

SECTION 7

WARRANTIES

- * *Mandatory and Rating Warranties*
 # *Non-mandatory and non-rating Warranties*

Warranty No.

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1. RESTRICTION OF MERCHANDISE WARRANTY

Warranted that during the currency of this Policy no part of the premises described herein be used for the manufacture or deposit or storage of merchandise.

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**1A. RESTRICTION OF MERCHANDISE WARRANTY
(Club/School/Office)**

Warranted that during the currency of this Policy no part of the premises described herein be used for the manufacture or deposit or storage of merchandise except in direct relation to the activities of a club, school or office.

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**1B. RESTRICTION OF MERCHANDISE WARRANTY
(Not exceeding 10% of total floor area)**

Warranted that during the currency of this Policy not more than 10% of the total floor area of the premises insured herein be used for the manufacture or deposit or storage of merchandise.

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**1C. RESTRICTION OF MERCHANDISE WARRANTY
(Not exceeding 20% of total floor area)**

Warranted that during the currency of this Policy not more than 20% of the total floor area of the premises insured herein be used for the manufacture or deposit or storage of merchandise.

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**1D. RESTRICTION OF MERCHANDISE WARRANTY
(Not exceeding 50% of total floor area)**

Warranted that during the currency of this Policy not more than 50% of the total floor area of the premises insured herein be used for the manufacture or deposit or storage of merchandise .

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2. DETACHED BUILDING WARRANTY

Warranted that during the currency of this Policy the building (containing the property)* insured by (Item No.....of)* this Policy is detached by at least #.....metres/feet on all sides from any other building (excluding small outhouses).

* required for insertion in the case of contents policies

insert distance required by the appropriate Tariff Classification.

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3A. STORAGE OF HAZARDOUS GOODS WARRANTY A

Warranted that during the currency of this Policy, storage in the premises of the following materials is permitted only up to the limit of quantities stated below, namely:-

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|------|--|---|
| i) | All liquids including kerosene oil and diesel giving off flammable vapour with flashpoint not less than 93 C (200F) | 3600 Litres
(800 gallons) |
| ii) | All liquids including petrol giving off flammable vapour with flashpoint below 38 C (100F) | 900 Litres
(200 gallons) |
| iii) | Matches, carbides, liquified petroleum gas (LPG) spontaneously combustion materials such as silane, sulphur, etc. and active materials such as magnesium, sodium, etc. | 30kg or 4 cases or cartons whichever is higher. |

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3B. STORAGE OF HAZARDOUS GOODS WARRANTY B**a) General Rule :**

It is permissible to waive the provisions of Warranty 3A by the application of Warranty 3B for those trades/occupations which are subject to Warranty 3A.

b) Rate : A.P. of 25% of basic fire rate**c) Warranty wording :**

Warranted that during the currency of this Policy, the storage of goods and the quantity of the goods stored in or upon the within mentioned premises are in compliance with the Regulations and Laws of Malaysia.

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4A. STORAGE OF PETROL WARRANTY

Warranted that during the currency of this Policy the storage of Petrol be in accordance with the Government Regulations.

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4B. RESTRICTION OF SPRAY PAINTING/POWDER SPRAYING WARRANTY**a) General Rule :**

- i) It is obligatory that the Restriction of Spray Painting/Powder Spraying Warranty be included in all policies covering manufacturing risks and workshops, except motor repair workshops, garages and service stations (with spray painting) under risk code 2806.
- ii) In respect of the Plastics Risks Category (risks codes 2501-2512), where the trade/occupation process involves Spray Painting, Warranty 4B need not be applied when an additional rate of 0.100% is charged. However, Warranty 24A (in place of Warranty 4B) is to be applied on the policy as spray painting process is being carried out.

In the event the insured is unable to comply with Warranty 24A, a loading of 35% (i.e. on base rate plus 0.100%) is to be imposed accordingly.

b) Warranty Wording :

Warranted that during the currency of this Policy no spray painting/powder spraying or any process in connection therewith be carried on in the premises described herein.

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4C. PRINTING PROCESS WARRANTY

Warranted that during the currency of this Policy no printing or any process in connection therewith be carried on in the premises described herein.

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6. MOTOR VEHICLE REPAIRS WARRANTY

Warranted that during the currency of this Policy no repair work of any kind on motor vehicles and agricultural implements be carried on in the premises described herein.

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7. SOLVENT EXTRACTION WARRANTY

Warranted that during the currency of this Policy no solvent extraction be carried on in the within described premises.

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8A. SMOKING, DRYING OR STORAGE OF RUBBER WARRANTY

Warranted that during the currency of this Policy no smoking, drying or storage of prepared rubber be carried on in the premises described herein but allowing the storage of liquid latex.

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8B. SMOKING OR DRYING OF RUBBER BY ARTIFICIAL HEAT WARRANTY

Warranted that during the currency of this Policy no smoking of rubber or drying by artificial heat be carried on in the premises described herein.

