

PRODUCT DISCLOSURE SHEET MARINE CARGO INSURANCE

(Please read this Product Disclosure Sheet before you decide to take out a Marine Cargo Insurance Policy. Be sure to also read the general terms and conditions stated in the policy).

1. What is this product about?

This policy provides you with coverage for loss or damage to the goods as provided in the Institute Cargo Clauses (A), (B) or (C) 1.1.82 or Institute Cargo Clauses (A), (B) or (C) 1.1.09 respectively. You may insure your goods by choosing either of the below coverage subject to our Company's approval.

2. What are the covers / benefits provided?

a) Institute Cargo Clauses (A) 1.1.82 / 1.1.09

This is the widest form of cover. This policy covers all risk of loss of or damage to the goods except as provided under the Exclusions.

b) Institute Cargo Clauses (B) 1.1.82 / 1/1/09

This policy covers against loss of or damage to the goods attributable to or caused by

- Fire or explosion
- Vessel or craft being stranded, grounded, sunk or capsized
- Overturning or derailment of land conveyance
- Collision or contact of vessel, craft or conveyance with any external object other than water
- Discharge of cargo at a port of distress
- Earthquake, volcanic eruption or lightning
- General average sacrifice
- Jettison or washing overboard
- Entry of sea, lake or river water into vessel, craft, hold, conveyance, container or place of storage
- Total loss of any package lost overboard or dropped whilst loading on to, or unloading from vessel or craft
- General average and salvage charges

c) Institute Cargo Clauses (C) 1.1.82 / 1/1/09

This policy covers against loss of or damage to the goods attributable to or caused by

- Fire or explosion
- Vessel or craft being stranded, grounded, sunk or capsized
- Overturning or derailment of land conveyance
- Collision or contact of vessel, craft or conveyance with any external object other than water
- Discharge of cargo at a port of distress
- General average sacrifice
- Jettison
- General average and salvage charges

In addition to the above coverage, you may extend to the following risks by paying additional premium:

- War as provided under the Institute War Clauses (Cargo)
- Strikes as provided under the Institute Strikes Clauses (Cargo)

d) Duration of cover

i) Institute Cargo Clauses 1.1.82

The cover commences from the time the goods leave the warehouse or at the place of storage indicated in the policy for the commencement of transit, continues during the transit and terminates either

- on delivery to the Consignees' or final warehouse at destination indicated in the policy,
- on delivery to any warehouse, whether prior to or at the destination indicated in the policy which Insured elect to use either
 - for storage other than in the ordinary course of transit, or
 - for allocation or distribution of the goods or
 - on the expiry of 60 days after completion of discharge overside of the goods from the vessel at the final port of discharge

whichever shall first occur.

ii) Institute Cargo Clauses 1.1.09

The cover commences from the time the goods is first moved in the warehouse or at the place of storage indicated in the policy for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either

- on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination indicated in the policy,
- on completion of unloading from the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination indicated in the policy which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution or

- when the Assured or their employees elect to use any carrying vehicle or other conveyance of any container for storage other than in the ordinary course of transit or
- on the expiry of 60 days after completion of discharge overside of the goods from the oversea vessel at the final port of discharge
whichever shall first occur.

ii) Institute Cargo Clauses 1.1.09

The cover commences from the time the goods is first moved in the warehouse or at the place of storage indicated in the policy for the purpose of the immediate loading into or onto the carrying vehicle or other conveyance for the commencement of transit, continues during the ordinary course of transit and terminates either

- on completion of unloading from the carrying vehicle or other conveyance in or at the final warehouse or place of storage at the destination indicated in the policy,
- on completion of unloading from the the carrying vehicle or other conveyance in or at any other warehouse or place of storage, whether prior to or at the destination indicated in the policy which the Assured or their employees elect to use either for storage other than in the ordinary course of transit or for allocation or distribution or
- when the Assured or their employees elect to use any carrying vehicle or other conveyance of any container for storage other than in the ordinary course of transit or
- on the expiry of 60 days after completion of discharge overside of the goods from the oversea vessel at the final port of discharge
whichever shall first occur.

