



Business Advantage - Property Management Insurance Package Policy

IMPORTANT NOTICE

This is your Property Management Insurance Package Policy. Please read this Policy carefully together with your Schedule to ensure that you understand the terms and conditions and that the cover you require is being provided. If you have any questions after reading this document, please contact your insurance advisor or AXA Affin General Insurance Berhad. If there are any changes in your circumstances that may affect the insurance provided, please notify us immediately, otherwise you may not receive the full benefits of this policy.

To help preserve the environment, AXA will send you one policy booklet only. Please keep this policy booklet in a safe place. In case of renewal and/or policy condition amendment, the company will send you the policy schedule and endorsement only. If at any time you would like a replacement for this document, please contact us and we will be happy to provide one.

If, for any reason, you are unhappy with the service you have received from us, you can take the following steps:-

1. In the first instance, please write to our Customer Service Department at our current address. Alternatively, you can e-mail us at: customer.service@axa.com.my
2. If you are still not satisfied with the way any issue has been handled you can:
 - (a) Refer matters concerning claims to:
 Ombudsman for Financial Services - Level 14, Main Block, Menara Takaful Malaysia, No. 4, Jalan Sultan Sulaiman, 50000 Kuala Lumpur.
 Tel: (603) 2272 2811 Fax: (603) 2272 1577
 - (b) Submit your complaints/feedback at Laman Informasi, Nasihat dan Khidmat (LINK), Bank Negara Malaysia; or call BNMTELELINK at 1-300-88-5465; or fax to 03-2174 1515; or e-mail to bnmtelelink@bnm.gov.my; or send letter to P.O Box 10922, 50929 Kuala Lumpur.

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.

GENERAL POLICY DEFINITIONS

Any word or expression, which has a specific meaning, should have this meaning attached to the word or expression found in the Policy and/or Schedule.

TERMS	MEANING
1. We/Us/Insurer/AXA	Shall mean 'AXA Affin General Insurance Berhad'.
2. You/Your/Yourself/Insured	Shall mean the Insured Person(s) or company named in the Schedule.
3. Business	Shall mean the business stated in the Schedule (conducted by you at or from premises in Malaysia) including: <ol style="list-style-type: none"> (a) the provision and management of canteen, sports, social or welfare organizations for the benefit of employees and fire security, first aid, medical and ambulance services. (b) private work undertaken with your prior consent by employees for any director or senior official of the business. (c) the ownership, maintenance and repair of such premises.
4. Period of Insurance	Shall mean: <ol style="list-style-type: none"> (a) the period of cover shown on your Schedule (b) and for any following period, for which cover is extended by mutual agreement.
5. Employee	Shall mean any person under a contract of service or apprenticeship with you while working for you in connection with the business.

6. Excess/Deductible	Shall mean the amount shown in your Policy and/or Schedule for each loss/accident, for which we shall not reimburse you in the event of a claim.
7. Proposal Form	Shall mean the Proposal form signed by you and which provides details of: <ol style="list-style-type: none"> (a) yourself, and (b) all material information relevant to the cover which you have requested.
8. Policy	Shall include the following documents: <ol style="list-style-type: none"> (a) this Policy booklet, (b) the Schedule, and (c) any Endorsements attached or issued.
9. Schedule	Shall mean the document which reflects details of: <ol style="list-style-type: none"> (a) yourself, (b) any terms and conditions that are specific to your contract

SECTION 1 - COMMERCIAL FIRE INSURANCE

In Consideration of the Insured named in the Schedule hereto paying to AXA AFFIN GENERAL INSURANCE BERHAD (hereinafter called "the Company") the Premium mentioned in the said Schedule.

The Company agrees subject to the Terms and Conditions contained herein or endorsed or otherwise expressed hereon that if the Property Insured described in the said Schedule or any part of such property be destroyed or damaged by FIRE or LIGHTNING during the Period of Insurance stated in the Schedule or of any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the renewal of this Policy, the Company will pay or make good to the Insured the actual value of the Property Insured at the time of the happening of its destruction or the actual amount of such damage.

Provided that the liability of the Company shall in no case exceed in respect of each item the sum expressed in the Schedule to be insured thereon or in the whole the Total Sum Insured hereby or such other sum or sums as may be substituted therefor by endorsement hereon or attached hereto signed by or on behalf of the Company.

Provided always that the due observance and fulfilment of the terms conditions and endorsements of this Policy in so far as they relate to anything to be done or complied with by the Insured shall be conditions precedent to any liability of the Company to make any payment under this Policy.

CONDITIONS

1. All Insurance under this Policy
 - (a) on any building or part of any building,
 - (b) on any property contained in any building,
 - (c) on rent or other subject matter of Insurance in respect of or in connection with any building or any property contained in any building.

shall cease immediately upon any fall or displacement

- (a) of such building or of any part thereof,
- (b) of the whole or any part of any range of buildings or of any structure of which such building forms part.

PROVIDED that such fall or displacement is of the whole or a substantial or important part of such building or impairs the usefulness of such building or any part thereof or leave such building or any part thereof or any property contained therein subject to increased risk of fire or is otherwise material.

AND PROVIDED that such fall or displacement is not caused by fire, loss or damage by which is covered by this Policy or would be covered if such building, range of buildings or structure were insured under this Policy.

In any action, suit or other proceeding, the burden of proving that any fall or displacement is caused by fire as aforesaid shall be upon the Insured.

2. Under any of the following circumstances the insurance ceases to attach as regards the property affected unless the Insured, before the occurrence of any loss or damage, obtains the sanction of the Company signified by endorsement upon the Policy, by or on behalf of the Company
 - (a) If the trade or manufacture carried on be altered, or if the nature of the occupation or other circumstances affecting the building insured or containing the insured property be changed in such a way as to increase the risk of loss or damage by fire.
 - (b) If the building insured or containing the insured property becomes unoccupied and so remains for a period of more than thirty (30) days.
 - (c) If property insured be removed to any building or place other than that in which it is herein stated to be insured.
 - (d) If the interest in the property insured pass from the Insured otherwise than by will or operation of law.
 - (e) If a notice to quit by any order by the local Authorities for the requisition or acquisition of the land on which the Insured's property is situated has been issued.
3. The insurance under this policy extends to include:-
 - (a) wages of the Insured's employees other than full-time members of a Works Fire Brigade.
 - (b) the cost of replacement of fire fighting appliances and destruction of or damage to materials (including employees' clothing and personal effects) unless otherwise specifically insured.
 - (c) Fire Brigade charges.

Provided always that the liability of the Company in respect of such wages, costs and charges shall be limited to those necessarily and reasonably incurred in extinguishing fires at or adjoining the situation of the property insured by this policy or immediately threatening to involve such property.

4. On the happening of any loss or damage to any of the property insured by this Policy, the Company may:-
 - (a) Enter and take and keep possession of the building or premises where the loss or damage has happened.
 - (b) Take possession of or require to be delivered to it any property of the Insured in the building or on the premises at the time of the loss or damage.
 - (c) Keep possession of any such property and examine, sort, arrange, remove, or otherwise deal with the same.
 - (d) Sell any such property or dispose of the same for account of whom it may concern.

The powers conferred by this Condition shall be exercisable by the Company at any time until notice in writing is given by the Insured that he makes no claim under the Policy or, if any claim is made, until such claim is finally determined or withdrawn, and the Company shall not by any act done in the exercise or purported exercise of its powers hereunder, incur any liability to the Insured or diminish its right to rely upon any of the conditions of this Policy in answer to any claim.

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

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

5. In the event of a loss to the property insured herein, the Company shall pay the insured value or the market value of the insured property, whichever is the lower, subject to the deduction of any excess and amounts which the insured is required to bear under the policy. For the purpose of this condition, the term market value shall mean the value of the property insured herein at the time of damage or loss less due allowance for wear and tear and/or depreciation.

The Market Value of the insured property shall for the purpose of this condition be determined by a valuation obtained by the Company from the manufacturer, authorised sole agent or agent authorised broker, authorised distributor or building contractor of the cost of replacement or reinstatement, subject to the application of appropriate depreciation, of the insured property damaged or lost as it was at the time of the occurrence of such damage or loss.

In the event that there is, at the time of damage or loss no manufacturer, authorised sole agent or agent, authorised broker, authorised distributor or building contractor for the insured property, the valuation shall be obtained from a Loss Adjuster registered under the Financial Services Act 2013 or Registered Valuer under the Valuers and Appraisers Act 1981 and to be mutually appointed by both parties. The valuation of the insured property by the manufacturer, authorised sole agent or agent, authorised broker, authorised distributor, building contractor, Loss Adjuster registered under the Financial Services Act 2013 or Registered Valuer under the Valuers and Appraisers Act 1981 shall be conclusive evidence in respect of the market value of the insured property in any legal proceedings against the Company.

6. If the property hereby insured shall, at the breaking out of any fire, be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own Insurer for the difference, and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to this Condition.
7. In the event of a loss, the insurance hereunder shall be maintained in force for the full sum insured and the Insured shall be liable to pay an additional premium at the rate stated on the policy calculated on the amount of loss on a pro rata basis from the date of such loss to the expiry of the current period of insurance.

EXCEPTIONS

1. This Insurance does not cover:
 - (a) Loss by theft during or after the occurrence of a fire.
 - (b) Loss or damage to property occasioned by its own fermentation, natural heating or spontaneous combustion [except as may be provided in accordance with Condition 8(f)] or by its undergoing any heating or drying process.
 - (c) Loss or damage occasioned by or through or in consequence of
 1. The burning of property by order of any public authority
 2. Subterranean Fire
 - (d) Loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material.
2. This insurance does not cover loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purposes of this Condition 5(2) only combustion shall include any self-sustaining process of nuclear fission.

3. This insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:-
- (a) Earthquake, volcanic eruption or other convulsion of nature.
 - (b) Typhoon, hurricane, tornado, cyclone or other atmospheric disturbance.
 - (c) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war.
 - (d) Mutiny, riot, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.
 - (e) Any act of terrorism. For this purpose an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public in fear.

Any loss or damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be loss or damage which is not covered by this insurance, except to the extent that the Insured shall prove that such loss or damage happened independently of the existence of such abnormal conditions.

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

4. This insurance does not cover any liability for: Loss or destruction or damage caused by pollution or contamination except (unless otherwise excluded) destruction of or damage to the property insured caused by
- (a) pollution or contamination which itself results from a contingency hereby insured against.
 - (b) any contingency hereby insured against which itself results from pollution or contamination.
5. Unless otherwise expressly stated in the Policy this Insurance does not cover:
- (a) Goods held in trust or on commission.
 - (b) Bullion or unset precious stones.
 - (c) Any curiosity or work of art for an amount exceeding RM500/=.
 - (d) Manuscripts, plans, drawings, or designs, patterns, models or moulds.
 - (e) Securities, obligations, or documents of any kind, stamps, coined or paper money, cheques, books of account or other business books, or computer systems records.
 - (f) Coal, against loss or damage occasioned by its own spontaneous combustion.
 - (g) Explosives.
 - (h) Any loss or damage occasioned by or through or in consequence of explosion; but loss or damage by explosion of domestic boiler and gas used for illuminating or domestic purposes in a building in which gas is not generated and which does not form part of any gas works, will be deemed to be loss by fire within the meaning of this Policy.
 - (i) Any loss or damage occasioned by or through or in consequence of the burning, bush, lalang, prairie, pampas or jungle, and the clearing of lands by fire.
6. This insurance does not cover any loss or damage to property which, at the time of the happening of such loss or damage, is insured by or would, but for the existence of this Policy, be insured by any Marine Policy or Policies except in respect of any excess beyond the amount which would have been payable under the Marine Policy or Policies had this Insurance not been effected.

SECTION 2 - SPECIAL "ALL RISKS" INSURANCE POLICY (OPTIONAL)

THE INSURED by a Proposal and Declaration deemed incorporated herein has applied to **AXA AFFIN GENERAL INSURANCE BERHAD** (hereinafter called "the Company") for the insurance expressed herein and has paid or agreed to pay the Premium as consideration for the insurance.

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') indemnify the Insured against loss or damage to the Property Insured caused by the Contingencies whilst at the Situation occurring during the period of insurance as specified in the Schedule.

EXCLUSIONS

This insurance does not cover:

1. Loss or Damage caused by:
 - (a) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.
 - (b) Mutiny, riot, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determines the proclamation or maintenance of martial law or state of siege.
 - (c) Acts of terrorism committed by a person or persons acting on behalf of or in connection with any organisation.

For the purpose of this exclusion, "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.

2. Loss or damage caused by delay, confiscation, or detention by Customs or by order of any Government or Public Authority.
3. Loss or damage caused by scratching, denting, marring, wear, tear, inherent vice deterioration, gradual depreciation, moths, insects or vermin or by the action of light or climatic conditions, rust or corrosion, or by change of temperature howsoever caused.
4. Loss or damage to any part of the property whilst undergoing repair, alteration, testing, installation or servicing or losses due to mechanical or electrical breakdown or derangement.
5. Damage to the property insured caused by:
 - (a) faulty or defective design, materials or workmanship.
 - (b) interruption of the water supply, gas, electricity or fuel systems.
6. Loss or damage to:
 - Deeds, bonds, bills of exchange, promissory notes, money or securities for money, medals, bullion, gold, precious stones, postage stamps, collections of stamps or coins, curiosities or works of art, manuscripts or business books, plans, patterns, models or moulds drawings or designs, computer records, contracts or other documents unless specifically mentioned.
7. Loss or damage caused by:
 - (a) Theft directly or indirectly attributable to illegal action of the Insured's family or employees or any person to whom the property is entrusted.
 - (b) any wilful act or wilful negligence on the part of the Insured or any person acting on his behalf.
 - (c) Disappearance, unexplained or inventory shortage, misfiling or misplacing of information, shortages in supply or delivery of materials or shortage due to clerical or accounting error.
8. Loss or damage to the property whilst in transit, including the process of loading and unloading.
9. Breakages of glass or articles of a brittle nature unless such breakage is caused by Fire or Theft.
10. Loss or damage caused by and as a result of cessation of work whether total or partial.
11. The amount mentioned in the Schedule as the Insured's retained liability of each and every loss.
12. Loss or damage directly or indirectly or arising from or in consequence of or contributed to by:
 - (a) Nuclear weapons materials
 - (b) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this exclusion combustion shall include any self-sustaining process of nuclear fission.
13. Loss or damage occasioned by or through or in consequence, directly or indirectly, of landslip, landslide, ground heave, subsidence, coastal and river erosion, convulsion of nature, (other than Earthquake Volcanic Eruption, Storm and Tempest) subterranean fire, flood.
14. Loss, destruction or damage directly occasioned by pressure waves caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.
15. Any Consequential Loss or Legal Liability whatsoever.

16. 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, fraudulently or dishonestly induces the person so deceived to deliver 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'."

- If 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 any dominion over property, dishonestly misappropriates or converts to his own use that property, or dishonestly uses or disposes of that property in violation of any direction of law prescribing the mode in which such trust is to be discharged, or of any legal contract, expressed 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'."

17. This insurance does not cover any loss or damage to property which, at the time of the happening of such loss or damage, is insured by or would, but for the existence of this Policy, be insured by any Marine Policy or Policies except in respect of any excess beyond the amount which would have been payable under the Marine Policy or Policies had this insurance not been effected.

