

Product Disclosure Sheet - Machinery Insurance

Read this Product Disclosure Sheet before you decide to take out the Machinery Insurance. Be sure to also read the general terms and conditions.



1. What is this product about?

This policy provides cover for loss or damage to your machineries from causes not specifically excluded in the policy.

Consumer Insurance Policy means a contract of insurance entered into, varied or renewed by an individual wholly for his/her own purposes unrelated to the individual's trade, business or profession.

2. What are the covers / benefits provided?

This policy provides cover against sudden and unforeseen physical damage to your machineries from causes not specifically excluded in the policy. The common perils covered are:-

- Defects in casting and material
- Faulty design
- Fault at workshop or in erection
- Bad workmanship
- Lack of skill
- Carelessness
- Shortage of water in boilers
- Physical explosion
- Tearing apart on account of centrifugal force
- Short circuit
- Storm

The duration of cover is for one year. You need to renew your cover annually.

Note: The description on the available cover is only a brief summary for quick and easy reference. The precise terms and conditions that apply are stated in the policy contract.

3. How much premium do I have to pay?

The premium charges are varies depending on the type, condition and nature of the use of your machineries and our underwriting requirements.

Sum Insured - RM _____
Rate - _____ %
Estimated Total Premium - RM _____

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

- Stamp Duty - RM 10.00
- Tax (where applicable) - 6% on the premium (included in the premium)
- Commission paid, if any, to the Insurance Intermediary (included in the premium) - maximum up to 15% of premium

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

- Importance of disclosure
 - 1 Duty for Consumer Insurance Policy
 - 1.1 If this Policy is a Consumer Insurance Policy, then You must take reasonable care:
 - (a) not to make a misrepresentation to Us when answering any questions we ask in the proposal form;
 - (b) when renewing this Policy, not to make a misrepresentation to Us in answering any questions, or confirming or amending any matter previously disclosed to Us in relation to this Policy; and
 - (c) to disclose to Us any matter, other than what We have asked in (a) and (b) above, that You know to be relevant to Our decision on whether to accept the risk or not and the rates and terms to be applied.
 - 2 Duty for non-Consumer Insurance Policy
 - 2.1 If this Policy is not a Consumer Insurance Policy, then You have a duty to disclose to Us any matter that:
 - 2.1.1 You know to be relevant to Our decision on whether to accept the risk or not and the rates and terms to be applied; or
 - 2.1.2 a reasonable person in the circumstances could be expected to know to be relevant.
 - 3 Consequences of Breach of Duty
 - 3.1 If this is a Consumer Insurance Policy, breach of Your duty as stated above may result in Us avoiding the Policy and refusing all claims, or the terms of the Policy being varied, and/or the amount to be paid on a claim being proportionately reduced, depending on the type of misrepresentation or non-disclosure and the effect of the said misrepresentation or non-disclosure.
 - 3.2 If this is a non-Consumer Insurance Policy, breach of Your duty stated above may result in Us avoiding the Policy and refusing all claims.
 - You must take all ordinary and reasonable precaution for the safety of the property insured.
 - Premium Warranty - 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. Failure to pay the premium within this period, the contract is automatically cancelled and The Company is entitled to the pro rata premium on the period you have been on risk.
 - Excess, being the amount you have to bear before we indemnify you.

Note: The list above 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:

- Loss of or damage to Exchangeable tools or items of high war and tear and operating media related risks
- Loss or damage due to fire, direct lightning, chemical explosion, fire extinguishing, aircraft or other aerial devices,
- Theft, burglary, collapse of buildings, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption and similar natural catastrophes
- Loss or damage for which a supplier, contractor or repairer is responsible
- Loss or damage caused by any faults or existing damage
- Willful act or gross negligence
- War and related risks
- Radiation and nuclear energy risks
- Consequence of continual influence of operation
- Consequential loss or liability of any kind

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

7. Can I cancel my policy?

This Policy may be cancelled by the Policyholder at any time by giving a written notice to the Company and provided that no claims have been made during the current policy year, the Policyholder shall be entitled to a refund based on our short period rates subject to a minimum premium retained by us.

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

It is important that you inform us of any change in your organization's contact details to ensure that all correspondence reaches in a timely manner. You can write in / fax us at the address / fax number below.

9. Where can I get further information?

Should you require additional information about Machinery Insurance, you can contact us at our branches nationwide, your insurance intermediary or visit www.insuranceinfo.com.my.

If you have any queries, please contact us at:

Chubb Insurance Malaysia Berhad
Registration Number: 197001000564 (9827-A)
Wisma Chubb
38 Jalan Sultan Ismail
50250 Kuala Lumpur
O +6 03 2058 3000
F +6 03 2058 3333
E Inquiries.MY@chubb.com
W www.chubb.com/my

10. Other types of similar insurance cover available

None.

IMPORTANT NOTE:

YOU SHOULD SATISFY YOURSELF THAT THIS POLICY WILL BEST SERVE YOUR NEEDS AND THAT THE PREMIUM PAYABLE UNDER THIS POLICY IS AN AMOUNT YOU CAN AFFORD. YOU SHOULD READ AND UNDERSTAND THE INSURANCE POLICY AND CONTACT CHUBB INSURANCE MALAYSIA BERHAD DIRECTLY FOR MORE INFORMATION.

This product disclosure sheet is prepared in both the English and Malay versions. In the event of any inconsistencies between the two (2) versions, the English version shall prevail.

Please be reminded that:

- you have a duty to take reasonable care to provide us or our intermediary with all relevant information in order for us to provide you with the most suitable financial products and by withholding any information which we or our intermediary request for, or providing inaccurate information, we may not be able to recommend you a suitable financial product to cater to your needs;
- you should read and understand the contract terms and discuss further with us or our intermediary if there are any terms that you do not understand, before accepting the policy contract.

By accepting the policy contract, you would acknowledge that our intermediary or Chubb personnel had explained to you clearly on the policy contract coverage and key contract terms, and that the policy contract offered is suitable for your insurance needs.

The information provided in this disclosure sheet is valid as at 23/04/2020.

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.

CHUBB INSURANCE MALAYSIA BERHAD is licensed under the Financial Services Act 2013 and regulated by Bank Negara Malaysia.