



Product Profile

# Commercial Lines

SME

Energy ●



Financial Lines ●



Casualty ●

Marine ●

SME ●

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# General Terms and Conditions

## 1 Cover

- 1.1 The Company shall provide cover within the terms described within each of the Policy Sections shown as purchased on the schedule to this Policy.
- 1.2 The cover provided by each policy section purchased and shown on schedule shall be subject to
  - (a) the general terms and conditions set out below at Section 3;
  - (b) the limits of liability, sub-limits of liability, and retentions specified in the schedule;
  - (c) the exclusions, definitions and special conditions contained within each section
- 1.3 In the event of any conflict between these general terms and conditions, and any provision contained within any Policy Section, the provision contained within the Policy Section shall prevail for the purposes of the cover contained within that section only.

## 2 Definitions

- 2.1 **“Policy”**  
means includes this document, the Policy Sections, insurance proposal, schedule, conditions, exclusions, terms, attachments, special specifications, warranties and policy endorsements which are deemed part of the same insurance contract.
- 2.2 **“Policy Sections”**  
means the policy sections listed more particularly at Contents
- 2.3 **“Company”**  
means AIG Malaysia Insurance Berhad (795492-W)
- 2.4 **“Insured”**  
means the entity named in the Schedule
- 2.5 **“Policy Period and/or Period of Insurance”**  
means as stated in the Schedule

## 3 General Conditions

### 3.1 Premium Warranty Endorsement

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.

### 3.2 Warranty in Event of Fraud

Any fraud, misstatement or concealment in respect of this insurance or any claim hereunder shall render this Policy or the respective Certificates of Insurance as the case may be, null and void and Benefit due hereunder shall be or become forfeited.

### 3.3 Sanctions Clause

#### 3.3.1 Sanction Exclusion Clause – applicable to Fire, Property All Risks, Consequential Loss and All Risks 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 the insurer to any sanction, prohibition or restriction under the United Nations' Security Council resolutions (UNSC) or the trade or economic sanctions, laws or regulations of the European Union or the United States of America.

#### 3.3.2 Sanction Exclusion Clause – applicable to Burglary, Money, Glass, Liability, Machinery Breakdown, Electronic Equipment, Fidelity Guarantee, Group Personal Accident, Employers Liability and Workmen's Compensation sections

The Insurer shall not be deemed to provide cover and the Insurer shall not 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 the Insurer, its parent company or its ultimate controlling entity to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union or the United States of America.

### 3.4 War and Terrorism Exclusion Endorsement

Notwithstanding any other provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes 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:

- (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 organization(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

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action taken in controlling, preventing, suppressing or in any way relating to (1) and/or (2) above.

If the Company allege 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 Assured.

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

### 3.5 Property Damage Clarification Clause

Property damage covered under this Policy shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by deletion, a corruption or a deformation of the original structure.

Consequently the following are excluded from this Policy :-

- (a) Loss of or damage to data or software, but not limited to any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss or damage to data or software, which is the direct consequence of insured physical damage to the substance of property, shall be covered.
- (b) Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs and any business interruption losses resulting from such loss or damage."

### 3.6 Jurisdiction Exclusion Clause

Unless specifically expressed, it is agreed that the insurance coverage afforded under all Sections above do not cover:

- (a) damages for bodily injury and/or property damage in respect of judgment not in the first instance delivered by or obtained from a court of competent jurisdiction within Malaysia.
- (b) defense costs and/or costs and expenses of litigation recovered by any claimant from the Insured, which are not incurred in and recoverable in Malaysia.
- (c) any occurrences, claims made, suits filed or judgments rendered in the United States of America, its territories or possessions and Dominion of Canada.
- (d) countries under the sanction of the United States of America or Canada.

### 3.7 Date Recognition

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 insured peril as defined in the policy.

### 3.8 Effective Date:

The effective date of this Policy is as stated in the Policy Schedule.

### 3.9 Completeness Of Document:

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

### 3.10 Due Observance Of Policy Terms:

The due observance and fulfillment of the Terms of this Policy is so far as they relate to anything to be done or not

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to be done by the Insured and the truth of the statements and answers in the proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.

### 3.11 Communication:

Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company

### 3.12 Alterations:

The Company reserves the right to amend the terms and provisions of this Policy and may at any time be amended and changed by written agreement between the Company and the Insured. Any amendment to this Policy shall be binding on all persons whether insured under this Policy prior to, during, or after the effective date of the amendment. No alteration in this Policy shall be valid unless approved by an authorized representative of the Company and such approval be endorsed herein.

### 3.13 Notice of Claim:

Written notice of claim must be given to the Company within fourteen (14) days after the date of loss. The Insured Member hereunder shall produce for the Company's examination pertinent documents at such reasonable times and shall co-operate with the Company in all matters pertaining to any loss and/or claims. Failure to comply with this condition may prejudice the claim. Written notice of claim given by or on behalf of the Named Insured Member to the local Office of the Company, or to any authorized official of the Company providing information sufficient to identify the Insured Member shall be deemed notice to the Company. For convenience a notification format is attached at end of the Policy.

### 3.14 Proof of Loss:

Written proof of loss must be furnished to the Company at its said office within ninety (90) days after the date of loss. Failure to furnish such proof within the time required shall not invalidate nor reduce any claim if it was not reasonably possible to give proof within such time provided such proof is furnished as soon as possible and in no event, except in the absence of legal capacity, later than one (1) year from the time proof is otherwise required.

### 3.15 Limitation of Claims:

No claim benefits shall be payable under this Policy if presented to the Company beyond a period of one (1) year from the date of loss.

### 3.16 Receipts:

The Company shall not be committed by any notice or any trust charge, a lien, assignment or other dealing with the Policy and the receipt of the Insured Member for any compensation payable herein shall in all cases be effectual discharge of liability of the Company.

### 3.17 Legal Proceedings:

No action at law or in equity shall be brought to recover on this policy prior to the expiration of sixty (60) days after written proof of loss has been filed in accordance with the requirements of this policy, nor shall such action be brought at all unless brought within one (1) year from the expiration of the time within which the written proof of loss is required

by the Policy.

### 3.18 Action Against Company.

No action shall lie against the company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this policy, nor until ninety days after the required proofs of loss have been filed with the company.

### 3.19 Subrogation.

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

### 3.20 Changes.

Notice to any agent or knowledge possessed by any agent or by other person shall not effect a waiver or a change in any part of this policy or estop the Company from asserting any right under the terms of this policy; nor shall the terms of this policy be waived or change, except by endorsement issued to form a part of this policy, signed by a duly authorized representative of the company.

### 3.21 Cancellation.

This insurance may be terminated at any time at the request of the Insured, in which case the Company will retain the customary short period rate for the time the policy has been in force. This insurance may also be terminated at the option of the Company by sending fourteen (14) days' notice by registered letter to the Insured at his last known address, in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of cancellation. The amount to be refunded upon termination of the policy shall be subject to the minimum premium to be retained by the Company.

### 3.22 Mis-Representation in Application:

The benefits shall not be payable and the Policy shall be considered voidable at the option of the Company in the event that (a) there has been a failure to disclose or there has been any misrepresentation of any fact with respect to the Insured or Insured Member that is material to the insurance provided hereunder which is required to be furnished as evidence of insurability; and/or (b) in all cases of fraud.

### 3.23 Compliance with Policy Provisions:

Failure to comply with any of the provisions contained in this Policy and the Certificate of Insurance shall invalidate all claims hereunder.

### 3.24 Arbitration Clause

If any difference arises as to the amount of any loss or damage such difference shall independently of all other questions be referred to the decision of an Arbitrator, to be appointed in writing by the parties in difference, or, if they cannot agree upon a single Arbitrator, to the decision of two disinterested persons as Arbitrators, of whom one shall

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be appointed in writing by each of the parties within two (2) calendar months after having been required to do so in writing by the other party. In case either party shall refuse or fail to appoint an Arbitrator within two (2) calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole Arbitrator; and in case of disagreement between the Arbitrators, the difference shall be referred to the decision of an Umpire who shall have been appointed by them in writing before entering on the reference, and who shall sit with the Arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the Arbitrator, Arbitrators or Umpire respectively; and in the event of the death of an Arbitrator or Umpire, another shall in each case be appointed in his stead by the party or Arbitrators (as the case may be) by whom the Arbitrator or Umpire so dying was appointed. The costs of the reference and of the award shall be in the discretion of the Arbitrator, Arbitrators or Umpire making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon 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.

### 3.25 Limitation of Time of Bringing Arbitration:

If a claim is made under the Policy and is rejected by the Company, the Insured or his/her legal personal representatives shall commence arbitration proceedings within six (6) months of such rejection, failing which the Company shall be discharged from all liability whatsoever for that claim.

### 3.26 Assignment:

No assignment of interest under this Policy shall be binding upon the Company.

### 3.27 Renewal:

This policy may be renewed upon receipt of renewal of premium and with the consent of the Company from term to term.

### 3.28 Terms of Policy Conformed to Statute:

Terms of this policy which are in conflict with the statutes of the country wherein this policy is issued are hereby amended to conform to such statutes.

### 3.29 Severability:

Any provision of this Policy or of any Section which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions or Sections hereof.

### 3.30 Declaration:

By acceptance of this policy the insured agrees that the statements in the declarations are the agreements and representations of the insured, that this policy is issued in reliance upon the truth of such representations and that this Policy embodies all agreements existing between the insured and the company or any of its agents relating to this insurance.

### 3.31 Governing Law

This Policy is governed by Malaysian Law.

### 3.32 Bank Holiday/Public Holiday

Shall mean a day that is a gazetted national public holiday recognized in Malaysia.

### 3.33 Duty of Disclosure

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

This Policy reflects the terms and conditions of the contract of insurance as agreed between you and us.

Where you have applied for this Insurance wholly for purposes related to your trade, business or profession, you had a duty to disclose any matter that you know to be relevant to our decision in accepting the risks and determining the rates and terms to be applied and any matter a reasonable person in the circumstances could be expected to know to be relevant otherwise it may result in avoidance of your contract of insurance, refusal or reduction of your claim(s), change of terms or termination of your contract of insurance.

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

# Burglary

## 1 Covers

Subject to the Insuring Agreement of the Policy, the Company agrees subject to the Terms of this Section, that if the Property Insured described in the Policy Schedule, or any part of such property be lost due to BURGLARY OR ROBBERY as defined hereunder, the Company will pay or make good to the Insured such loss up to the limit specified in the Policy Schedule, subject always to the adequacy of coverage.

### Coverage A – Burglary

#### 1.1 Loss of Merchandise; Premises Damage

To pay for loss by Burglary or by Robbery of a Watchman, while the Premises are not opened for business, of stock and merchandise, office and manufacturing equipment, furniture, fixtures and fittings within the Premises or within a showcase or show window used by the insured and located outside the Premises but inside the building line of the building containing the Premises or attached to said building.

#### 1.2 To pay for loss of merchandise within the safe by Safe Burglary or attempt thereat while the Premises are not opened for business.

To pay for damage to the insured merchandise within the Premises or within such showcase or show window and to the Premises by such burglary, Safe Burglary, Robbery of a Watchman, or attempt thereat, provided with respect to damage to the Premises the insured is the owner thereof or is liable for such damage.

### Coverage B – Robbery

#### 1.3 To indemnify the Insured for loss of stock and merchandise from within the Premises arising from Robbery, committed by any person or persons except as stated in the Exclusions.

## 2 Exclusions

#### 2.1 This section does not apply:

- (a) to loss due to any fraudulent, dishonest or criminal act by any insured, a partner therein, or an officer, employee, director, trustee or authorized representative thereof, while working or otherwise and whether acting alone or in collusion with others;
- (b) to loss due to war, whether or not declared, civil war, strike, riot, civil commotion, insurrection, rebellion or revolution, or to any act or condition incident to any of the foregoing;
- (c) to loss due to nuclear reaction, nuclear radiation or radioactive contamination or to any act or condition incident to any of the foregoing;
- (d) to loss of manuscript, records or accounts;
- (e) to loss of furs or articles containing fur which represents their principal value, by removal of such property from within a showcase or show window by a person who has broken the glass thereof from outside the Premises or by an accomplice of any such person;
- (f) to loss occurring while there is any change in the condition of the risk, such as when the door or window

of the premises is damaged by typhoon or during a fire in the premises;

- (g) to damage by vandalism or malicious mischief;
- (h) Mere disappearance of the property insured hereunder is not a loss covered hereby. Any shortage disclosed by any inventory is not covered hereby unless such shortage can be reasonably shown to have been occasioned by robbery. In such event, there shall be deducted from the amount thereof, when determined, an amount equal to the average shortage revealed five annual physical inventories increased or decreased by the percentage of increase or decrease, if any, in the total gross sales for the twelve months period immediately preceding the date of the claim over or under (as the case may be) the average annual gross sales for the said five-year period.

