
QBE CONTRACTORS' GENERAL LIABILITY INSURANCE 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.

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

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

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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 QBE Insurance (Malaysia) 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 QBE INSURANCE MALAYSIA BERHAD..

Now this Policy of Insurance witnessed that subject to the Insured having paid to the Company, the premium mentioned in the Schedule and subject to the terms, exclusions, provisions and conditions contained herein or endorsed hereon the Company will indemnify the Insured in the manner and to the extent hereinafter provided.

A. COVERAGE

The Company will indemnify the Insured up to but not exceeding the amounts specified in the Schedule against such sums which the Insured shall become legally liable to pay as damages consequent upon

- a) accidental bodily injury to or illness of third parties (whether fatal or not)
- b) accidental loss of or damage to property belonging to third parties

occurring in direct connection with the construction or erection activities and happening on or in the immediate vicinity of the project site during the Period of Cover.

In respect of a claim for compensation to which the indemnity provided herein applies, the Company will in addition indemnify the Insured against

- a) all costs and expenses of litigation recovered by any claimant from the Insured, and
- b) all costs and expenses incurred with the written consent of the Company.

provided always that the liability of the Company under this section shall not exceed the Limit of Indemnity stated in the Schedule.

B. PERIOD OF COVER

The liability of the Company shall commence from the date specified in the Schedule, or directly upon commencement of work or after the unloading of the items entered in the Schedule at the site.

The insurance shall expire on the date specified in the Schedule. Any extensions of the Period of Insurance are subject to the prior written consent of the Insurer.

C. DEFINITION OF LIMITS OF INDEMNITY

The Limits of Indemnity stated in the Schedule shall mean the Limit of Indemnity in respect of any one accident or series of accident arising out of any one event

D. GENERAL EXCLUSIONS

1. This Policy does not cover liability in respect of

- a) War & Terrorism

Loss, damage, destruction, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from, arising out of 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:

- i) war, invasion, acts of foreign enemies, hostilities or war-like operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power, confiscation or nationalisation or requisition or destruction or damage to property by or under the order of any government or public or local authority, or
- ii) any act(s) of terrorism

For the purpose of this exclusion, an act of terrorism includes any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

- involves violence against one or more persons, or
- involves damage to property, or
- endangers life other than that of the person committing the action, or
- creates a risk to health or safety of the public or a section of the public, or
- is designed to interfere with or to disrupt an electronic system.

This Policy also excludes any loss, destruction, damage, death, injury, illness, liability, cost or expense of any nature directly or indirectly caused by, contributed to by, resulting from or arising out of or in connection with any action taken in controlling, preventing, suppressing, retaliating against, or responding to or in any way relating to i) & ii) above.

b) Radioactivity

Personal Injury or Property Damage directly or indirectly caused by, contributed to or arising from:

- i) ionising radiations or contamination by radioactivity from 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; or
- ii) nuclear weapons material

2. The Company will not indemnify the Insured in respect of

a) the deductible stated in the Schedule to be borne by the Insured in any one occurrence;

b) liability consequent upon any agreement by the Insured to pay any sum by way of indemnity or otherwise unless such liability would have also attached in the absence of such agreement;

c) the expenditure incurred in doing or redoing or making good or repairing or replacing any property forming part of the works;

d) liability consequent upon loss or damage to principal's existing Property Worked Upon;

For the purpose of this Exclusion, Property Worked Upon is defined as that specific part of the principals existing property (including any property leased to or owned or hired by the principals) that the Insured remove service replace re-condition retrofit or handle but this definition does not apply to any other part or parts units machines or property into in or on which such specific part may be introduced fitted retrofitted placed replaced installed or re-installed.

e) liability consequent upon loss or damage to property belonging to or held in care, custody or control of the Insured or contractor(s) acting on the Insured's behalf or any firm connected with the works or an employee or worker of one of the aforesaid;

f) damage to any property or land or building caused by vibration or by the removal or weakening of support or injury or damage to any person or property occasioned by or resulting from any such damage (unless specifically agreed upon by endorsement);

g) bodily injury or damage to property caused by, contributed to by or arising out of the Insured's Completed Operations. Operations are deemed completed at the earliest of the following points:

h) liability consequent upon directly or indirectly from or caused by, contributed to by or arising from injury to any worker, contractor, subcontractor or employee of any contractor or sub-contractor whilst such worker, employee or contractor or subcontractor is acting in such capacity.

