

**PRODUCT DISCLOSURE SHEET**

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

**RHB Insurance Berhad**

**Fire Insurance**

**Date :**

**1. What is this product about?**

This product provides cover against loss, damage or destruction of the property insured caused by fire, lightning or explosion caused by gas used for domestic purposes only.

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

The standard cover includes :

1. Fire
2. Lightning
3. Explosion caused by gas used for domestic purposes only

Other insured perils are also available for cover with additional premium :

1. Aircraft damage
2. Explosions (industrial and non-industrial risks)
3. Impact damage
4. Riot Strike and Malicious Damage
5. Bursting or Overflowing of Water Tanks Apparatus and Pipes
6. Storm, Tempest
7. Earthquake and Volcanic Eruption
8. Flood
9. Sprinkler Leakage
10. Spontaneous Combustion
11. Bush/Lalang Fire
12. Subsidence and Landslip
13. Damage by Falling Trees or Branches and Objects Therefrom
14. Electrical Installations

The insured perils offered are not without its restriction. For example, the Storm, Tempest cover is subjected to a deductible of 1.0% of the Total Sum Insured or RM200 whichever shall be the less. Since it is impossible to provide every detail of each cover, you are advised to obtain a copy of the insurance contract for a full appreciation of the insurance coverage and its limitations before you make any decision.

Duration of cover is for one (1) year. You need to renew your insurance cover annually.

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

The basic premium rate is based on the trade business or occupation and building construction. The additional peril rates are to some extent fairly standard across commercial and industrial properties. If your property has the following fire-fighting system complying with the General Requirements and Maintenance Requirements set, you will enjoy considerable savings on premiums:

- Portable Fire Extinguishers
- Fire Alarm
- Trained Fire Brigade Team
- Hose Reels
- Private & Public Hydrants
- Sprinkler System

There are also other types of internal or external fire-fighting system. You are advised to seek the advice of your insurance agent/broker or contact us on this matter so that our technical surveyors may evaluate the fire-fighting system and provide an independent assessment.

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

Type	Amount
a. Commissions paid to the intermediary (if any)	15% of premium
b. Service Tax	6% of premium
c. Stamp Duty	RM10

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

**a. Importance of Disclosure (Statement Pursuant to Schedule 9 of the Financial Services Act 2013)**

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.

**b. 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 us 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 we shall be entitled to the prorated premium on the period we have been on risk.

**c. Insured Value**

You must ensure that your property is insured based on the cost of reconstruction.

- Under-Insurance: If the sum insured is less than the total aggregate value of the property at the time of loss, you are deemed as self-insuring the difference. In the event of loss, you will only be partially compensated.
- Over-Insurance: If the sum Insured is higher than value of each property, the maximum compensation is the sum insured of each item. You cannot profit from an insurance claim (principle of indemnity).

**d. Other Insurance**

You must ensure to give notice to us of any insurance or insurances already affected on the same property. Failure to do so all benefits under the policy will be forfeited.

**e. Importance of Keeping the Receipt**

You are strongly advised to keep the receipt after payment has been made for future reference.

**f. Claims Procedure**

Upon happening of any event giving rise or likely to give rise under the policy, you shall;

- i. Give notice immediately to us by telephone as well as in writing, giving an indication as to the nature and extent of loss or damage.
- ii. Take all steps within your power to minimize the extent of the loss or damage.
- iii. Preserve the parts affected and make them available for inspection by a representative or surveyors engaged by us.
- iv. Deliver to us within fifteen (15) days from the date of its occurrence, a detailed claim in writing. Otherwise we shall on no account be liable for the loss or damage.
- v. Delivers to us particulars of all other insurances, if any.
- vi. You shall also at all times and at your own expense produce, procure and give to us all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies of documents, proofs and information with respect to the claim and the origin and cause of the fire and the circumstances under which the loss or damage occurred, and any matter touching the liability or our amount of liability together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected to the claim.