## 3 Definitions

For the purposes of this section of the policy only,

- 3.1 **“Premises”** means the interior of that portion of any building at the location designated in the declaration which is occupied by the insured in conducting the business as stated therein, but shall not include (1) showcases or show windows not opening directly into the interior of the premises, or (2) public entrances, halls or stairways.
- 3.2 **“Burglary”** means the criminal abstraction of insured property (1) from within the premises by a person making criminal entry therein by actual force and violence, of which force and violence there are visible marks made by tools, explosives, electricity or chemicals, upon, or physical damage to the exterior of the premises at the place of such entry, or (2) from within a showcase or show window outside the premises by a person making criminal entry into such showcase or show window by actual force and violence of which force and violence there are visible marks thereon.
- 3.3 **“Robbery of a Watchman”** means the taking of insured property by violence or threat of violence inflicted upon a private watchman employed exclusively by the insured and while such watchman is on duty within the premises.
- 3.4 **“Safe Burglary”** means the criminal abstraction of insured property from within a vault or safe described in the declarations and located within the premises by a person making criminal entry into such vault or such safe and any vault containing the safe, when all doors thereof are duly closed and locked by all combination locks thereon, provided such entry shall be made by actual force and violence, of which force and violence there are visible marks made by tools, explosives, electricity or chemicals upon the exterior of (a) all of said doors of such vault or such safe and any vault containing the safe, if entry is made through such doors, or (b) the top, bottom or walls of such vault or such safe and any vault containing the safe through which entry is made, if not made through such doors, or (2) the criminal abstraction of such safe from within the premises.
- 3.5 **“Loss”** includes damage.

# Burglary

## 4 Conditions

### 4.1 Insured's Duties When Loss Occurs:

Upon knowledge or discovery of loss or of an occurrence whichever earlier which may give rise to a claim for loss, the insured shall (a) give notice thereof as soon as practicable to the company or any of its authorized agents and also to the police; (b) file detailed proof of loss, duly sworn to, with the company within "four months after the discovery of loss".

Upon the company's request (1) the insured shall furnish a complete inventory of all property not stolen or damaged, stating the original cost and actual cash value and quantity thereof, and (2) the Insured and every claimant hereunder shall submit to examination by the company, subscribe the same, under oath if required, and produce for the company's examination all pertinent records, all at such reasonable times and places as the company shall designate, and shall cooperate with the company in all matters pertaining to loss or claims with respect thereto.

### 4.2 Limits of Liability Settlement Options:

Subject to any application of the coinsurance requirement, the limit of the Company's liability for loss shall not exceed the actual cash value of the property at time of loss, nor what it would then cost to repair or replace the property with other of like kind and quality, nor the applicable limit of liability stated in the declaration; provide however, the limit of the Company's liability for loss of the contents of any showcase or show window not opening directly into the interior of the premises is RM380.00 or its equivalent, provided, the actual cash value of property held by the insured as a pledge, or as collateral for an advance or a loan, shall be deemed not to exceed the value of the property as determined and recorded by the insured when making the advance or loan, nor, in the absence of such record, the unpaid portion of the advance or loan plus accrued interest thereon at legal rates.

The Company may pay for the loss in money or may repair or replace the property and may settle any claim for loss of property either with the insured or the owner thereof. Any property so paid for or replaced shall become the property of the company. Any property recovered after settlement of a loss shall be applied first to the expense of the parties in making such recovery, with any balance applied as if the recovery had been made prior to said settlement, and loss readjusted accordingly. The insured or the Company, upon recovery of any such property, shall give notice thereof as soon as practicable to the other.

The occurrence of any loss shall reduce the applicable limit of Liability by the extent of the Company's Liability for such loss and such reduced Limit of Liability shall be the Limit of the Company's liability in respect of any further losses or damage occurring during the current Policy Period unless the Company consent upon payment of additional premium to reinstate the full Limit of Liability.

Application of the insurance to property of more than one person shall not operate to increase the limit of the Company's liability.

### 4.3 Ownership of Property Interests Covered:

The insured property may be owned by the Insured or held by the insured in any capacity whether or not the insured is liable for the loss thereof, or may be property as respects which the insured is legally liable, provided, the insurance applies only to the interest of the insured in such property, including the insured's liability to others, and does not apply to the interest of any other person or organization in any of said property unless included in the insured's proof of loss.

### 4.4 Joint Insured:

If more than one insured is named in the declarations, the insured first named shall act for every insured for all purposes of this policy. Knowledge possessed or discovery made by any insured shall constitute knowledge possessed or discovery made by every insured.

### 4.5 Books and Records:

The insured shall keep records of all the insured property in such manner that the company can accurately determine there from the amount of loss.

### 4.6 Other Insurance:

If there is any other valid and collectible insurance which would apply in the absence of this policy, the insurance under this policy shall apply only as excess insurance over such other insurance; provided, the insurance shall not apply (a) to property which is separately described and enumerated and specifically insured in whole or in part by any other insurance; or (b) to property otherwise insured unless such property is owned by the insured.

## 5 Clauses and Endorsements

### 5.1 Appraisal Clause

If the aggregate claim for any one loss does not exceed RM5,000/- or 5% of the sum insured whichever is the lesser by the item or items affected no special inventory or appraisal of the undamaged property shall be required.

### 5.2 Contract Price Clause

It is 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 sale the sale contract is by reason of loss or damage by the coverage hereby insured against cancelled, 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 average the value of all goods to which this Clause would in the event of loss or damage be applicable shall be ascertained on the same basis.

### 5.3 Designation Clause

It is hereby declared and agreed that for the purpose of determining where necessary the heading under which any property is insured, the Company agrees to accept the designation under which such property has been entered in the Insured's books.

# Burglary

## 6 Additional Extensions

The following Additional extensions are covered only if indicated in the schedule:

### 6.1 Public Holiday Increase

It is hereby declared and agreed that the maximum limit of liability for any one loss shall increase by a percentage as specified in the schedule for any day or days running consecutively and immediately following Bank Holiday, Public Holiday, Saturday and Sunday.

# Money

## 1 Cover

Subject to the Insuring Agreement of the Policy, the Company agrees subject to the Terms of this Section, that if the Property Insured described in the Policy Schedule, or any part of such property be lost due to ROBBERY and/or SAFE BURGLARY, the Company will indemnify such loss up to the limit specified in the Policy Schedule, subject always to the adequacy of coverage.

### (1) Money on Premises

**Coverage A – Robbery Inside the Premises**

- 1.1 To pay for loss of money and securities by robbery or attempt thereat within the premises.
- 1.2 To pay for damage to the premises by such robbery or attempt thereat, provided the insured is the owner thereof or is liable for such damage.

**Coverage B – Safe Burglary**

- 1.3 To pay for loss of money and securities from within the vault or locked safe or locked cash register or locked drawer or locked steel cabinet by burglary or attempt thereat.
- 1.4 To pay for damage to premises caused by burglary or attempt thereat, provided with respect to damage to the premises the Insured is the owner thereof or is liable for such damage.

### (2) Money in Transit

**Coverage C – Robbery Outside the Premises**

- 2.1 To pay for loss of money and securities by robbery or attempt thereat outside the premises while being conveyed by a messenger.

## 2 Exclusions

- 2.1 This Section does not insure against:
  - (a) to loss due to any fraudulent, dishonest or criminal act by any insured or a partner therein, whether acting alone or in collusion with others;
  - (b) to loss of manuscripts, books of account or records;
  - (c) to loss due to war, whether or not declared, civil war, strike, riot, civil commotion, insurrection, rebellion or revolution, or to any act or condition incident to any of the foregoing;
  - (d) to loss due to nuclear reaction, nuclear radiation or radioactive contamination or to any act or condition incident to any of the foregoing;
  - (e) to loss occurring while there is any change in the condition of the risk such as when the door or window of the premises is damaged by typhoon or during a fire in the premises;
  - (f) to damage by vandalism or malicious mischief;
  - (g) to loss due to use of any key or duplicate thereof irrespective whether the key belongs to the Insured or not.

## 3 Definitions

For the purposes of this section of the policy only,

- 3.1 **“Money”** means currency, coins, bank notes and bullion; and travelers checks, register checks and money orders held

for sale to the public.

- 3.2 **“Securities”** means all negotiable and non-negotiable instruments of contracts representing either money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include money.
- 3.3 **“Premises”** means the interior of that portion of any building at a location designated in the declarations which is occupied by the insured in conducting the business as stated therein.
- 3.4 **“Messenger”** means the insured, a partner therein or an officer thereof, or any employee thereof who is in the regular service of and duly authorized by the insured to have the care and custody of the money/securities outside the premises.
- 3.5 **“Custodian”** means the insured, a partner therein or an officer thereof, or any employee thereof who is in the regular service of and duly authorized by the insured to have the care and custody of the insured property within the premises, excluding any person while acting as a watchman, porter or janitor.
- 3.6 **“Guard”** means any male person not less than seventeen nor more than sixty-five years of age who accompanies a messenger by direction of the insured, but who is not a driver of a public conveyance.
- 3.7 **“Robbery”** means the taking of insured property (1) by violence inflicted upon a messenger or a custodian; (2) by putting him in fear of violence; (3) by any other overt criminal act committed in his presence and of which he was actually cognizant, provided such other act it is not committed by an officer, partner or employee of the insured; (4) from the person or direct care and custody of a messenger or custodian who has been killed or rendered unconscious; or (5) under Coverage A, (a) from within the premises by means of compelling a messenger or custodian by violence or threat of violence while outside the premises to admit a person into the premises or to furnish him with means of ingress into the premises, or (b) from a showcase or show window within the premises while regularly open for business, by a person who has broken the glass thereof from outside the premises.
- 3.8 **“Safe Burglary”** means the criminal abstraction of insured property from within a vault or safe described in the declarations and located within the premises by a person making criminal entry into such vault or such safe and any vault containing the safe, when all doors thereof are duly closed and locked by all combination locks thereon, provided such entry shall be made by actual force and violence, of which force and violence there are visible marks made by tools, explosives, electricity or chemicals upon the exterior of (a) all of said doors of such vault or such safe and any vault containing the safe, if entry is made through such doors, or (b) the top, bottom or walls of such vault or such safe and any vault containing the safe through which entry is made, if not made through such doors, or (2) the criminal abstraction of such safe from within the premises.
- 3.9 **“Loss”** includes damage.

# Money

## 4 Conditions

- 4.1 Insured duties when loss occurs.** Upon knowledge or discovery of loss or of an occurrence, whichever earlier, which may give rise to a claim for loss, the insured shall: (a) give notice thereof immediately to the company or any of its authorized agents and also to the police; (b) file detailed proof of loss, duly sworn to, with the company within four months after the discovery of loss.

Upon the Company's request, the insured and every claimant hereunder shall submit to examination by the company, subscribe the same, under oath if required, and produce for the company's examination all pertinent records, all at such reasonable times and places as the company shall designate, and shall cooperate with the company in all matters pertaining to loss or claims with respect thereto.

- 4.2 Limits of liability settlement options.** The limit of the Company's liability for loss shall not exceed the applicable limit of liability stated in the declarations, nor what it would cost at the time of loss to repair or replace or replace the property with other of like kind and quality, nor as respects securities the actual cash value thereof at the close of business on the business day next preceding the day on which the loss was discovered, nor as respects other property the actual cash value thereof at the time of loss; provided, however, the actual cash value of such other property held by the insured as a pledge, or as collateral for an advance or a loan, shall be deemed not to exceed the value of the property as determined and recorded by the insured when making the advance or loan, nor, in the absence of such record, the unpaid portion of the advance or loan plus accrued interest thereon at legal rates.

The applicable limit of liability stated in the declarations is the total limit of the Company's liability with respect to all loss of property of one or more persons or organizations arising out of any one occurrence. All loss incidental to an actual or attempted fraudulent, dishonest or criminal act or series of related acts at the premises, whether committed by one or more persons, shall be deemed to arise out of one occurrence.

The Company may pay for the loss in money or may repair or replace the property and may settle any claim for loss of property either with the insured or the owner hereof. Any property so paid for or replaced shall become the property of the Company. Any property recovered after settlement of a loss shall be applied first to the expense of the parties in making such recovery, with any balance applied as if the recovery had been made prior to said settlement, and loss readjusted accordingly. The insured or the Company, upon recovery of any such property, shall give notice thereof as soon as practicable to the other.

Subject to the other provisions of this condition, any payment made by the Company because of loss under Coverage B shall reduce the applicable limit of liability, provided the amount of such reduction shall be reinstated upon approval of the vault or safe by the company.

- 4.3 Ownership of property interests covered.** The insured property may be owned by the Insured or held by the insured in any capacity whether or not the insured is liable for the loss thereof, or may be property as respects which the insured is legally liable, provided, the insurance applies only to the interest of the insured in such property, including the insured's liability to others, and does not apply to the interest of any other person or organization in any of said property unless included in the insured's proof of loss.

- 4.4 Joint insured.** If more than one insured is named in the declarations, the insured first named shall act for every insured for all purposes of this policy. Knowledge possessed or discovery made by any insured shall constitute knowledge possessed or discovery made by every insured.

