



<b>STAMP DUTY PAID</b>
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## Industrial All Risks Takaful Certificate Tariff

This Certificate is issued in consideration of the payment of contribution as specified in the Certificate Schedule and pursuant to the answers given in the Participant's Proposal Form (or when the Participant applied for this takaful) and any other disclosures made by the Participant between the time of submission of the Participant's Proposal Form (or when the Participant applied for this takaful) and the time this contract is entered into. The answers and any other disclosures given by the Participant shall form part of this contract of takaful between the Participant and **Etiqa General Takaful Berhad (1239197-A)** (hereinafter called "the Company"). In the event of any pre-contractual misrepresentation made in relation to the Participant's answers or in any disclosures made by the Participant, it may result in avoidance of the Participant's contract of takaful, refusal or reduction of the Participant's claim(s), change of terms or termination of the Participant's contract of takaful.

This Certificate reflects the terms and conditions of the contract of takaful as agreed between the Participant and the Takaful Operator.

The Company agrees (subject to the terms, conditions and exclusions contained herein or endorsed or otherwise expressed hereon which shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the right of the Participant to recover hereunder) that after payment of the first contribution.

### Section I

If any of the Property covered situated in the Premises within the Geographical Area as specified in the Schedule be lost destroyed or damaged by all causes other than by an excluded cause (hereinafter termed Damage) at any time during the period of takaful or any subsequent period in respect of which the Participant shall have paid and the Participant shall have accepted the contribution required for the renewal of this Certificate.

The Company will pay to the Participant the actual value of the property at the time of the happening of the Damage or at its option reinstate or replace such property or any part thereof.

### Section II

If at any time during the period of Takaful the business carried on by the Participant at the Premises specified in the Schedule is interrupted or interfered with in consequence of Damage indemnifiable under Section I, then the Company shall indemnify the Participant for the amount of loss resulting from such interruption or interference in accordance with the provisions contained in the Specification relating to this Section.

Provided that at the time of the happening of the Damage there shall be in force takaful covering the interest of the Participant in the property at the premises against such Damage and that

i) payment shall have been made or liability admitted therefor

or

ii) payment would have been made or liability would have been admitted therefor but for the operation of a proviso in such takaful excluding liability for losses below a specified amount

Provided that the liability of the Company in respect of such Section in any one period of takaful shall in no case exceed

- i) in respect of each item the sum expressed in the Schedule to be covered thereon or in the whole the total sum covered hereby
- ii) any limit of liability shown in the Schedule

or such other sum or sums as may be substituted therefor by memorandum hereon or attached hereto signed by or on behalf of the Company.

## Exclusions (Applicable to Section I and Section II)

### A. EXCLUDED CAUSES

This Certificate does not cover

- 1. Damage to the property covered caused by
  - a) (i) faulty or defective design materials or workmanship latent defect gradual deterioration deformation or distortion or wear and tear
  - (ii) interruption of the water supply gas electricity or fuel systems or failure of the effluent disposal systems to and from the Premises.
  - (iii) settling or bedding down of structures shrinkage or expansion of foundations walls floors and ceilings

unless Damage by a cause not excluded in the Certificate ensues and then the Company shall be liable only for such ensuing Damage

- b) (i) collapse or cracking of buildings
- (ii) corrosion rust extremes or changes in temperature dampness dryness wet or dry rot fungus shrinkage evaporation evaporation loss of weight pollution contamination change in colour flavour texture or finish action of light vermin insects marring or scratching or inherent vice.

Unless such loss is caused directly by Damage to the property covered or to containing such property by a cause not excluded in the certificate.

- c) (i) theft unless accompanied by violence or threat of violence to persons or forcible and violent entry to or exit from the Premises
- (ii) any fraudulent scheme trick device or false pretence practised upon the Participant or upon any persons having care of the covered property at such time.
- (iii) acts of infidelity or acts of dishonesty on the parts of the Participant or any of the employees of the Participant.
- (iv) disappearance unexplained or inventory storage misfiling or misplacing of information shortage in supply or delivery of materials or shortage due to clerical or accounting error.
- (v) cracking fracturing collapse or overheating of boiler economisers vessels tubes or pipes nipple leakage or the failure of welds of boilers
- (vi) mechanical or electrical breakdown or derangement of machinery or equipment including electronic installations computers and data processing equipment

- (vii) damage to boilers economizers turbines or other vessels machinery or apparatus in which pressure is used or their contents resulting from their explosion or rupture.
- (viii) bursting overheating discharging or leaking of water tanks apparatus or pipes when the premises becomes unoccupied and so remains for a period of more than thirty (30) days unless
  - (I) damage by a cause not excluded in the certificate ensues and then the Company shall be liable only for such ensuing Damage and/or
  - (II) such loss is caused directly by Damage to the property covered or to premises containing such property by a cause not excluded in the certificate.
- d)
  - (i) coastal or river erosion
  - (ii) storm tempest water and rain to property in the open (other than property designed to exist and operate in the open)
  - (iii) the freezing solidification or inadvertent escape of molten or gaseous material unless a fire ensues then the Company shall be liable for such ensuing damage.
  - (vi) false programming punching labelling or inserting inadvertent cancelling of information or discarding of data media and loss information caused by magnetic fields.

