated in paragraph (b) above, of any contract or agreement for the performance of work for such principal, to the extent required by such contract or agreement, but limited in all to the extent of coverage and limit of liability as provided for in this Section of the Policy.
 - Every office bearer or member of sporting clubs, canteen and welfare organisations and first aid, fire and ambulance services formed with the consent of the Insured (other than an Insured designated in paragraph (d)) in respect of claims arising from their duties connected with the activities of any such club.
 - Any director or senior executive of the Insured in respect of private work undertaken by the Insured's employees for such director or executive.
- "Insured" does not include the interest of any other person other than as described in (a) to (f) above.
- "Occurrence"** means an event, including continuous or repeated exposure to substantially the same general conditions which results in bodily injury or property damage, neither expected nor intended from the standpoint of the Insured
- "Policy"** means this document and each memorandum issued by the Company and attached, or intended to be attached, to it.
- "Pollutants"** means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.
- "Vehicle"** means any type of machine on wheels or on self laid tracks made or intended to be propelled by other than manual or animal power and any trailer or other attachment made or intended to be drawn by any such machine.
- "Watercraft"** means any vessel, craft or thing made or intended to float on or in or travel on or through water.

EXCLUSIONS applicable to Section 7

This Section of the Policy does not cover liability in respect of:

- Absolute Asbestos Exclusion** - Any actual or alleged liability whatsoever for any claim or claims in respect of losses directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity.
- Aircraft and Watercraft** - Claims arising out of the ownership, maintenance, operation or use by the Insured of:
 - any aircraft or hovercraft, or
 - any watercraft exceeding 7.5 meters in length.
- Aircraft Products** - Claims arising out of the Insured's Products that are used with the Insured's knowledge in aircraft or aerial devices.
- Contractual Liability** - Liability assumed by the Insured under any contract or agreement except to the extent that such liability would have been implied by law. This exclusion shall not apply to:
 - liability assumed by the Insured under any contract or lease of real or personal property.
 - those written contracts specified in the **Schedule**.
- Defamation** - Claims arising out of the publication or utterance of defamatory or disparaging statement, materials, advertisements or the like.
- Product Liability** - Bodily injury or property damage caused by or arising out of any defective design or error in specification or formula or any other reason, relating to any Products sold, supplied, distributed or manufactured by the Insured
- Electro Magnetic Radiation** - Any loss, damage, cost, liability or obligation, actual or alleged, directly or indirectly arising from Electro Magnetic Radiation. Electro Magnetic Radiation shall include but is not limited to magnetic energy, waves, fields or forces generated, produced, distributed, transmitted or maintained by charges, currents, frequencies, energy or forces of electricity.
- Export to U.S.A or Canada** - Claims in respect of bodily injury or property damage caused by or arising out of the insured's Products knowingly exported by insured, their agents or servants to United States of America or Dominion of Canada.
- Faulty Workmanship** - The cost of performing, completing, correcting or improving any work undertaken by the Insured.
- Fines, Penalties** - Fines, penalties or liquidated damages.

11. Information Technology Hazard, Computer Data, Program and Storage Media

- a. Personal Injury or Property Damage arising, directly or indirectly, out of, or in any way involving the Insured's "Internet Operations". This exclusion does not apply to Personal Injury or Property Damage arising out of any material which is already in print by the manufacturer in support of its product, including but not limited to product use and safety instructions or warnings, and which is also reproduced on its site.

"Internet Operations" means the following:

- i. Use of electronic mail systems by the Insured or the Insured's employees, including part-time and temporary staff, contractors and others within the Insured's organization.
- ii. Access through the Insured's network to the world wide web or a public internet site by the Insured's employees, including part-time and temporary staff, contractors and others within the Insured's organization.
- iii. Access to the Insured's intranet (meaning internal company information and computing resources) which is made available through the world wide web for customers of the Insured or others outside the Insured's organization.
- iv. The operation and maintenance of the Insured's web site.

Nothing in this exclusion shall be construed to extend coverage under this Section of the Policy to any liability which would not have been covered in the absence of this exclusion.

- (b) Property Damage to computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:
- i. the use of any computer hardware or software.
 - ii. the provision of computer or telecommunication services by the Insured or on the Insured's behalf.
 - iii. the use of computer hardware or software belonging to any third party, whether authorised or unauthorised including damage caused by any computer virus.

12. Injury to Employees

- a. Bodily Injury to any employees of the Insured arising directly or indirectly out of or in the course of their employment in the Business of the Insured.
- b. Any liability the Insured may have in respect of bodily injury sustained to any person who is, pursuant to any legislation relating to Workers' Compensation, deemed or defined to be an employee of the Insured.
- c. Any liability in respect of which the Insured is entitled to seek indemnity under any policy of insurance required to be taken out pursuant to any legislation relating to Workers' Compensation including any legislation of any State, Territory or Province and whether or not the Insured is party to such contract of insurance.
- d. Any liability imposed by the provisions of any Worker's Compensation legislation or any industrial award or agreement or determination.