CONDITIONS

- Loss or damage caused by delay, confiscation, or detention by Customs or by order of any Government or Public Authority.
- On the happening of burglary housebreaking or theft which may give rise to a claim under this Policy the Insured shall:
 - take all practicable steps to recover Property Insured which is lost and to discover the guilty person or persons.
 - forthwith inform the police.
- Under any of the following circumstances the insurance ceases to attach as regards the property affected unless the Insured, before the occurrence of any loss or damage, obtains the sanction of the Company signified by endorsement upon the Policy, by or on behalf of the Company.
 - If the trade or manufacture carried on be altered, or if the nature of the occupation of or other circumstances affecting the insured property be changed in such a way as to increase the risk of loss or damage by contingencies stated in the schedule.
 - If the building containing the insured property become unoccupied and so remain for a period of more than 30 days.
 - If property insured be removed to any building or place other than that in which it is herein stated to be insured.
 - If the interest in the property insured pass from the Insured otherwise than by will or operation of law.
- On the happening of any loss or damage to any of the property insured by this Policy, the Company may
 - enter and take and keep possession of the building or premises where the loss or damage has happened.
 - take possession of any property of the Insured in the building or on the premises at the time of the loss or damage.
 - keep possession of any such property and examine, sort, arrange, remove, or otherwise deal with the same.
 - sell any such property or dispose of the same for account of whom it may concern.

The powers conferred by this Condition shall be exercisable by the Company at any time until notice in writing is given by the Insured that he makes no claim under the Policy or, if any claim is made, until such claim is finally determined or withdrawn, and the Company shall not by any act done in the exercise or purported exercise of its powers hereunder incur any liability to the Insured or diminish its right to rely upon any of the conditions of this Policy in answer to any claim.

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

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

- In no case whatever shall the Company be liable for any loss or damage after the expiration of twelve months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration.
- If the property hereby insured shall, at the time of any loss or damage insured by this Policy be collectively of greater value than the sum insured thereon, then the insured shall be considered as being his own insurer for the difference, and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to this condition.

ENDORSEMENTS/CLAUSES

1. FLOOD

This insurance extends to cover loss or damage directly caused by fire or otherwise occasioned by or through or in consequence of Flood (including overflow of the sea) subject to the following Excess Clause and Special Conditions attached hereto.

Note: Flood, for the purpose of this extension, shall mean the overflowing or deviation from their normal channels of either natural or artificial water courses, bursting or overflowing of public water mains and any other flow or accumulation of water originating from outside the building insured or containing the property insured, but excluding loss or damage caused by subsidence or landslip.

Provided always that all the Conditions of this Policy shall apply (except insofar as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this endorsement.

EXCESS CLAUSE

It is understood and agreed that as regards loss or damage to any property hereby insured directly caused by the peril to which this Clause is hereinbefore stated to apply, the Company's liability shall be limited to its rateable proportion of the amount by which such loss or damage exceeds either:

- 1% of the total sums insured against such peril on said property by Policies in the name of the Insured, or
- the first RM2,500.00 of each and every loss

whichever shall be the less. It is further agreed that this Clause shall apply separately to:

- each property for which purpose all insured properties at the same address will be regarded as one property
- each incident giving rise to such loss or damage and that for the purposes hereof an incident shall not be considered to have terminated until there have been seven (7) consecutive days freedom from the peril concerned and that only thereafter shall the Clause apply afresh.

Special Conditions

- This endorsement does not extend the insurance under this Policy to cover:
 - Consequential Loss of any kind.
 - Loss or damage caused by hail whether driven by wind or not.
 - Loss or damage caused by subsidence or landslip except when this is occasioned by earthquake or volcanic eruption, provided that these perils are insured against by this Policy
 - Loss or damage caused by explosion.
 - Loss by reason of any ordinance or law regulating the construction or repair of buildings.
- The Company shall not be liable under this extension for loss or damage which at the time of the happening of such loss or damage is insured by or would, but for the existence of this extension, be insured by any other existing Policy or Policies except in respect of any excess beyond the amount which would have been payable under such other Policy or Policies had this Insurance not been effected.
- Unless specifically and separately insured this endorsement does not cover Metal smoke stacks, awnings, blinds, signs or other outdoor fixtures or fittings of any description.

Subject otherwise to the terms and conditions of the policy.

2. CAPITAL ADDITION

It is hereby declared and agreed that this policy is extended to include alterations additions and improvements (but not appreciation in value in excess of the sum insured) to property specified in the policy hereof for an amount not exceeding 10% of the total sum insured and the insured undertakes to advise the company each quarter of such alterations additions and improvements and pay the appropriate additional premium thereon.

3. TEMPORARY REMOVAL

The property (other than stock-in-trade and merchandise) insured under this policy is covered (limited to 10% of the sum insured) whilst temporarily removed including whilst in transit for cleaning, renovation, modification, repair or other similar purpose, elsewhere on the same or to any other premises and in transit thereto and herefrom by road, rail, or inland water-way, 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:-

- (a) motor vehicles and motor chassis
- (b) property (other than machinery and plant) held by the insured in trust.

4. APPRAISEMENT

If the aggregate claim for any one loss does not exceed RM250.00 or 5% (five per cent) of the sum insured whichever is the lesser amount by the item or items affected no special inventory or appraisal of the undamaged property shall be required.

5. PAYMENT ON ACCOUNT

In the event of the occurrence of a loss covered under this policy the Company may approve an advance payment on account in respect of such loss at the request of the insured and with the loss adjuster's recommendation.

6. TEMPORARY STORAGE

The property (excluding buildings) insured under this policy is covered whilst temporarily stored anywhere in Malaysia and Singapore provided that:-

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

7. DESIGNATION OF PROPERTY

For the purpose of determining where necessary the item 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.

8. STRIKE RIOT AND MALICIOUS DAMAGE

This policy shall extend to cover the risk of riot, strike and malicious damage.

9. MALICIOUS DAMAGE

It is hereby agreed and declared that the insurance under the said Riot and strike endorsement shall extend to include malicious damage.

10. INTERNAL REMOVAL

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

11. VEHICLE LOAD

It is hereby declared and agreed that in the event of any of the insured's vehicles being left loaded overnight whilst in and/or on the premises described in the schedule hereto the company will indemnify the insured in respect of such load in the event of loss or damage following upon or followed by burglary accompanied by the actual forcible and violent breaking into or out of the vehicle under this Policy.

12. ALTERATION AND REPAIR

It is hereby declared and agreed that workmen are allowed in or about the premises referred to in this policy to carry out alterations and repairs without prejudice to the terms of this policy.

13. LOSS FROM UNATTENDED VEHICLE

It is hereby declared and agreed that loss of property insured from an unattended vehicle is excluded from this Policy.

Subject otherwise to the terms and conditions of this Policy.

SECTION 3 - BURGLARY INSURANCE POLICY (OPTIONAL)

THE INSURED having applied to AXA AFFIN GENERAL INSURANCE BERHAD (hereinafter called "the Company") for the insurance expressed herein and made a Proposal and Declaration deemed incorporated herein and having paid or agreed to pay the Premium as consideration for the insurance.

THE COMPANY will subject to the terms exceptions and conditions contained herein or endorsed hereon (collectively referred to as the "Terms of this Policy") indemnify the Insured against loss or damage as hereinafter provided occurring during the Period of Insurance by theft consequent upon the actual forcible and violent breaking into or out of the Premises or any attempt thereat.

The Company may at its option repair reinstate or replace any property lost or damaged or may pay in cash the amount of the loss or damage.

SECTION I - PROPERTY APPERTAINING TO THE BUSINESS

Loss of or damage to the property described in Section I of the Property Insured whilst contained in the Premises.

SECTION II - DAMAGE TO THE PREMISES

Damage to the buildings of the Premises provided such damage would but for this insurance be the responsibility of the Insured.

LIMITATIONS OF LIABILITY

The Company's liability under Sections I and II of this Policy shall not exceed the Sum Insured on each item of the Property Insured.

EXCEPTIONS

The Company will not indemnify the Insured in respect of

1. any consequence of earthquake riot civil commotion war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power.

In any claim and in any action suit or other proceeding where the Company alleges that by reason of this Exception any loss or damage is not covered by this Policy the burden of proving that such loss or damage is covered shall be upon the Insured.

2. loss or damage
 - (a) directly or indirectly caused by or arising from or in consequence of or contributed to by
 - (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this

Exception combustion shall include any self-sustaining process of nuclear fission.
 - (ii) nuclear weapons material
 - (b) by fire or explosion or which is insured against by a Glass Insurance policy.
 - (c) by theft or attempt thereat in which there is concerned any member of the Insured's household his business staff or any person lawfully on the Premises.
3. loss of or damage to
 - (a) articles more specifically insured under another policy of insurance
 - (b) external showcases or external automatic machines or the contents thereof
 - (c) deeds bonds bills of exchange bank treasury or promissory notes cheques money securities for money stamps collections of stamps or coins medals manuscripts or documents of any kind sculptures patterns plans models moulds designs rare books business books or papers unless specifically insured hereunder

4. any loss or damage caused by or attributed to the act of cheating by any person within the meaning of the definition of the offence of cheating set out in the Penal Code. Cheating is defined in the Penal Code "as whoever, by deceiving any person, fraudulently or dishonestly induces the person so deceived to deliver any property to any person or to consent that any person shall retain any property, or intentionally induces the person so deceived to do or omit to do anything which he would not do or omit if he were not so deceived, 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. any loss or damage caused by or attributed to the act of Criminal Breach of Trust (CBT) by any person within the meaning of the definition of the offence of CBT set out in the Penal Code.

CBT is defined in the Penal Code "as whoever, being in any manner entrusted with property, or with any dominion over property, dishonestly misappropriates or converts to his own use that property, or dishonestly uses or disposes of that property in violation of any direction of law prescribing the mode in which such trust is to be discharged, or of any legal contract, express or implied, which he has made touching the discharge of such trust, or wilfully suffers any other person so to do, commits "criminal breach of trust".

CONDITIONS

1. MISSING ARTICLE

There shall be no claim under this Policy in respect of any article merely because it cannot be found until evidence satisfactory to the Company that it has been stolen is produced.

2. SUM INSURED

Immediately upon the happening of any loss or damage as described in Sections I and II of this Policy the Total Sum Insured and the Sums Insured upon the various descriptions of property which have been lost or damaged shall be reduced by the amount of the loss or damage and such reduced Sums Insured shall be the limits of the Company's liability in respect of any further losses or damage occurring during the current Period of Insurance unless the Company consent upon payment of additional premium to reinstate the full Sums Insured.

3. ASSIGNMENT

This Policy shall not be assignable by the Insured to any other person otherwise than by will or operation of law unless and until the Company shall by endorsement of this Policy agree to continue the insurance in favour of the assignee.

ENDORSEMENTS/CLAUSES

1. FULL THEFT COVER

This policy is extended to indemnify the insured against loss following theft from the Premises which is not consequent upon forcible and violent entry into the premises but excluding theft in which any member of the Insured's family or household or business staff or any person lawfully on the premises may be concerned either as principal or Accessory.

2. ARMED ROBBERY AND HOLD UP

It is hereby declared and agreed that this policy subject otherwise to its terms conditions and exceptions is hereby extended to indemnify the Insured against loss or damage to the property described in the Schedule whilst within the premises as a result of armed robbery and hold up following an assault or violence to any person or threat thereof.

This insurance also extends to cover the risk of armed robbery. 'Armed Robbery' shall be deemed to be the felonious and forcible theft of insured property:-

- (a) by violence inflicted upon any employee of the insured
- (b) by the placing of the Insured's employees in fear of violence
- (c) by any other over felonious act committed in the presence of the insured's employees and of which the employees were actually cognizant, provided such other act is not committed by the employees of the insured.
- (d) from the person or direct care and custody of any employee of the insured who has been killed or rendered unconscious by injuries inflicted maliciously or sustained accidentally.

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 armed robbery.

Subject otherwise to the Terms of this policy.

3. DESIGNATION OF PROPERTY

For the purpose of determining where necessary the item 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.

4. STRIKE RIOT AND MALICIOUS DAMAGE

This policy shall extend to cover the risk of riot, strike and malicious damage.

5. EMPLOYEE'S EFFECTS

The insurance granted by this policy is extended to cover in respect of loss to employee's effects for an amount not exceeding RM250.00 per employee on any one claim.

6. ALTERATION AND REPAIR

It is hereby declared and agreed that workmen are allowed in or about the premises referred to in this policy to carry out alterations and repairs without prejudice to the terms of this policy.

7. VEHICLE LOAD

In the event of any of the insured's vehicles being left loaded overnight whilst in and/or on the premises described in the schedule hereto the company will indemnify the insured in respect of such load in the event of loss or damage following upon or followed by burglary accompanied by the actual forcible and violent breaking into or out of the vehicle under this Policy.

8. TEMPORARY REMOVAL

The property (other than stock-in-trade and merchandise) insured under this policy is covered (limited to 10% of the sum insured) whilst temporarily removed including whilst in transit for cleaning, renovation, modification, repair or other similar purpose, elsewhere on the same or to any other premises and in transit thereto and herefrom by road, rail, or inland water-way, 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:-

- (a) motor vehicles and motor chassis
- (b) property (other than machinery and plant) held by the insured in trust.

9. APPRAISEMENT

If the aggregate claim for any one loss does not exceed RM250.00 or 5% (five per cent) of the sum insured whichever is the lesser amount by the item or items affected no special inventory or appraisal of the undamaged property shall be required.

10. PAYMENT ON ACCOUNT

In the event of the occurrence of a loss covered under this policy the Company may approve an advance payment on account in respect of such loss at the request of the insured and with the loss adjuster's recommendation.

11. TEMPORARY STORAGE

The property (excluding buildings) insured under this policy is covered whilst temporarily stored anywhere in Malaysia and Singapore provided that:-

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

12. CONTRACT PRICE

It is hereby declared and agreed that in respect only of goods sold but not delivered for which the insured is responsible and with regard to which under the conditions of sale, the sale contract is by reason of the burglary, cancelled, either wholly or to the extent of the loss or damage, the liability 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 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.

13. DAMAGE TO INSURED'S PREMISES

It is hereby declared and agreed that this policy is extended to include damage to the insured's premises provided such damage would but for this insurance be the responsibility of the insured.

14. FIRST LOSS WITHOUT AVERAGE

It is hereby declared and agreed that notwithstanding anything contained herein to the contrary this policy is issued as a First Loss insurance on property as described in the Schedule up to an amount stated therein.

It is further declared that this First Loss Insurance policy is not subject to Average Condition.

Subject otherwise to the terms of this policy.

SECTION 4 - MONEY INSURANCE POLICY (OPTIONAL)

THE INSURED having applied to the **AXA AFFIN GENERAL INSURANCE BERHAD** (hereinafter called "the Company") for the insurance expressed herein and made a Proposal and Declaration deemed incorporated herein and having paid or agreed to pay the Premium as consideration for the insurance.

THE COMPANY will subject to the terms exceptions and conditions contained herein or endorsed hereon (collectively referred to as the "Terms of this Policy") by payment or by repair reinstatement or replacement indemnify the Insured against

1. Loss of Money
2. Loss of or damage to any safe or strongroom in the Insured's premises arising from theft of Money therefrom or any attempt thereat.

As specified in the Schedule occurring during the Period of Insurance within Malaysia and in the Situation while the Insured is carrying on the Business as stated.

Provided that the liability of the Company in respect of any one occurrence or number of occurrences arising directly or indirectly from one source or original cause shall not exceed the relevant Limit of Liability.

