

# PRODUCT DISCLOSURE SHEET

**PACIFIC  
INSURANCE**

A member of the Fairfax Group

## Dear Customer,

This Product Disclosure Sheet (PDS) is designed to provide you with some key information on your Deterioration of Stock 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 Deterioration of Stock Insurance?

Deterioration of Stock Insurance policy insurance provides coverage for the deterioration of chilled, refrigerated or frozen stocks in cold storage due to a breakdown of the refrigeration unit which is indemnifiable under the Machinery Breakdown Insurance.

## 2. Know Your Coverage

As an illustration, an edible product required storage in cold storage room with total sum insured of RM500,000.00, for RM 3,500.00 annually (subject to Service Tax and Stamp Duty), you will receive the following Deterioration of Stock Insurance coverage:

This policy covers:	This policy excludes:
Damage to the goods described in the Schedule by deterioration or putrefaction directly caused by an "accident".	<ul style="list-style-type: none"><li>Loss due to shrinkage, inherent defects or disease, natural deterioration, putrefaction</li><li>Improper storage, damage to packing material, insufficient circulation of air, non-uniformity of temperature</li><li>Temporary repair of the refrigeration machinery specified in the list of machinery which is carried out without the insurer's consent</li><li>Penalties for delay, consequential loss</li><li>War or warlike operations, Civil War and any act of terrorism</li><li>Nuclear reaction, nuclear radiation or radio contamination</li><li>Willful acts or willful negligence</li><li>Fire, direct lightning, chemical explosion, aircraft damage, thefts, collapse of buildings, flood, natural catastrophes</li></ul> <p><i>Note: This list is non-exhaustive. You should refer to the policy for the full list of exclusions.</i></p>

If you have any questions or require assistance on your Deterioration of Stock Insurance, you can:



Call us at  
+603-2633 8999



Visit us at:  
[Deterioration of Stock Insurance](#)



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

### 3. Know Your Obligations

For this Deterioration of Stock Insurance, you must pay a premium of:

Standard Cover	<b>RM 3,500.00 annually</b>
Total premium you must pay is <b>RM 3,500.00</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 525.00</b> (included in the total premium)
Service Tax	8% of premium or <b>RM 280.00</b>

### 4. Other Key Terms

- “Accidents” shall mean the rise or fall in temperature as a result of breakdown of the Refrigerating Plant, except by the fire lightning or explosion flood or inundation or the accident failure of the public supply of electricity at the terminal ends of the Supply Authority’s service feeders in the Premises not occasioned by the deliberate act of the Supply Authority drought.
- You must ensure that the sum insured is equal to estimated maximum selling price obtainable for the stored goods during the period of this policy, such maximum selling price being indicated in the Schedule submitted by you prior to the commencement of insurance.
- The monthly declaration shall be based on the selling price obtainable for the goods.
- 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 coverage is 1 year. You need to renew your policy annually.

*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?

You may cancel your policy at any time by giving written notice to us. Upon cancellation, any refund of the premium would be based on the conditions stipulated in the policy contract.

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:

- 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)
- 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)