EXPLANATORY NOTES

How to read this document
Please note that your Motorcycle Policy only starts from page 6 onwards. To help you read and understand your policy better we provide some explanatory notes together with comments and examples (written in italic). These are not meant to be part of your policy and should not be used to interpret your insurance contract in the event of any dispute.

Words in bold
You will notice that some words in the policy are printed in bold letters. This is because they have been given specific meaning in your Motorcycle Policy. Please refer to Section F on pages 18 to 20 for the meaning of these words.

What makes up your insurance contract?
Your insurance contract with us is made up of the following:
• insurance policy in pages 6 to 29 (excluding the italic texts);
• the information you provided us when you applied for this insurance;
• the Schedule;
• the Endorsements attached to the policy; and
• the Certificate of Insurance (CI).
All these must be read together as they form your insurance contract.

Duty of Disclosure

A. Consumer Insurance Contract

Where you have applied for this insurance wholly for purposes unrelated to your trade, business or profession, you had a duty to take reasonable care not to make a misrepresentation in answering the questions in the Proposal Form (or when you applied for this insurance) i.e. you should have answered the questions fully and accurately. Failure to have taken reasonable care in answering the questions 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 in accordance with Schedule 9 of the Financial Services Act 2013. You were also required to disclose any other matter that you knew to be relevant to our decision in accepting the risks and determining the rates and terms to be applied.

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 the Proposal Form (or when you applied for this insurance) is inaccurate or has changed.

B. Non-Consumer Insurance Contract

Where you have applied for this insurance for purposes related to your trade, business or profession, you had 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 term(s) or termination of your contract of insurance.

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 the Proposal Form (or when you applied for this insurance) is inaccurate or has changed.

If you misrepresented any facts to us before the policy is entered into, examples of the actions that may be taken by us against you include the following:

• declare your policy void from inception (which means treating it as invalid), and we may not return any premium;
• cancel this policy and return any premium less our cancellation charge or recover any unpaid premium;
• recover any shortfall in premium;
• not pay any claim that has been or will be made under the policy; or
• be entitled to recover from you the total amount of any claim already paid under the policy or any claim we have to pay because of any relevant road traffic legislation, plus any recovery cost.
What is covered?

Your insurance does not cover you against everything that can happen to your motorcycle. Check out the Schedule that we issued to you to know the type of cover you bought. The main types of cover are:

<table>
<thead>
<tr>
<th>Page</th>
<th>Basic Cover:</th>
<th>Comprehensive</th>
<th>Third Party, Fire and Theft</th>
<th>Third Party Only</th>
</tr>
</thead>
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<tr>
<td>6 to 7</td>
<td>Section A : Loss or Damage to Your Own Motorcycle</td>
<td></td>
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<td></td>
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<tr>
<td>6 to 7</td>
<td>1.a. Events We Cover</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(i) accidental collision or overturning</td>
<td>✓</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>(ii) collision or overturning caused by mechanical breakdown</td>
<td>✓</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>(iii) collision or overturning caused by wear and tear</td>
<td>✓</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>(iv) impact damage caused by falling objects subject to certain exclusions</td>
<td>✓</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>(v) fire, explosion or lightning</td>
<td>✓</td>
<td>✓</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>(vi) burglary, housebreaking or theft</td>
<td>✓</td>
<td>✓</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>(vii) malicious act</td>
<td>✓</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>(viii) while in transit (limited cover)</td>
<td>✓</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>6 to 7</td>
<td>1.b. Events We Do Not Cover</td>
<td>✓</td>
<td>✓</td>
<td>X</td>
</tr>
<tr>
<td>8 to 9</td>
<td>2. Basis of Settlement (how we will settle your claim)</td>
<td>✓</td>
<td>✓</td>
<td>X</td>
</tr>
<tr>
<td>9</td>
<td>3. Towing Costs (to a repairer or safe place)</td>
<td>✓</td>
<td>✓</td>
<td>X</td>
</tr>
<tr>
<td>10 to 11</td>
<td>Section B : Liability to Third Parties</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>10</td>
<td>1. a. What is Covered (by this section)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>10 to 11</td>
<td>1.b. What is Not Covered (by this section)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>10</td>
<td>2. Limits of Our Liability (the maximum that we pay)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>10</td>
<td>3. Cover for Legal Personal Representatives (if you are dead)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>11</td>
<td>4. Maximum Legal Costs (if approved)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>11</td>
<td>5. Rights of Recovery</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>12</td>
<td>Section C : No Claim Discount</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>13 to 14</td>
<td>Section D : General Exceptions (what is not covered by the policy)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>15 to 17</td>
<td>Section E : Conditions (terms that you must comply with)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>18 to 20</td>
<td>Section F : Definitions (explains the words in bold)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>21 to 25</td>
<td>Section G : Endorsements (additional terms that we may impose on you or additional covers if you have paid additional premium)</td>
<td>Optional</td>
<td>Optional</td>
<td>Optional</td>
</tr>
<tr>
<td>26 to 29</td>
<td>Section H : Optional benefits-applicable only if the benefit with its relevant number is printed in the Schedule</td>
<td>Optional</td>
<td>Optional</td>
<td>Optional</td>
</tr>
</tbody>
</table>

Key: ✓ = applicable  X = not applicable
Motorcycle Plus Policy

What this policy does not cover?
These are referred to as ‘Exceptions’ in your policy and there are three sections where you can find them:

- **Section A1b** – see ‘Events We Do Not Cover’ (pages 6 and 7): applicable to Comprehensive policy only.
- **Section B1b** – see ‘What is Not Covered’ (pages 10 and 11): applicable to Comprehensive, Third Party, Fire & Theft and Third Party Only policies.
- **Section D** – see ‘General Exceptions’ (pages 13 to 14): applicable to Comprehensive, Third Party, Fire & Theft and Third Party Only policies.

There are generally three reasons why we put these exceptions in your basic Motorcycle Policy:

1. **Cover is not provided for the exceptions.** We have to charge additional premium if you want to cover any of these exceptions. Some examples of the exceptions which are not covered by your basic Motorcycle Policy but which can be covered if you pay additional premium are:
   - flood, storm (see Section A1b – ‘Events We Do Not Cover’ (page 7));
   - strike, riot, civil commotion (see Section D – ‘General Exception 8b’ (page 14)); and
   - use outside Malaysia, Singapore or Brunei (see Section D – ‘General Exception 6’ (page 13)).

2. **There are other risks which are not covered by the basic Motorcycle Policy or by any of its extensions.** We would have to issue a different policy if you want these types of cover. For example, carriage of goods are not covered by your Private Motorcycle Policy but can be covered under a Commercial Motorcycle Policy.

3. **We cannot and do not cover certain risks at all.** Some examples of these can be seen in Section D – ‘General Exceptions’ (pages 13 to 14) such as:
   - war, nuclear fission or fusion;
   - risks that are against public policy or against the law; and
   - drunk riding.

Your Motorcycle Policy type is categorised by its permitted use – Make sure that you have bought the correct policy type for your motorcycle or you may have no cover.

Each type of Motorcycle Policy covers a specific usage of the vehicle. If you have bought the wrong Motorcycle Policy type, you may find that you actually have no insurance cover at all. The type of Motorcycle Policy is stated in the Certificate of Insurance under the heading ‘Limitations as to Use’. Users for whom you have bought cover are named under the heading ‘Persons or Classes of Persons Entitled to Drive’.

The following are standard types of Motorcycle Policies:

i. **Private Use**
ii. **Commercial Use**
iii. **Motorcycle Trade**
iv. **Motorcycle Used for Hire**

A **Motorcycle Policy for Private Use** covers you if your motorcycle is used for “social, domestic and pleasure purposes and for the policyholder's business”. The following are some examples of these personal situations for which your insurance policy will provide you cover:

- to visit relatives and friends, go shopping etc.;
- giving lifts where no fee will be charged or paid; and
- limited work or business related transport such as getting to and from work and for attending business meetings.

A **Motorcycle Policy for Commercial Use** must be bought if the motorcycle is meant or intended to ferry any goods in connection with any trade or business.

A **Motorcycle Policy for Trade Plate Use** is intended for:

- motorcycle retail trade (showroom display and / or for test-ride, etc.); and
- repair trade (towing / repair / test-ride, etc.).

A **Motorcycle Used for Hire** is intended for motorcycles which are in the business of being rented or hired out for use (see Very Important Note below)

**VERY IMPORTANT NOTE:** Unless your Policy is specifically extended for this purpose, you will have no insurance cover if you use your motorcycle in the following manner:

- to practise for or to take part in any race, rally, pacemaking, reliability trial or speed test;
- use on any racetrack; and
- for rental, hire and reward.
Who can ride your motorcycle?