13. Jurisdiction

- a. Claims made and actions instituted within the United States of America or the Dominion of Canada or any other territory coming within the jurisdiction of the courts of the United States of America or the Dominion of Canada.
- b. Claims and actions to which the laws of the United States of America or the Dominion of Canada apply.

14. Loss of Use - Loss of use tangible property which has not been physically injured or destroyed resulting from :

- a. a delay in or lack of performance by or on behalf of the insured of any contract or agreement.
- b. the failure of the insured's Products to meet the level of performance, quality, fitness or durability expressly or impliedly warranted or represented by the Insured, but this exclusion does not apply to the loss of use of other tangible property resulting from the sudden and accidental physical injury to or destruction of the Insured's Products after such products have been put to use by any person or organization other than the Insured.

15. Offshore Gas and Oil Platforms - Work performed on offshore gas and oil platforms.

16. Pharmaceutical Manufacturer and Importers - Bodily injury or property damage arising from the sale or distribution of pharmaceuticals imported or manufactured by the Insured. Provided that this exclusion does not apply to those vitamins available without a prescription.

17. Pollution

- a. Bodily injury or property damage caused by or arising out of the discharge, dispersal, release or escape of pollutants into or upon land, the atmosphere, or any water course or body of water. Provided this exclusion does not apply if such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place.
- b. Any costs and expenses incurred in the prevention, removing, nullifying or clean up of such contamination or pollution. Provided this exclusion does not apply to clean-up, removal or nullifying expenses, which are consequent upon a sudden, identifiable, unexpected, unintended happening taking place in its entirety at a specific time and place which results in bodily injury or property damage.

18. Product Defect - Property damage to the Insured's Products if such damage is attributable to any defect therein or the harmful nature or unsuitability thereof.

19. Property In Care, Custody or Control - Property damage to:

- a. property owned by or leased or rented to the Insured.
- b. property in the physical or legal control of the Insured.

But this exclusion shall not apply to liability for property damage to:

- c. premises (including landlord's fixtures and fittings) which are leased or rented to the Insured.
- d. premises (and the contents thereof) not owned, leased or rented by the Insured but temporarily occupied by the Insured for work therein but no indemnity is granted for damage to that part of the property on which the Insured is working and which arises out of such work.

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- e. vehicles (not belonging to or used by or on behalf of the Insured in the physical or legal control of the Insured) where such property damage occurs whilst any such vehicles are in a carpark owned or operated by the Insured. This section does not apply if the Insured owns or operates the car park for reward.
 - f. employee's property
20. **Product Recall** - Claims arising out of or resulting from the withdrawal, inspection, repair, replacement or loss of use of the Insured's Products or of any property of which such products form a part, if such products or property are withdrawn from the market or from use because of any known or suspected defect or deficiency therein.
 21. **Liability** - The rendering of or failure to render professional advice or service by the Insured or any error or omission connected therewith but this exclusion does not apply to the rendering or failure to render professional medical advice by medical persons employed by the Insured to provide first aid and other medical services on the Insured's premises.
 22. **Punitive Damages** - Punitive damages and/or exemplary damages and/or aggravated damages and/or any additional damages resulting from the multiplication of compensatory damages.
 23. **Radioactivity** - Bodily injury or property damage directly or indirectly caused by, contributed to or arising from:
 - a. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion combustion shall include any self-sustaining process of nuclear fission; or
 - b. nuclear weapons material.
 24. **Territorial Limits** - Claims made and actions instituted outside Malaysia.
 25. **Vehicles** - Bodily injury or property damage arising out of the ownership, maintenance, possession or use by the Insured of any vehicle:
 - a. which is registered or is required under any legislation to be registered.
 - b. in respect of which insurance is required to be effected by or on behalf of the Insured by or under any legislation of any State, Territory or Province whether or not such insurance is effected.

This Exclusion does not apply to bodily injury or property damage:

 - c. caused by or arising from the delivery or collection of goods to or from any vehicle where such bodily injury or property damage occurs beyond the limits of any carriage way or thoroughfare.
 - d. arising out of the loading or unloading of or the delivery or collection of goods to or from any vehicle used in work undertaken by the Insured or on the Insured's behalf but not in the Insured's physical or legal control.
 26. **Vibration** - Bodily injury or property damage in respect of damage to any land or fixed property arising directly or indirectly from vibration.

