



QBE Special Perils Cover POLICY

QBE INSURANCE (MALAYSIA) BERHAD welcomes you as a Policyholder and we take this opportunity to recommend that you thoroughly examine this Document which sets out the limitations and benefits of the insurance. Please store it in a safe place.

Should you have any query, please contact your Registered Agent/Broker or our QBE office, especially if the insurance is not completely in accordance with your intentions.

"WE WOULD REMIND YOU THAT YOU MUST DISCLOSE TO US, FULLY AND FAITHFULLY, THE FACTS YOU KNOW OR OUGHT TO KNOW, OTHERWISE YOU MAY NOT RECEIVE ANY BENEFITS FROM YOUR POLICY."

The benefit(s) payable under eligible certificate/policy/product is(are) protected by PIDM up to limits. Please refer to PIDM's TIPS Brochure or contact QBE Insurance (Malaysia) Berhad or PIDM (visit www.pidm.gov.my).

QBE SPECIAL PERILS COVER POLICY

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QBE SPECIAL PERILS COVER POLICY

A. THE COVER

1. PREAMBLE

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

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

Any subsequent Period for which the Insured shall pay and the Company shall agree to accept the Renewal Premium and subject to the terms, exclusions, conditions and memoranda contained herein or endorsed hereon (hereinafter collectively referred to as "the Terms of this Policy"):

1. The Company will indemnify the Insured against loss of or damage to the Item(s) specified in the Schedule (hereinafter called the "Vehicle") and its accessories and spare parts whilst thereon by:
 - a) Accidental collision or overturning or collision or overturning consequent upon mechanical breakdown
 - b) Fire external explosion self-ignition or lightning resulting in fire.
 - c) Burglary housebreaking or theft.
2. At its own option the Company may pay in cash the amount of the loss or damage or may repair, reinstate or replace the Vehicle or any part thereof or its accessories or spare parts but the liability of the Company shall not exceed the value of the parts lost or damaged and the reasonable cost of fitting or repairing such parts.
3. If the Vehicle is disabled by reason of loss or damage insured under this Policy the Company will bear the cost of not exceeding RM500.00 reasonably incurred for its protection and removal to the nearest repairers and for its delivery within the country where the loss or damage was sustained.

PROVIDED ALWAYS that:

1. The maximum liability of the Company shall not in any case exceed the Sum Insured stated in the Schedule.
2. The Company shall not be liable for any loss or damage sustained whilst the Vehicle is being:
 - a) Driven by any person other than
 - i) The Insured
 - ii) A person who is in the Insured's employ and who is driving with the Insured's order or permission.
 - b) Used otherwise than in connection with the Insured's Business, and excluding use:
 - i) For racing pace-making reliability trial demonstration or speed-testing
 - ii) For the carriage of passengers
 - iii) Whilst drawing a trailer or towing any vehicle unless such towed vehicle is not towed for reward.
3. The Company shall not be liable for the first amount of any claim stated in the Schedule as the Excess.

4. In the event of a loss to the property insured herein, the limit of indemnity of the Company shall be 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. 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 may for the purpose of this clause be determined in the event of a dispute, by a valuation obtained by the Company from the manufacturer, authorised sales agent, authorised broker, authorised distributor or building contractor where appropriate, 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 sales agent, authorised broker, authorised distributor or building contractor for the Insured property, the valuation may be obtained from a Loss Adjuster licenced under the Insurance Act 1996 or Registered Valuer under the Valuers and Appraisers Act, 1981 and its subsequent legislation, to be mutually appointed by both parties. The valuation of the Insured property by such manufacturer, authorised sales agent, authorised broker, authorised distributor, building contractor, loss adjuster or registered valuer shall be conclusive evidence in respect of the market value of the Insured property in any legal proceedings against the Company.

