

## Fire Takaful Certificate

**IN CONSIDERATION** of the the Participant named in the Schedule hereto paying to **ETIQA TAKAFUL BERHAD** (hereinafter called the "Takaful Operator") the sum shown as the Contribution mentioned in the said Schedule.

**THE TAKAFUL OPERATOR AGREES** subject to the Terms and Conditions contained herein or endorsed or otherwise expressed hereon that if the Property Covered described in the said Schedule or any part of such property be destroyed or damaged by **FIRE** or **LIGHTNING** during the Period of Takaful stated in the Schedule or of any subsequent period in respect of which the Participant shall have paid and the Takaful Operator shall have accepted the Contribution required for the renewal of this Certificate, the Takaful Operator will pay or make good to the Participant the value of the Property Covered at the time of the happening of its destruction or the amount of such damage.

**PROVIDED THAT** the liability of the Takaful Operator shall in no case exceed in respect of each item the sum stated in the Schedule to be covered thereon or in the whole the Total Sum Covered hereby or such other sum or sums as may be substituted therefore by Endorsement hereon or attached hereto signed by or on behalf of the Takaful Operator.

**PROVIDED ALWAYS** that the due observance and fulfillment of the terms, conditions and Endorsements of this Certificate in so far as they relate to anything to be done or complied with by the Participant shall be conditions precedent to any liability of the Takaful Operator to make any payment under this Certificate.

### General Conditions

- |                                   |      |  |
|-----------------------------------|------|--|
| <b>MISDESCRIPTION</b>             | 1.   | If there be any material misdescription of any of the property hereby covered, or of any building or place in which such property is contained, or any misrepresentation as to any fact material to be known for estimating the risk, or any omission to state such fact, the Takaful Operator shall not be liable upon this Certificate so far as it relates to property affected by any such misdescription, misrepresentation or omission.  |
| <b>PAYMENT OF CONTRIBUTION</b>    | 2.   | No payment in respect of any contribution shall be deemed to be payment to the Takaful Operator unless a printed form of receipt for the same signed by an Official or duly appointed Agent of the Takaful Operator shall have been given to the Participant.  |
| <b>OTHER INSURANCES / TAKAFUL</b> | 3.   | The Participant shall give notice to the Takaful Operator of any Takaful or Insurances already effected, or which may subsequently be effected, covering any of the property hereby covered, and unless such notice be given and the particulars of such Takaful or Insurances be stated in or endorsed on this Certificate by or on behalf of the Takaful Operator before the occurrence of any loss or damage, all benefits under this Certificate shall be forfeited.   |
| <b>FALLEN BUILDINGS</b>           | 4.   | <p>All coverage under this Certificate:</p> <ul style="list-style-type: none"> <li>(1) on any building or part of any building,</li> <li>(2) on any property contained in any building,</li> <li>(3) on rent or other subject matter of this Certificate in respect of or in connection with any building or any property contained in any building, shall cease immediately upon any fall or displacement: <ul style="list-style-type: none"> <li>(a) of such building or of any part thereof,</li> <li>(b) of the whole or any part of any range of buildings or of any structure of which such building forms part,</li> </ul> </li> </ul> <p><b>PROVIDED</b> that such fall or displacement is of the whole or a substantial or important part of such building or impairs the usefulness of such building or any part thereof or leave such building or any part thereof or any property contained therein subject to increased risk of fire or is otherwise material.</p> <p><b>AND PROVIDED</b> that such fall or displacement is not caused by fire, loss or damage by which is covered by this Certificate or would be covered if such building, range of buildings or structure were covered under this Certificate.</p> <p>In any action, suit or other proceeding, the burden of proving that any fall or displacement is caused by fire as aforesaid shall be upon the Participant.</p> |
| <b>EXCLUDED RISKS</b>             | 5(1) | <p>This Certificate does not cover:</p> <ul style="list-style-type: none"> <li>(a) Loss by theft during or after the occurrence of a fire.</li> <li>(b) Loss or damage to property occasioned by its own fermentation, natural heating or spontaneous combustion [except as may be provided in accordance with Condition 8(f)] or by its undergoing any heating or drying process.</li> <li>(c) Loss or damage occasioned by or through or in consequence of: <ul style="list-style-type: none"> <li>(1) The burning of property by order of any public authority</li> <li>(2) Subterranean Fire</li> </ul> </li> </ul>  |

- (d) Loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material.
- 5(2) This Certificate does not cover loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purposes of this Condition 5(2) only combustion shall include any self-sustaining process of nuclear fission.

**EXCLUDED PERILS**

- 6. This Certificate does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:-
  - (a) Earthquake, volcanic eruption or other convulsion of nature
  - (b) Typhoon, hurricane, tornado, cyclone or other atmospheric disturbance.
  - (c) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war.
  - (d) Mutiny, riot, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege.
  - (e) any act of terrorism.  
For this purpose an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear."

Any loss or damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be loss or damage which is not covered by this Takaful, except to the extent that the Participant shall prove that such loss or damage happened independently of the existence of such abnormal conditions.

In any action, suit or other proceeding where the Takaful Operator alleges that by reason of the provisions of this condition any loss or damage is not covered by this Certificate, the burden of proving that such loss or damage is covered shall be upon the Participant.

**POLLUTION / CONTAMINATION CLAUSE**

- 7. This Certificate does not cover any liability for:
  - Loss or destruction or damage caused by pollution or contamination except (unless otherwise excluded) destruction of or damage to the property covered caused by:
    - (i) pollution or contamination which itself results from a contingency hereby covered against.
    - (ii) any contingency hereby covered against which itself results from pollution or contamination.

**GENERAL EXCLUSIONS**

- 8. Unless otherwise expressly stated in the Schedule / Certificate, this Certificate does not cover:
  - (a) Goods held in trust or on commission.
  - (b) Bullion or unset precious stones.
  - (c) Any curiosity or work of art for an amount exceeding RM500/-
  - (d) Manuscripts, plans, drawings, or designs, patterns, models or moulds.
  - (e) Securities, obligations, or documents of any kind, stamps, coins or paper money, cheques, books of account or other business books, or computer systems records.
  - (f) Coal, against loss or damage occasioned by its own spontaneous combustion.
  - (g) Explosives.
  - (h) Any loss or damage occasioned by or through or in consequence of explosion; but loss or damage by explosion of domestic boilers and gas used for illuminating or domestic purposes in a building in which gas is not generated and which does not form part of any gas works, will be deemed to be loss by fire within the meaning of this Certificate.
  - (i) Any loss or damage occasioned by or through or in consequence of the burning, whether accidental or otherwise, of forests, bush, lalang, prairie, pampas or jungle, and the clearing of lands by fire.

**ALTERATIONS AND REMOVALS**

- 9. Under any of the following circumstances the Certificate ceases to attach as regards the property affected unless the Participant, before the occurrence of any loss or damage, obtains the sanction from the Takaful Operator signified by Endorsement upon the Certificate, by or on behalf of the Takaful Operator:
  - (a) If the trade or manufacture carried on be altered, or if the nature of the occupation of or other circumstances affecting the building covered or containing the Participant's property be changed in such a way as to increase the risk of loss or damage by fire.
  - (b) If the building covered or containing the Participant's property becomes unoccupied and so remains for a period of more than thirty (30) days.
  - (c) If property covered be removed to any building or place other than that in which it is herein stated to be covered.
  - (d) If the interest in the property covered pass from the Participant otherwise than by will or operation of law.

- (e) If a notice to quit by any order by the local Authorities for the requisition or acquisition of the land on which the Participant's property is situated has been issued.

**MARINE  
CLAUSE**

10. This Certificate does not cover any loss or damage to property which, at the time of the happening of such loss or damage, is covered by or would, but for the existence of this Certificate, be covered by any Marine Certificate or Certificates except in respect of any excess beyond the amount which would have been payable under the Marine Certificate or Certificates had this Takaful not been effected.

**CANCELLATION**

11. This Certificate may be terminated at any time at the request by the Participant, in which case the Takaful Operator will retain the customary short period rate for the time the Certificate has been in force. This Certificate may also be terminated at the option of the Takaful Operator by sending fourteen (14) days' notice by registered letter to the Participant at his/her last known address, in which case the Takaful Operator shall be liable to repay on demand a rateable proportion of the contribution for the unexpired term from the date of cancellation. The amount to be refunded upon termination of the Certificate shall be subject to the minimum contribution to be retained by the Takaful Operator.

**LOSS  
NOTIFICATION**

12. On the happening of any loss or damage the Participant shall forthwith give notice thereof to the Takaful Operator and shall within fifteen (15) days after the loss or damage, or such further time as the Takaful Operator may in writing allow in that behalf, deliver to the Takaful Operator:

- (a) A claim in writing for the loss and damage containing as particular an account as may be reasonably practicable of all the several articles or items of property damaged or destroyed, and of the amount of the loss or damage thereto respectively, having regard to their value at the time of the loss or damage, not including profit of any kind.
- (b) Particulars of all other Takaful or Insurances, if any.

the Participant shall also at all times at the Participant's own expense produce, procure and give to the Takaful Operator all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies thereof, documents, proofs and information with respect to the claim and the origin and cause of the fire and the circumstances under which the loss or damage occurred, and any matter touching the liability or the amount of the liability of the Takaful Operator as may be reasonably required by or on behalf of the Takaful Operator together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

No claim under this Certificate shall be payable unless the terms of this Condition have been complied with.

**EXTENSIONS**

13. This Certificate extends to include:-
- (a) wages of the Participant's employees other than full-time members of a Works Fire Brigade.
- (b) the cost of replacement of fire fighting appliances and destruction of or damage to materials (including employees' clothing and personal effects) unless otherwise specifically covered.
- (c) Fire Brigade charges.

Provided always that the liability of the Takaful Operator in respect of such wages, costs and charges shall be limited to those necessarily and reasonably incurred in extinguishing fires at or adjoining the situation of the property covered by this Certificate or immediately threatening to involve such property.

**RIGHT OF  
ENTRY**

14. On the happening of any loss or damage to any of the property covered by this Certificate, the Takaful Operator may:-
- (a) Enter and take and keep possession of the building or premises where the loss or damage has happened.
- (b) Take possession of or require to be delivered to it any property of the Participant's in the building or on the premises at the time of the loss or damage.
- (c) Keep possession of any such property and examine, sort, arrange, remove, or otherwise deal with the same.
- (d) Sell any such property or dispose of the same for account of whom it may concern.

The powers conferred by this Condition shall be exercisable by the Takaful Operator at any time until notice in writing is given by the Participant that makes no claim under the Certificate or, if any claim is made, until such claim is finally determined or withdrawn, and the Takaful Operator shall not by any act done in the exercise or purported exercise of its powers hereunder, incur any liability to the Participant or diminish its right to rely upon any of the conditions of this Certificate in answer to any claim.

If the Participant or any person on the Participant's behalf shall not comply with the requirements of the Takaful Operator or shall hinder or obstruct the Takaful Operator in the exercise of its powers hereunder, all benefits under this Certificate shall be forfeited.

The Participant shall not in any case be entitled to abandon any property to the Takaful Operator whether taken possession of by the Takaful Operator or not.

**FORFEITURE** 15. 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 Participant or any one acting on his/her behalf to obtain any benefit under this Certificate; or, if the loss or damage be occasioned by the wilful act, or with the connivance of the Participant; or, if the claim be made and rejected and an action or suit be not commenced within three (3) months after such rejection, or (in the case of an Arbitration taking place in pursuance of Condition 22 of this Certificate) within three (3) months after the Arbitrator or Arbitrators or Umpire shall have made their award, all benefit under this Certificate shall be forfeited.

**REINSTATEMENT** 16. The Takaful Operator may at its option reinstate or replace the property damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or may join with any other Takaful Operators or insurers in so doing; but the Takaful Operator shall not be bound to reinstate exactly or completely, but only as circumstances permit and in reasonably sufficient manner, and in no case shall the Takaful Operator be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage, nor more than the Sum Covered by the Takaful Operator thereon.

If the Takaful Operator elect to reinstate or replace any property the Participant shall, at his/her own expense, furnish the Takaful Operator with such plans, specifications, measurements, quantities, and such other particulars as the Takaful Operator may require, and no acts done, or caused to be done by the Takaful Operator with a view to reinstatement or replacement shall be deemed an election by the Takaful Operator to reinstate or replace.

If in any case the Takaful Operator shall be unable to reinstate or repair the property hereby covered, because of any municipal or other regulations in force affecting the alignment of streets, or the construction of buildings, or otherwise, the Takaful Operator shall, in every such case, only be liable to pay such sum as would be requisite to reinstate or repair such property if the same could lawfully be reinstated to its former condition.

**MARKET VALUE** 17. In the event of a loss to the property covered (other than stock and building item) herein, the Takaful Operator shall pay the covered value or the „Market Value“ of the covered property, whichever is the lower, subject to the deduction of any excess and amounts which the Participant are required to bear under the Certificate. For the purpose of this Condition, the term 'Market Value' shall mean the value of the property covered herein at the time of damage or loss less due allowance for wear and tear and/or depreciation.

The 'Market Value' of the covered property shall for the purpose of this Condition be determined by a valuation obtained by the Takaful Operator from the manufacturer, authorised sole agent or agent authorised broker, authorised distributor or building contractor of the cost of replacement or reinstatement, subject to the application of appropriate depreciation, of the covered property damaged or lost as it was at the time of the occurrence of such damage or loss.

