



HSBC Amanah Takaful (Malaysia) Sdn. Bhd.
(Company No. 731530-M)

TAKAFUL FIRE COMMERCIAL CERTIFICATE

This certificate is managed by HSBC Amanah Takaful (Malaysia) Sdn. Bhd.
HSBC Amanah Takaful (Malaysia) Sdn. Bhd.
(Company number 731530-M)
P.O.Box 13343, 50806 Kuala Lumpur, Malaysia
Toll Free: 1-800-88-9659

Version at at: Jan 2012

Table of Contents

| No | Topic | Page |
|-----------|---|-------------|
| 1 | Definitions | 1 |
| 2 | Introduction | 2 |
| 3 | Operative Clause and Certificate Conditions | 4-8 |
| 4 | Warranty / Clauses / Endorsements | 8-16 |

DEFINITIONS

In this Certificate unless the context otherwise requires words printed in bold type shall have the meanings as listed below.

Contribution

The amount stated in the **Schedule** that is made up of **Your** donation to the **Risk Fund**.

Excess

The first amount that You have to pay on Your own account towards each claim.

Risk Fund

The General Risk Fund operated and managed by HSBC Amanah Takaful (Malaysia) Sdn. Bhd.

Incident

Any event which might lead to a claim.

Period of Takaful

The length of time for which the **Takaful** protection will be effective as shown in the **Schedule**.

Proposal or Statement of Fact

The **Proposal** which **You** signed or **statement of fact** which contains information which **You** gave Us and any other information that **You** have given to **Us**. This includes information given on **Your** behalf.

Schedule

The **Schedule** is part of this **Takaful arrangement** and contains, amongst other things, details of You, the Building **and other item(s) that is/ are included in the schedule**, the **Period of Takaful** protection and the endorsements, clauses and warranties of this certificate wording which apply.

Sum Covered

The amount shown in the **Schedule** being the maximum amount that the **Risk Fund** will pay for any one claim. The **Sum Covered** must be high enough to cover the cost of rebuilding the building in the event of an **Incident** that completely destroys it.

Tabarru'

An Arabic word which means "donation, gift, **Contribution**". In the **Takaful** contract, this means "donation for the purpose of participating in **Takaful** scheme".

Takaful / Takaful arrangement

A scheme based on brotherhood, solidarity and mutual assistance which provides for mutual financial aid and assistance to You in case of need whereby You mutually agree to contribute for that purpose.

Wakalah

The nomination by one party of another to act on his / her behalf. In the **Takaful** context, we manage the **Risk Fund** on behalf of **You**.

We, Our, Us, Takaful Operator

HSBC Amanah Takaful (Malaysia) Sdn. Bhd.

You, Your

The person described in the **Schedule** as the Participant.

Any word denoting a person shall include a natural person, company, corporation, partnership, association, any two or more persons having joint or common interest or any other legal or commercial entry or undertaking.

Takaful Basis of this certificate

Takaful protection through co-operative principles under which this certificate operates are in accordance with the principles of the Sharjah, guided by the Shariah Committee and governed by the relevant **Takaful** act.

The terms of participation in this **Takaful** scheme are that You donate **Your Contribution** to a co-operative pool of the Risk Fund for your benefit on a collective basis. This means You give up individual rights over Your Contribution and gain a collective right of compensation against the covered events within the conditions of Your certificate. The participation takes effect based on the period of **Takaful** as stated in the **Schedule**.

The **Risk Fund** is therefore a pool of money representing Contributions donated by all Participants out of which claims are paid. Any investment gains and losses on the assets of the **Risk Fund** are credited to it and any costs involved in arranging the retakaful placement of the **Risk Fund** are charged to it. We reserve the right to fully reinsure the **Risk Fund** in which case the **Risk Fund** will be nil and all claims and benefits will be paid under our retakaful programme. **We** shall endeavour to retakaful in compliance with Shariah principles and guidelines prescribed by the relevant authorities.

Your share of Surplus

A surplus or deficit may arise in the **Risk Fund** depending on the number and amount of claims paid on a collective basis and on the investment performance of the assets in which the **Risk Fund** is invested. We may put aside part of this surplus as a reserve to strengthen the claims paying ability of the **Risk Fund**. Any surplus after our charges arising on a pro rata basis related to **Your Contributions** accrues to **Your** certificate over the **Period of Takaful** protection and is payable to You after the expiry of the Period of Takaful protection. The surplus may not be payable to **You** if **You** have made claims under **Your** certificate. If there is overall deficit in the **Risk Fund**, **We** will finance such a deficit as **Qard** on an interest free basis out of our standby capital until the **Risk Fund** returns to surplus.

Claiming Your Surplus

You will be informed if there is surplus of more than RM10 due to **You** at **Your** last known address to Us. If there is a surplus but **Your** entitlement is less than or equal to RM10, it will be distributed to one or more registered charities approved by **Our** Shariah Committee.

Our Incentive

We strive to manage the **Risk Fund** in a way that minimises the **Takaful** risk and maximises the surplus through application of prudent underwriting policies. Takaful surplus arises when there is a positive balance from **Contributions** after paying claims and setting aside reserves to meet the cost of future payments on claims that have occurred. To be rewarded for these services **We** share 50% of the **Takaful** surplus and the balance of 50% will be reserved for distribution amongst eligible Participants.

Our Charge

Your Contributions will be subject to a **Wakalah** fee of 50% of the **Contribution**. This charge is made against **Your Contribution** before it is transferred to the **Risk Fund** to cover the following: -

- Our costs of sales and administration of the business.
- Our costs of administering the certificate throughout the **Period of Takaful** protection.
- Our technical services of managing the **Risk Fund** for the collective benefit of Participants, making sure that the **Takaful** risk is adequately assessed, sufficient reserves are set aside in a timely manner and invested appropriately.

