



PACIFIC & ORIENT INSURANCE CO. BERHAD (No.12557-W)

A Member Of The Pacific & Orient Group
Website: www.poi2u.com



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BRANCH

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No.2, Jalan PM7, Plaza Mahkota, Bandar Hilir, 75000 Melaka, Malaysia Tel: 06 -284 8298 Fax: 06-284 9619
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B-62, Lorong Tun Ismail 8, Sri Dagangan 2, Jalan Tun Ismail, 25000 Kuantan, Pahang Tel: 09-514 6332 Fax: 09-516 2858
Unit 10-1, (Lot 12) Block B, Inanam Business Centre, 88450 Inanam, Kota Kinabalu, Sabah, Malaysia Tel: 088-389 927 Fax: 088-387 927

BUSINESS CENTRES

Sungai Petani
Sungai Besi

No.85 Jalan 1A 1st & 2nd Floor, Pusat Perniagaan Pekan Lama 08000 Sungai Petani, Kedah. Tel: 04-423 1425 Fax:04-423 1260
165-3-1, Wisma Mutiara, Jalan Sungai Besi, 57100 Kuala Lumpur, Malaysia. Tel: 03-9223 0646 Fax: 03-9222 3914

It is particularly requested that this Policy be carefully read and at once returned to the Company should any correction be necessary.

FOREIGN WORKERS COMPENSATION INSURANCE SCHEME

WHEREAS the Insured by a proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to **PACIFIC & ORIENT INSURANCE CO BERHAD** (hereinafter called the "Company") for the insurance hereinafter contained and in consideration of the payment by the Insured to the Company of the Premium.

Now this Policy witnesseth that in respect of events occurring during the Period of Insurance and subject to the terms, limitations, exceptions and conditions contained herein or endorsed hereon hereinafter collectively referred to as "the Terms of this Policy" the Company will indemnify the Insured in the Terms stated in the various Sections of the Policy. The Policy covers the foreign workers, hereinafter referred to as the Insured Person(s), under the employment of the Insured.

CONSUMER INSURANCE CONTRACTS

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.

NON-CONSUMER INSURANCE CONTRACTS

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 1 - WORKMEN'S COMPENSATION INSURANCE

If at any time during the Period of Insurance any foreign workers employed by the Insured as stated in the Schedule shall sustain personal injury by accident or disease arising out of and in the course of his employment by the Insured and if the Insured shall be liable to pay compensation for such injury under the Law(s) set out in the Policy then subject to the Terms of this Policy contained herein or endorsed hereon the Company will indemnify the Insured against all sums for which the Insured shall be so liable and will in addition be responsible for all costs and expenses incurred with its consent in defending any claim for such compensation.

PROVIDED ALWAYS that in the event of any change in the Law(s) or the substitution of other legislation therefore this Section shall remain in force but the liability of the Company shall be limited to such sum as the Company would have been liable to pay if the Law(s) had remained unaltered.

LAW(S)

As amended up to the date of commencement of this Policy.

WORKMEN'S COMPENSATION ACT 1952
WORKMEN'S COMPENSATION (AMENDMENT) ACT 1956
WORKMEN'S COMPENSATION (AMENDMENT) ACT 1976
MODIFICATION OF LAWS (WORKMEN'S COMPENSATION)
(EXTENSION AND MODIFICATION) ORDER 1981
WORKMEN'S COMPENSATION (AMENDMENT) ACT 1996
WORKMEN'S COMPENSATION (Foreign Workers' Compensation Scheme) (Insurance) (Amendment) (No.2) Order 2002
WORKMEN'S COMPENSATION (Foreign Workers' Compensation Scheme) (Insurance) Order 2005

and any subsequent amendments to the said Act and Enactments made effective prior to the date of issue of the Policy.

SPECIAL CONDITION TO SECTION 1

In event of death of the Insured Workmen resulting from personal injury by accident in the course of employment, the Company shall pay an extra sum of RM7,000.00.



EXCEPTIONS TO SECTION 1

The Company shall not be liable under this Section in respect of

- a) The Insured's liability to employees of contractors to the Insured
- b) Any employee who is not a "workman" within the meaning of the Law(s)

COMMON LAW LIABILITY EXCLUSION

Notwithstanding anything herein contained to the contrary, it is hereby declared and agreed that the indemnity granted by this Section does not include Common Law Liability.

