

FIRE CONSEQUENTIAL LOSS INSURANCE PROPOSAL FORM

Allianz General Insurance Company (Malaysia) Berhad (735426-V) is licensed under the Financial Services Act 2013 (FSA) and regulated by Bank Negara Malaysia (BNM).

NON-CONSUMER INSURANCE CONTRACT

Pursuant to Paragraph 4(1) of Schedule 9 of the Financial Services Act 2013, if you are applying for this Insurance **for a purpose related to your trade, business or profession**, you have a duty to disclose any matter that you know to be relevant to our decision in accepting the risks and determining the rates and terms to be applied and any matter a reasonable person in the circumstances could be expected to know to be relevant, otherwise it may result in avoidance of your contract of insurance, refusal or reduction of your claim(s), change of terms or termination of your contract of insurance.

The above duty of disclosure shall continue until the time your contract of insurance is entered into, varied or renewed with us.

You also have a duty to tell us immediately if at any time after your contract of insurance has been entered into, varied or renewed with us any of the information given in this Proposal Form is inaccurate or has changed.

Account No.:

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Policy No.:

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Cover Note No.:

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The liability of the Company does not commence until acceptance of the proposal form has been intimated by the Company or official cover note is issued.

ALL QUESTIONS MUST BE ANSWERED BY THE PROPOSER AND APPROPRIATELY MARKED '✓' WHERE APPLICABLE.

COMPANY DATA																				
Name of Proposer (in block letters)																				
Company No																				
Goods and Services Tax (GST) Related Questions																				
Are You registered for GST?	<input type="checkbox"/> Yes <input type="checkbox"/> No																			
If Yes, please provide:																				
If you are a Business Entity, are You a Sole Proprietor?	<input type="checkbox"/> Yes <input type="checkbox"/> No																			
If yes, is the subject matter insured for	<input type="checkbox"/> Business <input type="checkbox"/> Non Business <input type="checkbox"/> Both																			
Postal Address																				
Postcode																State:				
Telephone No.																Fax No:				
Mobile No.																Email:				
Situation of Risk																				
Business / Occupation																				
Period of Insurance	From <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> To <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>																			
	Day			Month			Year			Day			Month			Year				

It is recommended that renewal be arranged at a date 2 or 3 months after the end of your financial year.

ITEMS TO BE INSURED		
	SUM INSURED	INDEMNITY PERIOD
1. On GROSS PROFIT (See Notes 1 to 4)	RM	
2. On TOTAL WAGES for the first.....weeks followed by.....% for the remainder of the Indemnity Period (See Note 4)	RM months i.e. the period between the fire and the restoration of normal conditions.
3. On ACCOUNTANTS CHARGES (See Note 5)	RM	
TOTAL SUM INSURED	RM	
SPECIFIED WORKING EXPENSES - Please indicate Working Expenses to be excluded (See Note 1):- Eg. Wages (if insured separately by Item 2); Discounts allowed; Packing; Carriage; Purchases.		
INSURED STANDING CHARGES - Please indicate standing charges to be insured (See Note 1):- Director's Fees and Remuneration; Salaries; EPF/SOCSO Contributions; Rents and Rates; Auditors and Legal fees; Insurance Premiums; Depreciation of Buildings, Machinery, Plant and Motor Vehicles; Amend, delete or add as required - See Note 1.		



EXTENSIONS - Please indicate any Extensions required (See Note 6)	
N. B: ADDITIONAL PERILS - The perils required must be the same as those perils stated in the Fire Material Damage Policy.	

OTHER DETAILS

1. How long has the business been established?	
2. When does your financial year end?	
3. Name and Address of your Auditor.	
4. Have you at present any Insurance covering Consequential Loss? If so, give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Has any office declined a Proposal made by you for Insurance against Fire or Consequential Loss? If so, state particulars.	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Have you ever made a claim under a Fire Policy or Consequential Loss Policy? If so, give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Total Fire Insurance by Annual Policies	RM Annual Premium RM Total Sum Insured
8. Interruption by explosion of Boilers or Economisers is covered under this Policy only if the risk of Material Damage is insured. Has this insurance been arranged? If not already effected, insurance against material damage can be arranged, on request, under an Engineering Insurance Policy.	<input type="checkbox"/> Yes <input type="checkbox"/> No

PREMIUM WARRANTY

It is a fundamental and absolute special condition of this contract of insurance that the premium due must be paid and received by the Insurer within sixty (60) days from the inception date of this Policy / Endorsement / Renewal Certificate.

If this condition is not complied with then this contract is automatically cancelled and the Insurer shall be entitled to the prorata premium for the period they have been on risk.

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

Subject otherwise to the terms and conditions of this policy.

GOODS AND SERVICES TAX (GST)

Goods and Services Tax Notice

You are advised to review the adequacy of your Sum Insured as Goods and Services Tax ("GST") may have an impact on your claims settlement as stated below.

Goods and Services Tax impact on Claims Settlement

Claims Settlement with Average

We will pay your claim inclusive of the GST on items which are taxable supplies, up to the limit of the Sum Insured.

In the event that you are entitled to claim for the Input Tax Credit and if we make a payment under this policy as compensation to you, we will reduce the amount of the payment by deducting your Input Tax Credit entitlement irrespective of whether you have or have not claimed the Input Tax Credit, up to the limit of the Sum Insured.

Determining the adequacy of the Sum Insured

If the subject matter hereby insured (inclusive of the GST) shall, on the happening of an insured peril, be collectively of greater value than the Sum Insured thereon, then the Insured shall be considered as being his own insurer for the difference, and shall bear a rateable proportion of the loss accordingly. Every insured item, if more than one, of the policy shall be separately subject to this condition.

