



Fire Consequential Loss Policy

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

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

The Company agrees (subject to the Conditions contained herein or endorsed or otherwise expressed thereon) that if any building or other property or any part thereof used by the Insured at the Premises for the purpose of the Business be destroyed or damaged by:

- 1) Fire,
- 2) Lightning,
- 3) Explosion, in a building in which gas is not generated and which does not form part of any gasworks, of gas used therein for illuminating or domestic purposes.

(destruction or damage so caused being hereinafter termed Damage) at any time during the Period of Insurance or any subsequent period in respect of which the Company agrees to accept the premium required for the renewal of this Policy and the Business carried on by the Insured at the premises be in consequence thereof interrupted or interfered with.

Then the Company will pay to the Insured in respect of each item in the Schedule hereto the amount of loss resulting from such interruptions or interference in accordance with the provisions therein contained.

Provided that at the time of the happening of the Damage there shall be in force an insurance covering the interest of the Insured in the property at the premises against such Damage and that payment shall have been made or liability admitted therefor under such insurance.

And that the liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon or in the whole the total sum insured hereby or such other sum or sums as may hereafter be substituted therefor by memorandum signed by or on behalf of the Company.

Conditions

1. MISDESCRIPTION

The Insured has a duty to disclose any matter that the Insured knows to be relevant to the Company's decision in accepting the risks and determining the rates and terms to be applied and any matter a reasonable person in the circumstances could be expected to know to be relevant otherwise it may result in avoidance of the Insured's contract of insurance, refusal or reduction of the Insured's claim(s), change of terms or termination of the Insured's contract of insurance.

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

2. 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 should 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.

4. DISPLACEMENT

Immediately upon any fall or displacement

- a) of any building Damage to which might give rise to a claim under this Policy;
- b) of any part of such building;
- c) of the whole or any part of any range of buildings or of any structure of which such building forms part

The insurance under this Policy shall cease in respect of loss resulting from Damage to such building or property therein.

PROVIDED THAT

- i) 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 leaves such building or any part thereof or any property contained therein subject to increased risk of Damage or is otherwise material;
- ii) Such fall or displacement is not caused by Damage, loss resulting from which is covered by this Policy or would be covered if such building or range of buildings or structure were included in the Premises to which this Policy refers.

If any claim be made upon this Policy in consequence of Damage whether occurring before, during or after such fall or displacement the Insured shall produce such proof as may reasonably be required that the loss was not, either in origin or in extent, directly or indirectly, proximately or remotely; occasioned by or contributed to by any such fall or displacement and did not either in origin or extent, directly or indirectly, proximately or remotely, arise out at or in connection with any such fall or displacement.

5. EXCLUDED INTERRUPTION LOSS

The Company shall not be liable in so far as the interruption loss is increased:

- a) by extraordinary events taking place during the interruption,
- b) by restrictions imposed by the authorities on the reconstruction or operation of the business,
- c) due to the insured's lack of sufficient capital for timely restoration or replacement of property destroyed, damaged or lost.

6. EXCLUDED COVER

This insurance does not cover:-

Loss occasioned by or happening through or in consequence of:-

- a) The burning of property by order of any Public Authority,
- b) Subterranean Fire,
- c) Explosion except as stated on the Policy,
- d) The burning, whether accidental or otherwise, of forests, bush lallang prairie, pampas or jungle and the clearing of lands by fire,
- e) Damage to property occasioned by its own fermentation, natural heating or spontaneous combustion or by its undergoing any heating or drying process.

7. EXCLUDED COVER

This insurance does not cover any loss resulting from Damage which either in origin or extent is directly or indirectly, proximately or remotely, occasioned by or contributed to by any of the following occurrences, or which, either in origin or extent, directly or indirectly, proximately or remotely, arises out of or in connection with any of such occurrences namely:

- a) Earthquake, volcanic eruption, typhoon, hurricane, tornado, cyclone or other convulsion of nature or atmospheric disturbance,
- b) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), mutiny, riot, civil commotion, insurrection, rebellion, revolution, conspiracy, military or usurped power, martial law or state of siege, or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.
- c) Loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material
- d) 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 waste from the combustion of nuclear fuel.
- 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 organization (s) or government (s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public, in fear.

