



Motor Trade Policy (Road Risk)^{Tariff}

IMPORTANT NOTICE

This is your Motor Trade Policy (Road Risk). Please read this Policy carefully together with your Schedule to ensure that you understand the terms and conditions and that the cover you require is being provided. If you have any questions after reading this document, please contact your insurance advisor or AXA Affin General Insurance Berhad. If there are any changes in your circumstances that may affect the insurance provided, please notify us immediately, otherwise you may not receive the full benefits of this policy.

To help preserve the environment, AXA will send you one policy booklet only. Please keep this policy booklet in a safe place. In case of renewal and/or policy condition amendment, the company will send you the policy schedule and endorsement only. If at any time you would like a replacement for this document, please contact us and we will be happy to provide one.

If, for any reason, you are unhappy with the service you have received from us, you can take the following steps:-

1. In the first instance, please write to our Customer Service Department at our current address. Alternatively, you can e-mail us at: customer.service@axa.com.my
2. If you are still not satisfied with the way any issue has been handled you can:
 - (a) Refer matters concerning claims to:
 Ombudsman for Financial Services - Level 14, Main Block, Menara Takaful Malaysia, No. 4, Jalan Sultan Sulaiman, 50000 Kuala Lumpur.
 Tel: (603) 2272 2811 Fax: (603) 2272 1577
 - (b) Submit your complaints/feedback at Laman Informasi, Nasihat dan Khidmat (LINK), Bank Negara Malaysia; or call BNMTELELINK at 1-300-88-5465; or fax to 03-2174 1515; or e-mail to bnmtelelink@bnm.gov.my; or send letter to P.O Box 10922, 50929 Kuala Lumpur.

Any one of the following will apply:

Comprehensive - Sections A & B of this Policy apply

Third party only - Only Section B applies

All endorsements, clauses or warranties that are separately attached to this policy shall also apply

Our Agreement

Non - Consumer Insurance Contract (Insurance for purposes related to Your trade, business or profession)

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.

We will indemnify You against loss, damage or liability as described in this Policy occurring during the Period of Insurance whilst the Motor Vehicle is on the road or is temporarily garaged during the course of a journey elsewhere other than in or on any premises owned by You or in Your occupation.

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 Vehicle

1. We will indemnify You if Your Vehicle is damaged or lost in the following circumstances:-
 - (a) by accidental collision or overturning,
 - (b) by collision or overturning caused by mechanical breakdown,
 - (c) by collision or overturning caused by wear and tear,
 - (d) by fire explosion or lightning,
 - (e) by burglary, housebreaking or theft.
2. Basis of settlement
 - (a) We will at Our option

- (i) pay the cost of repairs to Your Vehicle, or
 - (ii) pay in cash the amount of the loss or damage to Your Vehicle, or
 - (iii) reinstate or replace Your Vehicle.
- (b) The maximum amount We will pay is the market value of Your Vehicle at the time of the loss or the sum insured in the Policy whichever is the lower figure.
 - (c) If Your Vehicle shall at the time of happening of any loss or damage be insured for a sum lesser than its market value then, You shall be considered as being Your own insurer for the difference and shall bear the rateable proportion of the loss accordingly. Provided always that this shall not apply unless the market value at the time of the loss exceeds the insured value by 10% or more.
 - (d) The market value of Your Vehicle would be determined in the event of a dispute by the Head Office of the Franchise-holder and this value would be equal to the cost of purchasing a replacement vehicle of the same make, model and age of Your Vehicle at the time of loss.
 - (e) In the event no Franchise-holder is available for the make of Your Vehicle, the market value of the vehicle would be determined by a Loss Adjuster licensed under the Financial Services Act 2013 and its subsequent legislation, agreed to by both You and Us.
 - (f) The valuation done by the relevant Head Office of the Franchise-holder or Loss Adjuster licensed under the Financial Services Act 2013 and its subsequent legislation, will be conclusive evidence in respect of the market value of Your Vehicle in any legal proceedings against Us.
 - (g) The maximum amount We will pay for the cost of repairs to Your Vehicle shall be the expenses necessarily incurred to restore the damaged Vehicle to its pre-accident condition (or as near its pre-accident condition as is reasonably possible). If the new franchise parts are used, You will have to bear the betterment portion of the franchise parts replaced in accordance with the following scale:

Age of Vehicles/Years	Rate for Betterment (Not to exceed the following %)
Less than 5 years	0
5	15
6	20
7	25
8	30
9	35
10 and above	40

The following basis shall be used in determining the age of vehicles:

New Vehicles	Date of Registration
Local second-hand/ used vehicles	Date of Original Registration
Imported second-hand/ used vehicles	Year of Manufacture
Imported reconditioned vehicles	Year of Manufacture

The application of betterment shall be at Our discretion. The Scale of Betterment represents the maximum rates of betterment that can be applied.