- 4.5 Books and records.** The insured shall keep records of all the insured property in such manner that the company can accurately determine therefrom the amount of loss.

- 4.6 Other insurance.** If there is any other valid and collectible insurance which would apply in the absence of this policy, the insurance under this policy shall apply only as excess insurance over such other insurance; provided, the insurance shall not apply (a) to property which is separately described and enumerated and specifically insured in whole or in part by any other insurance; or (b) to property otherwise insured unless such property is owned by the insured.

## 5 Additional Extensions

**The following Additional extensions are covered only if indicated in the schedule:**

### 5.1 Public Holiday Increase

It is hereby declared and agreed that the maximum limit of liability for any one loss shall increase by a percentage as specified in the schedule for any day or days running consecutively and immediately following Bank Holiday, Public Holiday, Saturday and Sunday

# Glass

## 1 Covers

In consideration of the Insured named in the Schedule hereto paying to The Company the premium mentioned in the said Schedule, agrees to indemnify the Insured subject to the Limits of Liability, Insuring Agreement, Exclusions, Conditions and other terms contained in this Policy or endorse hereon.

To pay for damage during the policy period to the glass/sign board described in the declarations and to the lettering and ornamentation separately described therein, by breakage of the glass/sign board or by chemicals accidentally or maliciously applied.

To pay for

- (i) repairing or replacing frames immediately encasing and contiguous to such glass when necessary because of such damage;
- (ii) installing temporary plates in or boarding up openings containing such glass when necessary because of unavoidable delay in repairing or replacing such damaged glass;
- (iii) removing or replacing any obstructions, other than window displays, when necessary in replacing such damaged glass, lettering or ornamentation.

## 2 Exclusions

This Policy does not apply to:

- (a) damage arising directly or indirectly from or in consequence of fire;
- (b) damage arising directly or indirectly from or in consequence of typhoon, cyclone, hurricane, tornado, hail, earthquake, or other Convulsion of Nature and explosion. The Insured shall, if so require, and as a condition precedent to any liability of the Company, prove that the loss did not in any way arise under or through any of the above excepted circumstances or causes;
- (c) damage arising directly or indirectly from or in consequence of war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), mutiny, strike, riot, civil commotion, civil war, rebellion, revolution, insurrection, conspiracy, military or usurped power, martial law, or state of siege, or requisition, or destruction by order of any Government or Public Authority. The insured shall, if so required, and as a condition precedent to any liability of the Company, prove that the loss did not in any way arise under or through any of the above excepted circumstance or causes;
- (d) damage arising during removal or alterations to premises;
- (e) interruption or delay or loss of business or damage of any kind occurring during the time intervening between the occurrence of a breakage and the replacement of the glass/sign board.

## 3 Definitions

No additional definitions apply to this section of the policy.

## 4 Conditions

### 1. Limits of Liability and Settlement Options

The Limit of the Company's liability for damage shall not exceed the actual cash value of the property at the property at time of loss, nor what it would then cost to repair or replace the damage property with other of the nearest obtainable kind and quality, nor the applicable limit of liability stated in the declarations; provided; however, the limit of the Company's liability under each of divisions (a), (b) or (c) of the INSURING AGREEMENT is RM50.00 with respect to loss due to any one occurrence at any one location separately occupied or designed for separate occupancy.

The Company may pay for the loss in money or may repair or replace the property. Any property so paid for or replaced shall become the property of the Company.

### 2. Insured's Duties When Loss Occurs

Upon knowledge of loss, the Insured shall:

- (a) give notice thereof as soon as practicable to the Company or any of its authorized agents;
- (b) upon the Company's request, file proof of loss, under oath if required, on forms provided by the Company.

### 3. Action Against Company

No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this policy, not until thirty days after the required profits of loss have been filed with the Company.

### 4. Assignment

Assignment of interest under this policy shall not bind the Company until its consent is endorsed hereon; if, however, the Insured shall die, or shall be adjudged bankrupt, or insolvent and written notice is given to the Company within sixty days after the date of such adjudication, this policy shall cover the Insured's legal representative as Insured; provided that notice of cancellation addressed to the Insured named in the declarations and mailed to the address shown in this policy shall be sufficient notice to effect cancellation of this policy.

### 5. Changes

Notice to any agent or knowledge possessed by any agent or by any other person shall not effect or waiver or a change in any part of this policy or stop the Company from asserting any right under the terms of this policy; nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy, signed by a duly authorized representative of the Company.

### 6. Declarations

By acceptance of this policy the Insured agrees that the statements in the declarations are his agreements and representations, that this policy is issued in reliance upon the truth of such representations and that this policy embodies all agreements existing between himself and the Company or any of its agents relating to this insurance.

# All Risks

## 1 Covers

- 1.1 In consideration of the Insured named in the Schedule hereto paying to The Company the premium mentioned in the said Schedule, agrees to indemnify the Insured subject to the Sum Insured, Limits of Liability, Insuring Agreements, Exclusions, Conditions and other Terms contained in this Policy or endorsed hereon.

## 2 Exclusions

This Policy does not insure against loss or damage caused by or arising from:-

- 2.1 War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), mutiny, insurrection, rebellion, revolution, conspiracy, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege, or seizure, confiscation, requisition, nationalization, destruction or damage by or under the order of any government or public authority; or risks of contraband or illegal transportation and/or trade.
- 2.2 Infidelity of Insured's employees or persons to whom the insured property is entrusted.
- 2.3 Transportation of the property insured by Land, Air and Sea.
- 2.4 Wear, tear and/or gradual depreciation.
- 2.5 Loss or damage to electrical appliances or devices of any kind, including wiring by electrical injury thereto or electrical disturbances thereof from artificial causes unless fire ensues and then for the loss by fire only.
- 2.6 Electrical or mechanical breakdown or derangement of plant machinery or equipment.
- 2.7 Deterioration of property due to change in temperature or humidity or failure or inadequate operation of an air-conditioning cooling or heating system.
- 2.8 While the property insured is waterborne and/or in the course of being loaded or unloaded on or from any watercraft.
- 2.9 Use on public roads under vehicle's own power.
- 2.10 Loss due to mysterious disappearance and/or discovered due to inventory stock checking.
- 2.11 Loss due to nuclear reaction, nuclear radioactive or radioactive contamination, or to any act or condition incidental to any of the foregoing.
- 2.12 Consequential or indirect loss or damage of any kind or description.

## 3 Definitions

No additional definitions apply to this section of the policy.

## 4 Conditions

In addition to the general terms and conditions, the following terms shall apply to the cover provided by this section of the policy only:

### 4.1 Adjustment of Loss

The Insured shall submit, and so far as is within his or their power shall cause all other person interested in the property and members of the household and employees to submit, to examinations under oath by any persons named by the Company, relative to any and all matters in connection with a claim, and shall produce for examination all books of accounts, bills, invoices and other vouchers or certified copies thereof, if originals be lost, at such reasonable time and place as may be designated by the Company or its representatives, and shall permit extracts and copies thereof to be made.

### 4.2 Valuation

Unless otherwise provided in form attached, this Company shall not be liable beyond the actual cash value of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost the Insured to repair or replace the same with material of like kind and quality.

### 4.3 Payment of Loss

All adjusted claims shall be paid or made good to the Insured within sixty (60) days after presentation and acceptance of satisfactory proof of interest and loss at the office of the Company's Authorized Representative.

No loss shall be paid hereunder if the insured has collected the same from others.

It is warranted by the insured that this insurance shall in no way inure directly or indirectly to the benefit of any carrier or other bailee..

### 4.4 Reinstatement

Every claim paid hereunder reduces the amount insured by the sum so paid unless the same be reinstated by payment of additional premium thereon.

### 4.5 Pair and Set

It is understood and agreed that, in the event of loss of or damage to any article or articles which are a part of a set, the measure of loss or damage to such article or articles shall be a reasonable and fair proportion of the total value of the set, giving consideration to the importance of said article or articles, but in no event shall such loss or damage be construed to mean total loss of set.

### 4.6 Replacement/ Repair of Parts

In the event of loss or damage to any part or parts of an insured property caused by the policy the sum recoverable shall not exceed the cost of replacement or repair of such part or parts which can include charges for forwarding the refitting, if incurred, but excluding duty unless full duty is included in the amount insured in which case any loss compounded by payment of additional duty shall be recoverable.

### 4.7 Machinery

In case of loss or injury to any part of the insured property consisting, when complete for sale or use, of several parts, this Company shall only be liable for the insured value of the part lost or damaged.

## All Risks

### 4.8 Sue and Labor

In case of loss or damage where it is incumbent and necessary for the Insured, his or their factors, servants and assigns, to sue, labor and travel for, in and about the defense, safeguard and recovery of the property insured hereunder, or any part thereof the Company will contribute according to the rate and quantity of the sum herein insured. No acts of the Insured or this Company, in agreeing, partaking assuming immediate measures in the act of recovering, saving and/or property insured in case of loss or damage shall be considered a waiver or an acceptance of abandonment.

### 4.9 Suit Against Company

It is a condition of this policy that no suit, action or proceeding for the recovery of any claim under this policy shall be maintainable in any court of law or equity unless the same be commenced within twelve (12) months following the calendar date of the happening of the physical loss or damage out of which the said claim arose. Provided, however, that if by the laws of the state within which this policy is issued such limitation is invalid, then any such claim shall be void unless such action, suit or proceeding be commenced within the shortest limit of time permitted, by the laws of such state, to be fixed herein.

## 5. Clauses and Endorsements

### 5.1 Criminal Breach of Trust Clause

The Company shall not be liable for any loss or damage caused by or attributed to the act of criminal breach of trust by any person within the meaning of the definition of the offence of criminal breach of trust set out in the Penal Code. Criminal breach of trust as defined in the Penal Code is as follows:-

“Whoever, being in any manner entrusted with property or with any dominion over property, either solely or jointly with any other person 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 or prescribing the mode in which such trust is to be discharged, or of any legal contract, express or implied, which he has made touching the discharge of such trust, or wilfully suffers any other person so to do, commits “criminal breach of trust.”

### 5.2 Theft by Deception (Cheating) Clause

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 as defined in the Penal Code is as follows:-

“Whoever, by deceiving any person, whether or not such deception was the sole or main inducement 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, and which act or omission causes or is likely to cause damage or harm to

that person in body, mind, reputation or property, is said to ‘cheat’.”

### 5.3 Alterations and Repairs Clause

Workmen are allowed in or about any premises herein referred to carrying out alterations and repairs without prejudice to the terms of this Insurance.

### 5.4 Appraisal Clause

If the aggregate claim for any one loss does not exceed RM5,000/- or 5% of the sum insured whichever is the lesser by the item or items affected no special inventory or appraisal of the undamaged property shall be required.

### 5.5 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.

### 5.6 Designation Clause

For the purpose of determining where necessary the heading under which any property is insured, the Company agrees to accept the designation under which such property has been entered in the Insured's books.

### 5.7 Internal Removal Clause

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

### 5.8 Payment on Account Clause

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

### 5.9 Reinstatement Value Clause

It is hereby declared and agreed that in the event of the property insured under this Policy being lost, destroyed or damaged, the basis upon which the amount payable under this policy is to be calculated shall be the cost of replacing or reinstating the property of the same kind or type but not superior to or more extensive than the property insured 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 reinstatement must be commenced and carried out within 12 months after the loss, 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

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- 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, then the Insured shall be considered as being his own Company 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 applied 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 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.
- (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.

### 5.10 Temporary Removal Clause

It is hereby declared and agreed that the Property insured under this Policy is covered (limited to 10% of the Sum Insured) whilst temporarily removed for cleaning, renovation, modification, repair or other similar purpose, elsewhere on the same or to any other premises and in transit thereto and there from by road or rail, all in Malaysia. The amount recoverable under this extension in respect of the property so removed shall not exceed the amount which would have been recoverable had the loss occurred in that part of the premises from which the property is temporarily removed.

This extension does not apply to property if and so far as it is otherwise insured, nor does it apply to items covering stock and merchandise of every description, nor as regards losses occurring elsewhere than at the premises from which the property is temporarily removed to: -

- (1) Motor Vehicles and Motor Chassis.
- (2) Property (other than machinery and plant) held by the Insured in trust

### 5.11 Temporary Storage Clause

The property (excluding buildings) insured under this Policy is covered whilst temporarily stored anywhere in Malaysia 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 RM100,000 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).

### 5.12 Vehicle Load Clause

In the event of any of the Insured's vehicle being left loaded overnight (provided securely locked in the vehicle) whilst in and/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 insured against by this Policy.

### 5.13 Removal Of Debris

Costs and expenses necessarily incurred by the Insured with the consent of the Company in the removal of debris dismantling and/or demolishing 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.

### Not included in the policy unless specified in the Schedule

#### 5.14 Leasing Endorsement

It is hereby understood and agreed that (as specified in the Schedule) (hereinafter referred to as the lessors) are the owners of the property insured by item(s) (as specified 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 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.