CLAIM CONDITIONS applicable to Section 7

1. **Defence and Settlement**
 - a. The Insured shall not without the consent in writing of the Company make any admission, offer, promise or payment in connection with any occurrence or claim and the Company if it so desires, shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any claim.
 - b. The Insured shall use its best endeavours to preserve all property, products, appliances and plant and all other things which may assist in the investigation or defence of a claim or in the exercise of rights of subrogation and so far as may be reasonably practicable no alteration or repair shall be effected without the consent of the Company until the Company shall have had an opportunity of inspection.
 - c. The Company shall be entitled to prosecute in the name of the Insured at its own expense and for its own benefit any claim for indemnity or damages or otherwise.
 - d. The Company shall have full discretion in the conduct of any proceedings in connection with any claim and the Insured shall give all information and assistance as the Company may require in the prosecution, defence or settlement of any claim.
2. **Discharge of Liabilities**

The Company may at any time pay to the Insured in respect of all claims against the Insured arising directly or indirectly from one source or original cause the amount of the "Limit of Liability" or such other limit specified in respect thereof (after deduction of any sum or sums already paid as compensation in respect thereof), or any lesser sum for which the claim or claims can be settled and upon such payment the Company shall relinquish conduct or control of and be under no further liability under the policy in connection with such claims except for costs, charges and expenses;

 - a. recoverable from the Insured for all or part of the period prior to the date of such payment.
 - b. incurred by the Company.

incurred by the Insured with the written consent of the Company prior to the date of such payment.
3. **Due Observance**

If the Insured fails to comply with any term, condition or provision of the policy, the Company may refuse to pay a claim, but in any event both parties' rights will be subject to any applicable insurance law of Malaysia.
4. **Subrogation**

In the event of a payment under this Section of the Policy to or on behalf of the Insured, the Company shall be subrogated to all the Insured's rights of recovery against all persons and organisations and the Insured shall execute and deliver instruments and papers and do all that is necessary to assist the Company in the exercise of such rights.

CONDITIONS applicable to Section 7

1. **DISPUTE** - All disputes arising out of or under this Policy shall be subject to determination by any court of competent jurisdiction within Malaysia according to the law applicable to that jurisdiction.
2. **INSPECTION OF PROPERTY**
 - a. The Company shall be permitted but not obligated to inspect the Insured's property and operations at any time.
 - b. Neither the Company's right to make nor its failure to make, nor the making of any inspection nor any report thereof, shall be used by the Insured or others in any action or proceeding involving the Company.
 - c. The Company may examine and audit the Insured's books and records at any time during the period of insurance and within three years thereafter but such examination and audit shall be restricted to matters which in the opinion of the Company are relevant to the policy.
3. **JOINT INSURED** - Where more than one party comprises the Insured, each of the parties shall be considered as a separate and distinct unit and the word Insured shall be considered as applying to each party in the same manner as if a separate policy had been issued to each of the said parties provided that nothing in this clause shall result in an increase of the Company's Limit of Liability in respect of any Occurrence or period of insurance.
4. **NOTICES** - Notice in writing shall be given as soon as possible to the Company of:
 - a. Every Occurrence, claim, writ, summons, proceedings, impending prosecution, inquest and all information in relation thereto which may result in a claim under the policy, whether or not the Insured believes any claim amount might fall below any deductible stated in the Schedule.
 - b. Every change materially varying any of the facts or circumstances existing at the commencement of this Section of the Policy that shall come to the knowledge of the Insured.
 - c. Any notice given in writing by the Company to the first named Insured in the Schedule shall be deemed to be notice given to each of the parties comprising "the Insured".
 - d. Service of notice by the Company shall be effective immediately on receipt by the first named Insured of a telex or facsimile transmission sent from the Company or in the case of notices by post, three business days after having been posted by the Company.
5. **OTHER INSURANCE**
 - a. As soon as is reasonably practical but within 15 days after entering into any other contract of insurance, the Insured shall notify the Company of, and shall give the Company full details of, any such other insurance which provides indemnity, in full or in part, for any of the liabilities insured hereunder.
 - b. To the extent that the Insured has any other insurance in force in respect of the liabilities insured hereunder, the Company shall only be liable under this Section of the Policy for the excess beyond any amount insured by such other insurance in respect of that liability, whether or not such insurance is valid or collectible.
6. **REASONABLE CARE** - The Insured shall:
 - a. Exercise reasonable care that only competent employees are employed and take reasonable measures to maintain all premises, fittings and plant in sound condition and;
 - b. Take all reasonable precautions to
 - i. Prevent bodily injury and property damage liability
 - ii. Prevent the manufacture, sale or supply of defective products
 - iii. Comply and ensure that its employees, servants and agents comply with all statutory obligations, by-laws or regulations imposed:
 - By all relevant public authorities
 - For the safety of persons or property
 - For the disposal of waste products
 - For the handling, storage or use of inflammable liquids or substances, gases or toxic chemicals.
 - c. At its own expense take reasonable action to trace recall or modify any Insured's Products containing any defect or deficiency of which the Insured has knowledge or has reason to suspect, including (but not limited to) any Insured's Products subject to governmental or statutory ban.

