



Policy

# SOMPO JMB

The benefits payable under eligible policy are protected by PIDM up to limits.  
Please refer to PIDM's TIPS Brochure or contact Berjaya Sampo Insurance Berhad or PIDM (visit [www.pidm.gov.my](http://www.pidm.gov.my)).

**Berjaya Sampo Insurance Berhad**  
Registration No. 198001008821 (62605-U)  
Level 36, Menara Bangkok Bank,  
105, Jalan Ampang, 50450 Kuala Lumpur.  
Toll Free: 1-800-889-933  
Tel.: 03-2170 7300  
E-mail: [customer@bsompo.com.my](mailto:customer@bsompo.com.my)  
Website: [www.berjayasompo.com.my](http://www.berjayasompo.com.my)

Scan for  
more products



FZM0124

## IMPORTANT NOTICE

This is your SOMPO JMB Policy. You should satisfy yourself that this Policy will best serve your needs. You should read and understand the Policy terms, conditions and warranties and discuss with your insurance advisor, agent, broker and/or with us directly for more information and/or to clarify any doubts you may have when you purchase this Policy. If there is any error or misdescription, or if the cover is not in accordance with your wishes, please return the Policy to us immediately for amendment.

You must fully observe and fulfill this Policy's terms, conditions and warranties to enjoy the coverage provided. If you have any questions after reading these documents, please contact us for further clarification. If there is any change in your declarations that may affect the insurance provided, please notify us immediately, otherwise you may not receive the benefits of this Policy.

To help preserve the environment, we will send a printed copy of this Policy Wording once only. Please keep this Policy Wording safely. In case of renewal and/or amendment of your Policy, we will send you the Policy Schedule and/or Endorsement only. If at any time you require a copy of the Policy Wording, please download a copy from [www.berjayasompo.com.my](http://www.berjayasompo.com.my) based on the jacket code provided.

If you have any complaints relating to this Policy, please contact:

### COMPLAINTS UNIT – CUSTOMER SERVICE CENTRE

Berjaya Sompo Insurance Berhad  
Registration No. 198001008821 (62605-U)  
Level 36, Menara Bangkok Bank  
105 Jalan Ampang  
50450 Kuala Lumpur  
Tel. : 03-2170 7300  
Toll Free : 1-800-889-933  
Fax : 03-2170 4800  
E-mail : [customer@bsompo.com.my](mailto:customer@bsompo.com.my)

If you are not happy with our response, you may opt to contact either:

### OMBUDSMAN FOR FINANCIAL SERVICES

Level 14, Main Block  
Menara Takaful Malaysia  
4, Jalan Sultan Sulaiman  
50000 Kuala Lumpur  
Tel. : 03-2272 2811  
Fax : 03-2272 1577  
E-mail : [enquiry@ofs.org.my](mailto:enquiry@ofs.org.my)  
Website : [www.ofs.org.my](http://www.ofs.org.my)

### LAMAN INFORMASI NASIHAT DAN KHIDMAT (LINK)

BNMLINK,  
Bank Negara Malaysia,  
P.O. Box 10922,  
50929 Kuala Lumpur  
Tel : 1-300-88-5465 /03-2174 1717 (Overseas)  
Fax : 03-2174 1515  
eLINK : <https://bnmlink.bnm.gov.my/>

**For Consumer Insurance Contracts (Insurance wholly for purposes unrelated to the Insured's trade, business or profession)**

This Policy is issued in consideration of the payment of premium as specified in the Policy Schedule and pursuant to the answers given in the Insured's Proposal Form (or when the Insured applied for this insurance) and any other disclosures made by the Insured between the time of submission of the Insured's Proposal Form (or when the Insured applied for this insurance) and the time this contract is entered into. The answers and any other disclosures given by the Insured shall form part of this contract of insurance between the Insured and **Berjaya Sompo Insurance Berhad** (hereinafter called "the Company"). However, in the event of any pre-contractual misrepresentation made in relation to the Insured's answers or in any disclosures given by the Insured, only the remedies in Schedule 9 of the Financial Services Act 2013 will apply.

This Policy reflects the terms and conditions of the contract of insurance as agreed between the Insured and the Company.

**For Non-Consumer Insurance Contracts (Insurance for purposes related to the Insured's trade, business or profession)**

This Policy is issued in consideration of the payment of premium as specified in the Policy Schedule and pursuant to the answers given in the Insured's Proposal Form (or when the Insured applied for this insurance) and any other disclosures made by the Insured between the time of submission of the Insured's Proposal Form (or when the Insured applied for this insurance) and the time this contract is entered into. The answers and any other disclosures given by the Insured shall form part of this contract of insurance between the Insured and **Berjaya Sompo Insurance Berhad** (hereinafter called "the Company"). In the event of any pre-contractual misrepresentation made in relation to the Insured's answers or in any disclosures made by the Insured, it may result in avoidance of the Insured's contract of insurance, refusal or reduction of the Insured's claim(s), change of terms or termination of the Insured's contract of insurance.

This Policy reflects the terms and conditions of the contract of insurance as agreed between the Insured and the Company.

**SECTION I (A) – 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 Policy, the Company will pay or make good to the Insured the actual value of the Property Insured at the time of the happening of its destruction or the actual amount of such damage.

It is hereby further agreed that the following additional coverage is included in the policy:

**Additional Coverage** (Subject to the sub-limits stated in the Schedule)

- 1) **Contingent Inconvenience Allowance**  
Payable in the event that there is a valid claim payable under Section I (A) of this 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.
- 2) **Outdoor Fixtures**  
Payable in the event that the awnings, blinds, signs or other outdoor fixtures or fittings of any description belonging to the Insured located outside the building and within the compound of the Insured premises are destroyed or damaged by Fire & Lightning or any perils covered under the policy.
- 3) **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.

**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 fulfillment of the terms and conditions and endorsements of this 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 Policy.

1. **For Consumer Insurance Contracts**

Where the Insured has applied for this Insurance wholly for purposes unrelated to the Insured's trade, business or profession, the Insured has a duty to take reasonable care not to make a misrepresentation in answering the questions in the Proposal Form (or when the Insured applied for this insurance) i.e. the Insured should have answered the questions fully and accurately. Failure to have taken reasonable care in answering the questions may result in avoidance of the Insured's contract of insurance, refusal or reduction of the Insured's claims(s), change of terms or termination of the Insured's contract of insurance in accordance with the remedies in Schedule 9 of the Financial Services Act 2013.

The Insured is also required to disclose any other matter that the Insured knows to be relevant to the Company's decision in accepting the risks and determining the rates and terms to be applied.

The Insured also has a duty to tell the Company immediately if at any time after the Insured's contract of insurance has been entered into, varied or renewed with the Company any of the information given in the Proposal Form (or when the Insured applied for this insurance) is inaccurate or has changed.

**For Non-Consumer Insurance Contracts**

Where the Insured has applied for this Insurance wholly for purposes related to the Insured's trade, business or profession, the Insured has a duty to disclose any matter that the Insured knows to be relevant to the Company's 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 the Insured's contract of insurance, refusal or reduction of the Insured's claim(s), change of terms or termination of the Insured's contract of insurance.

The Insured also has a duty to tell the Company immediately if at any time after the Insured's contract of insurance has been entered into, varied or renewed with the Company any of the information given in the Proposal Form (or when the Insured applied for this insurance) is inaccurate or has changed.

2. 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. 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. Such notice should be given and endorsed by the Company in this Policy before the occurrence of any loss of damage.
4. All Insurance under this Policy
  - (1) on any building or part of any building,
  - (2) on any property contained in any building,
  - (3) 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
  - (a) of such building or of any part thereof,
  - (b) 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 Policy or would be covered if such building, range of buildings or structure were insured under this 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(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
    - (1) The burning of property by order of any public authority
    - (2) 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.
- 5(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. 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.
  - (e) 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 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. 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. 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 domestic boilers and 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 Policy.
  - (i) Any loss or damage occasioned by or through or in consequence of the burning, whether accidental or otherwise, of forest, bush, lalang, prairie, pampas or jungle, and the clearing of lands by fire.
9. 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. 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 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. 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 cancelment. The amount to be refunded upon termination of the policy shall be subject to the minimum premium to be retained by the Company.

#### 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

12. 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 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.
  - 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 Policy shall be payable unless the terms of this Condition have been complied with.

13. The insurance under this 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 policy or immediately threatening to involve such property.

14. On the happening of any loss or damage to any of the property insured by this 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 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 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. 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.

16. 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 registered under the Financial Services Act 2013 or Registered Valuer under the Valuers, Appraisers and Estate Agents 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 registered under the Financial Services Act 2013 or Registered Valuer under the Valuers, Appraisers and Estate Agents Act 1981 shall be conclusive evidence in respect of the market value of the insured property in any legal proceedings against the Company.

17. 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 the Policy shall be separately subject to this Condition.
18. 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.
19. In no case 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.
20. Every notice and other communication to the Company required by these Conditions must be written or printed.

#### **CLAUSES/ENDORSEMENTS APPLICABLE TO SECTION I (A) ALTERATIONS AND REPAIR CLAUSE**

Notwithstanding condition 9(a), 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.

#### **ARCHITECT'S, SURVEYOR'S, ENGINEER'S AND CONSULTANT'S FEES (WITHOUT SEPARATE SUM 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.

#### **CAPITAL ADDITIONS CLAUSE (This extension may only be granted where the total sum insured is RM1,500,000 or above but is not to be applied to insurance on Stock-in trade &/or Merchandise)**

The insurance hereby extends to cover alterations, additions and improvements (but not appreciation in values in excess of the sum insured) to property specified in this policy for an amount not exceeding in respect of each item 10% of the sum insured by each item or RM1,000,000 per location whichever is the less.

The insured undertakes to advise the Company every three months of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

The clause is inoperative if the declaration of such alterations, additions and improvements is not received by Insurers within 90-days from the date of such alterations, additions and improvements.

For the purpose of this Clause, the inception date under the Premium Warranty shall be deemed to be the date of declaration received by the Company.

Note : In the event that there is more than one location, then the limit may be increased to RM2,000,000, this amount being the aggregate limit for all the locations.

#### **COMPUTER SYSTEMS RECORDS**

Computer systems records are insured 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.

#### **FOUNDATION EXCLUSION**

The Insurance on Building(s) excludes that part of any building below the under\* surface of its lowest floor (and those parts of the concrete foundations for machinery which extend above such level).

**Note 1** : \* "upper" may be substituted for "under".

**Note 2** : The words in brackets may be omitted.

## **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 material as stationery, together with the cost of clerical labour expended in writing up, and not for the value to the Insured of the information contained therein and for an amount not exceeding RM1,000.00 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 to the Insured 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.
- e) Employees' pedal cycles, clothing, tools and other personal effects for an amount not exceeding RM1,000.00 in respect of any one Employee.

**Note :** Paragraph (e) may be omitted entirely if it is not desired to insure such property.

## **OTHER INSURANCE CLAUSE**

It is understood and agreed that the insured shall be deemed to have complied with condition no.3 of this policy provided that he has declared to the company the total amount of insurance effected with other Insurance Companies on the property hereby insured.

## **OUTBUILDING CLAUSE**

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.

## **RADIOACTIVE/NUCLEAR ENERGY RISKS EXCLUSION CLAUSE**

This insurance does not cover loss, damage cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless or any other cause or event contributing concurrently or in any other sequence to the loss :-

1. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
3. any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

## **REINSTATEMENT VALUE (STRATA TITLED PROPERTY) CLAUSE**

Notwithstanding anything to the contrary contained in Condition 16 of the Policy, it is hereby declared and agreed that in the event of the property insured under the within Policy being destroyed or damaged, the basis upon which the amount payable under (each of the said items 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 of 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 clause 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 clause had not been incorporated therein.
3. If the Sum Insured at the breaking out of any fire or at the commencement of any destruction of or damage to the property by any other peril hereby insured against be less than 85% of the sum representing the cost at the time of replacement or reinstatement which would have been incurred in replacement or reinstatement if the whole of the property insured had been destroyed then the Insured shall be considered being its own insurer for the difference between the sum insured and the sum representing the full cost at the time of replacement or reinstatement which would have been incurred in replacement or reinstatement if the whole of the property insured had been destroyed and shall bear a rateable proportion of the loss accordingly. Every item, if more than one of the Policy shall be separately subject to this Special Provision.
4. This clause 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 time 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 upon another site.



5. No payment beyond the amount which would have been payable under the Policy if this clause 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.
6. In the event that the Company is liable to make any payment (other than payment representing the cost of replacing or reinstating the property destroyed or damaged) under the provisos of this clause the Company shall only make such payment in accordance with the Strata Titles Act, 1985 and the Strata Titles (Federal Territory of Kuala Lumpur) Rules, 1988 and/or its subsequent amendments.

#### **UNVALUED POLICY CLAUSE**

This is an unvalued policy. The onus is on the Insured to prove the actual value of the Property insured at the time of the happening of its destruction or the actual amount of such damage.

#### **SPECIAL/EXTRANEIOUS PERILS/CLAUSES/ENDORSEMENTS ONLY APPLY TO SECTION I (A) WHEN SPECIFIED IN THE SCHEDULE**

##### **AGGREGATE CONDITION OF AVERAGE CLAUSE**

It is hereby noted and agreed that notwithstanding the declaration of individual sums insured within the policy, policy condition 17 of this policy will apply as though reference to property therein is in respect of all properties of the same insured at the same location insured therein. Accordingly, the sentence "Every item, if more than one, of the Policy shall be separately subject to this condition" appearing in the text of condition 17 is deemed to have been deleted.

##### **AIRCRAFT DAMAGE**

In consideration of an additional premium, the Company hereby agree and declare that the insurance under 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 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 the Policy exceed the sum insured by each item 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.

Subject otherwise to the terms and conditions of the policy.

##### **ARCHITECT'S SURVEYOR'S, ENGINEER'S AND CONSULTANT'S FEES (WITH SEPARATE SUM INSURED)**

The insurance by this item(s) is in respect of 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 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 limit of the sum insured on this item(s).

##### **AUTOMATIC HOLD COVER (PROPERTIES IN NEW LOCATIONS) CLAUSE**

It is understood and agreed that any additional properties situated in locations within Malaysia not insured by the Policy which may be acquired by the Insured during the currency of this Policy is automatically held covered up to 10% of the Policy limit or RM1 million, whichever is the lower, provided that the Insured shall advise the Company within 30 days of any acquisition of any such properties and shall pay the additional premium from effective date of acquisition.

Subject otherwise to the terms, exceptions and conditions of the Policy.

##### **AUTOMATIC RENEWAL CLAUSE**

This Policy is deemed to be automatically renewed and the appropriate premium charged upon expiry unless otherwise instructed.

##### **BRAND, LABEL AND TRADEMARK CLAUSE**

In the case of damage to property bearing a brand, label or trademark, the sale of which in any way carries a guarantee of the Insured, the salvage value of such damaged property shall be determined after the removal in the customary manner of all brands, labels and any trademarks which might be taken to indicate that the guarantee of the manufacturer or the Insured attaches to the said property.

##### **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 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 RM1000.00\*\* 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 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 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 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.

Subject otherwise to the terms and conditions of the policy.

#### **CONTRACT PRICE**

Notwithstanding anything to the contrary contained in Condition 16 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.

#### **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 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 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.

Subject otherwise to the terms and conditions of the policy.

#### **ELECTRICAL INSTALLATIONS CLAUSE (A)**

This Company is expressly declared to be free from liability for loss of or damage to, any electrical machine, apparatus, or any portion of the electrical installation arising from or occasioned by over-running, excessive pressure, short-circuiting, self-heating, arcing or leakage of electricity from whatever cause (lightning included) arising.

Provided that this exemption shall only apply to the particular electrical machine, apparatus, or portion of the electrical installation so affected, and not to other machines, apparatus or electrical installation destroyed or damaged by fire set up by such particular machine, apparatus or other electrical installation.

