



PRODUCT DISCLOSURE SHEET

(Please read this Product Disclosure Sheet before you decide to take up A-Essential Home. Be sure to also read the general terms and conditions of the sample policy contract where applicable.)

AIA General Berhad

A-ESSENTIAL HOME

Date: December 13, 2023

Name	:			
Occupation	:		Date of Birth :	/ /
Location of Risk	:			
	:			
Construction of building: Class 1A	:	Wall-bricks/concrete, Roof-tiles/concrete/zinc/asbestos		

1. What is this product about?

This is a package insurance which is specially designed to protect your property and your personal wealth. It protects your home, your personal contents and also your personal liability against third party.

2. What are the covers/benefits provided?

The policy covers provided are divided into Sections and you have the choice to insure the Section(s) that suits your needs. The divided Sections are:

SECTION 1 – HOUSEOWNERS INSURANCE

This policy provides cover for loss or damage to your Building caused by any of the following Insured Events.

- Fire and Lightning • Explosion
- Aircraft and Other Aerial Devices and/or articles dropped therefrom.
- Impact with any of the buildings by any road vehicle or animals not belonging to or under the control of you or your family member.
- Bursting or Overflowing of Domestic Water Tanks, Apparatus or Pipes.
- Theft, but only if accompanied by actual forcible and violent breaking into or out of a building or any such attempt.
- Hurricane, Cyclone, Typhoon, Windstorm
- Earthquake, Volcanic Eruption
- Flood
- Robbery and hold up in the premises of Your property.
- Riot, Strike and Malicious Damage.

Additional rates are charged for the following extension of benefits

- Subsidence and Landslip
- Plate Glass accidental damage
- Hurricane, cyclone, typhoon or windstorm damage to outdoor fixtures and fittings
- Alterations, repairs and additions

SECTION 2 – HOUSEHOLDERS INSURANCE

This policy provides cover for loss or damage to your Contents caused by the similar Insured Events as Section 1 - Houseowners insurance.

Additional benefits provided to you without any additional premium.

- Contents Temporarily Removed from your Private Dwelling but within Malaysia up to 15% of the Total Sum Insured on Contents.
- Breakage of Mirrors excluding hand mirrors up to RM500.00 per piece any one accident.
- Compensation for Death caused by thieves or by fire up to RM10,000.
- Servants Property such as clothing and personal effects but excluding cash, currency notes, bank notes and stamps.
- Rent insurance. We pay up to 10% of total sum insured for loss of rental or rental incurred caused by the insured peril. This benefit is in addition to the Total Sum Insured stated in the policy.
- Liability to the Public limited to RM50,000 any one accident.
- Cash Assist in the event of Fire, Flood, Earthquake, Volcanic Eruption or other Convulsion of Nature, Hurricane, Typhoon, Windstorm or Cyclone if you cannot live in your home. Limit RM500 for any one incident.
- Freezer Foods. The Company will pay for the cost of replacing foods spoilt due to refrigerator breakdown. Limited to RM500 in any one period of insurance. The first RM50 of each loss or damage is not covered.
- Locks and Keys Replacement due to theft. Limit RM500 for any one incident.

- Automatic protection on newly purchased items up to a maximum of RM20,000 provided notification is given to us within 30 days of the date such items are paid or delivered.
- Loss of cash due to Fire or Theft from your premises. Limited to RM500 in any one period of insurance.
- Reinstatement Value on damaged insured items due to any insured perils excluding carpet and other floor coverings, clothing or footwear, spectacles, curtains, household linen, sporting equipment, toys, kitchenware and utensils. The reinstatement value payable shall not be superior to the insured items when new.

SECTION 3 – 'ALL RISKS' INSURANCE

This section covers your jewellery and valuables against fire, theft and accidental loss or damage both in the home and elsewhere in Malaysia or temporary visit overseas.

Purchase receipts and/or other means of establishing value documents are required to be submitted before cover commence.

SECTION 4 – PERSONAL LIABILITY

This section covers you and your family living with you against claims for personal negligence committed in Malaysia or temporary visit overseas e.g. causing an accident whilst cycling, playing games or due to defects in your dwelling.

Note:

- Duration of cover is for one year. You need to renew your insurance policy annually.*
- For the ratings, please refer to the sales brochure.*

3. How much premium do I have to pay?

The total premium that you have to pay may vary depending on the underwriting requirements of the insurance company:

Premium computation:			
1.	Houseowner - HO	: Sum Insured RM_____ x _____%	: RM
2.	Householder - HHI	: Sum Insured RM_____ (refer table*)	: RM
	Additional perils (if any)		
	- HO	: Sum Insured RM_____ x _____%	: RM
	- HHI	: Sum Insured RM_____ x _____%	: RM
3.	All Risks	: Sum Insured RM_____ (refer table*)	: RM
4.	Personal Liability	: Sum Insured RM_____ (refer table*)	: RM
		Sub-total	: RM
Add:	Service Tax (6%)		: RM
	Stamp Duty		: RM 10.00
	The estimated total premium that you have to pay is		: RM_____

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

Commissions paid to the insurance agent	: 15% of premiums
Stamp Duty	: RM10.00
Service Tax	: 6% of annual premiums paid

The premium amount payable is subject to the applicable tax imposed by the Government of Malaysia at the prevailing rate.