If **We** wish to vary the amount of this **Wakalah** fee, **We** shall advise **You** in writing before implementing the change.

General Information

Please read the whole document carefully to ensure it is suitable for Your needs. If **You** have any question, please call 1-800-88-9659 or fax to Us at 03-2031 0833.

In case of any changes to **Your** address, please inform Us immediately.

If **You** are not satisfied with **Our** decision regarding Your claim, You may refer to Our Complaint Units at 1-800-88-9659, fax to 03-20310833 or write to P.O.Box 13343, 50806 Kuala Lumpur, Malaysia or the following bodies:

The Financial Mediation Bureau

25th Floor, Dataran Kewanan Darul Takaful
No 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur
Tel :03-2272 2811 Fax : 03-2274 5752 ; Or

Consumer & Market Conduct Department

Bank Negara Malaysia
Jalan Dato Onn
50480 Kuala Lumpur.
Tel : 03-2698 8044
Fax : 03-2691 4086

We advise you to contact them before lodging written complaint on the matter.

If you have any inquires or wish to obtain any further information on Takaful, you may contact BNMLINK and BNMTELELINK. The contact details for BNMLINK and BNMTELELINK are:-

BNMLINK

Jabatan Komunikasi Korporat
Bank Negara Malaysia
P.O. Box 10922
50929 Kuala Lumpur
Tel : 03-2698 8044 extentions 8950/8958

BNMTELELINK

Tel : 1-300-88-5465 {LINK}
E-mail : bnmtelelink@bnm.gov.my

We advise you to contact them before lodging written complaint on the matter.

If you have any inquires or wish to obtain any further information on Takaful, you may contact BNMLINK and BNMTELELINK. The contact details for BNMLINK and BNMTELELINK are:-

BNMLINK and BNMTELELINK operating hours are from : Monday -Friday, 9.00 a.m - 5.00 p.m

In consideration of You paying the **Contribution** as shown in the **Schedule** to the **Risk Fund** on the basis of **tabarru'**, this **Takaful** arrangement will cover **You** against loss, damage or liability as described in this Certificate occurring during the **Period of Takaful** subject to the terms, conditions and endorsements of this Certificate.

We agree subject to the Terms and Conditions contained herein or endorsed or otherwise expressed hereon that if the Property Covered described in the said **Schedule** or any part of such property be destroyed or damaged by **Fire or Lightning** during the **Period of Takaful** stated in the **Schedule** or of any subsequent period in respect of which You shall have paid and We shall have accepted the **Contribution** required for the renewal of this Certificate, We will pay or make good to **You** the value of the Property Covered at the time of the happening of its destruction or the amount of such damage.

Provided that **Our** liability shall in no case exceed in respect of each item the sum expressed in the Schedule to be covered thereon or in the whole the Total **Sum Covered** hereby or such other sum or sums as may be substituted therefor by endorsement hereon or attached hereto signed by or on behalf of Us.

Provided always that the due observance and fulfillment of the terms conditions and endorsements of this Certificate in so far as they relate to anything to be done or complied with by **You** shall be conditions precedent to any liability of **Ours** to make any payment under this Certificate.

Conditions

1. Misdescription

If there be any material misdescription of any of the property hereby covered, or of any building or place in which such property is contained, or any misdescription as to any fact material to be known for estimating the risk, or any omission to state such fact, **We** shall not be liable upon this Certificate so far as it relates to property affected by any such misdescription, misrepresentation or omission.

2. Contribution Payment

No payment in respect of any **Contribution** shall be deemed to be payment to Us unless a printed form of receipt for the same signed by an authorised representative or duly appointed Agent of Ours shall have been given to You.

3. Co-Insurance/ Takaful

You shall give notice to Us of any Insurance or Takaful already effected, or which may subsequently be effected, covering any of the property hereby covered, and unless such notice be given and the particulars of such Insurance or **Takaful** be stated or endorsed on this Certificate by or on behalf of Us before the occurrence of any loss or damage, all benefits under this Certificate shall be forfeited.

4. Identity / Displacement

All Takaful under this Certificate:

- 1) on any building or part of any building;
- 2) on any property contained in any building; or
- 3) on rent or other subject matter of **Takaful** in respect of or in connection with any building or any property contained in any building; shall cease immediately upon any fall or displacement:
 - (a) of such building or of any part thereof, or
 - (b) of the whole or any part of any range of buildings or of any structure of which such building forms part, provided that such fall or displacement is of the whole or a substantial or important part of such building or impairs the usefulness of such building or any part thereof or leave such building or any part thereof or any property contained therein subject to increased risk or fire or is otherwise material.

And provided that such fall or displacement is not caused by fire, loss or damage by which is covered by this Certificate or would be covered if such building, range of buildings or structure were covered under this Certificate.

In any action, suit or other proceeding, the burden of proving that any fall or displacement is caused by fire as aforesaid shall be upon **You**.

5. Excluded Cover (i)

This **Takaful** 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; or
- (c) Loss or damage occasioned by or through or in consequence of:
 - (i) The burning of property by order of any public authority; or
 - (ii) Subterranean Fire,

6. Excluded Cover (ii)

This **Takaful** does not cover any loss 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 operation (whether war be declared or not) or civil war;
- (d) state of siege or any of the events or causes which determine the proclamation or maintenance of material law or state of siege; or
- (e) Mutiny, riot, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or
- (e) 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 of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purpose including the intention to influence any government an/or to put the public, or any section of the public in fear.

7. 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 occurrence shall be deemed to be loss or damage which is not covered by this Takaful, except to the extent that **You** shall prove that such loss or damage happened independently of the existence of such abnormal conditions. In any action, suit or other proceeding where We allege that by reason of the provisions of this condition any loss or damage is not covered by this **Takaful**, the burden of proving that such loss or damage is covered shall be upon You.