Subject otherwise to the terms and conditions of the policy.

#### **ELECTRICAL INSTALLATIONS CLAUSE (B)**

Loss or damage by fire to the electrical appliances and installation insured by this 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 Policy, but it is expressly understood that no liability exists under this 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.

Subject otherwise to the terms and conditions of the policy.

#### **EXPLOSION**

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

For the purpose of this Condition, 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.

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 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.

Subject otherwise to the terms and conditions of the policy.

### **FLOOD**

In consideration of an additional premium, the Company agrees that notwithstanding anything stated to the contrary in Condition No. 6 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 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 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 Policy.
  - (d) Loss or damage caused by explosion except as provided in Condition 8(h) 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.

3. 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.

Subject otherwise to the terms and conditions of the policy.

#### **GOODS AND STOCKS UNDERGOING ANY HEATING OR DRYING PROCESS ENDORSEMENT**

Notwithstanding anything to the contrary contained in Condition 5(i)(b) of the Policy, it is hereby understood and agreed that the insurance under this Policy shall extend to include loss or damage to the property occasioned by its undergoing any heating or drying process provided that loss or damage due to smoke, fumes, scorching, charring, chemical reaction, change of state or original composition or discolouration of the property is excluded.

#### **HIRE PURCHASE ENDORSEMENT**

It is hereby understood and agreed that the Company as stated in the Schedule (hereinafter referred to as the Owners) are the owners of the property insured by item(s) as stated in the Schedule and that such property is the subject of a Hire Purchase Agreement made between the Owners of the one part and the Insured of the other part. It is further understood and agreed that any payment made in respect of loss or damage (which loss or damage is not made good by repair, reinstatement or replacement) under the terms of this Policy shall be made to the Owners as long as they are the owners of the property and their receipt shall be full and final discharge to the Company in respect of such loss or damage.

It is understood and agreed that notwithstanding any provision in the Hire Purchase Agreement to the contrary this Policy is issued to the Insured namely: (as stated in the Schedule) as the principal party and not as agent or trustee for the Owners and nothing herein shall be construed as constituting the Insured, as agent or trustee for the Owners or as an assignment (whether legal or equitable) by the Insured to the Owners of his rights, benefits and claims under this Policy.

#### **Non-Cancellation Clause**

And it is further agreed that cancellation of the Policy shall not be effected by the insured except upon prior notification to the Owner in writing giving fourteen (14) days notice to the last known address of the Owner.

#### **IMPACT DAMAGE (Excluding Insured's own Vehicles)**

In consideration of an additional premium, the Company hereby agree and declare that the insurance under this 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 not belonging to or under the control of the Insured or any member of this family, or any person in and upon the Insured's service, provided that the first RM50.00 of each and every claims 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 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.

Subject otherwise to the terms and conditions of the policy.

#### **IMPACT DAMAGE (Including Insured's own Vehicles)**

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

Subject otherwise to the terms and conditions of the policy.

#### **LEASING ENDORSEMENT**

It is hereby understood and agreed that the Company (specified in the Schedule) (hereinafter referred to as the lessors) are the owners of the property insured by item (as stated in the Schedule) and that such property is the subject of a Leasing Agreement made between the lessors of the one part and the insured of the other part and it is further understood and agreed that the lessors are interested in any monies which but for this endorsement could be payable to the insured under this policy in respect of loss of or damage to the property (which loss or damage is not made good by repair reinstatement or replacement under the terms of the policy) and such monies shall be paid to the lessors as long as they are the owners of the property and their receipt shall be a full and final discharge to the company in respect of such loss or damage. Save as by this endorsement expressly agreed nothing herein shall modify or affect the rights and liabilities of the insured or the company respectively under or in connection with this policy.

#### **Non-Cancellation Clause**

And it is further agreed that cancellation of the Policy shall not be effected by the insured except upon prior notification to the Lessor in writing giving fourteen (14) days notice to the last known address of the Lessor.



### **MORTGAGEE (CHARGE) CLAUSE 1**

Loss, if any, payable to the Bank or Firm as specified in the Schedule as Mortgagee (Charge) as interest may appear in this insurance, as to the interest of the Mortgagee (Charge) only therein, shall not be invalidated by any act or neglect of the Mortgagor (Chargor) or the Owner of the within described property nor any foreclosure or other proceedings or notice of sale relating to the property or by the occupation of the premises for purposes more hazardous than are permitted by this Policy, or by the non-occupation thereof, or by any other increase of risk taking place in the property insured hereunder, Provided that in case the Mortgagor (Chargor) or Owner shall neglect to pay any premium due under this Policy the Mortgagee (Charge) shall on demand pay the same. Provided also that the Mortgagee (Charge) shall notify the Company of any non-occupancy or any change of ownership or occupancy or increase of hazard which shall come to the knowledge of the said Mortgagee (Charge) and unless permitted by this Policy it shall be noted thereon and the Mortgagee (Charge) shall on demand pay the premium for such increased hazard for the term thereof otherwise this Policy shall be null and void.

And it is further agreed that whenever the Company shall pay the said Mortgagee (Charge) any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgagor (Chargor) or Owner no liability therefor existed, the Company shall become legally subrogated to all the rights of the Mortgagee (Charge) to the extent such payment but not so as to impair the right of the said Mortgagee (Charge) to recover the full amount of any claim it may have on such Mortgagor (Chargor) or Owner or on any other party or parties insured hereunder of from any securities or funds available.

### **Non-Cancellation Clause**

And it is further agreed that cancellation of this Policy shall not be effected by the insured except upon prior notification to the Mortgagee (Charge) in writing giving fourteen (14) days notice to the last known address of the Mortgagee (Charge).

### **MORTGAGEE (CHARGE) CLAUSE 2**

It is hereby agreed that this Insurance {as to the interest of the Mortgagee (Charge)} shall not be invalidated by any change of occupancy or increase of risk taking place in the property insured without the knowledge of the Mortgagee (Charge) provided that the Mortgagee (Charge) shall immediately on the same coming to his knowledge, give notice thereof to the Company and pay the additional premium (if any) which may be required by the Company from the date of such increase of risk.

### **Non-Cancellation Clause**

And it is further agreed that cancellation of this Policy shall not be effected by the insured except upon prior notification to the Mortgagee (Charge) in writing giving fourteen (14) days notice to the last known address of the Mortgagee (Charge).

### **PAWNBROKERS**

In the event of destruction or damage to pledged goods by fire or any other peril hereby insured against the amount payable shall not exceed the amount advanced by the insured on such goods plus 25% and the value of all goods which this clause applies shall be calculated on the same basis.

### **REINSTATEMENT IN COMPLIANCE WITH THE REQUIREMENT OF PUBLIC AUTHORITIES**

Notwithstanding anything to the contrary contained in Condition 16 of the Policy, it is hereby declared and agreed that the insurance extends to include such additional cost of reinstatement of the destroyed or damaged property thereby insured as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Government Act or Bye-Laws of any Municipal or Local Authority provided that:-

- 1) The amount recoverable under this Extension shall not include:-
  - (a) the cost incurred in complying with any of the aforesaid Regulations or Bye-Laws :-
    - i) in respect of destruction or damage occurring prior to the granting of this extension,
    - ii) in respect of destruction or damage not insured by the Policy,
    - iii) under which notice has been served upon the Insured prior to the happening of the destruction or damage.
    - iv) in respect of undamaged property or undamaged portions of property.
  - (b) the additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-Laws not arisen;
  - (c) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid Regulations or Bye-Laws.
- 2) The work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within twelve (12) months after the destruction or within such further time as the Company may (during the said 12 months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-Laws so necessitate) subject to the liability of the Company under this extension not being thereby increased.
- 3) If the liability of the Company under (any item of) the Policy apart from this extension shall be reduced by the application of any of the terms and conditions of the Policy then the liability of the Company under this extension (in respect of any such item) shall be reduced in like proportion.
- 4) The total amount recoverable under any item of the Policy shall not exceed the sum insured thereby.
- 5) All the conditions of the Policy except insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

### **REINSTATEMENT VALUE CLAUSE**

Notwithstanding anything to the Contrary contained in Condition 16 of the Policy, it is hereby declared and agreed that in the event of the property insured under the within Policy being destroyed or damaged, the basis upon which the amount payable under (each of the said items 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 of 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 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.

#### **REMOVAL OF DEBRIS (WITH SEPARATE SUM INSURED)**

The insurance by this item is in respect of 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 by this policy 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 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 policy.

#### **RENT (APPLICABLE TO OWNER NON-OCCUPIER OF THE PREMISES)**

On (refer Schedule) months rent insured. Sum Insured :RM (refer Schedule)

This insurance on Rent applies only if (any of) the said buildings(s) or any part thereof is unfit for occupation in consequence of fire or any other peril hereby insured against and the amount payable shall not exceed such proportion of the sum insured on Rent as the period necessary for reinstatement or repairs bears to the total number of months of Rent insured.

#### **RENT (APPLICABLE TO OWNER OCCUPIER OF THE PREMISES)**

On (refer Schedule) months expenses insured. Sum Insured: RM (refer Schedule)

This insurance on Rent applies only if (any of) the said building(s) or any part thereof is unfit for occupation in consequence of fire or any other peril hereby insured against and the amount payable shall be the reasonable additional expenses necessarily incurred by the insured in renting an alternative premise elsewhere. Provided that the total amount payable shall not exceed such proportion of the expenses insured as the period necessary for reinstatement or repairs bears to the total number of months expenses insured.

#### **RENT (APPLICABLE TO TENANT-OCCUPIER OF THE PREMISES)**

- (i) On (refer Schedule) months rent insured. Sum Insured RM (refer Schedule)
- (ii) On (refer Schedule) months expenses insured. Sum Insured RM (refer Schedule)

This insurance on Rent applies only if any of the said building(s) or any part thereof is unfit for occupation in consequence of any fire or any other peril hereby insured against but only in respect of the period necessary for reinstatement or repair and the amount payable shall not exceed:

- (i) the amount of rent that the insured is legally liable for; and/or

- (ii) the reasonable additional expenses necessarily incurred by the insured in renting an alternative premise elsewhere.

Provided the total amount recoverable under this extension shall not exceed the Sum Insured stated.

### **RIOT STRIKE AND MALICIOUS DAMAGE**

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

**Note :** If certain items only of the Policy are to be insured against Riot and Strike, insert the words "items.....of" and "under the items hereinbefore referred to but none other" at \* and \*\* respectively.

### **SPECIAL CONDITIONS**

For the purposes of this Endorsement but not otherwise there shall be substituted for the respectively numbered Conditions of the Policy 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) any act 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.

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 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 11**

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 cancelment. 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 20**

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 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 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 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 the Policy shall apply in all respects to the insurance granted by the Policy as if this Endorsement had not been made thereon.

#### **SPECIAL CONDITIONS FOR DECLARATION POLICIES**

- 1) In consideration of the premium by this Policy being provisional in that it is calculated on 100% of the sum insured hereby and is subject to adjustment on expiry of each period of insurance:-

The Insured agrees to declare to the Company in writing the value of his stocks, less any amount insured by Policies other than Declaration Policies, on the following basis namely (refer to schedule) and to make such declaration within thirty days of the expiry of each calendar month, such declaration to be signed by the Insured or by a responsible person authorised to sign on his behalf.

If other Policies on a declaration basis cover the stock hereby insured the declarations shall be made so as to apportion to each Policy a share of the value of the stocks insured under such Declaration Policies, pro-rata to the respective amounts named in the Policies.

In the event of a declaration not being made within the thirty days mentioned above then the Insured shall be deemed to have declared the sum insured hereby as the value at risk.

On the expiry of each period of insurance the premium shall be calculated at the rate applicable on the average sum insured, namely, the total of the values declared or deemed to have been declared divided by the number of declarations due to have been made. If the resultant premium be less than the provisional premium the difference shall be repaid to the Insured but such repayment shall not exceed 50% of the provisional premium.

- 2) The basis of value for declarations shall be the market value and any loss hereunder shall be settled on the basis of the market value immediately anterior to the loss.
- 3) If at the time of any loss, there be any other subsisting insurance or insurances on other than a declaration basis, whether effected by the Insured or by any other person or persons, covering the stocks hereby insured, this Policy shall apply only to the excess of the value of such stocks at the time of the loss over the sum insured by such insurance or insurances, and this Company shall not be liable to pay or contribute more than that proportion of such loss which such excess (or, if there be other declaration insurances covering the same stocks, a rateable proportion of such excess), but not exceeding the sum insured hereby, bears to the total value of the stocks.
- 4) If after the occurrence of a loss it is found that the amount of the last declaration previous to the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said last declaration bears to the amount that ought to have been declared.
- 5) In the event of a loss occurring the Insured undertakes to pay extra premium on the amount of any loss pro rata from the date of such loss to the expiry of the period of insurance, the premium being calculated at the rate applicable to the stocks destroyed and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment of premium.
- 6) In the event of this Policy being cancelled by the Insured during its currency (whether stocks exists or not) the premium to be retained by the Company shall be the appropriate short period premium calculated on the average amount insured up to the date of cancelment, or 50% of the provisional premium whichever is the greater; but if the Policy is cancelled by the Insured after a loss has occurred the premium to be retained by the Company shall be the pro-rata proportion of the premium calculated on the average amount insured up to the cancelment plus the pro-rata proportion of the premium from the date of loss to the expiry of the period of insurance on the amount of the loss paid, or 50% of the provisional premium whichever is the greater.



- 7) It is warranted that every other Policy on a declaration basis covering the stocks insured hereby shall be indetical in wording with this Policy.
- 8) This insurance is subject in all respects to the printed conditions of the Policy except in so far as they may be varied by these Special Conditions.

### **STORM, TEMPEST**

In consideration of an additional premium, the Company agrees that notwithstanding anything stated to the contrary in Condition No. 6 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 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 herein before 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 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 Policy.
  - (d) Loss or damage caused by explosion except as provided in Condition 8(h) 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 Policy.

Subject otherwise to the terms and conditions of the policy.

### **TEMPORARY REMOVAL CLAUSE (Contents of Private Dwelling)**

The property insured under this Policy is covered whilst temporarily removed including whilst in transit but remaining in Malaysia, the Republic of Singapore or Brunei Darussalam for an amount not exceeding 15% of the sum insured under (each item of) this policy.

The amount recoverable under this extension in respect of (each item of) the policy shall not exceed the amount which would have been recoverable had the loss occurred in the premises from which the property was temporarily removed.

This extension does not apply to property in so far as it is otherwise insured nor to property removed for sale or exhibition or to a furniture depository.

### **TENANTS CLAUSE (AS TO INTEREST OF THE OWNER)**

It is hereby agreed that this insurance as to the interest of the Insured where the property insured is used or occupied by a tenant of the Insured, shall not be invalidated by any change of occupancy or increase of risk taking place in the property insured without

the knowledge of the Insured provided that the Insured shall immediately on the same coming to his knowledge, give notice thereof to the Company and pay the additional premium (if any) which may be required by the Company from the date of such increase of risk.

Subject otherwise to the terms and conditions of the Policy.

## SECTION I (B) – TERRORISM

*THIS SECTION IS COVER WHEN SPECIFIED IN THE SCHEDULE.*

This section covers the Property Insured against direct physical loss or physical damage occurring during the Period of Insurance caused by an Act of Terrorism or an Act of Sabotage up to the limit specified in the Schedule.

### EXCLUSIONS

(A) Losses excluded:

1. This section does not cover loss or damage directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:
  - (a) Nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.
  - (b) War, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, usurpation of power, or civil commotion assuming the proportions of or amounting to an uprising.
  - (c) Seizure or legal or illegal occupation unless physical loss or physical damage is caused directly by an Act of Terrorism or an Act of Sabotage.
  - (d) Confiscation, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority which deprives the Insured of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.
  - (e) Seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.
  - (f) Chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind.
  - (g) Asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind.
  - (h) Public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any Property Insured.
  - (i) Measures taken to prevent, suppress or control actual or potential Act of Terrorism or Sabotage unless agreed by Underwriters in writing prior to such measures being taken.
  - (j) Vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion.
  - (k) Burglary, house - breaking, looting, theft or larceny.
  - (l) Mysterious disappearance or unexplained loss.
  - (m) Mould, mildew, fungus, spores or other microorganism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.
  - (n) Electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon.