Any loss resulting from Damage happening during the existence of abnormal conditions (whether physical or otherwise), directly or indirectly, proximately or remotely, occasioned by or contributed to by or arising out of or in connection with any of the said occurrences shall be deemed to be loss not covered by this insurance, except to the extent that the insured shall prove that such 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 is not covered by this insurance the burden of proving that such loss is covered shall be upon the insured.

8. CHANGE IN RISK

The insurance by this Policy shall cease if:

- a) the Business be wound up or carried on by a Liquidator or Receiver or permanently discontinued
or
- b) the insured's interest cease otherwise than by death
or
- c) any alteration be made either in the Business or in the Premises or property therein whereby the risk of Damage is increased, at any time after the commencement of this insurance, unless its continuance be admitted by memorandum signed by or on behalf of the Company.

9. INCREASE IN RISK

Notice shall be given to the Company and, if required, an additional premium paid, if the rate of premium payable in respect of the insurance covering the interest of the Insured in the property at the Premises against Damage shall be increased.

10. 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 at any time be terminated at the option of the Company on notice to that effect being given to the Insured, 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.

11. 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 an 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 reasonably 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 non-compliance therewith in any respect. any payment on account of the claim already made shall be repaid to the Company forthwith.

12. FRAUD

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 anyone acting on his behalf to obtain any benefit under this Policy; or if the Damage be occasioned by the wilful 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 15th 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.

13. CONTRIBUTION

If at any time of any loss under this Policy thereby any other subsisting insurance, 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.

14. 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 thins shall be or become necessary or required before or after his indemnification by the Company.

15. 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.

16. REINSTATEMENT OF SUM INSURED

In consideration of the Insured undertaking to pay an additional premium at the agreed rate on the amount of loss calculated on a pro rata basis from the date of such loss to the expiry of the correct period of insurance, it is agreed that in the event of loss the insurance hereunder shall be maintained in force for the full sum insured.

17. TIME LIMITATION

In no case whatever shall the Company be liable in respect of any claim under this Policy after the expiration of

- a) one year from the end of the Indemnity Period, or if later,
- b) three months from the date on which payment shall have been made or liability admitted by the insurers covering the Damage giving rise to the said claim,

unless the claim is the subject of pending action or arbitration

18. MEANING

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

19. NOTICE

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

Special Perils Endorsements

The following perils are applicable if specified in the policy schedule;

RIOT, STRIKE & MALICIOUS DAMAGE ENDORSEMENT

It is hereby agreed and declared that notwithstanding anything in the within written Policy contained to the contrary the term Damage as defined in this Policy shall extend to include (subject always to the Special Conditions hereinafter contained) :

- (A) Riot and Strike damage directly caused by :-
 - (1) The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in Condition 7 of the Special Conditions hereof.
 - (2) The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimising the consequences of any such disturbance.
 - (3) The wilful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lock-out.
 - (4) The action of any lawfully constituted Authority in preventing or attempting to prevent any such act or in minimising the consequences of any such act.
- (B) Malicious Damage directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) not being an act amounting to or committed in connection with an occurrence mentioned in Condition 7 of the Special Conditions hereof.

SPECIAL CONDITIONS

For the purpose of this endorsement but not otherwise there shall be substituted for the respectively numbered Conditions of the Policy the following :-

Condition 6.

This insurance does not cover :-

- (a) Loss resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation, other than that arising directly from destruction of or damage to the Premises or the property therein of the Insured caused by the perils insured against under this Policy.
- (b) Loss occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted Authority.
- (c) Loss occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building.
- (d) Loss occasioned by or happening through or in consequence of damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material.
- (e) Loss occasioned by or happening through or in consequence of damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this Condition 6(e) only, combustion shall include any self-sustaining process or nuclear fission.

Provided nevertheless that the Company is not relieved under (b) or (c) above of any liability to the Insured in respect of loss following physical damage to the Premises or the property therein of the Insured occurring before dispossession or during temporary dispossession.

Condition 7.

This insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely :-

- (a) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.
- (b) Mutiny, civil commotion assuming the proportions of or amounting to popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.
- (c) Act of terrorism committed by a person or persons acting on behalf or in connection with any organisation.

For the purpose of this Condition, "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.

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

Condition 10.

