

## Product Disclosure Sheet

# SOMPO SME

(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?

This is a package Policy designed for SME Businesses with property sum insured of not more than RM50,000,000.

There are 3 sections to the product:

#### **Section 1 (A) – Fire (Compulsory)**

This section is essentially the Commercial Fire product as per Revised Fire Tariff (RFT) but with variation of cover and additional coverage as follows:

- (i) Fire, Lightning and selectable perils as per Revised Fire Tariff
- (ii) Contingent Inconvenience Allowance  
Payable in the event that there is a valid claim payable under the Policy. The inconvenience allowance will be paid immediately when such payable loss expected to exceed RM20,000.00. The amount payable shall not exceed 20% of Sum Insured or RM5,000 whichever is lower.
- (iii) Outdoor Fixtures  
Payable in the event that the awnings, blinds, signs or other outdoor fixtures or fittings of any description belonging to you located outside the building and within the compound of your premises are destroyed or damaged by Fire & Lightning or any perils covered under the Policy.
- (iv) Bursting of Pipes  
In the event that the Policy is extended to cover damage to the property insured caused by bursting or overflowing of water tanks, apparatus or pipes installed in or on the building or containing the property insured, such damage shall include the cost of repair of the tanks, apparatus or pipes including hacking and/or patching of the walls.

#### **Section 1 (B) – Terrorism (Optional)**

This section provides coverage for losses or damage resulting from acts of terrorism.

#### **Section 2 – Miscellaneous Special Pack (Compulsory)**

This section comprises of the following classes of insurance:

- (i) Money
- (ii) Fidelity Guarantee
- (iii) Plate Glass
- (iv) Public Liability
- (v) Employer's Liability
- (vi) Burglary
- (vii) All Risks (Restricted)
- (viii) Group Personal Accident

#### **Section 3 – Other Classes (Optional)**

- (i) Fire Consequential Loss
- (ii) Equipment
- (iii) Machinery Breakdown
- (iv) Directors & Officers Liability

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

This Policy covers:

Coverage	Plan 1	Plan 2	Plan 3 - Open
	Sum Insured / Limit (RM)		
Section 1 (A) - Compulsory			
Fire / Perils / Additional Cover	TBA	TBA	TBA
Section 1 (B) - Optional			
Terrorism	1,000,000	2,000,000	Up to 3,000,000
Section 2 - Compulsory			Up to
Money			
Money In Transit	15,000	30,000	50,000
Money In Premises	15,000	30,000	50,000
Fidelity Guarantee	10,000	15,000	25,000
Plate Glass	10,000	20,000	30,000
Public Liability	500,000	1,000,000	2,000,000
Employer's Liability	1,000,000	1,000,000	1,000,000
Burglary	20,000	40,000	70,000
All Risks (Restricted)	30,000	50,000	100,000

Group Personal Accident	180,000 (15,000 x 12 pax)	240,000 (20,000 x 12 pax)	360,000 (30,000 x 12 pax)
Section 3 - Optional			
Fire Consequential Loss	TBA	TBA	TBA
Equipment	30,000	50,000	Up to 100,000
Machinery Breakdown	50,000	100,000	Up to 300,000
Directors & Officers Liability	200,000	400,000	Up to 800,000

**Note:**

- 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)).
- 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 is usually for one (1) year. You need to renew the Policy annually.

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

**Section 1 (A) – Fire and Section 3 – Other Classes (Fire Consequential Loss)**

The total premium payable may vary depending on the sum insured, occupation or nature of the business, building construction, property insured, claims experience and our underwriting requirements.

**Section 1 (B) – Terrorism, Section 2 – Miscellaneous Special Pack and Section 3 – Other Classes (Other than Fire Consequential Loss)**

The premium charges are based on the package premium according to the plan / sum insured / limit chosen by you.

**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 (All Sections)

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**

**Consumer Insurance Contract**

Pursuant to Schedule 9 of the Financial Services Act 2013, you must take reasonable care to ensure that all your answers to the questions are to the best of your knowledge, full, complete, correct and honest. 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.

**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.

- **Policy Renewal**

Depending on the circumstances of the loss or claims made during the term of Policy, we may review the Policy terms and conditions upon renewal or decline renewal.

- **Sum Insured**

**Section 1 (A) – Fire**

You must ensure that your property is insured at the appropriate amount taking into account the renovations made to your property.

You may select to insure your property at Market Value or Reinstatement Value basis:

- Market value – we will pay the cost of repairing the damaged property less the amount for wear, tear and depreciation.
- Reinstatement value – we will pay the full cost of repairing the damaged property without any deductions being made for wear, tear or depreciation, provided that the sum covered is adequate to cover the total cost of reinstating the property.

If the amount insured in your Policy is lower than the actual value at the time of loss, you will be deemed as self-insuring for the difference, i.e., in the event of loss/damage, you will have to bear a proportional share of loss. Should you insure your property at a higher sum than its actual value at the time of loss, the maximum compensation you will receive is the actual value which is the lesser amount than your sum insured.

**Section 1 (B) – Terrorism, Section 2 – Miscellaneous Special Pack and Section 3 – Other Classes (Other than Fire Consequential Loss)**

You may choose sum insured / limit from the available plans according to your needs.

**Section 3 – Other Classes (Fire Consequential Loss)**

The sum insured is an estimated amount based on last year Gross Profit/Gross Revenue/Gross Rental (whichever applicable) reported in the statement of account, plus current year projected profit (if any). If the actual amount earned is less than the estimated sum insured, a pro-rated premium will be refunded but not exceeding fifty per cent (50%) of the provisional premium paid earlier.

- **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 which are specifically excluded under the respective sections/class of business under the Policy: -

- Radioactive and nuclear energy risks
- Etc.

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

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

You may cancel your Policy by giving us a written notice. Upon cancellation, we will retain minimum premium of RM75.00 or \*Customary Short-Period Rates whichever is higher. The remaining premium will be refunded to you. However, premium will not be refunded if there was a claim paid or submitted to us during the Policy period.

\*Customary Short-Period Rates Table

Period Not Exceeding	Percentage of Rate Charged
15 days	10% of Annual Rate
1 month	20% of Annual Rate
2 months	30% of Annual Rate
3 months	40% of Annual Rate
4 months	50% of Annual Rate
5 months	60% of Annual Rate
6 months	70% of Annual Rate
7 months	75% of Annual Rate
8 months	80% of Annual Rate
9 months	85% of Annual Rate
10 months	90% of Annual Rate
11 months	95% of Annual Rate
12 months	100% of Annual Rate

**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**

- Fire Insurance
- SOMPO Fire

**IMPORTANT NOTE:**

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

PLEASE REFER TO PIAM'S BUILDING COST CALCULATOR (BCC) FOR GUIDANCE ON DETERMINING THE ESTIMATED SUM TO BE INSURED FOR RESIDENTIAL PROPERTIES, SIMPLE SHOP HOUSE AND SHOP OFFICE. YOU MAY VISIT OUR WEBSITE AT [WWW.BERJAYASOMPO.COM.MY](http://WWW.BERJAYASOMPO.COM.MY) OR PIAM'S WEBSITE AT [WWW.PIAM.ORG.MY](http://WWW.PIAM.ORG.MY) TO ACCESS THE BCC.

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.