- This depends on whether you have purchased the ‘Single Rider’ or the ‘All-Riders’ cover. The ‘Single Rider’ only covers one rider who is named in the policy. The person named is usually the owner of the motorcycle. The problem with the ‘Single Rider’ cover is that the policy will not cover if an accident happens while the motorcycle is being used by someone other than the insured named rider. As such, most customers prefer the ‘All-Riders’ cover as lending motorcycles to friends and relatives is quite commonly practised in Malaysia.

- With the ‘All-Riders’ cover practically anyone can ride your motorcycle as long as the rider:
  - has a valid licence of the relevant class to ride and is not disqualified to ride by law or for some other reason {(see exclusion on Unlicensed Riders in Section D – ‘General Exception 1’ (page 13)};
  - has your permission to ride (see definition of Authorised Rider in page 18); and
  - complies with all the terms and conditions of this policy.

- Note that for either cover, if you or your authorised rider is not qualified to ride or breach any of the terms and conditions, your claim may be rejected. If we are compelled by law to pay, we can recover any sum(s) paid and any expenses incurred from you or your authorised rider.

In which territory is your motorcycle covered?

This insurance you have purchased only covers you in Malaysia, Singapore and Brunei in accordance to the laws of Malaysia. Additionally, note that if you intend to ride your motorcycle into Singapore, you are required by Singapore’s law to have cover against Legal Liability to Pillion (LLP). Since LLP is not covered by the basic Motorcycle Policy, you will need to purchase Endorsement 108 (see page 24), which provides a limited cover for your liability for death or bodily injury of pillion.

When is your cover effective?

This insurance is effective from the time of purchase of cover or at the agreed time of commencement, until the expiry date. The period of insurance will be printed in the Policy Schedule and related documents. If there is any change to these dates, it will be officially shown in an Endorsement issued by us.

How much should you insure your motorcycle for under a Comprehensive or Third Party, Fire and Theft Policy?

To be safe, you should insure your motorcycle at its current market value (see definition in page 19). In simple terms, this is the current cost to replace your motorcycle with another motorcycle of the same make, model, age and general condition. The amount that you choose to insure is called the sum insured. Please note that you could be penalised if your motorcycle is under-insured (see Section A2e ‘Under-Insurance’ in page 8).

For example, if the market value of your motorcycle is RM10,000 but you only insured it for RM8,000 then you could be penalised for under-insurance. Assuming the loss is assessed at RM3,000, instead of we paying the full amount, you could be made to bear a portion of the loss in proportion to the under-insurance as follows:

\[
\begin{align*}
\text{Sum Insured} & \quad \times \text{Loss} = \quad \text{RM8,000} \\
\text{Market Value} & \quad \times \text{RM3,000} = \quad \text{RM2,400}
\end{align*}
\]

Therefore we will pay \textbf{RM2,400} while the balance of \textbf{RM600 will be borne by you}.

You would be penalised as shown above if the market value of your motorcycle exceeds the sum insured by 10%. On the other hand, it would be a waste of money to over-insure as your insurer would not pay more than the market value. One way to protect yourself from being under-insured or over-insured is to opt for the sum insured determined by a market valuation system approved by Persatuan Insurans Am Malaysia (PIAM).
What is No Claim Discount (“NCD”)?
This is a form of premium discount for not having made a claim during the preceding period of your insurance (provided the period of insurance exceeds one year). The scale of NCD applied is specifically mentioned in the policy.

The applicable NCD can be checked with us or the Central NCD Database (“CND”) at https://www.mycarinfo.com.my/ncdcheck/online before the purchase of your Motorcycle Policy.

What is an Excess?
This is the first amount that you have to bear yourself for each and every claim that we approve, even if the incident is not your fault. However, please note that the excess does not apply to loss or damage caused by fire, explosion, lightning, burglary, housebreaking, theft, third party property damage or bodily injury claims. Please check your Policy Schedule to find out the amount that you are liable to pay. This is referred to as Compulsory Excess (see page 9) in your policy.

As an example, if we assess the claim payable to be RM3,000 but your policy carries an excess of RM200, you will have to bear the first RM200 yourself and we will pay the balance of RM2,800.

Do’s and Don’ts – after you have had an accident or theft
• Do:
  ▪ Call Accident Assist Call Centre (AACC) 24 hours nationwide Insurance road accident Helpline number 1-300-22-1188 or 15-500 for immediate road assistance or tow service in the event of a road accident, or to make an enquiry on claims procedure;
  ▪ inform us as soon as possible about any incident which may give rise to a claim;
  ▪ report all accidents to the police within 24 hours as required by law;
  ▪ submit immediately to us all letters, claims, writs and summons which you have received from third parties as a result of the incident;
  ▪ remove your motorcycle to your insurer’s approved panel repairer for repairs; and
  ▪ fully fill up the relevant sections of your claim form – do not put “refer to police report”.

• Don’t:
  ▪ negotiate, admit or repudiate any claim without our consent (see Condition 2 in page 16); and
  ▪ authorise repair without our consent (see Condition 2f in page 16).

Condition 2 of your policy (see page 15 and 16) spells out the do’s and the don’ts after an accident or theft in more detail.
Motorcycle Plus Policy

MOTORCYCLE POLICY

Our agreement with You

A. Where Your Motorcycle is used for any purpose that is not related to Your trade, business or profession, the following applies:

Consumer Insurance Contract

This Policy is issued in consideration of the payment of premium as specified in the Policy Schedule and pursuant to the answers given in Your Proposal Form (or when You applied for this insurance) and any other disclosures made by You between the time of submission of Your Proposal Form (or when You applied for this insurance) and the time this contract is entered into. The answers and any other disclosures given by You shall form part of this contract of insurance between You and Us. However, in the event of any pre-contractual misrepresentation made in relation to Your answers or in any disclosures given by You, only the remedies in Schedule 9 of the Financial Services Act 2013 will apply.

This Policy reflects the terms and conditions of the contract of insurance as agreed between You and Us.

B. Where Your Motorcycle is used for purposes related to Your trade, business or profession, the following applies:

Non-Consumer Insurance Contract

This Policy is issued in consideration of the payment of premium as specified in the Policy Schedule and pursuant to the answers given in Your Proposal Form (or when You applied for this insurance) and any other disclosures made by You between the time of submission of Your Proposal Form (or when You applied for this insurance) and the time this contract is entered into. The answers and any other disclosures given by You shall form part of this contract of insurance between You and Us. In the event of any pre-contractual misrepresentation made in relation to Your answers or in any disclosures made by You, 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.

This Policy reflects the terms and conditions of the contract of insurance as agreed between You and Us.

Section A: Loss or Damage to Your Own Motorcycle

This section spells out what We cover under Section A and is only applicable if You have Comprehensive cover.

1a: Events We Cover

We will indemnify You if Your Motorcycle is lost or damaged during the Period of Insurance arising from the following Incidents:

(i) accidental collision or overturning;

(ii) collision or overturning caused by mechanical breakdown;

1b: Events We Do Not Cover

The events We do not cover are the exceptions listed below. These exceptions are specific to Section A and are in addition to exceptions listed in Section D and the applicable Endorsements.

We will not pay for the following losses:

(i) Consequential Losses

Any direct or indirect losses of any kind that may arise as a consequence of any Incident other than that provided for in Section A2.
## Events We Cover

1. Collision or overturning caused by wear and tear;
2. Impact damage caused by falling objects provided no convulsions of nature is involved;
3. Fire, explosion or lightning;
4. Burglary, housebreaking or theft;
5. Malicious act; or
6. While in transit i.e. being carried from one place to another (including during loading and unloading) of Your Motorcycle by:
   - Road;
   - Rail;
   - Inland waterway i.e. across a river or canal etc.; or
   - Across the sea by ferry or ship or any sea faring vessels etc. between the island of Penang and the mainland only.

For an additional premium, Your Policy can be extended to cover for ferry transit between Sabah and Labuan (Endorsement 109)

## Events We Do Not Cover

1. Loss of Use
   - Any expense or financial loss that You may incur because You cannot use Your Motorcycle e.g. cost of hiring replacement motorcycle, travelling expenses etc.

2. Depreciation
   - The loss of value of Your Motorcycle due to the damage sustained or the time taken to repair the Motorcycle, and / or for any loss or damage that results over a prolonged period of time due to wear and tear, rust and corrosion.

3. Theft of Accessories and Parts
   - Loss or damage to accessories (or any part thereof) and / or loss of or damage to any part(s) of Your Motorcycle caused by theft unless Your Motorcycle is stolen at the same time.

4. Breakdown or Malfunction of Parts
   - Any mechanical, electrical or electronic breakdown, equipment or computer malfunction, or any other failure or breakdown to Your Motorcycle.

5. Damage to Tyre(s)
   - Any damage to the tyre(s) of Your Motorcycle unless other parts of Your Motorcycle are also damaged at the same time.