2. Damage caused by or arising from

- (a) any willful act or willful negligence on the part of the Participant or any person acting on his behalf
- (b) cessation of work
- (c) delay or loss of market
- (d) consequential losses of any description other than those covered under Section II

3. Damage occasioned directly or indirectly by or through or in consequence 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 civil commotion assuming the proportions of or amounting to a popular rising military rising insurrection insurrection rebellion revolution military or usurped power
- (c) any acts 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 of or in connection with any organisation(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.

In any action suit or other proceeding where the Company alleges that by reason of the provisions of Exclusions A3 (a), (b) and (c) above any loss destruction or damage is not covered by this takaful the burden of proving that such loss destruction or damage is covered shall be upon the Participant.

- (d) (i) permanent or temporary dispossession resulting from confiscation nationalization commandeering or requisition by any lawfully constituted authority
- (ii) permanent or temporary dispossession of any building resulting from the unlawful occupation of such building by any person

provided that the Company are not relieved of any liability to the Participant in respect of Damage to the property covered occurring before dispossession or during temporary dispossession which is otherwise covered by this certificate

- (e) the destruction of property by order of any public authority

4. Damage directly or indirectly caused by or arising from or in consequence of or contributed to by

- (a) nuclear weapons material
- (b) ionising radiations 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 Exclusion A4(b) combustion shall include any self-sustaining process of nuclear fission.

## **B. EXCLUDED PROPERTY**

This Certificate does not cover

1. (a) money cheques bullion negotiable instruments and securities of all kinds any curiosity or work of art (other than drawing painting and sculpture of individual value not exceeding RM500 per item) furs garments trimmed with fur jewellery watches pearls set or unset precious stones gold silver platinum or other metal and alloy
- (b) documents manuscripts plans drawing designs patterns models moulds business books or computer systems records for the value to the Participant of the information contained therein
- (c) property sold by the Participant under conditional sale trust agreement installment plan or deferred payment plan or after delivery to customers
- (d) vehicles licensed for road use (including accessories thereon) caravans railway locomotive or rolling stock watercraft spacecraft or the like
- (e) property in transit other than within the premises specified in the Schedule
- (f) property or structures in course of demolition construction or erection and materials or supplies in connection therewith
- (g) land (including top-soil back fill drainage or culverts) driveways pavements roads runways railway lines dams of all kinds weirs overhead lines transmissions mast irrigation systems sewer systems storage tanks and contents thereof reservoirs canals harbours rigs wells pipelines tunnels bridges docks piers jetties excavations wharves mining property underground off-shore property
- (h) animals livestock growing crops standing timber plants lawns trees and shrubs
- (i) property damaged as a result of its undergoing any process

- (j) machinery during installation removal or resiting (including dismantling and re-erection) if directly attributable to such operations
  - (k) property undergoing alteration repair testing installation or servicing including materials and supplies therefor if directly attributable to the operations of work being performed thereon unless Damage by a cause not otherwise excluded ensues and then the Company will be liable only for such ensuing loss
  - (l) property in course of manufacture if such loss destruction or damage is sustained while the property is being actually worked on and directly resulting from such work unless Damage by a cause not otherwise excluded ensues and then the Company will be liable only for such ensuing loss
  - (m) property more specifically covered
2. Damage to property which at the time of the happening of such Damage is covered by or would but for the existence of this Certificate be covered by any marine certificate or certificates except in respect if any excess beyond the amount would have been payable under the marine certificate or certificates had this takaful not been effected.

## Conditions (Applicable to Section I and Section II)

### 1. Identification

This Certificate and the Schedule (which forms an integral part of this Certificate) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Certificate or of the Schedule shall bear such specific meanings wherever they shall appear.

### 2. Misdescription Duty of Disclosure

The Participant has a duty to disclose any matter that the Participant knows to be relevant to the Takaful Operator's 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 the Participant's contract of takaful, refusal or reduction of the Participant's claim(s), change of terms or termination of the Participant's contract of takaful.

The Participant also has a duty to tell the Takaful Operator immediately if at any time after the Participant's contract of takaful has been entered into, varied or renewed with the Takaful Operator any of the information given in the Proposal Form (or when the Participant applied for this takaful) is inaccurate or has changed.

### 3. Cessation of Risk

Under any of the following circumstances the takaful under this Certificate ceases to attach as regards the property affected unless the Participant before the occurrence of any loss or damage obtains the sanction of the Company signified by endorsement upon certificate

- (a) if the trade or manufacture carried on be altered or if the nature of the occupation of or other circumstances affecting the building or containing the covered property be changed in such a way as to increase the risk of loss or damage.
- (b) if the building covered or containing the covered property becomes unoccupied and so remains for a period of more than 30 days.
- (c) if the property covered be removed to any building or place other than that in which it is herein stated to be covered.

- (d) if the interest in the property covered passes from the Participant otherwise than by will or operation of law.
- (e) if a notice to quit by any order by the local Authorities for the requisition or acquisition of the land on which the Participant's property is situated has been issued.
- (f) in respect of Section II only, if the business be wound up or carried on by a liquidator or Receiver or permanently discontinued

**4. Cancellation**

This takaful may be terminated at any time at the request of the Participant in which case the Company will retain the customary pro rata rate for the time the Certificate has been in force. This takaful may also be terminated at the option of the Company by sending thirty (30) days' notice to that effect being given to the Participant in which case the Company shall be liable to repay on demand a rateable proportion of the contribution for the unexpired term from the date of cancellation.

