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## BUSINESS MACHINES AND EQUIPMENT POLICY

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WHEREAS the Insured has by a proposal which the Insured has agreed shall be the basis of this contract and be held as incorporated herein applied to UNI.ASIA GENERAL INSURANCE BERHAD (hereinafter called "the Company") for the Indemnity hereinafter contained.

IN CONSIDERATION of the Insured paying to the Company the First Premium for or on account of the said Indemnity the Company agrees subject to the terms exclusions limits and conditions contained herein or endorsed thereon that if during the period of Indemnity the Property or any part thereof be lost or damaged by any of the Contingencies hereinafter stated whilst in the Situation then the Company will by payment or at its option by reinstatement or repair indemnify the Insured against such loss or damage.

CONTINGENCIES: (1) Fire  
(2) Theft consequent upon actual forcible and violent entry  
(3) Accidental External Means

### EXCLUSIONS

The Indemnity hereinbefore contained shall not apply to nor include

1. Any consequence of
  - (a) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power.
  - (b) earthquake strike riot or civil commotion.
2. Loss by delay confiscation or detention by Custom House or by other Officials or Authorities.
3. Loss or damage arising from atmospheric conditions (other than lightning storm or tempest) wear and tear gradual deterioration any process of cleaning or restoring or from adjustment repair or dismantling of any part of the Property or loss of or damage to any part whilst removed from its normal working position.
4. Loss or damage arising from mechanical breakdown or mechanical derangement of the property or any part thereof.
5. Destruction of or damage to any part of the Property by its own ignition electrical breakdown or burn out.
6. Loss of or damage to records films or tapes other than by Fire or Theft (and then only for the value as unused material).
7. Consequential loss of any nature arising from any accident or loss or destruction of or damage to any property insured hereby.
8. Any legal liability of whatsoever nature directly or indirectly caused by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this exclusion combustion shall include any self-sustaining process of nuclear fission.
9. The indemnity or compensation provided by this Policy shall not apply to nor include any accident loss destruction damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.

### IMPORTANT NOTICE

1. *The Insured shall read this Policy carefully, and if any error or misdescription be found herein, or if the cover be not in accordance with the wishes of the Insured, advice should at once be given to the Company and the Policy returned for alteration.*
2. *All Premiums are to be paid directly to the Company, Payments made by cheque should be crossed "A/C PAYEE ONLY" and made out in favour of "UNI. ASIA GENERAL INSURANCE BHD."*

## CONDITIONS

### 1. OCCURENCE OF A CLAIM

The Insured shall take all reasonable precautions for the safety of the Property Insured and immediately upon having knowledge of any event giving rise or likely to give rise to a claim under this Policy shall immediately –

- (a) in the case of theft or loss give notice to the police and render all reasonable assistance in causing the discovery and punishment of any guilty person and in tracing and recovering the Property
- (b) in all cases give notice to the Company in writing and within fourteen days thereafter deliver to the Company a claim in writing and supply all such detailed proofs and particulars as may be reasonably required.

In no case shall the Company be liable for any loss or damage not notified to the Company within thirty days after the event.

### 2. SALVAGE AND RECOVERY

The Company may at any time at its own expense use all legal means in the name of the Insured for recovery of any of the Property lost and the Insured shall give all reasonable assistance for that purpose. The Company shall be entitled to any Property for the loss of which a claim is paid hereunder and the Insured shall execute all such assignments and assurances of such Property as may be reasonably required but the Insured shall not be entitled to abandon any Property of the Company.

### 3. CONTRIBUTION

If at the time of any loss or damage there be any other Insurance effected by or on behalf of the Insured covering any of the Property the liability of the Company hereunder shall be limited to its ratable proportion of such loss or damage.

### 4. FORFEITURE

If the claim, be in any respect fraudulent or if any false declaration be made or used in support thereof, or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this Policy, or, if the loss or damage be occasioned by the wilful act or with the connivance of the Insured; or, if the claim be made and rejected and an action or suit be not commenced within three months after such rejection, or (in case of an arbitration taking place in pursuance of the 9th Condition of this Policy) within three months after the arbitrator or arbitrators or umpire shall have made their award, all benefit under this Policy shall be forfeited.

### 5. LIMITS OF LIABILITY

All sums which may from time to time be paid under this Policy under each Period of Indemnity shall be accounted in diminution of the respective sums insured so that during any one Period of Indemnity the total sum payable by the Company shall not exceed the sum set opposite each item of the Property or in the whole the Total Sum Insured.

### 6. NOTICE TO THE INSURED

No claim shall be recoverable hereunder if the benefit of the contract herein contained shall become vested in any person other than the Insured unless the written consent of the Company thereto be first obtained.