8. Pollution / Contamination

This **Takaful** does not cover any liability for: -

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

- (i) pollution or contamination which itself result from a contingency hereby covered against; or
- (ii) any contingency hereby covered against which itself results from pollution or contamination

9. Excluded Property

Unless otherwise expressly stated in the Certificate this Takaful does not cover:

- (a) Goods held in trust or on commission;
- (b) Bullion or unset precious stones;
- (c) Any curiosity or work of art for an amount exceeding RM500/-;
- (d) Manuscripts, plans, drawing, or designs, patterns, models or moulds;
- (e) Securities, obligations or documents of any kind, stamps, coins or paper money, cheques, books of account or 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 domestic boilers and 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 Certificate; or
- (i) Any loss or damage occasioned by or through or in consequence of the burning, whether accidental or otherwise, of forests, bush, lalang, prairie, pampas or jungle, and the clearing of lands by fire.

8. Change In Risk

Under any of the following circumstances this **Takaful** cease to attach as regards the property affected unless You, before the occurrence of any loss or damage, obtains the sanction from **Us**, signified by endorsement upon the Certificate, by or on behalf of **Us**:

- (a) If the trade or manufacture carried on be altered, or if the nature of the occupation of or other circumstances affecting the building covered or containing the covered property be changed in such a way as to increase the risk of loss or damage by fire;
- (b) If the building covered or containing the covered property becomes unoccupied and so remains for a period of more than thirty (30) days;
- (c) If 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 You otherwise than by will or operation of law; or
- (e) If a notice to quit by order by the local Authorities for the requisition or acquisition of the land on which the property covered is situated has been issued.

10. Marine Clause

This **Takaful** does not cover by any loss or damage to property which, at the time of the happening of such loss or damage, is covered by or would, but for the existence of this certificate, be covered by any Marine Certificate or Certificates except in respect of any **Excess** beyond the amount which would have been payable under the Marine Certificate or Certificates had this **Takaful** not been effected.

11. Cancellation

We can cancel this Certificate at anytime if **We** send seven days' written notice to Your last address known to **Us**. If **You** have not made a claim during the then subsisting **Period of Takaful**, **You** will be entitled to a refund of the part of **Your Contribution** for the unexpired portion of the **Period of Takaful**.

If **You** cancel this Certificate, **We** will return any **Takaful Contribution** **You** have paid less an amount for the period **You** were covered as long as **You** have not made a claim during that period. The amount to be refunded upon cancellation of the Certificate shall be subject to the minimum RM75.00 **Contribution** to be retained by **Us**.

12. Occurrence of a Loss or Damage

On the happening of any loss or damage **You** shall forthwith give notice thereof to **Us** and shall within 15 days after the loss or damage, or such further time as **We** may in writing allow in that behalf, deliver to **Us**:

- (a) A claim in writing for the loss or damage containing as particular an account as may be reasonably practicable of all the several articles or items of property damaged or destroyed, and of the amount of the loss or damage thereto respectively, having regard to their value at the time of the loss or damage, not including profit of any kind; and
- (b) Particulars of all other **Takaful/ Insurances**, if any.

You shall also at all times at **Your** own expense produce, procure and give to **Us** all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies thereof, 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 **Our** liability as may be reasonably required by or on behalf of **Us** together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

No claim under this Certificate shall be payable unless the terms of this conditions have been complied with.

13. Fire Fighting Expenses

The **Takaful** under this certificate extends to include: -

- (a) Wages of **Your** employees other than full-time members of a Works Fire Brigade;
- (b) The cost of replacement of fire fighting appliances and destruction of or damage to materials (including employees' clothing and personal effects) unless otherwise specifically covered; and
- (c) Fire Brigade charges.

Provided always that the liability to **Us** in respect of such wages, costs and charges, shall be limited to those necessarily and reasonably incurred in extinguishing fires at or adjoining the situation of the property covered by this Certificate or immediately threatening to involve such property.

14. Takaful Operator's Right

On the happening of any loss or damage to any of the property covered by this Certificate, **We** 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 of **Your** property in the building 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; or
- (d) Sell any such property or dispose of the same for the account of whom it may concern.

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

If You or any person on **Your** behalf shall not comply with Our requirements or shall hinder or obstruct Us in the exercise of Our powers hereunder, all benefit under this Certificate shall be forfeited.

You shall not in any case be entitled to abandon any property to Us whether taken possession of by Us or not.

15. Fraud

If the claim be in any respect fraudulent, or if any false declaration be made or used in support thereof, or if any fraudulent means or devices are used by **You** or anyone acting on **Your** behalf to obtain any benefit under this Certificate; or, if the loss or damage be occasioned by the wilful act, or with **Your** connivance; or, if the claim be made and rejected and an action or suit be not commenced within three (3) months after such rejection, or (in the case of an Arbitration taking place in pursuance of the 22 Condition 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.

16. Option Of Settlement

We may at **Our** 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 **Company** or **Takaful Operator** in so doing; but **We** shall not be bound to reinstate exactly or completely, but only as circumstances permit and in reasonably sufficient manner, and in no case shall **We** 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 Us thereon.

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

If in any case **We** shall be unable to reinstate or repair the property hereby covered, because of any municipal or other regulations in force affecting the alignment of streets, or the construction of buildings, or otherwise, **We** shall, in every such case, only be liable to pay such sum as would be requisite to reinstate or repair such property if the same could lawfully be reinstated to its former condition.

17. Market Value

In the event of a loss to the property covered (other than stock and building item) herein, We shall pay the covered value or the market value of the covered property, whichever is the lower, subject to the deduction of any **Excess** and amounts which **You** are required to bear under the certificate. For the purpose of this condition, the term market value shall mean the value of the property covered herein at the time of damage or loss less due allowance for wear and tear and / or depreciation.