6. Convulsions of Nature
   - Any loss or damage to Your Motorcycle caused by flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence or sinking of the soil / earth or other convulsions of nature.

7. Excess
   - The amount of Excess stated in the Schedule. This is the first amount that You have to bear in respect of each and every claim under the Policy.

8. Loss of Electronic Data
   - Loss of electronic data and any consequences arising from it, directly or indirectly caused by or in connection with a computer virus. This includes loss of use, reduced functionality, or any other associated loss or expense in connection with the electronic data.

9. Cheating or Criminal Breach of Trust
   - Any loss or damage, including theft, caused by or attributed to the act of Cheating or Criminal Breach of Trust by any person.
2: Basis of Settlement

This section explains how We will settle Your claim once We accept that it is payable under Section A. If Your Motorcycle is damaged as a result of any Incident, We have the option of doing the following:

a. If Your Motorcycle is Repairable
   If in Our opinion Your Motorcycle is economical to repair, We have the option to:
   • arrange for Your Motorcycle to be repaired at Our approved Repairer and pay the cost of repairing Your Motorcycle to the condition which is as near as possible to the condition that it was in before the loss happened;
   • pay You in cash the amount We estimate it would cost to repair Your Motorcycle; or
   • reinstate or replace Your Motorcycle with one of the same make, model, age and general condition.

b. If Your Motorcycle is not Repairable
   If in Our opinion, the damage to Your Motorcycle is so great that it would not be safe or economical to repair, We will declare Your Motorcycle “Beyond Economic Repair” (“BER”) and We will pay You up to the maximum amount as stated in (d) below or offer You a settlement sum equivalent to the Market Value. We may also opt to replace Your Motorcycle with one of the same make, model, age and general condition. If We take any of these actions, this Policy shall be automatically terminated once We make payment.

   In cases where the valuation of the franchise-holder vary from Market Value by more than 10%, We would also have the option to offer a settlement value which is equal to the cost of purchasing a replacement motorcycle of the same make, model and age of the Motorcycle at the time of loss. It is Our option to offer You a replacement of the Motorcycle, should You not agree with the offer.

c. Replacement Parts
   If the spare parts or Accessories required to repair Your Motorcycle are not available in Malaysia, or if We choose to pay for the loss or damage in cash, We will settle Your claim on the following basis:
   • the last known parts price list issued in Malaysia by the manufacturer or their agent. If the price list in Malaysia does not exist, We will use the price at the manufacturer’s production plant and include reasonable cost of transportation to Malaysia (but not cost of air freight); and
   • the reasonable labour cost of fitting such spare parts or Accessories in Malaysia.

d. The Maximum Amount We will Pay You
   If Your Motorcycle is BER or stolen and not recovered, the amount payable under the Policy will be the Market Value at the time of the loss or the Sum Insured as shown in the Schedule, whichever sum is the lesser. Upon our payment of the said amount, this Policy shall be automatically terminated. The Market Value is to be determined according to clauses 13 and 14 of Section F.

e. Under-Insurance
   If the Sum Insured of Your Motorcycle is less than the Market Value at the time of the loss, We will only bear part of the loss in proportion to the difference between the Market Value and the Sum Insured as shown in the formula below:

   \[
   \text{Sum Insured} \times \frac{\text{Assessed Loss}}{\text{Market Value}}
   \]

   The balance has to be borne by You. However, this will only apply if the under-insured amount is more than 10% of the Market Value.
f. **Betterment**

If new original parts are used to repair your Motorcycle and as a result of which your Motorcycle is in a better condition than it was before the damage, you would be required to contribute to its betterment, a proportion of the costs of such new original parts. Your contribution would be according to the following scale:

<table>
<thead>
<tr>
<th>Age of Your Motorcycle (Years)</th>
<th>Rate of Betterment</th>
</tr>
</thead>
<tbody>
<tr>
<td>less than 5</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>15%</td>
</tr>
<tr>
<td>6</td>
<td>20%</td>
</tr>
<tr>
<td>7</td>
<td>25%</td>
</tr>
<tr>
<td>8</td>
<td>30%</td>
</tr>
<tr>
<td>9</td>
<td>35%</td>
</tr>
<tr>
<td>10 and above</td>
<td>40%</td>
</tr>
</tbody>
</table>

To determine the rate of betterment to be applied, the age of your Motorcycle will be calculated based on when it was originally registered in Malaysia:

| a. as a locally assembled motorcycle | Date of Original Registration |
| b. as a new imported Completely Built Unit (CBU) motorcycle | Year of Manufacture |
| c. as an imported second-hand / used / reconditioned motorcycle | Year of Manufacture |

g. **Compulsory Excess** (please see page 5 for explanation)

We have the right to deduct the Excess from the amount that we would have to pay for each and every claim under Section A arising out of one Incident.

This Excess does not apply if the loss or damage is caused by fire, explosion, lightning, burglary, housebreaking, theft, third party property damage or bodily injury claims.

3: **Towing Costs**

If your Motorcycle cannot be ridden as a result of any damage to it that is covered by this Policy, we will pay up to a maximum of RM50 for the necessary and reasonable costs to remove your Motorcycle to the nearest approved Repairer or to a safe place of storage while awaiting repair or disposal.
Section B: Liability to Third Parties

This section explains what is covered and not covered under Section B.

1a: What is Covered?

We will indemnify You and / or Your Authorised Rider for the amount which You and / or Your Authorised Rider are legally liable to pay any third party (including third party’s costs and expenses) for:

(i) death or bodily injury to any person except those specifically excluded under this Policy; and / or

(ii) damage to property except those specifically excluded under this Policy

as a result of an Incident arising out of the use of Your Motorcycle on a Road. This cover is extended to Your Authorised Rider provided Your Authorised Rider also complies with all the terms and conditions of this Policy.

1b: What is Not Covered?

These exceptions are specific to Section B and are in addition to the Exceptions stated in Section D of this Policy and any other applicable endorsements.

We will not pay for:

(i) death or bodily injury to any Pillion being carried for hire or reward;

(ii) death or bodily injury to any person where such death or injury arises out of and in the course of the employment of such person by You or by Your Authorised Rider;

Under the Road Transport Act 1987, this Policy shall not be required to cover, except in the case of a motor vehicle in which passengers are carried for hire or reward or by reason of or in pursuance of a contract of employment, liability in respect of death of or bodily injury to persons being carried in or upon or entering or getting onto or alighting from the motor vehicle at the time of the occurrence of the event out of which the claims arise.

2: Limits of Our Liability

We will pay the following for any one claim, or series of claims arising from one Incident, in any one Period of Insurance:

(i) unlimited amount for death or bodily injury to third party; and / or

(ii) up to a maximum of RM3 million for third party property damage.

3: Cover for Legal Personal Representatives

Following the death of any person covered under this Policy, We will indemnify that person’s legal representatives for liability covered under this Section, provided such legal representatives comply with all the terms and conditions of the Policy.

(iii) damage to property belonging to or in the custody of or control of or held in trust by You or Your Authorised Rider and / or any member of Your or Your Authorised Rider’s Household;

(iv) liability to any person being carried upon or getting onto or alighting from Your Motorcycle unless he / she is required to be carried on Your Motorcycle by reason of or in pursuance of his / her contract of employment with You or Your Authorised Rider and / or his / her employer;
4: Legal Costs

If **You** or **Your Authorised Rider** is charged for reckless and dangerous riding or careless or inconsiderate riding under the Road Transport Act 1987 or any other offence related to the said **Incident**, **We** will pay legal costs incurred up to a maximum of RM2,000 to defend **You** or **Your Authorised Rider** provided always that such costs are incurred in Malaysia, the Republic of Singapore or Negara Brunei Darussalam, and that cost has been incurred with **Our** prior agreement in writing.

**We** will only pay for legal cost and **We** will not pay for any penalty imposed on **You** or **Your Authorised Rider**.

5: Rights of Recovery

**We** have a right to refuse to indemnify **You** or **Your Authorised Rider** if either of **You** commit a breach of any **Policy** conditions or where the claim falls outside the scope of cover provided by **Us** under this **Policy**. However, if **We** are legally required to pay any judgment sum in respect of a claim under Section B of this **Policy** because of laws in force in Malaysia, Republic of Singapore or Negara Brunei Darussalam, which **We** would otherwise not have to pay, **We** have the right to ask **You** or **Your Authorised Rider** to repay to **Us** the amount of that payment and any costs **We** have incurred in connection with the claim.

1b: What is Not Covered?

- In **pursuance of the contract of employment** – The **Pillion** is required to be carried to a destination in order to carry out the job as spelt out in his/ her contract of employment.