7. The due observance and fulfilment of the terms conditions and endorsements of this Policy by the Insured in so far as they relate to anything to be done or complied with by him and the truth of the statements and answers in the said proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.

**8. CANCELLATION OF THE INSURANCE**

The Company shall at any time by giving fourteen days notice to the Insured by Registered Letter at the Insured's address as last known to the Company be at liberty to determine and cancel this Policy, provided that the Company shall in that event on demand return to the Insured a proportionate part of the premium corresponding to the unexpired period of insurance. This Policy may also be cancelled at any time by the Insured on notice to the Company in which event the Insured shall be entitled to a return of the premium less premium at the Company's Short Period Rates or the time the Policy has been in force during the then current period of insurance.

**SHORT PERIOD RATES**

Not exceeding one calendar month	_____	25%
Exceeding one month but up to 3 months	_____	50%
Exceeding three months but up to 6 months	_____	75%
Exceeding six months but up to 9 months	_____	90%
Exceeding nine months	_____	100%

**9. ARBITRATION**

If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an Arbitrator to be appointed by the parties in accordance with the Statutory provisions in that behalf for the time being in force. Where any difference is by this condition to be referred to arbitration the making of an Award shall be a condition precedent to any right of action against the Company.

**10. AVERAGE**

If the property hereby insured shall, at the time of loss or damage, be of greater value than the sum insured hereon, then the Insured shall be considered as being his own Insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to this Condition.

Subject otherwise to the Terms, Conditions and Exceptions of the Policy.

## WARRANTIES / ENDORSEMENTS / CLAUSES

THE FOLLOWING WARRANTIES/ENDORSEMENTS/CLAUSES ONLY APPLY WHEN SPECIFIED IN THE SCHEDULE

### SPECIAL WARRANTY: MATERIAL CHANGES OF RISK

Notwithstanding anything within-mentioned to the contrary, it is hereby warranted that unless written notification be given to the Company and the Company's consent be specifically endorsed hereon, the cover of this Policy will forthwith cease and the Company will not indemnify the Insured in respect of loss, damage or liability directly or indirectly caused by or arising out of or aggravated by:—

- (a) any change in ownership of the Insured's Business, and/or
- (b) Cessation of business, whether total or partial, for any reason whatsoever, and/or
- (c) the Insured entering into liquidation or receivership or the winding-up of operations,

during the currency of this Policy.

### LEASING ENDORSEMENT

It is hereby understood and agreed that the Lessor (referred to the schedule under the Leasing Endorsement therein) are the owners of the Property and that such Property is the subject of a Leasing Agreement made between the Lessors of the one part and the Insured (referred to in the schedule under the Leasing Endorsement therein) of the other part. It is further understood and agreed that any payment made in respect of loss or damage (which loss or damage is not made good by repair, reinstatement or replacement) under the terms of this Policy shall be made to the Lessors as long as they are the owners of the Property and their receipt shall be full and final discharge to the Company in respect of such loss or damage. It is understood and agreed and that notwithstanding any provision in the Leasing Agreement to the contrary this Policy is issued to the Insured as the Principal party and not as agent or Trustee for the Lessors and nothing herein shall be construed as constituting the Insured, as agent or trustee for the Lessors or as an assignment (whether legal or equitable) by the Insured to the Lessors of his rights, benefits and claims under this Policy, nothing herein shall be construed as creating any right in the Lessor to sue the Company in any capacity whatsoever for any alleged breach of its obligations hereunder.

Subject otherwise to the Terms of this Policy.

### HIRE PURCHASE CLAUSE

It is hereby understood and agreed that the Owners (referred to in the schedule under the Hire Purchase Clause therein) are the owners of the insured property and that the insured property is the subject of a Hire Purchase Agreement made between the Owners of the one part and the Insured (referred to in the schedule under the Hire Purchase Clause therein) of the other part. It is further understood and agreed that any payment made in respect of loss or damage (which loss or damage is not made good by repair reinstatement or replacement) under this policy shall be made to the owners as long as they are owners of the Insured property and their receipt shall be a full and final discharge to the Company in respect of such loss or damage. It is also understood and agreed that notwithstanding any provision in the Hire Purchase Agreement to the contrary this policy is issued to the Insured as the principle party and not as agent or trustee for the Owners and nothing herein shall be construed as constituting the Insured an agent or trustee for the Owners or as an assignment (whether legal or equitable) by the Insured to the Owners of his rights benefits and claims under this policy. It is lastly understood and agreed that the Insured shall not assign his rights benefits and claims under this policy without the prior consent in writing of the company.

