EXPLANATORY NOTES

How to read this document

Please note that your Private Car Policy only starts from Page 5 onwards. To help you read and understand your policy better we provide some explanatory notes together with comments and examples (written in italic). These are not meant to be part of your policy and should not be used to interpret your insurance contract in the event of any dispute.

Words in bold

*You will notice that some words in the policy are printed in **bold** letters. This is because they have been given specific meaning in your Private Car Policy. Please refer to Section F for the meaning of these words.*

What makes up your insurance contract?

Your insurance contract with us is made up of the following:

- *insurance policy (excluding the italic texts);*
- *the information you provided us when you applied for this insurance;*
- *the Schedule;*
- *the Endorsements attached to the policy; and*
- *the Certificate of Insurance (CI).*

All these must be read together as they form your insurance contract.

Duty of Disclosure

A. Consumer Insurance Contract

Where you have applied for this insurance wholly for purposes unrelated to your trade, business or profession, you had a duty to take reasonable care not to make a misrepresentation in answering the questions in the Proposal Form (or when you applied for this insurance) i.e. you should have answered the questions fully and accurately. Failure to have taken reasonable care in answering the questions may result in avoidance of your contract of insurance, refusal or reduction of your claim(s), change of terms or termination of your contract of insurance in accordance with Schedule 9 of the Financial Services Act 2013. You were also required to disclose any other matter that you knew to be relevant to our decision in accepting the risks and determining the rates and terms to be applied.

You also have a duty to tell us immediately if at any time after your contract of insurance has been entered into, varied or renewed with us, any of the information given in the Proposal Form (or when you applied for this insurance) is inaccurate or has changed.

B. Non-Consumer Insurance Contract

Where you have applied for this insurance for purposes related to your trade, business or profession, you had a duty to disclose any matter that you know to be relevant to our decision in accepting the risks and determining the rates and terms to be applied, and any matter a reasonable person in the circumstances could be expected to know to be relevant, otherwise it may result in avoidance of your contract of insurance, refusal or reduction of your claim(s), change of term(s) or termination of your contract of insurance.

You also have a duty to tell us immediately if at any time after your contract of insurance has been entered into, varied or renewed with us, any of the information given in the Proposal Form (or when you applied for this insurance) is inaccurate or has changed.

If you misrepresented any facts to us before the policy is entered into, examples of the actions that may be taken by us against you include the following:

- *declare your policy void from inception (which means treating it as invalid), and we may not return any premium;*
- *cancel this policy and return any premium less our cancellation charge or recover any unpaid premium;*
- *remove one or more named drivers from your policy and adjust your premium accordingly;*
- *recover any shortfall in premium;*
- *not pay any claim that has been or will be made under the policy; or*
- *be entitled to recover from you the total amount of any claim already paid under the policy or any claim we have to pay because of any relevant road traffic legislation, plus any recovery cost.*

What is covered?

Your insurance does not cover you against everything that can happen to your car. Check out the Schedule that we issued to you to know the type of cover you bought. The main types of cover are:

Basic Cover:	***Comprehensive***	***Third Party, Fire and Theft***	***Third Party Only***
Section A: Loss or Damage to Your Own Car			
1. a. Events We Cover			
(i) accidental collision or overturning	✓	X	X
(ii) collision or overturning caused by mechanical breakdown	✓	X	X
(iii) collision or overturning caused by wear and tear	✓	X	X
(iv) impact damage caused by falling objects subject to certain exclusions	✓	X	X
(v) fire, explosion or lightning	✓	✓	X
(vi) breakage of windscreen, windows or sunroof including lamination / tinting film	✓	X	X
(vii) burglary, housebreaking or theft	✓	✓	X
(viii) malicious act	✓	X	X
(ix) while in transit (limited cover)	✓	X	X
1. b. Events We Do Not Cover	✓	✓	X
2. Basis of Settlement (how we will settle your claim)	✓	✓	X
3. Towing Costs (to an Approved Repairer or safe place of storage)	✓	✓	X
Section B: Liability to Third Parties			
1. a. What is Covered (by this section)	✓	✓	✓
1. b. What is Not Covered (by this section)	✓	✓	✓
2. Limits of Our Liability (the maximum that we pay)	✓	✓	✓
3. Cover for Legal Personal Representatives (if you are dead)	✓	✓	✓
4. Maximum Legal Costs (if approved)	✓	✓	✓
5. Rights of Recovery	✓	✓	✓
Section C: No Claim Discount	✓	✓	✓
Section D: General Exceptions *(what is not covered by the policy)*	✓	✓	✓
Section E: Conditions *(terms that you must comply with)*	✓	✓	✓
Section F: Definitions *(explains the words in bold)*	✓	✓	✓
Section G: Endorsements *(additional terms that we may impose on you or additional covers if you have paid additional premium)*	*Optional*	*Optional*	*Optional*

Key: ✓= *applicable* *X = not applicable*

What this policy does not cover?

These are referred to as 'Exceptions' in your policy and there are three sections where you can find them:

- *Section A1b – see 'Events We Do Not Cover': applicable to Comprehensive policy only.*
- *Section B1b – see 'What is Not Covered': applicable to Comprehensive, Third Party, Fire & Theft and Third Party Only policies.*
- *Section D – see 'General Exceptions': applicable to Comprehensive, Third Party, Fire & Theft and Third Party Only policies.*

There are generally three reasons why we put these exceptions in your basic Private Car Policy:

1. *Cover is not provided for the exceptions. We have to charge additional premium if you want to cover any of these exceptions. Some examples of the exceptions which are not covered by your basic Private Car Policy but which can be covered if you pay additional premium are:*
   - *flood, storm {see Section A1b – 'Events We Do Not Cover'};*
   - *strike, riot, civil commotion {see Section D – 'General Exception 8b'}; and*
   - *use outside Malaysia, Singapore or Brunei {see Section D – 'General Exception 6'}.*
2. *There are other risks which are not covered by the basic Private Car Policy or by any of its extensions. We would have to issue a different policy if you want these types of cover. For example, the following are not covered by your Private Car Policy but can be covered under a different type of policy:*
   - *carriage of goods must be covered under a Commercial Vehicle Policy; and*
   - *hire or reward must be covered by taxi or hired car policy.*
3. *We cannot and do not cover certain risks at all. Some examples of these can be seen in Section D – 'General Exceptions' such as:*
   - *war, nuclear fission or fusion;*
   - *risks that are against public policy or against the law; and*
   - *drunk driving.*

How can your car be used?

Since this is a Private Car Policy, your policy only covers you if your car is used for "social, domestic and pleasure purposes and for the policyholder's business". This is clearly stated in the Certificate of Insurance under the heading "Limitation as to Use".

The following are some examples of how your car can be used:

- *to visit relatives and friends, for shopping etc.; and*
- *for some limited business use such as getting to and from work, and meeting customers.*

However, we will <u>not cover</u> you, for example, if you use your car in the following manner:

- *as a private taxi by charging fares to carry passengers;*
- *as a hire car by charging rental to use your car;*
- *to carry any goods in connection with any trade or business other than samples. You must buy a Commercial Vehicle Policy to cover for this use;*
- *for motor trade (use for showroom display and for test-drive);*
- *to practise for or to take part in any race, rally, pacemaking, reliability trial or speed test; and*
- *use on any racetrack.*

Who can drive your car?

- *Practically anyone can drive your car as long as the driver:*
  - *has a valid licence of the relevant class to drive and is not disqualified to drive by law or for some other reason {(see exclusion on Unlicensed Drivers in Section D – 'General Exception 1'};*
  - *has your permission to drive (see definition of '**Authorised Driver**' in Section F); and*
  - *complies with all the terms and conditions of this policy.*
- *Although anyone complying with the above conditions can drive your car, you may have to pay an additional excess depending on the age of the driver, the type of licence the driver possesses or if the driver is not a named driver (see explanation on excess under Section 'What is an Excess?'). If you or your **authorised driver** is not qualified to drive or breach any of the terms and conditions, your claim may be rejected. If we are compelled by law to pay, we can recover any sum(s) paid and any expenses incurred from you or your **authorised driver**.*

In which territory is your car covered?

This insurance you have purchased only covers you in Malaysia, Singapore and Brunei in accordance to the laws of Malaysia. Additionally, note that if you intend to drive your car into Singapore, you are required by Singapore's law to have cover against Legal Liability to Passengers (LLP). Since LLP is not covered by the basic Private Car Policy, you will need to purchase Endorsement 100, which provides a limited cover for your liability for death or bodily injury of passengers.

When is your cover effective?

This insurance is effective from the time of purchase of cover or at the agreed time of commencement, until the expiry date. The period of insurance will be printed in the Policy Schedule and related documents. If there is any change to these dates, it will be officially shown in an Endorsement issued by us.