* Effective 1 January 2022 to 31 December 2025, stamp duty for policy issued to an Individual Owner with total annual premium of RM150 and below is waived in accordance with the STAMP DUTY (EXEMPTION) (NO. 16) ORDER 2021; to Corporate Owner qualified as micro, small and medium enterprises with total annual premium of RM250 and below is waived in accordance with the STAMP DUTY (EXEMPTION) (NO. 15) ORDER 2021.

Note:

- Payment of Premium** - Payment must be paid and received by the company within 60 days from the inception date of the cover, otherwise the cover is automatically cancelled and you will still be responsible to pay the proportion of premium for the 60 days.

It is advisable that you pay your premium directly to the Company, either by cash, credit card or through our approved internet banking facility. We encourage our customers to make payment electronically using our approved cashless payment methods as a secure alternative to cash payments.
- Official Receipt** - Always insist for an official receipt for the premium paid and keep it as proof of your premium payment.

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, eg 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/buildingcost-calculator-bcc/> and complete the questionnaires. Please inform the Company if you wish to revise the sum insured. Any revision to the sum insured is subject to the company's 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. You may therefore, want to take up additional insurance cover to better protect your interest.

When purchasing a householder policy, you must ensure that the sum insured reflects the coverage needed to replace all the contents in your property. You must also declare items that you want to insure specifically to ensure that you get the full compensation in the event of their loss/damage. You may also take additional coverage for valuable items such as artwork, jewellery, antiques or collectibles. It is also important to keep documents that show the proof of ownership and the value of items insured, for example, purchase receipts. Photographs of your valuable items if available, may also be very 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:

Sum Insured : RM80,000 x Loss : RM5,000 = RM4,000

Rebuilding cost : RM100,000

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. If you want to be covered on reinstatement basis, your policy should have the relevant clause attached to it.

*Excesses are applicable for certain perils, such as overflowing of domestic water tanks, windstorm, earthquake and flood claims.

*Excesses means the amount that you will have to pay before the company indemnifies you.

Making a claim

- Notify the company immediately
- You must take the necessary measures to mitigate further loss or worsening of the situation.
- You must submit your claim with all supporting information and documents to the company.
- Give full cooperation to the adjusters/investigators appointed by the company in assessing your claim
- For any liability claim, you should never commit to any settlement on behalf of the company.

Note:

- If you do not receive the insurance policy after one (1) month from date of purchase, please contact the insurance company.*
- Please note that this 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?

General Exclusions applicable to Section 1 & 2 Houseowner & Householders

- war, invasion, mutiny, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege
- Act of terrorism
- confiscation, commandeering, requisition or destruction by the Government or any public municipal or local authority
- nuclear weapons material, ionizing radiations or contamination by radioactivity
- its own fermentation, natural heating or spontaneous combustion
- consequential loss of any kind
- hurricane, cyclone, typhoon or windstorm to any buildings in course of construction, reconstruction or repair
- subsidence or landslide

Liability arising out of:

- the Insured's profession or business
- ownership, possession or usage of any lift, vehicle, vessel or craft
- the carrying out of alterations, additions, repairs or decorations to the premises
- contractual liability

Exclusion to Section 3 - All Risks

- Wear and tear, depreciation, gradual deterioration, vermin or from any process of cleaning or restoring any articles.
- War, act of terrorism, civil commotion and radioactivity.
- Confiscation or detention by customs or other official authorities.
- Mechanical & electrical derangement, scratching, breakage of lenses or glass

Exclusion to Section 4 - Personal Liability Benefit

- Liability assumed under contract and/or agreement
- Claims against you by your family members Claims made by your employees for accidents arising in the course of employment
- Liability in respect of damage to property held under your care, control or custody
- Liability arising from the use of vehicles (other than hand-propelled vehicles or pedals cycles not being used for racing) boats (sailing or mechanically-propelled) aircraft or model aircraft owned by or in the custody or control of the Insured or his servants.

Territorial Limit - Malaysia and elsewhere in the world during temporary visits excluding United States of America and Canada.

Note:

This list is non-exhaustive. Please refer to the Policy Contract for the full list of exclusions under this policy.

7. Can I cancel my policy?

Yes, you may cancel your policy by giving written notice to the company. Upon cancellation, you are entitled to a partial refund of the premium provided you have not made a claim.

8. What do I need to do if there are changes to my company details?

It is important that you inform the company of any change in your personal details such as your change of address so that we can keep you informed of important information. You should also notify us of any renovation made to your building inclusive of the occupancy.

9. Where can I get further information?

Should you require additional information about houseowner / householder insurance, please visit www.insuranceinfo.com.my or visit our website at AIA.COM.MY. For further information on claims procedures, please refer to AIA website.

If you have any enquiries, please contact AIA General Berhad at:

AIA General Berhad 201001040438 (924363-W)
Menara AIA
99 Jalan Ampang,
50450 Kuala Lumpur.
Care Line: 1 300 88 1464
E-mail: my.customer@aia.com

AIA General Berhad is licensed under the Financial Services Act 2013 and regulated by Bank Negara Malaysia.

10. Other types of insurance cover available:

Please ask AIA or AIA's agent for other similar types of cover offered by AIA General Berhad.

IMPORTANT NOTICE:

YOU MUST ENSURE THAT YOUR PROPERTY IS INSURED AT THE APPROPRIATE AMOUNT. YOU SHOULD READ AND UNDERSTAND THE INSURANCE POLICY AND DISCUSS WITH YOUR AGENT OR CONTACT THE INSURANCE COMPANY DIRECTLY FOR MORE INFORMATION.

This information provided in this disclosure sheet is valid as at December 13, 2023.