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8C. DRYING BY ARTIFICIAL HEAT WARRANTY C

Warranted that during the currency of this Policy no drying by artificial heat be carried on unless the furnace for heating and its flues be entirely outside the premises or separated therefrom by a brick, stone or concrete wall not less than 4 1/2 inches thick passing through the roof, without openings except such as may be necessary for metal pipes, and the heat conveyed by steam, hot water or hot air not directly drawn from the furnace fire or from flue gases.

Note : Where, however, the heater house roof abuts the main buildings at a lower level than the main roof such wall need only be carried up to the eaves of the main roof.

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9. REMOVAL AND BURNING OF WOOD WASTES WARRANTY

Warranted that during the currency of this Policy:-

- a) all shavings, sawdust and other refuse be removed from the premises regularly but not less than three (3) times a week and not allowed to accumulate.
- b) no shavings, sawdust or other refuse be burned (other than in a brick incinerator or furnace used in connection with the insured's business) within 30 metres (100 feet) of any building forming part of the insured premises.

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10. BURNING OF SAWDUST (WITHIN 100 FEET) WARRANTY

Warranted that during the currency of this policy :

- (i) no power (other than electric) ; and
- (ii) no artificial heat be used ; and
- (iii) that shavings, sawdust and refuse be removed daily from the premises and be not burned (other than in a brick incinerator or furnace used in connection with the Insured's business) within 30 metres (100 feet) thereof.

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11A. STORAGE OF UNHEWN LOGS (WITHIN 15 METRES) WARRANTY

Warranted that during the currency of this Policy no unhewn logs be stored or stacked within 15 metres (50 feet) of the sawmill.

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11B. STORAGE OF SAWN TIMBER (WITHIN 100 FEET) WARRANTY

Warranted that during the currency of this Policy no sawn timber be stored or stacked within 30 metres (100 feet) of the sawmill.

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12. VACANT RISK WARRANTY

Warranted that at no time during the currency of this Policy shall the premises described herein be used for the storage or deposit of goods of any kind or for any other purpose whatsoever.

It is further warranted that all doors, windows and/or other openings shall be so secured at all times as to prevent entrance by any unauthorised person or persons.

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13A. PLASTICS WARRANTY A

Warranted that during the currency of this Policy no raw materials for the manufacture of plastics other than protein based resins; products based on formaldehyde or other aldehydes; polyamide resins; polycarbonate based resins; silicone resins; fluorocarbons; polyester resins including alkyd resins, polyvinyl acetate; polyvinyl butyrate; epoxy resins, amino resins will be used or stored in the within described premises.

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13B. PLASTICS WARRANTY B

Warranted that during the currency of this Policy no raw materials for the manufacture of plastics other than protein base resins; products based on formaldehyde or other aldehydes; polyamide resins ; polycarbonate based resins ; silicone resins ; fluorocarbons; polyester resins including alkyd resins; polyvinyl acetate; polyvinyl butyrate; epoxy resins; amino resins; polystyrene; acetal resins; acrylic resins; acrylonitrile butadiene styrene (A.B.S) resins; ethyl cellulose; polypropylene; polythene/polyethylene; methyl methadrylate; cellulose acetate; cellulose acetate butyrate; cellulose propionate; polymethyl methacrylate; polyvinyl chloride will be used or stored in the within described premises.

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13C. PLASTICS WARRANTY C

Warranted that during the currency of this Policy no nitrocellulose based plastics or foamed or expanded plastics be manufactured, used or stored in the within described premises.

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14. FUEL STORAGE TANKS INSTALLATIONS WARRANTY

Warranted that during the currency of this Policy the Fuel Storage Tank Installations comply with the following regulations:-

- a) Tanks must be of steel and placed at least 2 feet below the surface of the ground and must be filled only from the open through oil-tight pipes fitted with screwed caps or valves.
- b) Motor vehicles must stand in the open when their tanks are being filled.
- c) No artificial light other than electric light may be used near tanks or pumps.

Note: The filling of tanks under balconies or verandahs is not to be considered as non-compliance with (a) and (b) above.

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15. STORAGE TANK INSTALLATIONS WARRANTY

Warranted that during the currency of this Policy no mineral or rock oils or liquid products or mixtures thereof giving off an inflammable vapour below 150 F (closed cup test) shall be stored or deposited in, or within 50 feet of any tank, barrels, tins or drums insured or the contents of which are insured hereby.

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16. CURING BARN (SOURCE OF FUEL) WARRANTY

Warranted that during the currency of this Policy the furnaces and/or stoves of the curing barns are fired by gas, oil and/or electricity.

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17. MANUFACTURE AND STORAGE OF PAINTS, ETC. WARRANTY

Warranted that during the currency of this Policy no manufacturing or storage of oil paints, enamels, lacquers, varnishes, varnish stains, cellulose paints or paint thinners, removers or renovators be carried on within the insured premises.