3. Transportation of Damaged Vehicle

We will pay You up to a maximum of RM200.00 as Towing Charges for taking Your Vehicle to either the nearest Repairer or towing the vehicle by returning it to Your address as shown on the Schedule or towing it to a secure place for it to be garaged, provided Your Vehicle has been damaged by circumstances described in this section.

Exceptions to Section A

We will not pay for:

- (a) Consequential losses of any nature.
- (b) The loss of use of Your Vehicle.
- (c) Depreciation, wear and tear, rust and corrosion, metal fatigue, mechanical or electrical or electronic breakdowns, equipment or computer malfunction, failures or breakages to Your Vehicle except breakage of windscreen or windows.
- (d) Damage caused by over-loading or strain.
- (e) Malicious act.
- (f) Damage to Your Vehicle's tyres unless Your Vehicle is damaged at the same time.
- (g) Loss of or damage to accessories or spare parts by burglary, house-breaking or theft unless the Motor Vehicle is stolen at the same time.
- (h) Any loss or damage caused by or attributed to the act of cheating/criminal breach of trust by any person within the meaning of the definition of the offence of cheating/criminal breach of trust set out in the Penal Code.
- (i) The excess stated in the Schedule.
- (j) The failure or inability of any equipment or any computer program to recognise or correctly to interpret or process any date as the true or correct date or to continue to function correctly beyond that date.

Section B

Liability to Third Parties

1. We will indemnify You or Your authorised driver for the amount which You or Your authorized driver are legally liable to pay (including claimants' cost and expenses) for accident caused by or arising out of the use of Your Vehicle or in connection with the loading or unloading therefrom for:-

- (a) death of or bodily injury to any person except those specifically excluded under Exceptions to Section B
- (b) damage to property as a result of an accident arising out of the use of Your Vehicle

provided Your authorized driver also complies with all terms and conditions of the policy that You are subject to.

2. Limits of Our Liability

Our total liability under Section B(1)(a) is unlimited	in respect of any one claim or series of claims arising out of one event
Our total liability under Section B(1)(b) is limited to RM3million	

3. Cover for Legal 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.

4. Legal Costs

We will pay legal costs incurred up to a maximum of RM2,000.00 for defence of any charge including the charge of causing death by driving the Motor Vehicle (other than murder) if Our prior written agreement had been secured.

Exceptions to Section B

We will NOT pay for:

- (a) 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 Vehicle.
- (b) death of or bodily injury to any person (other than a passenger carried by reason of or in pursuance of a contract of employment) being carried in or upon or entering or getting on to or alighting from Your Vehicle at the time of the occurrence of the event out of which any claim arises.
- (c) death or bodily injury to any person being carried in or upon or entering or getting on to or alighting from Your Vehicle (unless he/she is required to be carried in or on Your Vehicle by reason of or in pursuance of his/her contract of employment with You and/or Your authorised driver and/or his/her employee).
- (d) damage to property belonging to or in the custody of or control of or held in trust by You and/or Your authorised driver and/or any member of Your and/or Your authorised driver's household.
- (e) damage to any bridge, weigh bridge or viaduct or to any road or anything beneath by vibration or by the weight of Your Vehicle or of the load carried by Your Vehicle.
- (f) any claims brought against any person in any country in courts outside Malaysia, the Republic of Singapore or Negara Brunei Darussalam.
- (g) all legal costs and expenses which are not incurred in or recoverable in Malaysia, the Republic of Singapore or Negara Brunei Darussalam.

No Claim Discount

If no claim is made or arises from Your Policy and provided Your Vehicle is insured with Us for a continuous period of 12 months in each of the following instances, You are entitled to a No-Claim-Discount on renewal of Your Policy as follows:-

<u>Period of Insurance</u>	<u>Discount</u>
After the first year of insurance	25%
After the second year of insurance	30%
After the third or more years of insurance	38 1/3%

If We agree to a transfer of interest in this Policy the period during which the interest was in Your name, shall not accrue to the benefit of the new owner.

If more than one Motor Vehicle is described in the Schedule, the No Claim Discount shall be applied as if a separate Policy had been issued in respect of each such Motor Vehicle.