2. MEMORANDA

2.1. SPARE PARTS

It is hereby understood and agreed that notwithstanding anything to the contrary contained in this Policy that in event of loss of or damage to the property insured or its accessories or spare parts necessitating the supply of a part not obtainable from stocks held in the country in which the vehicle is held for repair or in the event of the Company exercising the option to pay in cash the amount of the loss or damage the liability of the Company in respect of any such part shall be limited to

- a) i) the price quoted in the latest catalogue or price list issued by the manufacturer or his agents for the country in which the property insured is held for repair or and
- ii) if no such catalogue or price list exists the price last obtained at the manufacturer's works plus the reasonable cost of transport otherwise than by air to the country in which the property insured is held for repair and the amount of the relative import duty

and

- b) The reasonable cost of fitting such part

2.2. HOME BASE WARRANTY

Warranted that the Property Insured must be either secured at the home base, the site office or within the fenced up contract site after working hours, failing which at least one Guard / Employee must be engaged at the location where the Vehicle (s) is parked/ stored overnight.

"Home base" in this context shall mean the location where the Vehicle(s) was(were) first taken from at commencement of work for the day, which may be at the owner's or dealer's premises or yard.

2.3. LEASE AGREEMENT

It is hereby understood and agreed that the finance company specified in the Schedule (hereinafter referred to as the Owners) are the Owners of the property and that the property is the subject of a lease agreement made between the Owners of the one part and the Insured of the other part and it is further understood and agreed that the Owners are interested in any monies which but for this endorsement would be payable to the Insured under this Policy in respect of loss or damage to the property (which loss or damage is not made good by repair reinstatement or replacement) and such monies shall be paid to the Owners 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.

2.4. 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 insurer within sixty (60) days from the inception date of this policy/endorsement/renewal certificate.

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

B. EXCLUSIONS

The Company shall not be liable for

1. TERRITORIAL LIMITS, ROAD RISKS & IN TRANSIT

Any loss or damage sustained:

- a) Outside the Territorial Limit stated in the Schedule
- b) Whilst the Vehicle is being used on a Road as defined in the Road Transport Act, 1987 (Malaysia), The Motor Vehicles (Third Party Risks) Rules, 1959 (Malaysia), The Motor Vehicles (Third Party Risks and Compensation) Act (Cap 189) Republic of Singapore, The Motor Vehicles (Third Party Risks Compensation) Rules Republic of Singapore, The Motor Vehicle Insurance (Third Party Risks) Act (Cap 90) Negara Brunei Darussalam.
- c) Whilst in transit (including the process of loading and unloading).

2. CONSEQUENTIAL LOSS

Any consequential loss whatsoever.

3. SPECIFIC PERILS

Any loss or damage caused

- a) by or any latent or mechanical defect, mechanical derangement, mechanical or electrical failures, breakages, depreciation, atmospheric conditions or any other gradually operating cause
- b) by mechanical or electrical breakdown or wear and tear
- c) by overloading or strain or sinking howsoever caused whether due to its own weight or not
- d) by or arising out of or due to or caused by landslide, landslip, subsidence or flood
- e) loss or damage arising out of or due to malicious acts
- f) by, arising from, contributed to by or traceable to earthquake, volcanic eruption

4. DISHONEST ACT

Loss or damage caused by the wilful or dishonest act of the Insured's employees or of or with the connivance of the Insured or abscondment, or the dishonest act of any person to whom the equipment is entrusted.

5. DELAY & SEIZURE

Loss or damage caused by delay, seizure, confiscation or detention by Customs or other Authorities.

6. THEFT OF PARTS

Theft of parts (forming parts of Vehicle), accessories or spare parts unless the Vehicle is stolen at the same time.

7. TYRES & CANOPY

Loss of or damage to:

- a) Tyres unless the Vehicle is also damaged at the same time.
- b) The canopy unless caused by or resulting from the overturning of the Vehicle.

8. OVERRUNNING

Loss or damage to electrical wiring, installation devices, appliances, apparatus or machines caused or occasioned by or arising from overrunning, excessive pressure, short-circuiting, self-heating, arcing or leakage of electricity from whatever cause (lightning included).