CLAUSES applicable to Section 7

1. **Alterations and Repairs**

It is hereby agreed that notwithstanding anything contained herein to the contrary all legal liability to third parties arising from the maintenance or repair or decorations of the premises by contractors and/or sub-contractors engaged by the Insured are deemed covered.
2. **Contractors/Sub-Contractors**

Notwithstanding anything contained herein to the contrary, the indemnity expressed in this Section of the Policy is deemed to include liability caused by or in connection with employment of contractors/sub-contractors or the servants or agents of contractors/sub-contractors by the Insured.

Provided always that:

 - i. The contractors/sub-contractors shall as though the Insured observe, fulfil and be subject to terms of this Section of the Policy so far as they apply
 - ii. The contractors/sub-contractors are not entitled to indemnity under any other policy of insurance
 - iii. At the end of each period of insurance, the Insured shall notify the company of any such contractor/sub-contractors employed during such period of insurance and of the cost thereof and shall pay such additional premium as may be required.

3 Employees' Effect Endorsement

The indemnity afforded by this Section of the Policy extends to include the legal liability of the Insured in respect of clothing and/or personal effects of employees, the amount of indemnity under this extension being limited to RM250.00 in respect of any one event.

4 Fire and Explosion Property Damage

It is hereby declared and agreed that notwithstanding anything contained to the contrary the indemnity as granted by this Section of the Policy shall apply also to accidental loss of or damage to property as within defined caused by fire or explosion (other than explosion due to force of internal steam pressure of any boiler vessel or apparatus designed to operate under steam pressure) provided that the Insured shall have taken reasonable precautions to comply with all legal requirements relating to inspection that apply to any plant vessel or apparatus from which the fire or explosion arises.

5 First Aid Facilities, Social Sports & Welfare Organisations

The business as defined in the policy shall be deemed to include the provision and management of the canteen, sports, social and welfare organisation for the benefit of the Insured's employees and first aid facilities. However, the policy shall exclude any liability due to or arising from any act of negligence, error or omission or neglect of any duly qualified member of the medical profession or any employee or voluntary worker of any hospital/clinic or ambulance organisation.

6 Food and Drink

Subject to the terms, conditions and exclusions of this Section of the Policy except as herein provided, this Section of the Policy is extended to indemnify the Insured against such sums as the Insured shall become legally liable to pay in respect of claims made against the Insured for accidental bodily injury or accidental damage to property which occurs during the period of this Section of the Policy and arises out of poisoning by, or foreign or deleterious matter in, food or drink consumed in or about the places specified in the schedule.

The amount of indemnity specified in the schedule in the policy shall not apply to this extension clause which shall have a separate amount of indemnity as follows:-

- a. In respect of any one accident or series of accidents arising out of one event the amount specified in the schedule
- b. In the aggregate in respect of all accidents occurring during any one period of insurance the amount specified in the schedule and in addition the costs and expenses in connection therewith as provided by the policy.

It is warranted by the Insured that at the commencement date of this Section of the Policy the Insured was not aware of any circumstances which might subsequently result in a claim being made under this extension clause, except as reported in writing to the company.

Provided also that the company shall not be liable for claims in respect of death or illness caused by or arising out of any defective design or error in formula or in specification of any of the food and drink which defect or deficiency the Insured by himself or his employees or agents has knowledge of or has reason to suspect at the time when the said food and drink pass from the control and actual physical custody of the Insured or of any person in the direct services of the Insured.

7 Malaysian Jurisdiction

The company shall not be liable in respect of:-

- a. Compensation for damages in respect of judgement not in the first instance delivered or obtained from a court of competent jurisdiction within Malaysia
- b. Costs and expenses of litigation recovered by any claimant from the insurance which are not incurred in and recoverable in Malaysia.

8 Neon/Advertising Signs

It is hereby declared and agreed that the insurance by this Section of the Policy is extended to cover the legal liability of the Insured arising out of accidents caused by or through the neon/advertising signs installation the property of the Insured.

Warranted that the Insured shall comply with all statutory enactments bye-laws and regulations and shall at all times ensure that the neon/advertising signs installations are kept in a proper state of repair and if any defect be discovered the Insured shall forthwith cause such defect to be made good and shall in the meantime cause such additional precautions to be taken for the prevention of accident as the circumstances may require and no alteration in the position of the signs shall be made without the consent of the company. So far as is reasonably practicable no alteration or repair shall without the consent of the company be made to the said neon/advertising signs after any accident has occurred therewith until the company shall have had an opportunity of inspecting same.