### STRIKE, RIOT AND CIVIL COMMOTION

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, this policy shall extend to include loss of or damage to the interests insured directly arising from or caused by strikes, riots and civil commotions which for the purpose of this clause shall mean:

- 1) The act of any person taking part together with others in any disturbances of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in the exclusions below.
- 2) The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or is minimising the consequences of any such disturbances.
- 3) The wilful act of any striker or lock-out worker done in furtherance of a strike or in resistance to a lock-out.
- 4) The action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimising the consequences of any such act.

## EXCLUSION

Provided always that the Company shall not be liable for any loss of or damage to the interest insured occasioned by or through or in consequence directly or indirectly any of the following occurrences:—

- a) War, invasion, act of foreign enemy, hostilities or war-like operations (whether war be declared or not), civil war.
- b) Mutiny, civil commotion assuming the proportions of or amounting to a popular arising, military rising, insurrection, rebellion, revolution, military or usurped power.
- c) Any act of any person acting on behalf or in connection with any organisation with activities directed towards the overthrow by force by Government de jure or de facto or through the influence of it by terrorism or violence.

In an action, suit or other proceeding, where the insurers alleges that by reason of the provisions of this exclusion any loss or damages is not covered by this insurance, the burden of proving that such loss or damages is covered shall be upon the insured.

## PREMIUM WARRANTY ENDORSEMENT

“It is a fundamental and absolute Special Condition of this contract of insurance that the premium due must be paid and received by insurers within sixty (60) days from the inception date of this policy.

If this condition is not complied with then this contract is automatically cancelled and the insurers shall be entitled to the pro rata premium of the period they have been on risk.”

Where the premium payable pursuant to this warranty is received by an authorised agent of the Company, the payment shall be deemed to be received by the Company for the purposes of this warranty and the onus of proving that the premium payable was received by a person, including an insurance agent who was not authorised to receive such premium shall lie on the Company.

Subject otherwise to the Terms and Conditions of this Policy.

## FULL THEFT ENDORSEMENT

Notwithstanding anything contained herein to the contrary, it is hereby declared and agreed that the Insurance granted by this Policy shall apply also in respect of theft not consequent upon forcible entry.

## CAPITAL ADDITIONS CLAUSE

The Insurance hereby extends to cover alterations, additions and improvements (but not appreciation in value in excess of the sums insured) to property specified in items (as specified in policy schedule) hereof for an amount not exceeding 10% it being understood that the Insured undertake to advise the Corporation each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

## DESIGNATION CLAUSE

For the purpose of determining where necessary the heading under which any property is insured, the Insurers agree to accept the designation under which such property has been entered in the Insured's books.

## REINSTATEMENT OF LOSS CLAUSE

In consideration of the Insured undertaking to pay an additional premium at the agreed rate on the amount of loss calculated on a pro-rate basis from the date of such loss to the expiry of the current period of insurance, it is agreed that in the event of loss the insurance hereunder shall maintain in force for the full sum insured.

## ELECTRICAL INSTALLATIONS – 4 (B)

Loss or damage by fire to the electrical appliances and installation insured by (Items as specified in policy schedule of) this Policy arising from or occasioned by over-running, excessive pressure, short circuiting, arcing, self heating or leakage of electricity, from whatever caused (lightning included) is covered subject to the terms and conditions of this Policy, but it is expressly understood that no liability exists under this Policy for loss or damage to any electrical machine, apparatus, fixture or fitting, or to any portion of the electrical installation, unless caused by fire or lightning.

## SET/PAIR WARRANTY

Where any insured item consists of article in a pair or in a set the Company shall not be liable to pay more than the value of any particular part or parts special value which such article or articles may be as part of such pair or set, nor more than the proportionate part of the insured value of the pair or set.

## HOLDUP / ARMED ROBBERY CLAUSE

It is hereby declared and agreed that this Policy is extended to cover the risk of Holdup/Armed Robbery and that the word 'Robbery' shall mean taking of Insured Property: –

- (i) By violence inflicted upon a custodian
- (ii) By putting him in fear or violence
- (iii) From the custodian who has been killed or rendered unconscious.

## CO-INSURANCE CLAUSE

It is hereby noted that this Policy is issued on "CO-INSURANCE" basis and any reference to the terms "THE COMPANY" on the policy or in any Endorsements attached hereon shall be deemed to mean the undermentioned Companies each of which agrees to indemnify the Insured in the event of any loss for the proportion set against the name as recorded hereunder: –

<u>THE INSURERS</u>	<u>PROPORTION OF THE SPECIFICATION</u>	<u>AMOUNT</u>	<u>POLICY NO.</u>
1) Uni.Asia General Insurance Bhd	} (As specified in policy schedule)		
2)			
3)			

It is hereby further noted and agreed by all Co-Insurers that the Leading Underwriter UNI. ASIA GENERAL INSURANCE BHD shall sign the policy all Endorsement on behalf of all the Co-Insurers.