9. WAR, SRCC

Loss or damage caused by, arising from, contributed to by or traceable to war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, strike, riot, civil commotion, military or usurped power and in the event of any claim hereunder the Insured shall when so required by the Company prove that the loss or damage arose independently of and was in no way connected with or occasioned by or contributed to by or traceable to any of the said occurrences or any consequence thereof, and in default of such proof the Company shall not be liable to make any payment in respect of such a claim.

10. RADIOACTIVITY

Loss or damage directly or indirectly caused by or contributed to by or arising from:

- a) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exclusion combustion shall include any self-sustaining process of nuclear fission.
- b) Nuclear weapons material.

11. CHEATING

Any loss or damage caused by or attributed to the act of cheating by the Insured or any person in the service of the Insured, 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.'"

12. CRIMINAL BREACH OF TRUST

Any loss or damage caused by or attributed to the act of criminal breach of trust by the Insured or any person in the service of the Insured, within the meaning of the definition of the offence of criminal breach of trust set out in the Penal Code. Criminal breach of trust as defined in the Penal Code is as follows:-

"Whoever being in any manner entrusted with property or with any dominion over property, 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.'"

13. TERRORISM

Any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss, notwithstanding any provision to the contrary within this insurance or any endorsement thereto

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

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

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

14. ELECTRONIC DATA

- a) For loss or damage as a result of, notwithstanding any provision to the contrary in the Policy or any endorsement thereto,
 - i) total or partial destruction, distortion, erasure, corruption, alteration, misinterpretation or misappropriation of ELECTRONIC DATA,
 - ii) error in creating, amending, entering, deleting or using ELECTRONIC DATA, or
 - iii) total or partial inability or failure to receive, send, access or use ELECTRONIC DATA - for any time or at all,

from any cause whatsoever, regardless of any other contributing cause or event whenever it may occur

ELECTRONIC DATA means facts, concepts and information converted to a form useable for communications, display, distribution, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and Includes programmes, software and other coded instructions for such equipment.

- b) However, in the event that a peril listed below (being a peril insured by this policy but for this exclusion) is caused by any of the matters described in paragraph (a) above, this Policy, subject to all its provisions, will insure:
 - i) physical loss of or damage or destruction to Property Insured directly caused by such listed peril, and/or
 - ii) consequential loss insured by this Policy.

Further, this exclusion does not apply in the event that a peril listed below (being a peril insured by this policy but for this exclusion) causes any of the matters described in paragraph (a) above:

Fire, Explosion, Lightning, Windstorm, Hail, Tornado, Cyclone, Hurricane, Earthquake, Volcano, Tsunami, Flood, Freezing, Weight of Snow, Impact by Aircraft or other aerial objects dropped therefrom, Impact by any Road Vehicle or Animal, Bursting Overflowing Discharging or Leaking of Water Tanks Apparatus or Pipes, or Theft of Electronic Data solely where such Theft is accompanied by Theft of the computer hardware, firmware, medium, microchip, integrated circuit or similar device containing such Electronic Data.

- c) For the purposes of the Basis of Settlement provision in this Policy, computer systems records includes Electronic Data as defined in paragraph (a) above.

Any terrorism exclusion in this Policy or any endorsement thereto prevails over this endorsement.

C. CONDITIONS

1. SPECIFIC MEANING

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. WRITTEN NOTICE

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

3. SAFEGUARDING THE VEHICLE

The Insured shall take all reasonable steps to safeguard the Vehicle insured from loss or damage and to maintain the Vehicle in efficient condition and the Company shall have at all times free and full access to examine the Vehicle or any part thereof or any driver or employee of the Insured. In the event of any accident which may give rise to a claim under this Policy the Vehicle shall not be left unattended without proper precautions being taken to prevent further loss or damage and if the Vehicle be driven before the necessary repairs are effected any extension of the damage or any further damage to the Vehicle shall be excluded from the scope of the Indemnity granted by this Policy.