- **Liability to Pillion** other than:
  - Pillion carried for hire or reward;
  - employees in the course of employment; or
  - **Your** or **Your Authorised Rider’s Household** member unless he/ she is required to be carried on **Your Motorcycle** by reason of or in **pursuance to a contract of employment**;
  - may be insured separately for additional premium under **Endorsement 108**. If **You** have insured such liability, **You** will need to refer to the full text of **Endorsement 108: Legal Liability to Pillion** as to what this **Endorsement** covers or excludes and the applicable conditions.

- (v) liability caused by a **Pillion** travelling on or alighting from **Your Motorcycle**;

- (vi) any claims brought against **You** by any rider of **Your Motorcycle**, whether authorised or not;

- (vii) death or bodily injury to any person or damage to property caused or arising outside the limits of any carriageway or thoroughfare in connection with the loading onto and unloading from **Your Motorcycle**;

- (viii) any claims brought against any person in any country in courts outside Malaysia, the Republic of Singapore or Negara Brunei Darussalam; and / or

- (ix) all legal costs and expenses which are not incurred in or recoverable in Malaysia, the Republic of Singapore and Negara Brunei Darussalam.
Section C: No Claim Discount

This section spells out the reward system known as the “No Claim Discount”.

1. No Claim Discount (NCD)
   If You have insured Your Motorcycle for a continuous period of 12 months and You or anyone else did not make any claim under this Policy during that time, a NCD will be applied at each renewal. The applicable NCD will increase with each renewal if You continue to have claim free years as follows:

<table>
<thead>
<tr>
<th>Claim Free Year of Insurance</th>
<th>NCD Entitlement</th>
</tr>
</thead>
<tbody>
<tr>
<td>After 1 continuous claim free year</td>
<td>15%</td>
</tr>
<tr>
<td>After 2 continuous claim free years</td>
<td>20%</td>
</tr>
<tr>
<td>After 3 continuous claim free years and beyond</td>
<td>25%</td>
</tr>
</tbody>
</table>

2. One Claim and Your NCD is Down to Zero
   If You or anybody else meet with an incident which will give rise to a claim on this Policy, the NCD entitlement that You have accumulated would drop to zero at the next renewal and Your NCD will start all over again. If a claim is received after the NCD has been applied, We shall be entitled to recover the NCD given from You.

3. Exception to this Rule
   Your NCD will not be affected even if a claim is made if:
   - We are of the opinion that You are not at fault for causing the loss;
   - the offending vehicle is identifiable and is not a vehicle used for carriage of passengers for hire or reward (for example taxis, hire cars, public buses, stage buses, school buses and factory buses for hire);
   - the offending vehicle is insured by a Malaysian licensed insurer; and
   - there is no death or personal injury claim involved.

4. Your NCD is not Transferable
   The NCD is personal to You which means that if You were to sell Your Motorcycle and We agree to transfer this Policy to the new owner, Your NCD cannot be transferred for the benefit of the new owner.

5. Non-utilisation of NCD
   For every year that the NCD is not utilised by You, the NCD accumulated and applicable for this Policy will be reversed in accordance with the scale set out in the table in clause C1 above.
Section D: General Exceptions – these apply to the whole Policy

This section lists down circumstances under which this Policy does not provide cover at the time of happening of the Incident. This is in addition to those already listed in Sections A1b (see pages 6 and 7) and B1b (see pages 10 and 11).

1. Unlicensed Riders
   There is no cover under this Policy if You or Your Authorised Rider do not have a valid licence to ride Your Motorcycle. This will not apply if You or Your Authorised Rider have an expired licence but are not disqualified from holding or obtaining such licence under any existing laws, by-laws and regulations.

2. Alcohol, Drugs and Other Intoxicating Substances
   There is no cover under this Policy if You or Your Authorised Rider is under the influence of alcohol or intoxicating liquor, narcotics, dangerous drugs or any other deleterious drugs or intoxicating substance to such an extent that You or Your Authorised Rider are incapable of having proper control of Your Motorcycle.

   You or Your Authorised Rider shall be deemed as incapable of having proper control of Your Motorcycle if after a toxicology or equivalent test, it is shown that the alcohol level in the breath, blood or urine of You or Your Authorised Rider is higher than the prescribed limit pursuant to Section 45G(1) of the Road Transport Act 1987 of 80mg of alcohol in 100ml of blood (or equivalent in respect of breath or urine) or other equivalent legislation that is in force at the material time.

3. Fraud and Exaggerated Claims
   If any claim is in any part fraudulent or exaggerated, or if You or anyone acting on Your behalf, uses fraudulent means to get any benefit under this Policy, the entire claim will not be paid or payable. If We are required to make payment of any such claim to a third party, We shall be entitled to recover the sum paid and any costs incurred from You.

4. Unlawful Purpose
   There is no cover under this Policy if You or Your Authorised Rider use Your Motorcycle for an unlawful purpose or to attempt an unlawful purpose i.e. in violation of the criminal law or a recognised law of the country where Your Motorcycle was being used.

5. Use for Racing etc.
   There is no cover under this Policy if You use or You allow Your Authorised Rider to use Your Motorcycle:
   a. to practise for or to take part in any motor sport, competition (other than treasure hunt), rally, pacemaking, reliability trial or speed test; or
   b. on any racetrack.

   For an additional premium, Your Policy can be extended to cover the use of Your Motorcycle for reliability trial or competition if You purchase the prescribed extension cover (Endorsement 24(c) or 24(d)).

6. Use Outside Malaysia
   Unless We provide otherwise, this insurance does not cover You in respect of claims arising whilst Your Motorcycle was being used or ridden outside Malaysia, the Republic of Singapore and Negara Brunei Darussalam. In Malaysia, Our liability under this Policy is governed by the Road Transport Act 1987 and the terms and conditions of this Policy, and Our liability outside Malaysia is governed by the terms and conditions of this Policy only.

   For an additional premium, Your Policy can be extended to cover the use of Your Motorcycle in Thailand or Kalimantan only if You purchase the prescribed extension cover (Endorsements 101 and 102).
7. **Failure to take Precaution**

   **We** will not pay for any additional damages if after an **Incident** or breakdown **You**:

   a. left **Your Motorcycle** unattended or failed to take proper precaution to prevent further loss or damage; or
   b. continue to ride **Your Motorcycle** in an unroadworthy condition before any repair is done.

   **We** will also not pay for claims that arise if, when using **Your Motorcycle**, **You** do not take reasonable precaution to keep **Your Motorcycle** secured. This includes but is not limited to leaving **Your Motorcycle** unattended with ignition key left in or on **Your Motorcycle**.

8. **War Risk**

   There is no cover under this **Policy** for any loss or liability (including any costs of defending any action) connected in any way directly or indirectly to:

   a. war, invasion, acts of foreign enemies, hostilities or warlike operation (whether war is declared or not), civil war, **Act of Terrorism**, mutiny, rebellion or revolution; or
   b. strike, riots or civil commotion assuming the proportion of or amounting to an uprising, insurrection or military or usurped power.

   **For an additional premium, Your Policy can be extended to cover strikes, riots and civil commotion (Endorsement 25).**

9. **Nuclear Risk**

   There is no cover under this **Policy** for any accident, loss or damage to any property or any loss or liability arising therefrom (including consequential losses and costs of defending any actions) connected in any way with operations using the nuclear fission or fusion process, or handling of radioactive material. This includes, but is not limited to:

   a. the use of nuclear reactors such as atomic piles, particle accelerators or generators and similar devices;
   b. the use, handling or transportation of radioactive material in relation to any **Act of Terrorism**;
   c. the use, handling or transportation of any weapon or explosive device employing nuclear fission or fusion; or
   d. the use, handling or transportation of radioactive material.

10. **Convulsions of Nature**

    There is no cover (unless specifically purchased) for any loss, damage or liability caused by flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence or sinking of the soil / earth or other convulsions of nature.

    **For an additional premium, Your Policy can be extended to cover flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence etc. (Endorsement 57).**

11. **Contractual Liability**

    **We** will not pay for any liability that arises by virtue of an agreement but for which **We** would not have been liable in the absence of such agreement.

12. **Unauthorised Rider**

    **We** will not pay for any **Incident**, loss, damage or liability caused, sustained or incurred whilst **Your Motorcycle**, in respect of which indemnity is provided by this **Policy**, is being ridden by any person other than an **Authorised Rider** or person riding on **Your** order or with **Your** permission.
This section spells out the terms and conditions that You must observe to ensure this insurance remains effective. Basically these conditions are of three types:

1. What You must do
2. What You must not do
3. What We can do

Conditions Precedent to Policy Liability
The following conditions are conditions precedent to Our liability to indemnify You under this Policy and have to be observed by You strictly. We can repudiate this Policy and/or will not pay claims under the Policy if You breach any of the relevant conditions. These conditions also apply to Your Authorised Rider and any legal representative who seek indemnity under this Policy.

