

**PRODUCT DISCLOSURE SHEET**

Please read this Product Disclosure Sheet before you decide to take up **SafeHome**. Be sure to also read the general terms and conditions.

AIA General Berhad

[SafeHome]

Date: 27 Jul 2023

1. What is this product about?

SafeHome provides you with coverage for your building and/or contents solely used for residential purposes against loss or damage caused by fire and lightning, with add-on coverage against flood, burst pipes, or other perils as selected by you. It also provides cash relief and medical coverage in the event of mishaps resulting from insured perils.

2. What are the covers/benefits provided?

This policy covers:

No.	Coverage	Sum Insured
1	Section A – Fire Coverage Covers loss or damage to your private dwelling (building) and/or contents against insured perils.	Sum Insured to be determined by the Insured
2	Section B – Cash Relief Provides inconvenience allowance for temporary uninhabitable of your home due to building and/or contents destroyed or damaged resulting from insured perils.	RM 2,000
3	Section C – Medical Coverage Reimburses medical expenses incurred due to accidental bodily injuries in your home resulting from insured perils (up to 2 persons, 18-70 years old)	RM 5,000 per person

- The insured perils are fire and lightning (explosion of gas used for domestic purposes is deemed to be loss by fire).
- The following add-on coverages are available for selection and are subject to additional premium:
 - Flood damage;
 - Impact damage including Insured's own vehicles;
 - Bursting or overflowing of water tanks, apparatus or pipes;
 - Riot, strike and malicious damage;
 - Subsidence and landslip; and/or
 - Damage by falling trees or branches and objects therefrom.

Note:

- Duration of cover is for one year. You need to renew your insurance policy annually.
- Section B (Cash Relief) – this benefit is limited to one claim per policy period.
- Section C (Medical Coverage) – this benefit is payable up to two persons per accident.
- If you choose to insure with your home contents only (i.e. without your building), the policy will be packaged with all the six add-on coverages.
- Flood damage coverage/peril is subject to fourteen (14) days Waiting Period from the Date of Issue of the policy where the peril is included in the policy. Waiting period is applied only when the policy is first covered with flood damage coverage/peril and shall not be applicable after the first year of coverage where the peril continues to be included in the policy. However, if there is a break in continuity of the insurance coverage for the peril after the first year of coverage, the Waiting Period shall apply again for the peril.
- Please refer to the Policy Contract for more information on the coverage provided.

3. How much premium do I have to pay?

The total premium that you have to pay is calculated based on your sum insured and selected add-on coverage. The premium is subject to fees/charges and applicable tax imposed by the government of Malaysia at the prevailing rate.

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

Type	Amount
Distribution Cost paid to intermediary (<i>included in the premium</i>)	15% of the premium
Applicable Government Tax	6% of premium
Stamp Duty (<i>only applicable for policy with premium exceeding RM150 before the applicable government tax</i>)	RM10 per policy

Note:

- You are entitled for a full refund upon policy cancellation within 60 days from the policy inception, provided that you have not made a claim.

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

- a) **Duty of Disclosure** – You must give all the facts in your application form and during renewal, fully and faithfully. You must ensure that your property is insured at the appropriate amount and you should also disclose fully all material facts, e.g. any previous claims, occupation, etc.

- Consumer Insurance Contract**

Pursuant to Paragraph 5 of Schedule 9 of the Financial Services Act 2013, if you are applying for this insurance wholly for purposes unrelated to your trade, business or profession, you have a duty to take reasonable care not to make a misrepresentation in answering the questions in the Proposal Form (or when you apply for this insurance). You must answer the questions fully and accurately.

Failure to take 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.

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

In addition to answering the questions in the Proposal Form (or when you apply for this insurance), you are required to disclose any other matter that you know 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.

- Non-Consumer Insurance Contract**

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

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

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

- b) **Insured Value/ Sum Insured** – Ensure your property is adequately insured at all times, and take into account the renovations and enhancements made to your property. If you wish to get the estimated rebuilding cost of your property to estimate the sum insured, you may use the Building Cost Calculator (BCC) on PIAM's website at the following link <http://www.piam.org.my/consumer/industry/building-cost-calculator-bcc/> and complete the questionnaires. Please inform us if you wish to revise the sum insured. Any revision to the sum insured is subject to our approval.

You should also decide on the basis of compensation for loss/ damage to your property, whether it is on an indemnity or reinstatement basis, and the sum insured will depend on the choice. For reinstatement basis, the sum insured should cover the cost of rebuilding your property in the event of loss/ damage. You may need to seek the advice of a professional property valuer to know the estimated value of your property.

If your property is under financing and insured by the financier, you should make sure that the property is adequately insured. Usually, the coverage arranged by your financier will be for the amount of loan taken. However, you are also provided the option to self arrange the insurance coverage. You should review the sum insured to ensure there is no under-insurance or over-insurance.

When purchasing cover for your home contents, you must ensure that the sum insured reflects the coverage needed to replace all the contents in your property. You do not need to declare items that you want to insure specifically. However, the limit of any one article is five percent of the total sum insured on contents cover.

It is important to keep documents that show the proof of ownership and the value of the items insured, for example, purchase receipts. Photographs of your valuable items if available, may also be helpful in the event of a claim.

- c) **Average Condition** – If the amount insured in your insurance policy is less than the rebuilding cost (i.e. under-insurance), you are deemed to be self-insuring the difference. The average condition will apply in the event of a claim.