This exclusion shall not operate to exclude losses (which would otherwise be covered under this Contract) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.
  - (o) Cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service
  - (p) Threat or hoax of an Act of Terrorism or Sabotage.

(B) Property excluded:

1. This section does not insure:
  - (a) Land or land values.
  - (b) Power transmission, feeder lines or pipelines not on the Insured's premises.
  - (c) Aircraft or any other aerial device, or watercraft.
  - (d) Any land conveyance, including vehicles, locomotives or rolling stock, unless:
    - (i) the insured values of such land conveyance have been declared to and agreed by Underwriters; and
    - (ii) such land conveyance is located at the address declared to an agreed by Underwriters.
  - (e) Animals, plants and living things of all types.
  - (f) Property in transit not on the Insured's premises.

## CONDITIONS

### 1. PROTECTION MAINTENANCE

It is agreed that any protection provided for the safety of the Property Insured shall be maintained in good order throughout the Period of Insurance and shall be in use at all times, and that such protection shall not be withdrawn or varied to the detriment of the interests of the Underwriters without their written consent.

### 2. NOTIFICATION OF CLAIMS

- (a) The Insured, upon knowledge of any event likely to give rise to a claim hereunder, shall give written advice as soon as reasonably practicable to the Company.
- (b) If the Company establish that any claim the Insured makes under this Contract has been adversely impacted directly by the Insured's failure to comply with their obligations under this condition, the Underwriters may refuse the claim or reduce the amount of payment the Company make for the claim.
- (c) If the Insured makes a claim under this policy, they must give the Company such relevant information and evidence as may reasonably be required and co-operate fully in the investigation or adjustment of any claim. If required by the Company, the insured must submit to examination under oath by any person designated by the Company.

### 3. PROOF OF LOSS OR DAMAGE

The Insured shall render a signed and sworn proof of loss or damage covered by this Contract within sixty (60) days after the occurrence of such loss or damage (unless such period be extended by the written agreement of Underwriters) stating the time, place and cause of loss or damage covered by this Contract, the interest of the Insured and all others in the Property Insured, the sound value thereof and the amount of loss or damage thereto.

### 4. FALSE OR FRAUDULENT CLAIMS

- (a) This policy and any loss, damage or claim hereunder will be void if, whether before or after loss or damage, an insured has:
  - (i) intentionally concealed or intentionally misrepresented any material fact or circumstance;
  - (ii) engaged in fraudulent conduct; or
  - (iii) made false statementsrelating to the Policy or any loss, damage or claim hereunder.
- (b) In the event that any provision of this clause is found by a court of competent jurisdiction to be invalid or unenforceable, the other provisions of this clause and the remainder of the provision in question shall not be affected and shall remain in full force and effect.

### 5. MISREPRESENTATION

If the Insured has concealed or misrepresented any material fact or circumstance relating to this Contract, this Contract shall become void. If the Insured is unsure what constitutes material fact(s) or circumstance(s), they should consult their broker or agent.

### 6. VALUATION

It is understood that in the event of physical loss or physical damage, settlement shall be based on Actual Cash Value.

### 7. SUM INSURED

The Company shall not be liable for more than the Sum Insured stated in the Schedule in respect of each Occurrence.

## DEFINITIONS

**ACT OF TERRORISM** means an act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

**ACT OF SABOTAGE** means a subversive act or series of subversive acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

**ACTUAL CASH VALUE** means the amount it would cost to repair or replace Property Insured, on the date of insured physical loss or physical damage, with material of like kind and quality, with proper deduction for obsolescence and physical depreciation.

**FINE ARTS** means art, antiques and collectibles of particular value due to their age, style, artistic merit or collectability, including: paintings; etchings; pictures; tapestries and rugs; rare or art glass; art glass windows; furniture; porcelain and sculptures excluding automobiles, coins, stamps, furs, jewellery, precious stones, precious metals, watercraft, aircraft, money, securities.

**OCCURRENCE** means each and every loss or series of losses arising out of and directly caused by one event. However, the duration and extent of any one event shall be limited to direct physical loss or physical damage which occurs within a period of 72 consecutive hours. No such period of 72 hours may extend beyond the expiry of this Contract unless the Insured shall first sustain direct physical loss or physical damage before the expiry of this Contract and within said period of 72 consecutive hours, nor shall any period of 72 consecutive hours commence before the start of this Contract.

**PROPERTY INSURED** means tangible property, as shown in the Risk Details, for which values have been declared to and agreed by Underwriters.

**VALUABLE PAPERS AND RECORDS** means written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, but not including electronic records.

## SECTION II – SPECIAL PACK

### (A) MONEY INSURANCE

The Company will indemnify the Insured against:-

- (1) Loss of Money by any cause whatsoever occurring within the situation stated in the Schedule during the Period of Insurance and
- (2) The cost of repair or replacement of the Safe or Strongroom or other receptacles not otherwise insured directly associated with any theft or attempted theft therefrom occurring during the Period of Insurance up to a sum of RM1,000.00 only.

Provided that out of Business Hours, the safe or strongroom or other receptacles 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

**MONEY** shall mean current Coin Bank and Currency Notes Cheques Money Orders Postal Orders current unused Postage Stamps, Revenue Stamps and Bills of Exchange all belonging to the Insured or for which the Insured has accepted liability.

**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.

#### EXCEPTIONS

The Company shall not be liable for:-

- 1) Loss or damage directly or indirectly proximately or remotely occasioned by contributed to/by or traceable to or arising out of or in connection with any of the following occurrences, namely:-
  - (a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not) or civil war.
  - (b) mutiny, strike riot and civil commotion, 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.
  - (c) any act of any person acting on behalf of or in connection with any organization with activities directed towards the overthrow by force of any de jure or de factor Government or to the influencing of it by terrorism or violence or loot sack or pillage in connection with any of the aforementioned occurrences.
  - (d) confiscation or destruction by or under the order of any Government or Public Authority.

or by any direct or indirect consequences of any of the said occurrences and in the event of any claim hereunder the Insured shall prove that the loss or damage arose independently of and was in no way connected with or occasioned by contributed to/by or traceable to any of the said occurrences or any consequences thereof and in default of such proof the Company shall not be liable to make any payment in respect of such a claim.

- 2) Any loss due to or arising out of forged bank or currency notes.
- 3) 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) 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 employment of the Insured or representative appointed by the Insured.
- 5) Any loss from an unattended vehicle.
- 6) Loss of money extracted from the lock receptacles mentioned in the Schedule hereto following the use of the key or keys to the said receptacles or any duplicate key or keys unless such key or keys have been obtained by threat or violence whilst in the personal custody of the Insured or a responsible employee of the Insured.
- 7) Any loss due to depreciation in value.
- 8) Any consequential loss whatsoever.
- 9)
  - a) 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 purpose of this exception combustion shall include any self-sustaining process of nuclear fission.
  - b) loss or damage directly or indirectly caused by or contributed to/by or arising from nuclear weapons material.

#### CONDITIONS

1. The Insured shall take all ordinary and reasonable precautions for safety of the property insured, and shall as far as practicable make use of all means of securing the premises whilst such property is contained therein. Furthermore the Insured shall not cause any change to be made in the procedure or precautions relating to the transporting of the said property without first advising the Company and obtaining its consent.



2. Upon the happening of any event giving rise to a claim under this Policy the Insured shall give immediate notice thereof in writing to the Company and shall deliver within seven (7) days of such further time as the Company may allow a claim with such detailed particulars and such proofs as may be reasonable required including verification by Statutory Declaration if requested by the Company; and if such claim be in respect of fraudulent or any fraudulent devices be used by the Insured to obtain any benefit under this Policy, all benefits thereunder and all premiums paid in respect thereof shall be forfeited.
3. The Insured shall on becoming aware of any loss forthwith give notice to the Police and either himself take all needful steps for ascertaining the circumstances attending the loss and for recovery of the lost property and for providing for the future safeguarding of the property insured or appoint some responsible person with adequate authority to act on his behalf in the matters aforesaid.
4. The Insured will forthwith at all request and expense of the Company do and concur on doing all such acts and things as the Company may reasonably require with a view to the recovery of any lost property or to preserve and enforce any rights the Insured may have against any one in respect of any loss whether it has or has not been paid or made good by the Company. Any recovery made either by the Insured or the Company after settlement of any claim by the Company shall belong to the Company up to but not exceeding the amount paid by the Company.

#### **CLAUSES/ENDORSEMENTS APPLICABLE TO SECTION II (A)**

##### **DAMAGE TO PREMISES ENDORSEMENT (WITHOUT SEPARATE SUM INSURED)**

The Insurance on properties or interest insured includes costs and expenses necessarily incurred by the Insured in respect of damage to premises not otherwise insured resulting from any theft or attempted theft occurring during the period of insurance, subject to the Company's maximum liability for any loss damage and costs and expenses not exceeding 5% of the Sum Insured against each item.

Subject otherwise to the terms, conditions and exceptions of this policy.

##### **MONEY IN LOCKED SAFE/STRONGROOM AND OTHER RECEPTACLES ENDORSEMENT**

It is hereby declared and agreed that a complete record of the amount of money in Safe/Strongroom and other receptacles shall be kept secured in some place other than the said Safe/Strongroom and other receptacles and the liability of the Company shall be limited to the amount of money in the record kept in the Safe/Strongroom and other receptacles at the time of loss or the Limit of liability as stated in the Schedule, whichever is lower, during the Period of Insurance.

Notwithstanding Operative Clause (2) of Section II (A), it is further declared and agreed that the Company shall pay, in respect of the cost of repair or replacement of the Safe/Strongroom and other receptacles not otherwise insured resulting from theft or attempted theft insured herein, up to a sum of RM1,000.00 or the Limit of Liability for Money in Premises as stated in the Schedule, whichever is lower, during the Period of Insurance.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **(B) FIDELITY GUARANTEE INSURANCE**

The Company agrees to make good and reimburse to the Insured all such direct pecuniary loss as the Insured shall sustain by any act of fraud or dishonesty committed by the Employees stated in Schedule:

- (a) During the Period of Insurance stated in the Schedule
- (b) During the uninterrupted continuance of employment of such employee
- (c) In connection with the occupation and duties of such employees and
- (d) Discovered during the aforesaid Period of Insurance or within twelve (12) months thereafter or within twelve (12) months after the death, dismissal or retirement of such employee whichever shall happen first.

##### **PROVIDED ALWAYS THAT**

1. Unless the Company shall consent in writing to any alteration the Company shall not be liable to make any payment hereunder if the nature of the business of the Insured or the duties or conditions of service of any such employee shall be changed or the remuneration of any such employee be reduced or if the precautions and checks for securing accuracy of accounts and stocks stated in the aforesaid proposal and correspondence relative thereto shall not be duly observed.
2. Immediately following the discovery of an act of fraud or dishonesty on the part of any such employee the Indemnity hereby granted shall be at an end so far as any further act of fraud or dishonesty on the part of such employee is concerned.
3. Any sum or sums paid or payable to the Insured in any one period of Insurance shall reduce the Amount of Guarantee so that the amount in respect of any or all such sums or sums shall not exceed the Amount of Guarantee stated in the Schedule.
4. The amount of guaranteed stated under this Policy shall be maximum liability of the Company in respect of each defalcation or a series of defalcations or misappropriations of fraud which are interconnected irrespective of the number of staff involved.

## **CONDITIONS**

1. Immediately the Insured shall become aware of any circumstances giving rise or likely to give rise to a claim under this Policy, the Insured or his representative shall immediately give notice thereof to the Company stating if known the whereabouts of the Employee and particulars of the acts or defaults then discovered and shall within three (3) months after such notice deliver to the Company full details of the claim and shall furnish proof of the correctness of such claim and the indemnity of the employee concerned.
2. In the event of claim all books of accounts of the Insured and any accountants reports thereon shall be opened to the inspection of the Company and the Insured shall give all information and assistance to enable the Company to use for and obtain reimbursement by the Employee or his estate of any money which the Company shall have paid or become liable to pay under this Policy.
3. The insured shall use all diligence in prosecuting the Employee to conviction for any criminal act which the Employee shall have committed and in consequence of which a claim shall have been made under this Policy.
4. Any money of the Employee in the hands of the Insured and any money which but for any act of fraud or dishonesty would have been due to the Employee from the Insured shall be deducted from the amount otherwise payable under this Policy.  
The insured and the Company shall share any other recovery (excluding insurance and reinsurance and any counter security taken by the Company) made by either on account of any loss in the proportions that amount of the loss borne by each bears to the total amount of the loss.
5. If this policy be continued in force for more than one year, the liability of the Company in respect of any one claim shall not be accumulated or increased thereby and the aggregate liability of the Company during any number of years and for any number of losses forming the basis of any one claim whether under this policy or any similar policy in substitution for or substituted by this policy shall not exceed the Amount of Guarantee under the current policy.
6. In the event of the Amount of Guarantee being reduced by any sum or sums paid or payable under this policy the Amount Guarantee may be reinstated upon payment by the insured of an appropriate additional premium on the express understanding that the amount by which the Amount of Guarantee is reinstated shall be available only in respect of acts of fraud or dishonesty committed after such reinstatement.

## **CLAUSES/ENDORSEMENTS APPLICABLE TO SECTION II (B)**

### **AUDITORS' AND ACCOUNTANTS' FEES CLAUSE**

It is hereby declared and agreed that in the event of a claim being admitted under this insurance, the Policy shall include auditors' and/or accountants' fees to an amount not exceeding RM1,000.00 such fees being reasonably incurred in:-

- (a) Providing satisfactory proof of pecuniary loss sustained by the Insured.
- (b) Preparation of detailed statement as required under this Policy.

The amount payable for such fees shall not exceed those authorised under the scales of Associations of the respective professions prevailing at the time of loss, subject to the Company's maximum liability for any loss and fees not exceeding the amount of guarantee against each item.

Provided that the term "Auditors and/or Accountants" under this clause shall mean a professional auditor and/or accountant, approved by both the Company and the Insured.

Subject otherwise to the terms, conditions and exceptions of this policy.

### **AUTOMATIC ADDITIONS AND DELETIONS CLAUSE**

It is hereby declared and agreed that any person who is recruited by the Insured after the date of commencement of this Policy shall be automatically held covered as from his or her first day of employment provided that the Company's maximum liability shall remain at (policy limit) in respect of any one loss and in the aggregate for the period of insurance.

It is further declared and agreed that the Insured shall within ninety (90) days give written notification to the Company of any such additions/deletions of employees under the policy and pay an additional premium which may be required by or receive a refund premium from the Company as the case may be.

If it is further understood and agreed that this clause shall only be applicable to all employees within the specified occupation as stated in the Policy and Insured is obliged to insure all employees within the specific occupation under the Policy.

Subject otherwise to the terms, conditions and exceptions of this policy.

### **MEMORANDUM A**

It is hereby declared and agreed that the Company will only reimburse to the Insured all direct pecuniary loss as the Insured shall sustain by any act of fraud or dishonesty committed by employees anywhere in the world but excluding USA and Canada.

Subject otherwise to the terms, conditions and exceptions of this policy.

### **UNEXPLAINED LOSS OR SHORTAGE EXCLUSION ENDORSEMENT**

It is hereby declared and agreed that the Company shall not be liable for any loss or shortage directly arising out of any unexplained loss or shortage discovered during an inventory or stock taking.

### **(C) PLATE GLASS INSURANCE**

If during the Period of Insurance, the glass situated at the premises as described in the Schedule shall be broken, the Company will indemnify the Insured the value of the glass provided always that the Company's liability shall not exceed in respect of any one piece of glass the Sum Insured thereon as stated in the Schedule and in the aggregate the Total Sum Insured as stated herein.

