

PRODUCT LIABILITY INSURANCE POLICY

Claims made coverage

INSURED :
POLICY NO. :



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We would remind you that you must disclose to us, fully and faithfully, the facts you know or ought to know, otherwise you may not receive any benefit from your policy.

Please read your policy carefully and return this Policy to us if there is any error or misdescription.

INSURING AGREEMENT

1. The Insured has applied to Zurich General Insurance Malaysia Berhad ("the Company") and paid or agreed to pay the Premium, in consideration of which the Company will provide the insurance detailed herein. The information supplied by the Insured in connection with the risk is the basis of this contract and is incorporated herein.

JURISDICTION

2. The indemnity provided by this Policy applies only in respect of
 - 2.1. Compensation resulting from judgements delivered by or obtained from a court of competent jurisdiction in the Geographical Limits
 - 2.2. charges, expenses and legal costs incurred or recoverable in the Geographical Limits
3. The interpretation of this Policy and any word or phrase contained in this Policy will be in accordance with the Law of Malaysia

LIABILITIES WHICH ARE INSURED

4. Subject to the terms, limitations, definitions, exceptions and conditions of this Policy the Company will pay to or on behalf of the Insured all sums which the Insured becomes legally liable to pay as compensation for
 - ◆ **Bodily Injury and or**
 - ◆ **Property Damage**the first Claim in respect of which is first made against the Insured after the Retroactive Date stated in the Schedule and before the end of the Period of Insurance and which arises out of the Business of the Insured and which occurs within the Geographical Limits as a result of an Occurrence but which is limited to:
 - 4.1. Bodily Injury and/or Property Damage caused by the nature, condition or quality of the Insured's Products

CLAIMS MADE AND EXTENDED REPORTING

CLAIMS MADE

5. All Claims will be deemed to have been first made on the earliest date on which the Insured
 - 5.1.1. received service of process commencing legal proceedings or suit in respect of the Claim or
 - 5.1.2. informs the Company that the Insured has received written notice of a Claim or intention to Claim.

EXTENDED REPORTING PERIOD

- 5.2. If this Policy
 - 5.2.1. is cancelled by or not renewed by the Company for reasons other than the non-payment of

premium or the making of a fraudulent claim by the Insured

- 5.2.2. or is renewed on a basis other than the basis detailed in Article 4.
- 5.3. The Company will, at the request of the Insured extend the period during which a Claim may be first made under this Policy for a further period of 180 days immediately following the expiry of the original Period of Insurance in respect of any Occurrence happening after the Retroactive Date stated in the Schedule and before the end of the Period of Insurance.
- 5.4. Provided that
 - 5.4.1. the Insured gives written notice of their request to extend no later than the last day of the original Period of Insurance
 - 5.4.2. this extended reporting period will not apply to Claims which would be insured in all or in part by any insurance arranged by the Insured to come into effect subsequent to the original Period of Insurance of this Policy.
 - 5.4.3. this extended reporting period does not extend the Period of Insurance or reinstate or increase the limit of indemnity applicable to any Claim to which this Policy applies.
6. If the Insured cancels or declines to renew this Policy, any extended reporting period granted by the Company at the Insured's request will be at the sole discretion of the Company.

LIMITS OF LIABILITY

7. The liability of the Company for all compensation under this Policy shall not exceed the Limits of Liability stated in the Schedule.

EXPENSES AND LEGAL COSTS

- 7.1. In respect of the indemnity provided by this Policy, the Company will also pay:
 - 7.1.1. all charges, expenses and legal costs incurred by the Company and/or by the Insured with the Company's written consent in the settlement or defence of any claim for compensation in respect of which the Insured is or would be entitled to indemnity under this Policy
 - 7.1.2. all charges, expenses and legal costs recoverable from the Insured by claimants in connection with the said claims.

PROVIDED THAT

8. The Company is not obliged to pay any claim or judgement or defend any suit after the Company's Limits of Liability are exhausted by payment of judgements or settlements and
9. Zurich's total aggregate liability during any one Period of Insurance for all claims arising under this Policy shall not exceed the Limit of Liability stated in the Schedule

LIABILITIES WHICH ARE NOT INSURED

10. The Company will not be liable under this Policy for claims in respect of

AIDS, ASBESTOS, ETC.