**5. Safeguards and Maintenance**

The Participant shall at all times and as far as is reasonably practicable take steps to safeguard the property covered and maintain it in a proper state of repair. The Participant shall also take steps to enforce the observance of all statutory provisions manufacturer's recommendations and other regulations relating to the safety use and inspection of the property covered.

**6. Claims**

If any event giving rise to or likely to give to a claim under this Certificate comes to his knowledge the Participant shall

- (a) immediately
  - (i) take steps to minimise the loss or damage and recover any missing property
  - (ii) give notice in writing to the Company and
  - (iii) give notice to the police if the event be theft or suspected theft or wilful or malicious damage
- (b) Within 30 days or such further time as the Company may in writing allow deliver to the Company
  - (i) a claim in writing for the loss or damage containing as particular an account as may be reasonably practical of all the several articles or items of property lost or damaged and the amount of loss or damage thereto respectively having regard to their value at the time of the loss or damage
  - (ii) particulars of all other takaful/insurances if any

The Participant shall at all times at his own expense produce, procure and give to the Company all such further particulars plans specifications books vouchers invoices duplicates or copies thereof documents proofs and information with respect of the claim and origin and cause of the loss or damage and circumstances under which the loss or damage occurred and any matter touching the liability or the amount of liability of the Company as may be reasonably required by or on behalf of the Company with a declaration on oath or in other legal form of the truth of the claim and any matters connected therewith.

**7. The Company's Rights after a Loss**

On the happening of any loss or damage to any of the property covered by this Certificate the Company may

- (a) enter and take and keep possession of the building or premises where the loss or damage has happened
- (b) take possession of or require to be delivered to it any property of the Participant in the buildings or on the premises at the time of the loss or damage
- (c) keep possession of any such property and examine sort arrange remove or otherwise deal with the same
- (d) sell any such property or dispose of the same for account of whom it may concern

The powers conferred by this Condition shall be exercisable by the Company at any time until notice in writing is given by the Participant that he makes no claim under the Certificate or if any claim is made until such claim is finally determined or withdrawn and the Company shall not by any act done in the exercise or purported exercise of its power hereunder incur any liability to the Participant or diminish its rights to rely upon any of the Conditions of this Certificate in answer to any claim.

If the Participant or any person acting on his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the company in the exercise of its powers hereunder all benefit under this Certificate shall be forfeited.

The Participant shall not in any case be entitled to abandon any property to the Company whether taken possession of by the Company or not.

**8. Forfeiture**

If any claim upon this certificate be in any respect fraudulent or if any fraudulent means or devices are used by the Participant or any one acting on his behalf to obtain any benefit under this Certificate or if the loss destruction or damage be occasioned by the wilful act or with the connivance of the Participant all benefit under this certificate shall be forfeited.

If a claim be made and rejected and an action or suit be not commenced within three (3) months after such rejection or (in case of an arbitration taking place in pursuance of condition 14 of this certificate) within three (3) months after the Arbitrator or Arbitrators or Umpire shall have made their award all benefit under this Certificate shall be forfeited.

**9. Time Limitation**

In no case whatever shall be the Company be liable for any loss or damage after the expiration of twelve months.

- (i) in respect of Section I, from the happening of the loss or damage
- (ii) in respect of Section II, from the end of indemnity Period or, if later, three months from the date on which payment shall have been made or liability admitted by the Company covering the Damage giving rise to the said claim

unless the claim is subject of pending action or arbitration.

**10. Subrogation**

The Participant shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights or remedies or of obtaining relief and indemnity from other parties to which the Company shall be or would become

entitled or subrogated upon their paying for or making good any loss destruction or damage under this certificate whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

**11. Contribution**

If at the time of any loss destruction or damage happening to any subject matter covered there be any other subsisting takaful/insurance whether by the Participant or by any other person or persons covering the same subject matter the Company shall not be liable to pay or contribute more than their rateable proportion of such loss destruction or damage.

**12. Average**

The sum covered of each item under Section I and of Section II of this Certificate are declared to be separately subject to Average.

Section I:

If the subject matter covered at the time of any loss, destruction or damage be collectively of greater value than the sum covered then the Participant shall be considered as being his own takaful operator/Insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item if more than one of the Certificate shall be separately subject to this condition.

Section II:

The Takaful is limited to loss of Gross profit due to (a) Reduction in Turnover and (b) Increase in Cost of Working and the amount payable as indemnity thereunder shall be:

- a) in respect of Reduction in Turnover : the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of the damage fall short of the Standard Turnover.
- b) in respect of Increase in Cost of Working: the additional expenditure (subject to the provisions of the Uncovered Standing Charges Clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity period in consequence of the damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided:

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the damage:

Provided that if the Sum Covered by this item be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

**13. Deductibles**

This Certificate does not cover in respect of each Section the amounts of the deductibles stated in the Schedule in respect of each and every loss as ascertained after the application of all other terms and conditions of the Certificate including any condition of average.

It is further warranted that during the currency of the Certificate the Participant shall not effect takaful in respect of the amounts of the deductibles stated in the Schedule.



**14. Arbitration**

If any difference arises as to the amount of any loss or damage such difference shall independently of all other questions 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 (2) 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 (2) 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 if 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 of the reference and who shall sit with the Arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the Arbitrator(s) 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 do dying was appointed. The costs of the reference and of the award shall be at the discretion of Arbitrator(s) 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 certificate that the award by such Arbitrator(s) or Umpire of the amount of the loss or damage if disputed shall be first obtained.

