

BUSINESS MACHINES AND EQUIPMENT INSURANCE POLICY

WHEREAS the Insured named and described in the Schedule hereto has applied to **RHB INSURANCE BERHAD** (hereinafter referred to as "the Company") by a written proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein has paid or agreed to pay the Premium stated in the aforesaid Schedule as consideration for such Insurance hereinafter provided.

NOW THIS POLICY OF INSURANCE WITNESSETH that during the Period Insurance stated in the Schedule or any subsequent Period for which the Insured shall pay and the Company shall agree to accept the Renewal Premium and subject to the Terms Exceptions Provisions and Conditions contained herein or endorsed hereon (hereinafter collectively referred to as the Terms of this Policy)

The Company shall indemnify the Insured against loss or damage by any accident or misfortune to the property or any part thereof whilst in the premises as stated in the Situation of Risk described in the Schedule.

At its own option the Company may pay in cash the amount of the loss or damage or may repair, reinstate or replace the insured property or any part thereof or its standard accessories or parts but the liability of the Company shall not exceed the value of the parts lost or damaged and the reasonable cost of fitting or repairing such parts.

PROVIDED ALWAYS THAT the maximum liability of the Company under this Policy during any one Period of Insurance in respect of any item of the Property shall not in any case exceed the Sums Insured against such item and that the maximum liability of the Company in respect of all loss or damage shall not in any case exceed the Total Sum Insured

DEFINITION OF PREMISES

The premises described in this Policy shall not include any yard, garden, outbuilding or other appurtenance unless specifically included in the Schedule hereto.

EXCEPTIONS

The Company shall not be liable in respect of:-

1. loss damage destruction or deterioration caused by any gradually operating cause (including rust, corrosion and the action of light) wear and tear, mildew, moth, insects, vermin or any process of cleaning, dyeing, repairing, or restoring
2. aesthetic defects such as scratches or painted, polished or enamelled surfaces
3. breakage of brittle articles unless caused by thieves and/or fire
4. misuse, mechanical failure or breakdown or derangement, its own ignition or electrical failure or burnout
5. computer or electronic data, documents (which term shall include any written or printed records, designs,

certificates, plans, manuscripts or business books, etc.) or money unless specifically mentioned in the Schedule

6. any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely
 - a. war invasion act of foreign enemy, hostilities or warlike operations (whether war be declared or not) civil war
 - b. mutiny riot strike civil commotion military or popular rising insurrection rebellion revolution conspiracy military or usurped power
 - c. 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
 - d. any act of terrorism

For this purpose an act of terrorism means an act, including but not limited to the use of force or violence and or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

- e. delay, seizure, confiscation, commandeering, requisition, compulsory sale (whether under Statute or otherwise), detention, nationalization or destruction of or damage to property by or under the order of any government de jure or de facto or any public or local authority

Any loss or damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be loss or damage which is not covered by this insurance, except to the extent that the Insured shall prove that such loss or damage happened independently of the existence of such abnormal conditions.

In any action, suit or other proceeding where the Company alleges that by reason of the provisions of this exception any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

7. any loss or damage directly or indirectly proximately or remotely occasioned by or contributed to by or arising out of or in connection with bush/lalang fire, flood, subsidence, landslide, landslip and sinking of soil/earth, damage by falling trees, typhoon, hurricane, tornado, cyclone, storm and tempest, earthquake and volcanic eruption or natural hazards of any kind.
8. consequential loss of any kind or description.
9. loss or destruction of or damage to any property whatsoever or any loss or expense resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising

from:-

- a. ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this exception combustion shall include any self-sustaining process of nuclear fission.
 - b. nuclear weapons material
10. loss of or damage to records films or tapes other than by fire or theft consequence upon actual forcible and violence breaking into or out of the said Premises by any person or persons [other than employees] and then only for the value as unused materials.
 11. loss or damage due to faults or defects known to the Insured or any of his responsible employees at the time the insurance was arranged and not disclosed to the Company.
 12. loss due to any fraudulent scheme, trick, device or false pretence practiced upon the Insured or any person(s) having care of the insured property at such time.
 13. loss due to infidelity or dishonesty on the part of the Insured or any employees of the Insured.
 14. the first amount of any claim (known as the excess or deductible) in respect of which indemnity is provided as described against each item in the Schedule of the Policy attached hereto
 15. any loss or damage to property which at the time of the happening of such loss or damage, is insured by or would but for the existence of this Policy, be insured by any Marine or Transit Policy or Policies except in respect of any excess beyond the amount which would have been payable under the Marine or Transit Policy or Policies had this Insurance not been effected.

