



# PACIFIC & ORIENT INSURANCE CO. BERHAD

Registration No. 197201000959 (12557-W)

A Member of The Pacific & Orient Group

A Member of PIDM

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SST Registration No: W10-1808-31021805

## PRODUCT DISCLOSURE SHEET (Machinery All Risks Policy)

(Read this Product Disclosure Sheet before you decide to take out the Machinery All Risks Policy. Be sure to also read the general terms and conditions.)

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 Pacific & Orient Insurance Co. Berhad or PIDM (visit [www.pidm.gov.my](http://www.pidm.gov.my))

### 1. What is this product about?

This policy provides insurance against the loss or damage to the machinery insured whilst at the situation in the circumstances specified from any cause.

### 2. What are the covers / benefits provided?

This policy covers loss or damage to the machinery insured whilst at the situation in the circumstances specified in the policy which resulted from any cause. The compensation would be provided by repairing, reinstating any damaged item or part thereof or paying the amount of damage in money, at the option of the insurance company.

Duration of cover is for one year. You need to renew your insurance policy annually.

### 3. How much premium do I have to pay?

The total premium that you have to pay may vary depending on the sum insured, the risk exposure and the underwriting requirements of the insurance company.

### 4. What are the fees and charges that I have to pay?

Type	Amount
▪ Commissions paid to the insurance agent	▪ 25% of premiums
▪ Stamp duty	▪ RM10
▪ Service Tax (SST)	▪ 6% of premiums

### 5. What are some of the key terms and conditions that I should be aware of?

- Duty of Disclosure:
  - a) Consumer Insurance Contract:
    - Pursuant to Paragraph 5 of Schedule 9 of the Financial Services Act 2013, if you are applying for this insurance wholly for purposes unrelated to your trade, business or profession, you have a duty to take reasonable care not to make a misrepresentation in answering the questions in the Proposal Form (or when you apply for this insurance). You must answer the questions fully and accurately.
    - Failure to take reasonable care in answering the questions 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.
    - The above duty of disclosure shall continue until the time your contract of insurance is entered into, varied or renewed with us.

- In addition to answering the questions in the Proposal Form (or when you apply for this insurance), you are required to disclose any other matter that you know to be relevant to our decision in accepting the risks and determining the rates and terms to be applied.
  - 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.
- b) Non-Consumer Insurance Contract:
- Pursuant to Paragraph 4(1) of Schedule 9 of the Financial Services Act 2013, if you are applying for this insurance for a purpose related to your trade, business or profession, you have 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.
  - The above duty of disclosure shall continue until the time your contract of insurance is entered into, varied or renewed with us.
  - 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.
- You must ensure that the proposal form is completed accurately as it forms the basis of the insurance.
  - Premium due must be paid and received by us within 60 days from the inception date of this policy. If this condition is not complied with then this contract is automatically cancelled and we shall be entitled to the pro rata premium for the period we have been on risk.
  - You shall take all precautions to keep the machinery in good working order.
  - Upon the happening of any event giving rise to or likely to give rise to a claim under this policy, you shall:
    - a) Give notice to us as soon as possible.
    - b) Take precautions to preserve anything which might prove necessary or useful by way of evidence in connection with any claim.
    - c) Take all practicable steps to recover any machinery, including in the event of property lost, stolen or wilfully damaged, the giving of immediate notice to the police.
  - You must observe and fulfill the terms, provisions, conditions, clauses and endorsement of this policy.

*Note: This list is non-exhaustive. Please refer to the policy contract for the full terms and conditions under this policy.*

## **6. What are the major exclusions under this policy?**

This policy does not cover certain losses, such as:

- Mechanical or electrical failure or overheating of the machinery;
- Loss or damage due to:
  - a. Testing involving the imposition of abnormal conditions, intentional overloading or experiments;
  - b. Faults or defects known to you or any of your responsible employees at the time the contract was arranged and not disclosed to us;
  - c. Any process of heat treatment, welding, grinding, cutting, drilling, shaping or the application of tools to the machinery other than for the purpose of lifting or moving it;
- Theft or conversion of any item of the machinery by the hirer of such machinery or his employees or agents;
- Repair or replacement necessitated by wear, corrosion, erosion, deposits of scale, sludge or other sediment or any other direct consequence of progressive or continuous influences of working or atmospheric or chemical action, rust or scratching of painted or polished surfaces; and
- Consequential loss, liquidated damages or penalties for delay or detention or in connection with guarantees of performance or efficiency.

*Note: This list is non-exhaustive. Please refer to the policy contract for the full list of exclusions under this policy.*

## 7. Can I cancel my policy?

- You may cancel your policy at any time by giving written notice to us;
- We may also cancel this policy by giving you 10 days written notice by registered post to your last known address; and
- In the case of cancellation by us, we shall return to you a proportionate part of the premium corresponding to the unexpired period of insurance.

## 8. What do I need to do if there are changes to my contact details?

It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.

## 9. Where can I get further information?

Should you require additional information about Machinery All Risks insurance, you can contact us or any of our branches.

If you have any enquiries, please contact us at:

Pacific & Orient Insurance Co. Berhad  
11th Floor, Wisma Bumi Raya,  
No. 10, Jalan Raja Laut,  
50350 Kuala Lumpur.  
Tel : 03-2698 5033  
Fax : 03-2693 8145  
E-mail : [poi2u@pacific-orient.com](mailto:poi2u@pacific-orient.com)

## 10. Other types of machinery all risks insurance cover available:

- All risks
- Contractor's all risks

### **IMPORTANT NOTE:**

**YOU MUST ENSURE THAT YOUR MACHINERY IS INSURED AT THE APPROPRIATE AMOUNT AS IT WILL AFFECT THE AMOUNT YOU CAN CLAIM. YOU SHOULD READ AND UNDERSTAND THE INSURANCE POLICY AND DISCUSS WITH THE AGENT OR CONTACT THE INSURANCE COMPANY DIRECTLY FOR MORE INFORMATION.**

The information provided in this disclosure sheet is a brief summary for quick and easy reference. The exact terms and conditions that apply are stated in the policy contract.

*Pacific & Orient Insurance Co. Berhad is licensed under the Financial Services Act 2013 and regulated by Bank Negara Malaysia.*

The information provided in this disclosure sheet is valid as at 01.10.2023