#### 5.15 Hire Purchase Endorsement

It is hereby understood and agreed that (as specified in the Schedule) (hereinafter referred to as the Owners) are the owners of the property insured by item(s) (as specified 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

## All Risks

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 specified 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.

### 5.16 Mortgagee (Chargee) Clause

Loss, if any, payable to (as specified in the Schedule) as Mortgagee (Chargee) as interest may appear in this insurance, as to the interest of the Mortgagee (Chargee) only therein, shall not be invalidated by any act or neglect or 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 (Chargee) shall on demand pay the same. Provided also that the Mortgagee (Chargee) 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 (Chargee) and unless permitted by this Policy it shall be noted thereon and the Mortgagee (Chargee) 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 (Chargee) any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgagor (Chargor) or Owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Mortgagee (Chargee) to the extent of such payment but not so as to impair the right of the said Mortgagee (Chargee) 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 or 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 (Chargee) in writing giving fourteen (14) days notice to the last known address of the Mortgagee (Chargee).

Note : When the interest is that of Chargee and Chargor the words in brackets are deemed to be inserted in place of Mortgagee and Mortgagor.

# Liability

## 1 Cover

- 1.1** In consideration of the premium payable by the Insured to the Company, the Company will indemnify the Insured against their liability to pay Damages within the limits defined by each insured sub-section of this Section of the Policy arising out of the Business specified in the Schedule, subject always to the terms, Conditions and Exclusions of such sub-section and of the Policy as a whole. Further, indemnity applies only to such liability arising from Business carried on within the territorial limits as specified in the Schedule.

## 2 Exclusions

The Company shall not be liable under this Section to make any payment for Damages:

- 2.1** arising out of, based upon or attributable to bodily injury, property damage personal injury or advertising injury due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, invasion, act of foreign enemy, civil commotion, factional civil commotion, military or usurped power, rebellion or revolution.
- 2.2** arising out of, based upon or attributable to bodily injury or property damage arising directly or indirectly as a result of or in connection with Terrorism including, but not limited to, any contemporaneous or ensuing bodily injury or property damage caused by fire, looting or theft.
- 2.3** directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the manufacture of, mining of, use of, sales of, installation of, survey or investigation of, management of, removal of, distribution of, existence of or exposure to asbestos products, asbestos fibers or asbestos dust, or property or materials containing any of the foregoing, including without limitation all liability to pay claimants' or the Insured's legal costs and expenses or any other costs and expenses, howsoever incurred in the investigation, defense and/or settlement of any claim or Legal Proceeding against the Insured.
- 2.4** directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form, or to any obligation of the insured to indemnify any party because of Bodily Injury or Property Damage arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form.
- 2.5** arising out of, based upon or attributable to bodily Injury or Property Damage arising out of Offshore work
- 2.6** directly or indirectly caused by or contributed to by or arising from:
- (i) nuclear weapons material;
  - (ii) ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from

the combustion of nuclear fuel and for the purposes of this Exception combustion shall include any self-sustaining process of nuclear fission;

- 2.7** for any liquidated or punitive or exemplary damages, civil or criminal fines or penalties
- 2.8** arising from the actual or alleged breach of any professional duty by the Insured
- 2.9** for any Financial Loss
- 2.10** this insurance does not apply to any bodily injury, property damage, personal and advertising injury, or any other loss, cost or expense arising out of the presence, ingestion, inhalation, or absorption of or exposure to lead in any form or products containing lead.

The exclusions set out at each subsection following shall apply to the cover provided under the relevant subsection.

## 3 Definitions

- 3.1 "Injury"**  
means death, bodily injury, illness or disease of or to any person;
- 3.2 "Damages"**  
means any amount that an Insured shall be legally liable to pay to a Third Party in respect of judgments rendered against an Insured, or for settlements negotiated by the Company with the consent of the Insured in respect of any Claim, and shall include claimants' costs, fees and expenses.
- 3.3 "Off shore Work"**  
means embarkation onto a conveyance until disembarkation from such conveyance onto land for the purpose of travel to or from transit between work on any offshore structure platform installation or accommodation vessel
- 3.4 "Property Damage"**  
means loss of possession or control of or actual damage to tangible property;
- 3.5 "Pollution"**  
means pollution or contamination of the atmosphere or of any water, land or other tangible property;
- 3.6 "Product"**  
means any property after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured but shall not include food or drink supplied by or on behalf of the Insured primarily to the Insured's employees as a staff benefit.
- 3.7 "Terrorism"**  
means the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in connection with any organization, government, power, authority or military force, when the effect is to intimidate or coerce

## Liability

a government, the civilian population or any segment thereof, or to disrupt any segment of the economy. Terrorism shall also include any act which is verified or recognized by Malaysia's Government as an act of terrorism

### 3.8 "Financial Loss"

Means financial loss caused by the loss of money or securities owned by any third party

## 4 Conditions

In addition to the general terms and conditions, the following terms shall apply to the cover provided by this section of the policy only:

### 4.1 Indemnity to Others

The indemnity granted extends to:

- (i) at the request of the Insured, any party who enters into an agreement with the Insured for any purpose of the Business, but only with the express agreement of the Company as specified in the Schedule, and to the extent required by such agreement to grant such indemnity and subject always to Clause 5.2(iv);
- (ii) officials of the Insured in their business capacity for their liability arising out of the performance of the Business and/or in their private capacity arising out of their temporary engagement of the Insured's employees;
- (iii) at the request of the Insured, any person or firm for their liability arising out of the performance of a contract to provide labour only services to the Insured;
- (iv) the officers committee and members of the Insured's canteen, social, sports, medical, fire fighting and welfare organisations in their respective capacity as such;
- (v) the personal representatives of the estate of any person indemnified by reason of this Clause in respect of liability incurred by such persons;  
provided always that all such persons or parties shall observe, fulfil and be subject to the terms, Conditions and Exclusions of this Policy as though they were the Insured.

### 4.2 Cross Liabilities

Each person or party specified as the Insured in the Schedule is separately indemnified in respect of claims made against any of them by any other, subject to the Company's total liability not exceeding the stated Indemnity Limits.

### 4.3 Defence Costs

The Company will pay all costs, fees and expenses incurred with their prior consent by the Insured ("Defence Costs")

- (i) in the investigation, defence or settlement of;
- (ii) as a result of representation at any inquest, inquiry or proceedings in respect of matters which have a direct relevance to;  
any occurrence which forms or could form the subject of indemnity by this Policy.

### 4.4 Indemnity Limits

The Company's liability to pay damages (including, Defence costs, claimant's costs, fees and expenses) shall not exceed

the sum stated in the Schedule against each Subsection in respect of any one occurrence or series of occurrences arising from one originating cause, but under Subsection 2 Pollution Liability and Subsection 3 Product Liability the Indemnity Limits represent the Company total aggregate liability in respect of all occurrences during the Policy Period. Should liability arising from the same originating cause form the subject of indemnity by more than one subsection of this Policy Section, each subsection shall be subject to its own Indemnity Limit, provided always that the total amount of Company's liability shall not exceed the greatest Indemnity Limit available under any one of the subsections providing indemnity.

## 5 Subsection 1 - Public Liability

### 5.1 Indemnity

The Insured is indemnified by this subsection in accordance with the Operative Clause for Damages arising out of Injury and/or Property Damage occurring during the Period of Insurance but not against liability arising out of-

- (i) Pollution
- (ii) or in connection with any Product

### 5.2 Exclusions

This sub-Section does not cover liability:

- (i) arising out of the ownership, possession or use of any motor vehicle or trailer by or on behalf of the Insured, other than claims:
  - (a) caused by the use of any tool or plant forming part of or attached to or used in connection with any motor vehicle or trailer;
  - (b) arising beyond the limits of any carriageway or thoroughfare caused by the loading or unloading of any motor vehicle or trailer;
  - (c) arising out of any motor vehicle or trailer temporarily in the Insured's custody or control for the purpose of parking and only if such cover is specified in the Schedule, and only to the limit specified therein;  
provided always that no indemnity is granted against liability compulsorily insurable by legislation or for which the government or other authority has accepted responsibility;
- (ii) arising out of the ownership, possession or use by or on behalf of the Insured of any aircraft, watercraft or hovercraft (other than watercraft not exceeding five metres in length and then only whilst on inland waterways);
- (iii) for and/or arising out of Damage to property owned leased or hired by or under hire purchase or on loan to the Insured or otherwise in the Insured's care custody or control other than:
  - (a) premises (or the contents thereof) temporarily occupied by the Insured for work therein and/or other property temporarily in the Insured's possession for work thereon (but no indemnity is

## Liability

- granted for Damage to that part of the property on which the Insured is working and which arises out of such work);
- (b) clothing and personal effects belonging to employees and visitors of the Insured;
  - (c) premises tenanted by the Insured to the extent that the Insured would be held liable in the absence of any specific agreement.
  - (d) If the Schedule specifies a sum insured for Goods in care, custody and control, and only to the limit as specified for any occurrence or series of occurrences arising from one event
- (iv) assumed under any contract or agreement unless and to the extent such liability would have attached in the absence of such agreement.
- (v) in respect of any customer goods covered under any Innkeepers' Liability Act or similar unless a sum insured is specified in the Schedule, and only to that sum insured any one occurrence and in the aggregate for one policy period.
- (vi) for which the insured or any carrier as his Company, may be held liable under any workmen's compensation, unemployment compensation or disability benefits law or under any similar law.

- (ii) If any Product from one prepared or acquired batch of Products causes Property Damage to property of or Injury to more than one person, all Property Damage and Injury resulting from that batch shall be considered as arising out of one originating cause ['CONNECTED CLAIMS'];

### 7.2 Exclusions

This Subsection does not cover liability:-

- (i) for and/or arising out of Property Damage to any Product or part thereof;
- (ii) for costs incurred in the repair, reconditioning, modification or replacement of any Product or part thereof and/or any financial loss consequent upon the necessity for such repair, reconditioning, modification or replacement;
- (iii) arising out of the recall of any Product or part thereof;
- (iv) In respect of any Products which with the knowledge of the Insured are incorporated into any aircraft or craft made or intended to be airborne
- (v) arising out of the faulty or negligent design, formula, specification, plan advertising material or printed instructions of or for the product;
- (vi) arising out of Pollution
- (vii) for which the insured or any carrier as his Company, may be held liable under any workmen's compensation, unemployment compensation or disability benefits law or under any similar law.

## 6 Subsection 2 - Pollution Liability

### 6.1 Indemnity

The Insured is indemnified by this subsection in accordance with the Operative Clause for Damages arising out of Injury and/or Property Damage occurring during the Period of Insurance and arising out of Pollution, but only to the extent that the Insured can demonstrate that such Pollution:

- (i) was the direct result of a sudden, specific and identifiable event occurring during the Period of Insurance;
- (ii) was not the direct result of the Insured failing to take reasonable precautions to prevent such Pollution.

### 6.2 Exclusions

This subsection is subject to the Exclusions of subsections 5.2 and 7.2, and also does not cover liability for and/or arising out of:

- (i) Damage to premises which are presently or were at any time previously tenanted by the Insured;
- (ii) Damage to land or water within or below the boundaries of any land or premises which is presently or was at any time previously owned or leased by the Insured or otherwise in the Insured's care, custody or control.

## 7 Subsection 3- Products Liability

### 7.1 Indemnity

- (i) The Insured is indemnified by this subsection in accordance with the Operative Clause for Damages arising out of Injury and/or Property Damage occurring during the Period of Insurance alleged to have been caused by any Product

# Fidelity

## I Cover

- 1.1. The Company agrees to indemnify the Insured against loss of money or other property which the Insured shall sustain resulting directly from one or more fraudulent or dishonest acts of an Employee or Employees, acting alone or in collusion with others and discovered not later than twelve months (known as Discovery Period) after the termination of :-
- (i) the insurance in respect of such employee or;
  - (ii) this Policy whichever occurs first; and
  - (iii) for auditor's fees incurred with the Company's written consent solely to substantiate the amount of any claim made this clause, to an amount not exceeding in the aggregate the amount stated in the Schedule, subject always to the adequacy of coverage.
- 1.2. Dishonest or fraudulent acts shall mean only dishonest or fraudulent acts committed by such insured Employee with the manifest intent:
- (i) to cause the Insured to sustain such loss; and
  - (ii) to obtain financial benefit for that Employee, or for any other person or organization intended by the Employee to receive such benefit earned in the normal course of employment.