In the event that there is, at the time of damage or loss no manufacturer, authorised sole agent or agent, authorised broker, authorised distributor or building contractor for the covered property, the valuation shall be obtained from a Loss Adjuster licensed under the Takaful Act 1984 or Registered Valuer under the Valuers and Appraisers Act 1981 and to be mutually appointed by both parties. The valuation of the covered property by the manufacturer authorised sole agent or agent, authorised broker, authorised distributor, building contractor, Loss Adjuster licensed under the Takaful Act 1984 or Registered Valuer under the Valuers and Appraisers Act 1981 shall be conclusive evidence in respect of the 'Market Value' of the covered property in any legal proceedings against the Takaful Operator.

**SUBROGATION** 18. The Participant shall, at the expense of the Takaful Operator, do, and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by the Takaful Operator for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the Takaful Operator shall be or would become entitled or subrogated, upon its paying for or making good any loss or damage under this Certificate, whether such acts and things shall be or become necessary or required before or after his indemnification by the Takaful Operator.

**CONTRIBUTION** 19. If at the time of any loss or damage happening to any property hereby covered, there be any other subsisting Takaful or Insurances, whether effected by the Participant or by any other person or persons, covering the same property, this Takaful Operator shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.

- AVERAGE** 20. If the property hereby covered shall, at the breaking out of any fire, be collectively of greater value than the Sum Covered thereon, then the Participant shall be considered as being his/her own Takaful Operator for the difference, and shall bear a rateable proportion of the accordingly. Every item, if more than one, of the Certificate shall be separately subject to this Condition.
- REINSTATEMENT OF LOSS** 21. In the event of a loss, the Takaful hereunder shall be maintained in force for the full Sum Covered and the Participant shall be liable to pay an additional contribution at the rate stated on the Certificate calculated on the amount of loss on a pro rata basis from the date of such loss to the expiry of the current Period of Takaful.
- ARBITRATION** 22. If any difference arises as to the amount of any loss or damage such difference shall independently of all other questions be referred to the decision of an Arbitrator, to be appointed in writing by the parties in difference, or, if they cannot agree upon a single Arbitrator, to the decision of two disinterested persons as Arbitrators, of whom one shall be appointed in writing by each of the parties within two (2) calendar months after having been required so to do in writing by the other party. In case either party shall refuse or fail to appoint an Arbitrator within two (2) calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole Arbitrator; and in case of disagreement between the Arbitrators, the difference shall be referred to the decision of an Umpire who shall have been appointed by them in writing before entering on the reference, and who shall sit with the Arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the Arbitrator, Arbitrators or Umpire respectively; and in the event of the death of an Arbitrator or Umpire, another shall in each case be appointed in his stead by the party or Arbitrators (as the case may be) by whom the Arbitrator or Umpire so dying was appointed. The costs of the reference and of the award shall be in the discretion of the Arbitrator, Arbitrators or Umpire making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Certificate that the award by such Arbitrator, Arbitrators or Umpire of the amount of the loss or damage if disputed shall be first obtained.
- LIMITATION** 23. In no case whatever shall the Takaful Operator be liable for any loss or damage after the expiration of twelve (12) months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration.
- NOTICE** 24. Every notice and other communication to the Takaful Operator required by these Conditions must be written or printed.
- CONTRACT** 25. This Certificate and the Schedule herein shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Certificate or of the said Schedule shall bear such meaning wherever it may appear.
- SHARE OF SURPLUS** The Surplus is determined at the end of each financial year after making deductions for *wakalah* fee (30%), payment of claims, Retakaful and provisions for reserves based on the guidelines laid down by the authorities. The Participant is entitled to has a share of the 50% of the Surplus reserved for distribution amongst participants after the expiry date of this Certificate provided the Participant has not cancelled this Certificate or made a claim prior to the expiry date stated in the Schedule.

## Special / Extraneous Perils, Clauses and Endorsements

### (THE FOLLOWING ENDORSEMENTS ARE APPLICABLE AS SPECIFIED IN THE SCHEDULE)

#### **AIRCRAFT DAMAGE (EXCLUDING HELIPADS)**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, it is hereby agreed and declared that the Coverage under the Certificate shall, subject to the Special Conditions hereinafter contained, extend to include loss or damage (by fire or otherwise) to the property covered directly caused by aircraft and other aerial devices and/or articles dropped therefrom.

#### **SPECIAL CONDITIONS**

1. The liability of the Takaful Operator shall in no case under this Endorsement and the Certificate exceed the sum Participant by each item of the Certificate.
2. This Coverage does not cover any loss or damage caused by any aircraft for which permission to land has been extended by the Participant. Provided always that all the conditions of the Certificate shall apply as if they had been incorporated therein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Certificate.

#### **AIRCRAFT DAMAGE (INCLUDING HELIPADS)**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, it is hereby agreed and declared that the Coverage under the Certificate shall, subject to the Special Conditions hereinafter contained, extend to include loss or damage (by fire or otherwise) to the property covered directly caused by aircraft and other aerial devices and/or articles dropped therefrom.

Provided always that all the conditions of the Certificate shall apply as if they had been incorporated therein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

#### **SPECIAL CONDITIONS**

1. The liability of the Takaful Operator shall in no case under this Endorsement and the Certificate exceed the sum covered by each item of the Certificate.

Subject otherwise to the terms and conditions of the Certificate.

#### **BURSTING OR OVERFLOWING OF WATER TANKS APPARATUS OR PIPES**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, it is hereby agreed and declared that the Coverage under this Certificate shall extend to include loss or damage to the property covered caused by the bursting or overflowing of water tanks, apparatus or pipes installed in or on the buildings covered or containing the property covered excluding.

- (a) loss or damage caused whilst the premises are untenanted.
- (b) loss or damage by water discharged or leaking from an installation of automatic sprinklers.
- (c) the first RM 1,000.00 or 1% of the Sum Covered subject to a minimum of RM100.00 if the Sum Covered is less than RM50,000.00 of each and every loss at each separate premises, as ascertained after the application of average, or the Takaful Operator's rateable proportion of that amount.

Provide always that all the conditions of the Certificate (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

#### **SPECIAL CONDITIONS**

Subject otherwise to the terms and conditions of the Certificate.

1. The liability of the Takaful Operator shall in no case under this Endorsement exceed the Sum Covered by each item of the Certificate.
2. This Coverage does not cover loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever except loss of rent when such loss is included in the cover under the Certificate.
3. The Participant shall use all reasonable diligence and care to keep the premises in a proper state of repair and if any defect therein be discovered shall cause such defect to be made good as soon as possible and shall in the meantime cause such additional precautions to be taken for the prevention of loss or damage as the circumstances may require and the Takaful Operator shall not be liable for any loss or damage caused by a defect which the Participant had failed to remedy after having received notice of such defect either from the Takaful Operator or any person or public body.

Subject otherwise to the terms and conditions of the Certificate.

**BUSH/LALANG FIRE**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, notwithstanding anything to the contrary contained in Condition 8(i) of the Certificate, it is hereby declared and agreed that the Certificate is extended to cover loss or damage caused by bush/lalang fire (provided that during the currency of this Certificate every reasonable effort shall be made to keep the covered's ground free from lalang and undergrowth).

Subject otherwise to the terms and conditions of the Certificate.

**COLD STORAGE (A)**

This Certificate does not cover loss or damage to the property hereby covered which may be caused by change of temperature resulting from the total or partial destruction or disablement of the refrigerating plant by fire or any other perils hereby covered.

Subject otherwise to the terms and conditions of the Certificate.

**COLD STORAGE (B)**

Notwithstanding anything herein stated to the contrary this Certificate covers loss or damage caused by change of temperature resulting from the total or partial destruction or disablement of the refrigerating plant by fire or any other peril hereby covered.

Subject otherwise to the terms and conditions of the Certificate.

**DAMAGE BY FALLING TREES OR BRANCHES AND OBJECTS THEREFROM**

In consideration of an additional contribution, the Takaful Operator hereby agrees and declares that the Coverage under this Certificate shall extend to include loss or damage to the property described in the Schedule and/or to walls, gates and fences around and pertaining thereto directly resulting from damage by falling trees or branches and objects therefrom, provided that the first RM250.00 of each and every claim under this Endorsement shall be borne by the Participant as ascertained after the application of any condition of average.

Provided always that all the Conditions of the Certificate shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Certificate.

**EARTHQUAKE AND VOLCANIC ERUPTION**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, the Takaful Operator agrees that notwithstanding anything stated to the contrary in Condition No. 6 of the Certificate, this Coverage extends to cover loss or damage directly caused by fire or otherwise occasioned by or through or in consequence of earthquake and volcanic eruption.

Provide always that all the Conditions of this Certificate shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this Coverage extends to include by virtue of this Endorsement.

Subject otherwise to the terms and conditions of the Certificate.

**ELECTRICAL INSTALLATIONS CLAUSE (A)**

The Takaful Operator is expressly declared to be free from liability for loss of or damage to, any electrical machine, apparatus, or any portion of the electrical installation arising from or occasioned by over-running, excessive pressure, short-circuiting, self-heating, arcing or leakage of electricity from whatever cause (lightning included) arising.

Provided that this exemption shall only apply to the particular electrical machine, apparatus, or portion of the electrical installation so affected, and not to other machines, apparatus or electrical installation destroyed or damaged by fire set up by such particular machine, apparatus or other electrical installation.

Subject otherwise to the terms and conditions of the Certificate.

**ELECTRICAL INSTALLATIONS CLAUSE (B)**

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

Subject otherwise to the terms and conditions of the Certificate.

**EXPLOSION**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, it is hereby agreed and declared that the Coverage under this Certificate shall, subject to the Special Conditions hereinafter contained, extend to include :-

Loss or of damage to the property covered by fire or otherwise directly caused by explosion, but excluding loss of or damage

to boilers, economizers, or other vessels, machinery or apparatus in which pressure is used or their contents resulting from their explosion.

Provided always that all the conditions of the Certificate (except in so far as Condition No. 8(h) is hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage by explosion as aforesaid shall be deemed to be loss or damage by fire within the meaning of this Certificate.

#### **SPECIAL CONDITIONS**

1. The Takaful Operator shall not be liable, under this extension, for loss or damage occasioned by or through or in consequence, directly or indirectly, of any acts of terrorism committed by a person or persons acting on behalf of or in connection with any organization.

For the purpose of this Condition, "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.

In any action, suit or other proceeding, where the Takaful Operator alleges that by reason of the provisions of this Condition any loss or damage is not covered by this Takaful, the burden of proving that such a loss or damage is covered shall be upon the Participant.

2. If there shall be any other Fire Takaful on the property covered under this Certificate, the Takaful Operator shall be liable only pro rata with such other Fire Takaful for any loss or damage by explosion whether or not such other fire Takaful be extended to cover loss or damage by explosion.
3. The Takaful Operator shall not be liable under this extension for loss or damage which at the time of the happening of such loss or damage is covered by or would, but for the existence of this extension, be covered by any other existing Certificate or Policies except in respect of any excess beyond the amount which would have been payable under such other Certificate or Policies had this Takaful not been effected.

Subject otherwise to the terms and conditions of the Certificate.

#### **FLOOD**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, the Takaful Operator agrees that notwithstanding anything stated to the contrary in Condition No. 6 of the Certificate, this Coverage extends to cover loss or damage directly caused by fire or otherwise occasioned by or through or in consequence of Flood (including \ overflow of the sea) subject to the following Excess Clause and Special Conditions attached hereto.

**Note:** Flood, for the purpose of this extension, shall mean the overflowing or deviation from their normal channels of either natural or artificial water courses, bursting or overflowing of public water mains and any other flow or accumulation of water originating from outside the building covered or containing the property covered, but excluding loss or damage caused by subsidence or landslip.

Provided always that all the Conditions of this Certificate shall apply (except insofar as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this Coverage extends to include by virtue of this Endorsement.

#### **EXCESS CLAUSE**

It is understood and agreed that as regards loss or damage to any property hereby covered directly caused by the peril to which this Clause is hereinbefore stated to apply, the Takaful Operator's liability shall be limited to its rateable proportion of the amount by which such loss or damage exceeds either :-

- (a) 1 % of the total sums covered against such peril on said property by Policies in the name of the Participant, or
  - (b) the first RM2,500.00 of each and every loss.
- whichever shall be the less.

It is further agreed that this Clause shall apply separately to:-

- (i) each property, for which purpose all covered properties at the same address will be regarded as one property.
- (ii) each incident giving rise to such loss or damage and that for the purposes hereof an incident shall not be considered to have terminated until there have been seven (7) consecutive days' freedom from the peril concerned and that only thereafter shall the Clause apply afresh.

#### **SPECIAL CONDITIONS**

1. This Endorsement does not extend the Coverage under this Certificate to cover :-
  - (a) Consequential Loss of any kind
  - (b) Loss or damage caused by hail whether driven by wind or not
  - (c) Loss or damage caused by subsidence or landslip except when this is occasioned by earthquake or volcanic eruption, provided that these perils are covered against by this Certificate.
  - (d) Loss or damage caused by explosion except as provided in Condition 8(h) of the Certificate.
  - (e) Loss by reason of any ordinance or law regulating the construction or repair of buildings.