- 10.1. Any liability arising directly or indirectly out of or consequent upon or contributed to or by

- 10.1.1. Asbestos, asbestos products or asbestos contained in any product
- 10.1.2. Contraceptives
- 10.1.3. Electromagnetic Fields (EMF)
- 10.1.4. Electromagnetic Interference (EMI)
- 10.1.5. Human biological materials including extracts therefrom
- 10.1.6. Human Immunodeficiency Virus (AIDS/HIV) or any illness thereby induced, including but not limited to Acquired Immune Deficiency Syndrome (AIDS) or Aids Related Complex (ARC) or any related diagnostic or therapeutic products
- 10.1.7. Human implants
- 10.1.8. Silica
- 10.1.9. Tobacco
- 10.1.10. Urea Formaldehyde; Polychlorinated Biphenyl; 8-Hydroxyquinoline derivatives; Contraceptives; Vaccine; Diethylstilbestrol; RU 486 and any other Chemical Abortifacients; Fenfluramine; Fenfluramine; Phentermine; Dexfenfluramine; Vaccines;

AIRCRAFT, RIGS, WATERCRAFT

- 10.2. Bodily Injury and/or Property Damage arising from the Insured's Products which are to the Insured's knowledge sold supplied erected manufactured installed serviced processed repaired or treated by or on behalf of the Insured.

CARE CUSTODY AND CONTROL

- 10.3. Property Damage to property belonging to or in the custody, care or control of the Insured.

CONTRACTUAL LIABILITY

- 10.4. Liability for Bodily Injury and/or Property Damage imposed by any contract warranty or agreement unless such liability would have attached to the Insured in the absence of any such contract warranty or agreement

DAMAGED PRODUCTS

- 10.5. Property Damage to or any costs or expenses incurred in repairing, replacing or making any refund in respect of the Insured's Products or work completed by the Insured

DESIGN, PLAN AND ADVICE

- 10.6. Bodily Injury and/or Property Damage arising from the design plan formula or specification of the Insured's Products or any instruction or advice or absence thereof on the nature use or storage of the Insured's Products provided by or on behalf of the Insured

ELECTRONIC DATE RECOGNITION

- 10.7. Any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from the failure or inability of any computer or other equipment or system for processing storing or receiving data, whether the property of the Insured or not, occurring at any time, to:-
 - 10.7.1. correctly recognise any date as its true calendar date
 - 10.7.2. capture save or retain and/or correctly to manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date
 - 10.7.3. capture save retain or correctly to 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 to process such data on or after any date.

ELECTRONIC DATA

- 10.8. Any liability arising from
 - 10.8.1. the transmission of any computer code, programme or other data
 - 10.8.2. the unauthorised taking of or access to data

EMPLOYEE INJURY

- 10.9. Bodily Injury to any Employee in the service of the Insured or claiming compensation from the Insured under any Workers Compensation or similar legislation as a workman in the service of a subcontractor of the Insured.

FAILURE TO PERFORM

- 10.10. Any liability arising directly or indirectly from any failure of the Insured's Products to perform their intended function or meet the performance requirements of their specification.

GENETICALLY MODIFIED ORGANISMS (GMO)

- 10.11. Any liability of whatsoever nature in connection with, directly or indirectly caused by or contributed to by or arising from a Genetically Modified Organism (GMO).

For the purpose of this exclusion Genetically Modified Organism (GMO) means organisms of any biological or molecular unit either living or capable of reproducing or replicating itself, including but not limited to animals, plants, micro-organisms, cells, cell cultures and cell organelles, as well as biological units incapable of independent sexual reproduction, including but not limited to viruses, viroids, sterile domesticated animals, and cultured plants that are either sterile or solely capable of vegetative reproduction, as well as their seeds) which have undergone, or whose precursors have undergone, or parts of which have undergone, a genetic engineering process which resulted in their genetic change in a manner unachievable through traditional breeding methods or natural genetic recombination.

INTELLECTUAL PROPERTY

- 10.12. Bodily Injury and/or Property Damage arising from the infringement of plans copyright patent trademark or registered design or other intellectual property.

