

PRODUCT DISCLOSURE SHEET

Please read this Product Disclosure Sheet before you decide to take up the following product and please seek clarification from our Agent if you do not understand any of the terms herein.
Be sure to also read the general terms and conditions of the policy.

Product Liability Insurance

1. What is this product about?

This policy cover your legal liability to compensate for injury or damage sustained by another person caused by defective products supplied, distributed or sold. Liability for defective products may arise as a result of negligence in the process of manufacture, design, storage, packaging or vent marketing including product information such as misrepresentation, failure to give warning or instruction of use.

2. What are the covers / benefits provided?

Product Liability Insurance provides indemnity to manufacturer, distributor or supplier of products against the aforesaid potential liability exposure. A proposer would have to select an appropriate limit of indemnity that may commensurate with the kind of potential liability exposure. The territorial limit of the cover would depend on the market to which products are exported or for which they are intended.

Product Liability indemnifies the insured against all sums (inclusive costs and expenses) which the insured shall become legally liable to pay as damages in respect of occurrences happening anywhere within the Territorial Limit in respect of Bodily Injury or Loss of or Damage to property arising out of claims first made in writing against the insured during policy period as a result of an accident after the Retroactive Date.

Duration of cover is for one year. You need to renew your insurance policy annually with a completed proposal form to be submitted every year for renewal consideration.

3. How much premium do I have to pay?

The premium that you have to pay may vary depending on the underwriting requirements such as product to be covered, estimated annual turnover, territorial limits and jurisdiction, limit of indemnity and excess.

The rating for a particular product depends on the exposure of the risk it would entail. For e.g. Product Liability cover for electrical goods has higher exposure than that of plastic items.

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

Commissions paid to the insurance intermediaries (if any)
Stamp Duty
Service Tax

15% of premium
RM10.00
6% of premium

You are obliged to pay any applicable taxes (which include but not limited to Stamp Duty and Service Tax) imposed by the Malaysian Tax authorities in relation to your Policy.

5. What are some of the key terms and conditions that I should be aware of?

Consumer Insurance Contract

- Pursuant to Paragraph 5 of Schedule 9 of the Financial Services Act 2013, if you are applying this insurance wholly for purposes unrelated to your trade, business or profession, you have a duty to take reasonable care not to make a misrepresentation in answering the questions in the Proposal Form (or when you apply for this insurance). You must answer the questions fully and accurately.
- Failure to take 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.
- The above duty of disclosure shall continue until the time your contract of insurance is entered into, varied or renewed with us.
- In addition to answering the questions in the Proposal Form (or when you apply for this insurance), you are required to disclose any other matter that you know 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.

Non-Consumer Insurance Contract

- Pursuant to Paragraph 4(1) of Schedule 9 of the Financial Services Act 2013, if you are applying for this insurance for a purpose related to your trade, business or profession, you have 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.
- The above duty of disclosure shall continue until the time your contract of insurance is entered into, varied or renewed with us.
- 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.
- Every application must come with a completed proposal form, brochures and certification.
- You must inform your insurance intermediary or us in writing on any material changes during the policy period so that the necessary amendments are endorsed to your policy.
- You should not admit, offer, promise or pay the claimant without our written consent.
- This insurance is subject to Premium Warranty. Please ensure to pay your premium within 60 days from the policy inception date.

6. What are the major exclusions under this policy?

This policy does not cover:

- Contractual Liability
- War risks and any act of terrorism
- Radioactive and nuclear energy risks
- Product Guarantee
- Product Recall
- Damage to Product itself
- Fines, penalties, liquidated damages, punitive damages or exemplary damages

Note: This list is non-exhaustive. Please refer to the sample policy contract for the full list of exclusions under this policy.

7. Can I cancel my policy?

You may cancel your policy by giving written notice to us. Upon cancellation, you are entitled to a refund of the premium based on the unexpired period of insurance subject to the minimum premium to be retained by us.

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

It is important that you inform The Pacific Insurance Berhad of any change in your contact or personal details to ensure that all correspondences reach you in a timely manner.

9. Where can I get further information?

Should you require additional information about Product Liability, you can contact us or any of our branches or visit www.pacificinsurance.com.my

If you have any other enquiries, please contact:

The Pacific Insurance Berhad
40-01, Q Sentral, 2A Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia.
(P.O. Box 12490, 50780 Kuala Lumpur, Malaysia.)
Tel: +603-2633 8999 Fax: +603-2633 8998 Toll Free line: 1800 88 1629
Email: customerservice@pacificinsurance.com.my Website: www.pacificinsurance.com.my

10. Other types of Similar Insurance cover available

None.

11. Acknowledgement

I/We acknowledge that the above key contract terms have been adequately explained to me/us.

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Signature

IMPORTANT NOTE:

1. You should read and understand the Insurance Policy and discuss with the Insurance Agent or contact The Pacific Insurance Berhad for more information.
2. The information provided in this Product Disclosure Sheet is valid as at 7 Dec 2020.
3. The Pacific Insurance Berhad is licensed under the Financial Services Act 2013 and regulated by Bank Negara Malaysia.