CONDITIONS

1. MEANING

This Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear the same meaning wherever it may appear.

2. CONDITION PRECEDENT TO LIABILITY

The due observance and fulfillment of the terms conditions and endorsements 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 said proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.

3. DUTY OF INSURED

The Insured shall take all reasonable precautions for the safety of the Property Insured.

4. CLAIMS PROCEDURE

Upon the happening of any event giving rise or likely to give rise to a claim under this Policy, the Insured shall give immediate notice thereof in writing to the Company stating the circumstances.

In case of theft or loss give immediate notice to the

Police and take all practicable steps to discover the guilty person or persons and recover the property lost.

Deliver to the Company within fourteen (14) days from the date on which the event shall come to his knowledge a detailed claim in writing and such particulars and proofs as may be reasonably required.

5. SUBROGATION

The Company may at its own expense take proceedings in the name of the Insured to recover the property or compensation to secure an indemnity from any third party in respect of any loss or damage covered by this Policy and any property in respect of which a claim is made hereunder or any amount so recovered or secured shall belong to the Company.

6. DIMINUTION IN SUM INSURED

Immediately upon the happening of any loss or damage to the property insured as described in the Schedule of this Policy the Total Sum Insured and the Sum Insured upon the various descriptions of property which have been lost or damaged shall be reduced by the amount of the loss or damage and such reduced Sum Insured shall be the limits of the Company's liability in respect of any further losses or damage occurring during the current Period of Insurance unless the Company consent upon payment of additional premium to reinstate the full Sum Insured .

7. AVERAGE

If the property hereby insured under this Policy shall at time of any loss or damage be of greater value than the sum insured hereby, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one under this policy shall be separately subject to this condition.

8. OTHER INSURANCE

If at the time of happening of any occurrence covered by this Policy there shall be any other insurance covering the same risk whether effected by the Insured or not then the Insurers shall not be liable to contribute more than their rateable proportion of any payment in respect of such occurrence accordingly. Every item, if more than one, of the Policy shall be separately subject to this Condition.

9. THEFT BY DECEPTION

The Company shall not be liable for any loss or damage caused by or attributed to the act of cheating by any person within the meaning of the definition of the offence of cheating set out in the Penal Code.

Cheating as defined in the Penal Code is as follows:-

"Whoever by deceiving any person, fraudulently or dishonesty induces the person so deceived to deliver any property to any person or to consent that any person shall retain any property, or intentionally induces the person so deceived to do or omit to do anything which he would not do or omit if he were not so deceived, and which act or omission causes or is likely to cause damage or harm to that person in body, mind, reputation or property, is said to 'cheat'."

10. CRIMINAL BREACH OF TRUST

The Company shall not be liable for any loss or damage caused by or attributed to the act of Criminal Breach of Trust by any person within the meaning of definition of the offence of criminal breach of trust set out in the Penal Code.

Criminal breach of trust as defined in the Penal Code is as follows:-

"Whoever, being in any manner entrusted with property or with any dominion over property, dishonestly misappropriates or converts to his own use that property, or dishonestly uses or disposes of that property in violation of any direction of law prescribing the mode in which such trust is to be discharged, or of any legal contract, express or implied, which he has made touching the discharge of such trust, or wilfully suffers any other person so to do, commits 'criminal breach of trust'.

11. MARKET VALUE

It is hereby agreed that in the event of a loss to the property insured herein, the limit of indemnity shall be the insured value or the market value of the insured property, whichever is the lower, subject to deduction of any excess and amounts which the insured is required to bear under the Policy.

For the purpose of this condition, the term market value shall mean the value of the property insured herein at the time of damage or loss less due allowance for betterment, wear and tear and/or depreciation.

In the event of a dispute, the market value of the insured property shall for the purposes of this condition be determined by a valuation obtained by the Company from the manufacturer, authorized sole agent or agent, authorized broker or authorized distributor of the cost of replacement or reinstatement of the insured property damaged or lost as it was at the time of the occurrence of such loss or damage.

In the event that there is, at the time of damage or loss, no manufacturer, authorized sole agent or agent, authorized broker or authorized distributor for the insured property, the valuation shall be obtained from a Loss Adjuster licensed under the Insurance Act, 1996 and to be mutually appointed by both parties.