How much should you insure your car?

To be safe, you should insure your car at its current market value (see definition of 'Market Value' in Section F). In simple terms, this is the current cost to replace your car with another car of the same make, model, age and general condition. The amount that you choose to insure is called the sum insured. Please note that you could be penalised if your car is under-insured (see Section A2e – 'Under-Insurance').

*For example, if the market value of your car is RM100,000 but you only insured it for RM80,000 then you could be penalised for under-insurance. Assuming the loss is assessed at **RM5,000**, instead of we paying the full amount, you could be made to bear a portion of the loss in proportion to the under-insurance as follows:*

$$\frac{\text{Sum Insured}}{\text{Market Value}} \times \text{Loss} = \frac{\text{RM80,000}}{\text{RM100,000}} \times \text{RM5,000} = \underline{\textbf{RM4,000}}$$

*Therefore we will pay **RM4,000** while the balance of **RM1,000 will be borne by you**.*

You would be penalised as shown above if the market value of your car exceeds the sum insured by 10%. On the other hand, it would be a waste of money to over-insure as your insurer would not pay more than the market value. One way to protect yourself from being under-insured or over-insured is to opt for the sum insured determined by a market valuation system approved by Your insurer.

What is No Claim Discount ("NCD")?

This is a form of premium discount for not having made a claim during the preceding period of your insurance (provided the period of insurance exceeds one year). The scale of NCD applied is specifically mentioned in the policy.
The applicable NCD can be checked with us or the Central NCD Database ("CND") at https:// www.mycarinfo.com.my /ncdcheck/online before the purchase of your Private Car Policy.

What is an Excess?

This is the first amount that you have to bear yourself for each and every claim that we approve, even if the incident is not your fault. However, please note that the excess does not apply to loss or damage caused by fire, explosion, lightning, burglary, housebreaking, theft, third party property damage or bodily injury claims. Please check your Policy Schedule to find out the amount that you are liable to pay. This is referred to as Endorsement 1 or 2 in your policy. Note that there is also the Compulsory Excess (see Section A2g) where you have to bear an additional excess of RM400 if you or the person driving your car:

- *is under 21 years old;*
- *holds a Provisional (P) or Learner (L) driver's licence; or*
- *is not named in the Schedule as a named driver.*

*As an example, if we assess the claim payable to be **RM10,000** but your policy carries an excess of RM500, you will have to bear the first **RM500** yourself and we will pay the balance of **RM9,500**. However, if the driver is below 21 years old, you have to bear an additional excess of RM400. Using the same example, you now have to bear RM900 (i.e. 500 + 400) and we will pay RM9,100.*

Do's and Don'ts – after you have had an accident or theft

- ***Do:***
  - *inform us as soon as possible about any incident which may give rise to a claim;*
  - *report all accidents to the police within 24 hours as required by law;*
  - *submit immediately to us all letters, claims, writs and summons which you have received from third parties as a result of the incident;*
  - *move your car to an Approved Repairer for repairs or windscreen repairs or replacement;*
  - *fully fill up the relevant sections of your claim form – do not put "refer to police report"; and*
  - *if you have a Comprehensive cover and the third party that knocked your car is clearly at fault, you are advised to submit own damage Knock-for-Knock (KfK) claim to us in order to expedite claims processing. Your NCD entitlement will not be affected and you can claim the excess that you had paid from the insurer of the third party.*
- ***Don't:***
  - *negotiate, admit or repudiate any claim without our consent (see Condition 2 in Section E); and*
  - *authorise repair without our consent (see Condition 2f in Section E).*

Condition 2 of your policy (see Section E) spells out the do's and the don'ts after an accident or theft in more detail.

PRIVATE CAR POLICY

WARNING NOTICE

1. **All accidents must be reported to the police within 24 hours.**
2. **It is an offence under the law of Republic of Singapore to enter the country without extending passenger liability cover to your motor insurance. If this extension is required, please contact your agent or our nearest branch for further information.**

Our agreement with You

A. Where **Your Car** is used for any purpose that is not related to **Your** trade, business or profession, the following applies:

Consumer Insurance Contract

This **Policy** is issued in consideration of the payment of premium as specified in the **Policy Schedule** and pursuant to the answers given in **Your** Proposal Form (or when **You** applied for this insurance) and any other disclosures made by **You** between the time of submission of **Your** Proposal Form (or when **You** applied for this insurance) and the time this contract is entered into. The answers and any other disclosures given by **You** shall form part of this contract of insurance between **You** and **Us**. However, in the event of any pre-contractual misrepresentation made in relation to **Your** answers or in any disclosures given by **You**, only the remedies in Schedule 9 of the Financial Services Act 2013 will apply.

This **Policy** reflects the terms and conditions of the contract of insurance as agreed between **You** and **Us**.

B. Where **Your Car** is used for purposes related to **Your** trade, business or profession, the following applies:

Non-Consumer Insurance Contract

This **Policy** is issued in consideration of the payment of premium as specified in the **Policy Schedule** and pursuant to the answers given in **Your** Proposal Form (or when **You** applied for this insurance) and any other disclosures made by **You** between the time of submission of **Your** Proposal Form (or when **You** applied for this insurance) and the time this contract is entered into. The answers and any other disclosures given by **You** shall form part of this contract of insurance between **You** and **Us**. In the event of any pre-contractual misrepresentation made in relation to **Your** answers or in any disclosures made by **You**, it may result in avoidance of **Your** contract of insurance, refusal or reduction of **Your** claim(s), change of terms or termination of **Your** contract of insurance.

This **Policy** reflects the terms and conditions of the contract of insurance as agreed between **You** and **Us**.

Section A: Loss or Damage to Your Own Car

*This section spells out what **We** cover under Section A and is only applicable if **You** have Comprehensive cover.*

1a: Events We Cover

We will indemnify **You** if **Your Car** is lost or damaged during the **Period of Insurance** arising from the following **Incidents**:

(i) fire, explosion or lightning; or
(ii) burglary, housebreaking or theft.

1b: Events We Do Not Cover

The events We do not cover are the exceptions listed below. These exceptions are specific to Section A and are in addition to exceptions listed in Section D and the applicable Endorsements.

We will not pay for the following losses:

(i) ***Consequential Losses***
Any direct or indirect losses of any kind that may arise as a consequence of any **Incident** other than that provided for in Section A2.

(ii) ***Loss of Use***
Any expense or financial loss that **You** may incur because **You** cannot use **Your Car** e.g. cost of hiring replacement car, travelling expenses etc.

(iii) Depreciation
The loss of value of **Your Car** due to the damage sustained or the time taken to repair the **Car**, and / or for any loss or damage that results over a prolonged period of time due to wear and tear, rust and corrosion.

(iv) Breakdown or Malfunction of Parts
Any mechanical, electrical or electronic breakdown, equipment or computer malfunction, or any other failure or breakdown to **Your Car**.

(v) Damage to Tyre(s)
Any damage to the tyre(s) of **Your Car** unless other parts of **Your Car** are also damaged at the same time.

(vi) Convulsions of Nature
Any loss or damage to **Your Car** caused by flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence or sinking of the soil / earth or other convulsions of nature.

(vii) Excess
The amount of **Excess** stated in the **Schedule**. This is the first amount that **You** have to bear in respect of each and every claim under the **Policy**.

(viii) Loss of Electronic Data
Loss of electronic data and any consequences arising from it, directly or indirectly caused by or in connection with a computer virus. This includes loss of use, reduced functionality, or any other associated loss or expense in connection with the electronic data.

(ix) Cheating or Criminal Breach of Trust
Any loss or damage, including theft, caused by or attributed to the act of **Cheating** or **Criminal Breach of Trust** by any person.

2: Basis of Settlement

*This section explains how **We** will settle **Your** claim once **We** accept that it is payable under Section A. If **Your Car** is damaged as a result of any **Incident**, **We** have the option of doing the following:*

a. If Your Car is Repairable
If in **Our** opinion **Your Car** is economical to repair, **We** have the option to:
- arrange for **Your Car** to be repaired at an **Approved Repairer** and pay the cost of repairing **Your Car** to the condition which is as near as possible to the condition it was in before the loss happened;
- pay **You** in cash the amount **We** estimate it would cost to repair **Your Car**; or
- reinstate or replace **Your Car** with one of the same make, model, age and general condition.

b. If Your Car is not Repairable
If in **Our** opinion, the damage to **Your Car** is so great that it would not be safe or economical to repair, **We** will declare **Your Car** "Beyond Economic Repair" ("BER") and **We** will pay **You** up to the maximum amount as stated in (d) below or offer **You** a settlement sum equivalent to the **Market Value**. **We** may also opt to replace **Your Car** with one of the same make, model, age and general condition. If **We** take any of these actions, this **Policy** shall be automatically terminated once **We** make payment.

