

M&E 365
ALL RISKS PROTECTION FOR
MACHINERY & EQUIPMENT



Property All Risks Insurance Policy

Liberty General Insurance Berhad 197801007153 (44191-P)

Formerly known as AmGeneral Insurance Berhad

Liberty Insurance Tower, CT9, Pavilion Damansara Heights, 3, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur.

P. O. Box 6120 Pudu, 55916 Kuala Lumpur, Malaysia.

(Service Tax Registration No.: B16-1808-31015443)

The benefit(s) payable under this eligible policy is protected by PIDM up to limits.

Please refer to PIDM's TIPS Brochure or contact Liberty General Insurance Berhad or PIDM (visit www.pidm.gov.my).



1 800 88 3833



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www.kurnia.com

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For Consumer Insurance Contracts

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

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

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

For Non-Consumer Insurance Contracts

(Insurance for purposes related to the Insured's trade, business or profession)

This Policy is issued in consideration of the payment of premium as specified in the Policy Schedule and pursuant to the answers given in the Insured's Proposal Form (or when the Insured applied for this insurance) and any other disclosures made by the Insured between the time of submission of the Insured's Proposal Form (or when the Insured applied for this insurance) and the time this contract is entered into. The answers and any other disclosures given by the Insured shall form part of this contract of insurance between the Insured and **Liberty General 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.

WHEREAS the Insured by an application and declaration which are duly incorporated herein has applied to the Company for the insurance contained in this Policy and has paid the premium stated in the Policy Schedule as consideration for such insurance for the period stated therein.

NOW THIS POLICY WITNESSETH that subject to the terms, exceptions, limits and conditions contained herein or endorsed hereon if during the Period of Insurance the machinery and / or equipment or any part thereof (hereinafter called "the Property") shall be lost, destroyed or damaged by any accident or misfortune not specifically excluded while the said Property is within the Situation of Risk stated in the Policy Schedule the Company shall pay the Insured the amount of such loss, destruction or damage but not exceeding the itemise Sum Insured as specified in the Policy Schedule.

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General Exceptions

The Company shall not be liable in respect of :-

1. Loss or damage arising from wear and tear, depreciation, gradual deterioration, mildew, moth, vermin or in connection with any process of cleaning, dyeing, repairing, restoring or renovating any of the property hereby insured.
2. Loss destruction or damage occasioned by or happening through mechanical or electrical breakdown or derangement.
3. The scratching or denting of any article or cracking and/or breakage of glass, china, earthenware, marble, gramophone records and/ or other articles of a brittle nature unless caused by burglary theft or fire.
4. Loss of or damage to deeds, bonds, bills of exchange, promissory notes, money, cheques, securities for money, medals, coins, stamps, manuscripts or other documents of value, motor vehicles and accessories and livestock.

5. Loss or damage to Property due to Burglary arising whilst the premises are unoccupied for a period exceeding 30 consecutive days unless the written consent of the Company shall have previously been obtained and any additional premium required by the Company has been paid.
6. Consequential loss of any kind.
7. Loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss.
 - (a) war, invasion acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, strike or riot, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
 - (b) any act of terrorism

For the purpose of this exception, 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 purpose including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This exception also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to (a) and/or (b) above. If the Company alleges that by reason of this exception, any loss, damage, cost or expense is not covered by this Policy the burden of proving the contrary shall be upon the Insured.

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

8. Loss through confiscation or destruction by order of any Government or Public Authority.
9. 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 exceptions, combustion shall include any self-sustaining process of nuclear fission.
 - (b) nuclear weapons material.
10. Loss or damage arising from the fraud or dishonesty of the Insured or of any employee of the Insured.
11. Loss destruction or damage caused by the wilful or dishonest act of the Insured's employees or with the connivance of the Insured or the dishonest act of any person to whom the property is entrusted.
12. 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".
13. 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.
14. 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".