PENALTIES AND FINES

- 10.13. Bodily Injury and/or Property Damage arising from
 - 10.13.1. non-completion non-performance or delay in completion of any contract or agreement
 - 10.13.2. the payment of any penalty sums fines or liquidated damages or punitive or exemplary or aggravated damages.

POLLUTION & CONTAMINATION

- 10.14. Bodily Injury and/or Property Damage arising out of and in connection with the discharge, dispersal, release or escape of smoke, vapours, soot, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste material or other irritants, contaminants or pollutants

by the Insured into or upon land atmosphere or any water course or body of water

PROFESSIONAL LIABILITY

10.15. Bodily Injury and/or Property Damage arising out of a breach of the duty owed in a professional capacity by the Insured and/or by persons for whose breaches of such duty the Insured may be legally liable.

RECALL COSTS AND DAMAGES

10.16. The withdrawal, inspection, recall, repair, adjustment, replacement, removal, disposal or loss of use of the Products or of any property of which such Products form a part

RADIOACTIVE CONTAMINATION

10.17. Bodily Injury and/or Property Damage directly or indirectly caused by or contributed to or arising from

10.17.1. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

10.17.2. the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

10.18. For the purpose of Article 10.18.1 combustion will include any self-sustaining process of nuclear fission.

TERRORISM

10.19. Any liability arising directly or indirectly out of or consequent upon or contributed to or by any injury, loss, damage, cost or expense arising from any consequence, whether direct or indirect, of

10.19.1. any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss

10.19.2. any other action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism

10.19.3. any failure to control, prevent or suppress any act of terrorism

10.20. For the purpose of this exclusion 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), 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.

10.21. If the Company alleges that by reason of this exclusion, any claim for injury, loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

WAR

10.22. Bodily Injury and/or Property Damage arising from any consequence whether direct or indirect or war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

DEFINITIONS

11. When used in this Policy, the following definitions will apply:

11.1. **AIRCRAFT** means any vessel, craft or thing made or intended to fly or move in or through the atmosphere or space

11.2. **BODILY INJURY** means injury, sickness, disease and mental injury or death resulting therefrom

11.3. **BUSINESS** means all activities of the Insured which are designated in the Schedule

11.4. **CLAIM** means a demand for compensation (including the service of a suit) by a person or organisation

11.5. **EMPLOYEE** includes

11.5.1. any person under a contract of service or apprenticeship with

11.5.1.1. the Insured

11.5.1.2. any other party and who is borrowed by or hired to the Insured

11.5.2. any labour master or person supplied by him

11.5.3. any person supplied by a labour-only contractor

11.5.4. any self-employed person working for the Insured

11.5.5. any person supplied to the Insured under a contract or agreement the terms of which deem such person to be in the employment of the Insured for the duration of the contract while engaged in the course of the Insured's Business

11.6. **GEOGRAPHICAL LIMITS** means the Geographical Limits stated in the Schedule

11.7. **INSURED** means the Insured as stated in the Schedule and includes

SUBSIDIARY COMPANIES

11.7.1. all Subsidiary Companies of the Insured or any other entity over which the Insured exercises management control and whose premises and operations are situated within the Geographical Limits and details of which have been lodged with the Company

LEGAL REPRESENTATIVES

11.7.2. in the event of the death of the Insured then the Insured's legal personal representative in respect of liability incurred by the Insured

PRINCIPALS

11.7.3. any principal for whom the Insured is carrying out a contract away from the Insured's own premises but only to the extent required by such contract and only arising out of the performance by the Insured of such contract

DIRECTORS AND PARTNERS, SPORTS, SOCIAL OR WELFARE ORGANISATION OFFICERS AND MEMBERS

11.7.4. Also, but only at the request of the Insured

11.7.4.1. any director, partner or Employee of the Insured while acting on behalf of or in the course of his employment or engagement

by the Insured in respect of liability for which the Insured would have been entitled to claim under this insurance if the claim had been made against the Insured and

- 11.7.4.2. any officer or member of the Insured's canteen, social, sports or welfare organisation, first aid, fire or ambulance services while acting in his respective capacity as such.
- 11.7.5. Provided that all such persons will as though they were the Insured named in the Schedule fulfil and be subject to the terms exceptions and conditions of this Policy so far as they may be applied.