> *In cases where the valuation of the franchise-holder vary from **Market Value** by more than 10%, **We** would also have the option to offer a settlement value which is equal to the cost of purchasing a replacement car of the same make, model and age of the **Car** at the time of loss. It is **Our** option to offer **You** a replacement of the **Car**, should **You** not agree with the offer.*

c. Replacement Parts
If the spare parts or **Accessories** required to repair **Your Car** are not available in Malaysia, or if **We** choose to pay for the loss or damage in cash, **We** will settle **Your** claim on the following basis:
- the last known parts price list issued in Malaysia by the manufacturer or their agent. If the price list in Malaysia does not exist, **We** will use the price at the manufacturer's production plant and include reasonable cost of transportation to Malaysia (but not the cost of air freight); and
- the reasonable labour cost of fitting such spare parts or **Accessories** in Malaysia.

d. The Maximum Amount We will Pay You
If **Your Car** is BER or stolen and not recovered, the amount payable under the **Policy** will be the **Market Value** at the time of the loss or the **Sum Insured** as shown in the **Schedule**, whichever sum is the lesser. Upon **Our** payment of the said amount, this **Policy** shall be automatically terminated. The **Market Value** is to be determined according to clauses 14 and 15 of Section F.

e. Under-Insurance
If the **Sum Insured** of **Your Car** is less than the **Market Value** at the time of the loss, **We** will only bear part of the loss in proportion to the difference between the **Market Value** and the **Sum Insured** as shown in the formula below:

$$\frac{\textbf{Sum Insured}}{\textbf{Market Value}} \times \text{Assessed Loss}$$

The balance has to be borne by **You**. However, this will only apply if the under-insured amount is more than 10% of the **Market Value**.

f. ***Betterment***
If new original parts are used to repair **Your Car** and as a result of which **Your Car** is in a better condition than it was before the damage, **You** would be required to contribute to its betterment, a proportion of the costs of such new original parts. **Your** contribution would be according to the following scale:

Age of Your Car (Years)	Rate of Betterment
less than 5	0
5	15%
6	20%
7	25%
8	30%
9	35%
10 and above	40%

To determine the rate of betterment to be applied, the age of **Your Car** will be calculated based on when it was originally registered in Malaysia:

a.	as a locally assembled car	Date of Original Registration
b.	as a new imported Completely Built Unit (CBU) car	Year of Manufacture
c.	as an imported second-hand / used / reconditioned car	Year of Manufacture

g. ***Compulsory Excess*** *(see explanation on excess under Section 'What is an Excess?')*
In addition to the **Excess** shown in the **Schedule, We** have the right to deduct another RM400 as Compulsory **Excess** if at the time of the **Incident**, **You** or the person driving **Your Car** with **Your** consent:

- is under 21 years old;
- holds a Provisional (P) or Learner (L) driver's licence; or
- is not named in the **Schedule** as **Named Driver**.

We will not deduct this additional RM400 **Excess** if the loss or damage is caused by fire, explosion, lightning, burglary, housebreaking, theft, third party property damage or bodily injury claims.

3: Towing Costs

If **Your Car** cannot be driven as a result of any damage to it that is covered by this **Policy**, **We** will pay up to a maximum of RM200 for the necessary and reasonable costs to move **Your Car** to the nearest **Approved Repairer** or to a safe place of storage while awaiting repair or disposal.

Section B: Liability to Third Parties

This section explains what is covered and not covered under Section B.

1a: What is Covered?

We will indemnify **You** and / or **Your Authorised Driver** for the amount which **You** and / or **Your Authorised Driver** are legally liable to pay any third party (including third party's costs and expenses) for:

(i) death or bodily injury to any person except those specifically excluded under this **Policy**; and / or

(ii) damage to property except those specifically excluded under this **Policy**

as a result of an **Incident** arising out of the use of **Your Car** on a **Road**. This cover is extended to **Your Authorised Driver** provided **Your Authorised Driver** also complies with all the terms and conditions of this **Policy**.

1b: What is Not Covered?

These exceptions are specific to Section B and are in addition to the Exceptions stated in Section D of this **Policy** and any other applicable **Endorsements**. **We** will not pay for:

(i) death or bodily injury to any passenger being carried for hire or reward;

(ii) death or bodily injury to any person where such death or injury arises out of and in the course of the employment of such person by **You** or by **Your Authorised Driver**;

*Under the Road Transport Act 1987, this **Policy** shall not be required to cover, except in the case of a motor vehicle in which passengers are carried for hire or reward or by reason of or in pursuance of a contract of employment, liability in respect of death of or bodily injury to persons being carried in or upon or entering or getting onto or alighting from the motor vehicle at the time of the occurrence of the event out of which the claims arise.*

***In the course of employment** – Any person who is injured / dies (whether as passenger or otherwise) while on the job and is in or on the said **Car** as part of his / her employment e.g. car wash worker, mechanic etc.*

(iii) damage to property belonging to or in the custody of or control of or held in trust by **You** or **Your Authorised Driver** and / or any member of **Your** or **Your Authorised Driver's Household**;

(iv) liability to any person being carried in or upon or entering or getting onto or alighting from **Your Car** unless he / she is required to be carried in or on **Your Car** by reason of or in pursuance of his / her contract of employment with **You** or **Your Authorised Driver** and / or his / her employer;

In pursuance of the contract of employment – The passenger is required to be carried to a destination in order to carry out the job as spelt out in his / her contract of employment.

Liability to passengers other than:
a) *passengers carried for hire or reward;*
b) *employees in the course of employment; or*
c) ***Your** or **Your Authorised Driver's Household** member unless he / she is required to be carried in **Your Car** by reason of or in pursuance to a contract of employment;*

*may be insured separately for additional premium under **Endorsement 100**. If **You** have insured such liability, **You** will need to refer to the full text of **Endorsement 100: Legal Liability to Passengers** as to what this **Endorsement** covers or excludes and the applicable conditions.*

(v) liability caused by a passenger travelling in or alighting from **Your Car**;

***Liability for accidents caused by Your passengers** may be insured separately for additional premium under **Endorsement 72**. **You** will need to refer to the full text of **Endorsement 72: Legal Liability of Passengers for Negligent Acts** as to what this **Endorsement** covers or excludes and the applicable conditions.*

(vi) any claims brought against **You** by any driver of **Your Car**, whether authorised or not;

(vii) any claims brought against any person in any country in courts outside Malaysia, the Republic of Singapore or Negara Brunei Darussalam; and / or

(viii) all legal costs and expenses which are not incurred in or recoverable in Malaysia, the Republic of Singapore and Negara Brunei Darussalam.

2: Limits of Our Liability

We will pay the following for any one claim, or series of claims arising from one **Incident**, in any one **Period of Insurance**:

(i) unlimited amount for death or bodily injury to third party; and / or
(ii) up to a maximum of RM3 million for third party property damage.

*For an additional premium, the limits of liability for third party property damage can be extended up to RM20 million (**Endorsement 105**).*

3: Cover for Legal Personal Representatives

Following the death of any person covered under this **Policy**, **We** will indemnify that person's legal representatives for liability covered under this Section, provided such legal representatives comply with all the terms and conditions of the **Policy**.

4: Legal Costs

If **You** or **Your Authorised Driver** is charged for reckless and dangerous driving or careless or inconsiderate driving under the Road Transport Act 1987 or any other offence related to the said **Incident**, **We** will pay legal costs incurred up to a maximum of RM2,000 to defend **You** or **Your Authorised Driver** provided always that such costs are incurred in Malaysia, the Republic of Singapore or Negara Brunei Darussalam, and that cost has been incurred with **Our** prior agreement in writing.

We will only pay for legal cost and **We** will not pay for any penalty imposed on **You** or **Your Authorised Driver**.

5: Rights of Recovery

We have a right to refuse to indemnify **You** or **Your Authorised Driver** if either of **You** commit a breach of any **Policy** conditions or where the claim falls outside the scope of cover provided by **Us** under this **Policy**. However, if **We** are legally required to pay any judgment sum in respect of a claim under Section B of this **Policy** because of laws in force in Malaysia, Republic of Singapore or Negara Brunei Darussalam, which **We** would otherwise not have to pay, **We** have the right to ask **You** or **Your Authorised Driver** to repay to **Us** the amount of that payment and any costs **We** have incurred in connection with the claim.

Section C: No Claim Discount

This section spells out the reward system known as the "No Claim Discount".