2. The Takaful Operator shall not be liable under this extension for loss or damage which at the time of the happening of such loss or damage is covered by or would, but for the existence of this extension, be covered by any other existing Certificate or Policies except in respect of any excess beyond the amount which would have been payable under such other Certificate or Policies had this Coverage not been effected.
3. Unless specifically and separately covered this Endorsement does not cover Metal smoke stacks, awnings, blinds, signs or other outdoor fixtures or fittings of any description.

Subject otherwise to the terms and conditions of the Certificate.

#### **IMPACT DAMAGE EXCLUDING PARTICIPANT'S OWN VEHICLES**

In consideration of the payment by the Covered to the Takaful Operator of an additional contribution, it is hereby agreed and declared that the Coverage under this Certificate shall extend to include loss or damage to the property described in the Schedule and/or the walls, gates and fences around and pertaining thereto directly resulting from impact by any road vehicles, horses or cattle not belonging to or under the control of the Participant, or any member of his family, or any person in and upon the Participant's service, provided that the first RM50.00 of each and every claim under this Endorsement shall be borne by the Participant.

Provided always that all the conditions of the Certificate shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Certificate.

#### **IMPACT DAMAGE INCLUDING PARTICIPANT'S OWN VEHICLES**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, it is hereby agreed and declared that the Coverage under this Certificate shall extend to include loss or damage to the property described in the Schedule and/or the walls, gates and fences around and pertaining thereto directly resulting from impact by any road vehicles, horses or cattle including any road vehicles, horses or cattle belonging to or under the control of the Participant, or any member of his family, or any person in and upon the Participant's service, provided that the first RM250.00 of each and every claim under this Endorsement shall be borne by the Participant.

Provided always that all the conditions of the Certificate shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Certificate.

#### **RIOT, STRIKE AND MALICIOUS DAMAGE**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, it is hereby declared that notwithstanding anything in the within written Certificate contained to the contrary, the Coverage under this Certificate shall extend to cover Riot and Strike Damage which for the purpose of this Endorsement shall mean (subject to the Special Conditions hereinafter contained) :-

Loss of or damage to property covered directly caused by :-

- (1) The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in Condition 6 of the Special Conditions thereof.
- (2) The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of any such disturbance.
- (3) The willful act of any striker or locked-out worker done in furtherance of a strike or in resistance to lock-out.
- (4) The action of any lawfully constituted authority in preventing or attempting to prevent any such act or minimizing the consequences of any such act.

It is hereby declared further that notwithstanding anything in the within written Certificate contained to the contrary, the

Coverage under this Certificate shall extend to cover Malicious Damage which for the purpose of this extension shall mean:

Loss of or damage to the property covered directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) not being an act amounting to or committed in connection with an occurrence mentioned in Special Condition 6 of the Endorsement but the Takaful Operator shall not be liable under this extension for any loss or damage by fire or explosion nor for any loss or damage arising out of or in the course of burglary, housebreaking, theft or larceny or any attempt thereat or caused by any person taking part therein.

#### **SPECIAL CONDITIONS**

For the purposes of this Endorsement but not otherwise there shall be substituted for the respectively numbered Conditions of the Certificate the following:-

##### **Condition 5**

This Takaful does not cover:-

- (a) Loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage or any kind or description whatsoever.
- (b) Loss or damage resulting from total or partial cessation or work or the retarding or interruption or cessation of any process or operation.

- (c) Loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
- (d) Loss or damage occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building.

**PROVIDED** nevertheless that the Takaful Operator is not relieved under (c) or (d) above of any liability to the Covered in respect of physical damage to the property covered occurring before dispossession or during temporary dispossession.

**Condition 6**

This Takaful does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely :-

- (a) War, invasion, act of foreign enemy, hostilities, or warlike operations (whether war be declared or not), civil war.
- (b) Mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.
- (c) Acts or terrorism committed by a person or persons acting on behalf of or in connection with any organization.

For the purpose of this condition, "terrorism" means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear.

In any action, suit or other processing, where the Takaful Operator alleges that by reason of the provisions of this Condition any loss or damage is not covered by this Takaful, the burden of proving that such loss or damage is covered shall be upon the Participant.

**Condition 8**

Unless otherwise expressly stated in the Certificate, this Takaful does not cover:-

- (a) Goods held in trust or on commission.
- (b) Bullion or unset precious stones.
- (c) Any curiosity or work of art for an amount exceeding RM500.00
- (d) Manuscripts, plans, drawings, or designs, patterns, models or moulds.
- (e) Securities, obligations, or documents of any kind, stamps coined or paper money, cheques, books or accounts or other business books, or computer systems records.
- (f) Explosives.

**Condition 11**

This Takaful may at any time be terminated by the Takaful Operator on notice to that effect being given to the Participant, in which case the Takaful Operator shall be liable to repay a rateable proportion of the contribution for the unexpired term from the date of cancelment. If the Takaful coverage be terminated at the request of the Participant the Takaful Operator shall retain in the Fire Takaful Account of the General Takaful Fund the contribution paid on a pro rata basis in proportion to the period of the Certificate has been in force.

**Condition 20**

If the property hereby covered shall at the breaking out of any fire or at the commencement of any destruction of or damage to such property by any other peril covered against by this Endorsement be collectively of greater value than the Sum Covered thereon, then the Participant shall be considered as being his own Takaful for the difference and shall bear a rateable share of the amount of the loss accordingly. Every item, if more than one, of the Certificate shall be separately subject to this Condition.

**PROVIDED** that it is hereby further expressly agreed and declared that :-

- (1) All the Conditions of this Certificate shall apply in all respects to the Coverage granted by this extension save in so far as the same are expressly varied by the above Special Conditions and any reference to fire in the Conditions of the Certificate shall be deemed to include the perils hereby covered against.
- (2) The Special Conditions herein shall apply only to the Coverage granted by this extension and the Conditions of the Certificate shall apply in all respects to the Coverage granted by the Certificate as if this Endorsement had not been made thereon.

**SPONTANEOUS COMBUSTION (BASIC COVER)**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution specified in the schedule, it is hereby agreed and declared that the Coverage under the Certificate shall, subject to the Special Conditions hereinafter contained, extend to include loss or damage to the property covered by fire only caused by its own spontaneous fermentation, heating or combustion.

Provided always that all the conditions of the Certificate shall apply as if they had been incorporated therein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

**Note:** The words "by fire only" may be deleted in respect of Takaful on coal.

**SPECIAL CONDITIONS**

- 1. The liability of the Takaful Operator shall in no case under this Endorsement and the Certificate exceed the Sum Covered by each item of the Certificate.

2. This Takaful does not cover loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever except loss of rent when such loss is included in the cover under the Certificate.

Subject otherwise to the terms and conditions of the Certificate.

#### **SPONTANEOUS COMBUSTION (FULL PERILS)**

In consideration of the payment by the Participant to the Takaful Operator of the additional contribution specified in the schedule, it is hereby agreed and declared that the Coverage under this Certificate shall, subject to the Special Conditions hereinafter contained, extend to include loss or damage to the property covered caused by its own spontaneous fermentation, heating or combustion.

Provided always that all the conditions of the Certificate shall apply as if they had been incorporated therein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

#### **SPECIAL CONDITIONS**

1. The liability of the Takaful Operator shall in no case under this Endorsement and the Certificate exceed the Sum Covered by each item of the Certificate.
2. This Takaful does not cover loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever except loss of rent when such loss is included in the cover under the Certificate.

#### **STORM. TEMPEST**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, the Takaful Operator agrees that notwithstanding anything stated to the contrary in Condition No. 6 of the Certificate, this Takaful extends to cover loss or damage directly caused by fire or otherwise occasioned by or through or in consequence of Hurricane, Cyclone, Typhoon and Windstorm, subject to the following Excess Clause and Special Conditions attached hereto.

Provided always that all the Conditions of this Certificate shall apply (except insofar as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this Coverage extends to include by virtue of this Endorsement.

#### **EXCESS CLAUSE**

It understood and agreed that as regards loss or damage to any property hereby covered directly caused by any peril to which this Clause is hereinbefore stated to apply, the Takaful Operator's liability shall be limited to its rateable proportion of the amount by which such loss or damage exceeds either :-

- (a) 1 % of the total sums covered against such peril on said property by Policies in the name of the Participant, or
- (b) RM200.00 whichever shall be the less.

It is further agreed that this Clause shall apply separately to :-

- (i) each property, for which purpose all covered properties at the same address will be regarded as one property,
- (ii) each incident giving rise to such loss or damage and that for the purposes hereof an incident shall not be considered to have terminated until there have been seven (7) consecutive days' freedom from the peril concerned and that only thereafter shall the Clause apply afresh.

#### **SPECIAL CONDITIONS**

1. The Takaful Operator shall not be liable for any loss or damage caused by water or rain, whether driven by wind or not unless the building covered or containing the property covered shall first sustain actual damage to the roof or walls of same by the direct force of Hurricane, Cyclone, Typhoon and Windstorm and shall then be liable only for such damage to the interior of the building or the covered property therein as may be caused by water or rain entering the building through openings in the roof or walls made by the direct force of the said perils.
2. This Endorsement does not extend the Coverage under this Certificate to cover :-
  - (a) Consequential Loss of any kind.
  - (b) Loss or damage caused by hail whether driven by wind or not.
  - (c) Loss or damage caused by subsidence or landslip except when this is occasioned by earthquake or volcanic eruption, provided that these perils are covered against by this Certificate.
  - (d) Loss or damage caused by explosion except as provided in Condition 8(h) of the Certificate.
  - (e) Loss by reason of any ordinance or law regulating the construction or repair of buildings.
3. The Takaful Operator shall not be liable under this extension for loss or damage which at the time of the happening of such loss or damage is covered by or would but for the existence of this extension, be covered by any other existing Certificate or Policies except in respect of any excess beyond the amount which would have been payable under such other Certificate or Policies had this Coverage not been effected.
4. Unless specifically and separately covered this Endorsement does not cover:-
  - (a) Metal smoke stacks, awnings, blinds, signs or other outdoor fixtures or fittings of any description.
  - (b) Premises in course of construction, reconstruction or repair unless all outside doors, windows and other openings are complete and protected against hurricane, cyclone, typhoon and windstorm when such perils are covered against by this Certificate.

Subject otherwise to the terms and conditions of the Certificate.

**SUBSIDENCE AND LANDSLIP (STANDARD COVER)**

In consideration of the payment by the Participant to the Takaful Operator of an additional contribution, it is hereby agreed and declared that the Coverage under this Certificate shall extend to cover loss or damage to the property covered caused by subsidence and/or heave of the site on which the buildings stand or land belonging thereto, or landslip excluding :-

- (a) loss or damage to swimming pools, terraces, patios, drives, footpaths, walls, gates or fences unless the building, its outbuildings or garages are damaged by the same cause and at the same time.
- (b) loss or damage to or resulting from movement of solid floor slabs unless the foundation beneath the external walls of the Buildings are damaged by the same cause and at the same time.
- (c) loss or damage occasioned by happening through, or in consequence of :
  - (i) coastal or river erosion
  - (ii) demolition, structural alteration or structural repair
  - (iii) defective design or inadequate construction of foundations
- (d) in respect of each and every loss, 5% of the total Sum Covered or RM25,000.00 whichever is the lower, as ascertained after the application of any condition of average.

Provided that the total liability of the Takaful Operator shall not exceed the Sum Covered by each item on the property less the amount excluded under (d) above.

Provided always that all the conditions of the Certificate (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Certificate.

**SUBSIDENCE AND LANDSLIP (DELETION OF EXCLUSION (a) UNDER STANDARD COVER)**

In consideration of the payment by the Participant to the Takaful Operator, hereby agree and declare that the Coverage under this Certificate shall extend to cover loss or damage to the property covered caused by subsidence and/or heave of the site on which the buildings stand or land belonging thereto, or landslip excluding:-

- (a) loss or damage to or resulting from movement of solid floor slabs unless the foundation beneath the external walls of the Buildings are damaged by the same cause and at the same time.
- (b) loss or damage occasioned by happening through, or in consequence of :
  - (i) coastal or river erosion
  - (ii) demolition, structural alteration or structural repair
  - (iii) defective design or inadequate construction of foundations
- (c) in respect of each and every loss, 5% of the total Sum Covered or RM25,000.00 whichever is the lower, as ascertained after the application of any condition of average.

Provided that the total liability of the Takaful Operator shall not exceed the Sum Covered by each item on the property less the amount excluded under (d) above.

Provided always that all the conditions of the Certificate (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any loss or damage as aforesaid shall be deemed to be loss or damage by fire.

Subject otherwise to the terms and conditions of the Certificate.

## Warranties

**(THE FOLLOWING WARRANTIES ARE APPLICABLE AS SPECIFIED IN THE SCHEDULE)**

### **BITUMINOUS MATERIALS / SOLVENTS WARRANTY**

Warranted that during the currency of this Certificate no bituminous material and/or solvents having a flash point (closed cup test) below 32°C (90°F) be used or stored within the covered premises.

### **BURNING OF SAWDUST (WITHIN 100 FEET) WARRANTY**

Warranted that during the currency of this Certificate :-

- (i) no power (other than electric); and
- (ii) no artificial heat be used ; and
- (iii) that shavings, sawdust and refuse be removed daily from the premises and be not burned (other than in a brick incinerator or furnace used in connection with the Participant's business) within 30 metres (100 feet) thereof.

