PACIFIC & ORIENT INSURANCE CO. BERHAD (No.12557-W)

A Member Of The Pacific & Orient Group

Internet: www.poi2u.com

STAMP DUTY PAID

HEAD OFFICE 11th Floor Wisma Bumi Raya, No. 10, Jalan Raja Laut, 50350 Kuala Lumpur, P.O.Box 10953, 50730 Kuala Lumpur, Malaysia
Telephone: +603-2698 5033 Fax: +603-2693 8145 Toll Free: 1-800-88-2121

BRANCH

Johor Bahru	Suite 905, 9th Floor, Johor Tower, No.15 Jalan Gereja, 80100, Johor Bahru, Johor, Malaysia Tel: 07-222 2537 Fax: 07-224 5631
Melaka	No.2, Jalan PM7, Plaza Mahkota, Bandar Hilir, 75000 Melaka, Malaysia Tel: 06 –284 8298 Fax: 06-284 9619
Ipoh	75, Jalan Raja Ekram, 30450 Ipoh, Perak, Malaysia Tel: 05-255 0370 Fax: 05-253 2943
Penang	66, Jalan Zainal Abidin, 10400 Pulau Pinang Tel: 04-2278 355 Fax: 04-2278 343
Kuantan	B-62, Lorong Tun Ismail 8, Sri Dagangan 2, Jalan Tun Ismail, 25000 Kuantan, Pahang Tel: 09-514 6332 Fax: 09-516 2858
Website	www.poi2u.com

MACHINERY & EQUIPMENT POLICY

The benefits(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 (Visit www.pidm.gov.my)

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 Pacific & Orient Insurance Co. 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 named in the Schedule hereto has made to the **PACIFIC & ORIENT INSURANCE CO. BERHAD** (hereinafter called "the Company") a Propsal and Declaration which shall be the basis of this Contract and which is deemed to be incorporated herein and has paid or agreed to pay the Premium stated in the aforesaid Schedule as consideration for the Indemnity hereinafter contained.

NOW THIS POLICY WITNESSETH that if at any time during the Period of Insurance stated in the Schedule hereto or during any further period for which the Company may accept payment for the renewal or extension of the Policy, the Property Insured specified in the Schedule or any part thereof shall be lost or damage by Fire, Lightning, Theft and Accidental Damage then the Company will, subject to Terms Exceptions Limits and Conditions contained herein or endorsed hereon or attached hereto pay or make good to the Insured the amount of such loss or damage.

EXCEPTIONS

This Policy does not cover :-

1. Loss or damage arising from wear and tear, depreciation, gradual deterioration, rust, mildew, vermin or atmospheric conditions or in connection with any process of cleaning, repairing, restoring or renovating or dismantling.
2. Loss or damage arising from the application of electrical energy, or mechanical defects in, or mechanical defects in, or mechanical derangement or mechanical breakdown or malfunction of electronic components of any part of the Property Insured.
3. Loss or damage to any part of the Property Insured by its own ignition.
4. Loss or damage such as scratching or denting of any Property Insured unless caused by burglars, thieves or fire.
5. Loss or damage arising out of earthquake, volcanic eruption, flood, subsidence or landslip, typhoon, hurricane, or other convulsion of nature, war, invasion, act or foreign enemy, hostility (whether war be declared or not), civil war, rebellion,Insurrection, strike, riot, civil commotion, military or usurped power or confiscation or destruction by order of any Government or Public Authority and in the event of any claim hereunder the Insured shall when so required by the Company prove that the claim loss or damage arose independently of and was in no way connected with or occasioned by or contributed by or traceable to any of the aforesaid 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.
6. Loss or damage to any property whatsoever or any loss or expense whatsoever resulting from or arising therefrom or any consequential loss or any liability of whatsoever nature :-
    a) Directly or indirectly caused by or contributed to by or arising from ionizing 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 exception combustion shall include any self-sustaining process of nuclear fission.
    b) Directly or indirectly caused by or contributed to by or arising from nuclear weapons material.
7. Loss or damage caused by overloading or straining.
8. Loss or damage caused by explosion of any boiler forming part of or attached to or on the Property Insured.
9. Loss of damage to any mechanically propelled vehicles or water-craft.
10. Loss or damage sustained as a result of any illegal act or breach of any statute act of Parliament or other legistation causing the forfeiture of the Property Insured.

DEDUCTIBLE CLAUSE

The Company shall not be liable for the deductible stated in the Schedule to be borne by the Insured in any one occurrence.

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 of the statements and answers in the Proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.

2. All notice required to be given by the Insured to the Company must be in writing addressed to the nearest Branch or Agency of the Company and no alteration in the terms of the Policy nor any endorsement thereon will be valid unless the same in signed or initalled by an authorised representative of the Company.