Provided always that the liability of the company under this Section of the Policy and endorsement in respect of any bodily injury or loss of or damage to property shall not in any way exceed the limit of indemnity specified in this Section of the Policy

SECTION 8 – PERSONAL ACCIDENT INSURANCE

The Company will pay the Benefit as stated in the Schedule of Benefits hereon, to the Insured in the case of his death, to his legal personal representative, if any of the Events referred to in the Schedule of Benefits shall happen to the Insured Person during the Period of Insurance stated in the **Schedule**,

DEFINITIONS

In this Section of the Policy:

- “**Death**” means accidental death.
- “**Hospital**” means an establishment, duly constituted and registered as a hospital for the care and treatment of sick and injured persons, and which
- a. has organised facilities for diagnosis, treatment and major surgery;

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- b. provides twenty-four hours a day nursing services by registered nurses;
 - c. is under the supervision of a physician; and
 - d. is not primarily a clinic, a place of custodial care, alcoholics or drug addicts, a nursing, rest or convalescent home or home for the aged or similar establishment

- “Injury”** means bodily injury to the Insured Person caused solely and directly by accidental means (excluding any sickness, disease or medical disorder) provided that the Injury occurs during the Period of Insurance.
- “Medical Expenses”** means expenses (after deduction of any sums recovered or recoverable from all other sources) reasonably and necessarily incurred, arising from an accident to the Insured Person, within 365 days of sustaining Injury and paid by the Insured or Insured Person to legally qualified medical practitioner, dentist, registered nurse, hospital or nursing treatment, including the costs of prescribed medical supplies, but excluding the cost of dental treatment unless such treatment is for injury to sound and natural teeth.
- “Period of Insurance”** means the period specified in the Policy Schedule and any subsequent period to which the Insured shall have paid and the Company shall have accepted a Renewal Premium.
- “The Benefit”** means the sum set out in The Schedule of Benefits against the relevant Event PROVIDED THAT no compensation stated in The Schedule of Benefits shall be payable Under Event Item 1.1 or 1.2 unless the death or disablement takes place within 365 days after the date of Injury.
- “Insured Persons”** means all employees and proprietor of the Insured regardless of the nature of their duties be it manual work or administrative, supervisory and managerial.

COVERAGE

- a. For Insured Employees on unnamed basis:
- Amount Insured each Insured Person:**
- i. Accidental Death RM15,000
 - ii. Permanent Disability RM15,000
- b. For Proprietor/Manager/Supervisor on named basis
- Amount Insured each Insured Person:**
- i. Accidental Death RM100,000
 - ii. Permanent Disability RM100,000
 - iii. Medical Expenses RM1,000

EXCLUSION applicable to Section 8

This Section of the Policy does not apply to any event, which is caused directly or indirectly by, or which results from:-

1. **Specific Activities** - The Insured Person engaging in or taking part in:
 - a. Professional sporting activities, racing of any kind other than on foot, polo, snow or ice sports, water skiing, mountaineering, parachuting, bungee jumping, diving, underwater activities involving use of underwater breathing apparatus, hunting, skydiving and hang gliding.
 - b. Flying or other aerial activities, other than as a fare-paying passenger in an aircraft that is authorised to fly under a law that relates to the safety of aircraft (“passenger” does not include any member of the aircrew or a technician working in or upon an aircraft).
 - c. any criminal act.
2. **Self Injury** - Intentional self-injury or suicide (whether felonious or not) or any attempt thereat while sane or insane.
3. **Childbirth** - Childbirth, pregnancy or miscarriage notwithstanding that such event may have been accelerated or induced by accident.
4. **Influence of Alcohol** - Driving a Motor Vehicle whilst under the influence of or being affected (temporary or otherwise) by alcohol
5. **Influence of Drugs** - Being under the influence of or being affected (temporary or otherwise) by drugs, but this exclusion shall not apply to drugs taken in accordance with proper medical advice provided they are not for the treatment of drug addiction
6. **AIDS and HIV** - Acquired immunodeficiency syndrome (AIDS) or Human immunodeficiency virus (HIV).