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General Conditions

1. The Policy and Policy Schedule shall be read together as one contract and constitutes the entire Contract between the parties and there are no other undertakings, statements, representations, warranties, promises, express or implied, other than those contained in this Contract and any word or expression to which specific meaning has been attached in any part of this Policy or of the Policy Schedule shall bear such specific meaning wherever it may appear.
2. Every notice or communication to be given or made under this Policy shall be delivered in writing to the Company.
3. If a claim be made by or on behalf of the Insured which shall be in any respect unfolded or fraudulent or intentionally exaggerated or if any false declaration or statement be made in support thereof no claim shall be recoverable hereunder.

4. If the Property shall at the time of any loss or damage covered 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 share of the loss or damage accordingly. Every item of the Property shall be separately subject to this Condition.
5. Immediately upon having knowledge of any circumstances giving rise or likely to give rise to a claim under this Policy, the Insured shall :-
 - (a) give notice thereof to the Company in writing and shall within thirty (30) days or such further time as the Company may in writing allow in that behalf, deliver to the Company a claim in writing with all particular and details of the Property affected and the amount of the loss or damage thereto respectively.
 - (b) take all ordinary and reasonable precautions to prevent any further loss or damage.
 - (c) give notice to the police and render all reasonable assistance in causing the discovery and punishment of any guilty person and in tracing and recovering the property if the loss or damage arises from theft or any attempt thereat.
6. The Insured shall take all reasonable precautions for the safety of the Property and shall use and maintain all the protections provided.
7. In the event of a claim being made against the Company under this Policy :-
 - (a) the Insured shall satisfy the Company by such evidence as it may reasonable require that the loss or damage claimed for has actually arisen from one of the causes insured against the Property in respect of which a claim is made is not merely mislaid or missing.
 - (b) the Company may at any time at its own expense use all legal means in the name of the Insured for recovery of any of the Property lost or damage and the Insured shall give all reasonable assistance for that purpose.
8. If at the time of any loss or damage happening to any property, there be any other subsisting Insurance or Insurances, whether effected by the insured or by any other person or persons, covering the same property the Company shall not be liable to pay or contribute hereunder more than its rateable proportion of such loss or damage.
9. The Company may reinstate, repair or replace the Property Insured lost or damaged as the case may be instead of paying the amount of the loss or damage, and may join with any other Insurers in so doing in cases where the Property Insured is also insured elsewhere. Upon payment of any claim for loss under this Policy, the Property Insured in respect of which the payment is made shall belong to the Company.
10. Immediately upon the happening of any loss or damage to the property as described in the Policy Schedule, 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.
11. 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.
12. The Insured shall not incur any expense in making good any damage without the written consent of the Company and shall not negotiate pay settle admit or repudiate any claim without the like consent.
13. This Policy 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 Policy may also be terminated at the option of the Company by sending fourteen (14) days' notice by registered letter to the Insured at his last known address, in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of cancelment. The amount to be refunded upon termination of the Policy shall be subject to the minimum premium to be retained by the Company.
14. If any difference arises as to the amount of any loss or damage such difference shall independently of all other questions be referred to the decision of an Arbitrator, to be appointed in writing by the parties in difference, or, if they cannot agree upon a single Arbitrator, to the decision of two disinterested persons as Arbitrators, of whom one shall be appointed in writing by each of the parties within two (2) calendar months after having been required so to do in writing by the other party. In case either party shall refuse or fail to appoint an Arbitrator within two (2) calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole Arbitrator; and in case of disagreement between the Arbitrators, the difference shall be referred to the decision of an Umpire who shall have been appointed by them in writing before entering on the reference, and who shall sit with the Arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the Arbitrator, Arbitrators or Umpire respectively; and in the event of the death of an Arbitrator or Umpire, another shall be in each case be appointed in his stead by the party or Arbitrators (as the case may be) by whom the Arbitrator or Umpire so dying was appointed. The costs of the reference and of the award shall be in the discretion of the Arbitrator, Arbitrators or Umpire

making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this policy that the award by such Arbitrator, Arbitrators or Umpire of the amount of the loss or damage if disputed shall be obtained.

