

PRODUCT DISCLOSURE SHEET

Read this Product Disclosure Sheet before you decide to take up the Product. Be sure to also read the general terms and conditions. Seek clarification from us if you do not understand any part of this documents or general terms. The information provided in this Product Disclosure Sheet is valid as at 01.08.2022.

Product Name: Marine Cargo Insurance

1. What is this Product about?

This policy provides protection to your goods against physical loss of or damage while being in transported from one place to another destination by Sea, Air and Land.

2. What are the coverage and exclusions provided?

The policy will cover cargos whilst in the ordinary course of transit under the THREE (3) most common Institute Cargo Clauses (other available type of coverage depending on the nature of cargo being insured):-

a. Institute Cargo Clauses (A) 1.1.82/1.1.09 – ICC(A)

This is the widest form of cover whereby the policy covers all risks for the loss of or damage to the goods in the ICC(A) except the exclusions as provided under the policy.

b. Institute Cargo Clauses (B) 1.1.82/1.1.09 – ICC(B)

Unlike ICC(A), the coverage provided under ICC(B) are specified perils:-

- ❖ Fire or explosion
 - ❖ Vessel being stranded, grounded, sunk or capsized
 - ❖ Overturning or derailment of land conveyance
 - ❖ Collision or contact of vessel or conveyance with any external object other than water
 - ❖ General average sacrifice
 - ❖ Jettison
 - ❖ General average and salvage charges
- Additional Cover:
- ❖ Washing overboard
 - ❖ Water damage due to sea/lake/river water
 - ❖ Total Loss of any package lost overboard or during loading and unloading
 - ❖ Earthquake, volcanic eruption and lightning

c. Institute Cargo Clauses (C) 1.1.82/1.1.09 – ICC(C)

Similar to ICC(B), the coverage provided are specified perils and the least cover:-

- ❖ Fire or explosion
- ❖ Vessel being stranded, grounded, sunk or capsized
- ❖ Overturning or derailment of land conveyance
- ❖ Collision or contact of vessel or conveyance with any external object other than water
- ❖ General average sacrifice
- ❖ Jettison
- ❖ General average and salvage charges

d. Additional Cover: Risks of War, Strikes, Riot and Civil Commotions may be extended subject to payment of additional premium subject to Institute War Clauses (Cargo) 1.1.82 and Institute Strikes Clauses (Cargo) 1.1.82.

e. Duration: Insurance effected under Institute Cargo Clauses 1.1.82 commences from the time the goods Leave the warehouse at the loading port until arrival at the warehouse at the destination

named in the policy or sixty (60 days) after completion of discharge of goods from the vessel at the final port whichever first occur.

f. Marine Cargo policy or certificate is issued to each shipment.

Note: *This list is non-exhaustive. Please refer to the policy contract for the full list of terms and conditions.*

3. How much premium do I have to pay?

The premium that you have to pay may vary depending on various factors, the following are the main criteria on determine the premium:

- ❖ Types of goods being insured and the value of the goods
- ❖ Type of conveyance i.e by land on motor vehicle, by aircraft, by sea on vessel (type of vessel)
- ❖ How the goods are packed i.e bare, containerise
- ❖ The voyage – from where the point of departure

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

- Stamp duty BND0.25 and
- When we sell a policy through insurance agent or broker, the insurer pays a percentage of commission from the total premium to the insurance agent or broker.

5. What are some of the important notes that customer should know?

- a. Duty of Disclosure – Pursuant to Section 37(4) of the Insurance Order 2006, you are to disclose in the proposal form fully and faithfully all the facts which you know or ought to know, otherwise the policy issued hereunder may be invalidated. The above duty of disclosure shall continue until the time your contract of insurance is entered into, varied or renewed with us.
- b. Duty of Care – You shall take all reasonable care and comply with all reasonable recommendations to prevent loss, damage or liability including to comply with any statutory requirements.
- c. Sum Insured – You must ensure that your sum insured is adequate and not less than the actual prime cost of the goods to be insured. Otherwise at the time of loss, average condition shall apply and you are deemed to be self-insuring for the difference.
- d. No Admission of Liability – Upon the happening of an accident which gives rise to a claim, you shall notify us immediately. You should not admit liability, offer, promise or pay to claimant without our written consent.
- e. Policy Excess/Deductible – Is the amount you have to bear before you are being indemnify in the event of a claim.
- f. Premium Warranty – The premium due must be paid and received by the insurer within 60 days from the inception date of the policy / endorsement/ renewal certificate -If you fail to pay the premium within the period, your policy will be automatically cancelled and we are entitled to the pro rata premium on the period you have been on risk.

Note: *You are advised to request for the policy wordings to have better understanding.*

6. What do I need to do if there are changes to my contact details?

It is important that you inform us of any changes to your contact details. This is to ensure that all the correspondence will reach you in a timely manner.

7. What happens in the event of cancellation?

Upon cancellation, you are entitled to a refund of the premium on short period basis for the period of the policy which we are on risk, subject to the minimum premium to be retained by us. No refund premium is allowed if there is a claim under the policy.

8. What is a notice of expiry?

The notice is a reminder to notify that your policy is due for renewal.

9. What happens in the event that insurance agent ceases to operate?

You are to contact us directly immediately.

10. What are the documents that I need to submit to apply for this product?

Basically, you will need to submit the duly completed Proposal Form. Additional information/documents are required depending on the nature of your risks.

11. Where can I get assistance and redress?

If you have difficulties, you must contact us the earliest possible. You may contact us at:

Head Office: Units 12 & 13, Block A Regent Square
Spg 150, Kg Kiarong
Bandar Seri Begawan BE1318
Negara Brunei Darussalam
Fax: (673) 2 454277 Tel: (673) 2 226222, 2233999
E-mail: insurance@national.com.bn

Branch Office: Unit 20, Block C, Lot 8989
Jalan Pandan Tujuh, Kuala Belait KA1931
Fax: (673) 3 342191 Tel: (673) 3 331222, 3 336468
E-mail: kb@national.com.bn

If your query or complaint is not satisfactorily resolved by us, you may contact Financial Consumer issues, Brunei Darussalam Central Bank via e-mail at fci@bdcb.gov.bn or walk-in at their address as follows:

Financial Consumer Issues
Brunei Darussalam Central Bank
Level 7, Ministry of Finance and Economy Building
Commonwealth Drive BB3910
Brunei Darussalam
Tel: (673) 2 380007

12. Where can I get further information?

Should you require additional information about Marine Cargo Insurance, please refer to your servicing Agent or alternatively visit our website at www.national.com.bn. You may also visit us at our Head Office or Branch Office for an assistance.

The terms and conditions indicated in this Product Disclosure Sheet are indicative and not binding on us. The final terms and conditions are as stipulated in the insurance policy after our assessment.