

# PRODUCT DISCLOSURE SHEET

Dear Customer,

This Product Disclosure Sheet (PDS) is designed to provide you with some key information on your Contractors' All Risks Insurance.

Other customers have read this PDS and found it helpful; **you should read it too.**

The information provided in this Product Disclosure Sheet is valid from 1 January 2026.

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 Contractors' All Risks Insurance?

Contractors' All Risks Insurance policy is designed to meet the insurance obligations placed upon Contractors under the contract conditions. The policy covers the work to be executed in accordance with the contract, temporary works, materials, construction plant and equipment brought into the site and liabilities arising out of the performance of the contract.

## 2. Know Your Coverage

As an illustration, a civil construction with total sum insured of RM500,000.00, for RM 1,250.00 (subject to Service Tax and Stamp Duty). During the coverage period, you will receive the following Contractors' All Risks Insurance coverage:

This policy covers:	This policy excludes:
<ul style="list-style-type: none"><li><b>Section I – Material Damage</b> It covers almost any sudden and unforeseen physical loss or damage occurring (except as specifically excluded in the policy) to the contract works/property/items insured, during the period of insurance.</li><li><b>Section II – Third Party Liability</b> This Section is in respect of third party liability for which we shall become legally liable to pay as damages consequent upon: (i) accidental bodily injury to or illness of third party (ii) accidental loss or damage to property belonging to third party</li></ul> <p>The duration of cover corresponds with the contract period which is stipulated in the Letter of Award.</p>	<ul style="list-style-type: none"><li>War, Civil War and any act of Terrorism</li><li>Radioactive and nuclear energy risks</li><li>Willful acts or willful negligence</li><li>Wear and tear</li><li>Faulty design</li><li>The cost of replacement, repair or rectification of defective material and/or workmanship</li><li>Mechanical and/or electrical breakdown or derangement of construction plant and machinery</li><li>Consequential loss of any kind</li><li>Seepage, Pollution and Contamination</li></ul> <p><i>Note: This list is non-exhaustive. You should refer to the policy for the full list of exclusions.</i></p>

By paying an additional premium, you can expand the coverage to include:

- Removal of Debris
- Professionals' Fees
- Principal Existing Property (PEP)
- Construction Plant and Machinery (CPM)

If you have any questions or require assistance on your contractor all risk insurance, you can:



Call us at  
+603-2633 8999



Visit us at:  
[Contractor All Risk Insurance](#)



Email us at:  
[customerservice@pacificinsurance.com.my](mailto:customerservice@pacificinsurance.com.my)

### 3. Know Your Obligations

For this contractor all risk insurance, you must pay a premium of:

Standard Cover	<b>RM 1,250.00</b>
Total premium you must pay is <b>RM1,250.00</b> .	

You also have to pay the following fees and charges:

Stamp duty	<b>RM 10.00</b> (eligible for exemption until 31 December 2028 provided if the policyholder is an individual, and the annual gross premium does not exceed RM150; or a MSME with a valid MSME certificate submitted, and the annual gross premium does not exceed RM250)
Commission	15% of premium or <b>RM 187.50</b> (included in the total premium)
Service Tax	8% of premium or <b>RM 100.00</b>

### 4. Other Key Terms

- Any extension of the contract period can be considered subject to advance notification to us via written declaration and submission of additional documents.
- You must ensure that your sum insured stated in the Schedule shall not be less than
  - the full value of the contract works at the completion of the contract
  - the replacement value of construction, plant and machinery (if any)
- The deductible/excess is the amount you have to bear before we pay a claim.
- Your premium will vary depending on the risk exposure, our underwriting requirements and total sum insured.
- If the sum insured stated in the Schedule is less than the amount required to be insured at the time of loss (i.e. under-insurance), you are deemed to be self-insuring the difference.
- Contribution Condition – If at the time any claim arises under the Policy there is any other insurance covering the same loss, damage or liability, we shall not be liable to pay or contribute more than its rateable proportion of any claim for such loss, damage or liability.
- 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 pro rata premium for the period we have been on risk.
- 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 and any matter a reasonable person in the circumstances could be expected to know to be relevant.
- You 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.
- The duration of cover corresponds with the contract period which is stipulated in the Letter of Award.

*Note: This list is non-exhaustive. You should refer to the policy for the full list of terms and conditions.*

### 5. Can I cancel my policy?

There is no cancellation condition under this policy.

If you have any complaints, please contact us at:

#### Complaint Monitoring Unit

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 E-mail: [customerservice@pacificinsurance.com.my](mailto:customerservice@pacificinsurance.com.my)

If you are not satisfied with our response, you may contact the following:

(a) **Laman Informasi Nasihat dan Khidmat (BNMLINK) Bank Negara Malaysia**

4<sup>th</sup> Floor, Podium Bangunan AICB, No. 10, Jalan Dato' Onn, 50480 Kuala Lumpur

Tel: 1-300-88-5465 Fax: +603-2174 1515 Web Form: [bnm.gov.my/BNMLINK](http://bnm.gov.my/BNMLINK)

(b) **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

Tel: +603-2272 2811 Website: [www.fmos.org.my](http://www.fmos.org.my)