SECTION 2 - REPATRIATION EXPENSES

The Company will subject to the Terms of this Section indemnify the Insured for the repatriation expenses (defined below) incurred:

- a) If during the Period of Insurance, the Insured Person dies or suffers permanent total disablement;
- b) If the Insured Person dies or suffers permanent total disablement within twelve months of the accident or sickness occurring during the Period of Insurance.

DEFINITION TO SECTION 2

The repatriation expenses shall be the actual expenses incurred or RM4,800.00 whichever is the lesser, for the transportation of the Insured Person to his/her country of origin.

SECTION 3 - PERSONAL ACCIDENT INSURANCE (Off- Work Hours)

The Company shall, subject to the Terms of this Section, pay to the Insured Person or his legal personal representative, in respect of personal injury sustained in an accident which occurs during the Period of Insurance and outside the working hours of the Insured Person:-

- a) A sum of RM23,000.00 in the event of Death or Permanent Total Disablement occurring within 12 months of the accident; and/or
- b) A sum of money based on the capital sum of RM23,000.00 calculated in accordance with the First Schedule of the Workmen's Compensation (Amendment) Act 1996 in respect of Permanent Partial Disablement; and/or
- c) A sum of money calculated in accordance with Section 8(e) of the Workmen's Compensation Act 1952 in respect of Temporary Disablement; and/or
- d) Medical Expenses in accordance to the provisions of the Workmen's Compensation Act 1952.

Territorial Limit : Malaysia

SPECIAL PROVISIONS TO SECTION 3

1. "Loss" of a limb or member or part thereof shall mean loss by actual physical severance or total and permanent loss of use.
2. The total sum payable for Permanent Disablement in respect of injury to more than one portion of a limb or member or part thereof shall not exceed the sum payable in respect of such injury to the whole of that limb or member or part thereof.
3. The maximum benefit payable under (a) and (b) above shall be RM23,000.00.

SPECIAL CONDITIONS TO SECTION 3

1. This insurance shall not apply to an Insured Person who has attained the age of 65 years.
2. Notice in writing must be given to the Company of any accident to an Insured Person which may give rise to a claim under this Section within ten (10) days of the accident.
All reports certificates and information required by the Company shall be furnished by the Insured. The Insured Person shall from time to time submit himself to medical examination at the expense of the Company as may be required in connection with any claim.
In the case of death where any reasonable doubt exists as to the cause thereof a qualified medical practitioner appointed by the Company shall be allowed to make a post-mortem examination of the body of the Insured Person at the Company's expense.
3. For the purpose of this Scheme, General Condition 6 (Other Insurance) shall not apply to (a), (b) & (c) under this Section.
4. This Section is not assignable and payment of any Benefit under this Section shall only be made to the Insured Person or his beneficiary / estate and whose receipt shall be a discharge to the Company.

EXCEPTIONS TO SECTION 3

1. No payment will be made under this Section for bodily injury consequent upon:
 - a) Any unlawful act of the Insured Person or willful exposure to danger (other than in an attempt to save human life) suicide or attempted suicide or intentional self-injury.
 - b) The effect or influence (temporary or otherwise) of alcohol or drugs not prescribed by a qualified medical practitioner, venereal disease, insanity, or AIDS.
 - c) Pregnancy or childbirth, miscarriage or abortion.
 - d) Rock climbing, mountaineering (which required the use of ropes or guides), sky diving, parachuting, polo, steeplechasing, big game hunting or hunting other than on foot, racing of any kind other than on foot.
 - e) Flying as a member of an aircrew or in any aircraft for the purpose of any trade or technical operation therein or thereon or air travel other than as a fare-paying passenger in any properly certified or licensed power-driven aircraft constructed to carry passengers.
 - f) Riding on motorcycle, motor scooter, moped or mechanically assisted pedal cycle (whether as driver or passenger) for sports, exhibition, competition or racing.
 - g) Works carried out in relation to the Insured Person's employment with the Insured.



GENERAL EXCEPTIONS

The Company will not indemnify the Insured and/or the Insured Person against:

1. Any actions for compensations brought in the Courts of Law of any territory outside Malaysia.
2. Loss damage injury by accident or disease directly or indirectly occasioned by or happening through or in consequence of
 - a) War invasion act of foreign enemy hostilities (whether war be declared or not) civil war mutiny rebellion revolution insurrection or military or usurped power.
 - b) Any act of any person or persons acting on behalf of or in connection with any organization with activities directed towards the overthrow by forces of any de jure or de facto Government or to influencing of it by terrorism or violence.
3. Any loss damage injury or liability directly or indirectly caused by or arising from or in consequence of or contributed to by
 - a) Ionising radiations or contaminations by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this Exception combustion shall include any self-sustaining process of nuclear fission.
 - b) Nuclear weapons material.
4. Notwithstanding any provision to the contrary within this insurance or any endorsement thereto it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of person whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This endorsement also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Company allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