1. Duty of Disclosure
The duty of disclosure is different for a Consumer Insurance Contract and for a Non-Consumer Insurance Contract. They are separately outlined below:

A. Consumer Insurance Contract

Where You have applied for this insurance wholly for purposes unrelated to Your trade, business or profession, You had a duty to take reasonable care not to make a misrepresentation in answering the questions in the Proposal Form (or when You applied for this insurance) i.e. You should have answered the questions fully and accurately. Failure to have taken reasonable care in answering the questions 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 in accordance with Schedule 9 of the Financial Services Act 2013. You were also required to disclose any other matter that You knew to be relevant to Our decision in accepting the risks and determining the rates and terms to be applied.

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 the Proposal Form (or when You applied for this insurance) is inaccurate or has changed.

B. Non-Consumer Insurance Contract

Where You have applied for this insurance for purposes related to Your trade, business or profession, You had 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.

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 the Proposal Form (or when You applied for this insurance) is inaccurate or has changed.

2. Accidents and Claims Procedures

If Your Motorcycle is involved in any Incident that could lead to a claim under this Policy, You must do the following:

a. Notify Our claims department of the Incident and get a Claim Form. You must notify Us of the Incident as soon as possible but in any event:

- Within seven (7) days if You are not physically disabled or hospitalised following the Incident; or
- Within thirty (30) days or as soon as practicable if You are physically disabled and hospitalised as a result of the Incident.

We may allow a longer notification period if You can provide specific proof and justification for the delay.

b. Report the Incident to the police as required by law and do all that is required to assist the police authorities to secure a conviction against the offender.
c. Complete the Claim Form in full and return it to Us within twenty-one (21) days from the date of Your notification as per (a) above. You are required to answer all the questions in detail in all applicable sections and provide Us with all the necessary documents to support Your claim. We will not be held responsible if there is any delay on Your part to submit the Claim Form duly completed together with all the necessary documents.

A longer claims submission period may be allowed by Us subject to specific proof and justification by You for the delay.

d. If there are any claims made against You by a third party, You must immediately notify Us of the same and You must send to Us any notification of claim, notice of impending prosecution or inquest, summons, writ or any letters from the solicitors of the third party as soon as You receive such documents, but in any event within fourteen (14) days from the date of receipt of any of the documents.

e. Send Your Motorcycle to any of Our approved Repairer so that We can inspect Your Motorcycle before We give approval to proceed with repairs or take reasonable action to safeguard Your Motorcycle from further loss or damage. We can refuse to pay any claim under Section A of this Policy if You breach this condition.

f. You must obtain Our consent in writing before You repair Your Motorcycle or incur any expenses in connection with a claim under this Policy.

You must not do any of the following:

- Admit any responsibility for any Incident; or
- Negotiate or settle any claims made against You by a third party, unless We write and inform You that You can.

We will decide whether to negotiate, defend or settle, in Your name, Your Authorised Rider’s name and / or on Your behalf, any claims made against You or Your Authorised Rider by a third party. If in Our assessment the third party claim made against You or Your Authorised Rider for property damage will exceed the limit of liability of RM3 million, We will pay the full amount of Our liability to You or the third party and hand over the further conduct of any defence, settlement or proceeding to You completely. After doing so We will not be liable under this Policy to make any more payments to You or any claimant or any other person arising from the same Incident.

The conditions above also apply to anyone else who wishes to claim under the terms and conditions of this Policy. “Anyone else” may refer to personal representative or administrator / estate of the policyholder.

3. Cancellation

Either You or We may cancel this Policy at any time during the Period of Insurance.

a. Cancellation by You:

- You can cancel this Policy at any time by returning the Certificate of Insurance (CI) to Us or, if the CI has been lost or destroyed, You must provide Us with a duly certified Statutory Declaration (SD) to confirm this.
- After returning the CI or SD You will be entitled to a refund of premium if no claim was incurred prior to cancellation. Your refund will be the difference between the total premium and Our customary short-period rates calculated for the time We were on risk until the date We received the CI or SD:

<table>
<thead>
<tr>
<th>Period of Insurance</th>
<th>Refund of Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not exceeding 1 week</td>
<td>87.5% of the total premium</td>
</tr>
<tr>
<td>Not exceeding 1 month</td>
<td>75.0% of the total premium</td>
</tr>
<tr>
<td>Not exceeding 2 months</td>
<td>62.5% of the total premium</td>
</tr>
<tr>
<td>Not exceeding 3 months</td>
<td>50.0% of the total premium</td>
</tr>
<tr>
<td>Not exceeding 4 months</td>
<td>37.5% of the total premium</td>
</tr>
<tr>
<td>Not exceeding 6 months</td>
<td>25.0% of the total premium</td>
</tr>
<tr>
<td>Not exceeding 8 months</td>
<td>12.5% of the total premium</td>
</tr>
<tr>
<td>Exceeding 8 months</td>
<td>No refund of premium allowed</td>
</tr>
</tbody>
</table>

- The Policy will automatically lapse once You sell or dispose of Your Motorcycle because Your insurable interest in the Motorcycle will cease. If You want to transfer the Policy to the new buyer, You have to get Our prior consent.
b. Cancellation by Us:

- We may also cancel this Policy by giving You fourteen (14) days notice in writing by registered post to Your last address known to Us.
- After returning the CI or SD You will be entitled to a refund premium for the unexpired period calculated on a pro-rata basis from the date We receive the CI or SD from You to the expiry date of the Policy.

There will not be any refund of premium for any cancellation of Policy (either by You or by Us) if You have paid the Minimum Premium only or if a claim has been made on this Policy.

4. If there is More Than One Insurance Covering the Same Motorcycle

a. You must inform Us in writing if You have taken out any other insurance in respect of Your Motorcycle during the Period of Insurance.

b. If a claim arises under this Policy and such a loss is also claimable under the other insurance policy(ies) taken by You, We will only contribute Our rateable proportion of the whole loss. We will not be liable to pay the claim first and then seek recovery from the other co-insurers who is / are also liable for the loss.

5. Subrogation

We are entitled to take over all rights and remedies that You may have against any third party who caused the loss. We shall have the absolute discretion in the conduct of any proceedings, at Our own costs, against the third party and in the settlement of any such claim and You shall give Us such information and assistance as We may require from time to time including assigning all rights to take action in Your name. You must however give Us Your full cooperation to protect these rights and provide all assistance and take such steps as We require.

6. Dispute Resolution

If there are differences or disputes on any matters relating to this Policy involving amounts exceeding RM250,000, an Arbitrator shall be jointly appointed by You and Us in writing to resolve the differences or disputes. If no agreement is reached on who is to be the Arbitrator within one month of being required to do so then You and We shall be entitled to appoint an Arbitrator each. Both Arbitrators shall then proceed to hear the difference or dispute together with an Umpire to be jointly appointed by them. If the Arbitrators cannot agree on an Umpire within thirty (30) days, then the Kuala Lumpur Regional Centre for Arbitration shall appoint an Umpire.

If the disputed sum is less than RM250,000, You may refer the matter to the Ombudsman for Financial Services to resolve the dispute.

7. Other Matters

We will only be liable to indemnify You under this Policy if You:

a. Comply with all the terms and conditions of this Policy. These conditions are also applicable to Your Authorised Rider and any legal representative who seek protection under this Policy;

b. Maintain Your Motorcycle in a reasonably efficient and roadworthy condition. You must get Our consent if You make any modification that will enhance or in any way affect the performance of Your Motorcycle;

c. Take reasonable care to avoid any situation that could result in a claim. This Policy will not cover You if You or Your Authorised Rider are reckless i.e. where You recognise a serious risk but deliberately do not take steps to prevent it. This includes but is not limited to leaving Your Motorcycle unattended with ignition key left in or on Your Motorcycle; and

d. Make Your Motorcycle available to Us for inspection at all reasonable times upon request.

8. Prevalent Policy Wording

For avoidance of doubt, the English version of this Policy wording will prevail over the Bahasa Malaysia version at all times.
Section F: Definitions of words highlighted in the Policy

This section explains what We mean by the words printed in bold in this Policy.

In this Policy, Schedule and Certificate of Insurance, unless the context otherwise requires, the following words shall have the meanings as defined below.

1. **Accessories**
   This refers to the standard factory-fitted tools of the Motorcycle including spare tyres and may include radio / cassette player / compact disc player and the like if specified in the Schedule.

2. **Act of Terrorism**
   This refers to an act by any person(s) or group that uses force or violence and / or the threat of force or violence, whether they are acting alone or on behalf of or in connection with any organisation(s) or government(s) and done for political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and / or to put the public, or any section of the public, in fear.

3. **Adjuster**
   This refers to a person or entity registered under the Financial Services Act 2013 who is appointed by Us to investigate the cause and circumstances of a loss and to determine the amount of loss.