3. How much premium do I have to pay?

The total premium that you have to pay may vary depending on the coverage, terms and conditions and the underwriting requirements of the company :

- Insurance cover selected : ICC (A) or (B) or (C) Rate Applicable _____%
- Sum Insured : RM _____ Premium RM _____
- Additional Cover RM _____

The estimated total premium that you have to pay is: RM _____

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

The fees and charges that you will have to pay are:

Type	Amount
Service tax	5% of the premium (if applicable)
Stamp duty	RM10.00
Commission paid to the insurance agent (if any)	15% of the premium

5. What are some of the key terms and conditions that I should be aware of?

Some of the key terms and conditions that you should be aware of are:

- Duty of disclosure** - you must give all the facts in your application form fully and faithfully otherwise your policy may be void.
- Change in Risk** – you must inform the company or your agent in writing on any material changes before the commencement of the voyage so that the necessary amendments are endorsed into your policy.
- You must ensure that your goods are insured based on the prime cost of the goods plus any expenses incidental to shipping such as, freight charges, insurance charges and import duties (if applicable).
- If goods insured are used/second-hand and/or shipped on deck, it is necessary to indicate in the application so that relevant clauses/terms may be applied accordingly.
- For household goods and personal effects, an inventory list with breakdown of items and insured values are necessary to be provided
- Excess** - is the amount of loss that you have to bear in event of a claim

6. What are the major exclusions under this policy?

a. Institute Cargo Clauses (A), (B) or (C) 1.1.82

This policy does not cover certain losses such as:

- Loss attributable to willful misconduct of the Assured
- Ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the goods insured
- Loss caused by insufficiency or unsuitability of packing ("packing" shall include stowage in a container or liftvan but only when such stowage is carried out prior to attachment of this insurance by the Assured or their servants)
- Loss caused by inherent vice or nature of the goods insured
- Loss caused by insolvency or financial default of the owners, managers, charterers or operators of the vessel

- Loss arising from unseaworthiness of vessel or unfitness of vessel for the safe carriage of the goods insured where the Assured are aware of such unseaworthiness or unfitness, at the time the goods insured is loaded
- The Insurer waive any breach of the implied warranties of seaworthiness of the ship and fitness of the ship to carry the insured cargo to destination, unless the Assured or their servants are privy of such unseaworthiness or unfitness
- Loss proximately caused by delay
- War and Strikes (this is normally covered under the Institute War Clauses (Cargo) and Institute Strikes Clauses (Cargo) respectively subject to additional premium)

b. Institute Cargo Clauses (A), (B) or (C) 1/1/09

This policy does not cover certain losses such as:

- Loss attributable to willful misconduct of the Assured
 - Ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the goods insured
 - Loss caused by insufficiency or unsuitability of packing where such packing or preparation is carried out by the Assured or their employees or prior to the attachment of this insurance ("packing" shall deemed to include stowage in a container and "employees" shall not include independent contractors)
 - Loss caused by inherent vice or nature of the goods insured
 - Loss caused by insolvency or financial default of the owners, managers, charterers or operators of the vessel where at the time of loading of the goods insured on board the vessel, the Assured are aware or in the ordinary course of business should be aware that such insolvency or financial default could prevent the normal prosecution of the voyage. This exclusion does not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the goods insured in good faith under a binding contract
 - Loss damage or expense arising from :
 - i) unseaworthiness or vessel or unfitness of vessel for the safe carriage of the goods insured and where the Assured are privy to such unseaworthiness or unfitness at the time the goods insured is loaded
 - ii) unfitness of container or conveyance for the safe carriage of the goods insured, where loading is carried out prior to attachment of this insurance or by the Assured or their employees and they are privy to such unfitness at the time of loading
- Exclusion (i) shall not apply where the contract of insurance has been assigned to the party claiming hereunder who has bought or agreed to buy the goods insured in good faith under a binding contract
- Loss proximately caused by delay
 - War and Strikes (this is normally covered under the Institute War Clauses (Cargo) and Institute Strikes Clauses (Cargo) respectively subject to additional premium)

(Note : This list is non-exhaustive. Please refer to the policy contract for the full list of exclusions under this policy.)

7. Can I cancel my policy and how do I cancel it?

There are no cancellation provision under the policy.

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

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

9. Where can I get further information?

Should you require additional information about our Marine Cargo insurance or any other types of insurance products, you may contact us directly or any of our branches or your insurance agent at your convenience. Alternatively, you may visit our website at www.kurnia.com

If you have any enquiries, please contact us at:

Kurnia Insurans (Malaysia) Berhad
No. 9, Jalan PJS 8/9
46150 Petaling Jaya

Toll Free: 1-800-886-333
Fax : 03-7875 9933

IMPORTANT NOTE:

YOU MUST ENSURE THAT YOUR PROPERTY IS INSURED AT THE APPROPRIATE AMOUNT. YOU SHOULD READ AND UNDERSTAND THE INSURANCE POLICY AND DISCUSS WITH THE AGENT OR CONTACT THE INSURANCE COMPANY DIRECTLY FOR MORE INFORMATION.