1. ***No Claim Discount (NCD)***
   If **You** have insured **Your Car** for a continuous period of 12 months and **You** or anyone else did not make any claim under this **Policy** during that time, a NCD will be applied at each renewal. The applicable NCD will increase with each renewal if **You** continue to have claim free years as follows:

Claim Free Year of Insurance	NCD Entitlement
After 1 continuous claim free year	25%
After 2 continuous claim free years	30%
After 3 continuous claim free years	38 1/3%
After 4 continuous claim free years	45%
After 5 continuous claim free years and beyond	55%

2. ***One Claim and Your NCD is Down to Zero***
   If **You** or anybody else meet with an **Incident** which will give rise to a claim on this **Policy**, the NCD entitlement that **You** have accumulated would drop to zero at the next renewal and **Your** NCD will start all over again. If a claim is received after the NCD has been applied, **We** shall be entitled to recover the NCD given from **You**.

3. ***Exception to this Rule***
   Your NCD will not be affected even if a claim is made if:
   - **We** are of the opinion that **You** are not at fault for causing the loss;
   - the offending vehicle is identifiable and is not a vehicle used for carriage of passengers for hire or reward (for example taxis, hire cars, public buses, stage buses, school buses and factory buses for hire);
   - the offending vehicle is insured by a Malaysian licensed insurer; and
   - there is no death or personal injury claim involved.

4. ***Your NCD is not Transferable***
   The NCD is personal to **You** which means that if **You** were to sell **Your Car** and **We** agree to transfer this **Policy** to the new owner, **Your** NCD cannot be transferred for the benefit of the new owner.

5. ***Non-utilisation of NCD***
   For every year that the NCD is not utilised by **You**, the NCD accumulated and applicable for this **Policy** will be reversed in accordance with the scale set out in the table in clause C1 above.

Section D: General Exceptions - these apply to the whole Policy

This section lists down circumstances under which this **Policy** *does not provide cover at the time of happening of the* ***Incident****. This is in addition to those already listed in Sections A1b and B1b.*

1. ***Unlicensed Drivers***
   There is no cover under this **Policy** if **You** or **Your Authorised Driver** do not have a valid driving licence to drive **Your Car**. This will not apply if **You** or **Your Authorised Driver** have an expired licence but are not disqualified from holding or obtaining such driving licence under any existing laws, by-laws and regulations.

2. ***Alcohol, Drugs and Other Intoxicating Substances***
   There is no cover under this **Policy** if **You** or **Your Authorised Driver** is under the influence of alcohol or intoxicating liquor, narcotics, dangerous drugs or any other deleterious drugs or intoxicating substance to such an extent that **You** or

Your Authorised Driver are incapable of having proper control of **Your Car**.

> ***You*** *or* ***Your Authorised Driver*** *shall be deemed as incapable of having proper control of* ***Your Car*** *if after a toxicology or equivalent test, it is shown that the alcohol level in the breath, blood or urine of* ***You*** *or* ***Your Authorised Driver*** *is higher than the prescribed limit pursuant to Section 45G(1) of the Road Transport Act 1987 of 80mg of alcohol in 100ml of blood (or equivalent in respect of breath or urine) or other equivalent legislation that is in force at the material time.*

3. ***Fraud and Exaggerated Claims***
If any claim is in any part fraudulent or exaggerated, or if **You** or anyone acting on **Your** behalf, uses fraudulent means to get any benefit under this **Policy**, the entire claim will not be paid or payable. If **We** are required to make payment of any such claim to a third party, **We** shall be entitled to recover the sum paid and any costs incurred from **You**.

4. ***Unlawful Purpose***
There is no cover under this **Policy** if **You** or **Your Authorised Driver** use **Your Car** for an unlawful purpose or to attempt an unlawful purpose i.e. in violation of the criminal law or a recognised law of the country where **Your Car** was being used.

5. ***Use for Racing etc.***
There is no cover under this **Policy** if **You** use or **You** allow **Your Authorised Driver** to use **Your Car**:
a. to practise for or to take part in any motor sport, competition (other than treasure hunt), rally, pacemaking, reliability trial or speed test; or
b. on any racetrack.

> *For an additional premium,* ***Your Policy*** *can be extended to cover the use of* ***Your Car*** *for reliability trial or competition if* ***You*** *purchase the prescribed extension cover {****Endorsement 24(c) or 24(d)****}.*

6. ***Use Outside Malaysia***
Unless **We** provide otherwise, this insurance does not cover **You** in respect of claims arising whilst **Your Car** was being used or driven outside Malaysia, the Republic of Singapore and Negara Brunei Darussalam. In Malaysia, **Our** liability under this **Policy** is governed by the Road Transport Act 1987 and the terms and conditions of this **Policy**, and **Our** liability outside Malaysia is governed by the terms and conditions of this **Policy** only.

> *For an additional premium,* ***Your Policy*** *can be extended to cover the use of* ***Your Car*** *in Thailand or Kalimantan only if* ***You*** *purchase the prescribed extension cover (****Endorsements 101*** *and* ***102****).*

7. ***Failure to take Precaution***
We will not pay for any additional damages if after an **Incident** or breakdown **You**:

a. left **Your Car** unattended or failed to take proper precaution to prevent further loss or damage; or
b. continue to drive **Your Car** in an unroadworthy condition before any repair is done.

We will also not pay for claims that arise if, when using **Your Car**, **You** do not take reasonable precaution to keep **Your Car** secured. This includes but is not limited to leaving **Your Car** unattended while unlocked or with ignition key left in or on **Your Car**.

8. ***War Risk***
There is no cover under this **Policy** for any loss or liability (including any cost of defending any action) connected in any way directly or indirectly to:

a. war, invasion, acts of foreign enemies, hostilities or warlike operation (whether war is declared or not), civil war, **Act of Terrorism**, mutiny, rebellion or revolution; or
b. strike, riots or civil commotion assuming the proportion of or amounting to an uprising, insurrection or military or usurped power.

9. ***Nuclear Risk***
There is no cover under this **Policy** for any accident, loss or damage to any property or any loss or liability arising therefrom (including consequential losses and costs of defending any actions) connected in any way with operations using the nuclear fission or fusion process, or handling of radioactive material. This includes, but is not limited to:
a. the use of nuclear reactors such as atomic piles, particle accelerators or generators and similar devices;
b. the use, handling or transportation of radioactive material in relation to any **Act of Terrorism**;
c. the use, handling or transportation of any weapon or explosive device employing nuclear fission or fusion; or
d. the use, handling or transportation of radioactive material.

10. ***Convulsions of Nature***
There is no cover (unless specifically purchased) for any loss, damage or liability caused by flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence or sinking of the soil / earth or other convulsions of nature.

11. ***Contractual Liability***
We will not pay for any liability that arises by virtue of an agreement but for which **We** would not have been liable in the

absence of such agreement.

12. Unauthorised Driver

We will not pay for any **Incident**, loss, damage or liability caused, sustained or incurred whilst **Your Car**, in respect of which indemnity is provided by this **Policy**, is being driven by any person other than an **Authorised Driver** or person driving on **Your** order or with **Your** permission.

Section E: Conditions - These apply to the whole Policy

*This section spells out the terms and conditions that **You** must observe to ensure this insurance remains effective. Basically these conditions are of three types:*

- *What **You** must do*
- *What **You** must not do*
- *What **We** can do*

Conditions Precedent to Policy Liability

The following conditions are conditions precedent to **Our** liability to indemnify **You** under this **Policy** and have to be observed by **You** strictly. **We** can repudiate this **Policy** and / or will not pay claims under the **Policy** if **You** breach any of the relevant conditions. These conditions also apply to **Your Authorised Driver** and any legal representative who seek indemnity under this **Policy**.

1. Duty of Disclosure

The duty of disclosure is different for a Consumer Insurance Contract and for a Non-Consumer Insurance Contract. They are separately outlined below:

A. Consumer Insurance Contract

Where **You** have applied for this insurance wholly for purposes unrelated to **Your** trade, business or profession, **You** had a duty to take reasonable care not to make a misrepresentation in answering the questions in the Proposal Form (or when **You** applied for this insurance) i.e. **You** should have answered the questions fully and accurately. Failure to have taken reasonable care in answering the questions may result in avoidance of **Your** contract of insurance, refusal or reduction of **Your** claim(s), change of terms or termination of **Your** contract of insurance in accordance with Schedule 9 of the Financial Services Act 2013. **You** were also required to disclose any other matter that **You** knew to be relevant to **Our** decision in accepting the risks and determining the rates and terms to be applied.

You also have a duty to tell **Us** immediately if at any time after **Your** contract of insurance has been entered into, varied or renewed with **Us**, any of the information given in the Proposal Form (or when **You** applied for this insurance) is inaccurate or has changed.