3. Upon the happening of any event giving rise or likely to give rise to a claim under this Polic y, the Insured shall as soon as practicable, but not later than 30 days after such event, give notice thereof to the Company and shall furnish to the Company all such particulars and evidence documentary or otherwise as the Company may reasonably require. In case of theft or other criminal act which may give rise to claim under this Policy, the Insured shall give immediate notice to the police and cooperate with the Company in securing the conviction of the offender and take all practicable steps towards tracing and recovering property stolen.

4. The Insured shall take all reasonable precautions for the safety and protection of the Property Insured at all times.

5. If in any statement or declaration made in support of any claim under this Policy or if in the information given to the Company in respect thereof there shall be by or on behalf of the Insured any suppression or concealment or any untrue or fraudulent statement or intentional exaggeration as regards the property or articles lost or damaged or the value or amount thereof or if any loss or damage be occasioned by or through the willful act or with the knowledge or connivance of the Insured or by the absconcion or by the dishonest act of any person to whom the property is entrusted or any relative residing with Insured or anyone acting on behalf of the Insured, no claim shall be payable under this Policy.

6. The Company may reinstate, repair or replace the property lost or damage, as the case may be, instead of paying the amount of the loss or damage, and may join with any other Insurers in doing so, in cases where the property is also insured elsewhere. Any salvage shall become the absolute property of the Company to dispose of as it may think fit for its own benefit, and the Insured shall give to the Company all reasonable assistance in taking possession of such salvage provided always that if the provisions of the Condition 10 are applicable the amount of any salvage shall be applied first in covering the costs incurred by the Company in indemnifying the insured hereunder and any balance shall be paid to the Insured.

7. All sums which may from time to time be paid under this Policy during each period of insurance shall be accounted in diminution of the respective sums insured so that during any one period of insurance, the total sum payable by the Company shall not exceed the sum set opposite each item of the Property Insured or in the whole the total sum Insured.

8. If at the time of the happening of any loss or damage covered by this Policy there shall be subsisting any other insurance of any nature whatsoever covering the property insured or any part thereof whether effected by the Insured or not then the Company shall not be liable to pay or contribute more than its rateable proportion of such loss or damage and upon the happening of any such loss or damage, the Insured shall forthwith give notice to the Company of all other insurance effected by the Insured or on the Insured's behalf covering the property or any part of the property insured under this Policy and no claim under this Policy shall be payable by the Company until such notice shall have been received by the Company.

9. The Company shall at any time by giving seven day's notice to the Insured by Registered Letter at the Insured's address as last know to the Company, be at liberty to cancel this Policy, provided that the Company shall in that event on demand return to the Insured a proportionate part of the premium corresponding to the unexpired period of insurance. This policy may be cancelled at any time by the Insured on seven day's notice to the Company and in such event the Insured shall be entitled to a return of the premium less premium at the Company's Short Period Rates for the time the Policy has been in force during the then current period of insurance.

10. If the property insured shall at the time of any event giving rise to claim under 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 proportion of the loss accordingly. Each item of this Policy shall be separately subject to this Condition.

11. All differences arising out of this Policy shall 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 Arbitrators one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties or in case the Arbitrators do not agree of an Umpire appointed in writing by Arbitrators before entering upon the reference. The Umpire shall sit with the arbitrators and preside at their meetings and the making of and Award shall be a condition precedent to any right of action against the Company. If the Company shall 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 arbitration under the provisions herein contained then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter hereunder.

PREMIUM WARRANTY

It is a fundamental and absolute special condition of this contract of insurance that the preium due must be paid and received by the insurer within sixty (60) days from the inception date of this Policy/Endorsement/Renewal Cretificate.

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

Where the preium payable pursuant to this warranty is received by an authorized agent of the insurer, the payment shall be deemed to be received by the insurer for the purposes of this warranty is received by an authorised agent of the insurer, the payment shall be deemed to be received by the insurer for the purposes of this warranty and the on us of proving that the preium payable was received by a person including an Insurance Agent, who was not authorized to receive such preium shall lie on the insurer.

IMPORTANT NOTICE

Your attention is drawn to the 60 days premium warranty attached to the policy.

By this warranty, the insurance policy is automatically cancelled unless the full preium is paid to the insurer within 60 days from the commencement date of cover. Please note that if this insurance is transacted through your insurance broker, the broker is acting on your behalf for the purpose of formation of this contract of insurance. It is important that you make full payment of the premium to your broker as soon aspossible and in any case within the 60 days period of the preium warranty so as to enable your broker to remit the premiums early to your insurer. You are advised to request your broker to furnish you with the broker's and insurer's receipt on the premium that you paid.

Disputes can be referred to: Ombudsman for Financial Services (OFS) (Formerly known as Financial Mediation Bureau)
Tel No : 03-2272 2811