Avoidance of Certain Terms and Rights of Recovery

- 1. Your rights or that of any other person to recover indemnity by virtue of the Legislation or Agreement executed between the Minister of Transport for the Government of Malaysia and the Motor Insurers' Bureau of West Malaysia on March 30, 1992 or the Agreement executed between the Government of Singapore and the Motor Insurers' Bureau of Singapore on February 22, 1975 shall not be affected in any way.
- 2. However, in the event that We are liable to pay any monies as a result of the said Legislation or Agreement which We would not otherwise have been liable to pay, You shall repay to Us such monies paid by Us.
- 3. In the event that an Own Damage claim has been paid and a Third Party Property Damage claims has also been made, You are required to surrender and/or return any sums paid to You back to Us, failing which We are entitled to recover the said sums paid and any consequent costs fees or expenses incurred.

General Exceptions - these apply to the whole policy

We will NOT pay for any liability under the following circumstances:-

1. If You or any person with Your consent are not licensed to drive the vehicle except if You or any person with Your consent has held and is not disqualified from holding or obtaining such a licence to drive Your Vehicle under any required laws, by-laws and regulations.
2. If You or Your authorized driver drive Your Vehicle whilst under the influence of drink or drug to such an extent as to be incapable of having control of Your Vehicle.
3. (a) Any loss, damage or liability caused by Your Vehicle being used for an unlawful purpose or being used otherwise than in accordance with the Limitations as to Use by You or by some other person with Your consent.

(b) Any accident loss damage or liability caused, sustained or incurred whilst Your Vehicle, in respect of which indemnity is provided by this Policy, is being driven by any person other than an Authorised Driver or a person driving on Your order or with Your permission.
4. If any loss, damage or liability is caused by invasion, war (whether war be declared or not), warlike operation, acts of foreign enemies, hostilities, civil war, acts of terrorism, strike, riot, civil commotion, mutiny, rebellion, revolution, insurrection, military or usurped power or by any direct or indirect consequences of any of the said occurrences.
5. If the loss, damage or liability is directly or indirectly caused by or contributed to by or arising from flood, typhoon, hurricane, storm, tempest, volcanic eruption, earthquake, landslide, landslip, subsidence or sinking of the soil/earth or other convulsion of nature is involved.
6. If Your Vehicle is used for or is being tested in preparation for any motor sport or competition (other than treasure hunts). This includes (but is not limited to) reliability trials, hill-climbing tests and rallies.
7. If in the event of any accident or breakdown, Your Vehicle is left unattended without proper precautions being taken to prevent further loss or damage and if Your Vehicle is driven in an unroadworthy condition before the necessary repairs are effected, any extension of the damage or any further damage to Your Vehicle shall be excluded from the cover granted by this Policy.
8. For any accident loss damage or liability caused sustained or incurred outside of Malaysia, the Republic of Singapore and Negara Brunei Darussalam.
9. If any liability attaches by virtue of an agreement but for which We would not have been liable in the absence of such agreement.
10. (a) Any accident loss or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss

(b) Any liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exception combustion shall include any self-sustaining process of nuclear fission.
11. Any accident loss damage or liability directly or indirectly caused by or contributed to by or arising from nuclearweapons and materials.

If a law or laws are named in a section of the policy entitled "Avoidance of certain terms and right of recovery" or in the Policy Schedule under the heading of "Legislation" all references to specific Sections of such laws are deemed to be deleted so that the references to such law or laws are left to apply to each law in its entirety.

Conditions - these apply to the whole policy

1. **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.