15. The Insured shall ensure the due compliance and observance of all terms, conditions and endorsements of this Policy in so far as they relate to anything to be done or complied with by the Insured and which affects the liability of the Company to make any payment under this Policy.
16. The Policy may be voidable in the event of a misrepresentation, misdescription, error, omission or non-disclosure of fact by the Insured, which the Insured knew or ought to have known to be untrue, misleading or relevant or which may have influenced the judgment of any prudent insurer (including the Company) in determining the premium payable and/or determining if the risk should be accepted, with or without the intention to defraud the Company.

3 Additional Benefits

1. EXPEDITING EXPENSES

The indemnity provided under this Policy extends to include the extra charges, cost and expenses for overtime, nightwork, work on public holidays, express freight, air freight, custom duties and the like, reasonably incurred by the Insured in the reinstatement, replacement or repair of the insured Property. This benefit is only applicable if the loss payable exceeds RM20,000. The Company's liability for additional costs shall not exceed 5% of loss payable or RM5,000 whichever is lower in any one occurrence and in aggregate for the period of insurance. Provided always the Company's maximum liability shall not exceed the sum stated in the Schedule for which the Item(s) is/are insured.

2. INCONVENIENCE BENEFIT DUE TO FIRE AND/OR FLOOD

This benefit is payable in the event that there is a valid claim under this Policy due to:

- Fire and/or
- Flood

This inconvenience benefit will be paid immediately when the Fire and/or Flood claim is expected to exceed RM20,000.

The amount payable is RM5,000 in any one occurrence and in aggregate for the period of insurance.

3. TEMPORARY REPAIR AND PROTECTION COST

This Policy extends to cover costs and expenses necessarily incurred by Insured for temporary repair or protection of the Property, for the purpose of maintaining or restoring safety and protection of the Property while pending for full permanent repair and/or replacement of the damage.

This benefit is only valid if the Company has declared that a claim is payable under this Policy.

In the event the temporary repair forms part of the permanent repair and/or replacement of the damaged insured property, the total claim payable shall deduct the amount the Company has paid for the temporary repair and protection cost.

The amount payable shall not exceed 5% of loss payable or RM5,000 whichever is lower in any one occurrence and in aggregate for the period of insurance.

4 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 on the period they have been on risk.

Where the premium payable pursuant to this warranty is received by an authorized 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 authorized to receive such premium shall lie on the Company.

Subject otherwise to the terms and conditions of this policy.

1. The **Insured** shall read this **Policy** carefully, and if any error or misdescription be found herein, or if the cover is not in accordance with the wishes of the **Insured**, advice should immediately be given to the **Company** and the **Policy** returned for alteration.
2. **Insured** who is not satisfied with the course of the action or decision of the **Company** may seek recourse through **Our** Complaints Management Unit and alternatively may also seek redress or assistance with the Ombudsman for Financial Services or approach Bank Negara Malaysia's BNMLINK (Laman Informasi Nasihat dan Khidmat) addressed below:

a) Complaints Management Unit

Liberty General Insurance Berhad

Customer Service Executive, Customer Contact Centre

Liberty Insurance Tower,
CT9, Pavilion Damansara Heights,
3, Jalan Damanlela,
Pusat Bandar Damansara,
50490 Kuala Lumpur.

Tel : +603-2268 3333 or 1800 88 3833

Fax : +603-2268 2222

b) Ombudsman for Financial Services (OFS)

Level 14, Main Block
Menara Takaful Malaysia
No. 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur
Tel : +603-2272 2811
Fax : +603-2272 1577

c) BNMLINK (Laman Informasi Nasihat dan Khidmat)

Bank Negara Malaysia

4th Floor, Podium Bangunan AICB,
No. 10, Jalan Dato' Onn,
50480 Kuala Lumpur.

Tel : 03-2698 8044 (General Line) / 1 300 88 5465 (BNMLINK)

Fax : 03-2174 1515

e-Link : bnmlink.bnm.gov.my

Email : bnmlink@bnm.gov.my

Website : www.bnm.gov.my