4. **Authorised Rider**
   This refers to any person who rides and controls Your Motorcycle with Your consent or permission provided he or she holds a valid licence of the relevant type and is not disqualified to ride by law or for any other reason and is not a Pillion rider.

5. **Certificate of Insurance**
   This certificate is a prescribed form that We are required to issue to You under the Road Transport Act 1987 and it outlines the particulars of any conditions subject to which the Policy is issued.

6. **Cheating**
   This follows the meaning as defined under Section 415 of the Penal Code which is as follows:
   Whoever by deceiving any person, whether or not such deception was the sole or main inducement:
   a. fraudulently or dishonestly induces the person so deceived to deliver any property to any person, or to consent that any person shall retain any property; or
   b. intentionally induces the person so deceived to do or omit to do anything which he would not do or omit to do if he were not so deceived and which act or omission causes or is likely to cause damage or harm to any person in body, mind, reputation, or property,
   is said to “cheat”.

7. **Criminal Breach of Trust**
   This follows the meaning as defined under Section 405 of the Penal Code which is as follows:
   Whoever, being in any manner entrusted with property, or with any dominion over property either solely or jointly with any other person, dishonestly misappropriates, or converts to his own use, that property, or dishonestly uses or disposes of that property in violation of any direction of law prescribing the mode in which such trust is to be discharged, or of any legal contract, express or implied, which he has made touching the discharge of such trust, or wilfully suffers any other person so to do, commits “criminal breach of trust”.

8. **Endorsement**
   This refers to the document that We issue to You to confirm any changes or extensions of the coverage to the basic Policy.
9. Excess
This refers to the amount that must be borne by You first for each claim. The amount of the excess is shown in the Schedule. You have to pay the excess irrespective of who is at fault in the Incident.

10. Household
This refers to all members of Your or Your Authorised Rider’s immediate family i.e. spouse, children including legally adopted children, parents, brother(s) and sister(s) staying under one roof with You in the case of Your immediate family, or with Your Authorised Rider, in the case of his immediate family.

11. Incident
Any event which could lead to a claim under this Policy.

12. Limitations as to Use
According to Your Certificate of Insurance (CI), Your Motorcycle can only be used for “Social, domestic and pleasure purposes and for the policyholder’s business”. The CI also states that “The Policy does not cover use for hire or reward, racing, pacemaking, reliability, trial speed-testing, the carriage of goods other than samples in connection with any trade or business”.

13. Market Value
This refers to the reasonable cost to buy another Motorcycle of the same make, model, age and general condition similar to Your Motorcycle at the time of loss. The Market Value of Your Motorcycle at the time of loss would be determined according to the terms of the option that You had chosen at the time You purchased this Policy. If You had opted for a Market Valuation System to determine Your Sum Insured then the Market Value would be based on that valuation system as described in clause 14 below. However, if You had not opted for a Market Valuation System then the Market Value of Your Motorcycle in the event of dispute would be determined by the Head Office of the Motorcycle franchise-holder and this value should be equal to the cost of purchasing a replacement motorcycle of the same make, model and age of Your Motorcycle at the time of loss. If this valuation is not available or appears in Our opinion to be unduly low or high then valuation will be determined by an Adjuster registered under the Financial Services Act 2013, agreed by both You and Us.

14. Market Valuation System
This refers to the motor vehicle Market Valuation System approved by Persatuan Insurans Am Malaysia (PIAM) to determine the Market Value of Your Motorcycle at the time You purchased / renewed this Policy as well as at the time of the loss. You can opt to use the valuation recommended by this system as the Sum Insured to avoid the consequences of under-insurance as described in Section A2e. Alternatively, You may choose to determine the Sum Insured Yourself but You would be subject to Section A2e if You are under-insured.

15. Minimum Premium
The minimal premium described in the Schedule.

16. Motorcycle
This refers to the motor vehicle described in the Schedule and includes the manufacturer’s standard options and Accessories fitted to it and any other non-standard options or descriptions that are specifically listed in the Schedule.

17. Ombudsman for Financial Services (OFS)
This is an independent body that provides a free and efficient avenue to help settle financial disputes between You and Us under this Policy as an alternative to the courts.

18. Period of Insurance
The period shown in the Schedule when the cover provided by this Policy is operative. Cover is only valid from the actual time of purchase of the insurance Policy or from when You and We agree that cover should commence.
19. Pillion
   Pillion means a Pillion rider who is a person seated in the Pillion seat of Your Motorcycle.

20. Policy
   Policy includes the Schedule, the Certificate of Insurance and all Endorsements specifically listed in the Schedule.

21. Repairer
   This refers to motor repair workshops approved by Us or by Persatuan Insurans Am Malaysia (PIAM) under the PIAM Approved Repairers Scheme (PARS) or any repairer that We have given You a special permission to use, for a claim.

22. Road
   Section 2 of the Road Transport Act 1987 defines “Road” as “any public road and any other road to which the public has access and includes bridges, tunnels, lay-bys, ferry facilities, interchanges, round-abouts, traffic islands, road dividers, all traffic lanes, sidetables, median strips, overpasses, underpasses, approaches, entrance and exit ramps, toll plazas, service areas, and other structures and fixtures to fully effect its use”.

23. Schedule
   This document shows Your name and address, the Period of Insurance, the sections of this Policy which apply, the premium You have paid, the Motorcycle which is insured, the Sum Insured and details of any extensions or Endorsements.

24. Sum Insured
   This is the maximum that We will pay You for a claim under Section A. This amount is shown in the Schedule. The Sum Insured must be sufficient to cover the cost to replace Your Motorcycle in the event of an Incident that completely destroys it.

25. We, Our, Us
   This refers to the licensed Insurance Company that is issuing You this Policy.

26. You, Your, Yourself
   This refers to the policyholder or person described in the Schedule as “the Insured”.
Section G: Endorsements – applicable only if the Endorsement number is printed in the Schedule

The following is a list of additional terms and conditions (known as Endorsements) that We may impose on You or optional covers available that You may want to add to Your basic Policy by paying additional premium. Note that only Endorsements with their numbers specifically printed in the Schedule shall apply to this Policy.

Endorsement 3(p): Third Party Only Insurance (please see page 2 - “What is Covered?”)

The cover that You have chosen for Your Motorcycle is limited to ‘Third Party’ insurance only. This means that We will not pay for any loss or damage to Your Motorcycle. For that reason Section A is deleted and only Section B coverage has been purchased and is available to You.

Endorsement 3(q): Third Party, Fire and Theft Insurance (please see page 2 - “What is Covered?”)

The cover that You have chosen for Your Motorcycle is called ‘Third Party, Fire and Theft’ insurance. This means that the cover provided to Your Motorcycle under Section A is limited to any loss or damage caused by fire, explosion, lightning, burglary, housebreaking or theft only. For that reason all the remaining covers under Section A1a are deleted and Section B coverage has been purchased and is available to You.

Endorsement 14: Transfer of Interest

In consideration of the additional premium that You paid Us for this endorsement, We agree to transfer the interest in this Policy on [state date] to [state name of transferee and NRIC no. / Business Registration No.] of [state address] carrying on or engaging in the business or profession of ______________ whose proposal and declaration dated [state date] shall be the basis of this contract.

Subject otherwise to the terms and conditions of this Policy.

Endorsement 15: Hire Purchase

We note that Your Motorcycle is under a Hire Purchase agreement with the Hire Purchase company named in the Schedule as the Owners. You unconditionally agree that the payment of any claim under Section A by Us by way of a cash payment shall be made to the Owners as long as they remain as the Owner of Your Motorcycle at the time of the Incident. The receipt from the Owners will fully discharge Us from any further claims or liability in respect of such loss or damage. For all other purposes You are the principal party under this Policy and not an agent or trustee for the Owners and that You have not assigned Your rights, benefits and claims under this Policy to the Owners. You cannot assign Your rights, benefits and claims under this Policy to anybody without Our written consent.

Other than the above, Our / Your rights and liabilities under this Policy are not affected.

Endorsement 15(a): Employer’s Loan

We note that Your Motorcycle was bought under an Employer’s Loan agreement. You unconditionally agree that the payment of any claim under Section A by Us by way of a cash payment shall be made to the Employer named in the Schedule as long as the loan remains outstanding at the time of the Incident giving rise to a claim. The receipt from the Employer will fully discharge Us from any further claims or liability in respect of the Incident.

Other than the above, Our / Your rights and liabilities under this Policy are not affected.

Endorsement 18: Fleet Rated Risks – Cancellation of ‘No Claim Discount’

By virtue of the benefit of the Fleet Discount received, the No Claim Discount clause of this Policy is cancelled.

Subject otherwise to the terms and conditions of this Policy.
Endorsement 24(c): Reliability Trials, Competitions etc.