DEFINITION OF MONEY

The term "Money" shall mean - Coins, Bank Notes, Currency Notes, Cheques, Bankers' Drafts, Bills of Exchange, Credit Card Sales Vouchers, Postal Orders, Money Orders, Current Unused Postage Stamps and Revenue Stamps all belonging to the Insured or for which he is responsible

EXCEPTIONS

The Company will not indemnify the Insured against

1. Loss due to the fraud or dishonesty of any employee of the Insured unless such loss is discovered within three working days of its occurrence.
2. 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, 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'."
3. 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 for property, dishonestly misappropriates or converts to his own use that property, or dishonestly misappropriates or converts to his own use that property, or dishonestly uses or disposes of that property in violation of any direction of law prescribing the mode in which such trust is to be discharged, or of any legal contract, express or implied, which he has made touching the discharge of such trust, or wilfully suffers any other person so to do, commits 'Criminal Breach Of Trust'."

4. Loss which at the time of such loss is insured by or would but for the existence of this Policy be insured by any Fidelity Guarantee Policy or Policies had this insurance not have been effected.
5. Loss due to error or omission.
6. Interruption of the Business or any other consequential loss.
7. Loss from an unattended vehicle.
8. Loss of Money resulting from a safe or strongroom being opened by the use of a key or combination code unless this has been obtained by violence or threat of violence to any person.
9. Loss or damage directly or indirectly occasioned by or happening through or in consequence of:-
 - (a) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war mutiny rebellion revolution insurrection or military or usurped power
 - (b) riot or civil commotion or loot or pillage in connection therewith
 - (c) any act of any person or persons acting on behalf of or in connection with any organisation with activities directed towards the overthrow by force of any de jure or de facto Government or to the influencing of it by terrorism or violence
 - (d) confiscation detention nationalisation requisition or destruction by any government public municipal local or customs authorityIn any claim and in any action suit or proceedings where the Company alleges that by reason of this Exception any loss is not covered by this Policy the burden of proving that such loss is covered shall be upon the Insured
10. Any loss directly or indirectly caused by or arising from or in consequence of or contributed to by:-
 - (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel Solely for the purpose of this Exception combustion shall include any self-sustaining process of nuclear fission
 - (b) nuclear weapons material

WARRANTIES

Warranted that:-

1. Whenever the premises are closed for business all the keys and records of combination numbers of the safe(s) and/or strongroom(s) be removed from the premises except while the Insured or an authorised responsible employee is actually therein.
2. If the person(s) holding the keys and records of combination numbers resides in a residence adjoining and communicating with the premises the keys and records of combination numbers be removed from the residence when left unattended.
3. Money for wages salaries or other earnings held at the Insured's premises but which is not paid out on the day of receipt from the bank shall be secured in a locked safe or locked strongroom outside business hours.

CONDITIONS

1. CHANGES IN FACTS

This insurance shall cease to be in force if there is

- (a) any material alteration in the Business
- (b) any other material change in the facts stated in the Proposal

Unless the Company agrees in writing to continue the risk

2. PRECAUTIONS

The Insured shall take and cause to be taken all reasonable precautions for the safety of the Money and shall exercise reasonable care in the selection and supervision of employees and shall maintain and use all the protections provided.

3. RECORDS

The Insured shall maintain proper records of all Money and shall allow the Company to inspect such records Records of all Money in any safe or strongroom shall be kept in some secure place other than the safe or strongroom.

4. PREMIUM ADJUSTMENT

If any part of the Premium is calculated on the Estimated Annual Amount of Money in Transit the Insured shall within one month from the expiry of each Period of Insurance supply the Company with a correct amount of the actual total amount of such Money and the premium for such period shall be adjusted accordingly subject to the Minimum Premium or fifty percent of the provisional premium charged whichever is the greater.

ENDORSEMENTS/CLAUSES

1. LOSS OF OR DAMAGE TO DRAWER(S)/ CABINET(S)/ CASH REGISTER(S)

This Policy is extended to include loss of or damage to drawer(s)/cabinet(s)/cash register(s) for a sum not exceeding the limit of liability stated in the Schedule provided such loss or damage would but for this insurance be the responsibility of the Insured.

2. RIOT OR CIVIL COMMOTION

This Policy is extended to cover the risks of Riot or Civil Commotion.

3. MONEY IN LOCKED SAFE(S) OR CABINET(S) OR DRAWER(S)

It is hereby declared and agreed that it is a condition of this policy that in respect of the cover on Money in Locked Safe(s)/Cabinet(s)/Drawer(s) as specified in this policy the Insured shall maintain a complete record of the amount of such Money in the Locked Safe(s)/Cabinet(s)/Drawer(s) and such record being kept in some secure place other than the Locked Safe(s)/Cabinet(s)/Drawer(s) and the liability of the Company shall be limited to the amount of Money shown by the said record to be in the Locked Safe(s)/Cabinet(s)/Drawer(s) at the time of the loss but not exceeding the limit of liability shown in the schedule.

4. EMPLOYEE'S EFFECTS

The insurance granted by this policy is extended to cover in respect of loss to employee's effects for an amount not exceeding RM250.00 per employee on any one claim.

SECTION 5 - PLATE GLASS INSURANCE POLICY (OPTIONAL)

WHEREAS the Insured by a Proposal deemed to be incorporated herein has applied to **AXA AFFIN GENERAL INSURANCE BERHAD** (hereinafter called "the Company") for the insurance hereinafter expressed.

NOW THEREFORE in consideration of the payment of the Premium and subject to the terms exceptions and conditions contained herein or endorsed hereon (hereinafter collectively referred to as "the Terms of this Policy") the Company will indemnify the Insured against accidental breakage of the glass described in the Schedule occurring during the Period of Insurance up to but not exceeding the estimate Value.

The Company may at its option reinstate any broken glass or make a payment cash.

The Company will also pay reasonable charges for the temporary boarding up of windows, doors or skylights necessitated as a result of the accidental breakage of any of the glass.

EXCEPTION

- (a) breakage caused by or resulting from fire lightning explosion earthquake riot civil commotion war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- (b) lettering painting embossing silvering ornamental work bent stained bevelled or movable glass unless specifically insured hereunder
- (c) glass which is broken, cracked or otherwise imperfect at the date hereof
- (d) frames, framework or fittings
- (e) cost of removal or replacement of any fittings, fixtures or other obstructions to replacement
- (f) any consequential loss

CONDITIONS

- 1. The observance and fulfilment of the Terms of this Policy in so far as they relate to anything to be done or complied with 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.
- 2. 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 meaning wherever it may appear.
- 3. Upon the breakage of any of the glass covered by this Policy the Insured shall forthwith give notice thereof in writing to the Company and the broken glass must be preserved as salvage belonging to the Company.
- 4. The Company may at any time in the name of the Insured but at its own expense institute conduct and control any negotiation action or proceedings in relation to any claim and enforce for its own benefit any rights vested in the Insured against third parties.

5. The Company may cancel this Policy by sending seven days' notice by registered letter to the Insured at his last known address and in such event the Insured shall become entitled to the return of a proportionate part of the Premium corresponding to the unexpired portion of the Period of Insurance.

6. All difference arising out of this Policy shall be referred to the arbitration of some person to be appointed by both parties or if they cannot agree upon a single arbitrator to the decision of two arbitrators one to be appointed in writing by each party and in case of disagreement between the arbitrators to the decision of an umpire who shall have been appointed in writing by the arbitrators before entering on the reference and an award shall be a condition precedent to any liability of the Company or any right of action against the Company.

ENDORSEMENTS/CLAUSES

1. RIOT AND CIVIL COMMOTION

It is hereby declared and agreed that notwithstanding anything contained herein to the contrary the insurance by this Policy is extended to cover the risks of riot or civil commotion.

2. REMOVAL OF DEBRIS

It is hereby declared and agreed that this policy is extended to include costs and expenses necessarily incurred by the Insured with the consent of the Company in the removal of broken glass or frames there on.

SECTION 6 - FIDELITY GUARANTEE INSURANCE POLICY (OPTIONAL)

Whereas the Insured by a proposal deemed to be incorporated herein has applied to **AXA AFFIN GENERAL INSURANCE BERHAD** (hereinafter called "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 subject to the terms exceptions and conditions contained herein or endorsed hereon (hereinafter collectively referred to as "the Terms of this Policy") the Company will indemnify the Insured against loss directly caused by the fraud or dishonesty of any employee named or otherwise described in the Schedule.

PROVIDED that

- 1. the liability of the Company shall not exceed
 - (a) in respect of any employee the Sum Insured stated against his name or description herein
 - (b) in respect of all claims under this Policy the Total Sum Insured
- 2. in the event of an occurrence giving rise to a claim under this Policy and also to a claim under any other policy of the Company replaced by this Policy the liability of the Company shall not exceed that under this Policy or under such other policy whichever is the greater amount.

PROVIDED further that the Company shall not be liable in respect of any act of fraud or dishonesty as aforesaid unless

- 1. it is committed
 - (a) during the Period of Insurance and
 - (b) during the Employee's uninterrupted service in his employment as described herein and
- 2. it is discovered and notified to the Company within twelve months of being committed

CONDITIONS

- 1. This Policy does not cover any consequential loss.
- 2. Upon the discovery of any act or acts of fraud or dishonesty likely to give rise to a claim or of reasonable cause for suspicion thereof the Insured shall forthwith give notice thereof in writing to the Company and this Policy shall cease to apply in respect of the employee or employees concerned as from the time of discovery of the act or acts of fraud or dishonesty or cause for suspicion.
- 3. The Insured shall deliver to the Company within three months of the discovery of any act or acts of fraud or dishonesty a claim in writing for the loss containing as particular an account of the loss as may be reasonably practicable and stating the amount thereof and shall give to the Company all such further particulars information proofs and explanations as may be reasonably required. Not more than one claim on account of the same employee shall be made hereunder.

4. The system of supervision specified in the Proposal shall be strictly followed throughout the Period of Insurance except where there has been some modification or alteration in the system mutually agreed between the Company and the Insured in which case such modified or altered system shall be so followed and the Company shall be advised of any change in the Business of the Insured or in the duties or the method or rate of remunerating any employee named or otherwise described in the Schedule other than an increase of remuneration.
5. In making any claim hereunder the Insured shall give credit for any salary or commission or any other monies whatsoever which but for the act of fraud or dishonesty giving rise to such claim would have been payable to the employee.
6. The first and each renewal premium having been calculated upon estimates furnished by the Insured shall within one month of being required so to do furnish to the Company such particulars and information as the Company may require. The premium shall thereupon be adjusted and any difference paid by or to the Insured as the case may be.

ENDORSEMENTS/CLAUSES

1. AUTOMATIC ADDITION AND DELETION

Notwithstanding anything herein contained to the contrary, it is hereby declared and agreed that:-

- (a) any person who is recruited by the Insured after the date of commencement of this policy shall be automatically covered as from his/her first day of employment.
- (b) the Insured shall give written notification to the Company within 30 days of any addition or deletion of employees to or from the Policy in a particular month and pay an additional premium which may be required by the Company or receive a refund from the Company as the case may be.

2. FEES/CHARGES

It is hereby declared and agreed that in consideration of the payment to the Company of an additional premium this Policy is extended to indemnify the Insured against the payment of fees for Professional Auditors services and legal charges incurred by the Insured with the consent and/or at the request of the Company for the purposes of investigating and providing a claim made against the Company within the terms of this Policy.

PROVIDED ALWAYS THAT

- (a) The liability of the Company in respect of such fees and charges shall be limited to the sum (as specified in the policy schedule) in respect of any one claim and in respect of all claims in anyone year of insurance.
- (b) The system of check and supervision over any employee concerned in a claim to which this extension shall apply as agreed between the Insured and the Company shall have been maintained by the Insured throughout the period of default by the employee concerned.

3. PAYMENT ON ACCOUNT

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

4. MISAPPROPRIATION OF STOCK/PROPERTY

It is hereby declared and agreed that insurance by this policy shall extend to indemnify the insured for any loss arising directly from the fraudulent misappropriation, conversion, embezzlement or other act or acts of fraud or dishonesty of :-

- (a) goods belonging to the insured, and
- (b) goods held in trust by the insured for which they are responsible

Provided always that such acts are :-

Committed :-

- (a) during the period of insurance, or
- (b) during the uninterrupted of such employee(s) in the capacity aforesaid, and

Discovered :-

- (a) during the period of insurance, or
- (b) within 18 months of lapsing of the policy but not later than 18 months after the termination of such employment

5. NUCLEAR EXCLUSION

It is hereby agreed and declared that

- (a) This policy does not cover :-
 - (i) Any accident or any loss or destruction of or damage to any Property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss

- (ii) Any legal liability of whatsoever nature

Directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this exclusion, combustion shall include any self-sustaining process of nuclear fission.

- (b) The indemnity or compensation provided by this policy shall not apply to nor include any accident, loss, destruction, damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.

SECTION 7 - PUBLIC LIABILITY INSURANCE POLICY (OPTIONAL)

THE INSURED carrying on the Business described in the Schedule and no other for the purpose of this insurance by a Proposal and Declaration deemed incorporated herein having applied to the **AXA AFFIN GENERAL INSURANCE BERHAD** (hereinafter called "the Company") for this insurance and having paid or agreed to pay the Premium.

THE COMPANY will indemnify the Insured against all sums which the Insured shall become legally liable to pay as damages in respect of

- (a) accidental bodily injury (including death or disease) to any person
- (b) accidental loss of or damage to property

happening in connection with the Business and occurring during the Period of Insurance

- (a) at the places described in the Schedule under Situation of Risk and
- (b) elsewhere in the world in connection with commercial visits by directors or non-manual staff normally resident in and travelling from the country specified in the Schedule under Situation of Risk

PROVIDED ALWAYS that except in respect of liability arising under (b) above the Company will not indemnify the Insured in respect of any liability arising from any action for damages brought in the Courts of Law of any territory outside the country specified in the Schedule under Situation of Risk

SUBJECT ALWAYS TO

- (a) the terms exceptions and conditions contained herein or endorsed hereon (collectively referred to as "the Terms of this Policy")
- (b) the liability of the Company under this Policy for all damages payable in respect of any one occurrence or series of occurrences arising directly or indirectly from one source or original cause not exceeding the Limit of Indemnity
- (c) the liability of the Company under this Policy for all damages payable in respect of all occurrences happening in any one Period of Insurance not exceeding the Period Limit

IN RESPECT of any occurrence to which this Policy applies the Company will also pay.

- (a) legal costs recoverable by any claimant from the Insured
- (b) costs and expenses incurred with the written consent of the Company

Note:

For the purpose of this section, Insured shall mean the entity named in the Schedule that is a Joint Management Body established under The Strata Management Act 2013 (Act 757) and any amendment thereto or Management Corporation established under The Strata Titles Act 1985 (Act 318) and any amendment thereto. The term Insured shall not include managing agent or any resident.