B. Non-Consumer Insurance Contract

Where **You** have applied for this insurance for purposes related to **Your** trade, business or profession, **You** had a duty to disclose any matter that **You** know to be relevant to **Our** decision in accepting the risks and determining the rates and terms to be applied, and any matter a reasonable person in the circumstances could be expected to know to be relevant, otherwise it may result in avoidance of **Your** contract of insurance, refusal or reduction of **Your** claim(s), change of terms or termination of **Your** contract of insurance.

You also have a duty to tell **Us** immediately if at any time after **Your** contract of insurance has been entered into, varied or renewed with **Us**, any of the information given in the Proposal Form (or when **You** applied for this insurance) is inaccurate or has changed.

2. Accidents and Claims Procedures

If **Your Car** is involved in any **Incident** that could lead to a claim under this **Policy**, **You** must do the following:

a. Notify **Our** claims department of the **Incident** and get a Claim Form. **You** must notify **Us** of the **Incident** as soon as possible but in any event:

- Within seven (7) days if **You** are not physically disabled or hospitalised following the **Incident**; or
- Within thirty (30) days or as soon as practicable if **You** are physically disabled and hospitalised as a result of the **Incident**.

We may allow a longer notification period if **You** can provide specific proof and justification for the delay.

b. Report the **Incident** to the police as required by law and do all that is required to assist the police authorities to secure a conviction against the offender.

c. Complete the Claim Form in full and return it to **Us** within twenty-one (21) days from the date of **Your** notification as per (a) above. **You** are required to answer all the questions in detail in all applicable sections and provide **Us** with all the necessary documents to support **Your** claim. **We** will not be held responsible if there is any delay on **Your** part to submit the Claim Form duly completed together with all the necessary documents.

A longer claims submission period may be allowed by **Us** subject to specific proof and justification by **You** for the delay.

d. If there are any claims made against **You** by a third party, **You** must immediately notify **Us** of the same and **You** must send to **Us** any notification of claim, notice of impending prosecution or inquest, summons, writ or any letters from the solicitors of the third party as soon as **You** receive such documents, but in any event within fourteen (14) days from the date of receipt of any of the documents.

e. Send **Your Car** to an **Approved Repairer** so that **We** can inspect **Your Car** before **We** give approval to proceed with repairs or take reasonable action to safeguard **Your Car** from further loss or damage. **We** can refuse to pay any claim under Section A of this **Policy** if **You** breach this condition.

f. **You** must obtain **Our** consent in writing before **You** repair **Your Car** or incur any expenses in connection with a claim under this **Policy**.

You must not do any of the following:

- Admit any responsibility for any **Incident**; or
- Negotiate or settle any claims made against **You** by a third party, unless **We** write and inform **You** that **You** can.

We will decide whether to negotiate, defend or settle, in **Your** name, **Your Authorised Driver's** name and / or on **Your** behalf, any claims made against **You** or **Your Authorised Driver** by a third party. If in **Our** assessment the third party claim made against **You** or **Your Authorised Driver** for property damage will exceed the limit of liability of RM3 million, **We** will pay the full amount of **Our** liability to **You** or the third party and hand over the further conduct of any defence, settlement or proceeding to **You** completely. After doing so **We** will not be liable under this **Policy** to make any more payments to **You** or any claimant or any other person arising from the same **Incident**.

*The conditions above also apply to anyone else who wishes to claim under the terms and conditions of this **Policy**. "Anyone else" may refer to personal representative or administrator / estate of the policyholder.*

Please refer to MSIG's Motor Claims Service Charter at https://www.msig.com.my/motor-customer-service-charter-mcsc/

3. Cancellation

Either **You** or **We** may cancel this **Policy** at any time during the **Period of Insurance**.

a. Cancellation by **You**:

- **You** can cancel this **Policy** at any time by returning the **Certificate of Insurance (CI)** to **Us** or, if the **CI** has been lost or destroyed, **You** must provide **Us** with a duly certified Statutory Declaration (SD) to confirm this.

- After returning the **CI** or SD **You** will be entitled to a refund of premium if no claim was incurred prior to cancellation. **Your** refund will be the difference between the total premium and **Our** customary short-period rates calculated for the time **We** were on risk until the date **We** received the **CI** or SD:

Period of Insurance	Refund of Premium
Not exceeding 1 week	87.5% of the total premium
Not exceeding 1 month	75.0% of the total premium
Not exceeding 2 months	62.5% of the total premium
Not exceeding 3 months	50.0% of the total premium
Not exceeding 4 months	37.5% of the total premium
Not exceeding 6 months	25.0% of the total premium
Not exceeding 8 months	12.5% of the total premium
Exceeding 8 months	No refund of premium allowed

- The **Policy** will automatically lapse once **You** sell or dispose off **Your Car** because **Your** insurable interest in the **Car** will cease. If **You** want to transfer the **Policy** to the new buyer, **You** have to get **Our** prior consent.

b. Cancellation by **Us**:

- **We** may also cancel this **Policy** by giving **You** fourteen (14) days notice in writing by registered post to **Your** last address known to **Us**.
- After returning the **CI** or SD **You** will be entitled to a refund premium for the unexpired period calculated on a pro-rata basis from the date **We** receive the **CI** or SD from **You** to the expiry date of the **Policy**.

There will not be any refund of premium for any cancellation of **Policy** (either by **You** or by **Us**) if **You** have paid the **Minimum Premium** only or if a claim has been made on this **Policy**.

4. If there is More Than One Insurance Covering the Same Car

a. **You** must inform **Us** in writing if **You** have taken out any other insurance in respect of **Your Car** during the **Period of Insurance**.
b. If a claim arises under this **Policy** and such a loss is also claimable under the other insurance policy(ies) taken by **You**, **We** will only contribute **Our** rateable proportion of the whole loss. **We** will not be liable to pay the claim first and then seek recovery from the other co-insurers who is / are also liable for the loss.

5. ***Subrogation***
We are entitled to take over all rights and remedies that **You** may have against any third party who caused the loss. **We** shall have the absolute discretion in the conduct of any proceedings, at **Our** own costs, against the third party and in the settlement of any such claim and **You** shall give **Us** such information and assistance as **We** may require from time to time including assigning all rights to take action in **Your** name. **You** must however give **Us Your** full cooperation to protect these rights and provide all assistance and take such steps as **We** require.

6. ***Dispute Resolution***
If there are differences or disputes on any matters relating to this **Policy** involving amounts exceeding RM250,000, an Arbitrator shall be jointly appointed by **You** and **Us** in writing to resolve the differences or disputes. If no agreement is reached on who is to be the Arbitrator within one month of being required to do so then **You** and **We** shall be entitled to appoint an Arbitrator each. Both Arbitrators shall then proceed to hear the difference or dispute together with an Umpire to be jointly appointed by them. If the Arbitrators cannot agree on an Umpire within thirty (30) days, then the Asian International Arbitration Centre (formerly known as Kuala Lumpur Regional Centre for Arbitration) shall appoint an Umpire.

If the disputed sum is less than RM250,000, **You** may refer the matter to the **Ombudsman for Financial Services** to resolve the dispute.

7. ***Other Matters***
We will only be liable to indemnify **You** under this **Policy** if **You**:

a. Comply with all the terms and conditions of this **Policy**. These conditions are also applicable to **Your Authorised Driver** and any legal representative who seek protection under this **Policy**;
b. Maintain **Your Car** in a reasonably efficient and roadworthy condition. **You** must get **Our** consent if **You** make any modification that will enhance or in any way affect the performance of **Your Car**;
c. Take reasonable care to avoid any situation that could result in a claim. This **Policy** will not cover **You** if **You** or **Your Authorised Driver** are reckless i.e. where **You** recognise a serious risk but deliberately do not take steps to prevent it. This includes but is not limited to leaving **Your Car** unattended while unlocked or with ignition keys left in or on **Your Car**; and
d. Make **Your Car** available to **Us** for inspection at all reasonable times upon request.

8. ***Prevalent Policy Wording***
For avoidance of doubt, the English version of this **Policy** wording will prevail over the Bahasa Malaysia version at all times.

Section F: Definitions of words highlighted in the Policy

*This section explains what **We** mean by the words printed in bold in this **Policy**.*

In this **Policy**, **Schedule** and **Certificate of Insurance**, unless the context otherwise requires, the following words shall have the meanings as defined below.

1. Accessories
This refers to the standard factory-fitted tools of the **Car** including air-conditioners and spare tyres and may include radio / cassette player / compact disc player and the like if specified in the **Schedule**.

2. Act of Terrorism
This refers to an act by any person(s) or group that uses force or violence and / or the threat of force or violence, whether they are acting alone or on behalf of or in connection with any organisation(s) or government(s) and done for political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and / or to put the public, or any section of the public, in fear.

3. Adjuster
This refers to a person or entity registered under the Financial Services Act 2013 who is appointed by **Us** to investigate the cause and circumstances of a loss and to determine the amount of loss.