SCHEDULE of BENEFITS

1. The Event

Injury resulting solely, directly and independently of any other cause in:-

1.1	DEATH	The Capital Sum as stated in the Schedule attached.
1.2	PERMANENT DISABLEMENT	The following percentages of the Capital Sum as stated in the Schedule attached
	Loss of two limbs	100%
	Loss of both hands or of all fingers and both thumbs	100%
	Total loss of sight of one eye or both eyes	100%
	Total Paralysis	100%
	Complete and incurable insanity	100%
	Injuries resulting in being permanently bedridden	100%
	Any other Injury causing permanent total disablement	100%
	Loss of one arm between or at shoulder to wrist	100%
	Loss of one leg between or at hip to ankle	100%
	Loss of both feet	100%
	Loss of foot	55%
	Loss of sight of eye except perception of light	55%
	Loss of lens of eye	55%
	Loss of four fingers and thumb of one hand	70%
	Loss of four fingers	60%
	Loss of thumb	a) both phalanges 25%
		b) one phalanx 25%
	Loss of index finger	a) three phalanges 10%
		b) two phalanges 10%
		c) one phalanx 10%
	Loss of middle finger	a) three phalanges 6%
		b) two phalanges 6%
		c) one phalanx 6%
	Loss of ring finger	a) three phalanges 6%
		b) two phalanges 6%
		c) one phalanx 6%
	Loss of little finger	a) three phalanges 4%
		b) two phalanges 4%
		c) one phalanx 4%
	Loss of metacarpals	a) first or second (additional) 3%
		b) third, fourth or fifth (additional) 2%
	Loss of toes	a) all 20%
		b) great, both phalanges 5%
		c) great, one phalanx 5%
		d) other than great, if more than one toe lost, each 3%
	Loss of hearing	a) both ears 75%
		b) one ear 30%
	Loss of speech	75%

The complete and irrecoverable loss of use of any member or members specified above shall be deemed to be loss of such member or members.

In the event that the Injury does not come within any of the items specified in 1.2 hereof, the Company shall at their absolute and sole discretion make any payment of such sum to the Insured, as they deem fit.

The aggregate of all percentages payable in respect of any one Insured Person shall not exceed 100% of the capital sum. In the event of 100% having been paid in one or more accidents, all insurance hereunder shall immediately cease to be in force. All other losses lesser than 100% for each accident if having been paid shall reduce the coverage by that amount from the date of that accident until the expiration of the Policy.

2 Medical Expenses

In the event of an Injury resulting solely, directly and independently of any other cause in the Insured Person requiring medical assistance, the Company shall pay Medical Expenses up to the amount stated in the Schedule attached.

CONDITIONS applicable to Section 8

1. **CHANGE OF OCCUPATION** - The Insured shall give immediate written notice to the Company of any change in the Insured Person's occupation and shall pay additional premium if required.
2. **CLAIMS PROCEDURE** - Immediate notice shall be given to the Company of any occurrence likely to give rise to a claim under this Section of the Policy, within fourteen (14) days of any occurrence likely to give rise to a claim under the Policy, a detailed statement in writing describing the occurrence shall be delivered to the Company.
3. **FRAUD** - If any claim under this Section of the Policy shall be in any respect fraudulent or if any fraudulent means or devices shall be used to obtain the Benefits under this Section of the Policy the Company shall have no liability of such claim.
4. **INSURED PERSONS AVERAGE CONDITION** – This Section of the Policy provides cover for all employees of the insured on an un-named basis. This Section of the Policy covers automatically eight (8) such employees of the Insured regardless of any number of such employees below this number. The nature of coverage and Insured Sum is described above under "Coverage" item (a) above. Where the Insured's manual employees exceed eight (8) persons in total, the insured shall declare to the Company the total number of such employees, being the subject of insurance, where additional premium shall be due to the Company.

Where the actual total number of employees shall at the event of a loss insured under this Section of the Policy, be collectively of a number greater than the total number of employees declared for insurance under this Section of the Policy, the Insured shall be considered as being his own Insurer for the difference, and shall bear a rateable proportion of the loss accordingly.

This provision however shall not take into account insured persons insured separately under item (b) of "Coverage" above.

5. **PAYMENT TO INSURED** - The Company shall unless otherwise expressly provided by endorsement on this Section of the Policy be entitled to treat the Insured as the absolute owner of the Policy and shall not be bound to recognise any equitable or other claim to or interest in the Policy and the receipt of the Insured alone shall be effectual discharge.
6. **PROOF OF LOSS** - It a condition precedent to any liability of the Company under this Section of the Policy that the Insured shall at his own expense furnish to the Company such Certificate, information and evidence as the Company may from time to time reasonably require in the form and of the nature described by the Company. The Company shall be allowed at its own expense upon reasonable notice to the Insured to have a medical examination of the Insured Person from time to time or in the case of death upon reasonable notice to the Insured Person's personal representative to have a post-mortem examination of the body.

The death of the Insured Person shall be established by an official death certificate, or on the event of his disappearance following an accident or the total loss of a vessel or aircraft, by a court presuming his death.