EXCEPTIONS

The Company will not indemnify the Insured in respect of

1. Bodily injury to any member of the Insured's family or household or any employee of the Insured if the bodily injury arises out of and in the course of his employment nor in respect of any claim by any Government or other Authority for compensation or reimbursement under any legislation relating to such bodily injury
2. Loss of or damage to property belonging to or in the charge custody or control of the Insured or any member of the Insured's family or household or any employee of the Insured other than personal effects belonging to directors employees or visitors
3. Expenditure incurred in doing or re-doing or making good any work which the Insured has contracted to do

4. Liability assumed by the Insured under any contract or agreement whether written verbal or implied unless such liability would have attached notwithstanding any such contract or agreement
5. Bodily injury loss or damage caused by vibration or the removal or weakening of or interference with support to land buildings or any other property
6. Remedial professional or other advice or treatment (other than medical first aid treatment) given administered or omitted by the Insured
7. Any goods or any containers thereof sold or supplied or repaired renovated let on hire or handled by the Insured and no longer in the Insured's possession or control (other than food or drink sold or supplied on the Premises and not being part of the business of the Insured)
8. Bodily injury loss or damage caused by or resulting from the ownership possession or use by or on behalf of the insured of
 - (a) any animal-drawn or mechanically-propelled vehicle or any trailer (unless such vehicle or trailer is specified as Plant in the Schedule) but this Exception shall not apply in connection with the loading or unloading of any vehicle or trailer unless an indemnity is provided by another insurance
 - (b) any aircraft hovercraft oil drilling platform rig or watercraft (other than manually propelled watercraft) or railway locomotive or railway rolling stock
 - (c) any power-operated lift elevator crane hoist or other power-operated lifting tackle unless such items are specified as Plant in the Schedule
9. (a) bodily injury or loss of or damage to or loss of use of property directly or indirectly caused by seepage pollution or contamination
 (b) the cost of removing nullifying or cleaning up seeping polluting or contaminating substances
10. Fines penalties punitive, exemplary damages or pure financial losses.
11. Loss of or damage to property caused by or resulting from the explosion of any boiler or other apparatus owned or used by the Insured which is intended to operate under internal pressure due to steam.
12. Bodily injury loss or damage directly or indirectly occasioned by or happening through or in consequence of
 - (a) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection mutiny or military or usurped power riot or civil commotion
 - (b) any act of any person or persons acting on behalf of any organisation with activities directed towards the overthrow by force of any de jure or de facto Government or the influencing of it by terrorism or violence.

In any claim suit or other proceedings where the Company alleges that by reason of this Exception any liability is not covered by this Policy the burden of proving that such liability is covered shall be upon the Insured
13. Bodily injury loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by
 - (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel Solely for the purpose of this Exception combustion shall include any self-sustaining process of nuclear fission
 - (b) nuclear weapons material
 - (c) liability arising out from unintended, non agreed or improper Pollination by, distribution of or blending with a Genetically Modified Organism (GMO), a GMO product or product part with a GMO component.
14. Transmissible spongiform encephalopathy exclusion It is hereby declared and agreed that the company will not indemnify for any claims, losses, costs or expenses arising directly or indirectly out of transmissible spongiform encephalopathy (tse) including but not limited to bovine spongiform encephalopathy (bse) or new variant creutzfeldt-jacob disease(vcjd). This exclusion applies regardless of any other contributing or aggravating cause or Event that contributes concurrently or in any sequence to the loss, damage, cost or expense.
15. Electromagnetic Fields or radiation exclusion. It is hereby declared and agreed that the Company shall not indemnify the Insured in respect of any loss or liability which arises out of or is contributed to directly or indirectly by exposure to magnetic electric or electromagnetic fields or radiation however caused or generated.

16. Liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of, or in any way involving
 - (a) asbestos, or any materials containing asbestos in whatever form or quantity
 - (b) latex allergy

CONDITIONS

1. PREMIUM ADJUSTMENT

If the Premium for this Policy has been calculated on estimates furnished by the Insured the Insured shall keep an accurate record containing all particulars relative thereto and shall at all times allow the Company to inspect such record The Insured shall within one calendar month of the expiry of each Period of Insurance furnish to the Company such particulars and information as the Company may require and the premium for such period shall thereupon be adjusted and the difference paid by or allowed to the Insured as the case may be subject to any Minimum Premium hereon.

ENDORSEMENTS/CLAUSES

1. FIRE & EXPLOSION

The company will indemnify the insured against all sums for which the insured shall become legally liable consequent upon death bodily injury illness loss or damage as within defined arising out of fire and explosion except loss of or damage to property caused by or resulting from the explosion of boilers or other apparatus owned or used by the insured which is intended to operate under internal pressure due to steam.

2. RIOT OR CIVIL COMMOTION

This Policy is extended to cover the risks of Riot or Civil Commotion

3. CAR PARKS

Notwithstanding anything to the contrary contained in exception 2 this policy is extended to cover the legal liability of the insured for loss of or damage to guests' motor vehicles (including accessories and luggage therein or thereon) while such vehicles are parked on the insured's premises.

Provided that

- (a) the insured shall display in a prominent position at the car park/garage, the following notice :- "the proprietor does not take any responsibility for the safe custody of any vehicles or articles therein or thereon or for any damage to the vehicles or articles howsoever caused all vehicles being left in all respects at the owner's risk".
- (b) the liability of the company under this extension shall be limited to RM1,000 in respect of any one vehicle and the limit of liability any one occurrence as specified in the schedule during any one period of insurance.

4. EMPLOYEES SPORT AND SOCIAL CLUB

It is hereby declared and agreed that the company will indemnify the insured against all sums for which the insured shall become legally liable consequent upon death bodily injury illness loss or damage as within defined arising out of recreational or social activities organised by the sports and social club of the insured.

5. FOOD AND DRINKS

Exception 7 shall not apply to the insured's liability as within defined attributable to foreign or deleterious matter in food or drinks sold or supplied by the insured at or from the premises specified in this policy under situation of risk.

Provided that the liability of the company under this endorsement in respect of any one period of insurance shall not exceed the limit of liability any one occurrence which shall for the purposes of this endorsement be the period limit referred to in condition 5.

6. DEFECTIVE SANITATION

The company will indemnify the insured against all sums for which the Insured shall become legally liable consequent upon death bodily injury illness loss or damage as within defined caused through defective drains, sewers or sanitary arrangements.

The liability of the company under this policy for all damages in respect of death bodily injury or illness sustained in any one Period of insurance and caused by or resulting from defective sanitary arrangements shall not exceed the limit of liability any one occurrence as specified in the schedule which shall for the purposes of this endorsement be the period limit referred to in Condition 5.

7. ADVERTISING SIGNS

It is hereby declared and agreed that the company will indemnify the insured against all sums for which the insured shall become legally liable consequent upon death bodily injury illness loss or damage as within defined arising out of accidents caused by or through the advertising signs installations. Provided that the insured shall exercise all reasonable care in Keeping the advertising signs installation in a good state of repair and in preventing loss or damage thereto and shall cause to be taken all reasonable precautions to prevent accidents and shall comply with all statutory or other obligations and regulations imposed by any authority. In the event of the discovery of any defect in the advertising signs installation the insured shall forthwith cause such defect to be made good and in the meantime shall cause additional precautions to be taken as the circumstances may require the company shall be entitled to inspect and examine the advertising signs installation under this policy at all reasonable times and in the event of any defect or damage being apparent to the company's representative to give notice to the insured and thereafter all liability of the company shall be suspended until the same be remedied or removed to the satisfaction of the company.

Provided that the liability of the company under this endorsement in respect of any one period of insurance shall not exceed the limit of liability any one occurrence as specified in the schedule which shall for the purpose of this endorsement be the period limit referred to in Condition 5.

8. ALTERATIONS AND REPAIRS

It is hereby declared and agreed that workmen are allowed on or about the premises of the Insured to carry out alterations and repairs provided the business of the Insured remains unchanged.

9. PRIVATE WORK FOR DIRECTOR/EXECUTIVE

It is hereby declared and agreed that the company will indemnify the insured and any director or executives of the insured against all sums for which the insured and any director or executives of the insured shall become legally liable consequent upon death bodily injury illness loss or damage as within defined arising out of the employment on private duties of any employee of the insured by such director or executives.

Provided that:-

- (a) such director and/or executive is not entitled to indemnity under any other policy or policies
- (b) the extension by this endorsement shall not apply to or include liability in respect of injury to any person under a contract of service or apprenticeship with the director and/or executive where the injury arises out of and in the course of such person's employment or service with the director and/or executive
- (c) such director and/or executive shall as though he were the Insured observe fulfil and be subject to the terms exceptions, limits and conditions of this policy so far as they can apply
- (d) the extension by this endorsement shall not operate to increase the company's liability as set forth in the schedule under the heading of limit of indemnity beyond the amount or amounts for which the company would be liable if the policy was not extended.

10. INDEMNITY TO DIRECTOR OR EXECUTIVE

The company agrees to waive all rights of subrogation or action which the company may have or acquire against any director or executive of the insured arising out of any accident in respect of which any claim is made hereunder in the course of employment of the insured.

11. POLLUTION

It is hereby declared and agreed that exception 9(a) & (b) shall not apply in respect of bodily injury or illness or loss of or physical damage to or destruction of tangible property or loss of use of such property damaged or destroyed where such seepage pollution or contamination is caused by a sudden unintended and unexpected happening during the period of insurance.

Provided that the liability of the company under this endorsement in respect of any one period of insurance shall not exceed the limit of liability any one occurrence as specified in the schedule which shall for the purpose of this endorsement be the period limit.

12. LOADING AND UNLOADING OF VEHICLE

It is hereby declared and agreed that the insurance by this policy is extended to cover the legal liability of the insured in respect of any bodily injury or loss of or damage to property caused or arising from beyond the limits of any carriageway thoroughfare in connection with:-

- (a) the bringing of the load to such vehicle for loading thereon

- (b) the taking away of the load from such vehicle after unloading therefrom by any person other than the driver or attendant of such vehicle

Provided always that the liability of the company under this policy and endorsement in respect of any bodily injury or loss of or damage to property shall not in any way exceed the limit of indemnity specified in this policy.

13. CONTINGENT LIABILITY

It is hereby declared and agreed that notwithstanding anything contained in exception 8(a) to the contrary, the company will indemnify the insured against all sums for which the insured shall become legally liable consequent upon death bodily injury illness loss or damage as within defined arising out of the use of any Motor vehicle not owned or provided by the insured and being used in connection with the insured's business.

Provided always that the company will not indemnify the insured in respect of:-

- (a) Damage to any such vehicle
- (b) Injury damage or financial loss arising while such vehicle is being driven by the insured
- (c) liability which is covered by any other policy of insurance.

14. NON-OWNED VEHICLE

It is hereby declared and agreed that notwithstanding anything contained in exceptions 8 (a) to the contrary the company will indemnify the insured against all sums for which the insured shall become legally liable consequent upon death bodily injury illness loss or damage as within defined arising out of:-

- (a) the use of mechanically propelled vehicle not owned by the insured in connection with the insured's business
- (b) the use of mechanically propelled vehicle of insured's employees or hired by them for the purposes of the insured's business provided that the company will not indemnify the insured

In respect of :

- (a) liability which is covered by a policy of motor insurance
- (b) liability in respect of which insurance is made compulsory under any legislation governing the use of motor vehicle
- (c) liability which is covered by any other policy of insurance

15. INSURED'S SUB-CONTRACTORS

It is hereby declared and agreed that in consideration of additional premium being paid the company will indemnify the insured against all sums for which the insured shall become legally liable consequent upon death bodily injury illness loss or damage as within defined arising out of the insured's sub-contractors who contract to provide labour and materials and their employees working on the insured's Premises.

16. TENANTS' LIABILITY

Should another tenant in any within described building do or omit to do without the knowledge of the insured anything which would vitiate any condition and/or warranty, this section will not be held to be void on that account provided that the insured shall notify to the company the happening or existence of such act or omission as soon as the same shall come to their knowledge and shall on reasonable demand pay the additional charge for any increase of hazard thereby created according to the established scale of rates for the time such hazard may be, or shall have been assumed by the company during the continuance of this insurance.

17. FALSE ARREST IMPRISONMENT ETC

It is hereby declared and agreed that the company will indemnify the insured against all sums for which the insured shall become legally liable consequent upon death bodily injury illness loss or damage as within defined arising out of false arrest, false imprisonment, wrongful eviction, assault, batter, wrongful detention, prosecution and humiliation provided such act are not wilful.

18. FIREARMS

It is hereby declared and agreed that the company will indemnify the insured against all sums which the insured shall become legally liable consequent upon death bodily injury illness loss or damage as within defined arising out of the discharge of firearms by the insured in so far as no liability exists on the part of police and/or government authorities.

19. WORKAWAY RISKS

Notwithstanding anything contained herein to the contrary it is hereby declared and agreed that this policy is extended to include the insured's liability as within defined in respect of accidents arising out of the engagement of the actual progress of work undertaken by the insured or the persons in the service of the insured and/or contractors of the insured in the course of the Business within Malaysia but away from the situation of risk defined in the policy.

20. FIRST AID FACILITIES CLAUSE

This policy extends to cover legal liability of the insured arising out of provision by the insured of first aid facilities but excluding any act of negligence error or omission or neglect of any duty qualified member of the medical profession or any employee or voluntary worker of any hospital or ambulance organisation.

21. GUESTS' EFFECTS CLAUSE

It is hereby declared and agreed that the company will indemnify the insured against legal liability arising out of loss or damage to the personal effects of the insured's guests occurring at the place or places at which this policy applies. The amount of indemnity under this extension being limited to RM500.00 in respect of any one event.

22. PLANT AND MACHINERY CLAUSE

It is hereby declared and agreed that this policy extends to cover legal liability of the insured arising out of the use of plant and machinery owned, hired, lease and/or operated by the insured, all tools of trade, lifts, cranes, escalator, power hoisting machines, passenger lift but excluding vehicle required to be insured under Road Transport Act 1987.

Provided always that it is a condition of the policy that all lifts shall be required regularly inspected and maintained at interval of not less than 3 months by a competent engineer from reputable firm.

23. TEMPORARY VISIT OVERSEAS

Notwithstanding anything in the within policy contained to the contrary, this policy extends to cover legal liability of the insured as within defined in respect of travel out of the territorial limits anywhere in the world by employees and/or director of the insured.

24. DAMAGE TO PROPERTY WORKED UPON EXCLUSION CLAUSE

It is hereby declared and agreed that the company will not indemnify the insured in respect of damage to property of the principal or owner or held by them in trust or on commission worked upon by the insured.

Subject otherwise to the terms and conditions of the policy.

25. FAILURE TO SUPPLY EXCEPTION

It is hereby declared and agreed that the company will not be indemnify the insured for any damages arising out of actual or alleged, complete or partial failure to supply oil, gas, electricity or water, nor to any damages arising out of the consequential loss arising therefrom. Furthermore, the company will not be liable for losses due to blackouts, brown outs and power surges.

Subject otherwise to the terms of this policy.

26. MOTOR VEHICLES - LIMITATION OF COVER CLAUSE

The company will not indemnify the insured in respect of:-

- (a) liability which is covered by a policy of motor insurance
- (b) liability in respect of which insurance is made compulsory under any legislation governing the use of motor vehicles.

Subject otherwise to the terms of this policy.

27. SPECIFIC EQUIPMENT CLAUSE

The insured shall comply with the provisions of any statutory law(s) or regulation(s) relating to the inspection and maintenance of the equipment(s) stated under plant in the schedule of this policy and shall remedy immediately any defects and comply with any recommendations made in any inspection reports issued under such law(s) or regulation(s).

If there are no such law(s) or regulation(s) in force the insured shall maintain in force an inspection and maintenance contract with a qualified engineer and comply with any recommendations which may be made and supply copies of any reports to the company if so required.

Subject otherwise to the terms of this policy.

28. JURISDICTION CLAUSE

The indemnity provided by this policy shall not apply in respect of judgements which are not in the first instance delivered by or obtained from a court of competent jurisdiction within Malaysia nor to orders obtained in the said court for the enforcement of judgements made outside Malaysia whether by way of reciprocal agreement or otherwise.

Subject otherwise to the terms of this policy.

SECTION 8 - EMPLOYER'S LIABILITY

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 deemed incorporated herein has applied to AXA AFFIN GENERAL INSURANCE BERHAD (hereinafter called "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 person under a 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, 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) indemnify the Insured against liability at law to pay compensation and claimant's costs and expenses in respect of such injury and will in addition pay all costs and expenses incurred with its written consent.

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.