### **CONTRIBUTION WARRANTY**

It is fundamental and absolute special condition of this Contract of Takaful that the contribution due must be paid and received by the Takaful Operator within sixty (60) days from the inception date of this Certificate / Endorsement / Renewal Certificate.

If this Condition is not complied with then this Contract is automatically cancelled and the Takaful Operator shall be entitled to the pro- rata contribution for the period the Takaful Operator had been on risk.

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

Subject otherwise to the terms and conditions of this Certificate.

### **CURING BARN (SOURCE OF FUEL) WARRANTY**

Warranted that during the currency of this Certificate the furnaces and/or stoves of the curing barns are fired by gas, oil and/or electricity.

### **DETACHED BUILDING WARRANTY**

Warranted that during the currency of this Certificate the building covered by this Certificate is detached by at least 5 metres on all sides from any other building (excluding small outhouses).

### **DETACHED BUILDING WARRANTY**

Warranted that during the currency of this Certificate the building covered by this Certificate is detached by at least 6 metres on all sides from any other building (excluding small outhouses).

### **DETACHED BUILDING WARRANTY**

Warranted that during the currency of this Certificate the building covered by this Certificate is detached by at least 10 metres on all sides from any other building (excluding small outhouses).

### **DRYING BY ARTIFICIAL HEAT WARRANTY C**

Warranted that during the currency of this Certificate no drying by artificial heat be carried on unless the furnace for heating and its flues be entirely outside the premises or separated therefrom by a brick, stone or concrete wall not less than 4.5 inches thick passing through the roof, without openings except such as may be necessary for metal pipes, and the heat conveyed by steam, hot water or hot air not directly drawn from the furnace fire or from flue gases.

**Note:** Where, however, the heater house roof abuts the main buildings at a lower level than the main roof such wall need only be carried up to the eaves of the main roof.

### **FUEL STORAGE TANKS INSTALLATIONS WARRANTY**

Warranted that during the currency of this Certificate the Fuel Storage Tank Installations comply with the following regulations :-

- (a) Tanks must be of steel and placed at least 2 feet below the surface of the ground and must be filled only from the open through oil-tight pipes fitted with screwed caps or valves.
- (b) Motor vehicles must stand in the open when their tanks are being filled.
- (c) No artificial light other than electric light may be used near tanks or pumps.

**Note:** The filling of tanks under balconies or verandahs is not to be considered as non compliance with (a) and (b) above.

### **LIQUIFIED PETROLEUM GASES (LPG) WARRANTY**

Warranted that during the currency of this Certificate, relevant government regulations dealing with storage use of liquified petroleum gases shall be complied with at all times.

### **MANUFACTURE AND STORAGE OF PAINTS, ETC, WARRANTY**

Warranted that during the currency of this Certificate no manufacturing or storage of oil paints, enamels, lacquers, varnishes, varnish stains, cellulose paints or paint thinners, removers or renovators be carried on within the covered premises.

**MOTOR VEHICLE REPAIRS WARRANTY**

Warranted that during the currency of this Certificate no repair work of any kind on motor vehicles be carried on in the premises described herein.

**PLASTICS WARRANTY A**

Warranted that during the currency of this Certificate no raw materials for the manufacture of plastics other than protein based resins; products based on formaldehyde or other aldehydes; polyamide resins; polycarbonate based resins; silicon resins; fluorocarbons; polyester resins including alkyd resins; polyvinyl acetate; polyvinyl butyrate; epoxy resins, amino resins will be used or stored in the within described premises.

**PLASTICS WARRANTY B**

Warranted that during the currency of this Certificate no raw materials for the manufacture of plastics other than protein base resins; products based on formaldehyde or other aldehydes; polyamide resins; polycarbonate based resins; silicone resins; fluorocarbons; polyester resins including alkyd resins; polyvinyl acetate; polyvinyl butyrate; epoxy resins; amino resins; polystyrene; acetal resins, acrylic resins; acrylonitrile butadiene styrene (A.B.S.) resins, ethyl cellulose; polypropylene; polythene/polyethylene; methyl methacrylate; cellulose acetate; cellulose acetate butyrate; cellulose propionate; polymethyl methacrylate; polyvinyl chloride will be used or stored in the within described premises.

**PLASTICS WARRANTY C**

Warranted that during the currency of this Certificate no nitrocellulose based plastics or foamed or expanded plastics be manufactured, used or stored in the within described premises.

**POWDER SPRAYING WARRANTY (A)**

Warranted that during the currency of this Certificate in the part of the premises used for powder spraying :-

- (a) No cleaning off, mixing, powder spraying or other process connected therewith, be carried on except in the open or in a separate building or compartment exclusively reserved for such work and an adequate means of ventilation/pneumatic extraction system should be provided.

Compartments should be constructed of brick and/or cement concrete having floor and roof. Any support should be of incombustible material and any communication be fitted with door(s) of hardwood or incombustible material.

- (b) All electrical lightings and fittings in the powder spraying compartment should be of explosion/flame proof types and no artificial lightings and other spark producing equipments should be used in the compartment.
- (c) All places where dry deposit can accumulate will be cleaned every week with stiff fibre or nonferrous metal brushes or scrapers and the residue placed in water.

**POWDER SPRAYING WARRANTY (B)**

In consideration of the payment of an additional contribution, it is hereby agreed that powder spraying is allowed to be carried on in the premises described herein.

**PRINTING PROCESS WARRANTY**

Warranted that during the currency of this Certificate no printing or any process in connection therewith be carried on in the premises described herein.

**REGULAR INSPECTIONS WARRANTY**

Warranted that during the currency of this Certificate the premises be inspected at the end of each day for smouldering matches, tobacco or other materials and signed reports made thereon by the employee(s) responsible for such inspection. The reports to be examined at least once each week by the Management.

**REMOVAL AND BURNING OF WOOD WASTES WARRANTY**

Warranted that during the currency of this Certificate :-

- (a) all shavings, sawdust and other refuse be removed from the premises regularly but not less than three (3) times a week and not allowed to accumulate.
- (b) no shavings, sawdust or other refuse (other than sawdust or wood waste used as fuel directly in connection with the participant's business) be deposited or burned within 30 metres (100 feet) of any building forming part of the covered premises.

**RESTRICTION OF MERCHANDISE WARRANTY**

Warranted that during the currency of this Certificate no part of the premises described herein be used for the manufacture or deposit or storage of merchandise.

**RESTRICTION OF MERCHANDISE WARRANTY (CLUB/SCHOOL/OFFICE)**

Warranted that during the currency of this Certificate no part of the premises described herein be used for the manufacture or deposit or storage of merchandise except in direct relation to the activities of a club, school or office.

**RESTRICTION OF MERCHANDISE WARRANTY (Not exceeding 10% of total floor area)**

Warranted that during the currency of this Certificate not more than 10% of the total floor area of the premises described herein be used for the manufacture or deposit or storage merchandise.

**RESTRICTION OF MERCHANDISE WARRANTY (Not exceeding 20% of total floor area)**

Warranted that during the currency of this Certificate not more than 20% of the total floor area of the premises described herein be used for the manufacture or deposit or storage of merchandise.

**RESTRICTION OF MERCHANDISE WARRANTY (Not exceeding 50% of total floor area)**

Warranted that during the currency of this Certificate not more than 50% of the total floor area of the premises described herein be used for the manufacture or deposit or storage of merchandise.

**RESTRICTION OF SPRAY PAINTING/POWER SPRAYING WARRANTY**

Warranted that during the currency of this Certificate no spray painting/power spraying or any process in connection there with be carried on in the premises described herein.

**SILENT RISK WARRANTY**

Warranted that during the currency of this Certificate the said industrial risk be silent and that the machinery be not worked (except occasionally for the purpose of keeping it in order, no material being passed through it) and that no repairs to machinery or millwrights' work, be carried on.

It is further warranted that the covered premises not be used for the storage or deposit of goods.

**SMOKING OR DRYING OF RUBBER BY ARTIFICIAL HEAT WARRANTY**

Warranted that during the currency of this Certificate no smoking of rubber or drying by artificial heat be carried on in the premises described herein.

**SMOKING, DRYING OR STORAGE OF RUBBER WARRANTY**

Warranted that during the currency of this Certificate no smoking, drying or storage of prepared rubber be carried on in the premises described herein but allowing the storage of liquid latex.

**SOLVENT EXTRACTION WARRANTY**

Warranted that during the currency of this Certificate no solvent extraction be carried on in the within described premises.

**SPRAY PAINTING WARRANTY (A)**

Warranted that during the currency of this Certificate in the part of the premises used for spray painting\*:

- (a) No cleaning off, mixing, spray painting, or other process connected therewith, be carried on except in the open or in a separate building or compartment exclusively reserved for such work and adequately ventilated to the open by means of an exhaust fan or fans with sufficient fresh air inlets located near floor level, and that not more than one day's supply of paint, lacquer, solvent, diluent, or thinner be deposited therein.
- (b) All paints, lacquer, petrol, solvents, diluents, and thinners, be stored in a building used exclusively for that purpose or in a brick and/or cement concrete built compartment having floor and roof, including any supports of incombustible material, any communication having a closely fitting door of hardwood or of incombustible material.
- (c) No petrol be left in the reservoir of any automobile whilst the automobile is undergoing painting process and that emptying and charging of the reservoir shall only be done in the open air.
- (d) No artificial lighting, other than explosion-proof or flame-proof electric lights, be used.
- (e) All places where dry deposit can accumulate will be cleaned every week with stiff fibre or nonferrous metal brushes or scrapers and the residue placed in water.

**SPRAY PAINTING WARRANTY (B)**

In consideration of the payment of an additional contribution, it is hereby agreed that spray painting\* is allowed to be carried on in the premises described herein.

**STORAGE OF HAZARDOUS GOODS WARRANTY A**

Warranted that during the currency of this Certificate, storage in the premises of the following materials is permitted only up to the limit of quantities stated below, namely :-

- |       |  |   |
|-------|--|---|
| (i)   | All liquids including kerosene oil and diesel giving off flammable vapour with flashpoint not less than 93°C (200°F)   | 3600 Litres<br>(800 gallons)                            |
| (ii)  | All liquids including petrol giving off flammable vapour with flashpoint below 38°C (100°F)  | 900 Litres<br>(200 gallons)                             |
| (iii) | Matches, carbides, liquified petroleum gas (LPG) spontaneously combustion materials such as silane, sulphur, etc, and active materials such as magnesium, sodium, etc. | 30kg or 4 cases<br>or cartons<br>whichever is<br>higher |

**STORAGE OF HAZARDOUS GOODS WARRANTY B**

Warranted that during the currency of this Certificate, the storage or goods and the quantity of the goods stored in or upon the within mentioned premises are in compliance with the Regulations and Law of Malaysia.

**STORAGE OF PETROL WARRANTY**

Warranted that during the currency of this Certificate the storage of petrol be in accordance with the Government Regulations.

**STORAGE OF SAWN TIMBER (WITHIN 100 FEET) WARRANTY**

Warranted that during the currency of this Certificate no sawn timber be stored or stacked within 30 metres (100 feet) of the sawmill.

**STORAGE OF UNHEWN LOGS (WITHIN 15 METRES) WARRANTY**

Warranted that during the currency of this Certificate no unhewn logs be stored or stacked within 15 metres (50 feet) of the sawmill.

**STORAGE TANK INSTALLATIONS WARRANTY**

Warranted that during the currency of this Certificate no mineral or rock oils or liquid products or mixtures thereof giving off an inflammable vapour below 150 F (closed cup test) shall be stored or deposited in, or within 50 feet of any tank, barrels, tins or drums covered or the contents of which are covered hereby.

**USE & STORAGE OF FOAMED PLASTICS AND FOAMED RUBBER WARRANTY**

Warranted that during the currency of this Certificate no foamed plastic or foamed rubber or goods made therefrom be used or stored.

**USE OF ELECTRICITY AND/OR SOLAR POWER ONLY WARRANTY**

Warranted that during the currency of this Certificate, no power other than electricity and/or solar power be used for heating purposes.

**VACANT RISK WARRANTY**

Warranted that at no time during the currency of this Certificate shall the premises described herein be used for the storage or deposit of goods of any kind or for any other purpose whatsoever.

It is further warranted that all doors, windows and/or other openings shall be so secured at all times as to prevent entrance by any unauthorised person or persons.

**Endorsements And Clauses**

(THESE ARE NOT INCLUDED IN THE CERTIFICATE UNLESS SPECIFIED IN THE SCHEDULE)

**AUTOMATIC RENEWAL CLAUSE**

This Certificate is deemed to be automatically renewed and the appropriate contribution charged upon expiry unless otherwise instructed.

**AGGREGATE CONDITION OF AVERAGE CLAUSE**

It is hereby noted and agreed that notwithstanding the declaration of individual Sums Covered within the Certificate, Certificate Condition 20 of this Certificate will apply as though reference to property therein is in respect of all properties of the same participant at the same location covered therein. Accordingly, the sentence "Every item, if more than one, of the Certificate shall be separately subject to this condition" appearing in the test of Condition 20 is deemed to have been deleted.