#### **EXCEPTIONS**

The Company shall not be liable for loss or damage:-

1. Directly or indirectly caused by or contributed to/by or arising from:-
  - (a) fire or preventive or salvage operations consequent thereon explosion earthquake volcanic eruption or flood.
  - (b) dilapidations of frames of framework.
  - (c) pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.
2. Directly or indirectly proximately or remotely occasioned by contributed to/by or traceable to or arising out of or in connection with any of the following occurrence, namely
  - (a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not) or civil war.
  - (b) mutiny, strike, riot and civil commotion, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or state or siege.

or by any direct or indirect consequences of any of the said occurrences and in the event of any claim hereunder the Insured shall prove that the loss or damage arose independently of and was in no way connected with or occasioned by or contributed to/by or traceable to any of the said occurrences or any consequence thereof and in default of such proof the Company shall not be liable to make any payment in respect of such a claim.

3. (a) directly or indirectly caused by or arising from or in consequences 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 purpose of this exception, combustion shall include any self-sustaining process of nuclear fission.  
(b) directly or indirectly caused by or contributed to/by or arising from nuclear weapons material.

#### **CONDITIONS**

1. The Insured shall take all reasonable precautions for the safety of the glass including salvage glass. The Company shall be entitled to any salvage glass resulting from breakage in respect of which a claim has been paid hereunder.
2. All glass shall be deemed to be plain and no painting lettering, embossing, bending, silvering or ornamental work on glass shall be deemed to be insured unless specifically mentioned in the Schedule. In the event of the Company replacing the broken glass all window-fittings or other obstructions to replacement shall be removed by and at the expense of the Insured. The Company shall not be liable for frames or other fittings nor for loss due to the interruption of business or other damage or injury consequent on the breakage or removal of the glass or due to delay in replacement.
3. Immediately upon having knowledge of any event giving rise or likely to give rise to a claim under this Policy the Insured shall give immediate notice thereof to the Company and within seven (7) days thereafter deliver to the Company a claim in writing and supply all such detailed proofs and particulars as may be reasonably required.
4. If any claim shall arise through or be attributable to the act, neglect or default of any person or persons other than the Insured or his servants then the Insured shall at the request and cost of the Company institute, take and prosecute such proceedings at law or otherwise and render such assistance as may be necessary for recovery from the person by or to whose act, neglect or default the damage may have been sustained or attributable and all money recovered shall be the property of the Company.
5. No claim shall be recoverable hereunder if the Premises shall become empty or disused or if any change shall be made in the Premises or Occupancy or in the conditions of the risks as existing at the time of acceptance unless in any such cases the written consent of the Company thereto be first obtained.
6. The Company may at its option reinstate repair or replace the property lost or damaged, or any part thereof, instead of paying the amount of the loss or damage and may join with any other Insurers in so doing in cases where the property is also insured elsewhere. Upon payment of any claim for loss under this Policy the property in respect of which the payment is made shall belong to the Company.
7. Immediately upon the happening of any loss or damage to the property insured as described in the Schedule of this Policy the Total Sum Insured and the Sums Insured upon the various descriptions of property which have been lost or damage shall be reduced by the amount of the loss or damage and such reduced Sums Insured shall be the limits of the Company's liability in respect of any further losses or damage occurring during the current Period of Insurance unless the Company consent upon payment of additional premium to reinstate the full Sums Insured.

## **CLAUSES/ENDORSEMENTS APPLICABLE TO SECTION II (C)**

### **DAMAGE TO FRAMES OR FRAMEWORKS ENDORSEMENT**

This Policy extends to cover breakage of or damage to frames or framework of any description accompanied by the breakage of glass insured under this policy provided always that the Company's maximum liability shall not exceed the sum insured against each item.

Subject otherwise to the terms, conditions and exceptions of this policy.

### **MEMORANDUM A**

It is hereby declared and agreed that in the event of loss for which Company is liable to make payment, the Company will indemnify the Insured in respect of:-

- i) The cost of temporary shuttering, pending replacement of the glass.
- ii) The cost of ornamentation and sign writing.

Provided always that the Company's maximum liability for any loss or damage and such costs and expenses shall not exceed the Sum Insured against each item and in the aggregate of the Total Sum Insured stated therein.

Subject otherwise to the terms, conditions and exceptions of this policy.

## **(D) PUBLIC LIABILITY INSURANCE**

The Company will indemnify the Insured against:-

- (A) All sums which the Insured shall become legally liable to pay for compensation in respect of
  - (1) Bodily injury to including death or illness of any person
  - (2) Loss of or damage to propertyoccurring within the Territorial Limit during the Period of Insurance as a result of an accident and happening or caused as described in the Schedule under the heading of Description of Risk.
- (B) All costs and expenses of litigation
  - (1) recovered by any claimant against the Insured
  - (2) incurred with the written consent of the company

In respect of a claim against the Insured for compensation to which the indemnity expressed in this Section applies.

### **LIMIT OF INDEMNITY**

The liability of the Company under this Section for all compensation payable

- (a) To any claimant or any number of claimants in respect of or arising out of any one occurrence or in respect of or arising out of all occurrences of a series consequent on or attributable to one source or original cause shall not exceed the Limit of Indemnity specified in the Schedule for any one Accident.
- (b) In respect of all injury including death illness loss and sustained during any one Period of Indemnity shall not exceed the Limit of Indemnity specified in the Schedule for any one Period of Insurance.

### **EXCEPTIONS**

The indemnity expressed in this Section shall not apply to

- 1) Liability assumed by the Insured by agreement and which would not have attached in the absence of such agreement.
- 2) Liability in respect of:-
  - (a) Injury to or illness of any person under a contract of service or apprenticeship with the Insured if such liability is in respect of injury or illness arising out of and in the course of the employment of such person by the Insured.
  - (b) Any sums payable by the Insured under legislation relating to occupational injury or illness.
- 3) Liability in respect of loss of or damage to property:-
  - (a) belonging to the Insured.
  - (b) in charge or under the control of the Insured or any servant or agent of the Insured.
  - (c) being that part of any property on which the Insured or any servant or agent of the Insured is or has been working if that loss or damage results directly from such work.
  - (d) caused by or in connection with or arising from the bursting of any pressure part of
    - (i) any steam boiler or any economizer
    - (ii) any vessel or apparatus (other than any steam turbine or engine or other steam-driven machinery) intended to operate under steam pressurebelonging to or under the control of the Insured or any servant or agent of the insured.
- 4) Liability in respect of:-
  - (a) Loss of or damage to any property or land or building caused by vibration or by the removal or weakening of support.
  - (b) Injury to or illness of any person or loss of or damage to property occasioned by or resulting from any such loss or damage aforesaid.



- 5) Liability in respect of injury illness loss or damage by or in connection with or arising from:-
  - (a) any lift elevator escalator hoist or crane owned or used by the Insured or for the maintenance of which the Insured is responsible unless specified in the Schedule.
  - (b) defective sanitary arrangements or poisoning of any kind or foreign or deleterious matter in food or drink.
  - (c) accident to any vessel or craft in consequence of the condition or unsuitability of any berth dock or mooring.
  - (d) any commodity article or thing supplied repaired altered or treated by or to the order of the Insured.
  - (e) fire earthquake explosion flood fumes pollution and contamination.
  - (f) drilling and/or refining of liquid or gas, fuel or oil in connection with the oil and gas industry.
- 6) Liability for any consequences of war invasion acts of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war rebellion revolution insurrection civil commotion assuming the proportions of or amounting to an uprising, military or usurped power mutiny strike riot and civil commotion.
- 7) (a) any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this exception combustion shall include any self- sustaining process of nuclear fission.  
 (b) any accidental loss destruction damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.
- 8) Treatment prescribed for or given to any person or from services rendered in a professional capacity.
- 9) The ownership, possession or use by or on behalf of the Insured of any vessel or craft or mechanically propelled vehicle (including any type of machine on wheels or caterpillar tracks) or trailer attached thereto or the loading or unloading of such vehicle or trailer or the delivery or collection of goods in connection with such vehicle or trailer within the limits of any carriage way or thoroughfare but this exclusion shall not apply to mechanically propelled vehicle not licensed for road use or for which a Certificate of Motor Insurance is not required under the Road Traffic Act 1987.

*In these Exceptions*

- (a) *The expression "vehicle" shall include any type of machine on wheels or on caterpillar tracks.*
- (b) *The expression "vessel or craft" shall mean any vessel craft or thing made or intended to float on or in or travel on or through water or air.*

**CONDITIONS**

This policy and the Schedule shall be read together as one contract and any word expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear such specific meaning wherever it may appear.

1. The Insured shall give written notice to the Company of any accident or claim or proceedings immediately the same shall have come to the knowledge of the Insured or his representative.
2. The Insured shall not without the consent in writing of the Company repudiate liability negotiate or make any admission offer promise or payment in connection with any accident or claim and the Company shall be entitled if it so desires to take over and conduct in the name of the Insured the defence of any claim or 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 against any persons and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.
3. The Company may in the case of any accident pay to the Insured the Limit of Indemnity for any one Accident (but deducting therefrom in such case any sum or sums already paid as compensation in respect thereof) or any lesser sum for which the claim or claims arising from such accident can be settled and the Company shall thereafter be under no further liability in respect of such accident except for the payment of costs and expenses of litigation under clause (B) of the operative word of this Section II (D) incurred prior to the date of payment of such Limit of indemnity or such lesser sum.
4. If the premium for this Policy has been calculated on any estimates furnished by the Insured , the Insured shall keep an accurate record containing all particulars relative thereto and shall at all times allow the Company to inspect such record. The Insured shall within one month from the expiry of each Period of Indemnity furnish to the Company such particulars and information as the Company may require. The premium for such period shall there upon be adjusted and the difference paid by or allowed to the Insured as the case may be.
5. If at the time of any claim arising under this Policy there shall be any other insurance covering the same risk or any part thereof the Company shall not be liable for more than its rateable proportion thereof.
6. If at any time or from time to time any change shall occur materially varying any of the facts existing at the date of the proposal the Insured shall within seven (7) days give notice in writing to the Company and shall pay such additional premium as the Company may require.

7. The Insured shall exercise reasonable care that only steady sober and competent employees are employed that all buildings ways works plant machinery furniture and fittings are substantial and sound and in proper order and fit for the purposes for which they are used and that all statutory requirements and all bye-laws and regulations imposed by any public authority are duly observed and complied with. Upon any defect being brought to his notice, the Insured shall forthwith proceed to make good the same and shall take such temporary precautions to prevent accident as the circumstances may require but so far as practicable no alteration or repair shall without the consent of the Company be made after any occurrence covered by this Policy until the Company shall have had an opportunity of inspecting. The Company shall at all reasonable times have free access to inspect any property. In the event of any defect or danger being apparent to the Company's inspector the Company may give notice in writing to the Insured and thereupon all liability of the Company in respect thereof or arising therefrom shall be suspended until the same be cured or removed to the satisfaction of the Company.
8. The due observance and fulfillment of the terms provisions conditions exception 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 shall be conditions precedent for any liability of the Company to make any payment under this Policy.
9. The construction, validity or operation of this Policy shall be interpreted in accordance with the laws and usage of the country in which this Policy is issued.

#### **CLAUSES/ENDORSEMENTS APPLICABLE TO SECTION II (D)**

##### **ADVERTISING & NEON SIGNS CLAUSE**

This policy is extended to include the Insured's legal liability directly arising from accidents in connection with the Insured's advertising and neons signs located anywhere in the Territorial Limit specified in the Policy Schedule.

Provided that the Company's liability as aforesaid shall in no case exceed the Limit of Indemnity specified in this Policy.

Subject otherwise to the terms, conditions and exceptions of this policy.

##### **ALTERATION AND/OR REPAIR TO PREMISE**

It is hereby agreed that all legal liability to third party arising from the maintenance or repairs or decorations of the Premises stated in the Schedule by Contractors/Sub-Contractors engaged by the Insured are deemed covered.

Subject otherwise to the terms, conditions and exceptions of this policy

##### **ASBESTOS EXCLUSION CLAUSE**

It is hereby understood that this policy shall not apply to and does not cover any actual or alleged liability, whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of asbestos in whatever form or quality.

Subject otherwise to the terms, conditions and exceptions of this policy.

##### **CAR PARK INCLUDING JOCKEY SERVICES EXTENSION ENDORSEMENT**

Notwithstanding anything contained in exception 3 (b), the indemnity provided by this Policy is extended to include the legal liability of the Insured in respect of bodily injury to or loss of or damage to third party property arising out of motor vehicles in the charge or under the control of the Insured whilst on or about the Insured's premises specified in the policy schedule.

Providing always that the Company shall not be liable for any liability arising directly or indirectly out of:-

- (a) Servicing, repairing and maintenance of any motor vehicle;
- (b) Defective workmanship;
- (c) The use of any motor vehicle licensed for road use and used on a road.

Provided further that the Insured is not entitled to any indemnity under this policy if this liability is insured or insurable under the Motor Policy and/or any liability policy.

Subject otherwise to the terms, conditions and exceptions of this policy.

##### **CRANES HOIST FORKLIFT, LIFT AND ESCALATOR CLAUSE**

The indemnity provided under this Policy is extended to cover the Insured's legal liability in connection with the use of or operation of Cranes, Hoist, Forklift, Lift and Escalator on the Insured's premises.

PROVIDED HOWEVER THAT the Company shall not be liable in respect of claims arising in connection with any such Vehicle/Equipment thereto:-

- (a) In respect of the use of which insurance is required by virtue of any legislation relating to motor vehicles;
- (b) Which is otherwise Insured in respect of the same liability.

Except to the extent that the provisions of the exceptions of the Policy are hereby modified the terms conditions and limitations of the Policy shall apply.

##### **DEFECTIVE SANITARY ARRANGEMENTS ENDORSEMENT**

It is hereby agreed that this policy is extended to include Insured's legal liability in respect of accidental bodily injury to any person or accidental loss or damage to property caused by or in connection with or arising from defective sanitary arrangement due to a sudden, unintended and unexpected happening.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **EMPLOYEES EFFECTS CLAUSE**

The indemnity afforded by this Policy extends to include 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 RM500.00 any one event.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **EMPLOYEES SPORT AND SOCIAL CLUB ACTIVITIES**

The Insured shall include the committee and members of any social or sports club operated for the benefit of the Insured's employees. The business shall be deemed to include the activities of the said Club.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **FINES, PENALTIES, PUNITIVE OR EXEMPLARY DAMAGES EXCLUSION CLAUSE**

It is hereby declared and agreed that this policy shall not indemnify the Insured in respect of fines, penalties, punitive or exemplary damages.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **FIRE AND EXPLOSION EXTENSION ENDORSEMENT (A)**

It is hereby declared and agreed that this Policy is extended to cover the legal liability of the Insured arising out of fire or explosion (other than explosion of steam boiler or other vessels or apparatus under steam pressure) and occurring in or about the insured premises as described in the Policy.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **FIRST AID FACILITIES CLAUSE**

This Policy extends to cover the legal liability of the Insured arising out of provision by the Insured first aid facilities but excluding any act of negligence, omission or neglect of any duly qualified member of the medical profession or any employee or voluntary worker of any hospital or ambulance organization.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **FOOD AND DRINK POISONING CLAUSE**

This Policy extends to include the legal liability of the Insured in respect of accidental injury directly caused by or arising from anything harmful or defective in food or drink sold or supplied by the Insured or from poisoning of any kind caused by foreign or deleterious matter in food or drink sold or supplied by the Insured in the Business at the premises stated in the Schedule.