Note:

For the purpose of this section, Insured shall mean the entity named in the Schedule that is a Joint Management Body established under The Strata Management Act 2013 (Act 757) and any amendment thereto or Management Corporation established under The Strata Titles Act 1985 (Act 318) and any amendment thereto. The term Insured shall not include managing agent or any resident.

LIMIT OF INDEMNITY

The total amount payable by the Company for damages and all costs and expenses in respect of:

- (a) any and all claims arising out of one sudden occurrence or series of sudden occurrences consequent on or attributable to one source or original cause shall not exceed the Limit of Indemnity shown in the Schedule, irrespective of the number of employees who may sustain Injury consequent on or attributable to the same source or original cause
- (b) all Injury caused during any one Period of Insurance, irrespective of the number of employees who may sustain Injury, shall not exceed the Aggregate Limit of Indemnity corresponding to the Period of Insurance

For the purposes of establishing the total amount payable by the Company in respect of one Period of Insurance, it is understood that for any claim where Injury is caused during a period which is extended outside such Period of Insurance, the amount of damages, costs and expenses indemnifiable arising out of such claim shall be limited to no more than the proportion of the total amount of damages, costs and expenses for the claim as the length of such Period of Insurance (or part thereof as applicable) bears to the total length of the period during which such Injury is caused.

EXCEPTIONS

The Company shall not be liable in respect of:

- 1. the Insured's liability to employees of contractors to the Insured;
- 2. any liability of the Insured which attaches by virtue of any agreement but which would not have attached in the absence of such agreement;

3. any sum which the Insured would have been entitled to recover from any party but for an agreement between the Insured and such party;
4. any injury by accident or disease sustained outside the Geographical Area;
5. 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;
6. 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 mutiny rebellion revolution insurrection or military or usurped power;
7. 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;
8. any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any:
 - (i) act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss;
 - (ii) action taken in controlling, preventing, suppressing or in any way relating to any act of Terrorism.

If, by reason of this exclusion, the Company declines liability for any loss, damage, cost or expense, the burden of proving the contrary lies upon the Insured.

For the purpose of this Policy, Terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

9. any loss or liability, whether actual or alleged, for any claim in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of, or in any way involving asbestos, or any material containing asbestos in whatever form or quantity.

WARRANTIES / CLAUSES / ENDORSEMENTS

Legal Liability of Employee to Fellow Employee Extension

If any person under a 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 stated in the Schedule the Company will at the request of the Insured indemnify any other employee of the Insured engaged in such Business against liability at law to pay compensation and claimant's cost and expenses in respect of such injury and will in addition pay all costs and expenses incurred with its written consent.

Provided that the employee claiming to be indemnified shall as though he were the Insured observe, fulfil and be subject to the Terms of the Policy in so far as they can apply.

PREMIUM WARRANTY

It is a fundamental and absolute Special Condition of this contract of insurance that the premium due must be paid and received by the Insurers within sixty 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-rated premium for 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, conditions and exclusions of this Policy.

CONDITIONS

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.
2. The due observance and fulfilment of the terms provisions conditions and endorsements of this Policy in so far as they relate to anything to be done or complied with by the Insured shall be conditions precedent to any liability of the Company to make any payment under this Policy.
3. Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company.
4. The Insured shall take reasonable precautions to prevent accidents and disease and shall comply with all statutory obligations.
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 to the Company with full particulars. Every letter claim writ of 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 inquiry in connection with any such occurrence.
6. No admission offer promise or payment shall be made by or on behalf of the Insured without the written 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.
7. If at the time of 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 ratable proportion of any such claim and costs and expenses in connection therewith.
8. The first premium and all renewal premiums 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 records and shall supply the Company with a correct account of all such wages salaries and other earnings paid during any Period of Insurance within one month from the expiry date of such Period of Insurance. If the amount so paid shall 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.
9. The Company may cancel this Policy by sending seven 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 8.
10. All differences arising out of this Policy shall 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 Arbitrators one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties or in case the Arbitrators do not agree of an Umpire appointed in writing by the Arbitrators before entering upon the reference The Umpire shall sit with the Arbitrators and preside at their meetings and the making of an Award shall be a condition precedent to any right of action against the Company. If the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

SECTION 9 - GROUP PERSONAL ACCIDENT INSURANCE

The proposal form, declaration and any other information given will form the basis of this contract.

Having received and accepted your first premium, and any subsequent premiums required, we will provide the cover shown in the sections of the Policy up to the sum insured or limit of indemnity stated in your schedule.

Section 1 - Accidental Death

We will pay the amount shown in the Schedule if during the Period of Insurance an Insured Person shall sustain bodily injury caused by an accident resulting directly and independently of any other cause within one year in death.

Section 2 – Permanent Disablement

We will pay the amount shown in the Schedule if during the Period of Insurance an Insured Person shall sustain bodily injury caused by an accident resulting directly and independently of any other cause within one year in disablement (total or partial) as described in the “Scale of permanent disablement benefits”. The Insured Person will receive the percentage of the amount as described in the “Scale of permanent disablement benefits”.

Section 3 – Temporary Total Disablement

We will pay the amount shown in the Schedule, up to a maximum of 104 weeks, if during the period of insurance the Insured Person shall become wholly and continuously disabled as a result of an accident and is prevented from attending to or carrying out any duty pertaining to his usual occupation or business.

Section 4 – Temporary Partial Disablement

We will pay the amount shown in the Schedule, up to a maximum of 104 weeks, if during the Period of Insurance the Insured Person shall become partially and continuously disabled as a result of an accident and is prevented from attending to or carrying out any duty pertaining to his usual occupation of business.

Section 5 – Accidental Medical Expenses

We will pay the necessary medical clinic or hospital treatment expenses, including all daily room and board expenses incurred by an Insured Person while he/she is a hospital patient.

For any one Insured Person We will not pay more than the total amount shown in the Schedule for “Accidental Medical Expenses”, for any one accident.

GENERAL POLICY DEFINITIONS

Any word or expression, which has a specific meaning, should have this meaning attached to the word or expression found in the Policy and/or Schedule.

TERMS	MEANING
1. Injury	Bodily injury resulting solely, directly and independently of all other causes from an Accident.
2. Accident	As referred to in the definition of injury means a sudden unforeseen and fortuitous event.
3. Permanent Total Disablement	Injury which, having lasted for a continuous period of twelve calendar months from the date of Accident, entirely prevents the Insured Person from engaging in gainful employment of any and every kind and for which there is no hope of recovery.
4. Permanent	Having lasted for 12 consecutive months and, at the expiry of that period, being beyond hope of recovery.
5. Clinic	Any medical establishment operated by a medical practitioner qualified by a medical degree and duly licensed and registered to practice Western medicine.
6. Hospital	Any institution lawfully operated for the care and treatment of injured persons with organized facilities for diagnosis and surgery, having 24 hours per day nursing service and medical supervision, but not including any institution used primarily as a nursing or convalescent home, a place of rest, a geriatric care facility, a mental institution, a rehabilitation or extended care facility, or a place for the care or treatment of alcoholics or drug addicts.

7. Loss	“Loss” of limb or member or part thereof shall mean loss by actual physical severance or total and permanent loss of use.
8. Loss of Sight	The total and irrecoverable loss of all sight of an eye rendering the Insured absolutely blind in that eye beyond remedy by surgical or other treatment.
9. Loss of Limb	Limb refers to a hand or foot, the loss by physical separation at or above the wrist or ankle joint, or the total and permanent functional disablement of an entire hand, arm, foot or leg.
10. Endorsement	Shall mean an authorized amendment to your Policy.
11. Period of Insurance	Shall mean: (a) the period of cover shown in your Schedule (b) and for any following period, for which cover is extended by mutual agreement.
12. Policy	Shall include the following documents: (a) this Policy booklet, (b) tSchedule, and (c) Any Endorsements
13. Proposal Form	Shall mean the form signed by you and which provides details of: (a) yourself, and (b) all material information relevant to the cover you have requested for.
14. Schedule	Shall mean the document which provides details of: (a) yourself, and (b) any terms and conditions that are specific to your contract

SCALE OF PERMANENT DISABLEMENT BENEFITS

1. Permanent total disablement	100%
2. Loss of limb	100%
3. Total loss of sight of one eye or both eyes	100%
4. Total paralysis	100%
5. Complete and incurable insanity	100%
6. Loss of hand at or above the wrist	100%
7. Loss of foot at or above the ankle	100%
8. Loss of sight of eye except perception of light	50%
9. Loss of lens eye	50%
10. Loss of four fingers and thumb of one hand	50%
11. Loss of four fingers	40%
12. Loss of thumb	- both phalanges 25% - one phalanx 10%
13. Loss of index finger	- three phalanges 10% - two phalanges 8% - one phalanx 4%
14. Loss of middle finger	- three phalanges 6% - two phalanges 4% - one phalanx 2%
15. Loss of ring finger	- three phalanges 5% - two phalanges 4% - one phalanx 2%
16. Loss of little finger	- three phalanges 4% - two phalanges 3% - one phalanx 2%
17. Loss of metacarpals	- first or second 3% - third, fourth or fifth 2%
18. Loss of toes	- all 18% - big, both phalanges 5% - big, one phalanx 2% - other than big, each toe 1%

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| 19. Permanent and Total Loss of- both ears hearing | 75% |
| - one ear | 15% |
| 20. Permanent and Total Loss of Speech | 50% |
| 21. Any permanent partial disablement not specified above other than loss of sense of taste or smell – such percentage to be assessed by AXA as in the opinion of AXA's medical advisors is not inconsistent with the foregoing without regard to the Insured Person's occupation. | |

PROVISIONS (these should be read in conjunction with your Schedule)

1. Upon death of the Insured Person, payment shall be made under Section 1 only and no payment shall be made under Section 2.
2. The total sum payable under Section 2 shall not exceed the amount provided for under Section 2.
3. Upon the payment of Section 1 or the maximum sum under Section 2, We will be discharged from any further claim, except for expenses incurred under other Sections arising from the same injury or accident.
4. Any sum payable under Section 1 or 2 shall be reduced by the total of any payments made under Section 3 in respect of the same injury or accident.
5. Payments under Section 3 may be made at intervals in arrears during the period of disablement at our discretion but we shall reserve the right to withhold such payments if we so wish until the total amount due to the Insured shall have been ascertained and proved to our satisfaction.

WHAT IS NOT COVERED (these Exclusions apply throughout your Policy)

1. Any unlawful act of an Insured or his wilful exposure to danger (other than in an attempt to save human life), intentional self-injury, suicide or attempted suicide, while sane or insane.
2. Any pre-existing physical or mental defect or infirmity, illness, disease, bacterial or viral infections even if contracted by accident, except bacterial infection that is the direct result of an accidental cut or wound.
3. Medical or surgical treatment except where such treatment is rendered necessary by bodily injury within the scope of this Policy.
4. Treatment related to cosmetic surgery for purposes of beautification no matter the treatment is rendered as a result of burns.
5. Venereal disease, AIDS (Acquired Immunisation Deficiency Syndrome), ARC (AIDS Related Complex) and HIV (Human Immunodeficiency Virus) infection.
6. Pregnancy or childbirth.
7. Effect or influence (temporary or otherwise) of alcohol or drugs not prescribed by a qualified medical practitioner.
8. Travel or flight in any vehicle or device for aerial navigation, other than solely as a passenger on a certificated passenger aircraft operated by a regularly established airline or any regularly scheduled, non-scheduled, special or chartered flight.
9. Regular or temporary, military or police duties or fire service of any country.
10. Declared or undeclared war or any act thereof, terrorism, invasion, act of foreign enemy, hostilities, civil war, rebellion, revolution, insurrection, exercise of military or usurped power.
11. Riot and civil commotion where the Insured Person is actively participating.
12. Ionising radiations or contamination by radioactivity from any irradiated nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel.
13. Radioactive toxic explosive, or other hazardous properties of any explosive nuclear assembly, or of its nuclear component.
14. Insured Person engaging or participating in any professional sports.
15. Insured Person engaging or participating in dangerous activities or sports such as winter sports skating of any kind rock climbing mountaineering (which requires the use of ropes or guides) pot-holing skin diving parachuting under water activities necessitating the use of underwater breathing apparatus steeple chasing big game hunting or hunting other than on foot racing of any kind other than on foot.
16. Riding on a motorcycle, motor scooter, moped or mechanically assisted pedal cycle (whether as driver or passenger).

GENERAL CONDITIONS

1. Condition Precedent to Liability

The due observance and fulfilment of the terms provisions conditions and endorsements of this Policy in so far as they relate to anything to be done or complied with by the Insured shall be conditions precedent to any liability of the Company to make any payment under this Policy.

2. Change of Occupation

This Policy shall cease to be in force if there should be any alteration in the occupation or job nature of the Insured unless specified otherwise in the Schedule.

3. Change in Your Circumstances

You must notify us as soon as possible in writing of any change in your circumstances which may affect this insurance. We will advise you if there is any additional premium payable by you.

4. Fraud

You must not act in a fraudulent manner. If you, or anyone acting for you, makes a claim under the Policy knowing the claim to be false or fraudulently inflated in any respect or if any loss or damage is caused by your wilful act or with your connivance We will not pay the claim and all cover under the Policy will be forfeited.

5. Cancellation

We may cancel the Policy by sending 7 days notice by registered letter to you at your last known address. We will return any proportionate part of the premium in respect of the unexpired Period of Insurance provided no claims have been made.

You may also cancel the Policy at any time by sending 7 days written notice to us and in which case, We will retain the customary short period rate for the time the Policy has been in force.

6. Payment of Benefits

Any benefits payable under this Policy will be paid to the beneficiary (ies) or nominee(s) named by the Insured or to his legal personal representative upon his death.

7. Arbitration

All differences arising out of this Policy shall be referred to the arbitration of some person to be appointed by both parties or if they cannot agree upon a single arbitrator to the decision of two arbitrators one to be appointed in writing by each party and in case of disagreement between the arbitrators to the decision of an umpire who shall have been appointed in writing by the arbitrators before entering on the reference and an award shall be a condition precedent to any liability of AXA or any right of action against AXA.

If any such difference shall relate to the degree of permanent disablement for the purposes of this Policy the arbitrator or arbitrators and umpire shall be qualified medical practitioners.

8. Claims Notification

If any accident, injury, loss or liability happens which may give rise to a claim, you must:

- give written notification to us of any bodily injury which may give rise to a claim under this Policy with full particulars of both the occurrence and the injury immediately in the case of death or within twenty one days of the occurrence in the case of bodily injury.
 - ensure that proper medical and surgical advice is obtained and followed by you or your family members as soon as possible after any accident or injury
 - at your expense, or at the expense of any person representing you, provide us with all reports, certificates, information and other documents as We may reasonably require.
- We are entitled to request:
- an examination by a medical referee appointed by us for a non-fatal injury.
 - a post-mortem examination in the event of death.

9. Other Insurance(s) [Applicable to Section 4 only]

If any accident, injury, loss insured by this Policy is covered by any other insurance We will only pay our rateable proportion.

10. Renewal

If the Insured reaches the age of 75 during the Period of Insurance, this Policy will not be renewable at the end of that period unless stated otherwise in the Schedule.

We are not obliged to accept any renewal premium or to send you notice of any renewal premium becoming due.

SECTION 10 - MACHINERY BREAKDOWN

Whereas the Insured named in the Schedule hereto has made to the AXA AFFIN GENERAL INSURANCE BERHAD (hereinafter called "the Insurers") a written proposal by completing a questionnaire which, together with any other statements made in writing by the Insured for the purpose of this Policy, is deemed to be incorporated herein.

Now this Policy of Insurance witnesses that, subject to the Insured having paid to the Insurers the premium mentioned in the Schedule and subject to the terms, exclusions, provisions and conditions contained herein or endorsed hereon.