7. **RENEWAL DECLARATION** - Before renewing this Section of the Policy the Insured shall give written notice to the Company of any material fact affecting this insurance which has come to the Insured's notice during the preceding Period of Insurance including notice of any disease, physical or mental defect or infirmity affecting the Insured Person.
8. **REPUDIATION** - If the Company shall disclaim liability to the Insured for any claim hereunder, in no case shall the Company be liable in respect of such claim after the expiration of twelve months from the date of such disclaimer unless the claim is the subject of pending court action or arbitration.

CLAUSES applicable to Section 8

1. **Age Warranty**
Warranted that the insured persons under this Section of the Policy are not less than 16 years and not more than 65 years old.
2. **Exposure and Disappearance**
Notwithstanding anything contained herein to the contrary, it is hereby understood and agreed that if as a result of an accident covered by this Section of the Policy the insured person is unavoidably exposed to the natural elements and as a result of such exposure suffers any loss as specified in the policy, such specific loss will be covered under the policy.

It is also understood and agreed that if the body of the insured person has not been found within 12 months after the date of disappearance, crashing, sinking or wrecking of the vehicle in which he was travelling or riding at the time of such accident covered by this Section of the Policy, it will be presumed that he sustained injury which resulted in his death at the time of such accident. If at any time after payment has been made by the company for such claim, the insured person is found to be living, full refund shall be made to the company.

3. **Medical Expenses**
Where item (b) of "Coverage" is insured, the company will reimburse the employer in respect of any one injury sustained by the insured person described under this item, as defined within this Section of the Policy the fees paid by the employer necessarily incurred for medical or hospital attention and attended by a duly qualified and registered medical practitioner or physician or surgeon or nurse. The amount of expenses so necessarily incurred at any one time shall not exceed the amount as stated in the schedule for each insured person. It is a condition precedent to any liability that the insured shall deliver to the company the detailed accounts for such medical attention and/or hospital charges.

Provided always that in the event of other insurance covering the insured person, necessarily insured, to a duly qualified and registered medical practitioner or physician or surgeon or nurse the company will bear only its ratable proportion of the total amount to be paid in respect of such medical and/or hospital expenses.

4. **Motor Cycling**
It is hereby agreed that this Section of the Policy is extended to cover the Insured in respect of benefits as described under this Section of the Policy whilst the Insured is motor cycling for private or business purposes provided always that the company shall not be liable for any claim arising out of racing, pace making or participation of the Insured in any speed contests reliability or other trials.

5. **Strike Riot and Civil Commotion**

It is hereby declared and agreed that this Section of the Policy extends to cover benefits as described under this Section of the Policy directly or indirectly caused by strike riot and civil commotion, provided that the company shall not be liable under this Section of the Policy to pay benefit for any injury occurring, whilst the insured person is taking part or engaging in such activities

CONDITIONS applicable to whole Policy

1. **DECLARATION OF INFORMATION** – The due observance and fulfilment of the terms, conditions and endorsements of this Policy by the Insured in so far as they relate to anything to be done or complied with by him and the truth of the statements and answers in the said proposal and any written statements and answers in the said proposal and any written statement relative thereto shall be conditions precedent to any liability of the Company to make any payment under this Policy. This Policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure in any material particular.

If the proposal or declaration of the Insured is untrue in any respect or if any material fact affecting the risk be incorrectly stated therein or omitted therefrom, or if this insurance or any renewal thereof shall have been obtained through any misstatement, misrepresentation, or suppression, or if any claim made shall be fraudulent or exaggerated, or if any false declaration or statement shall be made in support thereof, or if upon any breakage happening in respect of which a claim is or may be made under this Policy the Insured shall cause or suffer the Company or any of the Company's representatives to be hindered or obstructed in entering the premises where the same has occurred or examining any books, vouchers, correspondence, or other documents relating or that might relate to the subject of the claim, then, and in any of these cases, this Policy shall be void.

2. **WRITTEN NOTICE** - Every notice or communication to the Company shall be in writing and sent to the office of the Company at which this Policy is issued and notice or knowledge of anything relating to this Policy or any claim hereunder or with reference to any of the property insured hereunder shall not be deemed to be notice to or within the knowledge of the Company unless so given. Any Agent or Officer of the Company who may on behalf of the Insured write any statement which the Insured signs or authorises to be signed shall for the purpose thereof be deemed to be the Agent of the Insured and not of the Company
3. **EXCESS** - It is hereby declared and agreed that the Company shall not be liable for the respective excesses as stated in the schedule in respect of each and every claim arising out of any one occurrence which is the subject of a valid claim under this policy.
4. **WORDS - GENDER**
- Words importing persons shall include corporations and other legal entities.
 - The singular includes references to the plural and vice versa and any gender includes reference to all other genders.
5. **MEANING** - This Policy and the Schedule herein (which forms an integral part of this Policy) shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of the Policy or of the said Schedule shall bear such meaning wherever it may appear.
6. **SUBROGATION** - 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 the Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.
7. **CONTRIBUTION** - 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.
8. **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 the Policy that the award by such Arbitrator, Arbitrators or Umpire of the amount of the loss or damage if disputed shall be first obtained.
9. **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 Policy 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 (of each Section of this policy) to be retained by the Company.
10. **TIME LIMITATION** - In no case (unless otherwise mentioned in a specific Section of Policy) 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..
11. **PREMIUM WARRANTY** - It is a fundamental and absolute and special condition of this contract of insurance that the premium due must be paid and received 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 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.