2. **Accidents and Claims Procedures**
 - (a) We must be notified in writing with full details as soon as possible after an event which may become the subject of a claim under this Policy.
 - (b) In the event that Your Vehicle is collided into by a Third Party vehicle, You may refer the claim for cost of repairs to Us. Your NCD entitlement will continue unaffected if We decide that You are not at fault. Such determination of fault shall be at Our entire discretion.
 - (c) All accidents must be reported to the Police as required by the Law.
 - (d) Every communication, writ, summons and/or process from other parties must be sent to Us immediately. You must also tell Us if You know of any impending prosecution, inquest or fatal inquiry without delay. In case of theft or other act which may give rise to a claim under this Policy, You must without undue delay make a report to the Police and co-operate with Us in securing the conviction of the offender
 - (e) No negotiation, admission or repudiation of any claim may be entered into without Our prior written consent.
 - (f) We shall have full discretion in the conduct, defence and/or settlement of any claim.
 - (g) No repairs may be authorized to Your Vehicle without Our prior written consent.
 - (h) In the event Your Vehicle is involved in an accident and gives rise to a claim, Your Vehicle must be removed to a PIAM Approved Repairer for repairs. Failure to remove Your Vehicle to a PIAM Approved Repairer would be a breach of this condition and We shall have the right to decline liability under Section A of the policy.
- (i) In any event giving rise to a claim or series of claims under Section B(1)(b) of this Policy, We may pay to You the full amount of Our liability under Section B(1)(b) and relinquish the conduct of any defence, settlement or proceeding and We shall not be responsible for any damage alleged to have been caused to You in consequence of any alleged action or omission by Us in connection with such defence settlement or proceeding or by Us relinquishing such conduct nor shall We be liable for any cost or expenses how whatsoever incurred by You or any claimant or any person after We have relinquished such conduct.
3. **Cancellation**
 - (a) You may cancel this Policy at any time by notifying Us in writing.
 - (b) We may also cancel this Policy by giving You 14 days written notice by registered post to Your last known address.
 - (c) You shall within seven days from the date of the cancellation under paragraph (a) or (b) above, surrender the certificate of insurance to Us or, if it has been lost or destroyed or it is not received by You, to provide Us with a statutory declaration to that effect.
 - (d) In case of cancellation requested by You (provided no claim has arisen during the then current Period of Insurance), You shall be entitled to a refund premium based on Our customary short-period rates calculated from the date of receipt by Us of the certificate or the statutory declaration in the event that the certificate is lost or destroyed or not received by You as follows:

Period of Insurance	Refund of Premium%
Not exceeding 1 week	87.5 of the total premium
Not exceeding 1 month	75.0 of the total premium
Not exceeding 2 months	62.5 of the total premium
Not exceeding 3 months	50.0 of the total premium
Not exceeding 4 months	37.5 of the total premium
Not exceeding 6 months	25.0 of the total premium
Not exceeding 8 months	12.5 of the total premium
Exceeding 8 months	No refund of premium allowed.
 - (e) In case of cancellation by Us, You shall be entitled to a pro-rata refund of the unexpired premium calculated from the date of receipt by Us of the certificate or the statutory declaration in the event that the certificate is lost or destroyed or not received by You.
 - (f) No refund of premium for any cancellation of policy if premium is charged on minimum premium.

4. **Other Insurance**
You must give Us written notice if You have any other insurance covering Your Vehicle. If at the time any claim arises under this Policy, there is any other existing policy covering the same loss, damage or liability, We shall only pay Our rateable proportion of any loss, damage, compensation, costs or expenses. However, nothing in this Condition shall impose on Us any liability from which We would not have been subject to.
5. **Subrogation**
We shall be entitled if We so desire to take over conduct at our own expense in Your name the defence or settlement of any claim or to prosecute in your name for our benefit any claim for indemnity or damages or otherwise. We shall have absolute discretion in the conduct of any proceedings and in the settlement of any claim and You shall give all such information and assistance as We may require.
6. **Arbitration Clause**
All differences arising out of this Policy shall be referred to an Arbitrator who shall be appointed in writing by You and Us. In the event that You and We are unable to agree on who is to be the Arbitrator within one month of being required in writing to do so then You and We shall be entitled to appoint an Arbitrator each who shall proceed to hear the differences together with an Umpire to be appointed by both Arbitrators. However, this is provided that any disclaimer of liability by Us for any claim hereunder must be referred to an Arbitrator within twelve calendar months from date of Our disclaimer to You.
7. **Other Matters**
This Policy will be operative if:-
- Any person claiming protection has complied with all its Terms, Conditions, Endorsements, Clauses or Warranties.
 - You have taken all reasonable precautions to maintain Your Vehicle in an efficient roadworthy condition.
 - You have taken all reasonable precautions to safeguard Your Vehicle from loss or damage.
 - You must grant Us free access at all reasonable times to examine Your Vehicle.

Schedule

Geographical Area:

Malaysia, Republic of Singapore and Negara Brunei Darussalam.

Legislation:

Road Transport Act, 1987 (Malaysia)

Motor Vehicles (Third Party Risks and Compensation) Act (CAP 189) Republic of Singapore

Motor Vehicles (Third Party Risks and Compensation) Rules 1960 (Republic of Singapore)

Motor Vehicles Insurance (Third Party Risks) Act (CAP 90) Negara Brunei Darussalam

(The reference to legislation under the heading "Avoidance of Certain Terms and Right of Recovery" is limited to Section 94, 95 and 96 of the Road Transport Act, 1987 (Malaysia), Section 7, 8 and 9 of the Motor Vehicles (Third Party Risks and Compensation) Act (CAP 189) Republic of Singapore and Section 7 of the Motor Vehicles Insurance (Third Party Risks) Act (CAP 90) Negara Brunei Darussalam.