The Insurers hereby agree with the Insured that if at any time during the period of insurance stated in the Schedule or during any subsequent period for which the Insured pays and the Insurers may accept the premium for the renewal of this Policy, the items (or any part thereof) entered in the Schedule, whilst on the premises mentioned therein, suffer any unforeseen and sudden physical loss or damage from causes such as defects in casting and material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short-circuit, storm, or from any other cause not specifically excluded hereinafter, in a manner necessitating repair or replacement.

The Insurers will indemnify the Insured in respect of such loss or damage, as hereinafter provided, by payment in cash, replacement or repair (at the Insurers' option) up to an amount not exceeding in any one year of insurance in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum expressed in the Schedule as insured hereby.

This Policy shall apply to the insured items after successful completion of their performance acceptance tests whether they are at work or at rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the premises, or during subsequent re-erection.

EXCLUSIONS

The Insurers shall not be liable for:

1. The deductible stated in the Schedule to be borne by the Insured in any one occurrence; if more than one item is lost or damaged in one occurrence, the Insured shall not, however, be called upon to bear more than the highest single deductible applicable to such items;
2. Loss of or damage to exchangeable tools, e.g. dies, moulds, engraved cylinders, parts which by their use and/or nature suffer a high rate of wear or depreciation, e.g. refractory linings, crushing hammers, objects made of glass, belts, ropes, wires, rubber tyres, operating media, e.g. lubricants, fuels, catalysts;
3. Loss or damage due to fire, direct lightning, chemical explosion (except flue gas explosions in boilers), extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft, burglary or attempts thereat, collapse of buildings, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes;
4. Loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;
5. Loss or damage caused by any faults or defects existing at the time of commencement of this Policy within the knowledge of the Insured or his representatives, whether such faults or defects were known to the Insurers or not;
6. Loss or damage arising out of the wilful act or gross negligence of the Insured or his representatives;
7. Any consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, mutiny, riot, strike, lock-out, civil commotion, military or usurped power, acts of a group of malicious persons or persons acting on behalf of or in connection with any political organization, conspiracy, confiscation, commandeering, requisition or destruction of or damage to property by order of any government de jure or de facto or by any public authority;
8. Any consequence of nuclear reaction, nuclear radiation or radioactive contamination;
9. Loss or damage as a direct consequence of the continual influence of operation (e.g. wear and tear, cavitation, erosion, corrosion, rust, boiler scale);

10. Consequential loss or liability of any kind or description, any payments over and above the indemnity for material damage as provided herein;

In any action, suit or other proceeding where the Insurers allege that, by reason of the provision of Exclusion 7 above, any loss or damage is not covered by this Policy, the burden of proving that such loss or damage is covered shall be upon the Insured.

PROVISIONS

MEMO 1 - SUM INSURED

It shall be a requirement of this Policy that the sum insured is equal to the cost of replacement of the insured machinery by new machinery of the same kind and capacity, which means its cost of replacement including, e.g., freight, dues and customs duties, if any, and cost of erection. If the sum insured is less than the amount required to be insured, the Insurers shall pay only in such proportion as the sum insured bears to the amount required to be insured. Every item if more than one shall be subject to this condition separately.

MEMO 2 - BASIS OF INDEMNITY

- a) In cases where damage to an insured item can be repaired – the Insurers shall pay expenses necessarily incurred to restore the damaged machine to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues, if any, to the extent such expenses have been included in the sum insured. If the repairs are executed at a workshop owned by the Insured, the Insurers shall pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced, but the value of any salvage shall be taken into account.

If the cost of repairs as detailed hereinabove equals or exceeds the actual value of the machinery insured immediately before the occurrence of the damage, the item shall be regarded as destroyed and settlement shall be made on the basis provided for in (b) below.

- b) In cases where an insured item is destroyed – the Insurers shall pay the actual value of the item immediately before the occurrence of the loss, including charges for ordinary freight, cost of erection and customs duties, if any, provided such expenses have been included in the sum insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the item. The Insurers shall also pay any normal charges for the dismantling of the machinery destroyed, but the salvage shall be taken into account.

Any extra charges incurred for overtime, night work, work on public holidays, and express freight shall be covered by this Policy only if especially agreed in writing.

The cost of any alterations, additions, improvements or overhauls shall not be recoverable under this Policy.

The cost of any provisional repairs shall be borne by the Insurers if such repairs constitute part of the final repairs and do not increase the total cost of repair.

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

CONDITIONS

1. The due observance and fulfilment of the terms provisions conditions and endorsements of this Policy in so far as they relate to anything to be done or complied with by the Insured shall be conditions precedent to any liability of the Company to make any payment under this Policy.
2. The Schedule shall be deemed to be incorporated in and form part of this Policy and the expression "this Policy", wherever used in this contract, shall be read as including the Schedule. 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 meaning wherever it may appear.

3. The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Insurers to prevent loss or damage and comply with statutory requirements and manufacturers' recommendations.
4. a) Representatives of the Insurers shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Insurers with all details and information necessary for the assessment of the risk.
- b) The Insured shall immediately notify the Insurers by telegram and in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require to ensure safe operation of the insured items, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly. No material alteration shall be made or admitted by the Insured whereby the risk is increased, unless the continuance of the insurance is confirmed in writing by the Insurers.
5. In the event of any occurrence which might give rise to a claim under this Policy, the Insured shall
 - a) immediately notify the Insurers by telephone or telegram as well as in writing, giving an indication as to the nature and extent of the loss or damage
 - b) take all reasonable steps within his power to minimize the extent of the loss or damage
 - c) preserve the parts affected and make them available for inspection by a representative or surveyor of the Insurers
 - d) furnish all such information and documentary evidence as the Insurers may require

The Insurers shall on no account be liable for loss or damage of which no notice has been received by the Insurers within 14 days of its occurrence. Upon notification being given to the Insurers under this condition, the Insured may carry out repairs of any minor damage or replace items which have sustained any minor damage; in all other cases a representative of the Insurers shall have the opportunity of inspecting the loss or damage before any repairs or alterations are effected. If a representative of the Insurers does not carry out the inspection within a period of time which could be considered adequate under the circumstances, the Insured shall be entitled to proceed with the repairs or replacement.

The liability of the Insurers under this Policy in respect of any insured item shall cease if said item is kept in operation after a claim without being repaired to the satisfaction of the Insurers, or if temporary repairs are carried out without the Insurers' consent.
6. The Insured shall at the expense of the Insurers do and concur in doing and permit to be done all such acts and things as may be necessary or required by the Insurers in the interest of any rights or remedies, or of obtaining relief or indemnity from parties (other than those insured under this Policy) to which the Insurers are or would become entitled or which is or would be subrogated to them upon their paying for or making good any loss or damage under this Policy, whether such acts and things are or become necessary or required before or after the Insured's indemnification by the Insurers.
7. If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted), such difference shall 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 arbitrators, one to be appointed in writing by each of the parties, within one calendar month after having been required in writing so to do by either of the parties, or, in case the arbitrators do not agree, of an umpire to be appointed in writing by the arbitrators before the latter enter upon the reference. The umpire shall sit with the arbitrators and preside at their meetings. The making of an award shall be a condition precedent to any right of action against the Insurers.
8. The Insurers shall be entitled to withhold indemnification
 - a) if there are doubts regarding the Insured's right to receive the indemnity, pending receipt by the Insurers of the necessary proof;
 - b) if in connection with the claim an examination by the police or an inquiry under criminal law has been instituted against the Insured, pending completion of such examination or inquiry.
9. a) If the proposal or declaration of the Insured is untrue in any material respect, or if any claim made is fraudulent or substantially exaggerated, or if any false declaration or statement is made in support thereof, then this Policy shall be void and the Insurers shall not be liable to make any payment hereunder.

- b) In the event of the Insurers disclaiming liability in respect of any claim and if an action or suit is not commenced within three months after such disclaimer or (in the case of arbitration taking place in pursuance of Condition 7 of this Policy) within three months after the arbitrators or umpire have made their award, all benefit under this Policy in respect of such claim shall be forfeited.
10. If at the time any claim arises under this Policy there is any other insurance covering the same loss or damage, the Insurers shall not be liable to pay or contribute more than their rateable proportion of any claim for such loss or damage.
11. This Policy may be terminated at the request of the Insured at any time, in which case the Insurers will retain the customary short-period rate for the time this Policy has been in force. This Policy may equally be terminated at the option of the Insurers by seven days' notice to that effect being given to the Insured, in which case the Insurers will be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of cancellation less any reasonable inspection charges the Insurers may have incurred.
12. The Insurers shall not be liable to pay interest other than interest for default.

ASBESTOS EXCLUSION CLAUSE

This policy excludes all claims and losses based upon, arising out of, directly or indirectly resulting from or in consequence of, or any way involving:

1. asbestos, or
2. any actual or alleged asbestos related injury or damage involving the use, presence, existence, detection, removal, elimination or avoidance of asbestos or exposure or potential exposure to asbestos

CRIMINAL BREACH OF TRUST

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 the property or with any dominion over property, dishonestly misappropriates or converts to his own use that property, or dishonestly uses or disposes of that property in violation of any direction of law prescribing the mode in which such trust is to be discharged, or of any legal contract, express or implied, which he has made touching the discharge of such trust, or wilfully suffers any other person so to do, commits 'criminal breach of trust'."

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

SECTION 11 - ERROR & OMISSION

WHO IS INSURED?

1. We agree to insure:
 - A. any of the following Insured Persons:
 - (i) if the **Body Corporate** is a Joint Management Body established under **The SMA 2013**, any past, present or future elected member, including chairman, secretary, treasurer and the **Developer's** representative, of the Joint Management Committee of the **Body Corporate** is an Insured Person.
 - (ii) if the **Body Corporate** is a Management Corporation established under **The STA 1985**, each of the following is an Insured Person:
 - (a) any past, present or future elected member, including chairman, secretary and treasurer, of the Council of the **Body Corporate**; and
 - (b) if applicable, any elected committee member of the Joint Management Body dissolved under Section 15 of **The SMA 2013** upon constitution of the **Body Corporate** as a Management Corporation.
 - (iii) the **Body Corporate** itself and any past, present or future employees of the **Body Corporate**.

The term "Insured Person" does not include:

- (i) a managing agent appointed by the Commissioner of Buildings under Section 25(1) of **The SMA 2013**; or

- (ii) a managing agent appointed by the Commissioner of Buildings under Section 50(1) of **The STA 1985**; or
- (iii) an administrator appointed by the court under Section 51(1) of **The STA 1985**; or
- (iv) a person or firm (including his/its employees) engaged on a fee for service basis by the **Body Corporate**; or
- (v) a receiver or liquidator, whether or not appointed by the court.

- B. the **Body Corporate** to the extent as provided for in Clause 3 in item 3 of the Schedule.
- C. the legal entity named in the Schedule and past, present or future employees of the legal entity specified in the Schedule acting as "property management role". Clause 1C is only applicable for the Situation of Risk, as specified in the Schedule, located at **East Malaysia** defined below.

East Malaysia means Sabah and Sarawak and shall not include Federal Territory of Labuan.

The term "property management role" does not include activities:-

- (i) committed by you in the capacity as property developer; or
- (ii) committed by you in the capacity as real estate developer or real estate agent including but not limited to buying, selling, renting or leasing of real estate properties; or
- (iii) providing financial services, financial advice or asset valuations, be it for your own account or as an intermediary.

WHAT WE INSURE YOU FOR AND WHEN

- 2. Subject to Clause 4 below, we will pay on your behalf the **Loss** for which you become legally obligated to pay because of a **Wrongful Act** committed or allegedly committed by you, individually or otherwise, in your capacity as of the **Body Corporate**.
- 3. Subject to Clause 4 below, we will pay on behalf of the **Body Corporate** the **Loss** for which the **Body Corporate** grants indemnification to you and which you have become legally obligated to pay because of a **Wrongful Act** committed or allegedly committed by you, individually or otherwise, in your capacity as an office bearer of the Joint Management Committee or the Council, whichever is applicable, of the **Body Corporate**.

For the purposes of this Policy, indemnification shall be granted by the **Body Corporate** to you unless prohibited by law or due to **Financial Impairment** of the **Body Corporate**.

- 4. Our indemnity under this Policy applies to the aforesaid **Loss** only when such **Loss**:
 - (A) is on account of a Claim first made against you, individually or otherwise, during the **Policy Period**, and such **Claim** is brought in a designated **Jurisdiction**; and
 - (B) arises out of a **Wrongful Act** committed or allegedly committed in the Territorial Limit specified in the Schedule on or after the Retroactive Date specified in the Schedule or during the **Policy Period**.

WHAT "CLAIM FIRST MADE" IS

- 5. A **Claim** shall be deemed to have been first made against you at the earlier of the following times:
 - (A) when notice of such **Claim** is received by you; or
 - (B) when we make settlement in accordance with Clause 19.

All **Claims** alleging the same **Wrongful Act** and all Interrelated **Wrongful Acts** of any Insured Person shall be deemed one **Claim** and to have been first made at the time the first of those **Claims** made against you or any other Insured Person.

HOW MUCH WE INSURE YOU FOR

- 6. The Limits of Indemnity shown in the Schedule and the rules below fix the maximum amount we will indemnify you or the **Body Corporate** under this Policy:
 - (A) The Each Loss Limit set forth in the Schedule is the maximum amount we will pay for each Loss, whether covered under Clause 2 or Clause 3 or both.

- (B) The Aggregate Limit set forth in the Schedule is the maximum amount we will pay for all **Loss** on account of all **Claims** first made during the **Policy Period**, whether covered under Clause 2 or Clause 3 or both.

Defence Costs and **Legal Representation Expenses** are part of and not in addition to the Limits of Indemnity set forth in the Schedule, and any payment by us of **Defence Costs** and **Legal Representation Expenses** reduces the Limits of Indemnity shown in item 3 of the Schedule.

YOUR SELF-INSURED AMOUNT

- 7. Our liability under Clause 2 shall apply only to that part of each **Loss** which is in excess of the Deductible Amount set forth in the Schedule and such Deductible Amount shall be fully borne by you uninsured and at your own risk.
- 8. Our liability under Clause 3 shall apply only to that part of each **Loss** which is in excess of the Deductible Amount set forth in the Schedule and such Deductible Amount shall be fully borne by the **Body Corporate** uninsured and at its own risk.
- 9. If a single **Loss** is covered in part under Clause 2 and in part under Clause 3, then the maximum Deductible Amount applicable to the **Loss** shall be the Deductible Amount set forth in the Schedule.

YOUR AUTOMATIC EXTENDED COVERAGES

- 10. If a **Claim** against you includes a claim against your lawful spouse solely by reason of her status as a spouse or her ownership interest in property which the claimant seeks as recovery for your alleged **Wrongful Act**, all loss which your spouse becomes legally obligated to pay on account of such **Claim** shall be treated for purposes of this Clause 10 as **Loss** which you becomes legally obligated to pay on account of the **Claim** made against you. All limitations, conditions, provisions and other terms of coverage applicable to your **Loss** shall also be applicable to your spousal loss. However, this extended coverage shall not apply to the extent any **Claim** alleges any act or omission by your spouse.
- 11. Subject otherwise to the limitations, conditions, provisions and other terms of this Policy, coverage afforded by this Policy shall extend to **Claims** for your **Wrongful Acts** made against your estates, heirs, legal representatives or assigns if you die or against your legal representatives or assigns if you are incapacitated or bankrupt.