The Market Value of the covered property shall for the purpose of this condition be determined by a valuation obtained by Us from the manufacturer, authorized sole agent or agent, authorized broker, authorized distributor or building contractor of the cost of replacement or reinstatement, subject to the application of appropriate depreciation, of the covered property damaged or loss as it was the time of the occurrence of such damage or loss.

In the event that there is, at the time of damage or loss no manufacturer, authorized sole agent or agent, authorized broker, authorized distributor or building contractor for the covered property, the valuation shall be obtained from an

Adjuster Licensed under the Takaful Act 1984 or Registered Valuer under the Valuers, Appraisers and Estate Agent Act 1981 and to be mutually appointed by both parties. The valuation of the covered property by the manufacturer, authorized sole agent or agent, authorized broker, authorized distributor, building contractor, Adjuster licensed under the Takaful Act 1984 or Registered Valuer under the Valuers, Appraisers and Estate Agent Act 1981 shall be conclusive evidence in respect of the market value of the covered property in any legal proceedings against **Us**.

18. Subrogation

You shall, at the expense of **Us**, do, and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by Us for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which **We** shall be or would become entitled or subrogated, upon its paying for or making good any loss or damage under this Certificate, whether such acts and things shall be or become necessary or required before or after **Your** indemnification by **Us**.

19. Contribution on Claim Settlement

If at the time of any loss or damage happening to any property hereby covered, there be any other subsisting Insurance or **Takaful** coverage, whether effected by **You** or by any other person or persons, covering the same property, **We** shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.

20. Average Clause

If the property hereby covered shall, at the breaking out of any fire or loss, be collectively of greater value than the sum covered thereon, then You 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.

21. Reinstatement Of Sum Covered

In consideration of You undertaking to pay an additional **Contribution** at the rate stated in the **Schedule** 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 cover hereunder shall be maintained in force for the full **Sum Covered** stated in the **Schedule**.

22. 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 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 meetings. The death of any party shall not revoke or affect the authority or powers of the Arbitrator, 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 by the Umpire so dying was appointed. The costs of reference and of the award shall be in 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 certificate the award by such Arbitrator, Arbitrators or Umpire of the amount of the loss or damage if disputed shall be first obtained.

23. Time Limitation

In no case whatever shall We be liable for any loss or damage after the expiration of twelve (12) months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration.

24. Advice to Us

Every notice and other communication to Us required by these Conditions must be written or printed.

25. Meaning

This Certificate and the **Schedule** herein 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 Certificate or of the said **Schedule** shall bear such meaning wherever it may appear.

26. Anti-Money Laundering And Counter Financing of Terrorism

If the **Takaful Operator** discovers or has justified suspicion that I am / I become sanctioned by any competent authorities recognised by the **Takaful Operator** or that I may be in breach of any law, or this Takaful Certificate or any Takaful coverage under this Takaful Certificate is exploited for money laundering activities or to finance terrorism, or if any instruction / request given may lead to a breach of any sanction law, the **Takaful Operator** reserve the right to reject any instruction / request given or terminate this Takaful Certificate **my** Takaful coverage under this Takaful Certificate immediately. The **Takaful Operator** may accordingly deal with all contributions paid and all benefit / sums payable in respect of **my** Takaful coverage in any manner that it deems appropriate, including but not limited to handing them over to the relevant authorities.

27. Data protection and Compliance

Any personal information about **You** that has been collected or advised to Us may be used to improve the services offered to **You**. By participating in this Takaful scheme, You consent that **We** may use, disclose, transfer or exchange all personal information provided to **Us**:

- i. to any company or agent of HSBC Group or any third party to facilitate the conduct of Our business or the operation of Our internal procedures;
- ii. to Bank Negara Malaysia or any other relevant authority;
- iii. to any third party in respect of the insurance or Takaful industry for the maintenance of data-bases, statistical analysis, anti-fraud, claim verification or operational matters;
- iv. to any third party to prevent, or facilitate the investigation of, criminal activities or for fraud detection; and
- v. to any third party comply with applicable laws and regulations.

You agree to keep Us updated of any changes to such personal information as soon as practicable. **We** shall not be held liable for any direct or indirect loss or damage due to any inaccurate or incomplete personal information provided.

Warranty / Clauses / Endorsements - Applicable Only If Specified in the Schedule

Clauses and Warranty forming part of the Certificate: -

Contribution Warranty

It is fundamental and absolute special condition of this Certificate that the **Contribution** due must be paid and received by the **Takaful Operator** within sixty (60) days from the inception date of this Certificate/Endorsement/Renewal Certificate.

If this condition is not complied with then this Certificate is automatically cancelled and the **Takaful Operator** shall be entitled to the pro rata **Contribution** on the period they have been on risk.

Where the **Contribution** payable pursuant to this warranty is received by an authorized agent of the **Takaful Operator**, the

payment shall be deemed to be received by the **Takaful Operator** 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 authorized to receive such **Contribution** shall lie on the **Takaful Operator**.

Subject otherwise to the terms and conditions of this Certificate.

Property Damage Clarification Clause

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

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

Consequently the following are excluded from this Certificate:-

- A) Loss of or damage to the data or software, in particular to any detrimental change in data, software of computer programs that is caused by a 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 or property, shall be covered; and
- B) Loss or damage resulting from an impairment in the function availability, range of use accessibility of data, software or computer programs and any business interruption losses resulting from such Foss or damage.

Radioactive / Nuclear Energy Risks Exclusion Clause

This **Takaful** does not cover loss, damage, cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- (a) ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion or nuclear fuel;
- (b) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof; or
- (c) any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matters.