11.8. **INSURED'S PRODUCTS** means any goods manufactured constructed erected installed repaired serviced treated sold supplied or distributed (including the containers thereof) in the course of the Business after it has ceased to be in the physical custody or legal control of the Insured.

11.9. **OCCURRENCE** means any event including continuous or repeated exposure to substantially the same general conditions which results in Bodily Injury or Property Damage neither expected nor intended from the standpoint of the Insured. All Occurrences arising directly or indirectly from one source or original cause will be deemed one occurrence regardless of the number of claims made or the number of persons or organisations sustaining Bodily Injury or Property Damage.

11.10. **PREMIUM** means the premium stated in the Schedule

11.11. **PROPERTY DAMAGE** means physical injury to or loss or destruction of tangible property including loss of use resulting therefrom but will not mean pure financial loss without such injury, loss or destruction.

11.12. **VEHICLE** means any type of machine designed to travel on wheels or on self-laid tracks and to be propelled by other than manual or animal power

11.13. **WATERCRAFT** means any vessel, craft or thing (other than hand propelled) made or intended to float on or in or through water

CONDITIONS

CONTRACT CONTENTS

12. This Policy, Schedule, Specification and any Endorsement will be read together as one contract and any word or expression to which a specific meaning has been attached will bear the same meaning wherever it may appear

DUE OBSERVANCE

13. The liability of the Company will be conditional on the observance by the Insured of the terms provisions conditions and endorsements of this Policy and the truth of the information supplied by the Insured in connection with the risk

DEDUCTIBLE

14. It is agreed that the Company's obligation to settle any claims will be confined to that part of any compensation in excess of any Deductible stated in the Schedule the Policy Conditions will be unaffected by any Deductible

ALTERATION IN RISK

15. The Insured will give immediate written notice to the Company of any alteration which materially affects the risk.

REPAIRS TO THE PREMISES

15.1. The Insured is not required to give notice to the Company of any maintenance, repair or decoration of or to the Insured's premises.

ADJUSTMENT

16. If any part of the Premium is calculated on estimates the Insured will within one month from the expiry of each Period of Insurance furnish such details as the Company may require and the Premium for such period will be adjusted subject to any Minimum Premium.

OTHER INSURANCE

17. If an indemnity is or would but for the existence of this insurance be granted by any other insurance the Company will not provide indemnity except in respect of any excess beyond the amount which is or would be payable but for the existence of this insurance

REASONABLE CARE

18. The Insured will
- 18.1. take all reasonable care
- 18.1.1. to employ competent Employees
- 18.1.2. to maintain all premises, fixtures, fittings, machinery and plant and everything used in the Business in sound condition
- 18.2. take all reasonable precautions to
- 18.2.1. prevent Bodily Injury and Property Damage
- 18.2.2. prevent the manufacture, sale or supply of defective products
- 18.3. comply with all statutory obligations, by-laws or regulations imposed by any public authority for the safety of persons or property including the inspections of passenger lifts and steam pressured apparatus
- 18.4. at his own expense take reasonable action to trace, recall or modify any of the Insured's Products which contain any defect or deficiency of which the Insured knows or has reason to suspect

CANCELLATION

19. The Company may cancel this Policy by sending ten day's written notice by registered letter to the Insured at his last known address and will return to the Insured the Premium less the pro rata proportion thereof for the period this Policy has been in force subject to adjustment under Article 16

ARBITRATION

20. If any difference arises as to the amount to be paid under this Policy (liability being otherwise admitted) such difference will be referred to an arbitrator to be appointed in accordance with the

relevant statutory provisions in force at that time or, if there are no relevant statutory provisions in force, by agreement between the Company and the Insured. Where any difference is by this Condition to be referred to arbitration the making of an award will be a condition to precedent to any right of action against the Company.