GENERAL CONDITIONS

1. **DEFINITION**
Period of Insurance shall mean the period specified in the Schedule and during which the Insured Person is in immediate employment of the Insured BUT EXCLUDING the period when the Insured Person returns to his/her home country. Cover ceases from the time the Insured Person leaves Malaysia and resumes upon his return to Malaysia.
2. **INTERPRETATION**
This Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule shall bear such meaning wherever it may appear.
3. **OBSERVANCE**
The liability of the Company shall be conditional on the observance by the Insured and the Insured Person of the Terms of this Policy.
4. **PRECAUTION**
The Insured and the Insured Person shall comply with all statutory obligations.
5. **CLAIMS PROCEDURE**
 - a) On the happening of any accident which may give rise to a claim under this Policy the Insured shall
 - i. Report the accident immediately to the Labour Department as provided under Section 13 (1) & (2) of the Workmen's Compensation Act 1952.
 - ii. Give notice in writing within 10 days of the accident to the Company stating the circumstances of the accident and the nature of injury.
 - b) Compensation payable as assessed by the Commissioner in accordance with the Act shall be paid within 7 days of receipt by the Company of such assessment.
6. **OTHER INSURANCES**
If at the time of any liability hereby insured there be any other subsisting insurance or insurances whether effected by the Insured or by any other person or persons covering such loss damage or liability the Company shall not be liable to pay or contribute more than its rateable proportion of such loss damage or liability.

DUTY OF DISCLOSURE

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 the remedies in 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.

THIS POLICY IS SUBJECT TO THE FOLLOWING CLAUSES AND ENDORSEMENT:-

ASBESTOS EXCLUSION CLAUSE

It is hereby understood that this policy shall not apply to and does not cover any actual or alleged liability, whatsoever for any claim or claims in respect of loss or losses directly or indirectly arising out of, resulting from or in consequence of asbestos in whatever form or quantity.

Subject otherwise to the terms, conditions and exceptions of this policy.

FINES, PENALTIES, PUNITIVE OR EXEMPLARY DAMAGE EXCLUSION CLAUSE

It is hereby declared and agreed that this policy shall not indemnify the Insured in respect of claims in respect of fines, penalties, punitive or exemplary damage.

Subject otherwise to the terms, conditions and exceptions of this policy.

THE FOLLOWING WARRANTY IS NOT APPLICABLE UNLESS SPECIFICALLY DECLARED THERETO IN THE SCHEDULE AND/OR BY ENDORSEMENT

PREMIUM WARRANTY

It is fundamental and absolute special condition of this contract of insurance that the premium due must be paid and received by the Company within sixty (60) days from the inception date of this policy.

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

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

Subject otherwise to the terms, conditions and exceptions of this Policy.

SANCTION LIMITATION AND EXCLUSION CLAUSE

No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union or United Kingdom or United States of America.

GOODS AND SERVICES TAX

The amount of premium payable by the Insured for this policy include an amount on account of the GST on the premium.

When the company pay a claim, the insured's GST status will determine the amount the Company pays.

When the insured is:

- a) Non-GST registered person, the company will pay in full (including 6% GST) up to sum insured/limit of liability or the other limits of insurance cover.
- b) GST registered person, the company will pay (excluding 6% GST) up to sum insured/limit of liability or the other limits of insurance cover. The insured is to claim its input tax credit entitlement from the Royal Malaysian Customs Department directly.

The insured must advise the company of the correct entitlement to an input tax credit on the insured premium and the correct entitlement to an input tax credit on each item of the property to be insured.

DEFINITIONS

For the purposes of this clause, the following definitions shall apply:

"GST" means goods and service tax and has the meaning assigned to it in the goods and services tax act 2014 ("GST ACT").

"REGISTERED PERSON" means a person who is registered under part IV of the GST ACT and a "NON REGISTERED PERSON" shall mean a person who is not registered under the GST Act.

"INPUT TAX" means the GST incurred on any purchase or acquisition of goods and services by a taxable person for the purpose of making a taxable supply in the course or furtherance of business.

"INPUT TAX CREDIT" means the input tax claimable by a registered person.

DISPUTE

Disputes can be referred to: Ombudsman for Financial Services (OFS) (Formerly known as Financial Mediation Bureau) Tel No : 03-2272 2811