## 2 Exclusions

- 2.1. This Insurance cover does not apply:
- (i) to the defense of any legal proceeding brought against the Insured, or to fees, costs or expenses incurred or paid by the Insured in prosecuting or defending any legal proceeding result or would result in a loss to the Insured covered by this Insurance cover;
  - (ii) to loss, or that part of any loss, as the case maybe, the proof of which either as to its factual existence or to its amount, is dependent upon an inventory computation or a profit and loss computation.
  - (iii) to potential income, including but not limited to interest and dividends, not realized by the Insured because of a loss covered under this Insurance cover
  - (iv) to damages of any type for which the Insured is legally liable, except compensatory damages arising from a loss covered under this Insurance cover
  - (v) to costs, fees and other expenses incurred by the Insured in establishing the existence of or amount of loss covered under this Insurance cover.
  - (vi) to any Employee who has had prior convictions of any fraudulent or dishonest act, or is under investigation on such a charge.

## 3 Definitions

For the purposes of this section of the policy only,

### 3.1. Employee

means any natural person (except a director or trustee of the Insured, if a corporation, who is not also an officer or employee thereof in some other capacity) while in the

regular service of the Insured in the ordinary course of the Insured's business during the Policy Period and whom the Insured compensates by salary, wages or commissions and has the right to govern and direct in the performance of such service, but does not mean any broker, factor, commission merchant, consignee, contractor or other agent or representative of the same general character. The words "while in the regular service of the Insured" shall include the first 30 days thereafter.

## 4 Conditions

In addition to the general terms and conditions, the following terms shall apply to the cover provided by this section of the policy only:

### 4.1. Consolidation – Merger

If, through consolidation or merger with , or purchase of assets of, some other concern , any person shall become Employees, the insured shall give the Company written notice thereof and shall pay an additional premium computed pro rata from the date of such consolidation, merger or purchase to the end of the current premium period.

### 4.2. Joint Insured

If more than one Insured is covered under this Section, the Insured first named shall act for itself and for every other Insured for all purpose of this Fidelity Guarantee Insurance cover. Knowledge possessed or discovery made by any Insured or by any partner or officer thereof shall, for the purposes of Exclusions 2.1(vi), Conditions 4.6 and Conditions 4.10 constitute knowledge possessed or discovery made by every Insured. Cancellation of the insurance hereunder as respects any Employee as provided in Conditions 4.10 shall apply to every insured. If, prior to the cancellation or termination of this Policy in its entirety, this cover is cancelled or terminated as to any insured, there shall be no liability for any loss sustained by such Insured unless discovered within one year from the date of such cancellation or termination. The liability of the Company for loss sustained by any or all of the Insured shall not exceed the amount for which the Company would be liable had all such loss been sustained by any one of the Insured. Payment by the Company on account of such loss. If the Insured first named ceases for any reason to be covered under this Policy, then the Insured next named shall thereafter be considered as the Insured first named for all purpose of this cover.

### 4.3. Loss Under Prior Fidelity Guarantee Policy

If the coverage of this cover is substituted for any prior coverage of insurance carried by the Insured or by any predecessor in interest of the insured, which prior coverage or policy is terminated, cancelled or allowed to expire as of the of such substitution, the Company agrees that this insurance applies to loss which is discovered as provided by the Conditions and Limitations and which would have been recoverable by the Insured of such predecessor under such prior insurance or policy except for the fact that the time within which to discover loss thereunder had expired; provided

## Fidelity

- (i) the indemnity afforded by this Section shall be part of, and not in addition to, the amount of insurance afforded by this Fidelity Guarantee cover;
- (ii) such loss would have been covered under this insurance had this cover with its agreements, limitations and conditions as at the time of such substitution been in force when the acts or defaults causing such loss were committed; and
- (iii) recovery under this insurance due to such loss shall in no event exceed the amount which would have been recoverable under this cover in the amount for which it is written as of the time of such substitution, had this insurance been in force when such acts or defaults were committed, or the amount which would have been recoverable under such prior insurance cover or policy had such prior insurance or policy continued in force until the discovery of such loss, if the latter amount be smaller.

#### 4.4. Insurance Cover Period, Territory, Discovery

Loss is covered under this Section only if discovered not later than one year from the end of the Policy Period.

Subject to Conditions 4.3 above, coverage applies only to loss sustained by the Insured through fraudulent or dishonest acts committed during the Policy Period by any of the Employees engaged in the regular service of the Insured within the territory stated in the Schedule or while such Employees are elsewhere for a limited period.

#### 4.5. Ownership of Money or Other Property

The Insured property may be owned by the Insured, or held by the Insured in any capacity whether or not the Insured is liable for the loss thereof, or may be property as respects which the Insured is legally liable.

#### 4.6. Loss, Notice & Proof

Upon knowledge or discovery of loss under this Insurance cover, the Insured shall: (a) give notice thereof as soon as practicable to the Company or any of its authorized agents, and (b) file detailed proof of loss, duly sworn to, with the Company within four months after the discovery of loss.

Upon the Company's request, the Insured shall produce for the Company's examination all pertinent records, at such reasonable times and places as the Company shall designate, and shall cooperate with the Company in all matters pertaining to loss or claims with respect thereto. No action shall lie against the Company unless, as a condition precedent thereto, there shall have been full compliance with all the terms of this Insurance cover, nor until ninety days after the required proofs of loss have been filed with the Company, nor at all unless commenced within two years from the date when the Insured discovers the loss. If any limitation of time for notice of loss or any legal proceeding herein contained is shorter than that permitted to be fixed by agreement under any statute controlling the construction of this Insurance cover, the shortest permissible statutory limitation of time shall govern and shall supersede the time limitation herein stated.

#### 4.7. Recoveries

If the Insured shall sustain any loss covered by this Insurance cover which exceeds the amount of indemnity provided by this Insurance cover, the Insured shall be entitled to all recoveries (except from suretyship, insurance, reinsurance, security or indemnity taken by or for the benefit of the Company) by whomsoever made, on account of such loss under this Insurance cover until fully reimbursed, less the actual cost of effecting the same; and any remainder shall be applied to the reimbursement of Company.

#### 4.8. Limit of Liability

Indemnification by the Company for any loss under this Insurance cover shall not reduce the Company's liability for other losses under this Insurance cover whenever sustained. The Company's total liability under this Insurance cover for any loss caused by any Employee or in which such Employee is concerned or implicated is limited to the amount stated in the Schedule.

Regardless of the number of years this Insurance cover shall continue in force and the number of premiums which shall be payable or paid, the limit of liability stated in the Schedule shall not be cumulative from year to year or period to period.

#### 4.9. Limit Of Liability Under This Insurance Cover And Prior Insurance.

With respect to loss caused by any Employee or in which such Employee is concerned or implicated or which is chargeable to any Employee as provided in the Insuring Clause above and which occurs partly during the Insurance cover Period and partly during the period of other insurance covers or policies issued by the Company to the Insured or to any predecessor in interest of the Insured and terminated or canceled or allowed to expire and in which the period for discovery has not expired at the time any such loss thereunder is discovered, the total liability of the Company under this Insurance cover and under such other insurance covers or policies shall not exceed, in the aggregate; the amount stated in the Schedule or the amount available to the Insured under such other insurance covers, or policies, as limited by the terms and conditions thereof, for any such loss, if the latter amount be the larger.

#### 4.10 Cancellation As To Any Employee

This Insurance cover shall be deemed canceled as to any Employee:

- (a) immediately upon discovery by the Insured, or by any partner or officer thereof not in collusion with such Employee; or
- (b) at 12.01 A.M Malaysian time as aforesaid, upon the effective date specified in a written notice mailed to the Insured. Such date shall not be less than fifteen days after the date of mailing. The mailing by the Company of notice as aforesaid to the Insured at the address shown in this Insurance cover shall be sufficient proof of notice. Delivery of such written notice by the Company shall be equivalent to mailing.

#### 4.11 Loss Caused by Unidentifiable Employees

If a loss is alleged to have been caused by the fraud or dishonesty of any one or more of the Employees and the Insured shall be unable to designate the specific Employee or Employees causing such loss, the Insured shall nevertheless have the benefit of this Insurance cover, subject to the provisions of Exclusion 2.1.(ii) of this Insurance cover, provided that the evidence submitted reasonably proves that the loss was in fact due to the fraud or dishonesty of one or more of the said Employee, and provided, further that the aggregate liability of the Company for any such loss shall not exceed RM 10,000.

#### Special Endorsements

#### 4.12 Excess Clause

The Company shall not be liable under the attached insurance cover on account of loss through acts or defaults committed at any time by any Employee or in which such Employee is concerned or implicated, unless the amount of such loss, after deducting the net amount of all reimbursement and recovery, including any cash deposit taken by the Insured, obtained or made by the Insured, other than from any insurance cover or policy of insurance issued by a surety or insurance Company covering such loss, or by the Company on account thereof prior to payment by the Company of such loss, shall exceed in the aggregate the sum of RM250.00 (hereinafter called the Deductible Amount) and then for such excess only, but in no event for more than the amount of indemnity carried under the attached insurance cover on such loss.

Clause Conditions 4.7 of the attached insurance cover is deleted and the following substituted therefore:

“Conditions 4.7 If the Insured shall sustain any loss covered by this Insurance cover which exceeds the amount of Indemnity provided by this Insurance cover plus the Deductible Amount, the Insured shall be entitled to all recoveries (except from suretyship, insurance, reinsurance, security or indemnity taken by or for the benefit of the Company) less the actual cost of effecting the such recoveries; until fully reimbursed for the excess amount, and any remainder shall be applied to the reimbursement of Company before reimbursement of such Deductible Amount.”

#### 4.13 Known Claims & Circumstances Exclusion Clause

It is hereby understood and agreed that the Company shall not be liable to make any payment for loss in connection with any claim made against the insured arising out of, based upon or attributable to any wrongful acts occurring prior to the inception date of this policy if on or before the inception date of this policy any insured knew or could have reasonably foreseen that such wrongful act could lead to a claim.

#### 4.14 Discovery Period Clause

Notwithstanding anything stated to the contrary, the Company shall be liable for any loss suffered by the Insured as a result of any dishonest or fraudulent act of an employee as covered by the Section on the renewal of the Policy, in any period of insurance subject to such loss being discovered not later than twelve (12) months after the termination of service or resignation of the employee or twelve (12) months after the non renewal of the Policy whichever shall occur first.

The Company shall be notified within 30 days of the discovery of the loss.

#### 4.15 Auditors & Accountants Fees Clause

In the even of a claim being admitted under this Insurance, the Section shall include Auditors and/or Accountants fees to an amount not exceeding RM5,000.00 such fees being reasonably incurred in:

- (a) providing satisfactory proof of pecuniary loss by the Employer
- (b) preparations of a detailed statement as required under the Claim Conditions of this Policy provided that the terms “Auditors and/or Accountants” under this clause shall mean a Professional Auditor and/or Accountant approved by both the Insurance and the Employer.

# Group Personal Accident

## 1 Cover

### Accidental Death & Disablement

- 1.1 This insurance only covers injuries arising out of accident that occur during the Policy Period which, directly and independently of all other causes, result in either death, disablement or total disability (as described at Appendix A) premium for which coverage has been paid or agreed to be paid. In the case of overlapping Benefits, indemnity calculated from the highest Benefit will be that which is payable.
  - 1.2 The Company agrees that if during the Policy Period the Insured Person sustains Injury as the result of a covered Accident which result in death or Permanent Total Disablement within twelve (12) calendar months from the date of the Accident, the Company will pay the Insured Person or their named nominee as the case may be, the relevant percentage of sum insured applicable to benefit as stated in the Schedule of Benefit at Appendix A.
  - 1.3 In the event of any Permanent Disablement not otherwise provided for under the Schedule of Benefits, the Company reserves the right to adopt such percentage as in the Company's opinion the percentage of disablement without taking into account the occupation of the Insured Person and which is not inconsistent with the indemnities provided under the Schedule of Benefits.
  - 1.4 If the Insured Person is left-handed, the percentage relating to the right arm or right hand shall apply to the left arm or left hand respectively and the percentages relating to the left arm or left hand apply to the right arm or right hand respectively.
  - 1.5 When more than one infirmity arises from one Accident, the percentages are added together but cannot exceed 100% of the Accidental Death and Permanent Disablement indemnity stated in the Schedule of Benefits.
  - 1.6 **Compensation limit:** Compensation shall not be payable for more than one of the Events 1 to 19 in the Benefit table in respect of the same injury. The admission of any one benefit (Event 1 to 19 in the Benefit table) will exhaust that particular benefit coverage for a particular Insured Person. The policy will continue as if that coverage benefit had been cancelled for that Insured Person.
  - 1.7 Total compensation payable for each Insured Person in one policy year is limited to 100% of the Sum Assured. Should this 100% limit be reached before the policy term, then coverage for the Insured Person lapses at the moment the last event giving rise to the 100% benefit or that difference making up the balance of the 100% benefit occurs.
- the Company, prove that the loss did not in any way arise under or through any of the above excepted circumstance or cause:-
- 2.1 the Insured Person is below the age of 16 or above the age of 65;
  - 2.2 members of the Armed forces, Police ,Fire Department , Government enforcement agencies, Air crew, Ship crew and Security Service provider while on duty or participating in an activity related to their profession.
  - 2.3 racing driver or rider, stuntman ,bodyguard and related activities.
  - 2.4 Pre-Existing Condition;
  - 2.5 suicide or intentional self-inflicted injuries or any attempted thereof while sane or insane;
  - 2.6 during air travel (except as a fare paying passenger in any properly licensed private and/or commercial aircraft);
  - 2.7 any criminal act or resistance to arrest;
  - 2.8 participation in any illegal activities or violation of a law which carries any penalty of imprisonment;
  - 2.9 treatment of alcoholism or drug abuse or any other complications arising therefrom or any drug Accident;
  - 2.10 pregnancy, miscarriage or childbirth or any treatment relating to birth control or treatment pertaining to infertility or any other complication arising therefrom;
  - 2.11 psychosis, mental or nervous disorders or sleep disturbance disorders;
  - 2.12 cosmetic or plastic surgery or any elective surgery unless necessitated by injury caused by an Accident
  - 2.13 any form of dental care or surgery unless necessitated by injury caused by an accident to sound and natural teeth;
  - 2.14 any congenital defect
  - 2.15 routine health checks, any investigation(s) not directly related to admission diagnosis, illness or injury or any treatment;
  - 2.16 investigation which is not medically necessary or convalescence, custodial or rest care;
  - 2.17 Acquired Immune Deficiency Syndrome (AIDS) or any complications associated with infection by any Human Immune Deficiency Virus (HIV) (for the purpose of this Policy, the definition of AIDS shall be that used by the World Health Organization in 1987, or any subsequent revision by the World Health Organization of that definition; infection shall be deemed to have occurred where blood or other relevant test(s) indicate in the opinion of the Company either the presence of any Human Immune Deficiency Virus or Antibodies to such a Virus);
  - 2.18 engaging, practicing or participating in a sport in a professional capacity or when a Insured Person would or could earn income or remuneration from engaging in such sport;
  - 2.19 death or injury directly or indirectly occasioned by war, invasion, act of foreign enemy, hostilities or warlike operation (whether war be declared or not) mutiny, civil war, rebellion, revolution, insurrection, conspiracy, military or usurped power, martial law, or state of siege, of any of the events or causes which determine the proclamation