**15. Repair and Replacement**

The Company may at its option reinstate or replace the property damaged or destroyed or any part thereof instead of paying the amount of the loss or damage or may join with any other takaful operator(s) / Insurer(s) in so doing but the Company shall not be bound to reinstate exactly or completely but only as circumstances permit and reasonably sufficient manner and in no case shall the Company be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage nor more than the sum covered by the Company thereon.

If the Company so elect to reinstate or replace any property the Participant shall at his own expense furnish the Company with such plans, specifications measurements quantities and such other particulars as the Company may require and no acts done or caused to be done by the Company with a view to reinstatement or replacement shall be deemed an election by the Company to reinstate or replace.

**16. Extinguishing Expenses and Rescue Team Costs**

The takaful of this Certificate is held to include

- (i) wages of the Participant's employee other than full time members of a Works Fire Brigade
- (ii) the cost of replenishment of fire-fighting appliances and destruction of or damage to materials (including employees' clothing and personal effects unless otherwise specifically covered)
- (iii) other costs (including loss or damage to property to gain access)

necessarily and reasonably incurred in extinguishing fires or in saving property or life from loss or damage by any peril herein at or adjoining the situation of the property covered or immediately threatening to involve such property.

## **Conditions (Applicable to Section I and Section II)**

**1. Purchaser Clause**

If at the time of any loss or damage to any building hereby covered the Participant shall have contracted to sell his interest in such building and the purchase shall not have been but shall be thereafter completed the Purchaser on the completion of the purchase if and so far as the property is not otherwise covered by or on behalf of the Purchaser against such loss or damage shall be entitled to the benefit of this Certificate so far as it relates to such

loss or damage without prejudice to the rights and liabilities of the Participant under this Certificate up to the date of completion of the purchase.

**2. Brand Clause**

In the event of loss or damage to the property covered under this Certificate it is understood and agreed that any branded goods and/or merchandise shall not be disposed of by sale without the consent of the Participant. In the event of the participant not consenting to such sale the salvage value as agreed shall be taken into account in the settlement of loss.

**3. Reinstatement Memorandum**

It is hereby declared and agreed that in the event of the property covered under the within Certificate being loss destroyed or damaged the basis upon which the amount payable under the certificate is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the covered property when new subject to the following Special Provisions and subject also to the terms and conditions of the Certificate except insofar as the same may be varied hereby

Special Provisions

- i) The work of replacement or reinstatement ( which may be carried out upon another site and in any manner suitable to the requirement of the Participant subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch and in any case must be completed within 12 months after the loss destruction or damage or within such further time as the Company may (during the said 12 months) in writing allow otherwise no payment beyond the amount which would have been payable under the Certificate if this memorandum had not been incorporated therein shall be made.
- ii) Until expenditure has been incurred by the Participant in replacing or reinstating the property lost destroyed or damaged the Company shall not be liable for any payment in excess of the amount which would have been payable under the Certificate if this memorandum had not been incorporated therein.
- iii) If the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered had been destroyed exceeds the sum covered thereon at the breaking out of any fire or at the commencement of any loss destruction of or damage to such property by any other peril covered against by this Certificate then the Participant shall be considered as being his own takaful operator/insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the Certificate (if more than one) to which the memorandum applies shall be separately subject to the foregoing provision.
- iv) This Memorandum shall be without force or effect if
  - a) The Participant fails to intimate to the Company within 6 months from the date of loss, destruction or damage or such further time as the Company may in writing allow his intention to replace or reinstate the property destroyed or damaged.
  - b) The Participant is unable or unwilling to replace or reinstate the property lost destroyed or damaged on the same or another site.
- v) No payment beyond the amount which would have been payable under the Certificate if this memorandum had not been incorporated therein shall be made if at the time of any loss destruction or damage to any property covered hereunder such property shall be covered by any other insurance/takaful effected by or on behalf of the Participant which is not upon the identical basis of reinstatement set forth therein.
- vi) Where by reason of any of the above Special Provisions no payment is to be made beyond the amount which would have been payable under the Certificate if this memorandum had not been incorporated therein the rights and liabilities of the Company and the Participant in respect of the loss destruction or

damage shall be subject to the terms and conditions of the Certificate including any Condition of Average therein as if this memorandum had not been incorporated therein.

#### **4. Public Authority Clause**

The property covered under this Certificate extends to include additional cost of destroyed or damage property thereby covered as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Government Act, or Bye-Laws of any Municipal or Local Authority provided that

- (1) The amount recoverable under this extension shall not include
  - a) The cost incurred in complying with any of the aforesaid Regulations or Bye-Law
    - i) in respect of loss destruction or damage occurring prior to the granting of this extension
    - ii) in respect of loss destruction or damage not covered by this Certificate
    - iii) under which notice has been served upon the Participant prior to the happening of the loss destruction or damage
    - iv) in respect of undamaged property or undamaged portions of the property
  - b) the additional cost that would have been required to make good the property lost damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-Laws not arisen
  - c) the amount of any rate tax duty development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by compliance with any of the aforesaid Regulations or Bye-Laws.
- (2) The work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within twelve months after the loss destruction or damage within such further time as the Company may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-Laws necessitate) subject to the liability of the Company under this extension not being thereby increased.
- (3) If the liability of the Company under (any item of) the Certificate apart from this extension shall be reduced by the application of any of the terms and conditions of the Certificate then the liability of the Company under this extension (in respect of any such item) shall be reduced in like proportion.
- (4) The total amount recoverable under any item of the Certificate shall not exceed the sum covered thereby.
- (5) All the conditions of the Certificate except insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