This insurance may at any time be terminated by the Company on notice to the effect being given to the Insured, in which case the Company shall be liable to repay a rateable proportion of the premium for the unexpired term from the date of cancellation. If the insurance be terminated at the request of the Insured the Company shall not be liable to repay the premium or any part of it.

PROVIDED THAT it is hereby further expressly agreed and declared that :-

- (1) The liability of the Company shall in no case under this endorsement and the Policy exceed the sum insured by the Policy.
- (2) All the conditions of this Policy shall apply in all respects to the insurance granted by this extension save in so far as the same are expressly varied by the above Special Conditions.
- (3) The Special Conditions herein shall apply only to the insurance granted by this extension and the Conditions of the Policy shall apply in all respects to the insurance granted by the Policy as if this endorsement had not been made thereon.

ADDITIONAL PERILS ENDORSEMENT

It is hereby agreed and declared that notwithstanding anything in the within written Policy contained to the contrary the term Damage as defined in this Policy shall extend to include destruction or damage (by Fire or otherwise) caused by the following perils as covered under the corresponding Material Damage Insurance Policy No.

- 1) Aircraft and other aerial devices or articles dropped therefrom
- 2) Earthquake and volcanic eruption
- 3) Hurricane, cyclone, typhoon, windstorm
- 4) Flood (including overflow of the sea)
- 5) Explosion but excluding loss or damage to boilers, economizers or other vessels, machinery or apparatus in which pressure is used or their contents resulting from their explosion
- 6) Impact by any road vehicles, animals not belonging to or under the control of the Insured, or any member of his family, or any person in and upon the Insured's service

or

Impact by any road vehicles, animals including any road vehicles, horses or cattle belonging to or under the control of the Insured, or any member of his family, or any person in and upon the Insured's service
- 7) Bursting or overflowing of water tanks, apparatus or pipes installed in or on the premises insured but excluding water discharged or leaking from an installation of automatic sprinklers
- 8) Bush/lalang fire
- 9) subsidence and/or heave of the site on which the buildings stand or land belonging thereto, or landslip
- 10) Fire only caused by spontaneous fermentation, heating or combustion

or

Spontaneous fermentation, heating or combustion
- 11) Smoke damage due to a sudden, unusual and faulty operation of any heating or cooking unit, only when such unit is connected to a chimney by exhaust pipe or vent pipe, but not smoke from fire-laces or industrial apparatus.
- 12) water or other fire extinguishing agent accidentally discharged or leaking from an automatic sprinkler installation and/or drencher and/or fire suppression or extinguishing installation or apparatus
- 13) loss or damage to property occasioned by its undergoing any heating or drying process, but excluding loss or damage due to smoke, fumes, scorching, charring, chemical reaction, change of state or original composition, or discoloration.

Provided that the liability of the Company shall in no case under this Endorsement and the policy exceed the sum insured by this Policy.

All the conditions of this Policy shall apply in all respects to the insurance granted by this Endorsement save in so far as the same are expressly varied hereunder.

- 5.2(b)* It is hereby agreed and declared that notwithstanding anything in the within written Policy contained to the contrary the term Damage as defined in this Policy shall extend to include destruction or damage (by fire or otherwise) caused by the following additional perils as covered by the Material Damage Insurance Policy No.....

Provided that the liability of the Company shall in no case under this Endorsement and the Policy exceed the sum insured by this Policy.

All the conditions of this Policy shall apply in all respects to the insurance granted by this Endorsement save in so far as the same are expressly varied hereunder.

Note* : The additional perils endorsement wordings (a) or (b) to be used where applicable.

Extension

The following Extensions are applicable if specified in the policy schedule;

INFECTIOUS OR CONTAGIOUS DISEASES, MURDER, SUICIDE, PEST, FOOD OR DRINK POISONING; OR DEFECTIVE SANITARY ARRANGEMENTS

It is hereby agreed and declared that the insurance of this Policy is extended to cover contingencies hereunder specified :-

- (i) Human infectious or contagious disease manifested within any person whilst in the Premises
- (ii) Murder or suicide occurring at the Premises
- (iii) Injury or illness sustained by any person arising from or traceable to foreign injurious matter in the food or drink provided on the Premises
- (iv) Vermin or pests at the Premises
- (v) Defects in the drains and other sanitary arrangements at the Premises

which directly and solely results in the restriction of use of the Premises (whether total or partial) by the order of the competent public authority.