For the purpose of this Exclusion, the term 'worker, contractor or subcontractor or employee of any contractor or subcontractor' shall mean any person who is engaged in the working on the same project site as the Insured in, on, about or adjacent to any work site or job site at which the Insured is also engaged;

i) liability consequent upon the ownership, possession, operation or use by the Insured of any vehicle which is required or is required under any legislation to be registered or in respect of which insurance is required to be effected by or on behalf of the Insured by or under any legislation of any State, Territory or Province whether or not such insurance is effected

However, this Exclusion shall not apply to liability caused by the use of the registered vehicle on project site while being used as a tool of trade on such site and where no other valid and collectible insurance is available;

j) liability consequent upon the ownership or possession or use by or on behalf of any locomotive, aircraft or water-borne vessel or craft;

k) liability directly or indirectly caused by or arising out of or aggravated by

- i) willful act or willful negligence of the Insured or of his representatives;
- ii) cessation of work whether total or partial;

l) liability arising from the rendering of or failure to render professional advice or service by the Insured or any error or omission connected therewith;

m) liability caused by or arising out of the discharge, dispersal, release or escape of Pollutants into or upon land, the atmosphere, or any water course or body of water and any costs and expenses incurred in the prevention, removing, nullifying or clean-up of such contamination or pollution.

Provided this Exclusion does not apply

- i) if such discharge, dispersal, release or escape is sudden, identifiable, unexpected and unintended and takes place in its entirety at a specific time and place.
- ii) to clean-up, removal or nullifying expenses only, which are consequent upon a sudden, identifiable, unexpected, unintended happening taking place in its entirety at a specific time and place which results in bodily injury or damage to property.

For the purpose of this Exclusion, Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed;

n) any actual or alleged liability whatsoever for any claim or claims in respect of losses directly or indirectly arising out of, resulting from, in consequence of, contributed to or aggravated by asbestos in whatever form or quantity;

- o) fines, penalties or liquidated damages;
- p) punitive damages and/or exemplary damages and/or aggravated damages and/or any additional damages resulting from the multiplication of compensatory damages.

3. INFORMATION TECHNOLOGY HAZARDS, COMPUTER DATA, PROGRAM AND STORAGE MEDIA EXCLUSION

- 3.1 This Policy does not cover the liability in respect of bodily injury or damage to property arising, directly or indirectly, out of, or in any way involving the Insured's "Internet Operations".

This exclusion does not apply to Personal Injury or Property Damage arising out of any material which is already in print by the manufacturer in support of its product, including but not limited to product use and safety instructions or warnings, and which is also reproduced on its site.

"Internet Operations" means the following:

- i) use of electronic mail systems by the Insured or the Insured's employees, including part-time and temporary staff, contractors and others within the Insured's organisation;
- ii) access through the Insured's network to the world wide web or a public internet site by the Insured's employees, including part-time and temporary staff, contractors and others within the Insured's organisation;
- iii) access to the Insured's intranet (meaning internal company information and computing resources) which is made available through the world wide web for customers of the Insured or others outside the Insured's organisation; and
- iv) the operation and maintenance of the Insured's web site.

Nothing in this exclusion will be construed to extend coverage under this Policy to any liability which would not have been covered in the absence of this exclusion.

- 3.2 Further, this Policy does not cover liability in respect of property damage to computer data or programs and their storage media arising directly or indirectly out of or caused by, through or in connection with:

the use of any computer hardware or software;

the provision of computer or telecommunication services by the Insured or on the Insured's behalf;

the use of computer hardware or software belonging to any third party, whether authorised or unauthorised including damage caused by any computer virus.

E. SPECIAL CONDITIONS

1. No admission, offer, promise, payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company who shall be entitled, if they so desire, to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute for their own benefit in the name of the Insured any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings or in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.
2. The Company may so far as any accident is concerned pay to the Insured the limit of indemnity for any one accident (but deducting there from in such case any sum or sums already paid as compensation in respect thereof) or any lesser sum for which the claim or claims arising from such accident can be settled and the Company shall thereafter be under no further liability in respect of such accident under this section.

