

## PRODUCT DISCLOSURE SHEET

**Dear Customer,**

This Product Disclosure Sheet (PDS) is designed to provide you with some key information on your Trade Credit insurance.

Other customers have read this PDS and found it helpful; **you should read it too.**

Date: dd.mm.yyyy

### 1 What is Trade Credit Insurance?

Trade Credit insurance provides you with coverage against the risk of your buyers defaulting on payment for goods or services rendered by you as the seller.

### 2 Know Your Coverage

**As an illustration, for RM50,000.00 annually, you will receive the following coverage:**

This policy covers:	This policy excludes:
<p>(a) Commercial Risks – This refers to the failure of a buyer to pay its trade credit debts within the agreed credit period, whether due to temporary financial problems or as a result of the buyer becoming insolvent.</p> <p>(b) Political Risks – This type of risk is faced by companies that export. Examples include war in the buyer’s country, cancellation of the contract by the government of the buyer’s country, or governmental regulations and restrictions imposed on currency transfer.</p>	<p>We have no liability for losses resulting directly or indirectly from:</p> <ul style="list-style-type: none"> <li>Your or your agents’ failure to comply with contractual obligations owed to the buyer or with any relevant laws or regulations;</li> <li>Any phenomenon of nuclear origin, or a natural disaster;</li> <li>War between two or more of the following countries: the United States of America, the Russian Federation, France, the People’s Republic of China and the United Kingdom;</li> <li>The termination of any distribution, franchise or similar arrangement with the buyer unless we have agreed to the termination beforehand in writing;</li> <li>Your loss of any export or import licence preventing your performance of the contract or payment of the debt, unless you were informed after the goods were despatched;</li> <li>The failure of the buyer to accept delivery of goods that are not the subject of a dispute;</li> <li>Exchange rate fluctuations and/or currency devaluations if the buyer is unable to pay the additional amount corresponding to the depreciation of the local currency; or</li> <li>Events occurring in a third country where               <ul style="list-style-type: none"> <li>goods are to be despatched and/or services are to be provided to that third country; or</li> <li>payment is to be made from that third country; unless we have agreed otherwise beforehand in writing.</li> </ul> </li> </ul>
<p>The duration of coverage is one year. You need to renew your policy annually.</p>	
<p>This is not a complete list. You should refer to the policy wording for the full details on what is covered and what is not.</p>	

**If you have any questions or require assistance on your Trade Credit Insurance, you can:**



Call us at  
1 300 22 5542



Visit us at

[allianz.com.my/trade-credit-insurance](http://allianz.com.my/trade-credit-insurance)



Email us at

[customer.service@allianz.com.my](mailto:customer.service@allianz.com.my)



Scan the QR  
code above

### 3 Know Your Obligations

The total premium that you have to pay may vary depending on the nature of business, terms of payment, total credit sales, country risks and credit worthiness of your buyers.

For illustration purposes, assuming the Estimated Insurable Turnover is RM 20,000,000.00 and the applicable premium rate is 0.25%, **you must pay a premium of:**

Standard Cover	RM 50,000.00 (annually)
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Total premium that you have to pay is RM 50,000.00

**Where this is inclusive of:**

Commissions paid to insurance intermediary (if any)	15% of Gross Premium or RM 7,500.00
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**You also have to pay the following fees and charges:**

Stamp duty	RM10.00
Service Tax	8% of premium or RM 4,000.00
Credit Rating Fees	RM 430 per Buyer per Year

Note: *The Service Tax ("ST") amount herein may be subject to change as the ST rate applied shall be based on the prevailing rate(s) in accordance with the laws of Malaysia.*

### 4 Important Information You Should Know

- Pre-Contractual Duty of Disclosure (pursuant to Schedule 9 of the Financial Services Act 2013):
  - If applying for insurance related to your trade, business or profession, you must disclose any matter that you know is relevant to our decision in accepting the risks and determining the applicable rates and terms and any matter you could be reasonably expected to know to be relevant.
  - If applying for insurance for purposes unrelated to your trade, business or profession, you must take reasonable care not to make a misrepresentation in answering our questions and to disclose any other matter that you know is relevant to our decision in accepting the risks and determining the applicable rates and terms.
  - Otherwise, it may result in avoidance of contract, claim denied or reduced, terms changed or varied, or contract terminated.
  - You must also inform us immediately of any inaccuracies or changes in your information after entering into, varying or renewing your contract of insurance.
- Excess is the amount which you have to bear in the event of a claim.
- Premium Warranty – The premium due must be paid and received by Allianz within sixty (60) days from policy inception. Failing which, the policy is automatically cancelled and Allianz shall be entitled to the sixty (60) days pro-rated premium for the period Allianz provided cover.
- A Malaysian exporter who arranges for trade credit insurance with Allianz Malaysia will be able to enjoy double tax deduction benefit on premiums paid.

### Can I cancel my policy?

Cancellation is not allowed once coverage has commenced. However, you may cancel your policy by giving us written notice anytime before coverage under the policy commences.

Upon cancellation, you are entitled to a refund of the premium based on the pro-rata monthly net premium for each month of cover that has not commenced, subject always to the minimum premium due under the policy. No refund of premium is allowed if there is a claim under the policy.

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

The information provided in this disclosure sheet is valid as at 01/01/2026.