4. Authorised Driver
This refers to any person who drives **Your Car** with **Your** consent or permission provided he or she holds a valid driving licence of the relevant type and is not disqualified to drive by law or for any other reason.

5. Car
This refers to the motor vehicle described in the **Schedule** and includes the manufacturer's standard options and **Accessories** fitted to it and any other non-standard options or descriptions that are specifically listed in the **Schedule**.

6. Certificate of Insurance
This certificate is a prescribed form that **We** are required to issue to **You** under the Road Transport Act 1987 and it outlines

the particulars of any conditions subject to which the **Policy** is issued.

7. Cheating

This follows the meaning as defined under Section 415 of the Penal Code which is as follows:
Whoever by deceiving any person, whether or not such deception was the sole or main inducement:

a. fraudulently or dishonestly induces the person so deceived to deliver any property to any person, or to consent that any person shall retain any property; or
b. intentionally induces the person so deceived to do or omit to do anything which he would not do or omit to do if he were not so deceived and which act or omission causes or is likely to cause damage or harm to any person in body, mind, reputation, or property,

is said to "cheat".

8. Criminal Breach of Trust

This follows the meaning as defined under Section 405 of the Penal Code which is as follows:
Whoever, being in any manner entrusted with property, or with any dominion over property either solely or jointly with any other person, dishonestly misappropriates, or converts to his own use, that property, or dishonestly uses or disposes of that property in violation of any direction of law prescribing the mode in which such trust is to be discharged, or of any legal contract, express or implied, which he has made touching the discharge of such trust, or wilfully suffers any other person so to do, commits "criminal breach of trust".

9. Endorsement

This refers to the document that **We** issue to **You** to confirm any changes or extensions of the coverage to the basic **Policy.**

10. Excess

This refers to the amount that must be borne by **You** first for each claim. The amount of the excess is shown in the **Schedule**. **You** have to pay the excess irrespective of who is at fault in the **Incident**.

11. Household

This refers to all members of **Your** or **Your Authorised Driver's** immediate family i.e. spouse, children including legally adopted children, parents, brother(s) and sister(s) staying under one roof with **You** in the case of **Your** immediate family, or with **Your Authorised Driver**, in the case of his immediate family.

12. Incident

Any event which could lead to a claim under this **Policy**.

13. Limitations as to Use

According to **Your Certificate of Insurance** (**CI**), **Your Car** can only be used for "Social, domestic and pleasure purposes and for the policyholder's business". The **CI** also states that "The **Policy** does not cover use for hire or reward, racing, pacemaking, reliability, trial speed-testing, the carriage of goods other than samples in connection with any trade or business".

14. Market Value

This refers to the reasonable cost to buy another car of the same make, model, age and general condition similar to **Your Car** at the time of loss. The **Market Value** of **Your Car** at the time of loss would be determined according to the terms of the option that **You** had chosen at the time **You** purchased this **Policy**. If **You** had opted for a **Market Valuation System** to determine **Your Sum Insured** then the **Market Value** would be based on that valuation system as described in clause 15 below. However, if **You** had not opted for a **Market Valuation System** then the **Market Value** of **Your Car** in the event of dispute would be determined by the Head Office of the **Car** franchise-holder and this value should be equal to the cost of purchasing a replacement car of the same make, model and age of **Your Car** at the time of loss. If this valuation is not available or appears in **Our** opinion to be unduly low or high then valuation will be determined by an **Adjuster** registered under the Financial Services Act 2013, agreed by both **You** and **Us**.

15. Market Valuation System

This refers to the motor vehicle **Market Valuation System** approved by **Your** insurer to determine the **Market Value** of **Your Car** at the time **You** purchased / renewed this **Policy** as well as at the time of the loss. **You** can opt to use the valuation recommended by this system as the **Sum Insured** to avoid the consequences of under-insurance as described in Section A2e. Alternatively, **You** may choose to determine the **Sum Insured Yourself** but **You** would be subject to Section A2e if **You** are under-insured.

16. Minimum Premium

The minimal premium described in the **Schedule**.

17. Named Driver

This refers to the persons named in the **Policy** who are authorised by **You** to drive **Your Car**. The compulsory excess of RM400 stated in Section A2g will not apply if **Your Car** is driven by a **Named Driver** provided they hold a valid full driving licence of the relevant type and are not disqualified to drive by law or for any other reason and are above the age of 21 years at the time of the **Incident**.

18. Financial Markets Ombudsman Services (FMOS)

This is an independent body that provides a free and efficient avenue to help settle financial disputes between **You** and **Us** under this **Policy** as an alternative to the courts.

19. Period of Insurance

The period shown in the **Schedule** when the cover provided by this **Policy** is operative. Cover is only valid from the actual time of purchase of the insurance **Policy** or from when **You** and **We** agree that cover should commence.

20. Policy
Policy includes the **Schedule**, the **Certificate of Insurance** and all **Endorsements** specifically listed in the **Schedule**.

21. Approved Repairer
This refers to any of the following:

a. motor repair workshops which are on **Our** panel of approved workshops;
   (i) **We** will ensure there are adequate number of **Our** panel of approved workshops to provide reasonable and convenient access to **You**;
   (ii) Where there are no panel of approved workshops at any nearby locations in the event of an **Incident**, **We** may at **Our** discretion choose to either:
      - assist **You** in accessing the nearest workshop on **Our** panel and arrange for towing services to such selected workshop at no cost to **You**; or
      - allow the damaged vehicle to be repaired at any nearby accident repair workshop registered with Jabatan Pengangkutan Jalan (JPJ), as may be determined by Us.

or

b. any other repairer that **We** have given **You** special permission to use. The circumstances under which a special permission may be granted by **Us** includes:
   (i) no **Approved Repairer** described in (a) above is available at the location of **Your Car**, and **We** are unable to assist **You** in accessing the nearest workshop on **Our** panel or that is registered with JPJ;
   (ii) repairs that require special expertise from specific repairers which cannot be provided by an **Approved Repairer**; and
   (iii) franchise repairers.

22. Road
Section 2 of the Road Transport Act 1987 defines "Road" as "any public road and any other road to which the public has access and includes bridges, tunnels, lay-bys, ferry facilities, interchanges, round-abouts, traffic islands, road dividers, all traffic lanes, sidetables, median strips, overpasses, underpasses, approaches, entrance and exit ramps, toll plazas, service areas, and other structures and fixtures to fully effect its use".

23. Schedule
This document shows **Your** name and address, the **Period of Insurance**, the sections of this **Policy** which apply, the premium **You** have paid, the **Car** which is insured, the **Sum Insured** and details of any extensions or **Endorsements**.

24. Sum Insured
This is the maximum that **We** will pay **You** for a claim under Section A. This amount is shown in the **Schedule**. The **Sum Insured** must be sufficient to cover the cost to replace **Your Car** in the event of an **Incident** that completely destroys it.

25. We, Our, Us
This refers to the licensed Insurance Company that is issuing **You** this **Policy**.

26. You, Your, Yourself
This refers to the policyholder or person described in the **Schedule** as "the Insured".

Section G: Endorsements - applicable only if the Endorsement number is printed in the Schedule

*Note that only **Endorsements** with their numbers specifically printed in the **Schedule** shall apply to this **Policy**.*

Endorsement 1: Excess All Claims *(see explanation on excess under Section 'What is an Excess?' and definition of '**Excess**' in Section F)*

The **Excess** amount shown in the **Schedule** is the amount that **You** have to pay for each and every claim under Section A arising out of one **Incident**. This means that **We** have the right to deduct the **Excess** from the amount that **We** would otherwise have to pay. If **We** are not able to deduct the **Excess**, **We** have the right to demand that **You** pay **Us** the **Excess** first, before **We** make any payment.

We will not deduct this **Excess** for loss or damage in respect of third party claims.

Endorsement 3(q): Third Party, Fire and Theft Insurance *(see explanation under "What is Covered?")*

The cover that **You** have chosen for **Your Car** is called 'Third Party, Fire and Theft' insurance. This means that the cover provided to **Your Car** under Section A is limited to any loss or damage caused by fire, explosion, lightning, burglary, housebreaking or theft only. For that reason all the remaining covers under Section A1a are deleted and Section B coverage has been purchased and is available to **You**.

Endorsement 14: Transfer of Interest

In consideration of the additional premium that **You** paid **Us** for this endorsement, **We** agree to transfer the interest in this **Policy** on *[state date]* to *[state name of transferee and NRIC No. / Business Registration No.]* of *[state address]* carrying on or engaging in the business or profession of _____ whose proposal and declaration dated *[state date]* shall be the basis of this contract.

Subject otherwise to the terms and conditions of this **Policy**.