Authorised Drivers:

As described in the Certificate of Insurance

Limitation as to Use:

As described in the Certificate of Insurance

Endorsements

(Only applicable when stated in the Schedule)

Endorsement No. M001 Excess – All Claims

You are responsible for the first amount as shown in the schedule of each and every claim payable (including costs and expenses and expenditure incurred by Us in the conduct, defense and settlement of any claim) under Section* of this Policy in addition to any other access that may be applicable.

If the expenses incurred by Us includes the amount for which You are responsible, such amount shall be repaid to Us.

Subject otherwise to Terms and Conditions of this Policy.

Section Applicable

Type of Policy

Sections A, B of
or

Comprehensive

Section A as modified by Endorsement
and Section B

Third Party Fire and Theft

Sections B of

Third Party Only

N.B. : The amount of the Excess mentioned herein shall be held to apply in addition to any other Excess that may be applicable to this policy.

Endorsement No. M002 Excess – Damage Claims

You are responsible for the first amount as shown in the schedule of each and every claim payable under Section A of this Policy in addition to any other access that may be applicable

This excess is not applicable to loss or damage caused by fire, explosion, lightning, burglary, housebreaking or theft.

Subject otherwise to Terms and Conditions of this Policy.

N.B. : The amount of Excess mentioned herein shall be held to apply in addition to any other Excess that may be applicable to this policy.

Endorsement No. M030 Replacement Parts

In the event that spare parts or accessories for the repairs of Your Vehicle are not available in Malaysia, or if We exercise Our option to pay in cash for the loss or damage, then, the Our liability for such spare parts accessories shall be

- the price quoted in the latest catalogue or price list issued by the manufacturer or their agent, or in the event no such catalogue exists the price at manufacturer's work plus reasonable cost of transport (except air freight)

and

- reasonable cost of fitting such spare parts/accessories.

Subject otherwise to Terms and Conditions of this Policy.

Endorsement No. M106A Insurer's Authorised Workshop

In the event Your Vehicle is involved in an accident and gives rise to a claim, Your Vehicle must be removed to a PIAM Approved Repairers Scheme (PARS) workshop selected and approved by Us for repairs. Failure to remove Your Vehicle to an approved workshop would be a breach of this endorsement and We shall have the right to decline liability under Section A of the Policy.

Endorsement No. M3PB Third Party Only

The cover provided for in this policy is limited to Third Party only i.e.

Section B (LIABILITY TO THIRD PARTIES)
Section A (LOSS OR DAMAGE TO YOUR VEHICLE) is cancelled.

Subject otherwise to Terms and Conditions of this Policy.

Warranty

Warranty MWRT Warranty on Overloading of Vehicle (Applicable to all commercial vehicles including private buses and vans)

Warranted that We shall not be liable under Section A of this policy in the event that at the time of accident giving rise to a claim under this policy Your Vehicle carries a load in excess of the permitted weight and/or number of passengers as specified in the registration book of Your Vehicle. Provided always that this warranty shall not apply unless overloading exceeds by 10% of the permitted weight (for goods carrying vehicles).

Subject otherwise to the Terms and Conditions of this Policy.

Notes : For the purpose of calculating the number of persons where children are carried, such adjustments shall be made as are permitted under any legislation applying to the carriage of children in the Motor Vehicle.

GENERAL POLICY DEFINITIONS

TERM	MEANING
1. We/Us/Our	Refers to AXA AFFIN GENERAL INSURANCE BERHAD
2. You/Your/Yourself	Refers to the Policyholder and/or Insured.
3. Your Vehicle	Refers to the vehicle, its standard factory-fitted accessories and any other accessories as described in the Policy Schedule.
4. Accessories	Refer to the standard tools of a motor vehicle including air-conditioners and spare tyres and may include radio/cassette player/compact disc player and the like if specified in the schedule.
5. Repairer	Refers to a motor repair workshop under PIAM Approved Repairers Scheme.
6. Your Household	Refers to all members of Your immediate family (i.e. Spouse, Children including legally adopted Children, Parents, Brother and Sister).
7. Cheating (as defined in the Penal Code)	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 that person in body, mind, reputation or property, is said to "cheat".
8. Criminal Breach of Trust (as defined in the Penal Code)	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 willfully suffers any other person so to do, commits "criminal breach of trust".
9. Acts 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 persons, whether acting alone or on behalf of or in connection with any organisation(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.