Any interruption of or interference with the Business of the Insured in accordance with the provisions herein contained in the Schedule shall be deemed to be DAMAGE as defined under the Policy.

SPECIAL CONDITIONS

1. Notifiable Disease or illness shall mean illness sustained by any person resulting from :
 - a) food or drink poisoning, or
 - b) any human infectious or human contagious disease [excluding Acquired Immune Deficiency Syndrome (AIDS)]an outbreak of which the competent local authority has stipulated shall be notified to them.
2. For the purpose of this memorandum
Indemnity Period shall mean the period during which the results of the Business shall be affected in consequence of the occurrence discovery or accident, beginning -
 - a) in the case of (i),(iv) and (v) above, with the date of the occurrence or discovery
 - b) in the case of (ii) and (iii) above, with the date from which the restrictions on the Premises are appliedand ending not later than when restrictions are lifted or the Maximum Indemnity Period thereafter, whichever is the shorter period.
Maximum Indemnity Period shall mean months
Premises shall mean only those locations stated in the Premises definition; in the event that the policy includes an extension which deems loss destruction or damage at other locations to be an Incident such extension shall not apply to this memorandum.
3. The Insurer shall not be liable under this memorandum for any costs incurred in the cleaning, repair, replacement, recall or checking of property.
4. The Insurer shall only be liable for the loss arising at those Premises which are directly affected by the occurrence discovery or accident.
5. The Insurer's liability under this memorandum shall not exceed 10% of Sum Insured or RM10 million, whichever is lower in any one period of insurance, after the application of all other terms and conditions of the policy.

PROVIDED that the Insurers shall not be liable for any loss insured by this extension unless interruption of or interference with the Business of the Insured exceeds a period of seventy-two (72) hours and the liability of the insurer under this extension shall apply only to such period in excess of seventy-two (72) hours.

PREVENTION OF ACCESS

In consideration of the payment of an additional premium which is included in the premium hereon it is hereby agreed and declared that subject to the conditions of the Policy, loss as insured by Item(s) No(s) of this Policy resulting from interruption of or interference with the business in consequence of damage by insured peril (as within defined) to property in the vicinity of the Insured's premises which shall prevent or hinder the use thereof or access thereto, whether the premises or property of the insured therein shall be damaged or not, shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Indemnity Period shall mean the period during which the results of the Business shall be affected in consequence of the accident, beginning with the date of the occurrence and ending not later than the Maximum Indemnity Period thereafter.

Maximum Indemnity Period shall mean months.

The Insurer's liability under this memorandum shall not exceed 10% of the Sum Insured or RM10 million, whichever is lower in any one period of insurance, after the application of all other terms and conditions of the policy.

PROVIDED that the Insurers shall not be liable for any loss insured by this extension unless interruption of or interference with the Business of the Insured exceeds a period of seventy-two (72) hours and the liability of the insurer under this extension shall apply only to such period in excess of seventy-two (72) hours.

PUBLIC UTILITIES

In consideration of the payment of additional premium it is hereby declared that subject to the conditions of the Policy loss as insured by this Policy resulting from interruption of or interference with the business consequent upon failure of public supplies of electricity/water/gas * resulting from a damage as defined in the Policy at any :

- generating station or substation of the public electricity supply undertaking,
- land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith,
- water works or pumping station of the public water supply undertaking,

from which the Insured obtains electricity/water/gas * shall be deemed to be loss resulting from damage to property used by the Insured at the premises. Any transmission lines or pipes feeding to the Insured's premises are not included.

A deliberate act of the supply undertaking not performed for the purpose of safeguarding life or protecting the system and rationing not necessitated solely by accidental damage to the supply undertaking's equipment are excluded.

PROVIDED that the Insurers shall not be liable for any loss insured by this extension unless failure of the public supplies of electricity/water/gas* exceeds a period of seventy-two (72)* hours and the liability of the insurer under this extension shall apply only to such period in excess of seventy-two (72)* hours."

* Delete as appropriate.