#### **5. Capital Additions Clause**

The Company hereby extends to cover alterations additions and improvements (but not appreciation in value in excess of the Sum Covered) to the property covered under this Certificate hereof for an amount not exceeding RM2,000,000.00 (Malaysian Ringgit Two Million only) it being understood that the Participant undertake to advise the Company each quarter of such alterations additions and improvements and to pay the appropriate additional contribution thereon.

**6. Designation Clause**

For the purpose of determining where necessary the heading under which any property is covered the Company agrees to accept the designation under which such property had been entered in the Participant's books.

**7. Automatic Reinstatement of Loss Clause**

In event of the Company meeting a claim under this Certificate in respect of loss or damage to property covered the Company will (in the absence of written notice by the Company to the contrary) automatically reinstate the sum or sums covered in full from the time of such loss or damage and the Participant shall pay to the Company a proportionate additional contribution calculated from the time of such loss or damage provided always that the Company's liability in respect of each and every occurrence shall in no case exceed in respect of each item the sum stated in the Schedule for which such item is covered.

**8. Temporary Removal Clause**

The property covered under this Certificate is covered (limited to RM2,000,000.00 Malaysian Ringgit Two million only) whilst temporarily removed for cleaning, renovation, modification, repair or other similar purpose, elsewhere on the same or any other premises and in transit thereto and therefrom by road rail and inland waterway all in Malaysia.

The amount recoverable under this extension in respect of the property so removed shall not exceed the amount which would have been recoverable had the loss or damaged occurred in that part of the premises from which the property is temporarily removed.

This extension does not apply to property if and so far as it is otherwise covered nor does it apply to items covering stock and merchandise of every description nor as regards losses occurring elsewhere than at the premises from which the property is temporarily removed to

- (a) Motor vehicle and motor chassis
- (b) Property (other than machinery and plant) held by the Participant in trust.

**9. Stock Declaration**

- (a) In consideration of the contribution by this Certificate being provisional in that it is calculated on 100% of the sum covered hereby and is subject to adjustment on expiry of each period of takaful.

The Participant AGREES to declare to the Company in writing the value of the covered stocks (other than retail) less any amount covered by certificates other than declaration certificates on the basis of the average of the value at risk on each day of the month and to make such declaration within thirty days of the expiry of each calendar month such declaration to be signed by the Participant or by a responsible person authorised to sign on his behalf.

If other certificates on declaration basis cover the stocks hereby covered the declaration shall be made so as to apportion to each certificate a share of the value of the stocks covered under such declaration certificates pro rate to the respective amounts named in the certificates.

In the event of a declaration not being made within the thirty days mentioned above than the Participant shall be deemed to have declared the sum covered hereby as the value at risk. On the expiry of each period of takaful the contribution shall be calculated at the agreed rate on the average sum covered namely the total of the values declared or deemed to have been declared divided by the number of declarations due to have been made. If the resultant contribution be greater than the provisional contribution the Participant shall pay the difference if it be less the difference shall be repaid to the Participant but such repayment shall not exceed 50% of the provisional contribution.

- (b) The basis of value for declaration shall be the market value and any loss or damage hereunder shall be settled on the basis of the market value immediately anterior to the loss or damage.
- (c) If at the time of any loss or damage there be any other subsisting takaful(s) / insurance(s) on other than a declaration basis whether effected by the Participant or by any other person or persons covering the stocks hereby covered this Certificate shall apply only to the excess of the value of such stocks at the time of the loss or damage over the sum covered by such takaful(s) / insurance(s) or insurances and this Company shall not be liable to pay or contribute more than that proportion of such loss or damage which such excess (or if there be other declaration takaful(s) / insurance(s) covering the same stocks a rateable proportion of such excess) but not exceeding the sum covered hereby bears to the total value of the stocks.
- (d) If after the occurrence of a loss or damage it is found that the amount of the last declaration previous to the loss or damage is less than the amount that ought to have been declared then the amount which would have been recoverable by the Participant shall be reduced in such proportion as the amount of the said last declaration bears to the amount that ought to have been declared.
- (e) Notwithstanding the occurrence of a loss or damage it is understood that the sum covered will be maintained at all times during the currency of the Certificate and the Participant therefore undertakes to pay extra contribution on the amount of any loss pro rata from the date of such loss or damage to the expiry of the period of takaful the contribution being calculated at the rate applicable to the stocks destroyed and such extra contribution shall not be taken into account in and shall be distinct from the final adjustment of contribution.
- (f) In the event of this Certificate being cancelled by the Participant during its currency (whether stocks exist or not) the contribution to be retained by the Company shall be the pro rata proportion of the contribution calculated on the average amount covered up to the date of cancelment or 50% of the provisional contribution whichever is the greater but if the Certificate is cancelled by the Participant after a loss or damage has occurred the contribution to be retained by the Company shall be the pro rate proportion of the contribution calculated on the average amount up to the date of cancelment plus the pro rate proportion of the contribution from the date of loss or damage to the expiry of the period of takaful in the amount of the loss paid or 50% of the provisional contribution whichever is the greater.
- (g) The maximum liability of the Company shall not exceed the sum covered hereby and contribution shall not be receivable on values in excess thereof. The sum covered may however be increased by prior agreement with the Company in which event the new sum covered and the date from which it is effective will be recorded on the Certificate by endorsement.
- (h) If the stocks hereby covered shall at the time of loss or damage be collectively of greater value than the sum covered thereon then the Participant shall be considered as being his own takaful operator for the difference and shall bear a rateable proportion of the loss accordingly. Every item if more than one on stocks (other than retail) shall be separately subject to this condition.
- (i) It is warranted that every other certificate on a declaration basis covering the stocks covered hereby shall be identical in wording with this Certificate.
- (j) This takaful is subject in all respects to the printed conditions of the Certificate except insofar as they may be varied by these Special Conditions.