PROVIDED that:-

- 1) For the purpose of this extension the word "injury" wherever used in this Extension shall be deemed to include illness.
- 2) The liability of the company shall not exceed the amount specified in the Schedule of the policy as the Limit of Indemnity.
- 3) The Insured shall at all times take every possible precaution to prevent the sale of articles of food or drinks which are not in good condition or after the expiry of their shelf life and to ensure that the same are free from contamination and fit for human consumption.
- 4) The food or drink is not of the kind manufactured for sale by the Insured.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **GRADUAL ENVIRONMENTAL IMPAIRMENT EXCLUSION CLAUSE**

This policy does not cover any liability for:-

- (a) Personal injury or bodily injury of financial loss or loss of, damage to, or loss of use of property directly or indirectly arising out of the discharge dispersal release or escape of pollutants;
- (b) The cost of removing nullifying or cleaning up pollutants;
- (c) Fines, penalties punitive or exemplary damages arising directly or indirectly out of the discharge release or escape of pollutants.

Notwithstanding the foregoing, this policy shall cover the Insured's legal liability otherwise excluded under Paragraphs (a) only in respect of bodily injury or loss of or damage to property and (b) above which:-

- (i) Arises a sudden identifiable, unintended and unexpected happening which takes place in its entirety at a specific time and place and
- (ii) Is indemnified under not more than one period of original insurance plus extension thereof.

For the purposes of this clause, "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke vapour soot fumes acid alkalis chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **GUESTS EFFECTS EXTENSION CLAUSE**

It is hereby declared and agreed that this Policy, extends to cover the legal liability of the Insured in respect of loss or damage to the personal effects of the Insured's guests occurring at the premises in which this Policy applies. Provided always that the Company's liability under this Extension shall not exceed RM500.00 any one event.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **LOADING AND UNLOADING ENDORSEMENT**

It is hereby declared and agreed that this Policy is extended to indemnify the Insured against legal liability in respect of death bodily injury and/or damage:-

- (a) Caused or arising beyond the Limits of any carriageway or thoroughfare in connection with the bringing of the load to the vehicle for loading thereon or the taking away of the load from the vehicle after unloading therefrom.
- (b) Caused by any article or part of the load falling from any mechanically propelled vehicle not licensed for use on public road.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **WORK 'AWAY' RISKS CLAUSE (EXCLUDING PROJECT RISKS)**

The Policy is extended to include the Insured's legal liability as within defined in respect of accidents arising out of the engagement of the actual process work undertaken by the Insured or the persons in the service of the Insured in the course of the business within the Territorial Limits but away from the defined premises.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **WORLDWIDE (EXCLUDING USA & CANADA) EXTENSION FOR COUNCIL MEMBERS CLAUSE**

It is hereby agreed that this Policy extends to indemnify the Insured for all sums which the Insured shall become legally liable to pay as compensation for accidental bodily injury to any person or damage to property caused by the fault or negligence of the council members whilst engaged on the Insured's business anywhere in the world but excluding USA and Canada.

PROVIDED ALWAYS THAT the liability of the Company under this Clause shall not exceed the Limit of Indemnity under this Policy.

Subject otherwise to the terms, conditions and exceptions of this policy.

### **(E) MACHINERY BREAKDOWN INSURANCE**

#### **COVER – MATERIAL DAMAGE**

The Company will pay the Insured up to the sum insured shown for the Insured property in the Schedule under this Cover section for the cost of replacing or, at the Company's option, repairing the insured property that suffers accidental loss or Damage, including Breakdown, during the Period of Insurance.

#### **DEFINITION**

**BREAKDOWN** means the actual breaking, seizing, deformation or melting of any part of the insured property while that insured property is in use that is caused by mechanical, electronic or electronic defect within the insured property that causes sudden malfunction that requires repair or replacement before the insured property can resume normal operation.

#### **BASIS OF INDEMNITY**

1. In cases where Damage to an Insured item can be repaired, the Company shall pay expenses necessarily incurred to restore the damaged item to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties, if any to the extent such expenses have been included in the sum insured. If the repairs are executed at a workshop owned by the Insured, the Company shall pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges. No deduction shall be made for depreciation in respect of parts replaced, but the value of any salvage shall be taken into account.

If the cost of the repairs as detailed hereinabove equal or exceed the actual value of the insured items immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (2) below.

2. In cases where an insured item is destroyed, the Company shall pay the actual value of the item immediately before the occurrence of the loss, including costs for ordinary freight, erection, customs duties and dues, if any to the extent such expenses have been included in the First Loss Sum Insured, such actual value is not subject to average as this Policy is issued as a First Loss Insurance. The Company shall also pay any normal charges for the dismantling of the item destroyed, but the value of any salvage shall be taken into account. The destroyed item shall no longer be covered under this Cover Section, and all necessary Data on the relevant substitute item shall be indicated for its inclusion in the Schedule.

As from the date of an indemnifiable occurrence the sum insured shall be reduced for the remaining period of insurance by the amount of indemnity paid, unless the sum insured is reinstated. Any extra charges incurred for overtime, night work, work on public holidays or express freight shall be covered by the insurance only if especially agreed in writing. The costs of any alterations, additions, improvements or overhauls shall not be recoverable under this Cover Section. The costs of any provisional repairs shall be borne by the Company if such repairs constitute part of the final repairs and do not increase the total repair expenses. The

Company shall make the payments only after being satisfied by production of the necessary bills and documents that repairs have been effected or replacement has taken place, as the case may be.

#### **SPECIFIC EXCLUSIONS APPLICABLE TO THIS COVER SECTION**

The Company will not pay for:

1. loss or damage directly or indirectly caused by or arising out of fire, lightning and Fire Special/extraneous perils as provided for under the Revised Fire Tariff;
2. loss or damage caused by any faults or defects existing at the time of commencement of the Policy within the Insured's knowledge or the Insured's representative, whether such faults or defects were known to the Company or not;
3. loss or damage directly or indirectly caused by the failure or interruption of any gas, water or electricity service or supply
4. loss or damage as a direct consequences of the continual influence of operation (e.g. wear and tear, cavitation, erosion, corrosion, incrustation) or of gradual deterioration due to atmospheric conditions;
5. any costs incurred in connection with the elimination of functional failures, unless such failures were caused by indemnifiable loss of or damage to the insured items;
6. any costs incurred in connection with the maintenance of the insured items, such exclusion also applying to parts exchanged in the course of such maintenance operations;
7. loss or damage for which the manufacturer or supplier of the insured items is responsible either by law or under contract;
8. loss of damage to rented or hired equipment for which the owner is responsible either by law or under a lease and/or maintenance agreement;
9. consequential loss or legal liability of any kind of description;
10. damage caused by or arising from
  - (a) the cleaning, testing, altering or repairing of insured items;
  - (b) dishonest acts or misappropriation, of insured items by the Insured or the Insured's directors, partners, employees or officers;
11. any damage to data, records or Data Media unless these are covered under Section III;
12. damage directly caused by;
  - (a) the presence or action of insects or vermin;
  - (b) error or omission in design, plan or specification;
  - (c) failure of design;
  - (d) faulty materials or faulty workmanship;
  - (e) inherent vice or latent defect;
  - (f) change in texture or finish;

Provided that the Company will pay for damage to insured items that are not otherwise excluded or limited that results from such damage;

13. Loss or damage to bulbs, valves, tubes, ribbons, fuses, seals, belts, wires, chains, rubber tyres, exchangeable tools, engraved cylinders, objects made of glass, porcelain or ceramics, sieves or fabric, or any operating media (e.g lubrication oil, fuel, chemicals);
14. Aesthetic defects, such as scratches on painted, polished or enameled surface;
15. Loss or damage directly or indirectly caused by theft.

In respect of the parts mentioned under (13) and (14) above, the Company shall be liable to provide compensation in the event that such parts are affected by an indemnifiable loss of or damage to the insured items.

#### **SPECIFIC CONDITIONS APPLICABLE TO THIS COVER SECTION**

1. **Sum Insured**  
This Policy is issued as a First Loss Insurance on the insured item as described in the Schedule/Endorsement of this Policy. Provided that the liability of the Company shall not exceed the First Loss Sum Insured stated in the Schedule/Endorsement during the Period of Insurance.
2. **The Company's Rights**
  - (a) The Company's representatives shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the Company's representatives with all details and information necessary for the assessment of risk.



- (b) The Insured shall immediately notify the Company in writing of any material change in the risk and cause at the Insured's own expense such additional precaution to be taken as circumstance may require to ensure safe operation of the insured items, and the scope of cover and/or premium shall, if necessary be adjusted accordingly. No material alteration shall be made or admitted by the Insured whereby the risk is increased, unless the continuance of the cover provided under this Cover Section is confirmed in writing by the Company.

### 3. Claims Procedure

In the event of any occurrence which might give rise to a claim under this Cover Section, the Insured shall:

- (a) immediately notify the Company in writing, giving indication as to the nature and extent of the loss or damage;
- (b) take all steps within the Insured's power to minimize the extent of the loss or damage;
- (c) preserve the parts affected and make them available for inspection by the Company's representative or surveyor;
- (d) furnish all such information and documentary evidence as the Company may require.

The Company shall on no account be liable for loss or damage of which no notice has been received by the Company within fourteen (14) days of its occurrence. Upon notification being given to the Company under this condition, the Company may carry out repairs of or make good any minor damage; in all other cases the Company's representative does not carry out the inspection within a period of time, which could be considered adequate under the circumstances, the Company shall be entitled to proceed with repairs or replacement.

The Company liability under this Cover Section in respect of any insured item shall cease if said item is kept in operation after a claim without being repaired to the Company's satisfaction, or if temporary repairs are carried out without the Company's consent.

### 4. Average Clause

If at the time of the happening of any loss destruction or damage covered by this Policy there shall be any other insurance covering the same risk whether effected by the Insured or not then the Company shall not be liable to pay more than their rateable proportion of the loss destruction or damage.

### 5. Reduction of Sums Insured

Immediately upon the happening of any loss destruction or damage the Total Sum Insured and the Sums Insured upon the various descriptions of Property which have been lost destroyed or damaged and such reduced Sums Insured shall be the limits of the Company liability in respect of any further losses destruction or damage occurring during the current Period of Insurance unless the Company consent upon payment of additional premium to reinstate the full Sums Insured.

## SPECIFIC WARRANTIES/CLAUSES APPLICABLE TO SECTION II (E)

### WARRANTY FOR MAINTENANCE CONTRACT

Warranted that during the currency of this policy, the Insured shall keep in force a contract under which items above shall be regularly services or maintained by the manufacturers or installers or contractors.

## (F) BURGLARY INSURANCE

The Company will indemnify the Insured in respect of the undermentioned events happening during the Period of Insurance:-

- (A) The Property Insured or any part thereof described and included in the Schedule hereto whilst contained in the Premises described in the said Schedule shall be lost:
  - (1) By Theft consequent upon actual forcible and violent entry upon the said Premises or committed by any persons (other than employees) feloniously concealed thereon,
  - (2) In the case of Private Residence and/or Residential Flats only, by being wrongfully taken or carried away from the Premises with felonious intent or
- (B) There shall arise any damage to the said Property Insured or the Premises failing to be borne by the Insured due to any such Theft as aforesaid or any attempt thereat.

**PROVIDED ALWAYS** that the Premises mentioned in the Schedule shall not include any yard, garden, outbuilding or other appurtenances unless specifically included in the Schedule hereto.

### THE COMPANY WILL PAY OR MAKE GOOD TO THE INSURED

- (a) Such loss to the extent of the market value at the time of the loss (not including profit of any kind) and/or
- (b) The net cost of repairing such damage

but not exceeding in respect of any item(s) specified in the Schedule of the Sum Insured thereon nor in respect of damage to the Premises five (5)% of the Total Sum Insured nor in the whole during any one Period of Insurance such Total Sum Insured.

### EXCEPTIONS

The Company shall not be liable for loss or damage:-

- 1) Due to any such theft as aforesaid or to any attempt thereat by any of the Insured's family business staff or domestic servant or any person lawfully on the Premises except as provided for in Section (A) (2) above.
- 2) Directly or indirectly proximately or remotely occasioned by contributed to by or traceable to or arising out of or in connection with any of the following occurrences, namely:-
  - (a) war, invasion, act of foreign enemies, hostilities or warlike operations (whether war be declared or not) civil war.

- (b) Mutiny, strike riot and civil commotion, 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.
- (c) Confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any Government or Public or Local Authority

or by any direct or indirect consequences of any of the said occurrences and in the event of any claim hereunder the Insured shall prove that the loss or damage arose independently of and was in no way connected with or occasioned by or contributed to by or traceable to any of the said occurrences or any consequence thereof and in default of such proof the Company shall not be liable to make any payment in respect of such a claim.

- 3) To medals coins curiosities sculptures manuscripts rare books plans patterns models moulds design deeds bonds bills of exchange promissory notes money securities for money stamps documents of any kind or books of account unless specifically included in the Schedule.
- 4) Arising whilst the Premises are unoccupied for a period exceeding thirty (30) consecutive days or are occupied otherwise than as stated in the Schedule unless the written consent of the Company shall have previously been obtained and any additional premium required by the Company has been paid.
- 5) (a) directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contaminations by radioactivity from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exception combustion shall include any self-sustaining process of nuclear fission.
- (b) directly or indirectly caused by or contributed to/by or arising from nuclear weapons material.

## CONDITIONS

- 1. The Insured shall take all reasonable precautions to prevent loss and damage.
- 2. Upon the happening of any event giving rise or likely to give rise to a claim under Section II (F).
  - (a) The Insured shall give immediate notice thereof to the Company stating the circumstance of the case, and take all practicable steps to discover the guilty person or persons and to recover the property lost and unless such notice be received by the Company within thirty (30) days of the happening of such event the Company shall be under no liability for any loss or damage occurring in connection with such event.
  - (b) The Insured shall deliver to the Company within seven (7) days from the date on which the event shall have come to the Insured's knowledge a detailed statement in writing of the loss or damage with an estimate of the intrinsic value of each article lost and the amount of the damage sustained excluding profit of any kind.
  - (c) The Insured shall furnish to the Company all such particulars and evidence documentary or otherwise and execute and do all such assurances and things as the Company may reasonably require to substantiate the claim to discover and punish the guilty person or persons to trace and recover the property lost and to recoup the Company so far as may in respect of the amount the Company shall pay or be liable to pay under this Policy. The Company shall bear the expenses of all such particulars evidence assurances and things as the Company may require with the above objects or any of them other than those required to substantiate the claim.
- 3. In the event of a claim for Larceny or Theft the Insured must afford such evidence as shall satisfy the Company that the property in respect of which a claim is made has been actually lost by such Larceny or Theft and is not merely mislaid or missing.
- 4. The Company may at its option reinstate, repair or replace the property lost or damaged, or any part thereof, instead of paying the amount of the loss or damage and may join with other Insurers in so doing in cases where the property is also insured elsewhere. Upon payment of any claim for loss under this Policy the property in respect of which the payment is made shall belong to the Company.
- 5. Immediately upon the happening of any loss or damage to the property insured as described in the Schedule of this Policy the Total Sum Insured and the Sums Insured upon the various descriptions of property which have been lost or damaged shall be reduced by the amount of the loss or damage and such reduced Sums Insured shall be the limits of the Company's liability in respect of any further losses or damage occurring during the current Period of Insurance unless the Company consent upon payment of additional premium to reinstate the full Sums Insured.
- 6. If at the time of the happening of any loss or damage covered by this Policy there shall be subsisting any other insurance of any nature whatsoever covering the Property Insured or any part thereof whether effected by the Insured or not then the Company shall not be able to pay or contribute more than its rateable proportion of any loss or damage. Each item of this Policy shall be separately subject to this Condition.

## CLAUSES/ENDORSEMENTS APPLICABLE TO SECTION II (F)

### ARMED ROBBERY/HOLD UP ENDORSEMENT

It is hereby declared and agreed that this Policy is extended to cover the risk of armed robbery/hold up inside the premises described herein.

It is further declared and agreed that the words 'armed robbery/hold up' shall mean taking of property insured:

- (1) By violence inflicted upon a custodian
- (2) By putting him in fear of violence

(3) From the custodian who has been killed or rendered unconscious.