**AGREED VALUE ENDORSEMENT FOR ART OBJECTS/PAINTINGS, ANTIQUES AND SUCH LIKE ITEMS**

It is hereby declared and agreed that in the event of the undernoted item(s) of property covered being totally lost, destroyed or damaged by any peril covered against, the liability of the Takaful Operator shall not exceed the corresponding agreed value stated in the schedule below:

<b>Property Covered</b>	<b>Agreed Value</b>
<b>As specified in the Schedule</b>	<b>As specified in the Schedule</b>

Notwithstanding anything contained in this Certificate to the contrary, where any covered items consist of articles in a pair or set, the Takaful Operator shall not be liable to pay more than the proportionate value of any particular parts which may be lost, without reference to any special value which such article or articles may have as part of such pair or set.

Subject otherwise to the terms exceptions and conditions of the Certificate.

**ALTERATIONS AND REPAIRS CLAUSE**

Notwithstanding condition 9(a), workmen are allowed on or about the covered property to carry out alterations and repairs provided the trade, manufacture, nature of occupation and/or construction of the building remains unchanged.

**APPRAISEMENT CLAUSE**

If the aggregate claim for any one loss does not exceed RM5,000 or 5% of the Sum Covered whichever is the lesser amount by the item or items affected no special inventory or appraisal of the undamaged property shall be required. If two or more buildings be included in a single item, this provision shall apply to the range of buildings and/or contents by the item or items affected.

**ARCHITECT'S SURVEYOR'S AND CONSULTANT'S FEES  
(with separate Sum Covered - Applicable to items as specified in the Schedule)**

The Coverage by this item(s) in respect of Architect's Surveyor's and Consulting Engineer's fees for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in the reinstatement of the property covered consequent upon its destruction or damage by fire or other peril hereby covered against, but not such fees for preparing any claim hereunder. The amount payable for such fees shall not exceed those authorised under the scales of the Associations of the respective professions prevailing at the time of destruction or damage, subject to the limit of the Sum Covered on this item(s).

**ARCHITECT'S SURVEYOR'S AND CONSULTANT'S FEES (without separate Sum Covered)**

The Coverage on buildings, plant and machinery hereby covered includes Architect's, Surveyor's and Consulting Engineer's fees for estimates, plans, specifications, quantities, tenders and supervision necessarily incurred in the reinstatement of the property covered consequent upon its destruction or damage by fire or any other peril hereby covered against but not such fees for preparing any claim hereunder. The amount payable for such fees shall not exceed those authorised under the scales of the Associations of the respective professions prevailing at the time of destruction or damage, subject to the Takaful Operator's maximum liability for any loss damage and fees not exceeding the Sum Covered against each item.

**ASBESTOS EXCLUSION CLAUSE**

This Certificate excludes all claims and losses based upon, arising out of, directly or indirectly resulting from or in consequence of, or any way involving :

1. asbestos, or
2. any actual or alleged asbestos related injury or damage involving the use, presence, existence, detection, removal, elimination or avoidance of asbestos or exposure or potential exposure to asbestos.

**AUTOMATIC HOLD COVER (PROPERTIES IN NEW LOCATIONS) CLAUSE**

It is understood and agreed that any additional properties situated in locations within Malaysia not covered by the Certificate which may be acquired by the Participant during the currency of this Certificate is automatically held covered up to 10% of the Certificate limit or RM10 million, whichever is the lower, provided that the Participant shall advise the Takaful Operator within thirty (30) days of any acquisition of any such properties and shall pay the additional contribution from effective date of acquisition.

Subject otherwise to the terms, exceptions and conditions of the Certificate.

**BRAND, LABEL AND TRADEMARK CLAUSE**

In the case of damage to property bearing a brand, label or trademark, the sale of which in any way carries a guarantee of the Participant, the average value of such damaged property shall be determined after the removal in the customary manner of all brand, labels and any trademarks which might be taken to indicate that the guarantee of the manufacturer or the Participant attaches to the said property.

**CAPITAL ADDITIONS CLAUSE**

(Not applicable to stock-in-trade or merchandise nor to Coverages where the Total Sum Covered is less than RM1,500,000).

The Coverage hereby extends to cover alterations, additions and improvements (but not appreciation in value in excess of the Sum Covered) to property specified in (item (s) No. (s)... of) this certificate for an amount not exceeding in respect of each item 10% of the Sum Covered by each item or RM1,000,000 per location whichever is the less.

The Participant undertakes to advise the Takaful Operator every three months of such alterations, additions and improvements and to pay the appropriate additional contribution thereon.

The Clause is inoperative if the declaration of such alterations, additions and improvements is not received by the Takaful Operator within ninety (90) days from the date of such alterations, additions and improvements.

For the purpose of this Clause the inception date under the Contribution Warranty shall be deemed to be the date of declaration received by the Takaful Operator.

**Note:** In the event that there is more than one location, then the limit may be increased to RM2,000,000 this amount being the aggregate limit for all the locations.

**COTAKAFUL AND LEADER CLAUSE**

It is hereby declared and agreed notwithstanding anything contained in the within Certificate, or on any Endorsement hereon to the contrary that any reference to 'the Takaful Operator' shall be deemed to mean the Takaful Operators/Insurance Companies specified in the Certificate Schedule each of which agrees for its individual proportion set against its name subject to the terms, exceptions and conditions herein or attached hereto or endorsed hereon, that if during the Period of Takaful stated in the Schedule the Participant shall sustain loss or damage in the circumstances provided for by this Certificate indemnify the Participant in the manner described in the Schedule.

It is further declared and agreed notwithstanding anything contained to the contrary that the lead covered, is authorised to sign the Certificate / Endorsement/ Renewal Receipt.

For all intents and purposes this Certificate shall have effect as though each of the mentioned Takaful Operators/ Insurance Companies had issued a separate Certificate for its individual proportion of the Sum Covered.

**COTAKAFUL CLAUSE (FOR DEALINGS WITH TAKAFUL OPERATORS)**

The Takaful Operators hereby severally agree, each for the proportion or share of participation set against its name, to indemnify the Participant by payment or at the option of the Takaful Operators by reinstatement repair or replacement in accordance with the terms and conditions hereunder or endorsed herein or in a Certificate of Takaful.

Provided that:

- (1) The liability of the Takaful Operators shall not exceed the limits of liability expressed in the said Schedule or such other limits of liability as may be substituted therefore by any Endorsement or attached hereto, signed by or on behalf of the Takaful Operators.

- (2) The liability of each of the Takaful Operator individually in respect of such loss shall be limited to the proportion set against its name.

It is further agreed that the Following Takaful Operator shall be subject to and follow the same intention, risks, terms and conditions, warranties, clauses, valuation, amendments or alterations of any description or any decision as may be made by the Lead Takaful Operator irrespective of any variation or difference in terminology under either the Insurance Act (Malaysia) 1996 or the Takaful Act 1984 as the case may be or as applicable therefore.

Notwithstanding that the Takaful Operators hereby attest to the intention and meaning of the Special Memorandum as lodged with them, the Lead Takaful Operator shall be entitled to investigate settle compromise control discharge or repudiate any claims and to institute defend settle and compromise any proceedings in respect of any risks and/or interest arising from this Certificate and/or under the applicable provisions of either the Insurance Act (Malaysia) 1996 or Takaful Act 1984 or both as the case may be or as applicable therefore.

To the extent the Lead Takaful Operator is liable to pay under this Certificate to that extent the Following Takaful Operator shall follow the fortunes of the Lead Takaful Operator in all respects all loss or damage provided for by this Certificate. The Special Memorandum serves to encapsulate the intentions and arrangements that were discussed and agreed upon between the parties as set below and with whom it shall be lodged with without altering reducing or amending the rights and duties of each party under the Takaful Certificate Nos..... or Co Takaful Certificate Nos..... issued or signed accordingly under the provisions of the Insurance Act (Malaysia) 1996 and/or Takaful Act 1984.

It has been agreed that:

- (1) For the purpose of determining any liability to indemnify the Participant under a Certificate of Takaful including as prescribed by any Endorsements attaching thereto, all parties shall primarily refer to a certificate or conventional language as normally issued under the provisions of the Insurance Act (Malaysia) 1996 and signed on by all Takaful Operators for their respective share of participation of such liability, all loss or damage provided for by this Certificate.
- (2) For the purpose of determining, if any, entitlement under *al-Mudharabah* to the favour of the Participant (or participant as equivalently known under a Contract of Takaful), the Co Takaful Certificate/s and any attachment thereto issued by (Participant's Name) shall be referred to and it is hereby understood that the rate of *al-Mudharabah* returns shall be proportionate to the Co Takaful share of participation.
- (3) In as far as the required presence of representatives of the Takaful Operators is concerned, in particular for meetings with the (Participant's Name) or its representatives or for any other official occasion or functions related to matters of Takaful, (Takaful Operator's Name) may be called upon to act as the spokesperson without prejudice to the rights and duties of each Takaful Operator.
- (4) The Lead Takaful Operator shall perform its obligations as prescribed under the CoTakaful Clause and shall be entitled to conduct an annual inspection or survey relating to risk management for and on behalf of all Takaful Operators for their own rightful purpose or for the benefit of the Participant.
- (5) The Takaful Operators shall agree to nominate an internationally recognised and licensed loss adjuster or panel of such loss adjusters which is/are acceptable to the Participant.
- (6) Notwithstanding the above arrangement, (Broker's Name) shall retain its rights and perform its duties as the appointed Takaful Broker for the (Takaful Operator's Name).

Provided that all arrangements as set hereon or herewith are not against the provisions of any acts of law in Malaysia or guidelines or regulations that may be prescribed or to be prescribed from time to time by the Malaysian Authorities.

#### **COMPUTER SYSTEMS RECORDS**

Computer systems records are covered only for the value of the materials together with the cost clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value of the information contained therein.

#### **CONTRACT PRICE**

It is agreed that in respect only of goods sold but not delivered for which the Participant is responsible and with regard to which under the conditions of the sale, the sale contract is cancelled by reason of the fire or any other peril hereby covered against, either wholly or to the extent of the loss or damage, the liability or the Takaful Operator shall be based on the contract price, and for the purpose of calculating the value of all goods to which this clause would in the event of destruction or damage be applicable the same basis shall be used.

#### **DATE RECOGNITION (WITH SAVING CLAUSE)**

It is noted and agreed this Certificate is hereby amended as follows:

- A. The Takaful Operator will not pay for any loss or damage including loss of use with or without physical damage or any consequential loss directly caused by, consisting of, or arising from, the failure of inability of any computer, data, processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the Participant or not, and whether occurring before, during or after the year 2001 that results from the failure or inability of such device and/or software as listed above to:

1. correctly recognize any date as its true calendar date;
  2. Capture, save or retain, and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date other than its true calendar date; and/or
  3. Capture, save retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or alter any date.
- B.** It is further understood that the Takaful Operator will not pay for the repair or modification of any part of any electronic data processing system or any part of any device and/or software as listed front page in A.
- C.** It is further understood that the Takaful Operator will not pay any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly arising from any device, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Participant or for the Participant or by or for others to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in A above.
- D.** It is further understood that the Takaful Operator will not pay any consequential loss resulting from any continuing inability of the computer and equipment described in A above to correctly recognize any date as its true calendar date after the lost or damaged property has been replaced or repaired.

Such loss or damage or any consequential loss referred to in A, B, C, or D above, is excluded regardless of any other cause that contributed concurrently or in any other sequence to the same.

#### Saving Clause

This Endorsement shall not exclude subsequent loss or damage or consequential loss which itself results from a Covered peril as defined in the Certificate.

Subject otherwise to the terms and conditions of the Certificate.

#### DATE RECOGNITION (WITHOUT SAVING CLAUSE)

It is noted and agreed this certificate is hereby amended as follows :-

- A.** The Takaful Operator will not pay for any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly caused by, consisting of, or arising from, the failure or inability of any computer, data processing equipment, media microchip, operating systems, microprocessors (computer chip), integrated circuit or similar device, or any computer software, whether the property of the Participant or not, and whether occurring before, during or after the year 2000 that results from the failure or inability of such device and/or software as listed above to:
1. correctly recognize any date as its true calendar date;
  2. Capture, save or retain, and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date other than its true calendar date; and/or
  3. Capture, save retain or correctly process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or alter any date.
- B.** It is further understood that the Takaful Operator will not pay for the repair or modification of any part of any electronic data processing system or any part of any device and/or software as listed above in A.
- C.** It is further understood that the Takaful Operator will not pay any loss or damage including loss of use with or without physical damage or any consequential loss directly or indirectly arising from any device, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the Participant or for the Participant or by or for others to determine, rectify or test, any potential or actual failure, malfunction or inadequacy described in A above.
- D.** It is further understood that the Takaful Operator will not pay any consequential loss resulting from any continuing inability of the computer and equipment described in A above to correctly recognize any date as its true calendar date after the lost or damaged property has been replaced or repaired.

Such loss or damage or any consequential loss referred to in A, B, C or D above, is excluded regardless of any other cause that contributed concurrently or in any other sequence to the same.

Subject otherwise to the terms and conditions of the Certificate.

#### DECLARATION POLICIES

1. In consideration of the contribution by this Certificate being provisional in that it is calculated on 100% of the Sum Covered hereby and is subject to adjustment on expiry of each Period of Takaful :-

The Participant agrees to declare to the Takaful Operator in writing the value of his stocks, less any amount covered by Policies other than Declaration Policies, on the basis described in the Schedule and to make such declaration within thirty days of the last day of each calendar month, such declaration to be signed by the participant or by a responsible person authorised to sign on his behalf.