SPECIFIED CUSTOMERS' PREMISES

In consideration of the payment of an additional premium which is included in the premium hereon it is hereby agreed and declared that subject to the conditions of the policy, loss as insured by Item(s) No(s) of this policy resulting from interruption or interference with the business in consequence of damage (as within defined) to property at any premises in Malaysia, Singapore or Brunei of the undernoted customer(s) shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Provided that if the percentage shown below against the name of the Customer at whose premises damage has occurred shall be less than the percentage of the annual turnover derived by the insured from that customer, the amount otherwise payable under the terms of this memorandum in respect of that customer shall be proportionately reduced.

Customer	Situation	Limit of Liability
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PROVIDED that the Insurers shall not be liable for any loss insured by this extension unless interruption of or interference with the Business of the Insured exceeds a period of seventy-two (72) hours and the liability of the insurer under this extension shall apply only to such period in excess of seventy-two (72) hours.

SPECIFIED SUPPLIERS' PREMISES

In consideration of the payment of an additional premium which is included in the premium hereon it is hereby agreed and declared that, subject to the conditions of the policy, loss as insured by Items(s) No.(s)..... of this policy resulting from interruptions of or interference with the business in consequence of damage (as within defined) to property at the undernoted situations shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Provided that the liability under this memorandum in respect of any one location under (each of) Item(s) No(s) shall not exceed the percentage of the sum insured thereunder shown against each situation.

Supplier	Situations	Insurers Liability
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Insurers will only be liable for any loss indemnifiable under this extension once the period of the loss has exceeded seventy-two (72) hours from the time that the insured is first impacted by a shortage in supplies and shall continue until such time that supplies have been restored in sufficient quantities to enable the insured to maintain the pre loss level of production.

UNSPECIFIED SUPPLIERS' PREMISES

In consideration of the payment of an additional premium which is included in the premium hereon it is hereby agreed and declared that, subject to the conditions of the policy, loss as insured by Items(s) No.(s)..... of this policy resulting from interruptions of or interference with the business in consequence of damage (as within defined) to property at the undernoted situations shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Provided that the liability under this memorandum in respect of any one location shall not exceed 10%of the sum insured thereunder or RM10 million, whichever is the lower.

Situations:

The premises situate in Malaysia, Singapore or Brunei of the insured's suppliers, manufacturers or processors of components, goods and materials.

Insurers will only be liable for any loss indemnifiable under this extension once the period of the loss has exceeded seventy-two (72) hours from the time that the insured is first impacted by a shortage in supplies and shall continue until such time that supplies have been restored in sufficient quantities to enable the insured to maintain the pre loss level of production.

Clauses

The following Clauses are applicable if specified in the schedule;

ACCOUNTANTS' CLAUSE

Any particulars or details contained in the Insured' books or documents which may be required by the Insurers under condition 11 of this Policy for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the Insured and their report shall be prima facie evidence of the particulars and details to which such report relates.

ACCUMULATION OF STOCK CLAUSE

In adjusting any loss account shall be taken and an equitable allowance made if any shortage of turnover due to the damage is postponed by reason of the turnover being temporarily maintained from accumulated stocks of finished goods in warehouses and/or depots.

ALTERNATIVE BASIS CLAUSE

It is agreed and declared that in the event of a claim, adjustment may be based on 'Turnover or Output' whichever affords the most equitable result, and except in the definition of turnover the word 'Turnover' wherever used in this Policy shall read as 'Turnover or Output'. 'Output' shall mean sale value of goods manufactured by, or sold by, the

Insured in the course of the Business at the Premises, provided that: (a) only one such meaning shall be operative in connection with any one occurrence involving damage as within defined. (b) if the meaning set out in this Clause be used, the Alternative Trading Clause shall be held to be altered to read as follows:

Alternative Trading Clause

If during the Indemnity Period goods shall be manufactured elsewhere than at the Premises affected by the damage for the benefit of the Business either by the Insured or by others on the Insured's behalf the sale value of the goods so manufactured shall be brought into account in arriving at the output during the Indemnity Period.

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

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 Companies specified in the Policy Schedule 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 described in the Schedule.

It is further declared and agreed notwithstanding anything contained to the contrary that the lead coinsurer, is authorised to sign the Policy / Endorsement/ Renewal Receipt.

For all intents and purposes this Policy shall have effect as though each of the mentioned Insurance Companies had issued a separate Policy for its individual proportion of the Sum Insured.