In consideration of the additional premium that You paid Us for this endorsement, We agree that the insurance provided under this Policy shall cover Your Motorcycle while it is being used for [state either reliability trials, competition] to be held at [state place / location] on [state date] organized by [state name of organizer] including officially conducted practice for the event.

Endorsement 24(d): Reliability Trials, Competitions etc. (Third Party Cover Only)

In consideration of the additional premium that You paid Us for this endorsement, We agree that the insurance provided under Section B of this Policy shall cover legal liability while Your Motorcycle is being used for [state either reliability trials, competition] to be held at [state place / location] on [state date] organized by [state name of organizer] including officially conducted practice for the event.

Endorsement 25: Strike, Riot and Civil Commotion

In consideration of the additional premium that You paid Us for this endorsement, We agree that the insurance provided under Section A of this Policy shall cover loss or damage to Your Motorcycle caused by:

a. the wilful act of any striker or locked out worker to further a strike or to resist a lock out;
b. the act of any person taking part together with others in disturbance of the public peace (whether in connection with a strike or lock out or not); and
c. the action of any lawfully constituted authority in preventing, suppressing or attempting to prevent or suppress any of these acts or in minimising the consequences of them.

This endorsement does not cover:

a. civil war, war, invasion or acts of foreign enemy hostilities or warlike operations (whether war is declared or not);
b. revolution, rebellion or civil disturbance amounting to a popular uprising; and
c. Act of Terrorism.

It also does not cover any loss, damage or liability directly or indirectly, proximately or remotely caused by or contributed to or traceable to or arising out of or in connection with the above stated exceptions.

Endorsement 57: Inclusion of Special Perils

In consideration of the additional premium that You paid Us for this endorsement, We agree that the insurance provided under Section A of this Policy will cover loss or damage to Your Motorcycle caused by flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence or sinking of the soil / earth or other convulsions of nature.

Endorsement 87: Agreed Value Clause

The Agreed Value shown in the Schedule is the maximum amount that We will pay for Your Motorcycle, less any Excess (if applicable) if Your Motorcycle is stolen or totally destroyed.

We and You have agreed at the commencement of this Policy to use this value as the basis of settlement provided We are liable to pay for such loss or destruction under the terms and conditions of this Policy. The Market Value of Your Motorcycle at the time of the loss will not be taken into account.
Endorsement 95: Leasing Agreement

We note that Your Motorcycle is under a Leasing Agreement with the Leasing company named in the Schedule as the Lessors. You unconditionally agree that the payment of any claim under Section A by Us by way of a cash payment shall be made to the Lessors as long as the Leasing Agreement remains valid at the time of the Incident. The receipt from the Lessors will fully discharge Us from any further claims or liability in respect of such loss or damage. For all other purposes, You are the principal party under this Policy and not as an agent or trustee for the Lessors and You have not assigned Your rights, benefits and claims under this Policy to the Lessors. You cannot assign Your rights, benefits and claims under this Policy without Our written consent.

Endorsement 97: Separate Cover for Accessories fixed to Your Motorcycle

In consideration of the additional premium that You paid Us for this endorsement, We agree that the insurance provided under Section A of this Policy shall cover the non-standard Accessories specified in the Schedule. The maximum amount that We will pay under this endorsement is the amount mentioned in the said Schedule under the heading ‘Endorsement 97’.

If Your claim is for the Accessories only and no other damages, We will not deduct any Excess and You will not lose Your No Claim Discount entitlement.

This cover is terminated on the date Your claim is settled under this endorsement. To restore this cover You must pay the additional premium to Us for the renewed cover.

Endorsement 101: Extension of Cover to the Kingdom of Thailand

In consideration of the additional premium that You paid Us for this endorsement, We agree that the insurance provided under Section A and Section B1a(ii) of this Policy shall cover Your Motorcycle while it is being used in the Kingdom of Thailand from the time of purchase on [state date] to midnight (Malaysian Standard Time) on [state date]. The limit of liability that We provide under Section B1a(ii) will be up to a maximum of RM100,000 only.

This endorsement does not cover legal liability under Section B1a(i) while Your Motorcycle is being used in the Kingdom of Thailand.

Endorsement 102: Extension of Cover to Kalimantan

In consideration of the payment of additional premium by You to Us, the geographical area of this Policy is extended to include Kalimantan with effect from _______ a.m. / p.m. on [state date] to midnight (Malaysian Standard Time) on [state date] subject to the limit of liability of RM50,000 under Section B1a(i) and B1a(ii).

Subject otherwise to the terms and conditions of this Policy.
Endorsement 108: Legal Liability to Pillion

In consideration of the additional premium that You paid Us for this endorsement, We shall pay towards You or Your Authorised Rider’s liability to any person being carried upon or getting onto or alighting from Your Motorcycle except for:

a. death or bodily injury to any Pillion being carried for hire or reward;

b. death or bodily injury to any person where such death or injury arises out of and in the course of the employment of such person by You or by Your Authorised Rider;

c. damage to property belonging to or in the custody of or control of or held in trust by You or Your Authorised Rider and / or any member of Your or Your Authorised Rider’s Household;

d. liability to any person who is a member of Your and / or Your Authorised Rider’s Household who is a Pillion on your Motorcycle unless he / she is required to be carried on Your Motorcycle by reason of or in pursuance of his / her contract of employment with You or Your Authorised Rider and / or his / her employer;

e. liability caused by a Pillion travelling on or alighting from Your Motorcycle;

f. any claims brought against You by any rider of Your Motorcycle, whether authorised or not;

g. death or bodily injury to any person or damage to property caused or arising outside the limits of any carriageway or thoroughfare in connection with the loading onto and unloading from Your Motorcycle;

h. any claims brought against any person in any country in courts outside Malaysia, the Republic of Singapore or Negara Brunei Darussalam; and / or

i. all legal costs and expenses which are not incurred in or recoverable in Malaysia, the Republic of Singapore and Negara Brunei Darussalam.

Condition of Cover

If at the time of Incident giving rise to a claim under this endorsement, Your Motorcycle is carrying Pillion in excess of the stated maximum number permitted by law, Our liability shall be limited to the number of Pillion specified for the vehicle as registered at the Road Transport Department.

If the number of Pillion carried at the time of the happening of an Incident is more than the maximum number permitted in the vehicle by law, We will not pay their claim in full. Any payment We make to any claimant under this endorsement will be rateably reduced in the proportion of the legally permitted maximum number of lawful Pillion over the actual number of Pillion(s) carried, at the time of the Incident. The difference between the sum paid by Us and the claim to be paid to each Pillion claimant shall be borne by You or Your Authorised Rider.

The proportion We pay shall be calculated in accordance with the following formula:

\[
\text{Number of Pillion permitted by law} \times \text{Total Claim Awarded} = \text{Actual number of Pillion(s) carried at time of Incident}
\]
Endorsement 109: Extension of Cover for Ferry Transit to and / or from Sabah and the Federal Territory of Labuan

In consideration of the additional premium that You paid Us for this endorsement, We agree that the insurance provided under Section A of this Policy shall cover loss or damage to Your Motorcycle when in transit to and / or from Sabah and Federal Territory of Labuan.

You must bear the first 1% of the Sum Insured or RM500 (whichever is higher) for each and every claim arising out of one transit for every claim payable under this endorsement. We have the right to deduct this amount in addition to the Excess mentioned in the Schedule of this Policy.

Endorsement 113: Reference to Motor Vehicle Market Valuation System

This refers to the motor vehicle Market Valuation System approved by Persatuan Insurans Am Malaysia (PIAM) to determine the Sum Insured of Your Motorcycle at the time You purchased / renewed this Policy as well as the Market Value at the time of the loss.

When a claim is made, the Market Value of Your Motorcycle would be determined by the (name of motor vehicle Market Valuation System) and this value would be accepted as the cost of purchasing a replacement motorcycle of the same make, model and age of Your Motorcycle at the time of loss.

If no Market Value is available from the (name of motor vehicle Market Valuation System) for Your Motorcycle, the Market Value of the Motorcycle would be determined by an Adjuster agreed to by both You and Us.

The valuation done by the (name of motor vehicle Market Valuation System) or Adjuster will be conclusive evidence in respect of the Market Value of Your Motorcycle in any legal proceedings against Us.

Subject otherwise to the terms and conditions of this Policy.
Optional Benefit: Personal Accident Section

**MCopa1: Death/Permanent Disablement - Insured**

For the purpose of this death/permanent disablement benefit, the words “You or Your” refer to the registered owner of the Motorcycle who is an individual person and not a body corporate.

If You suffer death or bodily injury solely and directly due to an Accident whilst riding on, travelling in, boarding or alighting from Your Motorcycle, the appropriate compensation will be paid to You for death or permanent disablement as per Table of Benefits below.