If other Policies on a declaration basis cover the stock hereby covered the declaration shall be made so as to apportion to each Certificate a share of the value of the stocks covered under such Declaration Policies, pro rata to the respective amounts named in the Policies.

In the event of a declaration not being made within the thirty days mentioned above then the Participant shall be deemed to have declared the Sum Covered hereby as the value at risk.

On the expiry of each Period of Takaful the contribution shall be calculated at the rate applicable on the average Sum Covered, namely the total of the values declared or deemed to have been declared divided by the number of declarations due to have been made. If the resultant contribution be greater than the provisional contribution the Participant shall pay the difference, if it be less the difference shall be repaid to the Participant but such repayment shall not exceed 50% of the provisional contribution.

2. The basis of value for declarations shall be the market value and any loss hereunder shall be settled on the basis of the market value immediately anterior to the loss.
3. If at the time of any loss, there be any other subsisting Coverage or Coverages on other than a declaration basis, whether effected by the Participant or by any other person or persons, covering the stocks hereby covered, this Certificate shall apply only to the excess of the value of such stocks at the time of the loss over the Sum Covered by such Coverage or Coverages, and this Takaful Operator shall not be liable to pay or contribute more than that proportion of such loss which such excess (or, if there be other declaration Coverages covering the same stocks, a rateable proportion of such excess), but not exceeding the Sum Covered hereby, bears to the total value of the stocks.
4. If after the occurrence of a loss it is found that the amount of the last declaration previous to the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Participant shall be reduced in such proportion as the amount of the said last declaration bears to the amount that ought to have been declared.
5. In the event of a loss occurring the Participant undertakes to pay extra contribution on the amount of any loss pro rata from the date of such loss to the expiry of the Period of Takaful, the contribution being calculated at the rate applicable to the stocks destroyed and such extra contribution shall not be taken into account in, and shall be distinct from, the final adjustment of contribution.
6. In the event of this Certificate being cancelled by the Participant during its currency (whether stocks exists or not) the contribution to be retained by the Takaful Operator shall be the appropriate short period contribution calculated on the average amount covered up to the date of cancelment, or 50% of the provisional contribution whichever is the greater; but if the Certificate is cancelled by the Participant after a loss has accrued the contribution to be retained by the Takaful Operator shall be the pro rate proportion of the contribution calculated on the average amount covered up to the of cancelment plus the pro rate proportion of the contribution from the date of loss to the expiry of the Period of Takaful on the amount of the loss paid, or 50% of the provisional contribution whichever is the greater.
7. It is warranted that every other Certificate on a declaration basis covering the stocks covered hereby shall be identical in wording with this Certificate.
8. This Coverage is subject in all respects to the printed conditions of the Certificate except in so far as they may be varied by these Special Conditions.

#### **DEDUCTIBLES AND EXCESS CLAUSE**

It is hereby declared and agreed that the deductibles and/or excess as specified in the Schedule and/or Endorsement and/or Clauses attaching to this Certificate shall be applied in the following manner and as ascertained after the application of any condition of average:

- (a) only one deductible and/or excess, as may be applicable, will be applied for each and every loss or losses arising out of one event, irrespective of the number of Co-Takaful Operators;
- (b) the deductible and/or excess shall be apportioned amongst the Co-Takaful Operators;
- (c) the deductibles and/or excess apportioned above, shall be applied to the respective rateable liability of each Co-Takaful Operator;
- (d) In no event shall the Participant be liable to bear more than one Certificate deductible and/or excess as the case may be.

Subject otherwise to the terms, conditions and exceptions of this Certificate.

#### **DESIGNATION CLAUSE**

For the purpose of determining where necessary the item (column heading) under which any property is covered, the Takaful Operator agrees to accept the designation under which such property is entered in the participant's books.

#### **ESCALATION CLAUSE**

In consideration of payment of an additional contribution amounting to 50% of the contribution produced by applying the percentage specified in the Certificate Schedule of the first or the annual contribution as appropriate on the item(s) stated in the Certificate Schedule, the Sum(s) Covered thereby shall, during the Period of Takaful, be increased each day by an amount representing 1/365th of the specified percentage increase per annum.

Unless specifically agreed to the contrary the provisions of this Clause shall only apply to the Sums Covered in force at the commencement of each Period of Takaful.

At each renewal date the Participant shall notify the Takaful Operator :-

- (i) the sums to be covered under each item above, but in the absence of such instructions the sums covered by the above items shall be those stated on the Certificate (as amended by any Endorsements effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this clause during the Period of Takaful up to that renewal date, and
- (ii) the specified percentage increase(s) required for the forthcoming Period of Takaful, but in the absence of instructions to the contrary prior to renewal date the existing percentage increase shall apply for the Period of Takaful from renewal.

All the conditions of the Certificate except insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

#### **FLOATING TAKAFUL (SPECIFIED LOCATIONS)**

The stocks covered under (item ..... of) this Certificate is subject to a floating Sum Covered declared hereon against all the locations as specifically described in the Schedule.

Provided always the Takaful Operator's maximum liability shall not exceed the floating Sum Covered stated in the Schedule for which the item is Covered.

**Note:** The contribution charged thereon shall be calculated based on the highest amongst the rates applicable to the said locations concerned.

#### **FLOATING TAKAFUL (UNSPECIFIED LOCATIONS)**

The stocks covered under (item..... of) this Certificate is subject to a floating Sum Covered declared hereon all the locations owned and/or occupied by the Participant anywhere in Malaysia.

Provided always that:

- (i) there shall be a minimum of ten (10) locations covered under this item in the Certificate.
- (ii) the Sum Covered any one location shall not exceed the limit of RM500,000.

In the event of any loss or damage, the Takaful Operator's maximum liability shall not exceed the sum of RM500,000 for any one of the unspecified location and the floating Sum Covered declared hereon in respect of all the unspecified locations covered under the Certificate.

**Note:** (i) The total Sum Covered floating for the unspecified locations shall be greater than RM500,000  
(ii) The contribution charged is subject to a 25% loading on the highest rate applicable on the certificate.

#### **FLOATING TAKAFUL (UNSPECIFIED HOMOGENEOUS LOCATIONS)**

The stocks covered under (item... of) this Certificate is subject to a floating Sum Covered declared hereon against all the locations owned and/or occupied by the Participant anywhere in Malaysia.

Provided always that :-

- (i) there shall be a minimum of one thousand (1,000) locations under this item at inception of the Certificate.
- (ii) the Sum Covered limit per unit of stock shall not exceed RM5,000.00.
- (iii) the Participant shall declare to the Takaful Operator in writing the total value of the stocks within thirty days of the ..... (insert the appropriate day or date) of each calendar month.
- (iv) the basis of value for declaration shall be the full value of the stocks covered, any loss shall be settled on the basis of the market value immediately anterior to the loss.

In the event of any loss or damage, the Takaful Operator's maximum liability shall not exceed the Sum Covered limit of RM5,000 per unit of stock and the floating Sum Covered declared hereon in respect of all the unspecified locations covered under the Certificate.

#### **FOUNDATION EXCLUSION (UNDER SURFACE)**

The Coverage in Building(s) excludes that part of any building below the under surface of the lowest floor (and those parts of the concrete foundations for machinery which extend above such level).

#### **FOUNDATION EXCLUSION (UPPER SURFACE)**

The Coverage on Building(s) excludes that part of any building below the upper surface of its lowest floor (and those parts of the concrete foundations for machinery which extend above such level).

#### **GOODS AND STOCKS UNDERGOING ANY HEATING OR DRYING PROCESS ENDORSEMENT**

Notwithstanding anything to the contrary contained in Condition 5(i)(b) of the Certificate, it is hereby understood and agreed that the Coverage under this Certificate shall extend to include loss or damage to the property occasioned by its undergoing any heating or drying process provided that loss or damage due to smoke, scorching, charring, chemical reaction, change of state or original composition or discolouration of the property is excluded.

#### **HIRE PURCHASE ENDORSEMENT**

It is hereby understood and agreed that the Hire Purchase Company specified in the Certificate Schedule are the owners of the property covered by item(s) mentioned in the Schedule and that such property is the subject of a Hire Purchase Agreement made between the Owners of the one part and the Participant 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 Certificate shall be made to the Owners as long as they are the owners of the property and their receipt shall be full and final discharge to the Takaful Operator in respect of such loss or damage.

It is understood and agreed that notwithstanding any provision in the Hire Purchase Agreement to the contrary this Certificate is issued to the Participant as the principal party and not as agent or trustee for the Owners and nothing herein shall be construed as constituting the Participant, as agent or trustee for the Owners or as an assignment (whether legal or equitable) by the Participant to the Owners of his rights, benefits and claims under this Certificate.

It is lastly understood and agreed that the Participant shall not assign his rights benefits and claims under this Certificate without the prior consent in writing of the Takaful Operator.

#### **Non-Cancellation Clause**

And it is further agreed that cancellation of this Certificate shall not be effected by the participant except upon prior notification to the Owner in writing giving fourteen (14) days notice to the last known address of the Owner.

#### **INTERNAL REMOVAL CLAUSE**

It is understood and agreed that in the event of removal of property from one building to another at any of the aforesaid situations being inadvertently not advised to the Takaful Operator the Coverage on such property shall follow removal, the necessary adjustment in Sum Covered and contribution being made as from the date of removal as soon as the oversight is discovered.

#### **LEASING ENDORSEMENT**

It is hereby understood and agreed that the lessors as specified in the Certificate Schedule are the owners of the property covered by item mentioned in the Schedule and that such property is the subject of a Leasing Agreement made between the lessors of the one part and the Participant of the other part and it is further understood and agreed that the lessors are interested in any monies which but for this Endorsement could be payable to the Participant under this Certificate in respect of loss of or damage to the property (which loss or damage is not made good by repair reinstatement or replacement under the terms of the Certificate) and such monies shall be paid to the lessors as long as they are the owners of the property and their receipt shall be a full and final discharge to the Takaful Operator in respect of such loss or damage. Save as by this Endorsement expressly agreed nothing herein shall modify or affect the rights and liabilities of the Participant or the Takaful Operator respectively under or in connection with this Certificate.

#### **Non-Cancellation Clause**

And it is further agreed that cancellation of the Certificate shall not be effected by the participant except upon prior notification to the Lessor in writing giving fourteen (14) day notice to the last known address of the Lessor.

#### **MORTGAGEE (CHARGE) CLAUSE 1**

Loss, if any, payable to Mortgagee (Charge) as described in the Certificate Schedule as interest may appear in this Coverage, as to the interest of the Mortgagee (Charge) only therein, shall not be invalidated by any act or neglect of the Mortgagor (Chargor) or the Owner of the within described property nor any foreclosure or other proceedings or notice of sale relating to the property or by the occupation of the premises for purposes more hazardous than are permitted by this Certificate, or by the non-occupation thereof, or by any other increase of risk taking place in the property covered hereunder. Provided that in case the Mortgagor (Chargor) or Owner shall neglect to pay any contribution due under this Certificate the Mortgagee (Charge) shall on demand pay the same. Provided also that the Mortgagee (Charge) shall notify the Takaful Operator of any non-occupancy or any change of ownership or occupancy or increase of hazard which shall come to the knowledge of the said Mortgagee (Charge) and unless permitted by this Certificate it shall be noted thereon and the Mortgagee (Charge) shall on demand pay the contribution for such increased hazard for the term thereof otherwise this Certificate shall be null and void.

And it is further agreed that whenever the Takaful Operator shall pay the said Mortgagee (Charge) any sum in respect of loss or damage under this Certificate and shall claim that as to the Mortgagor (Chargor) or Owner no liability therefore existed, the Takaful Operator shall become legally subrogated to all the rights of the Mortgagee (Charge) to the extent of such payment but not so as to impair the right of the said Mortgagee (Charge) to recover the full amount of any claim it may have on such Mortgagor (Chargor) or Owner or on any other party or parties covered hereunder or from any securities or funds available.

#### **Non-Cancellation Clause**

And it is further agreed that cancellation of this Certificate shall not be effected by the Participant except upon prior notification to the Mortgagee (Charge) in writing giving fourteen (14) days notice to the last known address of the Mortgagee (Charge).

**Note:** When the interest is that of Chargee or Chargor the words in brackets are deemed to be inserted in place of Mortgagee and Mortgagor

#### **MORTGAGEE (CHARGE) CLAUSE 2**

It is hereby agreed that this Coverage as to the interest of the Mortgagee (Charge) shall not be invalidated by any change of occupancy or increase of risk taking place in the property covered without the knowledge of the Mortgagee (Charge) provided that the Mortgagee (Charge) shall immediately on the same coming to his knowledge, give notice thereof to the Takaful Operator and pay the additional contribution (if any) which may be required by the Takaful Operator from the date of such increase of risk.

#### **Non-Cancellation Clause**

And it is further agreed that cancellation of this Certificate shall not be effected by the participant except upon prior notification to the Mortgagee (Charge) in writing giving fourteen (14) days notice to the last known address of the Mortgagee (Charge).

