

## PRODUCT DISCLOSURE SHEET (PDS)

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

RHB Insurance Berhad

**Fire Insurance**

Date :

### 1. What is this product?

This Insurance provides cover against loss, damage or destruction of the property insured caused by Fire, Lightning or Explosion (only caused by domestic usage for example in cooking or boiling of water for domestic consumption). Besides covering residential properties, this class is more commonly insured for commercial and industrial properties.

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

#### The Standard or Basic Fire Cover:

1. Fire
2. Lightning,
3. Explosion (Domestic Only)

#### Other insured perils are also available for cover. The perils offered are: -

1. Riot Strike and Malicious Damage;
2. Explosion (Industrial or Non Industrial);
3. Aircraft Damage;
4. Impact Damage (either including of Own Vehicles or excluding Own Vehicles);
5. Water Damage arising from Bursting or Overflowing of Water Tanks Apparatus and Pipes;
6. Storm & Tempest;
7. Earthquake;
8. Flood;
9. Sprinkler Leakage (Buildings and/or Contents);
10. Spontaneous Combustion;
11. Bush Fire;
12. Subsidence & Landslip;
13. Damage by Falling Trees.
14. Electrical Installation Clause (B) applicable for Electrical Appliances and Installation Only

The insured perils offered are not without its restriction. For example the Storm & Tempest cover is subjected to a 1.0% deductible 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.

**Please take note that the granting of the extended coverage will depend on our underwriting consideration and acceptance. If we are satisfied with the risk assessment the extensions will be allowed and the appropriate premium charged.**

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?

A Fire Tariff issued by Persatuan Insurans Am Malaysia (PIAM) governs the premium rating. The Fire Tariff governs all license general insurance company who are members of PIAM. 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. You may enjoy discount on premium if your property value for insurance should surpass RM10,000,000 If your property have the following features that comply with the Fire Tariff requirements, you will enjoy considerable savings on premiums:

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

You are advised to seek the advice of your insurance agent/broker or insurance company on this matter so that our technical surveyors may evaluate the fire fighting system and provide an independent assessment on the effectiveness of the system.

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

Type	Amount
a. Commission (if any)	15% of premium will be paid to the Agent
b. Service Tax	6%
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)**

- i) You are required by Law to tell us all facts that you know or are expected to know about the risk that we are accepting from you. These facts can influence our decision whether to accept your application for insurance or what terms we imposed on you.
- ii) You must tell us immediately if at any time any of the information on which this insurance is based is incorrect, inaccurate or changes.
- iii) You must take reasonable care to provide us with all the answers and not to make misrepresentation. If you misrepresented any facts to us before the policy was entered into, we may:-
  - declare your policy void from inception (which means treating it as invalid), we may not make any return of premium and also recover any unpaid premium;
  - cancel this policy and return any premium less our cancellation charge or recover any unpaid premium;
  - recover any shortfall in premium;
  - not pay any claim that has been or will be made under the policy;
  - be entitled to recover from you the total amount of any claim already paid under the policy or any claim we have to pay under any relevant legislation, plus any recovery costs.

### b) **Premium Warranty**

It is fundamental and absolute special condition of this contract of insurance that 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.

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

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

### 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-incurring 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 the Company 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) **Policy Issuance**

The Policy Schedule will be delivered to you within 30 working days from the date of your application approved.

### g) **Claims Procedure**

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

- i. Give notice immediately to us by telephone or telegram 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. Furnish all such information and documentary evidence as we may require.
- v. Inform the police authorities in the case of loss or damage due to burglary
- vi. Deliver to us within fourteen (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.
- vii. Delivers to us particulars of all other insurances, if any
- viii. You shall also at all times and at your own expense produce, procure and give to the Company 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 the amount of the liability of the Company as may be reasonably required by or on behalf of the Company 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.

*Notice: 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:**

- a) Loss by theft during or after the occurrence of a fire
- b) Loss or damage to property occasioned by its own fermentation, natural heating or spontaneous combustion (except as may be provided in accordance with Condition 8 (f) ) or by its undergoing any heating or drying process
- c) Loss or damage occasioned by or through or in consequence of;
  - The burning of property by order of any public authority
  - Subterranean Fire
- d) Loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material.
- e) This insurance does not cover loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purposes of this condition 5(2) only combustion shall include any self-sustaining process of nuclear fission

### **Excluded Risks**

This Insurance does not cover or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences,

namely:-

- a) Earthquake, volcanic eruption or other convulsion of nature
- b) Typhoon, hurricane, tornado, cyclone or other atmospheric disturbance
- c) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war
- d) 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
- e) Any act of terrorism

#### **Pollution or Contamination Exclusion**

This insured does not cover any liability for:

Loss or destruction or damage caused by pollution or contamination except (unless otherwise excluded) destruction of or damage to the property insured caused by

- a) Pollution or contamination which itself result from a contingency hereby insured against.
- b) Any contingency hereby insured against which itself results from pollution or contamination.

#### **Excluded Property**

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 RM500.00
- 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 explosion; but loss or damage by explosion of gas used for illuminating or domestic purposes in a building in which gas is not generated and which does not form part of any gas works, will be deemed to be loss by fire within the meaning of this Policy.
- i) 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 policy documents for full details.

### **7. What are the Clauses available under this policy without charges?**

- Electrical Installation Clause (A)
- Temporary Removal Clause (Excluding Stock-In-Trade and Merchandise)
- Removal of Debris (with or without separate sum insured)
- Architect's Surveyor's Engineer's and Consultant's Fees (with or without separate sum insured)
- Other Contents Clause
- Capital Additions Clause (not applicable to stock-in-trade nor total sum insured is less than RM1,500,000.00)
- Contract Price Clause
- Reinstatement Value Clause

**Note:** This list is non-exhaustive. Please refer to policy documents for full details.

### **8. Can I cancel my policy?**

You may cancel your policy at any time by giving written notice to the insurance company. In case of cancellation requested by You, you are entitled to a refund of the premium based on short-period rates as follows:-

<b>Period of Insurance</b>	<b>Refund of Premium</b>
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 RM60.00 for Dwelling Risk and RM75.00 for Non-Dwelling Risk to be retained by the Insurance Company.

**9. What do I need to do if there are changes to my contact details?**

It is important that you inform us of any changes in your contact details to ensure all correspondence reaches you in a timely manner.

**10. Where can I get further information?**

Should you require additional information about Fire Insurance, please refer to our head office, branches or from our insurance agent.

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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Tel : 03-2180 3000; Fax :03-2163 7233

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

**11. Other types of Fire Insurance cover available**

Please ask your insurer/intermediary for other types of plans offered by the insurer.

**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 from 01/09/2018*