

## 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.

### Marine Cargo Insurance

The benefit(s) payable under eligible certificate/policy/product is(are) protected by PIDM up to limits. Please refer to PIDM's TIPS Brochure or contact The Pacific Insurance Berhad or PIDM (visit [www.pidm.gov.my](http://www.pidm.gov.my)).

#### 1. What is this product about?

This policy provides cover for the transportation of goods from one place to another by sea, air or land against loss of or damage caused by a wide range of perils.

#### 2. What are the covers / benefits provided?

There are three (3) main covers based on Institute Cargo Clauses, which are:

**Institute Cargo Clauses (A)** which covers:

- all risk of loss of or damage to the goods subject to the exclusions as mentioned in the Clause

**Institute Cargo Clauses (B)** which covers:

- fire or explosion
- vessel or craft being stranded, grounded, sunk or capsized,
- overturning or derailment of land conveyance,
- collision or contact of vessel craft or conveyance with any external object other than water,
- discharge of cargo at port of distress,
- earthquake volcanic eruption or lightning
- general average sacrifice
- jettison
- washing overboard
- general average and salvage charges
- entry of sea, lake or river water into the vessel craft hold conveyance container liftvan or place of storage
- total loss of any package lost overboard or dropped whilst loading on to, or unloading from vessel or craft

**Institute Cargo Clauses (C)** which covers:

- fire or explosion
- vessel or craft being stranded, grounded, sunk or capsized,
- overturning or derailment of land conveyance,
- collision or contact of vessel craft or conveyance with any external object other than water,
- discharge of cargo at port of distress,
- general average sacrifice
- jettison

You may extend coverage to the following risks by paying additional premium:

- War as provided in the Institute War Clauses (Cargo). War risk is applicable to Sea and Air transits only.
- Strikes as provided in the Institute Strikes Clauses (Cargo)

Duration of cover is during the transit/shipment period, which will usually commence when goods are first moved in the warehouse/premises of the supplier for the purpose of immediate loading into carrying vehicle/ conveyance, continues during the ordinary course of transit and terminates on completion of unloading from the carrying vehicle/ conveyance at the final warehouse/premises of the buyer.

You are advised to refer to your Terms of Sale (INCOTERMS) with Seller/ Buyer which will clearly define your tasks/ responsibilities (including insurance arrangement) to determine the type and duration of cover required.

#### 3. How much premium do I have to pay?

The premium you have to pay may vary depending on value of goods, type/ description of goods, nature/ method of packing, Voyage, type of conveyance used, claims history and coverage required.

The premium amount is derived by applying Premium rate against Insured value (Sum Insured) of goods.

**Note: This Policy is subject to minimum premium of RM100.00**

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

In addition to the premium, you have to pay:	Amount
a. Commission paid to the insurance agent (if any)	15% of premium
b. Service Tax	8% of premium
c. Stamp Duty	RM10.00

You are obliged 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 your Policy.

The Policy is subject to a minimum premium of RM100.00.

## 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 for 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.

You must ensure that the sum insured for the property and interest insured under the Fire Section is based on the new replacement or reinstatement cost, taking into account the renovations/improvements made to your property. If the amount insured is less than the actual replacement value at the time of loss, the condition of average will apply in the event of a claim. The deductible/ excess is the amount you have to bear before we pay a claim.

In the event of a claim notification from a third party, you should not admit, offer, promise or pay the claimant without our written consent.

The premium must be paid and received by us within 60 days from the inception date of the cover, otherwise the cover is automatically cancelled and you will still be responsible to pay the proportion of premium for the period we have been on risk.

## 6. What are the major exclusions under this Policy?

This policy does not cover:

- wilful misconduct of the Assured
- Ordinary leakage, loss in weight or volume, or ordinary wear and tear of the goods insured
- insufficiency or unsuitability of packing or preparation of the goods insured
- Inherent vice or nature of the goods insured
- unseaworthiness of vessel or craft, unfitness of vessel, craft, container or conveyance for the safe carriage of the goods insured
- delay, even though the delay be caused by a risk insured against
- insolvency or financial default of the owners, managers, charterers or operators of the vessel
- Deliberate damage to or deliberate destruction of the subject matter insured or any part thereof by the wrongful act of any person or persons
- Loss damage or expense directly or indirectly caused by or arising from the use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- War & Strikes

*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 The Pacific Insurance Berhad, substantiated with evidence that the shipment had been cancelled by buyer/supplier. You are entitled to a refund premium upon the cancellation of the policy.

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

It is important that you inform us of any changes in your contact details to ensure that all correspondences reach you in a timely manner.

## 9. Where can I get further information?

Should you require additional information, you can contact us or any of our branches or visit [www.pacificinsurance.com.my](http://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](mailto:customerservice@pacificinsurance.com.my) Website: [www.pacificinsurance.com.my](http://www.pacificinsurance.com.my)

**10. 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.