**Note:** When the interest is that of Chargee or Chargor the words in brackets are deemed to be inserted in place of Mortgagee and Mortgagor

#### **OTHER CONTENTS CLAUSE**

It is agreed that the sum "Other Contents" in so far as they are not otherwise covered in understood to include :-

- (a) Money and stamp not otherwise specifically covered for an amount not exceeding RM1,000.00
- (b) Documents, manuscripts and business books but only for the value of the materials as stationery, together with the cost of clerical labour expended in writing up, and not for the value to the Participant of the information contained therein and for an amount not exceeding RM 1,000.00 in respect of any one document, manuscript or business book.
- (c) Company systems records but only for the value of the materials together with the cost of clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not for the value to the Participant of the information contained therein for an amount not exceeding RM1,000.00
- (d) Patterns, models, moulds, plans and designs, for an amount not exceeding RM1,000.00 in respect of any one pattern, model, mould, plan or design.
- (e) Employees' pedal cycles, clothing, tools and other personal effects for an amount not exceeding RM 1,000.00 in respect of any one Employee.

#### **OTHER TAKAFUL CLAUSE**

It is understood and agreed that the Participant shall be deemed to have complied with condition No. 3 of this Certificate provided that he has declared to the Takaful Operator the total amount of Coverage effected with other Takaful Operators/Insurance Companies on the property hereby covered.

#### **OUTBUILDING CLAUSE**

The Coverage by each item under Buildings is understood to include walls, gates and fences, small outbuildings, extensions, annexes, exterior staircase, fuel installations, steel or iron frameworks and tanks in the said premises and the Takaful by each item under Contents extends to include the contents of each outbuilding.

#### **PAIRS AND SETS CLAUSE**

It is hereby declared and agreed that notwithstanding anything contained in this Certificate to the contrary, where any covered item consists of articles in a pair or set, the Takaful Operator shall not be liable to pay more than the proportionate value of any particular part or parts which may be lost, without reference to any special value which such article may have as part of such pair or set.

Subject otherwise to the terms exceptions and conditions of the Certificate.

#### **PAWNBROKERS**

In the event of destruction or damage to pledged goods by fire or any other peril hereby covered against the amount payable shall not exceed the amount advanced by the participant on such goods plus 25% and the value of all goods which this clause applies shall be calculated on the same basis.

#### **PROPERTY DAMAGE CLARIFICATION CLAUSE**

Property damage covered under this Certificate shall mean physical damage to the substance of property.

Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by deletion, a corruption or a deformation of the original structure.

Consequently the following are excluded from this Certificate:-

- A.** Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.
- B.** Loss of or damage to data or software, but not limited to any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage Notwithstanding this exclusion, loss or damage to data or software, which is the direct consequence of covered physical damage to the substance of property, shall be covered.

#### **RADIOACTIVE/NUCLEAR ENERGY RISKS EXCLUSION CLAUSE**

This Coverage does not cover loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

1. ionizing radiations from or contamination by radioactivity from any nuclear waste or from the combustion of nuclear fuel;
2. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
3. any weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

## **REINSTATEMENT - DAY ONE**

### **Memorandum (Non-Adjustable)**

1. The Participant having stated in writing the Declared Value incorporated in such item to which this Memorandum applies, the Contribution has been calculated accordingly.

"Declared Value" shall mean the Participant's assessment of the cost of replacement or reinstatement of the property covered arrived at in accordance with the opening paragraph of the Reinstatement Value Clause, at the level of costs applying at the inception of the Period of Takaful (ignoring inflationary factors which may operate subsequently) together with, insofar as the Coverage by the item provides, due allowance for :-

- (i) the additional cost of reinstatement to comply with Public Authority requirements,
- (ii) professional fees,
- (iii) debris removal costs.

2. At the inception of each Period of Takaful the Participant shall notify the Takaful Operator of the Declared Value of the property covered by each of the said item(s). In the absence of such declaration the last amount Declared by the Participant shall be taken as the Declared Value for the ensuing Period of Takaful.
3. Notwithstanding any general indication or Endorsement to the contrary the following wording applies to Special Provision 3 of the Reinstatement Value Clause:
  - (3) If at the time of loss the Declared Value of the property covered by such item be less than the cost of replacement or reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum) at the inception of the Period of Takaful then the Takaful Operator's liability for any loss hereby shall be limited to that proportion hereof which the Declared Value bears to the cost of replacement or reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum). Each item of the Certificate (if more than one) to which this Memorandum applies shall be separately subject to the foregoing provision.

and the following new Special Provision 6 is incorporated into the Reinstatement Value Clause.

- (6) Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under the Certificate if this Memorandum had not been incorporated therein the rights and liabilities of the Takaful Operator and the Participant in respect of the destruction or damage shall be subject to the terms and conditions of the Certificate including any Conditions of Average therein, as if this Memorandum had not been incorporated therein except that the sums covered shall be limited to 120% of the Declared Value.

## **REINSTATEMENT - DAY ONE BASIS**

### **Memorandum (Adjustable)**

1. The Participant having stated in writing the "Declared Value" incorporated in each item to which this Memorandum applies, the Contribution has been calculated accordingly.
2. "Declared Value" shall mean the Participant's assessment of the cost of replacement or reinstatement of the property covered arrived at in accordance with the opening paragraph of the Reinstatement Value Clause, at the level of subsequently) together with, insofar as the Coverage by the item provides, due allowance for :-
  - (i) the additional cost of reinstatement to comply with Public Authority requirements,
  - (ii) professional fees,
  - (iii) debris removal costs.
2. At the inception of each Period of Takaful the Participant shall notify the Takaful Operator of the "Declared Value" of the property covered by each of the said item(s). In the absence of such declaration the last amount Declared by the Participant shall be taken as the "Declared Value" for the ensuing Period of Takaful.
3. The contribution thereon is provisional. On expiry of each Period of Takaful the contribution shall be adjusted by 50% of the difference between :-
  - (i) the provisional contribution at the commencement of the period and
  - (ii) the contribution calculated at the terms which have applied during the period under adjustment based on the "Declared Value" for the subsequent Period of Takaful.
4. For purposes of paragraph 3 of this Memorandum only :-
  - (i) if the certificate (or any item thereof) is cancelled or not renewed the Participant shall provide the Declared Value of the property covered by each of the said item(s) calculated in accordance with paragraph 1 of this Memorandum but at the level of costs applying at the date of cancellation or non-renewal.
  - (ii) where property has not been reinstated following loss the Participant shall provide the Declared Value as though the property had not been damaged or destroyed.
  - (iii) where a declaration of the Declared Value is not submitted to the Takaful Operator an additional contribution of 10% of the provisional contribution shall become payable.
5. Notwithstanding any general indication or Endorsement to the contrary the following wording applies to Special Provision 3 of the Reinstatement Value Clause:
  - (3) If at the time of loss the Declared Value of the property covered by such item be less than the cost of replacement or reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum) at the inception of the Period of Takaful then the Takaful Operator's liability for any loss hereby shall be limited to that proportion hereof which the "Declared Value" bears to the cost of replacement or reinstatement (as defined in paragraph 1 of the Day One Basis Memorandum). Each item of the certificate (if more than one) to which this Memorandum applies shall be separately subject to the foregoing provision.

and the following new Special Provision 6 is incorporated into the Reinstatement Value Clause.

- (6) Where by reason of any of the above special provisions no payment is to be made beyond the amount which would have been payable under the certificate if this Memorandum had not been incorporated therein the rights and liabilities of the Takaful Operator and the Participant in respect of the destruction or damage shall be subject to the terms and conditions of the Certificate including any Conditions of Average therein, as if this Memorandum had not been incorporated therein except that the Sums Covered shall be limited to 120% of the "Declared Value".

#### **REINSTATEMENT VALUE (STRATA TITLED PROPERTY) CLAUSE**

Notwithstanding anything to the contrary contained in Condition 17 of the Certificate, it is hereby declared and agreed that in the event of the property covered under (items nos....) of the within Certificate being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the Certificate is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the covered property when new, subject to the following Special Provisions and subject also to the terms and conditions of the Certificate except insofar as the same may be varied hereby.

#### **SPECIAL PROVISIONS**

1. The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Covered subject to the liability of the Takaful Operator not being thereby increase) must be commenced and carried out with reasonable despatch and in any case must be completed within 12 months after the destruction or damage, or within such further time as the Takaful Operator may (during the said 12 months) in writing allow otherwise no payment beyond the amount which would have been payable under the Certificate if this clause had not been incorporated therein shall be made.
2. Until expenditure has been incurred by the Participant in replacing or reinstating the property destroyed or damaged the Takaful Operator shall not be liable for any payment in excess of the amount which would have been payable under the Certificate if this clause had not been incorporated therein.
3. If the Sum Covered at the breaking out of any fire or at the commencement of any destruction of or damage to the property by any other peril hereby covered against be less than 85% of the sum representing the cost at the time of replacement or reinstatement which would have been incurred in replacement or reinstatement if the whole of the property covered had been destroyed then the Participant shall be considered being his own Takaful for the difference between the Sum Covered and the sum representing the full cost at the time of replacement or reinstatement which would have been incurred in replacement or reinstatement if the whole of the property covered had been destroyed and shall bear a rateable proportion of the loss accordingly. Every item, if more than one of the Certificate shall be separately subject to this Special Provision.
4. This clause shall be without force or effect if :-
  - (a) The Participant fails to intimate to the Takaful Operator within six (6) months from the date of destruction or damage, or such further time as the Takaful Operator may in writing allow, his intention to replace or reinstate the property destroyed or damaged.
  - (b) The Participant is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or upon another site.
5. No payment beyond the amount which would have been payable under the Certificate if this clause had not been incorporated therein shall be made if at the time of any destruction or damage to any property covered hereunder such property shall be covered by any other Insurance / Takaful effected by or on behalf of the Participant which is not upon the identical basis of reinstatement set forth therein.
6. In the event that the Takaful Operator is liable to make any payment (other than payment representing the cost of replacing or reinstating the property destroyed or damaged) under the provisos of this clause the Takaful Operator shall only make such payment in accordance with the Strata Titles Act 1985 and the Strata Titles (Federal Territory of Kuala Lumpur) Rules, 1988 and/or its subsequent amendments.

#### **REINSTATEMENT IN COMPLIANCE WITH THE REQUIREMENT OF PUBLIC AUTHORITIES**

The Coverage by this Certificate extends to include such additional cost of reinstatement of the destroyed or damaged property thereby covered as may be incurred solely by reason of the necessity to comply with Building or other Regulations under or framed in pursuance of any Government Act or Bye-Laws of any Municipal or Local authority provided that :

1. The change recoverable under this extension shall not include:
  - (a) the cost incurred in complying with any of the aforesaid Regulations or Bye-Laws:
    - (i) in respect of destruction or damage occurring prior to the granting of this extension.
    - (ii) in respect of destruction or damage not covered by the Certificate.
    - (iii) under which notice has been served upon the Participant prior to the happening of the destruction or damage.
    - (iv) in respect of undamaged property or undamaged portions of property.

- (b) additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations or Bye-Laws not arisen;
  - (c) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid Regulations of Bye-Laws.
2. The work of reinstatement must be commenced and carried out with reasonable despatch and in any case must be completed within twelve (12) months after the destruction or within such further time as the Takaful Operator may (during the said 12 months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-Laws so necessitate) subject to the liability of the Takaful Operator under this extension not being thereby increase.
  3. If the liability of the Takaful Operator under (any item of) the Certificate apart from this extension shall be reduced by the application of any of the terms and conditions of the Certificate then the liability of the Takaful Operator under this extension (in respect of any such item) shall be reduced in like proportion.
  4. The total amount recoverable under any item of the Certificate shall not exceed the Sum Covered thereby.
  5. All the conditions of the Certificate except insofar as they may be hereby expressly varied shall apply as if they had been incorporated herein.

#### **REINSTATEMENT VALUE CLAUSE**

In the event of the property covered under the within Certificate being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the Certificate is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior or more extensive than the covered property when new, subject to the following Special Provisions and subject also to the terms and conditions of the Certificate except insofar as the same may be varied hereby.

#### **SPECIAL PROVISIONS**

1. The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Covered subject to the liability of the Takaful Operator not being thereby increase) must be commenced and carried out with reasonable dispatch and in any case must be completed within twelve (12) months after the destruction or damage, or within such further time as the Takaful Operator may (during the said twelve (12) months) in writing allow otherwise no payment beyond the amount which would have been payable under the Certificate if this Memorandum had not been incorporated therein shall be made.
2. Until expenditure has been incurred by the Participant in replacing or reinstating the property destroyed or damaged the Takaful Operator shall not be liable for any payment in excess of the amount which would have been payable under the Certificate if this Memorandum had not been incorporated therein.
3. If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered has been destroyed exceeds the Sum Covered thereon at the breaking out of any fire or at the commencement of any destruction of or damage to such property by any other peril Covered against by this Certificate, then the Participant shall be considered as being his own Takaful Operator for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the Certificate (if more than one) to which this Memorandum applies shall be separately subject to the foregoing provision.
4. This Memorandum shall be without force or effect if:
  - (a) The Participant fails to intimate to the Takaful Operator within six (6) months from the date of destruction or damage, or such further time as the Takaful Operator may in writing allow, his intention to replace or reinstate the property destroyed or damaged.
  - (b) The Participant is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.
5. No payment beyond the amount which would have been payable under the Certificate if this Memorandum had not been incorporated therein shall be made if at the time of any destruction or damage to any property Covered hereunder such property shall be covered by any other Coverage effected by or on behalf of the Participant which is not upon the identical basis of reinstatement set forth therein.