MORTGAGEE (CHARGE) CLAUSE

Loss, if any, payable to the Mortgagee prescribed in the **Schedule** as interest may appear in this **Takaful**, as to the interest of the Mortgagee (Charge) only therein, shall not be invalidated by any act or neglect of the Mortgagor (Chargor) or the Owner of the within described property nor by any foreclosure or other proceedings or notice of sale relating to the property or by the occupation of the premises for purposes more hazardous than are permitted by this Certificate, or by the non-occupation thereof, or by any other increase of risk taking place in the property covered hereunder provided that in case the Mortgagor (Chargor) or Owner shall neglect to pay any contribution due under this Certificate the Mortgagee (Charge) shall on demand pay the same. Provided also that the Mortgagee (Charge) shall notify Us of any non-occupancy or any change of ownership or occupancy or increase of hazard which shall come to the knowledge of the said Mortgagee (Charge) and unless permitted by this Certificate it shall be noted thereon and the Mortgagee (Charge) shall on demand pay the **Contribution** for such increased hazard for the term thereof otherwise this Certificate shall be null and void. And it is further agreed that whenever **We** shall pay the said Mortgagee (Charge) any sum in respect of loss or damage under this Certificate and shall claim that as to the Mortgagor (Chargor) or Owner no liability therefore existed, **We** shall become legally subrogated to all the rights of the Mortgagee (Charge) to the extent of such payment but not so as to impair the right of the said Mortgagee (Charge) to recover the amount of any claim it may have on such Mortgagor (Chargor) or Owner or on any other party or parties covered hereunder or from any securities or funds available.

NON-CANCELLATION CLAUSE

And it is further agreed that cancellation of this Certificate shall not be effected by **You** except upon prior notification to the Mortgagee (Chargee) in writing giving fourteen (14) days notice to the last known address of the Mortgagee (Chargee).

DATE RECOGNITION CLAUSE

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

- A) **We** will 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 Your property 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 **We** 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 **We** will 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 **You** or for **You** 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 **We** will 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 and conditions of the certificate.

AIRCRAFT DAMAGE

In consideration of the payment by **You** to Us of an additional **Contribution**, it is hereby agreed and declared that the **Takaful** under the Certificate shall, subject to the Special Conditions hereinafter contained, extend to include loss or damage (by fire or otherwise) to the property Covered directly caused by aircraft and other aerial devices and/or articles dropped there from.

Provided always that all the conditions of the Certificate shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

SPECIAL CONDITIONS

- 1) **Our** liability shall in no case under this Endorsement and the Certificate exceed the sum covered by each item of the Certificate.
- 2) This **Takaful** does not cover any loss or damage caused by any aircraft for which permission to land has been extended by **You**.

Subject otherwise to the terms and conditions of the certificate.

EARTHQUAKE AND VOLCANIC ERUPTION

In consideration of the payment by **You** to Us of an additional **Contribution**, We agree that notwithstanding anything stated to the contrary in Condition No. 6 of the Certificate, this **Takaful** extends to cover loss or damage directly caused by fire or otherwise occasioned by or through or in consequence of earthquake and volcanic eruption.

Provided always that all the Conditions of this Certificate shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this **Takaful** extends to include by virtue of this endorsement.

Subject otherwise to the terms and conditions of the Certificate

STORM, TEMPEST

In consideration of the payment by **You** to Us of an additional **Contribution**, We agree that notwithstanding anything stated to the contrary in Condition No. 6 of the Certificate, this Takaful is extended to cover loss or damage directly caused by fire or otherwise occasioned or through or in consequences of Hurricane, Cyclone, Typhoon and Windstorm, subject to the following Excess Clause and Special Condition attached hereto.

Provided always that all the Conditions of this Certificate shall apply (except insofar as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this **Takaful** extends to include by virtue of this endorsement.

Excess Clause

It is understood and agreed that as regards to loss or damage to any property hereby covered directly caused by any peril to which this Clause is hereinbefore stated to apply, **Our** liability shall be limited to its rateable proportion of the amount by which such loss or damage exceeds either:-

- a) 1% of the total sum covered against such peril on said property by Certificates in Your name; or
- b) RM200.00

Whichever shall be the less, as ascertained after the application of any condition of average.

It is further agreed that this Clause shall apply separately to:-

- i. each property, for which purpose all covered properties at the same address will be regarded as one property; and
- ii. each **Incident** giving rise to such loss or damage and that for the purposes hereof an **Incident** shall not be considered to have terminated until there have been seven (7) consecutive days' freedom from the peril concerned and that only thereafter shall the Clause apply afresh.

SPECIAL CONDITIONS

- 1) **We** shall not be liable for any loss or damage caused by water or rain, whether driven by wind or not unless the covered building or containing the covered property shall first sustain actual damage to the roof or walls by of the same direct force of Hurricane, Cyclone, Typhoon and Windstorm and shall then be liable only for such damage to the interior of the building or the covered property therein as may be caused by water or rain entering the building through openings in the roof or walls made by the direct force of the said perils.
- 2) This endorsement does not extend the **Takaful** under this Certificate to cover:-

- a) Consequential Loss of any kind;
 - b) Loss or damage caused by hail whether driven by wind or not;
 - c) Loss or damage caused by subsidence or landslip except when this is occasioned by earthquake or volcanic eruption, provided that these perils are covered against, by this Certificate;
 - d) Loss or damage caused by explosion except as provided in Condition 8(h) of the Certificate; or
 - e) Loss by reason of any ordinance or law regulating the construction or repair of buildings.
- 3) **We** shall not be liable under this extension for loss or damage, which at the time of the happening of such loss or damage is covered by or would, but for the existence of this extension, be covered by any other existing Certificate or Certificates except in respect if any excess beyond the amount which would have been payable under each such Certificate or Certificates had this **Takaful** not been effected.
- 4) Unless specifically and separately covered this endorsement does not cover:-
- a) Metal smoke stacks, awning, blinds, signs or other outdoor fixtures or fittings of any description; and
 - b) Premises in course of construction, reconstruction or repair unless all outside doors, windows and other opening are complete and protected against hurricane, cyclone, typhoon and windstorm when such perils are covered against by this Certificate.