In the event that you are entitled for the Input Tax Credit on each of the insured item(s), the value as stated above will be reduced by deducting your Input Tax Credit entitlement in determining the adequacy of the Sum Insured.

DECLARATION

I / We to the best of my / our knowledge hereby confirm that the statements contained in this proposal from are true and correct and I / We have not concealed, mis-represented or mis-stated any material facts.

I / We agree that this statements and declaration contained in this proposal from shall be the basis of the contract of insurance with the Company and are deemed to be incorporated in the contract.

Date
 Day Month Year

.....
 Signature of Proposer / Company's chop

EXPLANATORY NOTES

1. **GROSS PROFIT** - The sum to be insured should represent the amount by which
 - (i) the sum of the turnover and the amount of the closing stock shall exceed
 - (ii) the sum of the opening stock, the amount of stock purchased and the amount of the Specified Working Expenses. If the selected Indemnity Periods is 12 months or less, the annual amount of Gross Profit should be insured: for Indemnity Periods exceeding 12 months the sum insured should represent the anticipated Gross Profit for the period selected. In the estimation of the Gross Profit the trend of the business should be taken into account, bearing in mind that it is the Gross Profit which would have been earned during the twelve months (or longer indemnity period selected) following a fire, had the fire not occurred, which should be insured.

As an alternative, the sum insured may be based upon the total of the anticipated annual amount of the Insured Standing Charges added to the estimated annual Net Profit (before deduction of any Government taxation on profits). The lists printed opposite of Specified Working Expenses and of Insured Standing Charges are intended only as guides. The names of the Charges to be mentioned in the policy wording correspond with the headings in the accounts of the business.

2. **REBATE CLAUSE** - If at the end of your financial year the sum insured on Gross Profit proves to have been in excess of the certified Gross Profit earned, a return of premium limited to 50% will be made in respect of the excess. For this reason you are recommended to include a substantial margin in the sum insured in order that you are not penalised by under-insurance when a loss occurs. To facilitate the adjustment it is suggested that renewal be arranged at a date 2 or 3 months after the end of your financial year.
3. **INDEMNITY PERIOD** - This is the maximum period immediately following a fire during which the policy will provide indemnity under the respective items.

For Items 1 and 2 you should select the period you estimate would be necessary for the business to recover entirely from the effects of any fire.

4. WAGES

- (a) **ITEM 1** - If your business is such that all employees would be retained for the full indemnity period, then all wages should be insured under the Gross Profit item either by not including wages as a specified working expenses under Item 1 or including wages as a standing charge under that item.
- (b) **ITEM 2** - If the full cover under note (a) is unnecessary, you may decide to insure the Wages of all employees for an initial period but thereafter to insure only a percentage of the wage roll for the remainder of the Indemnity Period chosen for the Gross Profit item.
Provided:-
 - (i) the indemnity period relating to the Gross Profit cover is 12 month or longer;
 - (ii) the initial period where 100% wages cover operates is at least 4 weeks;
 - (iii) a minimum of 10% of the total wage roll is to be insured after the initial period;

the most satisfactory cover of this kind is granted by Item 2 under which you have the option, at any time after damage has occurred, of converting the wages cover to 100% of the wage roll for an extended initial period, the cover thereafter being any savings effected during the initial period. Details of cover required under this arrangement should be entered under Item 2, the sum insured being the wages relating to the indemnity period selected for Item 1.

The rebate system also applies to items covering wages and it is recommended that wages sums insured also should include generous margins to allow for increasing trend or special circumstances. In all cases the sum insured should provide for all payments associated with wages such as EPF / SOCSO Contributions, Bonuses, Holiday Pay and the like. The initial period of cover should allow for the effects of the Contracts of Employment and the Redundancy Payment Acts.

5. **ACCOUNTANTS' CHARGES** - In the event of a claim under the policy it would be necessary for your Accountants to produce the figures which would be required in the preparation of the claim. Their charges for this work (which would be additional to their normal auditing of the Accounts) can be provided for by a special item, the sum insured representing your estimate of the charges likely to be incurred.
6. **EXTENSIONS** to cover Loss of Profits consequent upon Fire elsewhere than on premises occupied by the Proposer maybe allowed by incorporating the following:-
 - (i) Suppliers' premises
 - (ii) Customers' premises
 - (iii) Electricity Stations, Gas and Water Undertakings from which the Proposer obtains electric current, gas and water.
 - (iv) Preventing or hindering access to the Proposer's premises.

} Restricted to Malaysia, Singapore and Brunei only. Please specify the name of suppliers / customers and the degree of dependency.

A CONSEQUENTIAL LOSS POLICY
SECURES
INDEMNITY AGAINST LOSS OF

GROSS PROFIT
following

REDUCTION IN TURNOVER
(or other appropriate Standard)
and

INCREASE IN COST OF WORKING

necessarily incurred to maintain or restore Turnover (as for example renting temporary premises, having work done elsewhere, overtime or extra labour and special advertising)

RESULTING FROM FIRE

which normally includes LIGHTNING, BOILER OR ECONOMISER EXPLOSION on the premises. If your Fire Policy is extended to include any additional perils, similar provision can be made under your Consequential Loss Policy.

FIRE INSURANCE

Protects the Capital represented by your Buildings, Machinery and Stock.

CONSEQUENTIAL LOSS INSURANCE

Protects the earning capacity of that Capital by making good loss of your Net Profit, enabling you to meet overheads and defraying increase in expenditure.

Without both Fire and Consequential Loss Insurance you are not adequately protected against the effects of a fire.

Premiums for Consequential Loss Insurance vary according to the "Indemnity Period" (the number of months during which you desire to be indemnified following a fire) and the nature of the business carried on by the Proposer.