#### **REMOVAL OF DEBRIS (with separate Sum Covered)**

The Takaful coverage under this Certificate hereby covered includes costs and expenses necessarily incurred by the Participant with the consent of the Takaful Operator in the :-

- (a) removal of debris
- (b) dismantling and/or demolishing
- (c) shoring up or propping

of the portion or portions of the property covered by this Certificate destroyed or damaged by fire or by any other peril hereby covered against (Items (b) and (c) above are deemed to be deleted when neither Buildings nor machinery are covered).

The Takaful Operator will not pay any costs or expenses :-

- (i) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site.
- (ii) arising from pollution or contamination of property not covered by this Certificate.

**REMOVAL OF DEBRIS (without separate Sum Covered)**

The Takaful coverage under this Certificate hereby covered includes costs and expenses necessarily incurred by the Participant with the consent of the Takaful Operator in the :-

- (a) removal of debris
- (b) dismantling and/or demolishing
- (c) shoring up or propping

of the portion or portions of the property covered by this Certificate destroyed or damaged by fire or by any other peril hereby covered against (Items (b) and (c) above are deemed to be deleted when neither Buildings nor machinery are covered).

The amount payable for such costs and expenses shall not exceed 10% of the Sum Covered of each Item or Ringgit Malaysia Two Million (RM2,000,000) in aggregate any one loss, whichever is lower. The Takaful Operator will not pay any costs and expenses:-

- (i) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site.
- (ii) arising from pollution or contamination of property not covered by this Certificate.

Provided always the Takaful Operator's maximum liability shall not exceed the sum stated in the Schedule for which the Item(s) is/are covered.

**RENT (APPLICABLE TO OWNER NON-OCCUPIER OF THE PREMISES)**

This Coverage on Rent applies only if (any of) the said buildings(s) or any part thereof is unfit for occupation in consequence of fire or any other peril hereby covered against and the amount payable shall not exceed such proportion of the Sum Covered on Rent as the period necessary for reinstatement or repairs bears to the total number of months of Rent covered.

**RENT (APPLICABLE TO OWNER-OCCUPIER OF THE PREMISES)**

This Coverage on Rent applies only if (any of) the said buildings(s) or any part thereof is unfit for occupation in consequence of fire or any other peril hereby covered against and the amount payable shall be the reasonable additional expenses necessarily incurred by the Participant in renting an alternative premise elsewhere. Provided that the total amount payable shall not exceed such proportion of the expenses covered as the period necessary for reinstatement or repairs bears to the total number of months expenses covered.

**SELF-TAKAFUL CLAUSE**

It is hereby declared and agreed that the Participant agrees to self-takaful and that the Sum(s) Covered nominated under (item(s) no(s) ..... of) this Certificate represent(s) only ..... % of the actual Market Value (or reinstatement value in the event that this Certificate is on reinstatement value basis) of the property covered herein.

In consequence of the foregoing, the Participant agrees to be his own Takaful Operator for ..... % and undertakes to bear that rateable proportion of:

- (a) each and every loss or damage (including any amounts in respect of fees charges costs and expenses) payable under this Certificate; and
- (b) any expenditure payable in the exercise of Condition 18 of this Certificate.

It is further declared and agreed that in the event the Sum(s) Covered under (item(s) no(s)....of) this Certificate is less than ..... % of the actual value of the covered property at the time of loss, Condition 20 of this Certificate (Average Clause) shall apply accordingly.

**SMOKE DAMAGE ENDORSEMENT**

Notwithstanding anything contained in this Certificate to the contrary, it is hereby declared and agreed that in consideration of the payment of an additional contribution, the Coverage under this Certificate shall extend to include:

Destruction of or damage to the property covered (by fire or otherwise) directly caused by smoke due to a sudden, unusual and faulty operation of any heating or cooking unit, only when such unit is connected to a chimney by exhaust pipe or vent pipe, and while in or on the described premises but not smoke from fire-places or industrial apparatus.

In respect of loss or damage caused by the peril hereby covered against, the Takaful Operator shall not be liable for the first RM50,000 of each and every loss as ascertained after the application of any condition of average.

Provided always that all the conditions of the Certificate (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and for the purpose hereof any destruction or damage as aforesaid shall be deemed to be destruction or damage by fire.

**SPRINKLER LEAKAGE ENDORSEMENT**

In consideration of the payment of the Participant to the Takaful Operator of an additional contribution it is hereby declared and agreed that the Coverage under this Certificate extends to include loss of or damage to the property covered directly caused by water or other fire extinguishing agent accidentally discharged or leaking from the automatic sprinkler installation and/or drencher and/or fire suppression or extinguishing installation or apparatus.

Provided always that otherwise the Coverage under this Endorsement and the Certificate shall be subject to all the terms, limitations, stipulation, exclusions, provisions and exceptions printed on, expressed in, endorsed upon or attached to the Certificate and that without in any way limiting the generality of the foregoing, the liability of the Takaful Operator shall in no case under this Endorsement exceed in respect of each item the sum expressed in the schedule or in the whole the Total Sum Covered.

This Takaful does not cover loss or damage occasioned by or through or in consequence of:

- (a) explosion, the blowing up of buildings or blasting
- (b) the order of any authority
- (c) heat caused by fire
- (d) repairs or alterations to the buildings or premises
- (e) the automatic sprinkler installation being either repaired, removed or extended.

No liability shall attach if the building covered or containing the covered property becomes unoccupied and so remains for a period of more than thirty (30) days unless the Participant obtains the sanction of the Takaful Operator signified by Endorsement upon the Certificate.

The Participant shall at all times during the currency of this Certificate take all reasonable steps to maintain in proper working order the installation of Automatic Sprinklers, including the Automatic Alarm signal.

The Takaful Operator shall not be responsible for loss or damage which may occur after notice has been given to the Participant by the Takaful Operator that the Sprinkler installations is/are liable to accident by reason of defective construction or condition nor if the Participant is himself aware of defect in construction or condition.

#### **TEMPORARY REMOVAL CLAUSE (Contents of Private Dwellings)**

The property covered under this Certificate is covered whilst temporarily removed including whilst in transit but remaining in Malaysia, the Republic of Singapore or Brunei Darussalam for an amount not exceeding 15% of the Sum Covered under (each item of) this Certificate.

The amount recoverable under this extension in respect of (each item of) the certificate shall not exceed the amount which would have been recoverable had the loss occurred in the premises from which the property was temporarily removed.

This extension does not apply to property in so far as it is otherwise covered nor to property removed for sale or exhibition or to a furniture depository.

#### **TEMPORARY REMOVAL CLAUSE (Other Property Excluding Stock-in-Trade and Merchandise)**

The property covered under this Certificate is covered (limited to 10% of the Sum Covered) whilst temporarily removed including whilst in transit for cleaning, renovation, modification, repair or other similar purpose, elsewhere on the same or to any other premises and in transit thereto and therefrom by road, rail, or inland waterway, all in Malaysia, the Republic of Singapore or Brunei Darussalam.

The amount recoverable under this extension in respect of the property so removed shall not exceed the amount which would have been recoverable had the loss occurred in that part of the premises from which the property is temporarily removed.

This extension does not apply to property if and so far as it is otherwise covered, nor does it apply to items covering stock and merchandise of every description, nor as regards losses occurring elsewhere than at the premises from which the property is temporarily removed to :-

- (i) Motor Vehicles and Motor Chassis
- (ii) Property (other than machinery and plant) held by the Participant in trust.

#### **TEMPORARY STORAGE CLAUSE**

The property (excluding buildings) covered under this Certificate is covered whilst temporarily stored anywhere in Malaysia and Singapore PROVIDED that :

- (a) the period of temporary storage shall not exceed sixty (60) days.
- (b) the liability of the Takaful Operator is limited to 10% of the Total Sum Covered or RM500,000 whichever is the lower for property covered under this clause.
- (c) the Takaful Operator shall not be liable for any loss or damage to the property whilst in transit (including the processes of loading and unloading incidental to such transit).
- (d) this Takaful does not apply to property in so far as it is otherwise covered nor does it apply to motor vehicles and motor chassis.

#### **TENANTS CLAUSE (AS TO INTEREST OF THE OWNER)**

It is hereby agreed that this Coverage as to the interest of the Participant where the property covered is used or occupied by a tenant of the Participant, shall not be invalidated by any change of occupancy or increase of risk taking place in the property covered without the knowledge of the Participant provided that the Participant shall immediately on the same coming to his knowledge, give notice thereof to the Takaful Operator and pay the additional contribution (if any) which may be required by the Takaful Operator from the date of such increase of risk.

Subject otherwise to the terms and conditions of the Certificate.

**VEHICLE LOAD CLAUSE**

In the event of any of the Participant's vehicles being left loaded overnight whilst in or on the premises described in the specification hereto the Takaful Operator will indemnify the Participant in respect of such load in the event of loss or damage by any of the perils covered against by this Certificate.

**VOLUNTARY DEDUCTIBLES**

This Certificate does not cover the amounts of the deductibles stated in the Schedule in respect of each and every loss or series of losses arising out of any one event as ascertained after the application of all other terms and conditions of the Certificate including any other deductibles and condition of average.

The duration and extent of any loss occurrence arising out of any one event so defined shall be limited to:

72 consecutive hours as regards cyclone, hurricane, typhoon and/or windstorm.

72 consecutive hours as regards earthquake, and/or flood (including overflow of the sea).

72 consecutive hours and within the limits of one City or Town as regards civil commotions, riot and strike and/or malicious damage. 168 consecutive hours for any other catastrophe of whatsoever nature.

Warranted that during the currency of the Certificate the Participant shall not effect Coverage in respect of the amounts of the deductibles stated in the Schedule.

**WAIVER OF SUBROGATION RIGHTS OF TAKAFUL OPERATORS**

In consideration of the payment of an additional contribution, the Takaful Operator agrees to waive any rights and remedies or relief or indemnity to which it may become entitled by subrogation against the entity(ies): specified in the Schedule

However, the Takaful Operator's entitlement to enforce any rights and remedies or to obtain relief or indemnity from any other party(ies) by way of subrogation shall remain unaffected.

**NOTICE:**

For all intents and purposes where there is a conflict or ambiguity as to meaning in the Bahasa Melayu provisions of any part of the Contract, it is hereby agreed that the English version of the Contract shall prevail.

## Important Notice

The Financial Mediation Bureau (FMB) and BNM's Customer Services Bureau (CSB) provide alternative avenues for members of the public to seek redress against unfair market practices.

### **PROCEDURE FOR COMPLAINT TO FMB**

Any Participant who is not satisfied with the decision of the senior management of a Takaful Operator, may write to the "Mediator, Insurance Division of FMB", giving details of the dispute, the name of the Takaful Operator and the Certificate number.

Copies of the correspondence between the Participant and the Takaful Operator may be sent to facilitate tracing the case file kept by the Takaful Operator.

If the Mediator makes an award against a Takaful Operator, the Participant is required to inform the Mediator whether he accepts the award within fourteen (14) days, so that the Takaful Operator can be informed of the Participant decision.

There is no appeal procedure within the FMB. If the Participant does not want to accept the award, he may reject the decision of the Mediator and he is free to institute Court proceedings against the Takaful Operator or refer it to Arbitration.

The FMB is not responsible for handling payment following the decision of the Mediator. The Takaful Operator when informed of the acceptance of the award is required to remit the amount direct to the claimant within thirty (30) days.

At present, there is no fee or charge for the services provided by FMB.

The contact address is as follows:

#### **FINANCIAL MEDIATION BUREAU (FMB)**

Tingkat 25, No. 4

Jalan Sultan Sulaiman

50000 Kuala Lumpur.

Tel : 03 - 2272 2811

Fax : 03 - 2274 5752

Website : [www.fmb.org.my](http://www.fmb.org.my)

### **PROCEDURE FOR COMPLAINT TO CSB**

Any Participant or claimant who is not satisfied with the conduct of the Takaful Operator may write to CSB, giving details of the complaint, the name of Takaful Operator and Certificate number or the Claim number.

Copies of the correspondence (if any) between the Participant or the Claimant and the Takaful Operator may also be sent to facilitate tracing the case file kept by the Takaful Operator.

The contact details are as follows:

#### **Director**

**Corporate Communication Department**

**Bank Negara Malaysia (BNM) Level 14B**

**P. O. Box 10922**

**50929 Kuala Lumpur**

**Tel: 03 – 2698 8044**

**Fax: 03 – 2693 6919**

Website : [www.bnm.gov.my](http://www.bnm.gov.my)

## Our Commitment To High Standard Of Customer Service

We do everything We can to ensure that You receive the high standard of service You expect. If We fall below these standards, or You are unhappy with Our service, please write to Our Head of Feedback Centre who will ensure that Your feedback is dealt with instantly.

The address is:

Head, Feedback Centre, Level 4, Tower C, Dataran Maybank, No. 1, Jalan Maarof, 59000 Kuala Lumpur.

Alternatively, you can fax your feedback to:

T+603 2297 3888

F+603 2297 3800

E [info@etiga.com.my](mailto:info@etiga.com.my)

[www.etiga.com.my](http://www.etiga.com.my)

Etiqa Oneline **1300 13 8888**