#### **10. Architect's Surveyor's And Consultant's Fees**

##### **(a) Architect's Surveyor's Engineer's and Consultant's Fees (with separate sum covered)**

The takaful by this item(s) stated in the Schedule is in respect of Architect's Surveyor's and Consulting Engineer's fees for estimates plans specifications quantities tenders and supervision necessarily incurred in the reinstatement of the property covered consequent upon its loss destruction or damage but not such fees for preparing any claim hereunder. The amount payable for such fees shall not exceed those

authorised under the scales of the Associations of the respective professions prevailing at the time of loss or damage subject to the limit of the sum covered on this item(s).

**(b) Architect's Surveyor's Engineer's and Consultant's Fees (without separate sum covered)**

The Takaful on buildings plant and machinery hereby covered includes Architect's Surveyor's and Consulting Engineer's fees for estimates plans specifications quantities tenders and supervision necessarily incurred in the reinstatement of the property covered consequent upon its loss destruction or damage but not such fees for preparing any claim hereunder. The amount payable for such fees shall not exceed those authorised under the scales of Associations of the respective professions prevailing at the time of loss destruction or damage subject to the Companies maximum liability for any loss damage and fees not exceeding the sum covered against each item.

**11. Removal of Debris**

**(a) Removal of Debris (with separate sum covered)**

The takaful by this item stated in the Schedule is in respect of costs and expenses necessarily incurred by the Participant with the consent of the Company in the: -

- (a) removal of debris
- (b) dismantling and/or demolishing
- (c) shoring up or propping

of the portion or portions of the property covered by this certificate destroyed or damaged by any peril hereby covered against. (Item (b) and (c) above are deemed to be deleted when neither Building nor machinery are covered)

The Company will not pay any costs or expenses

- (i) incurred in removing debris except form the site of such property destroyed or damaged and the area immediately adjacent to such site.
- (ii) arising from pollution or contamination of property not covered by this certificate.

**(b) Removal of Debris (without separate sum covered)**

The takaful hereby covered includes the costs and expenses necessarily incurred by the Participant with the consent of the company in the :-

- (a) removal of debris
- (b) dismantling and/or demolishing
- (c) shoring up or propping

of the portion or portions of the property covered by the said Item(s) above of this Certificate destroyed or damaged by any perils hereby covered against. (Items (b) and (c) above are deemed to be deleted when neither Building nor machinery is covered).

The amount payable for such costs and expenses shall not exceed 10% of the Sum Covered of each item or RM2,000,000.00 whichever is lower

The Company will not pay any costs or expenses

- (i) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site.
- (ii) arising from pollution or contamination of property not covered by this certificate.

Provided always the Company's maximum liability shall not exceed the sum stated in the Schedule for which the Item(s) is/are covered.

**12. Contract Price**

It is agreed that in respect only of goods, sold but not delivered for which the participant is responsible and with regard to which under the conditions of the sale the sale contract is cancelled by reason of loss or damage hereby covered against either wholly or to the extent of the loss or damage the liability or the Company shall be based on the contract price and for the purpose of calculating the value of all goods to which this clause would in the event of destruction or damage be applicable the same basis shall be used.

**13. Computer Systems Records**

Computer systems records are covered only for the value of the materials together with the costs of clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value of the information contained therein.

**14. Temporary Storage Clause**

The property (excluding building) covered under this Certificate is covered whilst temporarily stored anywhere in Malaysia and Singapore PROVIDED that:-

- a) the period of temporary storage shall not exceed sixty (60) days
- b) the liability of the Company is limited to RM500,000 (Malaysian Ringgit Five Hundred Thousand only) for property covered under this clause.
- c) the Company shall not be liable for any loss or damage to the property whilst in transit (including the processes of loading and unloading incidental to such transit)
- d) this Takaful does not apply to property in so far as it is otherwise covered nor does it apply to motor vehicles and motor chassis.

**15. Appraisement Clause**

If the aggregate claim for any one loss does not exceed RM5,000 (Malaysian Ringgit Five Thousand only) by the item or items affected no special inventory or appraisement of the undamaged property shall be required.

If two or more buildings included in a single item this provision shall apply to the range of buildings and/or contents by the item or items affected

**16. Vehicle Load Clause**

In the event of any of the Participant's vehicles being left loaded overnight whilst in or on the premises described in the specification hereto the Company will indemnify the Participant in respect of such load in the event of loss or damage by any of the perils covered against by this Certificate.