COINSURANCE CLAUSE (FOR DEALINGS WITH TAKAFUL COMPANIES)

The Insurers hereby severally agree, each for the proportion or share of participation set against its name, to indemnify the Insured by payment or at the option of the Insurers by reinstatement repair or replacement in accordance with the terms and conditions hereunder or endorsed herein or in a Certificate of Takaful.

Provided that:

- (1) The liability of the Insurers shall not exceed the limits of liability expressed in the said Schedule or such other limits of liability as may be substituted therefore by any Endorsement or attached hereto, signed by or on behalf of the Insurers.
- (2) The liability of each of the Insurers individually in respect of such loss shall be limited to the proportion set against its name.

It is further agreed that the Following Insurer shall be subject to and follow the same intention, risks, terms and conditions, warranties, clauses, valuation, amendments or alterations of any description or any decision as may be made by the Lead Insurer irrespective of any variation or difference in terminology under either the Financial Services Act 2013 or the Islamic Financial Services Act 2013 as the case may be or as applicable therefore.

Notwithstanding that the Insurers hereby attest to the intention and meaning of the Special Memorandum as lodged with them, the Lead Insurer shall be entitled to investigate settle compromise control discharge or repudiate any claims and to institute defend settle and compromise any proceedings in respect of any risks and/or interest arising from this Policy and/or under the applicable provisions of either the Financial Services Act 2013 or the Islamic Financial Services Act 2013 or both as the case may be or as applicable therefore.

To the extent the Lead Insurer is liable to pay under this Policy to that extent the Following Insurer shall follow the fortunes of the Lead Insurer in all respects all loss or damage provided for by this Policy.

The Special Memorandum serves to encapsulate the intentions and arrangements that were discussed and agreed upon between the parties as set below and with whom it shall be lodged with without altering reducing or amending the rights and duties of each party under the Insurance Policy Nos..... or Co Takaful Certificate Nos..... issued or signed accordingly under the provisions of the Financial Services Act 2013 and/or Islamic Financial Services Act 2013.

It has been agreed that:

- (1) For the purpose of determining any liability to indemnify the Insured under a Policy of Insurance including as prescribed by any Endorsements attaching thereto, all parties shall primarily refer to a policy or conventional language as normally issued under the provisions of the Financial Services Act 2013 and signed on by all Insurers for their respective share of participation of such liability, all loss or damage provided for by this Policy.
- (2) For the purpose of determining any entitlement under al-Mudharabah to the favour of the Insured (or participant as equivalently known under a Contract of Takaful), the Co Takaful Certificate/s and any attachment thereto issued by (Insurer's Name) shall be referred to and it is hereby understood that the rate of al-Mudharabah returns shall be proportionate to the Co Takaful share of participation.
- (3) In as far as the required presence of representatives of the Insurers is concerned, in particular for meetings with the (Insured's Name) or its representatives or for any other official occasion or functions related to matters of Insurance, (Insurer's Name) may be called upon to act as the spokesperson without prejudice to the rights and duties of each Insurer.
- (4) The Lead Insurer shall perform its obligations as prescribed under the CoInsurance Clause and shall be entitled to conduct an annual inspection or survey relating to risk management for and on behalf of all Insurers for their own rightful purpose or for the benefit of the Insured.
- (5) The Insurers shall agree to nominate an internationally recognised and registered loss adjuster or panel of such loss adjusters which is/are acceptable to the Insured.
- (6) Notwithstanding the above arrangement, (Broker's Name) shall retain its rights and perform its duties as the appointed Insurance Broker for the (Insurer's Name).

Provided that all arrangements as set hereon or herewith are not against the provisions of any acts of law in Malaysia or guidelines or regulations that may be prescribed or to be prescribed from time to time by the Malaysian Authorities.

DATE RECOGNITION (WITHOUT SAVING 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 chip), integrated circuit or similar device, or any computer software, whether the property of the Insured or not, and whether occurring before, during or after the year 2000 that results from the failure or inability of such device and/or software as listed above to:
 1. correctly recognize any date as its true calendar date;
 2. Capture, save or retain, and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date other than its true calendar date; and/or
 3. Capture, save retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or alter 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 any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly arising from any device, 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 any consequential loss resulting from any continuing inability of the computer and equipment described in A above to correctly recognize any date as its true calendar date after the lost or damaged property has been replaced or repaired.