Subject otherwise to the terms, conditions and exceptions of this policy.

### **(G) ALL RISKS INSURANCE**

The Property or any part thereof shall be lost destroyed or damaged by any other accident or misfortune while the said Property is within the premises stated in the Policy then the Company shall subject to the terms exceptions and conditions contained herein or endorsed hereon pay or make good to the Insured the amount of such loss destruction or damage but not exceeding in respect of any of the several items specified the Sum Insured set opposite thereto respectively nor in the whole in any one Period of Insurance the Total Sum Insured.

#### **EXCEPTIONS**

The Company shall not be liable to pay for loss destruction or damage:

- 1) directly or indirectly caused by or arising out of fire, lightning, explosion, aircraft damage, earthquake and volcanic eruption, storm tempest, flood, impact damage, bursting or overflowing of water tanks, apparatus or pipes, damage by falling trees or branches and objects therefrom, theft or any attempt thereof.
- 2) where any member of the Insured's household or business staff is concerned as principal or accessory.
- 3) occasioned by or happening through
  - (a) wear and tear depreciation gradual deterioration mildew moth vermin or any process of cleaning dyeing repairing restoring or renovating
  - (b) mechanical or electrical breakdown or derangement
  - (c) scratching or denting of any article or breakage of lenses or glass china earthenware marble gramophone records or other articles of a brittle nature.
- 4) directly or indirectly proximately or remotely occasioned by contributed to by or traceable to or arising out of or in connection with any of the following occurrences, namely:-
  - (a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not) civil-war
  - (b) mutiny, strike riot and civil commotion, 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
  - (c) confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any Government or Public or Local Authority

or by any direct or indirect consequences of any of the said occurrences and in the event of any claim hereunder the Insured shall prove that the loss or damage arose independently of and was in no way connected with or occasioned by or contributed to by or traceable to any of the said occurrences or any consequence thereof and in default of such proof the Company shall not be liable to make any payment in respect of such a claim.

- 5)
  - (a) 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 purpose of this exception combustion shall include any self-sustaining process of nuclear fission.
  - (b) directly or indirectly caused by or contributed to by or arising from nuclear weapons material.
- 6) to deeds bonds bills of exchange promissory notes, cash bank notes cheques securities for money stamp collections documents of any kind books of account manuscript medals coins motor vehicles and accessories unless specially mentioned.
- 7) to livestock, stock-in-trade and buildings or part of any building or of any structure of which such building forms part.
- 8) caused by overloading or strain.
- 9) caused by subsidence and landslip.
- 10) 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 land by fire.
- 11) caused by the wilful or dishonest act of the Insured's employees or with the connivance of the Insured or the dishonest act of any person to whom the property is entrusted.

#### **CONDITIONS**

- 1) The Insured shall take all reasonable precautions for the safety of the Property insured hereby.
- 2) On the happening of any event giving rise or likely to give rise to a claim under this Policy coming to his knowledge the Insured shall
  - (a) give immediate notice thereof in writing to the Company stating the circumstances of the claim and as soon as possible and in any event within thirty (30) days of such notice deliver to the Company a statement in writing with all particulars and details reasonably practicable of the Property affected and the value thereof and of the loss destruction or damage.

- (b) take immediate steps to minimise the damage and recover any missing Property.
- (c) if the claim be one for theft give immediate notice to the police.
- 3) The Insured 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 indemnity from other parties to which the Company shall be or would become entitled or subrogated upon their paying for or making good any loss destruction or damage under this Policy whether such acts and things shall be or become necessary or required before or after indemnification by the Company.
- 4) The Company may at its option reinstate repair or replace the property lost or damaged, or any part thereof, instead of paying the amount of the loss or damage and may join with any other Insurers in so doing in cases where the property is also insured elsewhere. Upon payment of any claim for loss under this Policy the property in respect of which the payment is made shall belong to the Company.
- 5) If at the time of the happening of any loss destruction or damage covered by this Policy there shall be any other insurance covering the same risk whether effected by the Insured or not then the Company shall not be liable to pay more than their rateable proportion of the loss destruction or damage.
- 6) Immediately upon the happening of any loss destruction 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 Sum Insured shall be the limits of the Company liability in respect of any further losses destruction or damage occurring during the current Period of Insurance unless the Company consent upon payment of additional premium to reinstate the full Sum Insured.

#### **CLAUSES/ENDORSEMENTS APPLICABLE TO SECTION II (G)**

##### **ALTERATIONS AND REPAIRS CLAUSE**

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.

Subject otherwise to the terms, conditions and exceptions of this policy.

##### **CAPITAL ADDITIONS CLAUSE (EXCLUDING STOCK-IN-TRADE AND MERCHANDISE)**

This insurance hereby extends to cover alterations, additions and improvements (but not appreciation in value in excess of the sum insured) to property specified in Item(s) No.(s) (As stated in the schedule) of this policy for an amount not exceeding in respect of each item ten (10)% of the sum insured by each item or RM500,000 per location whichever is the less.

The Insured undertakes to advise the Company every three (3) months of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

The clause is inoperative if the declaration of such alterations, additions and improvements is not received by the Company within ninety (90) days from the date of such alterations, additions and improvements.

For the purpose of this Clause, the inception date under the Premium Warranty shall be deemed to be the date of declaration received by the Company.

Subject otherwise to the terms, conditions and exceptions of this policy.

##### **DAMAGE TO PREMISES ENDORSEMENT (WITHOUT SEPARATE SUM INSURED)**

The Insurance on properties or interest insured includes costs and expenses necessarily incurred by the Insured in respect of damage to premises not otherwise insured resulting from any theft or attempted theft occurring during the period of insurance, subject to the Company's maximum liability for any loss damage and costs and expenses not exceeding five (5)% the sum insured against each item.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **MEMORANDUM F [APPLICABLE TO COMPUTER (HARDWARE AND SOFTWARE), PERIPHERALS AND ACCESSORIES]**

The Company shall not be liable for:

- 1) Loss or damage caused by virus infection.
- 2) Loss or damage caused by corruption of files due to system failure.
- 3) Loss or damage caused by misuse and/or unauthorised usage of software.
- 4) Loss or damage caused by user carelessness in software maintenance.
- 5) Loss of damage caused by any faults or defects existing at the time of commencement of the present insurance within the knowledge of the Insured or his representatives, whether such faults or defects were known to the Company or not.
- 6) Loss of damage directly or indirectly caused by the failure or interruption of any gas, water or electricity service or supply.
- 7) Loss or damage as direct consequence of the continual influence of operation (e.g. wear and tear, cavitation, erosion, corrosion, incrustation) or of gradual deterioration due to atmospheric conditions.
- 8) Any costs incurred in connection with the elimination of functional failures unless such failures were caused by an indemnifiable loss of or damage to the insured items.
- 9) Any costs incurred in connection with the maintenance of the insured items, such exclusion also applying to parts exchanged in the course of such maintenance operations.
- 10) Loss or damage for which the manufacturer or supplier of the insured items is responsible either by law or under contract.

- 11) Loss of or damage to rented or hired equipment for which the owner is responsible either by law or under a lease and/or maintenance agreement.
- 12) Loss of or damage to bulbs, valves tubes, ribbons, fuses seals, belts, wires, chains, rubber tyres, exchangeable tools, engraved cylinders, object made of glass, porcelain or ceramics, sieves or fabrics, or any operating media (e.g. lubricating oil, fuel, chemicals).
- 13) Aesthetic defects, such as scratches on painted, polished or enameled surfaces.

In respect of the parts mentioned under (12) and (13) above the Company shall be liable to provide compensation in the event that such parts are affected by an indemnifiable loss of or damage to the insured items.

#### **STRIKE RIOT AND CIVIL COMMOTION ENDORSEMENT**

It is hereby understood and agreed that this Policy is extended to cover strike, riot and civil commotion damage which for the purpose of this Endorsement shall mean loss of or damage to the property insured directly caused by:-

- (1) the act of any person taking part together with other in any disturbance of the public peace (whether in connection with a strike or a lock-out or not) not being an occurrence mentioned in the exclusions below.
- (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 wilful 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.

Provided always that the Company shall not be liable for any loss, damage, 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) War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, mutiny.
- (b) Any act of terrorism.

For the purpose of this endorsement, 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.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (a) and (b) above.

In any action, suit or other proceeding, where the Company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Subject otherwise to the terms, conditions and exceptions of this policy.

### **(H) PERSONAL ACCIDENT INSURANCE**

#### **DEFINITIONS**

The following definitions shall apply to the words used in this Cover Section.

**INSURED PERSON** means each Council Member (maximum up to 12 persons in total) between the ages of eighteen (18) and seventy (70) years.

**INJURY** means bodily injury suffered anywhere in the world caused solely by an accident and not by sickness, disease or gradual physical or mental wear and tear.

#### **SPECIAL PROVISIONS**

##### **DISAPPEARANCE**

The Company shall presume death to have suffered by the Insured Person if he or she is missing for twelve (12) consecutive months and sufficient evidence is provided that leads the Company to the conclusion that death was caused by an INJURY. However, if at any time after payment of Compensation for such death the Insured Person is found to be living then such Compensation shall be refunded to the Company.

##### **COVER**

The Company will pay compensation for death or disablement (the benefits) as described below if the Insured Person is injured and within one (1) year of its happening the Injury is the sole cause of the death or disablement.



## BENEFITS

	Compensation (Sum Insured)		
	Plan 1	Plan 2	Plan 3 (Up to)
1. Accidental Death	RM30,000	RM50,000	RM100,000
2.1 Permanent Total Disablement limited:			
a. Total loss or disablement of use of one of both limbs	RM30,000	RM50,000	RM100,000
b. Total loss and irrecoverable loss of sight in one or both eyes	RM30,000	RM50,000	RM100,000
2.2 Permanent Total Disablement to engage in or attend to any kind of Profession or occupation Except when benefit is paid under item 2.1	RM30,000	RM50,000	RM100,000

## COMPENSATION LIMITS IN RESPECT OF ANY ONE INSURED PERSON

1. Death or disablement must occur within one (1) year of the Injury.
2. Compensation shall be payable under only one Benefits 1 or 2.1 (a) or 2.1 (b) or 2.2.
3. The total compensation under this Policy shall in no circumstances exceed 100% of the Sum Insured.

## SPECIFIC EXCLUSIONS APPLICABLE TO THIS COVER SECTION

The Company will not pay for Injury to the Insured Person:

1. caused whilst engaging in:
  - (a) air travel except as a passenger in a fully licensed passenger carrying aircraft
  - (b) any crew, trade, technical or sporting activity in connection with an aircraft which is airborne
2. caused whilst engaging in or practicing for:
  - (a) parachuting
  - (b) hand gliding
  - (c) any kind of race (other than on foot) or trial of speed or reliability
  - (d) mountaineering
3. caused by:
  - (a) suicide or intentional self-injury, willful exposure to peril
  - (b) pregnancy, childbirth or pre-existing physical or mental defect or infirmity
  - (c) the Insured Person being affected by a drug unless the drug is taken in accordance with an authorised medical prescription (But not for the treatment of drug addiction)
  - (d) directly or arising out of or consequent upon or convicted to by HIV (Human Immunodeficiency Syndrome) and/or HIV related illness including AIDS (Acquired Immune Deficiency Syndrome) or AIDS related Complex (ARC) however caused and/or any mutant derivatives, variations or treatment thereof of however caused.

## CLAUSES/ENDORSEMENTS APPLICABLE TO SECTION II (H)

### TERRORISM MASS DESTRUCTION EXCLUSION CLAUSE

Notwithstanding any provision to the contrary it is hereby declared and agreed that this Policy shall exclude Terrorism but only as the sole result of the utilization of Nuclear, Chemical or Biological weapons of mass destruction howsoever these may be distributed or combined.

#### Definitions:-

1. Terrorism shall mean an act, or acts of any person, or group(s) of persons, committed for political, religious, ideological or similar purposes with the intention to influence any government and/or to put the public, or any section of the public, in fear. Terrorism can include, but not limited to, the actual use of force or violence and/or the threat of such use.

Furthermore the perpetrators of Terrorism can either be acting alone, or on behalf of or in connection with organization(s) or government(s).

2. Utilization of Nuclear weapons of mass destruction shall mean the use of any explosive nuclear weapon or devise or the emission, discharge, dispersal, release or escape of fissile material emitting a level of radioactivity capable of causing incapacitating disablement or death amongst people or animals.
3. Utilization of Chemical weapons of mass destruction shall mean the emission, discharge, dispersal, release or escape of any solid, liquid or gaseous chemical compound which, when suitably distributed, is capable of causing incapacitating disablement or death amongst people or animals.
4. Utilization of Biological weapons of mass destruction shall mean the emission, discharge, dispersal, release or escape of any pathogenic (disease producing) micro-organism (s) and/or biologically produced toxin (s) (including genetically modified organisms and chemically synthesized toxins) which are capable of causing incapacitating disablement or death amongst people or animals.

## (I) ERRORS & OMISSION INSURANCE

## INSURING CLAUSES

The Company will provide indemnity in accordance with and subject to the limitations, terms, conditions and endorsements of this policy.

- 1.1 The Company agrees to pay on behalf of the Body Corporation and the Insured Person all Loss for which such Insured Person(s) has become legally obligated to pay on account of any Claim first made against him/her individually or otherwise and notified to the Company during the Period of Insurance for a Wrongful Act after the Retroactive Date.
- 1.2 If, during the Period of Insurance, the Body Corporation &/or the Insured Person(s) shall become aware of any facts that might give rise to a Loss under clause 1.1 of the Policy and shall, during the Period of Insurance give notice in writing to the Company of such facts, then any Claim which may subsequently arise out of such facts will be deemed to be a Loss made during the Period of Insurance.

## EXCLUSIONS

- 2.1 The Company will not be liable under this Section to make any payment for Loss in connection with any Claim made against any Insured Person(s) for or arising out of:

- (a) any circumstances of which notice of such circumstance has been given under any policy the period of insurance for which has expired, or any claim or claim circumstance known to any Insured Person(s) prior to the inception of this policy, or any claim or circumstance which may give rise to a claim stated in the proposal form or declaration, being the basis of this contract; or
- (b) bodily injury, disease, emotional distress, or any other mental, emotional or physical injury, or death of any person, damage to or destruction of any tangible property including loss of use thereof; or
- (c) seepage, pollution or contamination based upon or attributable to violation or alleged violation of any federal, state, municipal or other governmental statute, regulation or ordinance prohibiting or providing for the control or regulation of emissions or effluent of any kind into the atmosphere or any body of land, water, waterway or watercourse or any action or proceeding brought for enforcement purposes by any public official, agency, commission, board or pollution control administration pursuant to any such statutes, regulations or ordinances or any Claim alleging seepage, pollution or contamination based upon common law, nuisance or trespass; or
- (d)
  - (i) the return by any Insured Person(s) of any remuneration or allowance paid to him/her, or
  - (ii) the Dishonesty of such Insured Person(s), or
  - (iii) account of profit as a result of use of information that is obtained in the Insured Person's capacity as a member of the management committee of the Body Corporation; or
  - (iv) such Insured Person(s) having gained any personal profit or advantage to which he/she was not legally entitled
- (e) any legal liability, loss or damage directly or indirectly occasioned by or happening through or in consequence of;
  - (i) War, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority; or
  - (ii) Any act of terrorism  
For the purpose of this exclusion, 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.

This exclusion also excludes loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (i) and/or (ii) above.

If the Company alleges that by reason of this exclusion, any loss, damage, liability, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

- (f) any legal liability, loss or damage directly or indirectly occasioned by, or
  - (i) caused by or arising from or in consequence of or contributed to by nuclear weapons materials or
  - (ii) arising from or in consequence of or contributed to by ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Combustion shall include any self-sustaining process of nuclear fission.
- (g) Any Wrongful Act committed outside the territorial limits of Malaysia; or
- (h) Any liability in accordance with and/or pursuant to the laws other than those of Malaysia.