4. CLAIM NOTIFICATION

On the happening of any loss or damage which may give rise to a claim under this Policy the Insured shall immediately give notice thereof to the Company and shall within 14 days after the loss or damage or such further time as the Company may in writing allow, deliver to the Company a detailed claim in writing for the loss or damage. No claim under this Policy shall be payable unless this condition has been complied with.

5. SANCTION LIMITATION AND EXCLUSION

The (re)insurer shall not provide cover nor 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 or any member of the insurer's group to any sanction, prohibition or restriction under United Nations resolutions, Australian autonomous sanctions, or the trade or economic sanctions, laws or regulations of any country.

6. OTHER INSURANCE

If at the time any claim arises under this Policy there is any other insurance covering the same loss or damage the Company shall not be liable to pay or contribute more than its rateable proportion of any such loss or damage.

7. UNDERINSURANCE

If the Vehicle insured by this insurance shall at the time of any loss be of greater value than the Sum Insured hereby, 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.

8. TERMINATION

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 will return to the Insured the premium paid less the pro-rata portion thereof for the period the Policy has been in force or the Policy may be cancelled at any time by the Insured on seven days' notice and (provided no claim has arisen during the then current Period of Insurance) the Insured shall be entitled to a return of premium less premium at the Company's short period rates for the period the Policy has been in force.

9. ARBITRATION

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 month 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 month after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole Arbitrator; and in case of disagreement between the Arbitrators, the difference shall be referred to the decision of an Umpire who shall have been appointed by them in writing before entering on the reference, and who shall sit with the Arbitrators and preside at their meetings.

The death of any party shall not revoke or affect the authority or powers of the Arbitrator, Arbitrators or Umpire respectively; and in the event of the death of an Arbitrator or Umpire, another shall in each case be appointed in his stead by the party or Arbitrators (as the case may be) by whom the Arbitrator or Umpire so dying was appointed.

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

10. TIME LIMITATION

If the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve 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.

11. DUTY OF DISCLOSURE

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

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

IMPORTANT NOTICE:

1. **You** need to read this **Policy** carefully, and if any error or incorrect description is found herein, or if the cover is not in accordance with your wishes, you should inform the **Company** immediately and return this **Policy** to the **Company** for alteration.
2. If you are not satisfied with the course of action taken by the **Company** or decision made by the **Company**, you may seek recourse through the **Company's** Complaints Management Unit and alternatively, may seek redress or assistance from the Financial Markets Ombudsman Service or approach Bank Negara Malaysia's Laman Informasi Nasihat dan Khidmat (LINK) addressed below:

A) COMPLAINTS MANAGEMENT UNIT

QBE INSURANCE (MALAYSIA) BERHAD

No. 638, Level 6, Block B1, Pusat Dagang Setia Jaya,
(Leisure Commerce Square),

No. 9, Jalan PJS 8/9, 46150 Petaling Jaya, Selangor

Tel: +603-7861 8400

Fax: +603-7873 7430

B) FINANCIAL MARKETS

OMBUDSMAN SERVICE

Company No: 200401025885

(formerly known as Ombudsman for Financial Services)

Level 14, Main Block,

Menara Takaful Malaysia,

No. 4, Jalan Sultan Sulaiman,

50000 Kuala Lumpur

Tel: +603-2272 2811

C) LAMAN INFORMASI NASIHAT DAN KHIDMAT (LINK)

Tingkat Bawah, Blok C

Bank Negara Malaysia

Peti Surat 10922

50929 Kuala Lumpur

Tel : 1-300-88-5465

Fax : +603-2174 1515

CONTACT DETAILS

QBE Insurance (Malaysia) Berhad

Reg. No.: 198701002415 (161086-D) Part of QBE Insurance Group
(Licensed under the Financial Services Act 2013 and regulated by Bank Negara Malaysia)

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