Endorsement 15: Hire Purchase

We note that **Your Car** is under a Hire Purchase agreement with the Hire Purchase company named in the **Schedule** as the Owners. **You** unconditionally agree that the payment of any claim under Section A by **Us** by way of a cash payment shall be made to the Owners as long as they remain as the Owner of **Your Car** at the time of the **Incident**. The receipt from the Owners will fully discharge **Us** from any further claims or liability in respect of such loss or damage. For all other purposes **You** are the principal party under this **Policy** and not an agent or trustee for the Owners and that **You** have not assigned **Your** rights, benefits and claims under this **Policy** to the Owners. **You** cannot assign **Your** rights, benefits and claims under this **Policy** to anybody without **Our** written consent.

Endorsement 15(a): Employer's Loan

We note that **Your Car** was bought under an Employer's Loan agreement. **You** unconditionally agree that the payment of any claim under Section A by **Us** by way of a cash payment shall be made to the Employer named in the **Schedule** as long as the loan remains outstanding at the time of the **Incident** giving rise to a claim. The receipt from the Employer will fully discharge **Us** from any further claims or liability in respect of the **Incident**.

Other than the above, **Our / Your** rights and liabilities under this **Policy** are not affected.

Endorsement 18: Fleet Rated Risks – Cancellation of 'No Claim Discount'

By virtue of the benefit of the Fleet Discount received, the No Claim Discount clause of this **Policy** is cancelled.

Subject otherwise to the terms and conditions of this **Policy**.

Endorsement 22: Caravan / Luggage / Boat Trailers

In consideration of the additional premium that **You** paid **Us** for this endorsement, **We** agree to cover Caravan or Luggage or Boat Trailer that is specified in the **Schedule** under the heading '**Endorsement 22**' while it is being used together with **Your Car.**

This endorsement does not cover:

a. legal liability for death or bodily injury to any passenger in the specified Caravan / Luggage / Boat Trailer unless such person is being carried by reason of or in pursuance of a contract of employment;
b. loss or damage to the contents of or anything being carried in the specified Caravan / Luggage / Boat Trailer; and
c. loss or damage to the Boat being carried by the specified Trailer.

The maximum amount that **We** will pay for loss or damage to the specified Caravan / Luggage / Boat Trailer under Section A for this endorsement is the amount mentioned in the **Schedule** under the heading '**Endorsement 22**'.

Endorsement 24(c): Reliability Trials, Competitions etc.

In consideration of the additional premium that **You** paid **Us** for this endorsement, **We** agree that the insurance provided under this **Policy** shall cover **Your Car** while it is being used for *[state either reliability trials, competition]* to be held at *[state place / location]* on *[state date]* organized by *[state name of organizer]* including officially conducted practice for the event.

Endorsement 72: Legal Liability of Passengers for Negligent Acts

In consideration of the additional premium that **You** paid **Us** for this endorsement, **We** agree that the insurance provided under Section B of this **Policy** will include legal liability incurred by any passenger in **Your Car** on condition that the passenger:

a. is not driving **Your Car**;
b. is not entitled to indemnity under any other policy of insurance which cover legal liability as provided under this endorsement; and
c. complies with all the terms and conditions of this **Policy** as though he was **You**.

This endorsement does not cover:

a. death or bodily injury to any person who is employed by **You** or the passenger, and who dies or is injured in the course of such employment;
b. damage to any property that belongs to or is held in trust or in the custody or control of **You** or the passenger or which is being carried in **Your Car**; and / or
c. death or bodily injury to the driver or any other passenger travelling in **Your Car** at the same time.

Endorsement 87: Agreed Value Clause

The Agreed Value shown in the **Schedule** is the maximum amount that **We** will pay for **Your Car**, less any **Excess** (if

applicable) if **Your Car** is stolen or totally destroyed.

We and **You** have agreed at the commencement of this **Policy** to use this value as the basis of settlement provided **We** are liable to pay for such loss or destruction under the terms and conditions of this **Policy**. The **Market Value** of **Your Car** at the time of the loss will not be taken into account.

Endorsement 95: Leasing Agreement

We note that **Your Car** is under a Leasing Agreement with the Leasing company named in the **Schedule** as the Lessors. **You** unconditionally agree that the payment of any claim under Section A by **Us** by way of a cash payment shall be made to the Lessors as long as the Leasing Agreement remains valid at the time of the **Incident**. The receipt from the Lessors will fully discharge Us from any further claims or liability in respect of such loss or damage. For all other purposes, **You** are the principal party under this **Policy** and not as an agent or trustee for the Lessors and **You** have not assigned **Your** rights, benefits and claims under this **Policy** to the Lessors. **You** cannot assign **Your** rights, benefits and claims under this **Policy** without **Our** written consent.

Endorsement 100: Legal Liability to Passengers

In consideration of the additional premium that **You** paid **Us** for this endorsement, **We** shall pay towards **You** or **Your Authorised Driver's** liability to any person being carried in or upon or entering or getting into or onto or alighting from **Your Car** except for:

a. death or bodily injury to any passenger being carried for hire or reward;
b. death or bodily injury to any person where such death or injury arises out of and in the course of the employment of such person by **You** or by **Your Authorised Driver**;
c. damage to property belonging to or in the custody of or control of or held in trust by **You** or **Your Authorised Driver** and / or any member of **Your** or **Your Authorised Driver's Household**;
d. liability to any person who is a member of **Your** and / or **Your Authorised Driver's Household** who is a passenger in **Your Car** unless he / she is required to be carried in or on **Your Car** by reason of or in pursuance of his / her contract of employment with **You** or **Your Authorised Driver** and / or his / her employer;
e. liability caused by a passenger travelling in or alighting from **Your Car**;
f. any claims brought against **You** by any driver of **Your Car**, whether authorised or not;
g. any claims brought against any person in any country in courts outside Malaysia, the Republic of Singapore or Negara Brunei Darussalam; and / or
h. all legal costs and expenses which are not incurred in or recoverable in Malaysia, the Republic of Singapore and Negara Brunei Darussalam.

Condition of Cover
If at the time of **Incident** giving rise to a claim under this endorsement, **Your Car** is carrying passengers in excess of the stated maximum number permitted by law, **Our** liability shall be limited to the number of passengers specified for the vehicle as registered at the Road Transport Department.

If the number of passengers carried at the time of the happening of an **Incident** is more than the maximum number permitted in the vehicle by law, **We** will not pay their claim in full. Any payment **We** make to any claimant under this endorsement will be rateably reduced in the proportion of the legally permitted maximum number of lawful passengers over the actual number of passengers carried, at the time of the **Incident.** The difference between the sum paid by **Us** and the claim to be paid to each passenger claimant shall be borne by **You** or **Your Authorised Driver**. The proportion **We** pay shall be calculated in accordance with the following formula:

$$\frac{\text{Number of passengers permitted by law}}{\text{Actual number of passengers carried at time of } \textbf{Incident}} \times \text{Total Claim Awarded}$$

Endorsement 101: Extension of Cover to the Kingdom of Thailand

In consideration of the additional premium that **You** paid **Us** for this endorsement, **We** agree that the insurance provided under Section A and Section B1a(ii) of this **Policy** shall cover **Your Car** while it is being used in the Kingdom of Thailand from the time of purchase on [*state date*] to midnight (Malaysian Standard Time) on [*state date*]. The limit of liability that **We** provide under Section B1a(ii) will be up to a maximum of RM100,000 only.

This endorsement does not cover legal liability under Section B1a(i) while **Your Car** is being used in the Kingdom of Thailand.

Endorsement 102: Extension of Cover to West Kalimantan

In consideration of the payment of additional premium by **You** to **Us**, the geographical area of this **Policy** is extended to include West Kalimantan with effect from _____ a.m. / p.m. on [*state date*] to midnight (Malaysian Standard Time) on [*state date*] subject to the limit of liability of RM50,000 under Section B1a(i) and B1b(ii).

Subject otherwise to the terms and conditions of this **Policy**.

Endorsement 105: Limits of Liability for Third Party Property Damage (TPPD)

In consideration of the additional premium that **You** paid **Us** for this endorsement, **We** agree to increase the limit of liability provided under Section B2(ii) of this **Policy** to RM [*state new limit*] with effect from [*state date*].

Limits of liability in excess of RM3 million up to RM20 million is allowed subject to additional premium stated as below:-

TPPD limits of Liability

From RM3 million up to RM4 million	-	15% of Third Party Premium
Up to RM6 million	-	30% of Third Party Premium
Up to RM10 million	-	45% of Third Party Premium
Up to RM20 million	-	60% of Third Party Premium

Endorsement 109: Extension of Cover for Ferry Transit to and / or from Sabah and the Federal Territory of Labuan

In consideration of the additional premium that **You** paid **Us** for this endorsement, **We** agree that the insurance provided under Section A of this **Policy** shall cover loss or damage to **Your Car** when in transit to and / or from Sabah and Federal Territory of Labuan.