Subject otherwise to the terms and conditions of the Certificate.

FLOOD

In consideration of the payment by **You** to Us of an additional **Contribution**, **We** agree that notwithstanding anything stated to the contrary in Condition No.6 of the Certificate, this **Takaful** extends to cover loss or damage directly caused by fire or otherwise occasioned by or through or in consequence of Flood (including overflow of the sea) subject to the following Excess Clause and Special Conditions attached hereto.

Note: Flood, for the purpose of this extension, shall mean the overflowing or deviation from their normal channels of their natural or artificial water courses, bursting or overflowing of public water mains and any other flow or accumulation of water originating from outside the building covered or containing the property covered, but excluding loss or damage caused by subsidence or landslip.

Provided always that all the Conditions of this Certificate shall apply (except insofar as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this **Takaful** extends to include by virtue of this endorsement.

Excess Clause

It is understood and agreed that as regards loss or damage to any property hereby, covered directly caused by the peril to which this Clause is hereinbefore stated to apply, **Our** liability shall be limited to its rateable proportion of the amount by which such loss or damage exceeds either:-

- (a) 1% of the total sums covered against such peril on said property by Certificates in Your name, or
- (b) the first IRM 2,500.00 of each and every loss.

whichever shall be the less, as ascertained after the application of any condition of average.

It is further agreed that this Clause shall apply separately to:-

- (i) each property, for which purpose all covered properties at the same address will be regarded as one property; and
- (ii) each **Incident** giving rise to such loss or damage and that for the purposes hereof an **Incident** shall not be considered to have terminated until there have been seven (7) consecutive days freedom from the peril concerned and that only thereafter shall the Clause apply afresh

SPECIAL CONDITIONS

1. This endorsement does not extend the **Takaful** under this Certificate to cover:-
 - (a) Consequential Loss of any kind;
 - (b) Loss or damage caused by hail whether driven by wind or not;
 - (c) Loss or damage caused by subsidence or landslip except when this is occasioned by earthquake or volcanic eruption, provided that these perils are covered against by this Certificate;
 - (d) Loss or damage caused by explosion except as provided in Condition 8(h) of the Certificate; or
 - (e) Loss by reason of any ordinance or law regulating the construction or repair of buildings.
2. **We** shall not be liable under this extension for loss or damage which at the time of the happening of such loss or damage is covered by or would, but for the existence of this extension, be covered by any other existing Certificate or Certificates except in respect of any excess beyond the amount which would have been payable under such other Certificate or Certificates had this **Takaful** not been effected.
3. Unless specifically and separately covered this endorsement does not cover Metal smoke stacks, awnings, blinds, signs or other outdoor fixture or fittings of any description.

Subject otherwise to the terms and conditions of the Certificate.

EXPLOSION (NON-INDUSTRIAL WITHOUT BOILERS)

In consideration of the payment by **You to Us** of an additional **Contribution**, it is hereby agreed and declared that the **Takaful** under this Certificate shall, subject to the Special Conditions hereinafter contained, extend to include:-

Loss or damage to the property covered by fire or otherwise directly caused by explosion, but excluding loss or damage to boilers, economizers, or other vessels, machinery or apparatus in which pressure is used or their contents resulting from their explosion. Provided always that all the conditions of the Certificate (except in so far as Condition No 8 (h) is hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage by explosion as aforesaid shall be deemed to be loss or damage by fire within the meaning of this Certificate.

SPECIAL CONDITIONS

1. **We** shall not be liable under this extension, for loss or damage occasioned by or through or in consequence, directly or indirectly, of any acts of terrorism committed by a person or persons acting on behalf of or in connection with any organization. For the purpose of this Condition, "terrorism" means the use violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.
In any action, suit or other proceeding where **We** allege that by reason of the provisions of this Condition any loss or damage is not covered by this **Takaful**, the burden of proving that such a loss or damage is covered shall be upon **You**.
2. If there shall be any other fire insurance or **Takaful** on the property covered under this Certificate, **We** shall be liable only pro-rata with such other fire insurance or **Takaful** for any loss or damage by explosion whether or not such other fire insurance or **Takaful** be extended to cover loss or damage by explosion.
3. **We** shall not be liable under this extension for loss or damage which at the time of the happening of such loss or damage is covered by or would, but for the existence of this extension, be covered by any other existing Certificate or Certificates except in respect of any excess beyond the amount which would have been payable under such other Certificate or Certificates had this **Takaful** not been effected.

Subject otherwise to the terms and conditions of the Certificate.

Provided always that all the Conditions of this Certificate shall apply (except insofar as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this **Takaful** extends to include by virtue of this endorsement.

IMPACT DAMAGE (INCLUDING YOUR OWN VEHICLES)

In consideration of an additional **Contribution**, We hereby agree and declare that the **Takaful** under this Certificate shall extend to include loss or damage to the property described in the **Schedule** and / or to walls, gates and fences around and pertaining thereto directly resulting from impact by any road vehicles, animals including any road vehicles, animal belonging to or under the control of You, or any member of **Your** family, or any person in and upon Your service, that the first RM 250.00 of each and every claim under this endorsement shall be borne by **You**, as ascertained after the application of any condition of average.

Provided always that all the conditions of this Certificate shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and condition of the Certificate.

BURSTING OR OVERFLOWING OF WATER TANKS APPARATUS OR PIPES

In consideration of the payment by **You** to Us of an additional **Contribution**, it is hereby agreed and declared that the coverage under this certificate shall extend to include loss or damage to the covered property caused by the bursting or overflowing of water tanks, apparatus or pipes installed in or on the covered buildings or containing the property covered excluding:-

- a) loss or damage caused whilst the premises are untenanted;
- b) loss or damage by water discharged or leaking from an installation of automatic sprinklers; or
- c) the first RM1,000.00** of each and every loss at each separate premises, as ascertained after the application of average, or **Our** rateable proportion of that amount.