12. **DATE RECOGNITION** - This Policy does not cover, unless expressly provided in the Operative Clause or by endorsement hereon or by memoranda attached hereto, claims for loss or damage or liability:-
- a. As a result of 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:-
 - i. correctly recognise any date as its true calendar date;
 - ii. 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 its true calendar date; and/or
 - iii. 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. The repair or modification of any part or any electronic data processing system or any part or any device and/or software as listed above in (a);
 - d. 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. Any consequential loss resulting from any continuing of the computer and equipment described in (a) above to correctly recognise 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.

13. **RADIOACTIVE/NUCLEAR ENERGY RISK** - This insurance does not cover loss, damage, liability, 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
- a. ionising radiations from or contamination by radioactivity from any nuclear fuel or from nuclear waste or from the combustion of nuclear fuel
 - b. the radioactive, toxic, explosive or the hazardous or contaminating properties of any nuclear installation, reactor or the nuclear assembly or nuclear component thereof
 - c. any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
14. **ELECTRONIC DATA** - This insurance does not cover loss, damage, liability, cost or expense of whatsoever nature, as a result of, notwithstanding any provision to the contrary in the Policy or any endorsement thereto,
- a.
 - i. total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of ELECTRONIC DATA,
 - ii. error in creating, amending, entering, deleting or using ELECTRONIC DATA, or
 - iii. total or partial inability or failure to receive, send, access or use ELECTRONIC DATA for any time or at all from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programmes, software and other coded instructions for such equipment.

- b. However, in the event that a peril listed below (being a peril insured by this Policy but for this exclusion) is caused by any of the matters described in paragraph (a) above, this Policy, subject to all its provisions, will insure:
 - i. physical loss of or damage or destruction to Property Insured directly caused by such listed peril, and/or
 - ii. consequential loss insured by this Policy

Further, this exclusion does not apply in the event that a peril listed below (being a peril insured by this Policy but for this exclusion) causes any of the matters described in paragraph (a) above;

Fire, Explosion, Lightning, Windstorm, Hail, Tornado, Cyclone, Hurricane, Earthquake, Volcano, Tsunami, Flood, Freezing, Weight of Snow, Impact by Aircraft or other aerial objects dropped therefrom, Impact by and Road Vehicle or Animal, Bursting Overflowing Discharging or Leaking of Water Tanks Apparatus or Pipes, or Theft of Electronic Data solely where such Theft is accompanied by Theft of the computer hardware, firmware, medium, microchip, integrated circuit or similar device containing such Electronic Data.

- c. For the purposes of the Basis of Settlement provision in this Policy, computer systems records includes Electronic Data as defined in paragraph (a) above.

Any terrorism exclusion in this Policy or any endorsement thereto prevails over this endorsement.

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15. **WAR** - This insurance does not cover any loss or damage or liability 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) or civil war.
 - b. 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.

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.

16. **TERRORISM** - This insurance does not cover any loss, damage, liability or other contingency occasioned by or through or in consequence, directly or indirectly, of 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, damage or other contingency 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, damage or a contingency which is not covered by this insurance, except to the extent that the insured shall prove that such loss, damage or other contingency 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 general exception any loss, damage or other contingency is not covered by this insurance, the burden of proving that such loss, damage or other contingency is covered shall be upon the insured.

IMPORTANT NOTICE:

The following are channels available for complaints on insurance related matters. You can contact our Complaint Unit for assistance at 603-7861 8400 or the following authorised bodies:

1. FINANCIAL MEDIATION BUREAU (FMB)
LEVEL 25, DATARAN KEWANGAN DARUL TAKAFUL
NO. 4 JALAN SULTAN SULAIMAN
50000 KUALA LUMPUR
TEL: 03-2272 2811
FAX: 03-2274 5752
2. DIRECTOR
CORPORATE COMMUNICATION DEPARTMENT
BANK NEGARA MALAYSIA
TINGKAT 14B PETI SURAT 10922,
50929 KUALA LUMPUR
TEL: 03-2698 8044
FAX: 03-2693 6919