You must bear the first 1% of the **Sum Insured** or RM500 (whichever is higher) for each and every claim arising out of one transit for every claim payable under this endorsement. **We** have the right to deduct this amount in addition to the **Excess** mentioned in the **Schedule** of this **Policy**.

Endorsement 113: Reference to Motor Vehicle Market Valuation System

This refers to the motor vehicle **Market Valuation System** approved by **Us** to determine the **Sum Insured** of **Your Car** at the time **You** purchased / renewed this **Policy** as well as the **Market Value** at the time of the loss.

When a claim is made, the **Market Value** of **Your Car** would be determined by the (name of motor vehicle **Market Valuation System**) and this value would be accepted as the cost of purchasing a replacement car of the same make, model and age of **Your Car** at the time of loss.

If no **Market Value** is available from the (name of motor vehicle **Market Valuation System**) for **Your** Car, the **Market Value** of the **Car** would be determined by an **Adjuster**, agreed to by both **You** and **Us**.

The valuation done by the (name of motor vehicle **Market Valuation System**) or **Adjuster** will be conclusive evidence in respect of the **Market Value** of **Your Car** in any legal proceedings against **Us**.

Subject otherwise to the terms and conditions of this **Policy**.

Warranty No. 1 – Warranty on Overloading of Vehicle (Applicable to All Commercial Vehicles Including Private Buses and Vans)

Warranted that We shall not be liable under Section A of this Policy in the event that at the time of accident giving rise to a claim under this Policy Your Vehicle carries a load in excess of the permitted weight and/or number of passengers as specified in the registration book of Your Vehicle. Provided always that this warranty shall not apply unless overloading exceeds by 10% of the permitted weight (for goods carrying vehicles).

Subject otherwise to the Terms and Conditions of this Policy.

Notes: For the purpose of calculating the number of persons where children are carried, such adjustments shall be made as are permitted under any legislation applying to the carriage of children in the Motor Vehicle.

Endorsement EV01: Electric Car (Non-Tariff)

We agree to extend this **Policy** subject to the terms and conditions and exceptions to cover **Your Electric Car**.

Coverage
We will indemnify:

a. **You** for loss or damage to **Your Car** in the event of an **Incident** specified under section A1a of this **Policy.**
b. **You** and/or **Authorised Driver**, for the amount which **You** and/or **Your Authorised Driver** are legally liable to pay any third party for the event as specified under Section B1a of this **Policy**.

Exclusions
We will not pay for:

1. **Your Charging Cable** unless it is damaged as per **Incident** as specified under Section A or it is stolen together with **Your Car**.

2. **Over the Air (OTA) updates**
   Any loss, damage, injury or liability (including any cost of defending any action) connected in any way directly or indirectly to:
   a. Operate **Your Car** with **OTA** updates that are not approved by **Your Car's** manufacturer; or
   b. Operate **Your Car** with **OTA** updates that are not in production by **Your Car**'s manufacturer.

Definitions
Some definitions applicable to this Endorsement.

a. Charging Cable
This refers to the cable between the charging station and the **Electric Car** to supply electricity to the battery.

b. Electric Car
An electric vehicle (EV) that operates on electric motors without an internal combustion engine and is fully powered by electricity from a battery that requires charging.

c. Over the Air (OTA) updates
This refers to software updates such as functionality, performance and safety updates that are installed wirelessly.

Subject otherwise to the terms and conditions of this **Policy**.

Endorsement F001: MSIG Motor Assist (Non-Tariff)

In consideration of the additional premium that **You** paid **Us** for this endorsement, **We** will provide the following services:

i) 24-Hour Towing & Emergency Roadside Repair Services:
- If **Your Car** is immobilised as a result of breakdown, **You** may just make a call to the MSIG Motor Assist hotline at 1 300 880 833 or request for assistance through MSIG Motor Assist App. MSIG Motor Assist will arrange to:
  - Organise minor repair on-site, if necessary.
  - Tow **Your** vehicle to **Your** home or **Your** preferred **Repairer** to rectify the problem.
- MSIG Motor Assist will bear an amount of up to RM300 per incident for towing and any labour costs for on-site breakdown repairs only, excluding replacement of parts.

ii) Nationwide coverage of **Our** panel workshops.
iii) 24-hour Call Centre Service.
iv) Transmission of emergency information to the immediate family of the policyholder within Malaysia upon request.
v) Alternative Transport Home after a motor accident.

Subject otherwise to the terms and conditions of this **Policy**.

Endorsement F002: Inconvenience Flood Allowance (Non-Tariff)

In consideration of the additional premium that **You** paid **Us** for this endorsement, **We** will pay **You** an allowance of RM1,000, in the event **Your Car** is damage due to flood, flash flood, overflowing of waterways, drains, rivers or mud slides. **Your Car** should be directed or towed to an approved **Repairer**.

a. In the event of flood claim, **You** must provide **Us** with the following:

- copy of police report;
- copy of repair invoice/official receipt;
- photograph before and after cleaning works and/or any additional document for verification; and
- any other relevant documents requested by **Us**.

b. **You** should notify the claim to **Us** once **Your Car** has been sent to the **Repairer**.

c. The cover is limited to one (1) occurrence in each **Period of Insurance** and reinstatement of this cover is not allowed. Any claim under this endorsement shall not affect **Your** NCD entitlement and no **Excess** will apply, provided always it is within the **Period of Insurance** under this Policy.

Subject otherwise to the terms and conditions of this **Policy**.

Complaint Procedures

We believe **You** deserve a courteous, fair and prompt service. If there is any circumstance when **Our** service does not meet **Your** expectations, please contact **Us** using the appropriate contact details below and provide the **Policy** Number/*Claim Number* and *Insured Person's Name*:

1. Firstly with the department or person **You** dealt with **Us** on how **You** would like the problem to be solved.

2. Secondly if the problem is not solved to **Your** satisfaction, then make a formal written complaint to **Our** Customer Service Department at:

Customer Service Hotline	:	1-800-88-MSIG (6744)
Facsimile	:	+603-2026 8086
Email	:	myMSIG@my.msig-asia.com

Website	:	www.msig.com.my
Address	:	Customer Service Department MSIG Insurance (Malaysia) Bhd Level 15, Menara Hap Seng 2, Plaza Hap Seng, No. 1, Jalan P. Ramlee, 50250 Kuala Lumpur.

3. Thirdly, if **You** are not satisfied with **Our** decision, **You** can refer the matter to FINANCIAL MARKETS OMBUDSMAN SERVICE (FMOS) or BANK NEGARA MALAYSIA through BNMLINK:

   i. **FINANCIAL MARKETS OMBUDSMAN SERVICE**
   (Formerly known as Ombudsman for Financial Services)
   Level 14, Main Block,
   Menara Takaful Malaysia,
   No.4, Jalan Sultan Sulaiman,
   50000 Kuala Lumpur.

General Line	:	+603-2272 2811
Website	:	www.fmos.org.my

   ii. **BNMLINK**
   4th Floor,
   Podium Bangunan AICB,
   No.10 Jalan Dato' Onn
   50480 Kuala Lumpur

Telephone	:	1-300-88-5465 or +603-2174 1717 (for overseas calls)
Website	:	bnm.gov.my/BNMLINK
Physical Visits	:	By appointment only via eLINK form at bnm.gov.my/BNMLINK or by telephone

   You may refer to FMOS and BNMLINK website for detailed information on the scope and timeline for lodging a complaint.

Personal Data Protection

By giving Personal Data, You give Us permission for its use as described below:-

a. To process **Your** Personal Data with the intention of entering into the Contract of Insurance.

b. **You** consent and allow **Us** to retain the data and share the data with **Our** service providers, which include but not limited to:

   (i) Registered Adjuster,
   (ii) Solicitors, and any other professional body(ies) for the purpose of fulfillment of the Insurance Contract,
   (iii) Insurer and Reinsurer,
   (iv) ISM Insurance Services Malaysia Berhad.

c. For further information about **MSIG**'s commitment to protection of Personal Data, a list of service providers and business partners that **We** may disclose **Your** Personal Data to, please refer to **MSIG**'s Privacy Notice at www.msig.com.my/privacy-notice/ or scan QR Code below:

You may also request access to or correct **Your** Personal Data by contacting **Our** Customer Service Department. Such information will only be granted after verification. 'Personal Data' has a meaning assigned to it under the Personal Data Protection Act 2010.

Tax Clause

You are obligated to pay any applicable taxes (which include but not limited to service tax and stamp duty) imposed by the Malaysian tax authorities in relation to this Policy.