**17. Alterations and Repair Clause**

Workmen are allowed in or about the covered property to carry out alterations and repairs provided the trade, manufacture, nature of occupation and/or construction of the building covered remains unchanged.

**18. Unvalued Certificate Clause**

This is an unvalued Certificate. The onus is on the Participant to prove the actual value of the Property covered at the time of the happening of its destruction or the actual amount of such damage.

**19. Date Recognition Clause**

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

- A. The Company will not pay for any loss or damage including loss of use with or without physical damage, injury (including bodily injury), expenses incurred or any consequential loss directly or indirectly caused by, consisting of, arising from, the failure or inability of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar devices, or any computer software, whether the property of the Participant 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 recognise any date as its 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 date on or after any date.
- B. It is further understood that the Company will 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 will not pay for any loss or damage including loss of use with or without physical damage, injury (including bodily injury), expenses incurred or any consequential loss directly or indirectly arising from advice, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Participant or for the Participant 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 will not pay for any consequential loss resulting from any continuing inability of the computer and equipment described in A above to correctly recognise any date as its true calendar date after the lost or damaged property has been replaced or repaired.

Such loss or damage, injury (including bodily injury), expenses incurred 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 and conditions of the Certificate

**20. Property Damage Clarification Clause**

Property damage covered under this Certificate shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to the data or software, in particular any detrimental change in data, software or computer programs that is caused by deletion, a corruption or a deformation of original structure.

Consequently the following are excluded from this Certificate:-



- A. Loss of or damage to data or software, but not limited to any detrimental change in data, software or computer programs that is caused by deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss or damage to data or software, which is the direct consequence of covered physical damage to the substance of property, shall be covered.
- B. Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.

## 21. Contribution Warranty Endorsement

It is a fundamental and absolute special condition of this contract of takaful that the contribution due must be paid and received by the Company within sixty (60) days from the inception date of this Certificate/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 contribution on the period they have been on risks.

Where the contribution payable pursuant to this warranty is received by an authorised 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 contribution payable was received by a person, including a Takaful Agent, who was not authorised to receive such contribution shall lie on the Company.

Subject otherwise to the terms and conditions of this Certificate.

## 22. Takaful and Surplus Distribution Clause

The Participant agrees to participate in this General Takaful scheme based on the principle of Takaful and to pay the contribution on the basis of Tabarru' (donation) for the purpose of helping each other participants who have suffered tragedy and with this contribution, the Participant is entitled to the Takaful cover as expressed in the terms and conditions of this Takaful contract.

The Participant further agrees that the Participant's contribution be credited into the General Takaful Fund (Fund) and to appoint Etiqa General Takaful Berhad (EGTB) to invest and manage the Fund according to the principles of Shariah. The Participant also permits EGTB to make payment of claims/Takaful benefits, Retakaful, provisions and create reserves based on the guidelines and policies laid down by the authorities, and EGTB to be paid a Wakalah Fee based on the following rates:

Commission (maximum)	:	15% of Contribution
Management Expenses	:	25% of Contribution

At the end of each financial year, the Fund calculates an amount from the difference between contribution and other income, and Wakalah Fees, payment of benefits, Retakaful and provisions for reserve based on guidelines laid down by the relevant authorities. If the calculated amount is a surplus and not a deficit, 10% of the calculated surplus is retained by the Fund as to ensure its long-term viability and the remainder (90% of the calculated surplus) is considered distributable surplus. The 10% of calculated surplus is subject to review on an annual basis.

The Participant agrees that EGTB will receive 50% of distributable surplus as incentive for being responsible in operating and managing the Fund while the balance 50% will be reserved for distribution amongst participants subject to the terms of this contract.

The surplus will only be payable to Participants who have not cancelled their Certificates or made any claim prior to the expiry date of their Certificate. The Participant further agrees that if the surplus is less than RM10.00 (Ringgit Malaysia Ten), the surplus is to be credited into a charity fund which will be utilised as 'amal jariah' on behalf of the Participant

## Clauses (Applicable to Section II)

### 1. Accountants' Clause

Any particulars or details contained in the Participant's books or documents which may be required by the Companies under condition 6 of the Certificate for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the Participant and their report shall be prima facie evidence of the particulars and details to which such report relates.

### 2. Payment on Account Clause

Payment on account will be made to the Participant if desired provided that it is established that the loss is indemnifiable under this Certificate.

### 3. Departmental Clause

If the business be conducted in departments the independent trading results of which are ascertainable the provisions of Clauses (a) and (b) of item 1 of the specification attached shall apply separately to each Department affected by the damage except that if the Sum Covered by the said item be less than the aggregate of the Sums produced by applying the rate of Gross Profit for each department of the business (whether affected by the damage or not) to the relative annual output thereof, the amount payable shall be proportionately reduced.

### 4. Upward Adjustment Clause

In the event of the Gross Profit earned during any annual period of Takaful (or during the accounting period of 12 months more nearly concurrent with any period of Takaful) as certified by the Participant's Auditors being greater than the Sum Covered thereon, the Participant will be held covered to the extent of percentage as stated in the Schedule of the Sum Covered thereof and pro-rata additional contribution not exceeding percentage as stated in the Schedule of the contribution paid on such Sum Covered for such period of takaful will be charged in respect of the difference.