## 2 Exclusions

This insurance excludes anyone falling within the following events or situations. This exclusion shall not be cancelled by any endorsement, which does not refer to a specific exclusion, in whole or in part. The Policyholder shall, if so required, and as a condition precedent to any liability of

## Group Personal Accident

or maintenance of martial law, or state of siege, seizure, quarantine, or customs regulations or nationalization by or under the order of any government or public or local authority;

**2.20** The Company will not pay under any section of this policy where such payment would violate a government prohibition or regulation;

**2.21** The Company is not liable to make any payments for liability under any coverage sections of this policy or make any payments under any extension for any loss or claim arising in, or where the Insured Person or any beneficiary under the policy is a citizen or instrumentality of the government of, any country/countries against which any laws and/or regulations governing this policy and/or the Company, its parent Company or its ultimate holding entity have established an embargo or other form of economic sanction which have the effect of prohibiting the Company from providing insurance coverage or transacting business with or otherwise offering economic benefits to the Insured Person or any other beneficiary under the policy.

It is further understood and agreed that no benefits or payments will be made to any beneficiary/beneficiaries who is/are declared unable to receive economic benefits under the laws and/or regulations governing this policy and/or the Company, its parent Company or its ultimate holding entity.

### 3 Definitions

For the purposes of this section of the policy only,

#### **3.1 Accident/Accidental**

means a sudden, unintentional, unexpected, unusual and specific events that occurs at an identifiable time and place which shall independently of any other cause be the sole cause of Injury resulting in Death or Disablement.

#### **3.2 Activities of Daily Living**

means

- (a) Transfer: Getting in and out of a chair without requiring physical assistance.
- (b) Mobility: The ability to move from room to room without requiring any physical assistance.
- (c) Continence: The ability to voluntarily control bowel and bladder functions such as to maintain personal hygiene.
- (d) Dressing: Putting on and taking off all necessary items of clothing without requiring assistance of another person.
- (e) Bathing/Washing: The ability to wash in the bath or shower (including getting in or out of the bath or shower) or wash by any other means.
- (f) Eating: All efforts to eat food after it is prepared.

#### **3.3 Benefit(s)**

means the respective benefits under this policy, more particularly described in the Schedule of Benefits.

#### **3.4 Child/Children**

means a legal child (whether biological, step or adopted) who is between the ages of One (1) year and under 18 years, who has never been married and is financially wholly dependent on the Insured Person. The upper age limit is extended to

23 years if such children are registered into recognized educational institutions and are actually studying full-time courses there.

#### **3.5 Covered Injury**

means Injury due to an Accident occurring during the Policy Period.

#### **3.6 Competent Age**

refers to the age eligibility of the Insured Person to qualify for cover under this Policy, and ranges from 16 (Sixteen) years old to 65(sixty-five) years old.

#### **3.7 Congenital Conditions**

means any medical or physical abnormalities existing at the time of birth, as well as neo-natal physical abnormalities developing within 6 months from the time of birth whether known or unknown to the Insured Person. These conditions include all types of hernias, and epilepsy except when caused by a trauma, which occurs after the inception date of cover.

#### **3.8 Common Carrier**

means any bus, coach, taxi, ferry, hovercraft, hydrofoil, ship, train, tram or underground train provided and operated by a carrier duly licensed for the regular transportation of fare paying passengers and any fixed wing aircraft provided and operated by an airline or an air charter Company which is duly licensed for the regular transportation of far paying passengers and nay helicopter provided and operated by an airline which is duly licensed for the regular transportation of far paying passengers and operating only between established commercial airports or licensed commercial heliports and any regularly scheduled airport limousine operating on fixed routes and schedules.

#### **3.9 Confinement**

means admission to a Hospital for a minimum period of six (6) hours upon the recommendation of a Physician or Surgeon. Confinement shall be evidenced by a daily room/room & board charge by the Hospital and under no circumstances shall the Company pay for more than one Hospital Income Benefit and Board for each day of Confinement.

#### **3.10 Date of Loss/Accident**

means the date when the Accident or Disability occurs.

#### **3.11 Disability**

means a Sickness, Disease, Illness or the entire Injuries arising out of a single or continuous series of causes.

#### **3.12 Effective Date**

means the date from which the insurance coverage under this policy becomes effective. The Effective Date of this policy is as stated in the Policy Schedule. The Effective Date of the Certificate of Insurance (if applicable) will be that stated in the respective Certificates of Insurance.

#### **3.13 Hospital**

means only an establishment duly constituted and registered as a Hospital for the care and treatment of sick and injured persons as paying bed-patients, and which:-

- (i) has facilities for diagnosis and major surgery,
- (ii) provides 24-hours a day nursing services by registered and graduate nurses,
- (iii) is under the supervision of a Physician, and

## Group Personal Accident

(iv) is not primarily a clinic; a place for alcoholics or drug addicts; a nursing, rest or convalescent home or a home for the aged or similar establishment.

### 3.14 Injury

means bodily injury caused solely by Accident.

### 3.15 Insured Person

means the person declared in the application.

### 3.16 Loss of Fingers Or Toes

means the complete severance of the finger or toe through or above the metacarpophalangeal joint or metatarsophalangeal joint.

### 3.17 Loss of Hearing

means permanent irrecoverable loss of hearing where:

If a dB = Hearing loss at 500 Hertz

If b dB = Hearing loss at 1000 Hertz

If c dB = Hearing loss at 2000 Hertz

If d dB = Hearing loss at 4000 Hertz

1/6 of (a+2b+2c+d) is more than 80dB

### 3.18 Loss of Limb

means loss by physical severance of a hand at or above the wrist or of a foot at or above the ankle.

### 3.19 Loss of Sight

means the total, absolute and irrecoverable loss of sight.

### 3.20 Loss of Speech

means the disability in articulating any three of the four sounds which contribute to the speech (i.e. the Labial sounds, the Alveololabial sounds, the Palatal sounds and the Velar sounds) or total loss of vocal cord or damage of the speech center in the brain resulting in the inability to speak.

### 3.21 Loss of Use

means permanent limitation in function in relation to the limb or organ following an Injury.

### 3.22 Policy Period

means the period for which premium has been paid and where insurance cover is effective. It is the period between the policy inception date (or date of its last reinstatement pursuant to the provisions of this policy, whichever is later) and the expiry date as stated in the Policy Schedule

### 3.23 Permanent

means lasting a full period of twelve (12) calendar months from the Date of Loss and at the end of such period being beyond any hope of recovery or improvement.

### 3.24 Permanent Total Disablement

means physical disablement as a result of Injury and commencing within three hundred and sixty-five (365) days from the Date of Loss, an Insured Person is totally, continuously and permanently disabled and prevented from performing three (3) or more Activities of Daily Living as herein defined which would normally be carried out by him/her in his/her daily life had such disablement not occur.

### 3.25 Physician or Surgeon

means a registered medical practitioner qualified and licensed to practice western medicine and who, in rendering such treatment, is practicing within the scope of his licensing and training in the geographical area of practice, but excluding doctor, physician or surgeon who is the Insured Person himself.

### 3.26 Pre-Existing Condition

means disabilities that existed before the Effective Date of this Policy and for which the Insured Person is receiving treatment or has shown manifestations/symptoms irrespective of whether the Insured Person was aware or should have reasonably been aware. Consultation with a Physician for any sign or pain or discomfort shall constitute a manifestation or symptom of a Disability.

## 4 Conditions

In addition to the general terms and conditions, the following terms shall apply to the cover provided by this section of the policy only:

### 4.1 Termination Of Coverage

The insurance coverage afforded for each Insured Person shall terminate automatically on the earliest of the following dates:

When the Insured Person reaches 66 years of age; or

On the date when the Insured Person relationship to the Policyholder terminates; or

Immediately after admission of 100% liability for an admitted claim by the Company; or

In the event of any fraud in the procurement of this insurance or in deriving any benefits hereunder.

### 4.2 Medical Examination

The Company at its own expense shall have the right to require additional proof and request medical examination of the Insured Person when and as often as it may reasonably require during the period when the claim is pending and to conduct an autopsy in case of death provided it is not forbidden by law.

### 4.3 Age Limits For Persons Insured Under This Policy

Entry age of the Insured Person shall be from the age of Sixteen (16) years to Sixty Five (65).

### 4.4 Mis-Statement of Age

All ages referred to in this policy shall be the age of the Insured Person at his last birthday. Where the age of the Insured Person has been misstated and it is found that at the correct age the Insured Person is not insurable under this policy pursuant to the Company's underwriting rules, the policy shall be void.

### 4.5 Exposure and Disappearance

If as a result of the Accident, the Insured Person is inevitably exposed to forces of nature and/or weather elements which cause death or bodily injury covered under this Policy, such incidental death or bodily injury shall be covered under this policy.

An Insured Person shall be deemed dead for purposes of this policy if his/her body is not found for more than one (1) year as a result of sinking and/or wreck of Common Carrier in which the Insured Person was a fare-paying passenger and onboard at the time of the Accident. In the event the Insured Person is found to be alive after the benefit(s) under this policy has/have been claimed by the Insured Person's named nominee(s), any sum of monies so paid by the Company shall be refunded to the Company forthwith upon

## Group Personal Accident

written notice for such refund, failing which, such sum shall be a recoverable debt by the Company.

### 4.6 Rights of Ownership

The Policyholder shall have the right to exercise every option, benefit or privilege conferred by the provisions of the Policy. Every transaction relating to the policy shall be between the Company and the Policyholder and shall be valid without notice to or with the consent of the Insured Person.

### 4.7 Change in Country Of Residence

Cover of the Insured Person is subject to their residence in Malaysia. Cover does not extend to any of the Insured Person residing outside of Malaysia unless prior extension of cover has been accorded by the Company. It is a condition precedent to liability under this policy that in the event of change of Country of Residence, the Company must be informed in writing of any change in the Insured Person's country of residence. A change in the country of residence shall be deemed to mean the Insured Person is living or is intending to live in another country other than Malaysia in excess of six (6) calendar months whether consecutive or otherwise. Failure to notify the Company of this change will invalidate the Insurance in respect of that Insured Person with effect from the date he/she leaves Malaysia. The Company reserves the right to continue cover on the prevailing terms and conditions or to decline cover under this policy upon receipt of such information.

### 4.8 To Whom Indemnity is Payable

Indemnity for all benefits will be paid to the Policyholder. The process of claim including settlement will be handled directly between the Company and the Policyholder whose sole discharge will constitute full and final discharge of the claim lodged.

### 4.9 Change in Risk

The Insured Person shall give immediate notice in writing to the Company of any material change in his or her occupation, business, duties or pursuits and pay any additional premium that may be required by the Company.

### 4.10 Addition / Deletion Clause

It is hereby declared and agreed that any additional employees will be automatically covered by this policy from the first day of employment at no additional premium. No refund will be accorded for any employees who have left the employment.

