

Prepared for: \_\_\_\_\_ Printed date as : \_\_\_\_\_

**PRODUCT DISCLOSURE SHEET**

(Read this Product Disclosure Sheet before you decide to take out the Trade Credit Insurance. Be sure to also read the general terms and conditions)

**Financial Service Provider** : Allianz General Insurance Company (Malaysia) Berhad (“Allianz”/“Us”/“We”/“Our”)  
**Product Name** : Trade Credit Insurance

**1. What is this product about?**

This policy provides you with coverage against the risk of your buyers defaulting on payment for goods or services rendered by you as the seller.

**2. What are the covers / benefits provided?**

The Insured Risks are :

- (a) Commercial Risks. This refers to the failure of a buyer to pay its trade credit debts within the agreed credit period, whether due to temporary financial problems or as a result of the buyer becoming insolvent.
- (b) Political Risks. This type of risk is faced by companies that export. Examples include war in the buyer’s country; cancellation of the contract by the government of the buyer’s country; or governmental regulations and restrictions imposed on currency transfer.
- (c) Duration: Trade Credit Insurance is effected for a period of time, a 12 months period. Subject to yearly renewal.

**3. How much premium do I have to pay?**

The total premium that you have to pay may vary depending on the nature of business terms of payment, total credit sales, country risks & credit worthiness of your buyers.

- Estimated Insurable Turnover RM \_\_\_\_\_ x premium rate \_\_\_\_\_%  
 The expected annual premium that you have to pay is: RM \_\_\_\_\_

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

Type	% / Amount
• Commissions paid to insurance intermediary ( if any)	• 15% of Gross Premium
• Stamp duty	• RM10.00
• Service Tax	• 8% of premium
• Credit Rating Fees.	• RM rate _____per Buyer per Year

***The Service Tax (“ST”) amount herein may be subject to change as the ST rate applied shall be based on the prevailing rate(s) in accordance with the laws of Malaysia.***

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

• **Importance of disclosure**

○ **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 purposes 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 contract, claim denied or reduced, terms changed or varied, or contract terminated.

This duty of disclosure shall continue until the time the contract is entered into, varied or renewed. **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 is inaccurate or has changed.**

- Retention / Excess is the amount which is to be borne by the Insured in the event of a claim.
- Premium must be payable within the Premium Warranty due date.
- Income Tax (Deductions of Insurance Premiums for Exporters) Rules 1985. Malaysian exporter who arranges Trade Credit Insurance with Allianz Malaysia, one of leading locally incorporated Insurance Company will enjoy double tax deduction benefit on premiums paid.

**6. What are the major exclusions under this policy?**

We have no liability for losses resulting directly or indirectly from:

- your failure or the failure of any of your agents to comply with contractual obligations owed to the Buyer or with any relevant laws or regulations in force in the relevant countries; or
- any phenomenon of nuclear origin, or a natural disaster; or
- war between two or more of the following countries: the United States of America, the Russian Federation, France, the People's Republic of China and the United Kingdom; or
- the termination of any distribution, franchise or similar arrangement between you and the Buyer unless we have agreed to the termination beforehand in writing; or
- your loss of any export or import licence preventing the performance of the contract or the payment of the debt, unless you were informed after the goods were Despatched; or
- the failure of the Buyer to accept delivery of goods that are not the subject of a Dispute; or
- exchange rate fluctuations and/or currency devaluations if the Buyer is unable to pay the additional amount corresponding to the depreciation of the local currency; or
- events occurring in a third country where: goods are to be Despatched and/or services are to be Provided to that third country; or payment is to be made from that third country, unless we have agreed otherwise beforehand in writing.

**7. Can I cancel my policy?**

Cancellation is not allowed for any risk which have attached.

You may cancel your policy by giving written notice to the insurance company. Upon cancellation, you are entitled to a refund of the premium based on Pro-rata monthly net for each uncommenced month of cover but subject to the minimum premium due under the Policy. No refund premium is allowed if there is a claim under the policy.

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

It is important that you inform us of any change in your contact details to ensure that all correspondences reach you in a timely manner.

**9. Where can I get further information?**

Should you require additional information, please contact us or any of our branches or your insurance intermediary or visit [www.allianz.com.my](http://www.allianz.com.my).

**Allianz Customer Service Center**

Allianz Arena  
Ground Floor, Block 2A, Plaza Sentral  
Jalan Stesen Sentral 5, Kuala Lumpur Sentral  
50470 Kuala Lumpur.  
Allianz Contact Center: 1 300 22 5542  
Email: [customer.service@allianz.com.my](mailto:customer.service@allianz.com.my)  
📍📧 AllianzMalaysia  
🌐 [allianz.com.my](http://allianz.com.my)

**IMPORTANT NOTE:**

**YOU SHOULD READ AND UNDERSTAND THE INSURANCE POLICY AND DISCUSS WITH YOUR INSURANCE INTERMEDIARY OR CONTACT THE INSURANCE COMPANY DIRECTLY FOR MORE INFORMATION.**

The benefit(s) payable under eligible product is(are) protected by PIDM up to limits. Please refer to PIDM's TIPS Brochure or contact Allianz General Insurance Company (Malaysia) Berhad or PIDM (visit [www.pidm.gov.my](http://www.pidm.gov.my))

The information provided in this disclosure sheet is valid as at 01/06/2024.