**Where the sum covered is less than RM50,000.00 the amount of this excess may be reduced to 1% of the sum covered subject to a minimum of RM100.00

Provided always that all the conditions of the Certificate (except in so far as they maybe hereby expressly varied) shall apply as if they have been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

SPECIAL CONDITIONS

1. **Our** liability shall in no case under this endorsement exceed the sum covered by each item of the certificate.
2. This **Takaful** does not cover loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever except loss of rent when such loss is included in the cover under the certificate.
3. **You** shall use all reasonable diligence and care to keep the premises in a proper state of repair if any defect therein be discovered shall cause such defect to be made good as soon as possible and shall in the meantime cause such additional precautions to be taken for the prevention of loss or damage as the circumstances may require and **We** shall not be liable for any loss or damage caused by a defect which You have failed to remedy after having received notice of such defect either from Us or any person or public body.

RIOT STRIKE AND MALICIOUS DAMAGE (OTHER THAN RESIDENTIAL PROPERTIES)

In consideration of the payment by **You** to Us of an additional **Contribution**, it is hereby declared that notwithstanding anything in the within written Certificate contained to the contrary, this Certificate shall extend to cover Riot and Strike Damage which for the purpose of this Endorsement shall mean (subject to the Special Conditions hereinafter contained):-

Loss of or damage to property covered directly caused by:-

1. The act of person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in condition 6 of the Special Conditions hereof;
2. The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of any such disturbance;
3. The wilful act of any strikes or locked-out worker done in furtherance of a strike or in resistance to a lock-out; or
4. The action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

It is hereby declared further that notwithstanding anything in the within written Certificate contained to the contrary, the coverage under this Certificate shall extend to cover Malicious Damage which for the purpose of this extension shall mean:- Loss of or damage to the property covered directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) not being an act amounting to or committed in connection with an occurrence mentioned in Special Condition 6 of the Endorsement but We shall not be liable under this extension for any loss or damage by fire or explosion nor for any loss or damage arising out of or in the course of burglary, housebreaking, theft or larceny or any attempt thereof or caused by any person taking part therein.

SPECIAL CONDITIONS

For the purpose of this Endorsement but not otherwise there shall be substituted for the respectively numbered Conditions of the Certificate the following:-

Condition 5

This **Takaful** does not cover:-

- a) Loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever;
- b) Loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- c) Loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority; or
- d) Loss or damage occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building.

PROVIDED nevertheless that **We** are not relieved under (c) or (d) above of any liability to You in respect of physical damage to the property covered occurring before dispossession or during temporary dispossession.

Condition 6

This **Takaful** does not cover 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, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power; or
- c) 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 of 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 in any action, suit or other proceeding, where *We* allege that by reason of the provisions of this Condition any loss or damage is not covered by this **Takaful**, the burden of proving that such loss or damage is covered shall be upon *You*.

Condition 8

Unless otherwise expressly stated in the Certificate this **Takaful** 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, drawing or designs, patterns, models or moulds;
- e) Securities, obligations or documents of any kind, stamps, coined or paper money, cheques, books or accounts or other business books or computer systems records; or
- f) Explosives;

Condition 11

This **Takaful** may at any time be terminated by *Us* on notice to that effect being given to *You*, in which case *We* shall be liable to repay a rateable proportion of the **Contribution** for the unexpired term from the date of cancellation. If the **Takaful** be terminated at *Your* request **We** shall retain a **Contribution** calculated according to its customary short period scale for the time the said **Takaful** has been force.

Condition 20

If the property hereby covered shall at the breaking out of any fire or at the commencement of any destruction of or damage to such property by any other peril covered against by this Endorsement be collectively of greater value than the sum covered thereon, then *You* shall bear on *Your* own for the difference and shall bear a rateable share of the amount of the loss accordingly. Every item, if more than one, of the Certificate shall be separately subject to this condition.

PROVIDED that it is hereby further expressly agreed and declared that:-

1. All the conditions of this Certificate shall apply in all respects to the **Takaful** granted by this extension save in so far as the same are expressly varied by the above Special Conditions and any reference to fire in the Conditions of the Certificate shall be deemed to include the perils hereby covered against; and
2. The Special Conditions herein shall apply only to the **Takaful** granted by this extension and the Conditions of the Certificate shall apply in all respects to the **Takaful** granted by the Certificate as if this Endorsement had not been made thereon.

BUSH/ LALANG

In consideration of the payment by **You** to Us of an additional **Contribution**, **We** agree that notwithstanding anything stated to the contrary in Condition No. 6 of the Certificate, this **Takaful** extends to cover loss or damage directly caused by fire or otherwise occasioned by or through or in consequence of by bush/lalang fire (provided that during the currency of this Certificate every reasonable effort shall be made to keep **Your** ground free from lalang and undergrowth).

Subject otherwise to the terms and conditions of the Certificate

DAMAGE BY FALLING TREES OR BRANCHES AND OBJECTS THEREFORM

In consideration of the payment by **You** to Us of an additional **Contribution**, **We** agree that this Takaful extends to cover loss or damage to the property described in the **Schedule** and/or to walls, gates and fences around and pertaining thereto directly resulting from damage by falling trees or branches and objects therefrom, provided that the first RM250.00 of each and every claim under this endorsement shall be borne by **You** as ascertained after the application of any condition of average.

Provided always that all the conditions of the Certificate shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Certificate.