With respect to the Exclusions in Sections 2.1(d) (i) to (iv), no fact pertaining to or knowledge possessed by any Insured Person(s) will be imputed to any other Insured Person(s) for the purpose of determining the availability of coverage for or with respect to, any Claim made against such other Insured person(s).

- 2.2 No indemnity is provided in respect of any Claim brought against any Insured Person(s) by:
  - (a) Any fellow Insured Person(s) other than for contribution or indemnity of the Claim results directly from another Claim which is the subject of indemnity under this Policy, or
  - (b) Any entity which holds 20% or more voting rights in a general meeting of the Body Corporation whether directly or beneficially at the time when the relevant Wrongful Act was alleged to have been committed or attempted, or at the time when a Claim was made against an Insured Person, or
  - (c) On behalf of the Body Corporation
- 2.3 The Company shall not be liable under this policy to make any payment for Loss in connection with any Claim(s) made against any Insured Person for or arising out of any obligations of the Body Corporation or any Insured Person(s) to pay

debts incurred or which relate in any way to the failure to meet the financial obligations whether by way of breach of statutory law or provisions of a deed of mutual covenant.

- 2.4 No indemnity is provided to the Insured Persons in respect of any Claim against them arising of failure to effect or maintain insurance on the part of the Body Corporation.
- 2.5 The Company shall not be liable under this policy to make any payment for Loss in connection with any Claim(s) made against the Body Corporations.
- 2.6 This policy shall not apply to and does not cover any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of asbestos in whatever form or quantity.
- 2.7 The Company shall not be liable to indemnify the Insured against any claim or claims including costs and expenses brought about by or contributed to by or consequent upon or in any way arising out of any failure of any Computer (by whomsoever owned or operated) to recognize or respond to, correctly and effectively, any particular date or period of time (continuous or otherwise).

"Computer" herein shall mean any computer or other electronic data processing device, equipment or system, any hardware, software, program, instruction, data or component utilized or intended to be utilized therein or thereby, or any actual or intended function of or process performed by any of the foregoing.

## **CONDITIONS**

### **ESTATES AND LEGAL REPRESENTATIVES UNDER SECTION IV**

- 3.1 Subject otherwise to all the terms and conditions of Section IV, coverage will extend to Claim(s) for the Wrongful Acts of Insured Person(s) made against the estates, heirs, legal representatives or assigns of Insured Person(s) who are deceased or against the legal representatives or assigns of Insured Person(s) who are insolvent, bankrupt or incapable of managing his/her own affairs by reason of mental disorder or other incapacity.

### **SPOUSAL PROPERTY EXTENSION**

- 3.2 Subject otherwise to all the terms and conditions of Section IV, the Company agrees to pay on behalf of the lawful spouse of any Insured Person(s) all Loss resulting from an action seeking to enforce a damages award made against marital community property, property jointly held by the Insured Person(s) and the spouse, or property transferred from the Insured Person(s) to the spouses.

### **REPORTING AND NOTICE**

- 3.3 The Body Corporation will during the Period of Insurance, give to the Company written notice as soon as possible of any Claim made against any Insured Person(s) for an identifiable Wrongful Act and give the Company such information and co-operation as it may reasonably require, including but not limited to the nature of the Wrongful Act, the alleged injury, the names of claimants, and the manner in which the Body corporation or Insured Person(s) first became aware of the Claim.
- 3.4 Notice hereunder will be given to the Company at its address shown on the Schedule.

### **LIMIT OF LIABILITY OF EXCESS**

- 3.5 The liability of the Company shall not exceed in the aggregate for all Losses under Section IV (including the costs and expenses incurred in the defence or settlement of the Claims) the sum stated as the Limit of Indemnity stated in the Schedule.
- 3.6 All Claims made against the Insured Person(s) shall, unless they arise from Wrongful Acts that are different and totally unrelated, be regarded as one aggregated Loss and the Company's total liability under this policy for the aggregated Loss (including the costs and expenses incurred in the investigation, defence or settlement of the aggregated Loss) shall not exceed the Limit of Indemnity.
- 3.7 In respect of each Claim made against the Insured Persons, the amount of the Excess specified in the Schedule shall be borne by the Insured Persons &/or the Body Corporation at their own risk and the Company shall only be liable to the part of each Loss which is excess of the Excess specified in the Schedule. Should any Claim made against the Insured Person(s) involve more than one Wrongful Act, the Excess specified in the Schedule shall apply to each such Wrongful Act separately. All causally connected or interrelated Wrongful Acts shall jointly constitute one single Wrongful Act under this Policy.

The Excess will apply to any costs and expenses incurred with written consent of the Company in the defence, settlement or investigation of any Loss first, and then to amounts (if any) which are subject to indemnify under clause 1.1 of the Insuring Clause.

### **DEFENCE AND SETTLEMENT**

- 3.8 As a condition precedent to the Company's liability in any Claim, the Body Corporation &/or the Insured Person must not admit any liability for or settle any Claim or incur any Defence Costs in a Claim made against the Insured Person without the prior written consent of the Company. The Company will not be liable for any admission of liability, settlements of Defence Costs to which it has not consented. The Company will not unreasonably refuse to give its consent to the Body Corporation to agree to its indemnification to the Insured Persons unless it is prohibited by law.

- 3.9 The Body Corporation will, as a condition precedent to any coverage under this policy, give all information and assistance to the Company as it may reasonably require to enable it to investigate and defend any Claim and/or to enable the Company to determine its liability under the policy. Such information and assistance will include, but not limited to, releasing or causing to be released to the Company any and all data and documents the Company may require to determine the existence or extent of the Company's obligation and asserting all rights of contribution or indemnification as against any and all other culpable persons, entities or organisations.

On notification of any Claim under the policy, the Company will appoint legal representatives to investigate the Claim, and/assume, direct and control the conduct of the defence of any allegation contained in any such Claim. As a condition precedent to any coverage under this policy, the Body Corporation must provide all information and assistance to the legal representatives appointed by or on behalf of the Company, and waive in favour of the Company legal professional privilege which may arise among the Body Corporation, the Insured Person(s) and the legal representatives appointed by or on behalf of the Company in the conduct of such investigation or defence. The Company will pay such costs of defence and all costs so incurred shall be considered Defence Costs. If indemnify under the policy is subsequently denied, the Company's obligation to defend such claims will cease but the Body Corporation and the Insured Person(s) agree that the legal representatives appointed by or on behalf of the Company will continue to have a positive duty to the Company alone to advise and/or represent it on all matters pertaining to the Claim including, but not limited to, the Company's liability under the policy.

- 3.10 The Company may make any investigation it deems expedient and may with the consent of the Body Corporation or Insured Person(s), make settlement within the available Limit of Indemnity. If the Body Corporation or Insured Person(s) refused to consent to any settlement recommended by the Company and act to contest or continue any actions or proceedings in connection with any such Claim, then the Company's liability for all Loss in connection with any such Claim will not exceed the amount for which the Claim could have been settled, plus the Defence Costs incurred with the Company's Consent up to the date of refusal by the Body Corporation or Insured Person(s), subject always to the available Limit of Indemnity.
- 3.11 It is a condition precedent to the Body Corporation's right to be indemnified under this policy that the Company will be entitled to claim indemnity or contribution at any time in the name of the Body Corporation or Insured Person(s) from any party against whom the Body Corporation or Insured Person(s) may have (or had) such rights.

#### **REPRESENTATIONS AND SEVERABILITY**

- 3.12 In granting coverage under this policy to the Body Corporation, the Company has relied upon the declarations, statements and other attachments to the written application for coverage. All such declarations, statements and attachments are the basis of such coverage and will be considered as incorporated in constituting part of this policy.
- 3.13 No statement in the declarations, statements or other attachments to the written application will be imputed to another Insured Person(s) other than the person signing the application for the purpose of determining the availability of coverage with respect to any Claim made against any Insured Person(s).

#### **OTHER INSURANCE**

- 3.14 If any Loss arising from any Claim made against any Insured Person(s) can be indemnified under any other policy(ies) prior, current or subsequent, then this policy will cover such Loss, subject to its limitations, conditions, provisions and other terms, only to the extent that the amount of such Loss is in excess of the amount of payment from such other insurance whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, unless such other insurance is written only as specific excess insurance over the limits provided in this policy.

#### **SUBROGATION**

- 3.15 If any payment is made under this policy, the Company will be subrogated to the extent of such payment to all the Insured Person(s)/Body Corporation's rights of recovery. In such case the Insured Person/Body Corporation will execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable the Company effectively to bring suit in the name of the Insured Person(s)/Body Corporation.

#### **CONFIDENTIALITY**

- 3.16 It is a condition of this policy that the Body Corporation and/or the Insured Person(s) not release to any third party or otherwise publish details of the nature of the liabilities insured by this policy or the amount of the premium specified in the Schedule without the written consent of the Company, such written consent not to be unreasonably withheld.

#### **INTERPRETATION**

- 3.17 The interpretation of the terms, exclusions, limitations and conditions of this policy shall be determined in accordance with the laws of Malaysia.
- 3.18 Any reference to legislation shall refer to the legislation passed by the Parliament of Malaysia and shall include any subsidiary legislation made from time to time under that legislation, and includes any modification, amendment or re-enactment thereof.

## DEFINITIONS

When used in this policy:

- 4.1 Body Corporation means:
- (a) the Joint Management Body stated in the Schedule and is established under section 17 of the Strata Management Act 2013; or
  - (b) the Joint Management Body stated in the Schedule and is established under section 4 of the Building and Common Property (Management & Maintenance) Act 2007; or
  - (c) the Management Corporation stated in the Schedule and is established under section 39 of the Strata Titles Act 1985.
- 4.2 Claim means:
- (a) any writ, summons, applications or other origination legal or arbitral process, cross claim or counterclaim issued against or served upon any Insured Person(s) for compensation alleging any Wrongful Act, or
  - (b) any written or verbal demand for compensation alleging any Wrongful Act communicated to any Insured Person(s) under any circumstances and by whatever means.
- 4.3 Council means the council of Management Corporation formed section 39 of the Strata Titles Act 1985
- 4.4 Defence Costs means costs, charges and expense (other than regular or overtime wages, salaries or fees of the employees of the Body Corporation) incurred in defending, investigating or monitoring any Claim, or proceedings and appeals therefrom and the cost of appeal.
- 4.5 Dishonesty means conduct which is fraudulent, knowingly deceitful, knowingly deceptive, lacking in probity or conduct which condones an international breach of statute of law.
- 4.6 Insured Person(s) means
- (a) If the Body Corporation is a Joint Management Body, any person who is, becomes or ceases to be a member of the Join Management Committee of the Body Corporation provided his/her appointment was made pursuant to resolutions passed at the general meetings of the Body Corporation;
  - or
  - (b) If the Body Corporation is a Joint Management Body, any person who is, becomes or ceases to be a member of the Council of the Body Corporation; and if applicable, any elected committee member of the Joint Management Committee Body dissolved under Section 15 of the Building and Common Property (Management & Maintenance) Act 2007 upon constitution of the Body Corporation as a Management Corporation.
- The term "Insured Person" does not include:
- (i) a managing agent appointed by the Commissioner of Buildings either under Section 25(1) of the Building and Common Property (Management & Maintenance) Act 2007 or under Section 51(1) of the Strata Title Act 1985 and any amendment thereto; or
  - (ii) a person or firm (including his/its employee) engaged on a fees for services basis by the Body Corporation; or
  - (iii) a receiver of liquidator, whether or not appointed by the court.
- 4.7 Joint Management Committee means the Joint Management Committee either established under section 17 of the Strata Management Act 2013 or section 11 of the Building and Common Property (Management & maintenance) Act 2007.
- 4.8 Loss means the total amount which the Insured Person(s) becomes legally obligated to pay on account of each Claim and for all Claims in each Policy Year made against any Insured Person(s) for Wrongful Acts with respect to which coverage hereunder applies, including, but not limited to, damages, judgements, settlements, costs and Defence Costs. Loss does not include fines, penalties imposed by law, civil penalties (other than those that are compensatory in nature), liability for group or sales tax, punitive or exemplary damages or matters uninsurable under law pursuant to which this policy is construed.
- 4.9 Period of insurance means the period from the inception of this policy until its termination as set forth in the Schedule.
- 4.10 Policy Year means the period of one year following the inception of this policy or any anniversary thereof, or if the time between such inception or any anniversary and the termination of the policy is less than one year, such lesser period.
- 4.11 Retroactive Date means the date after which coverage in respect of any Wrongful Act committed or allegedly committed, may be granted, as specified in the Schedule.
- 4.12 Wrongful Act means any act, error, misstatement, misleading statement, omission, neglect or breach of duty committed, attempted or allegedly made, committed or attempted by any Insured Person(s) solely in their capacity as members of Joint Management Committee or Council, individually or otherwise, in the performance of the duties of the Body Corporation and/or in the exercise the powers of the Body Corporation and/or in the conduct of the business of the Body Corporation on its behalf.

All such causally connected errors, statements, omissions, neglects or breaches of duty or such matters committed or attempted by, allegedly committed or attempted by, or claimed against one or more of the Insured Person(s) will be deemed interrelated Wrongful Acts.

## CLAUSES/WARRANTIES/ENDORSEMENTS (APPLICABLE TO RESPECTIVE SECTIONS)

### APPRAISEMENT CLAUSE [Applicable to Sections I (A), II (C), II (F) & II (G)]

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 appraisal 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.



**COMMUNICABLE DISEASE EXCLUSION (LMA5393) [Applicable to All Sections except Sections II (D) & II (I)]**

1. This Policy, subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical damage occurring during the Period of Insurance. Consequently and notwithstanding any other provision of this Policy to the contrary, this Policy does not insure any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this Endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
  - 2.1 for a Communicable Disease, or
  - 2.2 any property insured hereunder that is affected by such Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
  - 3.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
  - 3.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
  - 3.3 the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.
4. This Endorsement applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the policy remain the same.

**COMMUNICABLE DISEASE EXCLUSION (LMA5396) [Applicable to Sections II (D) & II (I)]**

1. Notwithstanding any provision to the contrary within this Policy, this Policy does not cover all actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
2. For the purposes of this Endorsement, loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test for a Communicable Disease.
3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
  - 3.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
  - 3.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
  - 3.3 the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress, damage to human health, human welfare or property damage.

**CRIMINAL BREACH OF TRUST (CBT) CLAUSE [Applicable to Sections II (A), II (C), II (F) & II (G)]**

The Company shall not be liable for any loss or damage caused by or attributed to the act of Criminal Breach of Trust (CBT) by any person within the meaning of the definition of the offence of CBT set out in the Penal Code.

CBT is defined in the Penal Code "as 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'".

**DATE RECOGNITION [Applicable to All Sections]**

It is noted and agreed this policy is hereby amended as follows:-

- A. The Company will not pay for 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 :
  1. correctly recognize any date as its true calendar date;
  2. 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 as its true calendar date; and/or
  3. 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. It is further understood that the Company will not pay for the repair or modification of any part of any electronic data processing system or any part of any device and/or software as listed above in A.

- C. It is further understood that the Company will not pay for 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. It is further understood that the Company will not pay for any consequential loss resulting from any continuing inability of the computer and equipment described in A above to correctly recognize 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.

Saving clause

This endorsement shall not exclude subsequent loss or damage or consequential loss which itself results from an insured peril as defined in the policy.

Subject otherwise to the terms and conditions of the policy.

#### **DESIGNATION CLAUSE [Applicable to Sections I (A), II (F) & II (G)]**

For the purpose of determining where necessary the item (column heading) under which any property is insured, the Company agrees to accept the designation under which such property is entered in the Insured's book.

#### **EXCESS CLAUSE (ONLY APPLY IF EXCESS IS INVOLVED) [Applicable to All Sections]**

The insure shall be responsible to the amount of Excess stated in the Schedule/Endorsement in respect of each and every claim, as ascertain after the application of any Condition of Average, under this Policy. In the event the Company pay any part or all of the Excess to effect settlement of any claim or suit and upon notification of the action taken the Insured shall promptly reimburse the Company for such part or all of the excess has been paid by the Company.