For the avoidance of doubt, “Accident” shall mean any sudden or unexpected and violent event from the action of an external cause.

<table>
<thead>
<tr>
<th>Table of Benefits</th>
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<tbody>
<tr>
<td>Death/Permanent Disablement</td>
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<td>Accidental Death</td>
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<tr>
<td>Permanent Disablement:</td>
</tr>
<tr>
<td>Total paralysis (from the neck down) or permanently bedridden</td>
</tr>
<tr>
<td>Loss of one or both hands</td>
</tr>
<tr>
<td>Loss of one or both feet</td>
</tr>
<tr>
<td>Loss of sight of one or both eyes</td>
</tr>
</tbody>
</table>

Permanent total loss of use of a part of a body shall be treated as a loss of the part of the body
Loss of sight of eyes means the entire and irrecoverable loss of sight
*Sum Insured refers to the amount specified in the Schedule under the heading of MCPA1

The death or bodily injury must have occurred within one hundred and eighty (180) days of the Accident, independent of any other cause.

Once one hundred percent (100%) of the Sum Insured under the Table of Benefits is paid, We have no further liability to You and this benefit shall immediately cease to be in force.
Motorcycle Plus Policy

MCPA1-1: Death/Permanent Disablement - Insured/Authorised Rider

For the purpose of this death/permanent disablement benefit, the words “You or Your” refer to the registered owner of the Motorcycle who is an individual person and not a body corporate.

If You suffer death or bodily injury solely and directly due to an Accident whilst riding on, travelling in, boarding or alighting from Your Motorcycle, the appropriate compensation will be paid to You for death or permanent disablement as per Table of Benefits below.

For the avoidance of doubt, “Accident” shall mean any sudden or unexpected and violent event from the action of an external cause.

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</tr>
</tbody>
</table>

Permanent total loss of use of a part of a body shall be treated as a loss of the part of the body.
Loss of sight of eyes means the entire and irrecoverable loss of sight.
*Sum Insured refers to the amount specified in the Schedule under the heading of MCPA1-1.

With additional premium paid for all rider extension, if:

- Your Authorised Rider suffers death or bodily injury solely and directly due to an Accident whilst riding on, boarding or alighting from and/or not seated as a Pillion rider on Your Motorcycle, the appropriate compensation for death or permanent disablement as per Table of Benefits above will be paid to Your Authorised Rider; or

- You and Your Authorised Rider both suffer either death or bodily injury solely and directly due to an Accident whilst Your Authorised Rider was riding on, boarding or alighting from Your Motorcycle and You were boarding, alighting from or travelling in as a Pillion rider on Your Motorcycle, the appropriate compensation for death or permanent disablement as per Table of Benefits above will be shared equally and paid to both, You and to Your Authorised Rider.

The death or bodily injury must have occurred within one hundred and eighty (180) days of the Accident, independent of any other cause.

Once one hundred percent (100%) of the Sum Insured under the Table of Benefits is paid to You and/or Your Authorised Rider, as the case may be, We have no further liability to You and/or Your Authorised Rider and this benefit shall immediately cease to be in force.
**MCPA2: Hospital Income - Insured**

We will pay You the amount as specified in the Schedule for each day of hospitalisation for injuries sustained as a result of the Accident to Your Motorcycle.

For the avoidance of doubt, “Accident” shall mean any sudden or unexpected and violent event from the action of an external cause.

This payment is payable only if You are hospitalised for more than twenty four (24) hours and within twenty (20) days from the date of the Accident to Your Motorcycle up to a maximum of sixty (60) days for any one Accident. Successive periods of hospital confinement, due to the same cause, shall be considered as one Accident.

Hospital shall mean any lawfully operating public or private hospital/medical centre which provides room and board and twenty four (24) hours nursing services.

**MCPA2-1: Hospital Income - Authorised Rider**

We will pay Your Authorised Rider the amount as specified in the Schedule for each day of hospitalisation for injuries sustained as a result of the Accident to Your Motorcycle.

For the avoidance of doubt, “Accident” shall mean any sudden or unexpected and violent event from the action of an external cause.

This payment is payable only if Your Authorised Rider is hospitalised for more than twenty four (24) hours and within twenty (20) days from the date of the Accident to Your Motorcycle up to a maximum of sixty (60) days for any one Accident. Successive periods of hospital confinement, due to the same cause, shall be considered as one Accident.

Hospital shall mean any lawfully operating public or private hospital/medical centre which provides room and board and twenty four (24) hours nursing services.

**Exceptions (These exceptions are in addition to Section D: General Exceptions):**

We do not provide coverage under the following circumstances:

1. Loss caused directly or indirectly, wholly or partly by:
   (a) bacterial infections (except pyogenic infections which shall occur through an accidental cut or wound); and
   (b) any kind of illness or disease;
2. Insanity, suicide or attempted suicide (whether sane or insane), self-injury or willful exposure to peril (other than in an attempt to save human life) or the committing of any criminal acts;
3. Childbirth, miscarriage, pregnancy or any complications thereof unless caused solely and directly by the Accident;
4. Any pre-existing conditions or physical defect or infirmity, fits of any kind;
5. Death or disablement directly or indirectly arising out of or consequent upon or contributed to by Acquired Immune Deficiency Syndrome (AIDS) or AIDS Related Complex (ARC) or Human Immunodeficiency Virus (HIV) infection however this syndrome has been acquired or may be named;
6. While Your Motorcycle is used as an unlicensed common carrier;
7. While participating in a brawl or strike, riot, civil commotion or demonstration;
8. Loss occasioned by martial law or state or siege or any or the events or causes which determine the proclamation or maintenance of martial law or state of siege, quarantine, or customs regulations or nationalisation by or under the order of any government or public or local authority;
9. War, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power, mutiny, popular uprising, strike, riot or civil commotion;
10. Injuries or death occasioned while the motorcycle is used for hire, any form of racing, road rally, pace-making, speed testing or reliability trials;
11. Provoked murder or assault;
12. Ionisation, radiation, or contamination by radioactivity, nuclear weapons material;
13. While participating in any professional sports; and
14. While Your Authorised Rider is seated as a Pillion rider on Your Motorcycle.

Special Conditions (These Special Conditions are in addition to Section E: Conditions):

The following is a list of additional terms and conditions that We may apply to You and/or Your Authorised Rider, as the case may be:

1. All benefits payable shall be made in Malaysian Ringgit (RM).
2. Upon the happening of an Accident which is likely to give rise to a claim, a notice shall be given to Us within fourteen (14) days of the Accident, with full particulars of the Accident and injuries.
3. Proper medical or surgical advice must be procured as soon as possible on any injuries sustained as a result of the Accident.
4. Provide to Us all information and evidence as may be required by Us for claims at Your expense. However if medical examination is required by Us, it shall be at Our expense. In the event of death, notice shall, when practicable, be given to Us before interment or cremation stating the time and place of any inquest appointed. If We require any post-mortem examination, it shall be at Our expense.
5. In the event of Your and/or Your Authorised Rider’s death, We will pay to Your and/or Your Authorised Rider’s legal representative, respectively. Any receipt or discharge which You or Your legal personal representative and/or Your Authorised Rider or Your Authorised Rider’s legal representative, as the case may be, may grant to Us for any capital sum or compensation under this Personal Accident Section, as the case may be, shall be deemed a final and complete discharge of all Our liabilities in respect of any and every injury or contingency (including death) resulting to You and/or Your Authorised Rider, as the case may be, in consequence of the Accident whether resulting before or after the date of such receipt or discharge.
6. This section shall cease to be in force upon the earlier occurrence of any of the following:
   (a) at midnight (standard Malaysian time) on the last day of the Period of Insurance;
   (b) Your death; or
   (c) payment of one hundred percent (100%) of the benefit under Death/Permanent Disablement.
If you have any complaints of unfair market practices by the Company, you may call or write to:

**Complaints Unit**
Ground Floor
Block 2A, Plaza Sentral
Jalan Stesen Sentral 5
Kuala Lumpur Sentral
50470 Kuala Lumpur
Tel: 03 2264 0520
Fax: 03 2264 0602
Email: customer.service@allianz.com.my

OR

**Ombudsman for Financial Services (664393P)**
*(Formerly known as Financial Mediation Bureau)*
Level 14, Main Block,
Menara Takaful Malaysia No. 4, Jalan Sultan Sulaiman,
50000 Kuala Lumpur
Tel: 03 2272 2811
Fax: 03 2272 1577
Email: enquiry@ofs.org.my
Website: www.ofs.org.my

OR

**Laman Informasi Nasihat dan Khidmat (LINK)**
Bank Negara Malaysia
Ground Floor Block C Jalan Dato’ Onn
50480 Kuala Lumpur
Toll Free: 1 300 88 5465
Fax: 03 2174 1515
Email: bnmtelelink@bnm.gov.my