



DIRECTORS' & OFFICERS' LIABILITY INSURANCE

Product Disclosure Sheet

(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?

Directors and Officers (Insured Persons) of a company have several duties and liabilities imposed on them when they carry out their duties in managing the company. This policy pays on behalf of the Directors and Officers for any wrongful acts in the course of carrying out their various duties for the company.

2. What are the covers/benefits provided?

This policy has two insuring contracts:-

- a) The Directors & Officers Contract – Indemnity is provided to the Directors and Officers (Insured Persons) of your company
- b) Company Reimbursement Contract – Cover will be triggered when a Director or an Officer who has incurred a loss seeks reimbursement from your Company. The Company then can call for the policy to reimburse the amount that has been compensated to the Director or Officer

In addition, the D&O policy can be extended to cover the entity or organization for employment practice claims and securities claims Extension. Please note that the extensions are offered as sub-limits to the D&O policy.

Duration of cover is typically for one year. You need to renew your insurance policy annually with a completed BSI proposal form for renewal consideration.

3. How much premium do I have to pay?

The premium you have to pay may vary depending on the Limit of liability, nature of your business, claims experience etc.

Limit of liability any one accident : RM _____
 Rate Applicable : _____ %

The estimated total premium that you have to pay is : RM _____

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

<u>What you have to pay in addition to the premium</u>	<u>Amount</u>
Goods and Services Tax (if applicable)	6% of premium
Stamp Duty	RM10.00
<u>What is included in the premium</u>	<u>Amount</u>
Commissions paid to the insurance intermediaries (if any)	up to 15% of premium

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

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



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

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

- b) Premium Warranty - Premium must be paid within 60 days from the inception date of the cover, otherwise the cover will automatically be cancelled. Please take note that you are still responsible to pay the proportion of the premium for the 60 days.
- c) Sum Insured - You must ensure that your policy is insured at the appropriate amount.
- d) Claims - Upon the happening of an accident which may give rise to a claim, you shall notify the insurance company immediately.

- Depending on the circumstances of the loss or claims made during the term of the policy, we may review the policy terms and conditions upon renewal or decline renewal.
- e) GST Clause - Please ensure that you have taken consideration of this GST when you decide on the amount to be insured in your policy:

GOODS AND SERVICES TAX CLAUSE

The amount of premium payable by **You** for this Policy includes an amount on account of the **GST** on the premium. When **We** pay a claim, **Your GST** status will determine the amount **We** pay. When **You** are:

- (a) **Non-GST registered person, We** will pay in full (including 6% **GST**) up to sum insured/limit of liability or the other limits of insurance cover.
- (b) **GST registered person, We** will pay (excluding 6% **GST**) up to sum insured/limit of liability or the other limits of insurance cover. **You** are to claim **Your Input Tax Credit** entitlement from the Royal Malaysian Customs Department directly.

You must advise **Us** of **Your** correct entitlement to an **Input Tax Credit** on **Your** Premium and the correct entitlement to an **Input Tax Credit** on each item of the property to be insured.

Definitions under the Section on Glossary:-

“**GST**” means goods and services tax and has the meaning assigned to it in the Goods and Services Tax Act 2014 (“**GST Act**”).

“**Registered person**” means a person who is registered under Part IV of the **GST Act** and a ‘non registered person’ shall mean a person who is not registered under the **GST Act**.

“**Input Tax**” means the **GST** incurred on any purchase or acquisition of goods and services by a taxable person for the purpose of making a taxable supply in the course or furtherance of business.

“**Input Tax Credit**” means the input tax claimable by a registered person.



- f) Premium Payment - Payment can be made by cash, credit card or cheques (cheques should be made payable only in the name of BERJAYA SOMPO INSURANCE BERHAD).
- Insist on a receipt for the premium paid for future reference and as proof of payment.

Note: *This list is non-exhaustive. Please refer to the policy contract for the full list of the terms and conditions under this policy.*

6. What are the major exclusions under this policy?

This policy does not cover any liability arising out of:-

- a) War, Terrorism and Nuclear Risks
- b) Bodily Injury
- c) Asbestos and Pollution

Note: *This list is non-exhaustive. Please refer to the policy contract for the full list of the exclusions under this policy.*

7. Can I cancel my policy?

You may cancel your policy giving 30 days notice in writing to us. Upon cancellation, the refund premium would be based on the conditions as stated in the policy contract.

8. What do I need to do if there are changes to my contact details?

It is important that you inform us of any change in your contact details to ensure that all correspondences reach you.

9. Where can I get further information?

Should you require additional information about this insurance, please refer to the *insuranceinfo* booklet which are available at www.insuranceinfo.com.my or you may contact us at:-

Customer Service Centre
Berjaya Sampo Insurance Berhad (62605-U)
Lot G 027G, Ground Floor
Podium Block, Plaza Berjaya
12, Jalan Imbi
55100 Kuala Lumpur

Tel : 03-21172118 / 03-21413323
Fax : 03-21424730
Toll Free No. : 1-800-889-933
Email : info@berjayasompo.com.my
Website : www.berjayasompo.com.my

IMPORTANT NOTE:

YOU MUST ENSURE THAT YOUR SUM INSURED IS COVERED AT THE APPROPRIATE AMOUNT. YOU SHOULD READ AND UNDERSTAND THE INSURANCE POLICY AND DISCUSS WITH THE AGENT/BROKER OR CONTACT THE INSURANCE COMPANY DIRECTLY FOR MORE INFORMATION.

The information provided in this disclosure sheet is valid as at 1st August 2015