

## Product Disclosure Sheet

# Contractors' All Risks Insurance

(Please read this Product Disclosure Sheet before you decide to take out this insurance. Be sure to also read the general terms and conditions.)

### 1. What is this product about?

The Policy covers the work to be executed in accordance with the contract, temporary works, materials, construction plant and equipment brought into the site and liabilities arising out of the performance of the contract.

### 2. What are the covers/benefits provided?

#### Section I – Material Damage

It covers almost any sudden and unforeseen physical loss or damage occurring (except as specifically excluded in the Policy) to the contract works, property and items insured during the period of insurance.

#### Section II – Third Party Liability

This section is in respect of third party liability for which we shall become legally liable to pay as damages consequent upon:

- (i) Accidental bodily injury to or illness of third party
- (ii) Accidental loss or damage to property belonging to third party

#### Note:

- a. *The benefits payable under eligible Policy is (are) protected by PIDM up to limits. Please refer to PIDM's TIPS Brochure or contact Berjaya Sompo Insurance Berhad or PIDM (visit [www.pidm.gov.my](http://www.pidm.gov.my)).*
- b. *Please refer to the Policy Contract for the full product features and benefits.*

### 3. What is the Period of Cover and Renewal Option?

Duration of cover corresponds with the contract period which is stipulated in the Letter of Award. This Policy is not renewable.

### 4. How much premium do I have to pay?

The total premium payable may vary depending on the scope and nature of your contract works, and our underwriting requirements.

### 5. What are the fees and charges that I have to pay?

What you have to pay in addition to the premium	Amount
Stamp Duty	RM 10.00
Service Tax	6% and/or 8% of premium (#)

#The new service tax 8% is to be calculated on a pro-rated basis effective from 01 March 2024 onwards.

What is included in the premium	Amount
Commission to the insurance intermediary (if any)	Up to 15% of premium

Please refer to below computation of commission for illustration purpose only.

Annual premium is RM300.00. Hence commission is 15% of RM300.00 which is RM45.00.

### 6. What are some of the key terms and conditions that I should be aware of?

#### • Duty of Disclosure

##### Non-Consumer Insurance Contract

Pursuant to Schedule 9 of the Financial Services Act 2013, if you are applying for this insurance for purposes of your trade, business or profession, you have a duty to disclose any matter you know to be relevant to our decision in accepting the risks and determining the rates and terms of your insurance. You also have a duty to inform us of any change in the details or information given to us before we issue the Policy to you, or before you renew or change any of the terms of your Policy. If you fail to do so, your Policy may be cancelled or treated as if it never existed, or your claim may be rejected or not fully paid.

#### • Change in Risk

You must disclose any changes to the material facts which you know or ought to know which could affect the risk profile from time to time, if you fail to do so, your Policy may be cancelled. You must ensure that the proposal form is completed accurately as it forms the basis of the insurance contract. You must inform us in writing on any material changes during the Policy period so that the necessary amendments are endorsed to your Policy.

#### • Excess / Deductible

This is the amount you have to bear in the event of a claim occur (if applicable).

- **Premium Warranty**

The premium due must be paid and received by us within sixty (60) days from the coverage commencement date. Failure to pay the premium within this period, may result in the Policy being automatically cancelled. We shall be entitled pro-rated premium for the sixty (60) days which we have provided the coverage.

- **Premium Payment**

Payment can be made by Cash, Cheque, Debit Card, Credit Card or Online Payment to Berjaya Sompo Insurance Berhad. Please keep a receipt of the premium paid as the proof of payment for future reference.

- **Sum Insured**

Section I – Material Damage

The sum insured shall not be less than the full value of the contract works at the completion of the construction, inclusive of all materials, wages, freight, customs duties, dues and materials or items supplied by the Principal.

Section II – Third Party Liability

The limit of liability stipulated in the Letter of Award.

- **Claims**

Upon happening of an accident which gives rise to a claim, you shall notify us in writing immediately.

**Note: This list is non-exhaustive. Please refer to the Policy Contract for the full list of terms and conditions.**

**7. What are the major exclusions under this Policy?**

This Policy does not cover losses, such as:

- a) War, Civil War and any act of Terrorism
- b) Radioactive and nuclear energy risks
- c) Willful acts or willful negligence
- d) Wear and Tear
- e) Faulty design
- f) The cost of replacement, repair or rectification of defective material and/or workmanship
- g) Mechanical and/or electrical breakdown or derangement of construction plant and machinery
- h) Consequential loss of any kind, including penalties, losses due to delay, lack of performance, loss of contract
- i) Seepage, Pollution and Contamination
- j) Asbestos

**Note: This list is non-exhaustive. Please refer to the Policy Contract for the full list of exclusions.**

**8. Can I cancel my Policy?**

There is no Cancellation Condition under this Policy.

**9. What do I need to do if there are changes to my contact/personal details?**

It is important that you inform us of any changes in your contact/personal details to ensure that all correspondence reach you in a timely manner. You may inform our branch office or our Customer Service Centre.

**10. Where can I get further information?**

Should you require additional information about this insurance, please contact our branch office or Customer Service Centre at 03-2170 7300 during the operating hours from 8:30 am to 5:00 pm (Monday-Friday) or call our Toll Free number stated at the bottom of this page.

**11. Other similar types of General Insurance products available**

Nil.

**IMPORTANT NOTE:**

YOU SHOULD READ AND UNDERSTAND THE INSURANCE POLICY AND DISCUSS WITH THE AGENT OR CONTACT THE INSURANCE COMPANY DIRECTLY FOR MORE INFORMATION.

The information provided in this disclosure sheet is a brief summary for quick and easy reference. The exact terms and conditions that apply are stated in the Policy Contract.

Berjaya Sompo Insurance Berhad is licensed under the Financial Services Act 2013 and regulated by Bank Negara Malaysia.

The information provided in this disclosure sheet is valid as at 26 February 2024.