## Appendix A Schedule of Benefits

| Benefit Table   | Percentage Of Principal Sum Insured |
|---|-------------------------------------|
| 1. Accidental Death   | 100%                                |
| 2. Permanent Total Disablement                                    | 100%                                |
| 3. Permanent and Incurable Paralysis of all limbs                 | 100%                                |
| 4. Permanent Total Loss of Sight of Both Eyes                     | 100%                                |
| 5. Permanent Total Loss of Sight of One Eye                       | 100%                                |
| 6. Loss of or the Permanent Total Loss of Use of Two Limbs        | 100%                                |
| 7. Loss of or the Permanent Total Loss of Use of One Limb         | 100%                                |
| 8. Loss of Speech and Hearing                                     | 100%                                |
| 9. Permanent Total Loss of Hearing in                             |                                     |
| a) both Ears  | 75%                                 |
| b) one Ear  | 25%                                 |
| 10. Permanent and Incurable Insanity                              | 100%                                |
| 11. Loss of Speech  | 50%                                 |
| 12. Permanent Total Loss of the Lens of One Eye                   | 50%                                 |
| 13. Loss of or the Permanent Total Loss of Four Fingers and Thumb | 60%                                 |
| 14. Loss of or the Permanent Total Loss of Use of One Thumb       |                                     |
| a) Both Phalanges   | 30%                                 |
| b) One Phalanx  | 10%                                 |
| 15. Loss of or the Permanent Total Loss of Use of Four Fingers    | 40%                                 |
| 16. Loss of or the Permanent Total Loss of Use of Fingers         |                                     |
| a) Three Phalanges  | 10%                                 |
| b) Two Phalanges  | 8%                                  |
| c) One Phalanx  | 5%                                  |
| 17. Loss of or the Permanent Total Loss of Use of Toes            |                                     |
| a) All of One Foot  | 15%                                 |
| b) Great, Both Phalanges  | 5%                                  |
| c) Great, One Phalanx   | 3%                                  |
| d) Other than Great Toe, each toe (one phalanx or more)           | 1%                                  |
| 18. Fractured Leg and/or Patella with Established Non-Union       | 10%                                 |
| 19. Shortening of Leg by at least 5 cm                            | 7.5%                                |

# Employers' Liability

## 1 Covers

Now this Policy witnesseth that if any person under contract of service or apprenticeship with the insured shall sustain bodily injury by accident or disease caused during the Period of Insurance and arising out of and in the course of his employment by the Insured in the Business.

- (a) The Company will subject to the terms exceptions and conditions contained herein or endorsed hereon (hereinafter collectively referred to as the Terms of this Policy) in respect of such injury or disease indemnify the Insured against liability at law for damage and claimant's costs and expenses.
- (b) The Company will also in the event of the death of the Insured indemnify the Insured's legal personal representatives in the Terms of this Policy in respect of liability incurred by the Insured provided that such personal representatives shall as though they were the Insured observe fulfil and be subject to the Terms of this Policy in so far as they can apply.

## 2 Exclusions

The Company shall not be liable under this Policy in respect of

- (a) the Insured's liability to employees of contractors to the Insured.
- (b) any liability of the Insured which attaches by virtue of an agreement but which would not have attached in the absence of such agreement.
- (c) any sum which the Insured would have been entitled to recover from any party but for an agreement between the Insured and such party.
- (d) any injury by accident or disease sustained outside the Geographical Area.
- (e) any liability of the Insured to pay compensation to an employee or to the legal personal representative or dependants of an employee by virtue of any Workmen's compensation law.
- (f) Any injury by accident or disease attributable to war invasion the act of foreign enemies hostilities or warlike operations (whether war be declared or not) civil war rebellion revolution insurrection or military usurped power.
- (g) any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
  - (i) nuclear weapons material.
  - (ii) ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel and for the purposes of this exception combustion shall include any self sustaining process of nuclear fission.
- (h) Asbestos  
Directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the manufacture of, mining of, use of, sales of,

installation of, survey or investigation of, management of, removal of, distribution of, existence of or exposure to asbestos products, asbestos fibers or asbestos dust, or property or materials containing any of the foregoing, including without limitation all liability to pay claimants' or the Insured's legal costs and expenses or any other costs and expenses, howsoever incurred in the investigation, defense and/or settlement of any claim or Legal Proceeding against the Insured.

Silica

Directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form, or to any obligation of the Insured to indemnify any party because of Bodily Injury or Property Damage arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form.

- (i) This insurance does not apply to any bodily injury, property damage, personal and advertising injury, or any other loss, cost or expense arising out of the presence, ingestion, inhalation, or absorption of or exposure to lead in any form or products containing lead.
- (j) It is understood and agreed that this insurance shall not apply to any liability arising out of consequential loss or loss of use arising out of damage to or destruction of any property belonging to any Principal or Contractor or whom work is being performed by or on behalf of the Named Insured.
- (k) It is hereby declared and agreed that this Policy excludes all claims arising out of pure financial loss.

## 3 Definitions

No additional definitions apply to this section of the policy.

## 4 Conditions

- 4.1** This Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear such specific meaning wherever it may appear.
- 4.2** The due observance and fulfillment of the terms conditions and endorsements of this Policy so far as they relate to anything to be done or not to be done by the Insured and the truth of the statements and answers in the Proposal shall conditions precedent to any liability of the Company to make any payment under this Policy.
- 4.3** Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company.
- 4.4** The Insured shall take reasonable precautions to prevent accidents and disease and shall comply with all statutory obligations.

## Employers' Liability

- 4.5** In the event of any occurrence which may give rise to a claim under this Policy the Insured shall as soon as possible give notice thereof the Company with full particulars. Every letter claim writ summons and process shall be notified or forwarded to the Company immediately on receipt. Notice shall also be given to the Company immediately the Insured shall have knowledge of any impending prosecution inquest or fatal enquiry in connection with any such occurrence as aforesaid.
- 4.6** No admission offer promise or payment shall be made by or on behalf of the Insured without the consent of the Company which shall be entitled if it so desires to take over and conduct in his name the defence or settlement of any claim or to prosecute in his name for its own benefit any claim for indemnity or damages or otherwise 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.
- 4.7** If at the time any claim arises under this Policy there be any other insurance covering the same liability the Company shall not be liable to pay or contribute more than its rateable proportion of any such claim and costs and expenses in connection therewith.
- 4.8** The first premium and all renewal premium that may be accepted are to be regulated by the amount of wages and salaries and other owings paid by the Insured to employees during each Period of Insurance. The name of every employee together with the amount of wages salary and other earnings shall be properly recorded and the insured shall at all times allow the Company to inspect such record and such supply the company with a correct account of such wages salaries and other earnings paid during any Period of Insured within one month from the expiry date of such Period of Insurance. If the amount so paid differ from the amount on which premium has been paid the difference in premium shall be met by a further proportionate payment to the Company or by a refund by the Company as the case may be.
- 4.9** The Company may cancel this Policy by sending fourteen (14) days' notice by registered letter to the Insured at his last known address and in such event the premium shall be adjusted in accordance with Condition 6.

## 5 Clauses and Endorsements

### 5.1 Standard Endorsement No: W.231

Notwithstanding anything stated to the contrary in this Policy, and subject to Condition 8 being deleted it is understood and agreed that if the wages herein stated are less than the actual wages (as defined in the Workmen's Compensation Ordinance currently in force) paid or payable to the workmen hereby insured corresponding to the period insurance, the liability of the Company in respect of any claim under this Policy shall be proportionately reduce and the Insured shall be considered as his own Company for the difference.

### 5.2 Common Law Liability

It is hereby understood and agreed that notwithstanding anything stated to the contrary herein, this Policy indemnifies the Insured against all sum for which the Insured shall be liable at Common Law up to a Maximum of RM 500,000/- as compensation for personal injury by accident or disease sustained by one or more employees in any one accident or occurrence and subject to a Maximum Limit of RM500,000/- during period of insurance.

The Company will in addition be responsible for all costs and expenses incurred with its written consent in defending any claim for such compensation.

The expression 'Common Law' is deemed to be the Common Law of England insofar as it applies to Malaysia, the Republic of Singapore and the State of Brunei and includes non-statutory and statutory law relating to payment of such compensation as a Court may award to employees proving injury by negligence of the employer excluding compensation awarded under/any Workmen's Compensation/any Legislation.

### 5.3 Millennium Clause

- (a) The Company will not pay for any loss or damage including loss of use with or without physical damage, injury (including bodily injury), expenses incurred 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 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, injury (including bodily injury) expenses incurred 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

## Employers' Liability

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, injury (including bodily injury), expenses incurred 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.

### 5.4 War & Terrorism Exclusion

**Section** [Exclusions (f)] – is amended with the addition of the following exclusions:

#### **War**

“Bodily injury” or “property damage” due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, invasion, act of foreign enemy, civil commotion, factional civil commotion, military or usurped power, rebellion or revolution.

#### **Terrorism**

“Bodily injury”, “property damage”, “personal injury” or “advertising injury” arising directly or indirectly as a result of or in connection with “terrorism” including, but not limited to, any contemporaneous or ensuing “bodily injury” or “property damage” caused by fire, looting or theft.

“Terrorism” means the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in connection with any organization, government, power, authority or military force, when the effect is to intimidate or coerce a government, the civilian population or any segment thereof, or to disrupt any segment of the economy.

Terrorism shall also include any act which is verified or recognized by the United States Government as an act of terrorism. All other terms and conditions of the Policy remain the same.

# Workmens' Compensation

## 1 Covers

Whereas the Insured carrying on the Business described in the Schedule and no other for the purpose of this insurance by a proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to The Company for the insurance hereinafter contained and has paid or agreed to pay the Premium as consideration for such insurance.

Now this policy witnesseth that if any time during the Period of Insurance any employee in the insured's immediate service shall sustain personal injury by accident or disease arising out of and in the course of his employment by the Insured in the Business and if the Insured shall be liable to pay compensation for such injury either under the Law(s) set out in this Policy or at Common Law

Then subject to the terms exceptions and conditions contained herein or endorsed hereon the Company will indemnify the Insured against all sums for which the Insured shall be so liable and will in addition be responsible for all costs and expenses incurred with its consent in defending any claim for such compensation.

Provided always that in the event of any change in the Law(s) or the substitution of other legislation therefore this Policy shall remain in force but the liability of the Company shall be limited to such sum as the Company would have been liable to pay if the Law(s) had remained unaltered.

## 2 Exclusions

The Company shall not be liable under this Policy in respect of

- (a) any injury by accident or disease directly attributable to war invasion act foreign enemy hostilities (whether war be declared or not) civil war mutiny insurrection rebellion revolution or military or usurped power.
- (b) the Insured's liability to employees of contractors to the Insured.
- (c) any employee who is not a "workman" within the meaning of the Law(s).
- (d) any liability of the Insured which attaches by virtue of an agreement but which would not have attached in the absence of such agreement.
- (e) any sum which the Insured would have been entitled to recover from any party but for an agreement between the Insured and such party.
- (f) any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
  - (i) nuclear weapons material.
  - (ii) ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel and for the purposes of this exception combustion shall include any self sustaining process of nuclear fission.
- (g) Board and/or lodging and other benefits of employees NOT being insured the Company shall NOT be liable for

Compensation in this respect.

- (h) This Policy does not indemnify the Insured in respect of any claim arising out of the use of Motor Cycles.
- (i) Asbestos  
Directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the manufacture of, mining of, use of, sales of, installation of, survey or investigation of, management of, removal of, distribution of, existence of or exposure to asbestos products, asbestos fibers or asbestos dust, or property or materials containing any of the foregoing, including without limitation all liability to pay claimants' or the Insured's legal costs and expenses or any other costs and expenses, howsoever incurred in the investigation, defense and/or settlement of any claim or Legal Proceeding against the Insured.  
Silica  
Directly or indirectly caused by or alleged to be caused by or contributed to, in whole or in part, by or arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form, or to any obligation of the Insured to indemnify any party because of Bodily Injury or Property Damage arising out of the presence, ingestion, inhalation or absorption of or exposure to silica products, silica fibers, silica dust or silica in any form.
- (j) This insurance does not apply to any bodily injury, property damage, personal and advertising injury, or any other loss, cost or expense arising out of the presence, ingestion, inhalation, or absorption of or exposure to lead in any form or products containing lead.
- (k) It is understood and agreed that this insurance shall not apply to any liability arising out of consequential loss or loss of use arising out of damage to or destruction of any property belonging to any Principal or Contractor or whom work is being performed by or on behalf of the named Insured.
- (l) It is hereby declared and agreed that this Policy excludes all claims arising out of pure financial loss.

## 3 Definitions

No additional definitions apply to this section of the policy.

## 4 Conditions

- 4.1 This Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear such specific meaning wherever it may appear.
- 4.2 Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company.
- 4.3 The Insured shall take reasonable precautions to prevent accidents and disease and shall comply with all statutory obligations.