WHAT WE EXCLUDE FROM THIS POLICY

- 12. We shall not be liable for **Loss** on account of any **Claim** made against you:
 - (A) which was known to you prior to the inception of this Policy, or based upon, arising from, in consequence of or in connection with any **Circumstance** known to you prior to the inception of this Policy; or
 - (B) based upon, arising from, in consequence of or in connection with any demand, suit or other proceeding pending, or order, decree or judgment entered against you or the **Body Corporate** on or prior to the Pending or Prior Litigation Date specified in the Schedule; or
 - (C) for libel & slander but we will pay for the **Defence Costs** if you have successfully defended such **Claim**; or
 - (D) based upon, arising from, or in consequence of:
 - (i) any fraudulent or dishonest act or omission by you or any violation or breach of any statute or regulation by you wilfully, deliberately or knowingly. However, this Exclusion Clause 12 (D) (i) shall only apply where the subject conduct has been established by a judgment or other final adjudication adverse to you or when you have admitted the subject conduct; or
 - (ii) you having gained in fact any personal profit, remuneration or advantage to which you were not legally entitled.

For the purpose of determining the applicability of this Exclusion Clause 12 (D), fact pertaining to or knowledge possessed by you shall not be imputed to any other Insured Person; or

- (E) based upon, arising from, in consequence of or in connection with **Bodily Injury** and/or **Property Damage**. However, this Exclusion Clause 12 (E) shall not apply to any **Claim** made against you for **Bodily Injury** and/or **Property Damage** by an **Occupier** or a **Parcel owner** alleging a negligent act or omission in the maintenance of the **Common Property**; or

- (F) based upon, arising from, in consequence of or in connection with, failure to effect and maintain any insurance, or failure to pay any insurance premium; or
- (G) based upon, arising from, in consequence of or in connection with the Building Maintenance Account or any other account maintained by the **Developer** or **Original Proprietor** prior to the first annual general meeting of the **Body Corporate**; or
- (H) for trading debt incurred by the **Body Corporate** or for breach of personal financial guarantee or undertaking by you; or
- (I) brought or maintained by another Insured Person or the **Body Corporate**, except:
 - (i) a **Claim** that is an action brought or maintained on behalf of the **Body Corporate** by one or more **Parcel Owners** who are not Insured Persons and who bring and maintain the **Claim** without the solicitation by any Insured Person or the **Body Corporate**; or
 - (ii) a **Claim** brought or maintained by another Insured Person for contribution or indemnity, if the **Claim** directly results from another **Claim** covered under this Policy; or
 - (iii) a **Claim** that is brought or maintained by any past Insured Persons solely in his capacity as a **Parcel Owner**; or
- (J) based upon, arising from, in consequence of or in connection with:
 - (i) any actual or alleged asbestos or asbestos-containing materials; or
 - (ii) any actual or alleged moulds, fungi, spores or similar organics substances; or
 - (iii) any actual, alleged or threatened discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any watercourse or body of water; or any cost or expense arising out of any government demand or request that the **Body Corporate** or you test for, assess, monitor, clean up, remove, contain, treat, detoxify or neutralise any such irritants, contaminants or pollutants.

CONDITIONS PRECEDENT TO LIABILITY

13. The due observance and fulfilment of the terms, conditions and endorsements of this Policy in so far as they relate to anything to be done or complied with by you for this Policy and information supplied to us by you and the **Body Corporate** shall be conditions precedent to our liability to make any payment under this Policy. This Clause 13 shall similarly apply to the **Body Corporate** as if it were an Insured Person.

CLAIM CONDITIONS OF THIS POLICY

14. You agree to notify us in writing as soon as reasonably practicable but no later than 14 calendar days of:
- (A) any **Claim** made against you during the **Policy Period**. When you received a **Claim**, you also agree to:
 - (i) record the specifics of the **Claim** and the date received; and
 - (ii) send us copies of any demand, notice, summons, charge or legal paper received in connection with the **Claim**; and
 - (iii) authorise us and our representative to obtain records and other information; and
 - (iv) assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of loss, injury or damage to which this Policy may also apply.
 - (B) any **Circumstance** of which you first become aware during the **Policy Period**. To the extent possible, such notice should include:
 - (i) the nature of such **Circumstance**; and
 - (ii) the names and addresses of any affected party and witness.

Notice of a **Circumstance** is not notice of a **Claim**. However, we will treat any subsequently resulting **Claim** as if it had been made against you during the **Policy Period**.

You also agree to do and concur in doing all things reasonably practicable to avoid or diminish any liability hereunder.

- 15. You agree, at your own expense, to give us all information, documents and assistance we reasonably require and to co-operate fully with us. If after more than one request by us for information, documents or assistance, you fail to respond or respond only in part, your inaction shall be deemed as total or gross disregard or avoidance and shall entitle us to void the **Claim** or **Claim** resulting from a **Circumstance** notified to us except when the failure was due to circumstances completely beyond your control.
- 16. You agree not to settle any **Claim**, incur any **Defence Costs** and/or **Legal Representation Expenses**, make any admission, offer or payment or otherwise assume any contractual obligation with respect to any **Claim** without our prior written consent, which shall not be unreasonably withheld. We shall not be liable for any settlement, **Defence Costs** and/or **Legal Representation Expenses**, assumed obligation or admission to which we have not consented.
- 17. You agree that we have the right but not the duty to take over the conduct of a **Claim** made against you, including its investigation, defence, avoidance, reduction or settlement, and we may do so in your name.

However, we will not settle a **Claim** without your written consent. If we wish to settle a **Claim** but you refuse to consent, our liability for such **Claim** shall not exceed the amount for which such **Claim** could have been settled plus the **Defence Costs** and/or **Legal Representation Expenses** incurred up to the date of such refusal.

If you or the **Body Corporate** on your behalf wish to settle a **Claim** but we refuse consent, we shall consult a legal counsel (whose appointment to be mutually agreed upon by you and us) to advise on whether or not the **Claim** against you shall be contested. In formulating such advice, such legal counsel shall take into consideration the economics of the matter, the damages and costs which are likely to be recovered by the claimant plaintiff, the likely **Defence Costs** and the prospects of you successfully defending the **Claim**.

If the legal counsel advises the **Claim** to be settled, we shall take such steps as are mutually agreed to settle the **Claim** on terms to be mutually agreed and, in default of agreement, such steps and such terms as the legal counsel advises having due regard to the interests of both parties. Legal counsel's fees will in each case be payable by the party against whose contention legal counsel advised.

Where the amount of the **Loss** on account of a **Claim** made against you is less than the **Deductible**, you or the **Body Corporate** on your behalf may, with our prior written consent, assume the conduct of the **Claim** and/or settle the **Claim**.

If we believe that the **Loss** on account of a **Claim** made against you will not exceed the **Deductible**, we may and are entitled to instruct you or the **Body Corporate** on your behalf to conduct the defence of the **Claim**. In such situation, we will reimburse you or the **Body Corporate** for that part of **Loss** in excess of the **Deductible** (subject always to Clause 6) in the event that any payment made for damages and claimant's cost of litigation which you have become legally obligated to pay and/or **Defence Costs** and/or **Legal Representation Expenses** incurred to dispose of the **Claim** exceeds the **Deductible**.

- 18. We shall have no obligation or liability under this Policy when the applicable Limit of Indemnity shown in the Schedule has been used up in the payment of damages and claimant's cost of litigation which you are legally obligated to pay and/or **Defence Costs** and/or **Legal Representation Expenses** or settlements of a **Claim** under this Policy.

We may pay to you or the **Body Corporate** the maximum amount payable under this Policy set forth in the Schedule in respect of a **Claim** made against you and we shall have no further obligation or liability in respect of such **Claim**.

- 19. We may, at our discretion, investigate any **Circumstance** and, with your written consent, settle any **Claim** that may result.
- 20. If a **Claim** against you includes causes of action against uninsured defendants, allegations of uninsured damages, uninsured acts or other uninsured matters, you, the **Body Corporate** and us agree to use your, the **Body Corporate's** and our best efforts to determine and agree upon a reasonable, fair and proper allocation of **Defence Costs**, **Legal Representation Expenses**, settlement and/or damages among you, the uninsured defendant and us.

21. If any **Claim** under this Policy shall be in any respect fraudulent or if any fraudulent means or devices are used by you or the **Body Corporate** or anyone acting on your behalf to obtain benefit under this Policy, this Policy shall become void and all benefits hereunder shall be forfeited.
22. In the event of any payment under this Policy, we shall be subrogated to the extent of such payment to all your rights of recovery. You and the **Body Corporate** must do nothing to impair such rights. You agree to execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable us effectively to bring suit in your name. At our request, you will bring suit or transfer those rights to us and help us enforce them.

OTHER CONDITIONS OF THIS POLICY

23. No person or organisation has a right under this Policy to join us as a party or otherwise bring us into a suit asking for damages from you or to sue us on this Policy unless all of its terms have been fully complied with.

A person or organisation may sue us to recover on an agreed settlement or on a final judgment against you; but we will not be liable for damages that are not payable under the terms of this Policy or that are in excess of the applicable Limit of Indemnity. An agreed settlement means a settlement and release of liability signed by us, you and the claimant or the claimant's legal representative.

24. By accepting this Policy, you agree that, the statements in the Schedule are accurate and complete, those statements are based upon declaration and representations you and the **Body Corporate** made to us, and we have issued this Policy in reliance upon these declarations and representations.
25. Every change materially affecting the facts, circumstances, degree or amount of risk existing at the commencement of this Policy or at any subsequent renewal date shall be notified in writing to us as soon as such change comes to your notice or knowledge. On receipt of such notice we may vary the terms of this Policy and charge such additional premium as we may determine appropriate in the circumstances. Dissolution of the **Body Corporate** as a Joint Management Body under Section 15 of **The SMA 2013** during the **Policy Period** shall be deemed a material change in exposure.
26. If, at the time any **Claim** arises under this Policy, you are entitled to indemnification from any other policy of insurance collectible or otherwise, or would, but for the existence of this Policy be so entitled, this Policy shall only apply in excess of the amount of indemnity collectible or otherwise from such other policy of insurance or to which an entitlement would exist but for the existence of this Policy.
27. The construction, validity or operation of this Policy shall be interpreted in accordance with the laws and usage of Malaysia. Any dispute relating to the construction, interpretation, meaning and enforcement of this Policy shall be submitted to the exclusive jurisdiction of the Malaysian courts. Under this Policy, the masculine includes the feminine and the singular includes the plural and vice versa.
28. This Policy contains all the agreements between you and us concerning the insurance afforded. The terms of this Policy can be amended or waived only by endorsement issued by us and made a part of this Policy.
29. This Policy may be cancelled by the **Body Corporate** by surrendering thereof to us or by mailing to us a written notice stating when thereafter the cancellation shall be effective. This Policy may be cancelled by us by mailing to the **Body Corporate** at the address shown in the Schedule a written notice stating when, not less than thirty (30) days thereafter, such cancellation shall be effective. The mailing or notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice either by the **Body Corporate** or by us shall be equivalent to mailing.

If the **Body Corporate** cancels, earned premium shall be computed in accordance with the customary short period rate table and procedure, and we shall refund the unearned premium to the **Body Corporate** unless a **Claim** has been made or **Circumstance** has been notified under this Policy prior to cancellation. If we cancel, earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancellation is effected, or as soon

as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

DEFINITIONS

30. When used in this Policy:

- (A) **Bodily Injury** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- (B) **Body Corporate** means the Policyholder stated in the Schedule which shall be either a Joint Management Body established under **The SMA 2013** or a Management Corporation established under **The STA 1985**.
- (C) **Circumstance** means any fact, circumstance or event which may reasonably be anticipated to give rise to a **Claim** made against you at any future time.
- (D) **Claim** means:
- (i) a written demand for monetary damages;
 - (ii) a civil proceeding commenced by the service of a complaint, summons, statement of claim or similar pleading;
 - (iii) a criminal proceeding commenced by a summons or charge; or
 - (iv) a formal administrative or regulatory proceeding commenced by the filing of a notice of charges, formal investigative order or similar document,
- against you for a **Wrongful Act**, including any appeal therefrom.
- (E) **Common Property**, in relation to the **Strata Title Property**, means so much of the **Strata Title Property** as is not comprised in any **Parcel**, such as the structural elements of the building, stairs, stairways, fire escape, entrances and exits, corridors, lobbies, fixtures and fittings, lifts, refuse chutes, refuse bins, compounds, drains, water tanks, sewers, pipes, wires, cables and dusts that serve more than one **Parcel**, the exterior of all common parts of the building, playing fields and recreational areas, driveways, car parks and parking areas, open spaces, landscape areas, walls and fences, and all other facilities and installations and any part of the land used or capable of being used or enjoyed in common by all the Occupiers of the building.
- (F) **Deductible** means Deductible Amounts set forth in the Schedule as your self-insured amount.
- (G) **Defence Costs** means reasonable and necessary costs, charges, fees and expenses incurred, by you or the **Body Corporate** on your behalf with our prior written consent, or by us on your behalf, in the investigation, defence and/or settlement of any actual or potential **Claim** which forms the subject of our indemnity under this Policy.
- (H) **Developer** means the developer in respect of the **Strata Title Property**.
- (I) **Financial Impairment** means the status of the **Body Corporate** resulting from:
- (i) the appointment by any competent court of any receiver and manager or liquidator to take control of, supervise, administer, manage or liquidate the **Body Corporate**; or
 - (ii) the **Body Corporate** becoming a debtor in possession.
- (J) **Interrelated Wrongful Acts** means all causally connected **Wrongful Acts**.
- (K) **Jurisdiction** means the country designated in the Schedule where we will indemnify you against any **Claim** to which this Policy applies in accordance with the laws of such country and in respect of judgements, awards, payments or settlements made in such country. However, we will not indemnify or defend you against any **Claim** made in any country not designated in the Schedule, neither we will indemnify or defend any **Claim** brought in the court of law in such country.

Our indemnity under this Policy shall in no circumstances apply to any judgement or award obtained in any country not designated in the Schedule nor to any proceedings in any country designated in the Schedule for the enforcement of judgement or award obtained in any country not designated in the Schedule, whether by way of reciprocal agreements or otherwise. It is agreed that the premium for this Policy has been calculated accordingly and no consideration has been paid in respect of liabilities arising under, the law of, or the jurisdiction of any court in, any country not designated in the Schedule.