#### **FIRST LOSS EXCLUDING AVERAGE CLAUSE [Applicable to Sections II (C) & II (F)]**

It is hereby declared and agreed that this Policy is issued as a First Loss Insurance on the property as described in the Schedule/Endorsement of this Policy up to the First Loss Sum Insured as stated in the Schedule/Endorsement.

Provided that the liability of the Company shall not exceed the First Loss Sum Insured stated in the Schedule/Endorsement during the Period of Insurance.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **INDUSTRIES, SEEPAGE, POLLUTION & CONTAMINATION CLAUSE [Applicable to All Sections]**

This Policy does not cover any liability for :-

- (1) Personal Injury or Bodily Injury or financial loss or loss of, damage to, or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this paragraph (1) shall not apply to liability for Personal Injury or Bodily Injury or loss of or physical damage to or destruction of tangible property, or loss of use of such property damaged or destroyed, where such seepage, pollution or contamination is caused by a sudden, unintended or unexpected happening during the period of this insurance.
- (2) The cost of removing, nullifying or cleaning up seepage, polluting contaminating substances unless the seepage, pollution or contamination is caused by sudden, unintended and unexpected happening during the period of this insurance.
- (3) Fines, penalties, punitive or exemplary damages.

This clause shall not extend this Policy to cover any liability which would not have been covered under this Policy had this clause not been attached.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **INTERNAL REMOVAL CLAUSE [Applicable to Sections I (A), II (F) & II (G)]**

It is understood and agreed that in the event of removal of property from one building to another at any of the aforesaid situations being inadvertently not advised to the Company the insurance on such property shall follow removal, the necessary adjustments in sum insured and premium being made as from the date of removal as soon as the oversight is discovered.

#### **JURISDICTION CLAUSE (MALAYSIA) [Applicable to Sections II (D) & II (I)]**

The Company shall not be liable to pay for:-

- (i) Compensation for damages in respect of judgements not in the first instance delivered or obtained from a court of competent jurisdiction within Malaysia.
- (ii) Cost and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in Malaysia.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **NUCLEAR ENERGY RISKS EXCLUSIONS CLAUSE [Applicable to Sections II (A) to II (H)]**

This Policy shall exclude any liability, loss, damage, death or disablement, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with Nuclear Energy Risks.

For all purposes of this Policy, Nuclear Energy Risks shall mean:

- (I) All property, on the site of a nuclear power station  
Nuclear Reactors, reactor buildings and plant and equipment therein on any site other than a nuclear power station.
- (II) All Property, on any site (including but not limited to the sites referred to in (I) above) used or having been used for:
  - (a) The generation of nuclear energy; or
  - (b) The production, Use or Storage of Nuclear Material
- (III) Any other Property eligible for insurance by the relevant local Nuclear Insurance Pool and/or Association but only to the extent of the requirements of the local Pool and/or Association.
- (IV) The supply of goods and services to any of the sites, described in (I) to (III) above, unless such insurances shall exclude the perils of irradiation and contamination by Nuclear Material.

Except as undernoted, Nuclear Energy Risks shall not include:

- (i) Any insurance in respect of the construction or erection or installation or replacement or repair or maintenance or decommissioning or Property as described in (I) to (III) above (including contractors' plant and equipment)
- (ii) Any Machinery Breakdown or other Engineering insurance not coming within the scope of (i) above.

Provided always that such insurance shall exclude the perils of irradiation and contamination by Nuclear Material.

However, the above exemption shall not extend to:-

- (1) The provision of any insurance whatsoever in respect of:-
  - (a) Nuclear Material;
  - (b) Any Property in the High Radioactivity Zone or Area of any Nuclear Installation as from the introduction of Nuclear Material or – for reactor installations – as from fuel loading or first critically where so agreed with the relevant local Nuclear Insurance Pool and/or Association.
- (2) The provision of any insurance for the undernoted perils;
  - (a) Fire, lightning, explosion;
  - (b) Earthquake;
  - (c) Aircraft and other aerial devices or articles dropped therefrom;
  - (d) Irradiation and radioactive contamination;
  - (e) Any other peril insured by the relevant local Nuclear Insurance Pool and/or Association;

In respect of any other Property not specified in (1) above which directly involves the Production, Use or Storage of Nuclear Materials as from the introduction of Nuclear Material into such Property.

#### **Definitions**

"Nuclear material" means:

- (i) Nuclear fuel, other than natural uranium and depleted uranium, capable of producing energy by a self-sustaining chain process of nuclear fission outside a Nuclear Reactor, either alone or in combination with some other material and
- (ii) Radioactive Products or waste

"Radioactive Products or Waste" means any radioactive material produced in or any material made radioactive by exposure to the radiation incidental to the production or utilization of nuclear fuel, but does not include radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose.

"Nuclear Installation" means:

- (i) Any Nuclear Reactor;
- (ii) Any factory using nuclear fuel for the production of Nuclear Material, or any factory for the processing of irradiated nuclear fuel; and
- (iii) Any facility where Nuclear Material is stored, other than storage incidental to the carriage of such material.

"Nuclear Reactor" means any structure containing nuclear fuel in such an arrangement that a self-sustaining chain process of nuclear fission can occur therein without an additional source of neutrons.

"Production, Use or Storage of Nuclear Material" means the production, manufacture, enrichment, conditioning, processing, reprocessing, use, storage, handling and disposal of Nuclear Material.

"Property" shall mean all land, buildings, structures, plant, equipment, vehicles, contents (Including but not limited to liquids and gases) and all materials or whatever description whether fixed or not.

"High Radioactivity Zone or Area" means:

- (i) For nuclear power stations and Nuclear Reactors, the vessel or structure which immediately contains the core (including its supports and shrouding) and all the contents thereof, the fuel elements, the control rods and the irradiated fuel store; and
- (ii) For non-reactor Nuclear Installations, any are where the level of radioactivity requires the provision of a biological shield.

Subject otherwise to the terms, conditions and exceptions of this policy.

#### **PAIRS AND SETS CLAUSE [Applicable to Sections I (A) & II (G)]**

It is hereby declared and agreed that notwithstanding anything contained in this policy to the contrary, where any insured item consists of articles in a pair or set, the Company shall not be liable to pay more than the proportionate value of any particular part or parts which may be lost, without reference to any special value which such article may have as part of such pair or set.

Subject otherwise to the terms exceptions and conditions of the policy.

**PAYMENT ON ACCOUNT CLAUSE [Applicable to All Sections except Section I (A)]**

Payment on account will be made to the Insured if desired provided that it is established that the loss is indemnifiable under this policy.

Subject otherwise to the terms, conditions and exceptions of the policy.

**PREMIUM WARRANTY [Applicable to All Sections]**

It is fundamental and absolute special condition of this contract of insurance that the premium due must be paid and received by the insurer 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 on 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.

Subject otherwise to the terms and conditions of this policy.

**PROPERTY CYBER AND DATA EXCLUSION (LMA5401) [Applicable to All Sections]**

1. Notwithstanding any provision to the contrary within this Policy or any Endorsement thereto this Policy excludes any:
  - 1.1 Cyber Loss;
  - 1.2 loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data; regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. In the event any portion of this Endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
3. This Endorsement supersedes and, if in conflict with any other wording in the Policy or any Endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

**Definitions**

4. Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
5. Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
6. Cyber Incident means:
  - 6.1. any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
  - 6.2. any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
7. Computer System means:
  - 7.1 any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.
8. Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

**REINSTATEMENT VALUE CLAUSE (EXCLUDING STOCK-IN-TRADE AND MERCHANDISE) [Applicable to Sections II (C) & II (G)]**

In the event of the property insured under item No.(s) (as stated in the schedule) of the within Policy being destroyed or damaged, the basis upon which the amount payable under (each of the said items 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, conditions and exceptions of 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. This Memorandum shall be without force or effect if:-
  - (a) The Insured fails to intimate to the Company within 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.
4. 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.

**REMOVAL OF DEBRIS CLAUSE (WITHOUT SEPARATE SUM INSURED) [Applicable to Sections I (A), II (C), II (F) & II (G)]**

The insurance on items (as stated in the Schedule/Endorsement) hereby insured includes cost 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 by the said item(s) above of this policy destroyed or damaged by any peril hereby insured against. Items (b) and (c) above are deemed to be deleted when machinery is not insured.

The amount payable for such costs and expenses shall not exceed ten (10)% of the Sum Insured of each item.

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 policy.

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

**SANCTION LIMITATION AND EXCLUSION CLAUSE LMA3100 [Applicable to All Sections]**

No Insurer shall be deemed to provide cover and no Insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union, United Kingdom or United States of America.

**TEMPORARY REMOVAL CLAUSE (OTHER PROPERTY EXCLUDING STOCK-IN-TRADE AND MERCHANDISE) [Applicable to Sections I (A) & II (G)]**

The property insured under this 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 to 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.

**TEMPORARY STORAGE CLAUSE [Applicable to Sections I (A), II (F) & II (G)]**

The property (excluding buildings) insured under this Policy is covered whilst temporarily stored anywhere in Malaysia, Brunei Darussalam and Singapore PROVIDED that:-

- a) the period of temporary storage shall not exceed sixty (60) days.
- b) the liability of the Company is limited to 10% of the total sum insured or RM500,000 whichever is the lower for property covered under this clause.
- c) the Company shall not be liable for any loss or damage to the property whilst in transit (including the processes of loading and unloading incidental to such transit).
- d) this insurance does not apply to property in so far as it is otherwise insured nor does it apply to motor vehicles and motor chassis licensed for road use or being used on a road as defined in the Road Transport Act 1987 (including accessories thereon).



**THEFT BY DECEPTION (CHEATING) CLAUSE [Applicable to Sections II (A), II (F) & II (G)]**

The Company shall not be liable for any 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 is defined in the Penal Code "as whoever, by deceiving any person, fraudulently or dishonestly induces the person so deceived to deliver any property to any person or to consent that any person shall retain 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, any 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'".

Subject otherwise to the terms, conditions and exceptions of this policy.

**VEHICLE LOAD CLAUSE [Applicable to Sections I(A) & II (F)]**

In the event of any of the Insured's vehicles being left loaded overnight whilst in or on the premises described in the specification hereto the Company will indemnify the Insured in respect of such load in the event of loss or damage by any of the perils insured against by this Policy.

**WAR AND TERRORISM EXCLUSION ENDORSEMENT [Applicable to All Sections unless Specifically Covered under Section I (B) ]**

Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes any liability, loss, damage, death or disablement, 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;

- (1) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- (2) any act of terrorism

For the purpose of this endorsement, 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.

This endorsement also excludes any liability, loss, damage, death or disablement, cost or expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (1) and (2) above.

If the Company alleges that by reason of this exclusion, any liability, loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Subject otherwise to the terms, conditions and exceptions of this policy.

**GENERAL CONDITIONS  
(APPLICABLE TO ALL SECTIONS)****1. IDENTIFICATION**

This Policy and the Schedule (which forms an integral part of this Policy) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of the Schedule shall bear such specific meanings wherever they shall appear.

**2. DUTY OF DISCLOSURE**

The Insured has a duty to disclose any matter that the Insured knows to be relevant to the Insurer's 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 the Insured's contract of insurance, refusal or reduction of the Insured's claim(s), change of terms or termination of the Insured's contract of insurance.

The Insured also has a duty to tell the Insurer immediately if at any time after the Insured's contract of insurance has been entered into varied or renewed with the Insurer any of the information given in the Proposal Form (or when the Insured applied for this insurance) is inaccurate or has changed.

**3. CESSATION OF RISK**

Under any of the following circumstances the insurance under this Policy ceases to attach as regards the property affected unless the Insured before the occurrence of any loss or damage obtains the sanction of the Insurer signified by endorsement upon policy

- (a) if the trade or manufacture carried on be altered or if the nature of the occupation of or other circumstances affecting the building or containing the insured property be changed in such a way as to increase the risk of loss or damage.
- (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 the 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 passes 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.
- (f) In respect of Section II only, if the business be wound up or carried on by a liquidator or Receiver or permanently discontinued.

**4. CANCELLATION**

This insurance may be terminated at any time at the request of the Insured in which case the Insurer 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 Insurer on 30 days notice to that effect being given to the Insured in which case the Insurer shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.

**5. SAFEGUARDS AND MAINTENANCE**

The Insured shall at all times and as far as is reasonably practicable take steps to safeguard the property insured and maintain it in a proper state of repair. The Insured shall also take steps to enforce the observance of all statutory provisions manufacturer's recommendations and other regulations relating to the safety use and inspection of the property insured.

**6. INSURERS' RIGHTS AFTER A LOSS**

On the happening of any loss or damage to any of the property insured by this Policy the Insurer may

- (a) enter and take and keep possession of the building or premises where the loss or damage has happened
- (b) take possession of or require to be delivered to it any property of the Insured in the buildings or on the premises at the time of the loss or damage
- (c) keep possession of any such property and examine sort arrange remove or otherwise deal with the same
- (d) 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 Insurer at any time until notice in writing is given by the Insured that he makes no claim under this Policy or if any claim is made until such claim is finally determined or withdrawn and the Insurer 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 rights to rely upon any of the Conditions of this Policy in answer to any claim.

If the Insured or any person acting on his behalf shall not comply with the requirements of the Insurer or shall hinder or obstruct the Insurer in the exercise of its powers hereunder all benefit under this Policy shall be forfeited.

The Insured shall not in any case be entitled to abandon any property to the Insurer whether taken possession of by the Insurer or not.

**7. FORFEITURE**

If any claim upon this policy be in any respect fraudulent 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 policy or if the loss destruction or damage be occasioned by the wilful act or with the connivance of the Insured all benefit under this policy shall be forfeited.

If a claim be made and rejected and an action or suit be not commenced within three (3) months after such rejection or (in case of an arbitration taking place in pursuance of condition 10 of this General Conditions of this policy) within three (3) months after the Arbitrator or Arbitrators or Umpire shall have made their award all benefit under this policy shall be forfeited.

**8. SUBROGATION**

The Insured shall at the expense of the Insurer do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Insurer for the purpose of enforcing any rights and remedies or of obtaining relief and indemnity from other parties to which the Insurer shall be or would become entitled or subrogated upon their paying for or would become entitled or subrogated upon their paying for or making good any loss destruction or damage under this policy whether such acts and things shall be or become necessary or required before or after this indemnification by the Insurer.

**9. CONTRIBUTION**

If at the time of any loss destruction or damage happening to any subject matter insured there be any other subsisting insurances whether by the Insured or by any other person or persons covering the same subject matter the Insurer shall not be liable to pay or contribute more than their rateable proportion of such loss destruction or damage.

**10. ARBITRATION**

If any difference shall arise 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 at 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 this policy that the award by such Arbitrator Arbitrators or Umpire of the amount of the loss or damage if disputed shall be first obtained.

**11. Jurisdiction**

This Policy shall be governed by the laws of the Malaysia.

**GENERAL EXCLUSIONS  
(APPLICABLE TO ALL SECTIONS)**

1. Loss damage or liability directly or indirectly occasioned by or through or in consequence of:-
  - (a) (i) permanent or temporary dispossession resulting from confiscation nationalisation commandeering or requisition by any lawfully constituted authority
  - (ii) permanent or temporary dispossession of any building resulting from the unlawful occupation of such building by any person provided that the Insurers are not relieved of any liability to the Insured in respect of Damage to the property insured occurring before dispossession of during temporary dispossession which is otherwise insured by this Policy.
- (b) the destruction of property by order of any public authority

In any action suit or other proceeding where the Insurer alleges that by reason of the provisions of General Exclusions 1(a) and (b) above any loss destruction or damage is not covered by this insurance the burden of proving that such loss destruction or damage is covered shall be upon the Insured.