Such loss or damage or any consequential loss referred to in A, B, C or D above, is excluded regardless of any other cause that contributed concurrently or in any other sequence to the same.

Subject otherwise to the terms and conditions of the Policy.

DEPARTMENTAL CLAUSE

If the business be conducted in departments the independent trading results of which are ascertainable the provisions of Clauses (a) and (b) of Item 1 of the specifications attached shall apply separately to each Department affected by the damage except that if the Sum Insured by the said item be less than the aggregate of the Sums produced by applying the rate of Gross Profit for each department of the business (whether affected by the damage or not) to the relative annual output thereof, the amount payable shall be proportionately reduced.

INTERDEPENDENCY CLAUSE

It is hereby expressly declared and agreed that if damage to any of the joint Insured's premises/property should result in another of the Insured suffering a reduction in turnover or increase in cost of working then such loss is deemed to be covered by this Policy notwithstanding that no material damage was sustained by the latter premises/property.

Note: The Interdependency Clause may only be used for joint insureds who stand in the relationship as parent and subsidiary companies.

MATERIAL DAMAGE PROVISIO WAIVER CLAUSE

It shall not be a condition precedent to liability in respect of interruption or interference in consequence of destruction or damage that the payment shall have been made or liability admitted under the Insurance covering the interest of the Insured in the property at the premises against such destruction or damage if no such payment shall have been made nor liability admitted solely owing to the operation of a proviso in such insurance excluding liability for losses below a specified amount

NEW BUSINESS CLAUSE

For the purpose of any claim arising from damage occurring before the completion of the first year's trading of the business at the premises, the terms, Rate of Gross Profit' Annual Turnover' and Standard Turnover' shall bear the following meanings and not as within stated:-

Rate of Gross Profit

The rate of gross profit earned	)	to which such adjustment
on the turnover during the	)	shall be made as may be
Period between the	)	necessary to provide
commencement of the business	)	for the trend of the
and the date of the damage	)	business and the
	)	variations in or special

Annual Turnover

The proportional equivalent for	)	circumstances affecting
the period of twelve months of	)	the business either
the turnover realised during	)	before or after the
the period between the	)	damage or which would
commencement of the business	)	have affected the
and the date of the damage	)	business had the damage
	)	not occurred, so that the
	)	figures thus adjusted
	)	shall represent as nearly

Standard Turnover

The proportional equivalent for	)	as may be reasonably
a period equal to the Indemnity	)	practicable the results
Period, of the Turnover	)	which but for the damage
realised during the period	)	would have been obtained
between the commencement	)	during the relative
of the business and the	)	period after the damage
date of the damage)	

After twelve months of trading have been completed the normal specification wording operates.

N.B.: The gross profit specification wordings is shown as an example only. Member companies are required to substitute other wordings used other than gross profit.

PAYMENT ON ACCOUNT CLAUSE

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

PREMIUM WARRANTY

It is fundamental and absolute special condition of this Contract of Insurance that the premium due must be paid and received by Insurer within sixty (60) days from the inception date of this Policy / Endorsement / Renewal Policy.

If this condition is not complied with then this Contract of Insurance is automatically cancelled and the Insurer shall be entitled to the pro rata premium on the period they have been on risk.

Where the premium payable pursuant to this Warranty is received by an authorised agent of the Insurer, the payment shall be deemed to be received by the Insurer for the purpose of this Warranty and the onus of proving that the premium payable was received by a person, including an agent, who was not authorised to receive such premium shall lie on the Insurer.

Subject otherwise to the terms and conditions of this Policy.

SALVAGE SALES CLAUSE

If, following damage giving rise to a claim under this Policy, the Insured shall hold a salvage sale during the Indemnity Period, Clause (a) of Item No.1 of the specifications attached shall for the purpose of such claim read as follows:-

- a) IN RESPECT OF REDUCTION IN TURNOVER: the sum produced by applying Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) shall in consequence of the damage, fall short of the Standard Turnover from which sum shall be deducted from the Gross Profit actually earned during the period of the salvage sale.

SELF-INSURANCE CLAUSE

It is hereby declared and agreed that the Insured agrees to self-insure and that the sum(s) insured nominated under [Item(s) no(s)..... of] this Policy represent(s) only % of the actual amount on the interest insured herein.