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18. USE & STORAGE OF FOAMED PLASTICS AND FOAMED RUBBER WARRANTY

Warranted that during the currency of this Policy no foamed plastic or foamed rubber or goods made therefrom be used or stored.

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19. REGULAR INSPECTIONS WARRANTY

Warranted that during the currency of this Policy the premises be inspected at the end of each day for smouldering matches, tobacco or other materials and signed reports made thereon by the employee(s) responsible for such inspection. The reports to be examined at least once each week by the Management.

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20. BITUMINOUS MATERIALS/SOLVENTS WARRANTY

Warranted that during the currency of this Policy no bituminous material and/or solvents having a flash point (closed cup test) below 32 C (90 F) be used or stored within the insured premises.

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22. LIQUIFIED PETROLEUM GASES WARRANTY

Warranted that during the currency of this Policy, relevant government regulations dealing with storage or use of liquified petroleum gases shall be complied with at all times

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23. USE OF ELECTRICITY AND/OR SOLAR POWER ONLY WARRANTY

Warranted that during the currency of this Policy, no power other than electricity and/or solar power be used for heating purposes.

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24. SPRAY PAINTING WARRANTY**(I) Spray Painting Warranty (A)**

a) **Rate** : 15% loading on the base rate

b) **Endorsement Wording** :

A. Warranted that during the currency of this Policy in the part of the premises used for spray painting*:-

a) No cleaning off, mixing, spray painting*, or other process connected therewith, be carried on except in the open or in a separate building or compartment exclusively reserved for such work and adequately ventilated to the open by means of an exhaust fan or fans with sufficient fresh air inlets located near floor level, and that not more than one day's supply of paint, lacquer, solvent, diluent, or thinner be deposited therein.

Compartments should be constructed of brick and/or cement concrete having floor and roof (including any supports) of incombustible materials and any communications should be fitted with door(s) of hardwood or of incombustible material.

b) All paints, lacquer, petrol, solvents, diluents, and thinners, be stored in a building used exclusively for that purpose or in a brick and/or cement concrete built compartment having floor and roof, including any supports of incombustible material, any communication having a closely fitting door or hardwood or of incombustible material.

c) No petrol be left in the reservoir of any automobile whilst the automobile is undergoing painting process and that emptying and charging of the reservoir shall only be done in the open air.

d) No artificial lighting, other than explosion-proof or flame-proof electric lights, be used.

e) All places where dry deposit can accumulate will be cleaned every week with stiff fibre or nonferrous metal brushes or scrapers and the residue placed in water.

(Note*: To be replaced with the words "spray painting and powder spraying in the event the risk involve two processes).

(II) Spray Painting Warranty (B)**a) General Rule :**

It is permissible to waive the provisions of Spray Painting Warranty (A) by the application of Spray Painting Warranty (B)

b) Rate : 35% loading on the base rate**c) Endorsement Wording:**

B. In consideration of the payment of an additional premium, it is hereby agreed that spray painting* is allowed to be carried on in the premises described herein.

(Note* : To be replaced with the words "spray painting and powder spraying" in the event the risk involve two processes).

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25. POWDER SPRAYING WARRANTY**(I) Powder Spraying Warranty (A)****a) Rate :** 10% loading on the base rate**b) Endorsement Wording :**

A. Warranted that during the currency of this policy in the part of the premises used for powder spraying :-

- a) No cleaning off, mixing, powder spraying or other process connected therewith, be carried on except in the open or in a separate building or compartment exclusively reserved for such work and an adequate means of ventilation/pneumatic extraction system should be provided.

Compartments should be constructed of brick and/or cement concrete having floor and roof. Any support should be of incombustible material and any communication be fitted with door(s) of hardwood or incombustible material.

- b) All electrical lightings and fittings in the powder spraying compartment should be of explosion/flame proof types and no artificial lightings and other spark producing equipments should be used in the compartment.

- c) All places where dry deposit can accumulate will be cleaned every week with stiff fibre or nonferrous metal brushes or scrappers and the residue placed in water.

(II) Powder Spraying Warranty (B)**a) General Rule :**

It is permissible to waive the provisions of Powder Spraying Warranty (A) by the application of Powder Spraying Warranty (B).

b) Rate : 20% loading on the base rate**c) Endorsement Wording :**

B. In consideration of the payment of an additional premium, it is hereby agreed that powder spraying is allowed to be carried on in the premises described herein.

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26. 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 insurer within sixty (60) days from the inception date of this policy/endorsement/ renewal certificate.

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

Where the premium payable pursuant to this warranty is received by an authorised agent of the insurer, the payment shall be deemed to be received by the insurer 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 authorised to receive such premium shall lie on the insurer.

Subject otherwise to the terms and conditions of this policy.

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27. SILENT RISK WARRANTY

Warranted that during the currency of this policy the said industrial risk be silent and that the machinery be not worked (except occasionally for the purpose of keeping it in order, no material being passed through it) and that no repairs to machinery or millwrights' work, be carried on.

It is further warranted that the insured premises not be used for the storage or deposit of goods.