- (L) **Legal Representation Expenses** means that part of **Loss** consisting of costs, charges, fees and expenses (other than regular or overtime wages or salaries of employees of the **Body Corporate**) incurred with our prior written consent and arising out of your attendance at any formal administrative or investigative inquiry by a government body or other institution or professional body that is empowered by statute to investigate the affairs of the **Body Corporate**.
- (M) **Loss** means the amount which you become legally obligated to pay on account of a **Claim** first made against you during the **Policy Period** for a **Wrongful Act** for which coverage applies, including damages, judgements, settlements, costs, **Defence Costs** and **Legal Representation Expenses**.
- (M) The term **Loss** does not include:
- (i) costs and expenses ordinarily or necessarily incurred or to be incurred for the repair and proper maintenance of the **Common Property** and keeping it in a state of good and serviceable repair; or
 - (ii) costs and expenses incurred or to be incurred in compliance with any notices or orders given or made by the local authority or any competent public authority requiring the abatement of any nuisance on the **Common Property**, or ordering repairs or other work to be done in respect of the **Common Property** or other improvements to the property;
 - (iii) fines or penalties imposed by law, or the multiple portion of any multiple damage award, or punitive or exemplary damages, or matters uninsurable under the law pursuant to which this Policy is construed.
- (N) **Occupier** means any person or organisation in actual occupation of a **Parcel**, including tenant.
- The term **Occupier** does not include:
- (i) guest, visitor, customer or invitee of **Occupier**; or
 - (ii) lodger in the case of premises for lodging purposes.
- (O) **Original Proprietor** means the original proprietor, as more specifically defined in **The STA 1985**, in respect of the **Strata Title Property**.
- (P) **Parcel** means any of individual units comprised in the subdivided building or land, as more specifically defined either in **The SMA 2013** or **The STA 1985**, whichever is applicable, in respect of the **Strata Title Property**.
- (Q) **Parcel Owner** means a purchaser or proprietor of a **Parcel**.
- (R) **Policy Period** means the Period of Indemnity specified in the Schedule.
- (S) **Property Damage** means physical injury to or loss of a tangible property, including all resulting loss of use of that property.
- (T) **Strata Title Property** means the subdivided building or land including the **Common Property** which is under the maintenance and management of the **Body Corporate**.
- (U) **The SMA 2013** means the Strata Management Act 2013 (Act 757) and any amendment thereto.
- (V) **The STA 2013** means the Strata Titles Act 1985 (Act 318) and any amendment thereto.
- (W) **Wrongful Act** means any act or omission, including error, misstatement, misleading statement, neglect, or breach of duty, breach of trust or breach of warranty of authority, committed or allegedly committed by you, individually or otherwise, in your capacity as an office bearer of the Joint Management Committee or the Council, whichever is applicable, of the **Body Corporate**, or any matter claimed against you solely by reason of your capacity as an office bearer of the Joint Management Committee or the Council, whichever is applicable, of the **Body Corporate**.

Where the premium payable pursuant to this warranty is received by an authorised agent of us the payment shall be deemed to be received by us 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 us.

(B) War and Terrorism Exclusion Clause

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

- (a) any claim, loss, damage, cost or expense of whatsoever Any loss, damage, cost, expenses or injury of whatsoever nature directly or indirectly occasioned by, happening through or in consequence of war, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, mutiny, popular rising, military rising, insurrection, rebellion, revolution, military or usurped power, martial law, confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.
- (b) any claim, loss, damage, cost, expenses or injury of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, including but not limited to controlling, preventing, suppressing or in any way relating to any act of terrorism.

For the purpose of this clause, terrorism shall mean 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 a section of the public, in fear.

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

If we allege that by reason of this exclusion, any claim, loss, damage, cost or expense is not covered by this Policy the burden of proving the contrary shall be upon the Insured person.

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

GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS

1. DUTY OF DISCLOSURE

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.

2. PREMIUM PAYMENT

No payment in respect of any premium shall be deemed to be payment to the Company unless a printed form of receipt for the same signed by an Official or duly appointed Agent of the Company shall have been given to the Insured.

3. OTHER INSURANCE

The Insured shall give notice to the Company of any insurance or insurances already effected, or which may subsequently be effected, covering any of the loss hereby insured against and unless such notice be given and the particulars of such insurance or insurances be stated in or endorsed on this Policy by or on behalf of the Company before the occurrence of any Damage, all benefits under this Policy shall be forfeited.

WARRANTIES/CLAUSES/ENDORSEMENTS

31. This Policy is subject to the following warranty and clause: -

(A) Premium Warranty

It is fundamental and absolute special condition of this contract of insurance that the premium due must be paid and received by us 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 we shall be entitled to the pro rata premium on the period we have been on risk.

4. NOTICE OF 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 the cancellation.

5. CLAIM PROCEDURE

On the happening of any Damage in consequence of which a claim is or may be made under this Policy, the Insured shall forthwith give notice thereof to the Company and shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss and in the event of a claim being made under this Policy shall, not later than thirty days after the expiry of the indemnity Period or within such further time as the Company may in writing allow, at his own expense deliver to the Company in writing a statement setting forth particulars of his claim, together with details of all other insurances (if any) covering the Damage or any part of it or consequential loss or any kind resulting therefrom. The Insured shall at his own expense produce, procure and give to the Company such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonable be required by or on behalf of the Company for the purpose of investigating or verifying the claim together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith. No claim under this Policy shall be payable unless the terms of this condition have been complied with and in the event of noncompliance therewith in any respect, any payment on account of the claim already made shall be repaid to the Company forthwith.

6. LOSS NOTIFICATION (30 DAYS)

This insurance will not be prejudiced by any inadvertent delays errors or omissions in notifying the company within sixty (30) days of any circumstances or events giving rise or likely to give rise to a claim under this policy.

7. FRAUDULENT CLAIM

If the claim be in any respect fraudulent, or if any false declaration be made or used in support thereof, or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this Policy; or if the Damage be occasioned by the willful act, or with the connivance of the insured; or, if the claim be made and rejected and an action or suit be not commenced within three months after such rejection, or (in case of an arbitration taking place in pursuance of the 14th Condition of this Policy) within three months after the Arbitrator or Arbitrators or Umpire shall have made their award, all benefit under this Policy shall be forfeited.

8. REINSTATEMENT

The Company may at its option reinstate or replace the property damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or may join with any other Company or Insurers in so doing; but the Company shall not be bound to reinstate exactly or completely, but only as circumstances permit and in reasonably sufficient manner, and in no case shall the Company be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage, nor more than the sum insured by the Company thereon. If the Company so elect to reinstate or replace any property the Insured shall, at his own expense, furnish the Company with such plans, specifications, measurements, quantities, and such other particulars as the Company may require, and no acts done, or caused to be done by the Company with a view to reinstatement or replacement shall be deemed an election by the Company to reinstate or replace. If in any case the Company shall be unable to reinstate or repair the property hereby insured, because of any municipal or other regulations in force affecting the alignment of streets, or the construction of buildings, or otherwise, the Company shall, in every such case, only be liable to pay such sum as would be requisite to reinstate or repair such property if the same could lawfully be reinstated to its former condition.

9. SUBROGATION

The Insured shall, at the expenses 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 any loss

under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

10. CONTRIBUTION

If at the time of any loss or damage happening to any property hereby insured, there be any other subsisting insurance or insurances, whether effected by the insured or by any other person or persons covering such loss or any part of it, the Company shall not be liable to pay or contribute hereunder more than its rateable portion of such loss.

11. ARBITRATION

If any difference arises as to the amount of any loss such difference shall independently of all other questions be referred to the decision of an Arbitrator to be appointed in writing by the parties in difference, or, if they cannot agree upon a single Arbitrator, to the decision of two disinterested persons as Arbitrators, of whom one shall be appointed in writing by each of the parties within two calendar months after having been required so to do in writing by the other party. In case either party shall refuse or fail to appoint an Arbitrator within two 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, or 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 cost of the reference and of the award shall be at the discretion of the Arbitrator, Arbitrators or Umpire making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such Arbitrator, Arbitrators or Umpire of the amount of the loss if disputed shall be first obtained.

12. OBSERVANCE

The due observance and fulfilment of the terms provisions conditions and endorsements of this Policy in so far as they relate to anything to be done or complied with by the Insured shall be conditions precedent to any liability of the Company to make any payment under this Policy.

13. COMMUNICATION

Every notice and other communication to the Company required by these Conditions must be written or printed.

14. INTERPRETATION

This Policy and the Schedule herein 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 said Schedule shall bear such meaning wherever it may appear.

15. COMPANY'S LIABILITY

In no case whatever shall the Company be liable for any loss or damage after the expiration of twelve (12) months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration.

16. JURISDICTION CLAUSE

The Indemnity provided by this Policy shall not apply in respect of judgements which are not in the first instance delivered by or obtained from a Court of competent jurisdiction within Malaysia, nor to orders obtained in the said Court for the enforcement of judgement made outside Malaysia whether by way or reciprocal agreements or otherwise.

17. PREMIUM WARRANTY

It is a fundamental and absolute special condition of this contract of insurance that the premium due must be paid and received by the Company 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 Company shall be entitled to the pro-rata premium for the period they have been on risk.

Where the premium payable pursuant to this warranty is received by an authorised agent of the Company, the payment shall be deemed to be received by the Company 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 Company.

18. DATE RECOGNITION CLAUSE

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 chips), 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:
 - (i) correctly recognize any date as its true calendar date;
 - (ii) 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
 - (iii) 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 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 1, 2, 3 or 4 above, is excluded regardless of any other cause that contributed concurrently or in any other sequence to the same.

Saving Clause

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

Subject otherwise to the terms and conditions of the policy.

GENERAL EXCEPTIONS APPLICABLE TO SECTION 1 & 10

RADIOACTIVE/NUCLEAR ENERGY RISKS EXCLUSION CLAUSE

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

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

GENERAL EXCEPTIONS APPLICABLE TO SECTION 1,2,3,4 AND 10

1. 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.

2. SANCTION EXCLUSION CLAUSE

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).

GENERAL/ENDORSEMENTS/CLAUSES APPLICABLE TO SECTION 1

ELECTRICAL INSTALLATIONS CLAUSE (A) – (APPLICABLE TO MANUFACTURING RISKS AND WORKSHOPS)

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

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

Subject otherwise to the terms and conditions of the policy.

REINSTATEMENT VALUE (STRATA TITLED PROPERTY) CLAUSE

It is hereby declared and agreed that in the event of the property insured as stated in the Schedule of the within Policy being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the Policy is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the insured property when new, subject to the following Special Provisions and subject also to the terms and conditions of the Policy except insofar as the same may be varied hereby.

Special Provisions

1. The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch and in any case must be completed within 12 months after the destruction or damage, or within such further time as the Company may (during the said 12 months) in writing allow otherwise no payment beyond the amount which would have been payable under the Policy if this clause had not been incorporated therein shall be made.
2. Until expenditure has been incurred by the Insured in replacing or reinstating the property destroyed or damaged the Company shall not be liable for any payment in excess of the amount which would have been payable under the Policy if this clause had not been incorporated therein.
3. If the Sum Insured at the breaking out of any fire or at the commencement of any destruction of or damage to the property by any other peril hereby insured against be less than 85% of the sum representing the cost at the time of replacement or reinstatement which would have been incurred in replacement or reinstatement if the whole of the property insured had been destroyed then the Insured shall be considered being his own insurer for the difference between the sum insured and the sum representing the full cost at the time of replacement or reinstatement which would have been incurred in replacement or reinstatement if the whole of the property insured had been destroyed and shall bear a rateable proportion of the loss accordingly. Every item, if more than one of the Policy shall be separately subject to this Special Provision.

4. This clause shall be without force or effect if:-
- (a) The Insured fails to intimate to the Company within six (6) months from the date of destruction or damage, or such further time as the Company may in writing allow, his intention to replace or reinstate the property destroyed or damaged.
 - (b) The Insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or upon another site.
5. No payment beyond the amount which would have been payable under the Policy if this clause had not been incorporated therein shall be made if at the time of any destruction or damage to any property insured hereunder such property shall be covered by any other insurance effected by or on behalf of the Insured which is not upon the identical basis of reinstatement set forth therein.
6. In the event that the Company is liable to make any payment (other than payment representing the cost of replacing or reinstating the property destroyed or damaged) under the provisos of this clause the Company shall only make such payment in accordance with the Strata Titles Act, 1985 and the Strata Titles (Federal Territory of Kuala Lumpur) Rules, 1988 and/or its subsequent amendments.

UNVALUED POLICY CLAUSE

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

GENERAL/ENDORSEMENTS/CLAUSES APPLICABLE TO SECTION 2 - 11

1. TERRORISM EXCLUSION CLAUSE

Notwithstanding any 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 act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or The threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or Government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also exclude loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the insurers allege that by reason of this extension, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the insured.

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

GENERAL/ENDORSEMENTS/CLAUSES APPLICABLE TO SECTION 1 & 2 (Not applicable unless specified in the Schedule)

1. MORTGAGEE (CHARGE) CLAUSE I

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

And it is further agreed that whenever the Company shall pay the said Mortgagee (Charge) any sum in respect of loss or damage under this Policy and shall claim that as to the Mortgagor (Chargor) or Owner no liability therefor existed, the Company shall become legally subrogated to all the rights of the Mortgagee (Charge) to the extent of such payment but not so as to impair the right of the said Mortgagee (Charge) to recover the full amount of any claim it may have on such Mortgagor (Chargor) or Owner or on any other party or parties insured hereunder 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 (Charge) in writing giving fourteen (14) days notice to the last known address of the Mortgagee (Charge).

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.

2. LEASING ENDORSEMENT

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

Non Cancellation Clause

And it is further agreed that cancellation of this 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.

3. HIRE PURCHASE ENDORSEMENT

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

It is understood and agreed that notwithstanding any provision in the Hire Purchase Agreement to the contrary this Policy is issued to the Insured 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 this 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.

4. COINSURANCE AND LEADER CLAUSE

It is hereby declared and agreed notwithstanding anything contained in the within policy, or on any endorsement hereon to the contrary that any reference to "the company" shall be deemed to mean the following companies each of which agrees for its individual proportion set against its name subject to the terms, exceptions and conditions herein or attached hereto or endorsed hereon, that if during the Period of insurance stated in the schedule the insured shall sustain loss or damage in the circumstances provided for by this policy

Indemnify the insured in the manner herein described:-

Company	Proportion
As shown in the schedule	as shown in the schedule

It is further declared and agreed notwithstanding anything contained to the contrary that the lead co-insurer, is authorised to sign the Policy/endorsement/renewal receipt.

For all intents and purposes this policy shall have effect as though each of the above-mentioned insurance companies had issued a separate policy for its individual proportion of the sum insured.

GENERAL/ENDORSEMENTS/CLAUSES APPLICABLE TO SECTION 2, 3

1. REINSTATEMENT VALUE CLAUSE

Notwithstanding anything to the contrary contained in Condition 17 of the Policy, it is hereby declared and agreed that in the event of the property stated in the schedule of the within Policy being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the Policy is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the insured property when new, subject to the following Special Provisions and subject also to the terms and conditions of the Policy except insofar as the same may be varied hereby.

Special Provisions

- (a) The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch and in any case must be completed within 12 months after the destruction or damage, or within such further time as the Company may (during the said 12 months) in writing allow otherwise no payment beyond the amount which would have been payable under the Policy of this memorandum had not been incorporated therein shall be made.
- (b) Until expenditure has been incurred by the Insured in replacing or reinstating the property destroyed or damaged the Company shall not be liable for any payment in excess of the amount which would have been payable under the Policy if this memorandum had not been incorporated therein.
- (c) 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 had been destroyed exceeds the sum insured thereon at the breaking out of any fire or at the commencement of any destruction of or damage to such property by any other peril insured against by this Policy, then the Insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the Policy (if more than one) to which this Memorandum applies shall be separately subject to the foregoing provision.
- (d) This Memorandum shall be without force or effect if:-
 - (i) 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.
 - (ii) The Insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.
- (e) 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.

2. AUTOMATIC REINSTATEMENT OF SUM INSURED

In consideration of the sum insured not having reduced by the amount of any loss the insured shall pay the appropriate extra premium of the amount of such loss from the date thereof to the date of the expiry of the period of insurance.

3. OTHER CONTENTS CLAUSE

It is agreed that the term "Other Contents" in so far as they are not otherwise insured is understood to include:-

- (a) Money and stamps not otherwise specifically insured.
- (b) Documents, manuscripts and business books but only for the value of the materials as stationery, together with the cost of clerical labour expended in writing up, and not for the value to the Insured of the information contained therein and in respect of any one document, manuscript or business book.

- (c) Computer systems records but only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value to the Insured of the information contained therein.
- (d) Patterns, models, moulds, plans and designs, in respect of any one pattern, model, mould, plan or design.
- (e) Employees' pedal cycles, clothing, tools and other personal effects in respect of any one Employee.

Note: The monetary limit of RM1,000 maximum for items (a) to (e) are obligatory.