The valuation of the insured property by the manufacturer authorized sole agent or agent, authorized broker or authorized distributor or Loss Adjuster licensed under the Insurance Act 1996 shall be conclusive evidence in respect of the market value of the insured property in any legal proceedings against the Company.

12. CANCELLATION

The Company may at any time by giving fourteen (14) days' notice in writing to the Insured at his last known address as known to the Company terminate this Policy as from the expiration of such fourteen (14) days provided that the Company shall in that event return to the Insured a proportionate part of the premium for the unexpired period of insurance or the Policy may be cancelled at any time by the Insured

and the Insured shall be entitled to return of premium less premium at the Company's short period rate for the period of the policy has been in force subject to minimum premium of RM50/-.

13. ARBITRATION

If any difference arises as to the amount of loss such difference shall independently of all other question 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 disinterested persons as Arbitrators, of whom one shall be appointed in writing by each of the parties within two calendar months after having been required so to do in writing by the other party. In case either party shall refuse or fail to appoint an Arbitrator within two calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole Arbitrator, and in case of disagreement between the Arbitrators, the difference shall be referred to the decision of an Umpire who shall have been appointed by them in writing before entering on the reference and who shall sit with the Arbitrators and preside at their Meeting. The death of any party shall not revoke or affect the authority or powers of the Arbitrator, or Arbitrators or Umpire respectively, and in the event of the death of an Arbitrator or Umpire, another shall in each case be appointed in his stead by the party or Arbitrators (as the case may be) by whom the Arbitrator or Umpire so dying was appointed. The cost of the reference and of the award shall be at the discretion of the Arbitrator, Arbitrators or Umpire making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such Arbitrator, Arbitrators or Umpire of the amount of the loss if disputed shall be first obtained. If the Company shall disclaim liability for any claim hereunder and such claim shall not within twelve (12) 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 be recoverable hereunder.

14. FRAUD

If a claim be made by or on behalf of the Insured which shall be in any respect unfounded or fraudulent or intentionally exaggerated or if any false declaration or statement be made in support thereof no claim shall be recoverable under the Policy.

CLAUSES/WARRANTY

(The following clauses/warranty are applicable to this Policy)

PWE 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 the Company 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 Company shall be entitled to the pro-rata premium for the period they have been on risk.
Where the premium payable pursuant to this warranty is received by an authorized agent of the Company, the payment shall be deemed to be received by the Company for the purpose 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 Company.

Subject otherwise to the terms, exceptions and conditions of this Policy.

Y100 PAIR AND SET CLAUSE

It is hereby declared and agreed that notwithstanding anything contained in this Policy to the contrary; where any insured item consists of articles in a pair or set, the Company shall not be liable to pay more than the proportionate value of any particular part or parts which may be lost, without reference to any special value which such article may have as part of such pair or set.
Subject otherwise to the terms, exceptions and conditions of this Policy.

Y2KE DATE RECOGNITION CLAUSE (WITHOUT SAVINGS CLAUSE)

It is noted and agreed this policy is hereby amended as follows:-

- A. The Company shall not pay for any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly caused by, consisting of, or arising from, the failure or inability of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the Insured or not, and whether occurring before, during or after the year 2000 that results from the failure or inability of such device and/or software as listed above to:-
1. correctly recognize any date as its true calendar date;
 2. capture, save, or retain, and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date other than as its true calendar date; and/or
 3. capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.
- B. It is further understood that the Company shall not pay for the repair or modification of any

part of any electronic data processing system or any part of any device and/or software as listed above in A.

- C. It is further understood that the Company shall not pay for any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly arising from any advice, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Insured or for the Insured or by or for others to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in A above.
- D. It is further understood that the Company shall not pay for any consequential loss resulting from any continuing inability of the computer and equipment described in A above to correctly recognize any date as its true calendar date after the lost or damaged property has been replaced or repaired.

Such loss or damage or any consequential loss referred to in A, B, C or D above, is excluded regardless of any other cause that contributed concurrently or in any other sequence to the same.

Subject otherwise to the terms, exceptions and conditions of this Policy.