*Note: No claim under this Policy shall be payable unless the terms of this condition have been complied with.*

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

This insurance does not cover any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with:

- a. theft during or after the occurrence of a fire
- b. property occasioned by its own fermentation, natural heating or spontaneous combustion
- c. earthquake, volcanic eruption or other convulsions of nature
- d. typhoon, hurricane, tornado, cyclone or other atmospheric disturbance
- e. subterranean Fire
- f. the burning of property by order of any public authority
- g. radioactive or nuclear energy risks.
- h. pollution or contamination
- i. war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war
- j. mutiny, riot, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege
- k. any act of terrorism

Unless otherwise expressly stated in the policy this Insurance does not cover:

- a. goods held in trust or on commission
- b. bullion or unset precious stones
- c. any curiosity or work of art for an amount exceeding RM500
- d. manuscripts, plans drawings, or designs, patterns, models or moulds
- e. securities, obligations, or documents of any kind, stamps, coins, or paper money, cheques, books, of account or other business books, or computer systems records
- f. coal, against loss or damage occasioned by its own spontaneous combustion
- g. explosives
- h. any loss or damage occasioned by or through or in consequence of the burning, whether accidental or otherwise, of forests, bush, prairie, pampas or jungle, and the clearing of lands by fire

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

## 7. Is there any guide in determining the estimated sum insured to be insured on building?

There is a Building Cost Calculator (BCC) that can assist you in determining the estimated sums to be insured for residential properties, simple shop house and shop office and is not a substitute for professional advice to be obtained.

Before using the calculator, kindly note the following:

1. If any renovations have been made to your property, you are advised to indicate the amount (cost of renovation) in the box provided in the BCC.
2. If your property has unique or special design features and/or have extensive renovations and/or have complex structures affixed, you are advised to obtain professional advice for a more accurate assessment of your property.

The BCC is operational on the PIAM website <http://www.piam.org.my/consumer/industry/building-cost-calculator-bcc/> and at our company website.

## 8. Can I cancel my policy?

You may cancel your policy at any time by giving written notice to us. Upon cancellation, we will return any proportionate part of the premium in respect of the unexpired period of insurance provided no claims have been made subject to the minimum premium to be retained by us. You are entitled to a refund of the premium based on short-period rates as follows:

Period of Insurance	Refund of Premium
Not Exceeding 15 days	90.0% of the annual rate
Not Exceeding 1 month	80.0% of the annual rate
Not Exceeding 2 months	70.0% of the annual rate
Not Exceeding 3 months	60.0% of the annual rate
Not Exceeding 4 months	50.0% of the annual rate
Not Exceeding 5 months	40.0% of the annual rate
Not Exceeding 6 months	30.0% of the annual rate
Not Exceeding 7 months	25.0% of the annual rate
Not Exceeding 8 months	20.0% of the annual rate
Not Exceeding 9 months	15.0% of the annual rate
Not Exceeding 10 months	10.0% of the annual rate
Not Exceeding 11 months	05.0% of the annual rate
Not Exceeding 12 months	No Refund

The amount to be refunded upon termination of the policy shall be subjected to the minimum premium of RM60 for Dwelling Risk and RM75 for Non-Dwelling Risk to be retained by us.

## 9. 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.

## 10. Where can I get further information?

Should you require additional information about this product, please refer to our head office, branches or our insurance agents.

If you have any enquiries, please contact us at:

**RHB INSURANCE BERHAD (38000-U)** is licensed under the Financial Services Act 2013 and regulated by Bank Negara Malaysia.

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Website : [www.rhbgroup.com/insurance](http://www.rhbgroup.com/insurance)

## 11. Other types of Fire Insurance cover available

Fire Plus Insurance

### **IMPORTANT NOTE:**

**THE DESCRIPTION ON THE AVAILABLE COVER IS ONLY A BRIEF SUMMARY FOR A QUICK AND EASY REFERENCE. THE PRECISE TERMS AND CONDITIONS THAT APPLY ARE STATED IN THE POLICY. PLEASE OBTAIN A COPY OF THE POLICY CONTRACT FOR YOUR REFERENCE.**

*The information provided in this disclosure sheet is valid as at 13/9/2019.*