Example:

The total cost to rebuild a house is RM100,000, the sum insured is RM80,000 and the loss is RM5,000. The average condition will be calculated as follows:

$$\frac{\text{Sum Insured} : \text{RM80,000}}{\text{Rebuilding Cost} : \text{RM100,000}} \times \text{Loss: RM5,000} = \text{RM4,000}$$

In the above example, the insurance company will only pay RM4,000 instead of RM5,000 for the loss. You have to bear the difference of RM1,000.

- d) **Responsibility for Purchase of Insurance** – If you are buying a property from a developer and the property is under the construction stage, the insurance of the property is the responsibility of the developer. You only need to insure the property upon receipt of vacant possession from the developer.

For properties with strata titles such as flats, apartments and condominiums, it is mandatory for the Management Corporation (MC) to purchase fire insurance for the whole building. The individual unit owner is required to pay to the MC his/her respective premium portion. At the same time, if the unit is purchased through a loan, the financier would normally require the unit owner (borrower) to obtain an insurance policy for the unit, leading to a situation of double insurance.

However, if you have obtained the loan from a financial institution under Bank Negara Malaysia's supervision, borrowers will not be required to buy another insurance policy for their units. Instead, these financial institutions will accept the insurance policy already purchased by the MC subject to certain terms and conditions. In this instance, you need to obtain the individual certificate of the master policy from the MC and present it to your financial institution as evidence of insurance. If your loan is not from a financial institution under the supervision of Bank Negara Malaysia, you can negotiate with the institution concerned.

- e) **Settlement of Claims**

The compensation amount depends on the basis of the cover.

- Indemnity basis will pay the cost of repairing the damaged building less the amount for wear, tear and depreciation; or
- Reinstatement value basis will pay the full cost of repairing the damaged building without any deductions being made for wear, tear or depreciation, provided that the sum covered is adequate to cover the total cost of reinstating the building.

In the absence of any special provision, the cover will be on indemnity basis.

* Excess is applicable for certain perils, such as overflowing of domestic water tanks and flood claims.

* Excess means the amount that you will have to pay before we indemnify you.

Making a claim

- a. You need to notify us immediately.
- b. You must take the necessary measures to mitigate further loss or worsening of the situation.
- c. You must submit your claim by completing the claim submission webpage, which you can obtain the link from the email where you received your e-policy documents upon insurance coverage, or by contacting AIA Online Customer Service via WhatsApp at 019 629 9660 or email my.aiaonline@aia.com.
- d. Give full cooperation to the adjusters/ investigators appointed by us in assessing your claim.

Note: The limitations, terms and conditions as stated in this Product Disclosure Sheet are not exhaustive. Please refer to the Policy Contract for detailed benefits, limitations, terms and conditions. The contents of the Policy Contract shall prevail if there are any discrepancies between the Product Disclosure Sheet and the Policy Contract.

6. What are the major exclusions under this policy?

- Loss by theft during or after the occurrence of a fire;
- Loss or damage to property occasioned by its own fermentation, natural heating or spontaneous combustion;
- Loss or damaged directly or indirectly caused by nuclear weapons material, ionizing radiations or contamination by radioactivity;
- Loss or damaged caused by earthquake, volcanic eruption, typhoon, hurricane, cyclone or other atmospheric disturbance;
- Loss or damaged caused by war, invasion, act of foreign enemy, hostilities, riot, revolution, military or usurped power, any act of terrorism;
- Consequential loss of any kind;
- Any curiosity or work of art for an amount exceeding RM500.00, securities, obligations, deeds, bonds, bills of exchange, promissory notes, or documents of any kind, stamps, coins or paper money, cheques, currency notes, bank notes manuscripts, books of account or other business books, or computer systems records; motor vehicles and accessories or livestock;
- Platinum, gold, silver articles, jewellery, furs, and the like;
- If the building insured or containing the insured property becomes unoccupied and so remains for a period of more than thirty (30) days;

Note: The list is non-exhaustive. Please refer to the Policy Contract for the full exclusions under this policy.

7. Can I cancel my policy?

Yes, you may cancel your policy by giving a written notice to us. For cancellation within 60 days from the policy inception, you are entitled to a full refund of the premium. For cancellation after 60 days from the policy inception, you are entitled to a partial refund of the premium. All refunds are conditioned upon no claims being made on the policy.

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

It is important that you inform us of any change in your contact details such as phone number, email address or home address so that we can keep you informed of important information.

9. Where can I get further information?

Should you require additional information about fire insurance, please refer to the *insuranceinfo* booklet on "Fire Insurance", available at all our branches or you can obtain a copy from www.insuranceinfo.com.my.

If you have any enquiries, please contact us at:
AIA General Berhad 201001040438 (924363-W)
Menara AIA,
99 Jalan Ampang,
50450 Kuala Lumpur.
WhatsApp : 019 629 9660
Email : my.aiaonline@aia.com

10. Other similar types of cover available

Please contact us for other similar types of cover offered by AIA General Berhad.

IMPORTANT NOTE:

YOU MUST ENSURE THAT YOUR PROPERTY IS INSURED AT THE APPROPRIATE AMOUNT. YOU SHOULD READ AND UNDERSTAND THE INSURANCE POLICY AND CONTACT YOUR INTERMEDIARY OR AIA GENERAL BERHAD DIRECTLY FOR MORE INFORMATION.

THIS PRODUCT DISCLOSURE SHEET CONTAINS A SUMMARY OF THE PRODUCT AND IS NOT A CONTRACT OF INSURANCE. THE POLICY CONTRACT SHALL PREVAIL OVER THIS DOCUMENT.

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The information provided in this disclosure sheet is valid as at 27 Jul 2023