ITH CYBER CLAUSE

It is hereby declared and agreed that this policy does not apply to, and specifically excludes losses of any kind directly or indirectly caused by, arising from, or consisting of, in whole or in part:

- (a) the use or misuse of the Internet or similar facility;
- (b) any electronic transmission of data or other information;
- (c) any computer virus, worm, logic bomb, Trojan horse or similar problem;
- (d) the use or misuse of any Internet address, Website or similar facility;
- (e) any data or other information posted on a Website or similar facility;
- (f) any loss of data or damage to any computer system, including-but not limited to hardware or software;
- (g) the functioning or malfunctioning of the Internet or similar facility, or of any Internet address, Website or similar facility; or
- (h) any infringement, whether intentional or unintentional, of any intellectual property rights (including but not limited to trademark, copyright or patent)

Subject otherwise to the terms, exceptions and conditions of this Policy.

Y081 STANDARD EXCESS CLAUSE

It is hereby agreed that the Insured shall be responsible for the first five percent (5%) of the sum insured or RM400.00 whichever is higher in respect of each and every loss or a series of losses arising out of one cause.

Every item, if more than one, shall be separately subject to this Clause.

NOTICE TO POLICYHOLDER

Please examine the insurance Policy to ensure that it meets your requirement.

To avoid misunderstanding, it is very important that the Policy, the Schedule and any Endorsements attached therein be read thoroughly.

If you have any complaints or grievances pertaining to your policy, please contact your agent, if any or get in touch with our issuing office. We assure you that your complaints will be attended to promptly.

For all intents and purposes where there is a conflict or ambiguity as to the meaning in the Bahasa Malaysia provisions of any part of the Contract, it is hereby agreed that the English version of the Contract shall prevail.

As a responsible insurer, we wish to bring your attention that you could also address your dissatisfaction to Ombudsman for Financial Services (OFS) or to Bank Negara Malaysia Customer Service Bureau (CSB) as listed below.

HOW TO LODGE A COMPLAINT

If you are unhappy with any aspect of our service, we would like to hear from you.

You can make your complaint in whatever form is most convenient to you either via a phone call to our receptionist or alternatively, by writing, faxing or e-mailing your complaint to:

Complaints Handling Unit

RHB Insurance Berhad
Level 12B, West Wing, The Icon
No 1, Jalan 1/68F, Jalan Tun Razak,
55000 Kuala Lumpur
Tel: 1300-220-007
Fax: 03-2163 7277
E-mail : complaints_unit@rhbinsurance.com.my

The Company will seek to respond to your complaint within fourteen (14) days. If the Company cannot resolve

the matter within the aforesaid time frame when a matter is complex, you will be informed of the progress made with your complaint.

It will help the Company to respond promptly if you give the following details:

1. Your name, address and contact no.
2. Cover note no. / Policy no. / Claim no.

If after taking these steps, you are still dissatisfied, you may write to:

The Complaints Management Unit

Ombudsman for Financial Services (OFS)
Level 14, Main Block
Menara Takaful Malaysia
No. 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur
Tel: 03-2272 2811
Fax: 03-2272 1577
E-mail : enquiry@ofs.org.my
Website : www.ofs.org.my

If the Mediator makes an award against the Company, you are required to inform the Mediator of your decision to accept or deny the award within fourteen (14) days.

If you do not accept the award, you may reject the decision of the Mediator. You are free to institute a court proceeding against the Company or refer it to Arbitration.

Alternatively you may put forward your dissatisfaction over the conduct of the Company by writing to Bank Negara Malaysia giving details of your complaint and particulars of your policy to:

BNMLINK

Corporate Communications Department
Bank Negara Malaysia
P.O. Box 10922
50929 Kuala Lumpur
Tel: 1300-88-5465 (LINK)
Fax: 03-2174 1515
E-mail : bnmtelelink@bnm.gov.my
Website : www.insuranceinfo.com.my

HEAD OFFICE / IBU PEJABAT

Level 12, West Wing, The Icon,
No.1, Jalan 1/68F,
Jalan Tun Razak,
55000 Kuala Lumpur
Tel : 03 - 2180 3000 Fax : 03 - 9281 2729
Website : www.rhbgroup.com/insurance

CUSTOMER RELATIONSHIP CENTRE / KAUNTER KHIDMAT PELANGGAN

Level 1, Tower Three, RHB Centre,
Jalan Tun Razak,
50400 Kuala Lumpur
Tel : 1300-220-007 Fax : 03 – 2163 7277
Email : rhbi.general@rhbgroup.com

CALL CENTRE / PUSAT PANGGILAN

Claims Inquiries : 03 - 2180 3030