SUBSIDENCE AND LANDSLIP

i) Standard Cover

In consideration of the payment by **You** to Us of an additional **Contribution**, **We** agree that this **Takaful** extends to cover loss or damage to the property described in the **Schedule** caused by subsidence and/or have of the on which the buildings stand or land belonging thereto, or landslip excluding:-

- a. Loss or damage to swimming pools, terraces, patios, drives, footpaths, walls, gates or fences unless the building, its outbuildings or garages are damaged by the same cause and at the same time;
- b. Loss or damage to or resulting from movement solid floor slabs unless the foundation beneath the external walls of the buildings are damaged by the same cause and at the same time; or
- c. Loss or damage occasioned by happening through, or in consequence of:
 - Coastal or river erosion;
 - Demolition, structural alteration or structural repair;
 - Defective design or inadequate construction foundations; or
- d. In respect of each and every loss, 5% of the total **Sum Covered** or RM25,000.00, whichever is the lower, as ascertained after the application of any condition of average.

Provided that **Our** total liability shall not exceed the **Sum Covered** by each item on the property less the amount excluded under (d) above.

Provided always that all the conditions of the Certificate (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of this Certificate.

COLD STORAGE CLAUSE B

Notwithstanding anything herein stated to the contrary this Certificate covers loss or damage caused by change of temperature resulting from the total or partial destruction or disablement of the refrigerating plant by fire or any other perils hereby covered.

Subject otherwise to the terms and conditions of the Certificate.

ARCHITECT'S, SURVEYOR'S, AND CONSULTING ENGINEER'S FEES (A)

(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 destruction or damage by fire or other peril hereby covered against, 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 destruction or damage, subject to **Our** maximum liability for any loss damage and fees not exceeding the sum covered against each item.

REMOVAL OF DEBRIS CLAUSE (Without Separate Sum Covered)

The **Takaful** hereby covered includes costs and expenses necessarily incurred by **You** with **Our** consent in the:-

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

of the portion or portions of the property covered by the said items(s) above of this Certificate destroyed or damaged by fire or by any other peril hereby covered against. (Items (b) and (c) above are deemed to be deleted when neither buildings nor machinery are covered).

The amount payable for such costs and expenses shall not exceed 10% of the **Sum Covered** of each item or Ringgit Malaysia Two Million (RM2,000,000) in aggregate any one loss, whichever is lower.

We 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; or
- ii) arising from pollution or contamination of property not covered by this Certificate.

Provided always **Our** maximum liability shall not exceed the sum stated in the **Schedule** for which the item(s) is/are covered.

OUTBUILDING CLAUSE

The **Takaful** by each item under buildings is understood to include walls, gates and fences, small outbuildings, extensions, annexes, exterior staircase, fuel installations, steel or iron frameworks and tanks in the said premises and the **Takaful** by each item under Contents extends to include the contents of each outbuilding.

REINSTATEMENT IN COMPLIANCE WITH THE REQUIREMENT OF PUBLIC AUTHORITIES

The **Takaful** by this Certificate extends to include such additional cost of reinstatement of the destroyed or damaged 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-Laws:-
 - (i) in respect of destruction or damage occurring prior to the granting of this extension;
 - (ii) in respect of destruction or damage not covered by this Certificate;
 - (iii) under which notice has been served upon You prior to the happening of the destruction or damage;
 - or
 - (iv) in respect of undamaged property or undamaged portions of property.

- b. the additional cost that would have been required to make good the property 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; or
 - 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 reason of 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 (12) months after the destruction or within such further time as **We** may (during the said 12 months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-Laws so necessitate) subject to **Our** liability under this extension (tension not being thereby increased).
 - 3) If **Our** liability 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 **Our** liability 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; or
 - 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.

REINSTATEMENT VALUE CLAUSE (NOT APPLICABLE TO STOCK)

In the event of the property covered under the within Certificate being 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 property covered 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

1. The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to Your requirements subject to **Our** liability 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 destruction or damage, or within such further time as **We** 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 has not been incorporated therein shall be made.
2. Until expenditure has been incurred by **You** in replacing or reinstating the property destroyed or damaged, **We** 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.
3. If at 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 has been destroyed exceeds the sum covered thereon at the breaking out of any fire or at the commencement of any destruction of or damage to such property by any peril covered against by this Certificate, then **You** shall bear on **Your** own 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.

4. This Certificate shall be without force or effect if:-

- a) You fail to intimate to Us within six (6) months from the date of destruction or damage, or such further time as **We** may in writing allow, his intension to replace or reinstate the property destroyed or damaged; and
- b) **You** are unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.

5. 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 destruction or damage to any_ property covered hereunder such property shall be covered by any other insurance or **Takaful** effected by or on behalf of **You** which is not upon the identical basis of reinstatement set forth therein.

RENT

This Coverage on Rent applies only if (any of) the said building(s) or any thereof is unfit for occupation in consequence of fire or any other peril hereby covered against and the amount payable shall not exceed such proportion of the sum covered on Rent as the necessary period of unoccupancy bears to the term of the Rent covered.

STORAGE OF PETROL WARRANTY

Warranted that during the currency of the Certificate, the storage of petrol be in accordance with the Government Regulations.

RESTRICTION OF SPRAY PAINTING / POWDER SPRAYING WARRANTY

Warranted that during the currency of this Certificate, no spray painting/powder spraying or any process in connection therewith be carried on in the premises described herein.

PRINTING PROCESS WARRANTY

Warranted that during the currency of this Certificate, no printing or any process in connection therewith be carried on in the premises described herein.

ELECTRICAL INSTALLATIONS CLAUSE (B)

Loss or damage by fire to the electrical appliances and installation covered by this Certificate arising from or occasioned by over-running, excessive pressure, short-circuiting, arcing, self-heating or leakage of electricity, from whatever cause (lightning included) is covered subject to the terms and conditions of this Certificate, but it is expressly understood that no liability exists under this Certificate for loss or damage to any electrical machine, apparatus, fixture or fitting, or to any portion of the electrical installation, unless caused by fire or lightning.

Subject otherwise to the terms and conditions of the Certificate.