In consequence of the foregoing, the Insured agrees to be his own insurer for the difference of% and undertakes to bear that rateable proportion of :-

- (a) each and every loss or damage (including any amounts in respect of fees charges costs and expenses) payable under this Policy.
- (b) any expenditure payable in the exercise of Condition 14 of this Policy; and
- (c) any refund premium due in accordance to the terms and provisions of the Premium Adjustment Clause where such a Clause is provided for and form part of this Policy.

It is further declared and agreed that in the event the sum(s) insured under [Item(s) no(s)..... of] this Policy is less than % of the actual amount of the interest insured herein at the time of loss, the Condition of Average expressed in the specification of this Policy shall apply accordingly.

(N.B. This Clause can be used only in conjunction with the specifications which are subject to average)

UPWARD ADJUSTMENT CLAUSE

In the event of the *Gross Profit/Gross Rental/Gross Revenue earned during any annual period of insurance (or during the accounting period of 12 months more nearly concurrent with any period of insurance) as certified by the Insured's Auditors being greater than the Sum Insured thereon, the Insured will be held covered to the extent of ____ % of the Sum Insured thereof and pro-rata additional premium not exceeding ____ % of the premium paid on such Sum Insured for such period of insurance will be charged in respect of the difference.

N.B. The maximum percentage of upward adjustment shall be limited to 25% only. An additional premium calculated at 75% of the upward adjustment percentage shall be imposed. This additional premium shall be treated as provisional, and shall be adjusted in accordance to the actual *Gross Profit/Gross Rental/Gross Revenue earned as certified by the Insured's auditors.

* To delete appropriately

Important Notice

The Financial Mediation Bureau (FMB) and BNM's Customer Services Bureau (CSB) provide alternative avenues for members of the public to seek redress against unfair market practices.

PROCEDURE FOR COMPLAINT TO FMB

Any Policyholder who is not satisfied with the decision of the senior management of an Insurance Company, may write to the "Mediator, Insurance Division of FMB", giving details of the dispute, the name of the Insurance Company and the Policy number.

Copies of the correspondence between the Policyholder and the Insurance Company may be sent to facilitate tracing the case file kept by the Insurance Company.

If the Mediator makes an award against an Insurance Company, the Policyholder is required to inform the Mediator whether he accepts the award within fourteen (14) days, so that the Insurance Company can be informed of the Policyholder decision.

There is no appeal procedure within the FMB. If the Policyholder does not want to accept the award, he may reject the decision of the Mediator and he is free to institute Court proceedings against the Insurance Company or refer it to Arbitration.

The FMB is not responsible for handling payment following the decision of the Mediator. The Insurance Company when informed of the acceptance of the award is required to remit the amount direct to the claimant within thirty (30) days.

At present, there is no fee or charge for the services provided by FMB. The contact address is as follows:

Financial Mediation Bureau (FMB)

**Level 25, Main Block
Menara Takaful Malaysia
No. 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur
Telephone Number: 03 2272 2811
Facsimile Number: 03 2272 1577
E-mail: enquiry@fmb.org.my
Website: www.fmb.org.my**

PROCEDURE FOR COMPLAINT TO CSB

Any policyholder or claimant who is not satisfied with the conduct of the Insurance Company may write to CSB, giving details of the complaint, the name of Insurance Company and Policy number or the Claim number.

Copies of the correspondence (if any) between the Policyholder or the Claimant and the Insurance Company may also be sent to facilitate tracing the case file kept by the Insurance Company.

The contact details are as follows:

**Director
Jabatan LINK dan Pejabat Wilayah
Level 13C
Bank Negara Malaysia
P. O. Box 10922
50929 Kuala Lumpur
Telephone Number: 03 2698 8044
Facsimile Number: 03 2693 4051
E-mail: bnmtelelink@bnm.gov.my**

Our Commitment To High Standard Of Customer Service

We do everything We can to ensure that You receive the high standard of service You expect. If We fall below these standards, or You are unhappy with Our service, please write to Our Head of Feedback Centre who will ensure that Your feedback is dealt with instantly.

The address is:

**Head, Customer Service
Level 4, Tower C, Dataran Maybank
No. 1, Jalan Maarof
59000 Kuala Lumpur, Malaysia
Telephone Number: 1300 13 8888 or +603 2780 4500
Facsimile Number: 03 2785 3093
E-mail: cmu@etiqa.com.my**