N.B. The maximum percentage of upward adjustment shall be limited to 25% only. An additional contribution calculated at 75% of the upward adjustment percentage shall be imposed. This additional contribution shall be treated as provisional and shall be adjusted in accordance to the actual Gross Profit earned as certified by the Participant's auditors.

### 5. Alternative Basis Clause

It is agreed and declared that in the event of a claim, adjustment may be based on "Turnover or Output" whichever affords the most equitable result, and except in the definition of turnover the word "Turnover" wherever used in this Certificate shall read as "Turnover or Output". "Output" shall mean sale value of goods manufactured by, or sold by, the Participant in the course of the Business at the Premises, provided that: (a) only one such meaning shall be operative in connection with any one occurrence involving damage as within defined. (b) if the meaning set out in this Clause be used MEMO 1 shall be held to be altered to read as follows:

#### Alternative Trading Clause

If during the Indemnity Period goods shall be manufactured elsewhere than at The Premises affected by the damage for the benefit of the Business either by the Participant or by others on the Participant's behalf the sale value of the goods so manufactured shall be brought into account in arriving at the output during the Indemnity Period.

**6. Salvage Sales Clause**

If, following damage giving rise to a claim under this Certificate, the Participant shall hold a salvage sale during the Indemnity Period, Clause (a) of Item No. 1 of the specifications attached shall for the purpose of such claim read as follows:-

IN RESPECT OF REDUCTION IN TURNOVER: the sum produced by applying rate of Gross profit to the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) shall in consequence of the damage, fall short of the Standard Turnover from which sum shall be deducted from the Gross Profit actually earned during the period of the salvage sale.

**7. Reinstatement of Loss Clause**

In consideration of the Participant undertaking to pay an additional contribution at the agreed rate on the amount of loss calculated on a pro rata basis from the date of such loss to the expiry of the current period of takaful, it is agreed that in the event of loss the takaful hereunder shall be maintained in force for the full sum covered.

**8. Interdependency Clause**

It is hereby expressly declared and agreed that if damage to any of the joint Participant's premises/property should result in another of the Participant suffering a reduction in turnover or increase in cost of working then such loss is deemed to be covered by this Certificate notwithstanding that no material damage was sustained by the latter premises/property.

**9. Accumulation of Stock Clause**

In adjusting any loss account shall be taken and an equitable allowance made if any shortage of turning due to the damage is postponed by reason of the turnover being temporarily maintained from accumulated stocks of finished goods in warehouse and/or depots.

## Important Notice

The Ombudsman for Financial Services (OFS) and Bank Negara Malaysia's Customer Services Bureau (CSB) provide alternative avenues for members of the public to seek redress against unfair market practices.

### Procedure for Complaint to OFS

The Ombudsman for Financial Services (OFS) may be contacted by the Claimant or Participant, in the event that the Claimant or Participant is dissatisfied with the decision of Etiqa General Takaful Berhad to a dispute, or Etiqa General Takaful Berhad's failure to respond to a complaint within sixty (60) days. The OFS contact details are as follows:

Email: [enquiry@ofs.org.my](mailto:enquiry@ofs.org.my) OR Facsimile Number: +603 2272 1577 OR

Postal address:

Chief Executive Officer  
Ombudsman for Financial Services  
(Formerly known as Financial Mediation Bureau)  
Level 14, Main Block, Menara Takaful Malaysia  
No.4, Jalan Sultan Sulaiman  
50000, Kuala Lumpur

Alternatively, the Claimant or Participant may file the dispute in person at the OFS office.

The OFS must be contacted within six (6) months from the date of the final decision from Etiqa General Takaful Berhad to the dispute of the Claimant or Participant.

For further details on the OFS, please obtain the information pamphlets from Etiqa General Takaful Berhad or visit the OFS website at [www.ofs.org.my](http://www.ofs.org.my)

Engagement of the OFS is subject to the terms of reference pursuant to section 138 of the Islamic Financial Services Act 2013. Contacting the OFS does not affect the Claimant's or Participant's right to take legal action against Etiqa General Takaful Berhad should they be dissatisfied with the outcome by the OFS.

### Procedure for Complaint to CSB

Any Participant or Claimant who is not satisfied with the conduct of the Takaful Operator may write to CSB, giving details of the complaint, the name of the Takaful Operator and the Certificate number or the claim number.

Copies of the correspondence (if any) between the Participant or the Claimant and the Takaful Operator may be sent to facilitate tracing the case file kept by the Takaful Operator.

The contact details are as follows:

Director, Jabatan LINK dan Pejabat Wilayah  
Bank Negara Malaysia  
Jalan Dato' Onn  
50480 Kuala Lumpur  
Telephone Number: 1 300 88 5465  
Facsimile Number: +603 2174 1515  
E-mail: [bnmtelelink@bnm.gov.my](mailto:bnmtelelink@bnm.gov.my)

## Our Commitment to High Standard of Customer Service

We do everything We can to ensure that You receive the high standard of service You expect. If We fall below these standards, or You are unhappy with Our service, please write to Our Head of Feedback Centre who will ensure that Your feedback is dealt with instantly.

The address is:

Head, Customer Service

Level 4, Tower C, Dataran Maybank

No. 1, Jalan Maarof

59000 Kuala Lumpur, Malaysia

Telephone Number: 1300 13 8888 or +603 2780 4500

Facsimile Number: 03 2785 3093

E-mail: [cmu@etiqa.com.my](mailto:cmu@etiqa.com.my)

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