## Workmens' Compensation

- 4.4** In the event of any occurrence which may give rise to a claim under this Policy the Insured shall as soon as possible give notice thereof the Company with full particulars. Every letter claim writ summons and process shall be notified or forwarded to the Company immediately on receipt. Notice shall also be given to the Company immediately the Insured shall have knowledge of any impending prosecution inquest or fatal enquiry in connection with any such occurrence as aforesaid.
- 4.5** No admission offer promise or payment shall be made by or on behalf of the Insured without the consent of the Company which shall be entitled if it so desires to take over and conduct in his name the defence or settlement of any claim or to prosecute in his name for its own benefit any claim for indemnity or damages or otherwise 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.
- 4.6** The first premium and all renewal premium that may be accepted are to be regulated by the amount of wages and salaries and other earnings paid by the Insured to employees during each Period of Insurance. The name of every employee together with the amount of wages salary and other earnings shall be properly recorded and the insured shall at all times allow the Company to inspect such record and such supply the company with a correct account of such wages salaries and other earnings paid during any Period of Insured within one month from the expiry date of such Period of Insurance. If the amount so paid differ from the amount on which premium has been paid the difference in premium shall be met by a further proportionate payment to the Company or by a refund by the Company as the case may be.
- 4.7** The due observance and fulfillment of the terms conditions and endorsements of this Policy so far as they relate to anything to be done or not to be done by the Insured and the truth of the statements and answers in the Proposal shall conditions precedent to any liability of the Company to make any payment under this Policy.
- 4.8** Claims if any under this Policy is payable in the currency of the place where the Policy is issued.
- 4.9 Notice To The Insured**  
No alteration in the terms and conditions of this Insurance, nor any endorsement hereon will be held valid unless the same is recognized and initialed by an Official of the Company. No renewal receipts are valid unless they are on the printed office form and under the signature of the Company or of an authorized Agent.
- 4.10 Laws, Clauses Endorsements Applicable To This Section Law(S):-**  
As set out in this Policy but only as amended up to the date of the commencement of this Policy. Workmen's Compensation Ordinance 1952 (Federation of Malaya) Workmen's Compensation (Amendment) Ordinance 1956 (Federation of Malaya) Workmen's Compensation (Amendment) Act 1976

Modification of Laws (Workmen's Compensation) (Extension and Modification) Ordinance 1981.

### **4.11 Full Declaration Of Wages**

It is a condition of this Policy that all persons employed and affected by Workmen's Compensation Law must be included and it has been stated in the proposal that the total wages and salaries declared have been fairly estimated.

Therefore, if at the time of claim in respect of injury sustained by an employee of the Insured the Total Wageroll is more than 20% higher than the total wage roll declared, then the insured shall be considered as being his own Company for the difference and shall bear a rateable proportion of the claim accordingly.

## 5 Clauses and Endorsements

### **5.1 Average Clause**

Warranted that any compensation payable under this Policy shall be based on a monthly average of the wages shown in the Schedule or the actual monthly wages whichever is the less.

### **5.2 Common Law Liability**

It is hereby understood and agreed that notwithstanding anything stated to the contrary herein, this Policy indemnifies the Insured against all sum for which the Insured shall be liable at Common Law up to a Maximum of RM 500,000/- as compensation for personal injury by accident or disease sustained by one or more employees in any one accident or occurrence and subject to a Maximum Limit of RM500,000/- during period of insurance.

The Company will in addition be responsible for all costs and expenses incurred with its written consent in defending any claim for such compensation.

The expression 'Common Law' is deemed to be the Common Law of England insofar as it applies to Malaysia, the Republic of Singapore and the State of Brunei and includes non-statutory and statutory law relating to payment of such compensation as a Court may award to employees proving injury by negligence of the employer excluding compensation awarded under/any Workmen's Compensation/any Legislation.

### **5.3 Standard Endorsement No:w.231**

Notwithstanding anything stated to the contrary in this Policy, and subject to Condition 6 being deleted it is understood and agreed that if the wages herein stated are less than the actual wages (as defined in the Workmen's Compensation Ordinance currently in force) paid or payable to the workmen hereby insured corresponding to the period insurance, the liability of the Company in respect of any claim under this Policy shall be proportionately reduce and the Insured shall be considered as his own Company for the difference.

### **5.4 Voluntary Workmen's Compensation Endorsement - VWC**

Subject otherwise to the terms, conditions and exclusions of this Policy, the coverage by this Policy is extended as follows:-

## Workmens' Compensation

### (1) Employee(s) Covered

Such insurance as is provided by this Policy shall also apply to employees in the Insured's immediate service for work within Malaysia at or from the place or places of employment stated in the Schedule and who are (a) registered with the Social Organization (hereinafter called SOCSO) in accordance with the Employees Social Security Act 1969, including any amendments thereof and/or (b) covered under the Foreign Workers Compensation Scheme in accordance with the Workmen's Compensation (Foreign Workers Compensation Scheme) (Insurance) Order 1996.

### (2) Insurance Provided

Where possible, in respect of above mentioned employees the Company agrees to pay voluntarily on behalf of the insured, or where not possible, the Company agrees to indemnify the Insured for such amounts as the Insured would have been obliged to pay by way of compensation if the under mentioned laws where applicable and if the Employee(s) covered sustains injury by accident or disease arising out of and in the course of his employment by the Insured in the Business.

"Workmen's Compensation Ordinance 1952 (Federation of Malaya)"

"Workmen's Compensation (Amendment) Ordinance 1956 (Federation of Malaya)"

"Workmen's Compensation (Amendment) Act 1976"

"Workmen's Compensation (Amendment) Act 1996"

Provided that

- (a) At its option, the Company may request the Insured to pay such sums due directly to the persons entitled thereto. Upon receipt of proof of payment to the satisfaction of the Company, the Company will reimburse the Insured for such payments.
- (b) Any person to whom any such compensation payment may be made shall, as a condition precedent to such payment execute such full legal release, as may be required by the Company, of all claims against the Insured and/or the Company on account of such injury, and shall execute an assignment to the Company of any right of action and the proceeds thereof which he may against any person or organization, other than the Insured which is or may be liable for such injuries. If, by virtue of such assignment, the Company collects an amount in excess of the compensation payments made or agreed to be made, the Company shall be entitled to, and shall retain from the amount recovered expenses incident to such recovery and the amount of the compensation payments made or agreed to be made and shall pay any remaining balance of the amount recovered to the person executing such assignment. The Company shall have full power and discretion to proceed against

the party at fault, to settle with such party upon such terms as may seem desirable to it, or take no action against such party.

- (c) If a person entitled to compensation payment under this extension shall refuse to accept or to continue receiving voluntary payment offered hereunder, or if the Insured shall request that the Company refuse to offer or to continue making such payment, the Company may at its discretion refuse to make such offer or payment or may withdraw, without notice, any offer or undertaking it has previously made, in which event the Company's obligation and liability under this extension shall cease forthwith.

- (d) Any claim, suit or demand made or prosecuted against the Insured or the Insured or the Company for damages for such injury shall be considered as a refusal to accept such voluntary payment.

Provided always that in the event of any change in the law(s) or the substitution of other legislation therefore this Policy shall remain in force but the liability of the

Company shall be limited to such sum as the Company would have been liable to pay if the law(s) had remained unaltered.

### 5.5 Temporary Total Disability Limitation

Should the amount of compensation payable under this extension in respect of Temporary Total or Partial Liability to any one Employee Covered plus similar compensation payable under SOCSO plus any earning from the Insured exceed the usual earnings of such Employee, the amount under this Policy shall be reduced by the amount in excess of such usual earnings.

### 5.6 Compliance With Statutory Obligation

It is agreed that the Insurance provided under this extension shall not be construed by the Insured as an exemption to comply with any statutory obligation and/or a policy pursuant to the scheme under the Workmen's Compensation (Foreign Workers Compensation Scheme) (Insurance) Order 1996, including registration of employees with SOCSO, where applicable.

### 5.7 Compliance with Other Policy Terms and Conditions

Provided that, except for the alterations made by this endorsement, all other Policy terms, conditions, exceptions and provisions, remain in full force and effect.

### 5.8 Standard Endorsement No. W. 2(A)

This Policy does not indemnify the Insured in respect of any claim arising in connection with the use of woodworking machinery driven by steam, gas, water, electricity or other mechanical power.

The expression "woodworking machinery" shall not be deemed to include:

Lathes, Fret-saw, Boring machines, Sanding machines, Mechanically-driven portable tools applied to the work by hand other than Pendulum and Swing Saws.

## Workmens' Compensation

### 5.9 Standard Endorsement No. W. 15(A)

This Section does not indemnify the Insured in respect of any claim arising in connection with:

- (a) The construction, alteration or repair of buildings involving the use of at any stage of mechanically driven machinery other than mortar mills, stone crushers, concrete mixers and friction hoists controlled by a motor with a lifting capacity not exceeding 10 cwt. and hoisting directly from one position only.
- (b) Any work of demolition (except the demolition of buildings not exceeding 30 ft. in height from the lowest point of the foundations to the highest point of the building, including chimneys, when such demolition is carried out workmen in the direct employ of the Insured and forms part of a contract for reconstruction, alteration or repair).  
N.B Replacement of damaged parts such as old timber or broken tiles does not come within the meaning of demolishing and reconstructing in respect of buildings of any height.
- (c) Construction, alteration or repair of towers, steeples, blast furnaces, chimney shafts, bridges, viaducts, bridges, docks, railways, canals or tunnels, well over 20 ft. in depth or any well sinking, other than artesian or tube wells.
- (d) Blasting operations, quarrying or sand or gravel getting.

### 5.10 Standard Endorsement No. W. 60

It is hereby understood and agreed that subject other wise to the terms, Exceptions and Conditions of the Policy the indemnity herein granted is extended to cover the legal liability of the Insured to workmen in the employment of Sub-Contractors performing work for the Insured while engaged in the business and occupation in respect of which the within Policy is granted, but only so far as regards claim under

The Workmen's Compensation Ordinance  
1952 (Federation of Malaya)

The Workmen's Compensation (Amendment) Ordinance  
19~6 (Federation of Malaya)

The Workmen's Compensation (Amendment) Act 1976  
Modification of Laws (Workmen's Compensation  
(Extension and Modification) Ordinance 1981.

including subsequent amendments to the said Ordinance and Enactment passed prior to the date of this endorsement

### 5.11 Standard Endorsement No. W. 192

This Policy does not indemnify the Insured in respect of any claim arising in connection with felling, sawing or carting of trees other than light trees not exceeding 20 ft. in height to be used for scaffolding or carrying poles.

### 5.12 Millennium Clause

- (a) The Company will not pay for any loss or damage including loss of use with or without physical damage, injury (including bodily injury), expenses incurred 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 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, injury (including bodily injury) expenses incurred 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, injury (including bodily injury), expenses incurred 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.

### 5.13 War & Terrorism Exclusion

Section [Exclusions (a)] – is amended with the addition of the following exclusions:

#### War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, invasion, act of foreign enemy, civil commotion, factional civil commotion, military or usurped power, rebellion or revolution.

#### Terrorism

"Bodily injury", "property damage", "personal injury" or "advertising injury" arising directly or indirectly as a result of or in connection with "terrorism" including, but not limited

## Workmens' Compensation

to, any contemporaneous or ensuing "bodily injury" or "property damage" caused by fire, looting or theft.

"Terrorism" means the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in connection with any organization, government, power, authority or military force, when the effect is to intimidate or coerce a government, the civilian population or any segment thereof, or to disrupt any segment of the economy.

Terrorism shall also include any act which is verified or recognized by the United States Government as an act of terrorism. All other terms and conditions of the Policy remain the same.



## DISCLOSURE AND POLICY STATEMENT

For all intents and purposes where there is a conflict or ambiguity as to the meaning in the English provisions or the Bahasa Malaysia provisions of any part of the contract, it is hereby agreed that the English version of the contract prevails.

If you wish to make a complaint on the products or services provided by us, you may contact us at:

AIG Malaysia Insurance Berhad

P O Box 11768, Kuala Lumpur

Tel: 1-800-88-8811

Fax: 603-21180288

E-mail: [aigmycare@aig.com](mailto:aigmycare@aig.com)

If your query or complaint is not satisfactorily resolved by us, you may contact Bank Negara Malaysia at: [bnm.gov.my/BNMLINK](http://bnm.gov.my/BNMLINK)

4th Floor, Podium Bangunan AICB

No. 10, Jalan Dato' Onn

50480 Kuala Lumpur

## PRIVACY NOTICE

All personal data collected and held by us will be used in accordance with our privacy policy, as notified to you from time to time and available at the following website:

<https://www.aig.my/privacy-notice>

## IMPORTANT NOTICE

Please take note that Product Disclosure Sheet is available at the following website:

<https://www.aig.my/business/products>

The information Sheet contains a summary of the product features. If you have any queries or are unsure of any of the policy terms or conditions, kindly call our Customer Service. Toll free at 03-21180188 (Monday – Friday, 9am – 5pm)



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