CLAIMS

21. The Insured will give written notice to the Company of any Bodily Injury, Property Damage or claim or proceeding impending prosecution inquest or fatal accident enquiry immediately the same comes to the knowledge of the Insured or his legal personal representative
22. The Insured will not admit liability for or negotiate the settlement of any claim without the written consent of the Company. The Company will be entitled to conduct in the Insured's name the defence or settlement of any claim or to prosecute for its own benefit any claim for indemnity or damages or otherwise and will have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured will give all such information and assistance as the Company may require.
23. The Insured shall not waive or limit their right of recovery against any other party without the consent of the Company.
24. The Insured will retain unaltered and unrepaired anything in any way causing or connected with any event which may give rise to any claim under this Policy for such time as the Company may reasonably require

TAX PROVISION

All premium and fees payable under this Policy may be subject to Tax. If Tax is imposed, it will be stated in the invoice and Zurich General Insurance Malaysia Berhad reserves the right to claim or collect the Tax from the Insured in addition to the premium and/or fees payable under this Policy.

Tax shall mean any present or future, direct or indirect, tax, levy or duty, including consumption tax or any tax of similar nature, which is imposed on goods and services by government or tax authority.

PROCEDURES FOR MAKING INSURANCE COMPLAINTS

We are committed to delivering the best customer experience. If **You** have any complaints or dissatisfactions with any of our products or services, **We** would like to hear from **You**. **You** can contact **Us** at:

Zurich General Insurance Malaysia Berhad

Level 23A, Mercuri 3, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, Malaysia

Tel: 03-2109 6000

Fax: 03-2109 6888

Call Centre: 1-300-888-622

Email: callcentre@zurich.com.my

Other Avenues to Seek Redress

If **You** are not satisfied with our final response or decision, **You** may write to Financial Markets Ombudsman Service (FMOS) (formerly known as Ombudsman for Financial Services) with details of the dispute and particulars of **Your** policy.

25. If the Company is required to indemnify more than one party named in the definition in this Policy of the "Insured" the liability of the Company will not exceed in all the Limits of Liability stated in the Schedule
26. In connection with any claim or number of claims occurring in any one Period of Insurance the Company may at any time pay to the Insured the amount of the Limits of Liability stated in the Schedule (after deduction of any sum or sums already paid as compensation) or any less amount for which such claim or claims can be settled and thereafter the Company will be under no further liability under this Policy

PREMIUM WARRANTY

27. It is a fundamental and absolute Special Condition of this Contract of Insurance that the premium due must be paid to and received by the Company within sixty (60) days from the inception date of this Policy
28. If this Condition is not complied with then this Contract is automatically cancelled, and the Company shall be entitled to the pro rate premium for the period they have been on risk.
29. Where the premium payable pursuant to this warranty is received by an authorised agent of the Company, the payment shall be deemed to be received by the Company for the purposes of this warranty and the onus of proving that the premium payable was received by a person, including an insurance agent, who was not authorised to receive such a premium shall lie on the insurer.

If the FMOS makes an award against **Us**, **You** are required to inform the FMOS of **Your** decision to accept or deny the award within fourteen (14) days. If **You** do not accept the award, **You** may reject the decision of the FMOS. **You** may choose to institute a court proceeding against **Us** or refer it to Arbitration.

The FMOS can be contacted through:

Financial Markets Ombudsman Service
(formerly known as Ombudsman for Financial Services)
Company No.: 200401025885
Level 14, Main Block, Menara Takaful Malaysia, No. 4, Jalan Sultan Sulaiman, 50000 Kuala Lumpur.
Tel: 03 2272 2811
Website: www.fmos.org.my

If **Your** complaint does not fall within the purview of the FMOS, **You** may refer **Your** complaint to BNMLINK

Write to:

Bank Negara Malaysia
BNMLINK
4th Floor, Podium Bangunan AICB,
No. 10, Jalan Dato' Onn,
50480 Kuala Lumpur.

Tel: 1-300-88-5465
bnm.gov.my/BNMLINK

IMPORTANT NOTICE

The Policyholder should read this Policy carefully, and if any error or misdescription to be found herein, or if the cover be not in accordance with the Policyholder's wishes, advice should at once be given to Us and the Policy returned to Us for Our attention.

The benefit(s) payable under eligible product is protected by PIDM up to limits. Please refer to PIDM's TIPS Brochure or contact Zurich General Insurance Malaysia Berhad or PIDM ([visit www.pidm.gov.my](http://www.pidm.gov.my)).

Zurich General Insurance Malaysia Berhad

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