F. GENERAL CONDITIONS

1. The due observance and fulfillment of the terms of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth or the statements and answers in the questionnaire and proposal made by the Insured shall be a condition precedent to any liability of the Company.
2. The Schedule and the Section(s) shall be deemed to be incorporated in and form part of this Policy and the expression "this Policy" wherever used in this contract shall be read as including the Schedule and the Section(s). Any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule or of the Section(s) shall bear such meaning wherever it may appear.
3. The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of Company to prevent loss, damage or liability and comply with statutory requirements and manufacturers' recommendations.
4.
 - a) Representatives of the Company shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Company with all details and information necessary for the assessment of the risk.
 - b) The Insured shall immediately notify the Company by telegram and /or facsimile and in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.

No material alteration shall be made or admitted by the Insured whereby the risk is increased, unless the continuance of the insurance is confirmed in writing by the Company.

5. The Insured shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or required by the Company in the interest of any rights or remedies, or of obtaining relief or indemnity from parties (other than those insured under this Policy) to which the Company shall be or would become entitled or subrogated upon paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after the Insured's indemnification by the Company.
6. In the event of any occurrence which might give rise to a claim under this Policy, the Insured shall
 - a) immediately notify the Company by telephone or telegram as well as in writing, giving an indication as to the nature and extent of loss or damage;
 - b) take all steps within this power to minimize the extent of the loss or damage;
 - c) preserve the parts affected and make them available for inspection by a representative or surveyor of the Company;
 - d) furnish all such information and documentary evidence as the Company may require;
 - e) inform the police authorities in case of loss or damage due to theft or burglary.

The Company shall not in any case be liable for loss, damage or liability of which no notice has been received by the Company within fourteen (14) days of its occurrence.

Upon notification being given to the Company under this condition, the Insured may carry out the repairs or replacement of any minor damage; in all other cases a representative of the Company shall have the opportunity of inspecting the loss or damage before any repairs or alterations are effected. If a representative of the Company does not carry out the inspection within a period of time which could be considered as adequate under the circumstances the Insured is entitled to proceed with the repairs or replacement.

The liability of the Company under this Policy in respect of any item sustaining damage shall cease if the said item is not repaired properly without delay.

7. All disputes arising out of this Policy shall be submitted to the Financial Mediation Bureau for settlement by mediation in accordance with the Mediation Procedure for the time being in force. The parties agree to take part in the mediation in good faith and undertake to honour the terms of any settlement reached. If any dispute is not referred to mediation or if mediation fails, the dispute has to be referred to arbitration before any legal action may be taken against the Company. Arbitration shall be conducted in accordance with the Arbitration Rules of the Malaysia Arbitration Centre. If the Company disclaim liability to the Insured for any claim hereunder and such claim shall not within twelve calendar months from the date of such disclaimer have been referred to mediation and/or arbitration, then the claim shall for all purposes deemed to have been abandoned and shall not thereafter be recoverable hereunder.
8. If a claim is in any respect fraudulent, or if any false declaration is 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 a claim is made and rejected and no action or suit is commenced within three months after such rejection or, in case of arbitration talking place as provided herein, within three months after the Arbitrator or Arbitrators or Umpire having made their award, all benefit under this Policy shall be forfeited.
9. If at the time any claim arises under the Policy there be any other insurance covering the same loss, damage or liability the Company shall not be liable to pay or contribute more than their ratable proportion of any claim for such loss, damage or liability.

G. PREMIUM PAYMENT WARRANTY

It is fundamental and absolute special condition of this Policy that the premium due must be paid to and received by the Company within sixty (60) days of the inception date of this Policy / endorsement / renewal certificate. If this condition is not complied with, this Policy is automatically cancelled and the Company shall be entitled to pro rata premium for the period the Company has been on risk.

Where the premium payable pursuant to this condition 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 condition and the onus of proving that the premium payable was received by a person, including an insurance agent, who was not authorize to receive such premium shall lie on the Company.

IMPORTANT NOTICE:

The following are channels available for complaints on insurance related matters. You can contact our Complaint Unit for assistance at 03-7861 8400 or the following authorised bodies:

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| <p>(a) FINANCIAL MEDIATION BUREAU (FMB)
LEVEL 25, DATARAN KEWANGAN DARUL
TAKAFUL
NO. 4, JALAN SULTAN SULAIMAN
50000 KUALA LUMPUR
TEL : 03-2272 2811
FAX : 03-2274 5752</p> | <p>(b) LAMAN INFORMASI NASIHAT DAN KHIDMAT (LINK)
BANK NEGARA MALAYSIA
P.O BOX 10922
50929 KUALA LUMPUR
TEL: 1-300-88-5465 (LINK)
FAX: 03-2174 1515</p> |
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