Agent Circular No : 01.1/2010

11th January 2010

CIRCULAR TO ALL AGENTS

Dear Sir/Madam

A. MOTOR

A.1 REVISED MOTOR UNDERWRITING GUIDELINES

A.2 REVISED WINDSCREEN REPAIR/REPLACEMENT GUIDELINES

With reference to the above caption, we would like to draw your immediate attention to the above matters.

Should you require any clarification, please feel free to contact our marketing personnel servicing your account.

Thank you.

Yours faithfully
for **ALLIANZ GENERAL INSURANCE COMPANY (MALAYSIA) BERHAD**

FANG SUAT LIM
Branch Manager

MOTOR

A.1. REVISED MOTOR UNDERWRITING GUIDELINES

Kindly find the revised motor underwriting guidelines (as per Appendix A) which will take effect from **1st February 2010** for your kind attention.

Please take note on some highlights on the revisions:-

1. Minimum sum insured for Private Car and Commercial Vehicle has been revised from RM8,000.00 to RM10,000.00. Insured is required to insured based on the current market value of the vehicle or RM10,000 whichever is the higher.
2. **Private Car**
   a. loading will starts on the 7th year for Comprehensive Cover
   b. acceptance limit up to 15 years for Comprehensive Cover. However, the acceptance of Third Party cover shall be subjected to company acceptance.
   c. vehicle above 15 years up to 35 years; acceptance may be considered if under Third Party Fire & Theft Cover subject to Bank Negara's terms and Company's guidelines.
   d. minimum loading on age of driver/named driver below 25 years (10%) and above 65 years (10%).
   e. Vehicles below 2,000cc, 5 years & below - nil excess subject to no claim arising/intimated.
3. **Motorcycle**
   a. compulsory all rider for Comprehensive Cover (it is already compulsory for Third Party)
4. Strictly no acceptance of new stand alone Third Party cover (even renewal from Pos Malaysia). We will only consider if Insured has a few vehicles under Comprehensive Cover with us.
5. Strictly no conversion from Third Party to Comprehensive Cover unless prior approval is obtained. Physical inspection and submission of photographs (inclusive of photographs from mobile phone) are required. We will not hesitate to take action against the agent if no prior approval is obtained.
6. All HRTV without Captor or Cobra Connex would not be considered
7. Loading for Third Party Cover is compulsory and this is applicable to vehicle belongs to agent or agent's spouse/children.
8. All New and Renewal Business are to follow the new guidelines (including loading and excess). Head Office approval must be obtained for any deviation from the underwriting guidelines.

We also wish to reiterate that **Inspection is mandatory** if policy cover has lapsed more than 5 days if vehicle is from other insurer or 14 days if vehicle is from Allianz. Besides, we wish to remind our valued agents to ensure approval is obtained from the company for any mid term inclusion of extra coverage like named driver, windscreen and etc.

We would like to urge our valued agents to adhere strictly to the Motor Underwriting Guidelines and obtain approval prior to acceptance of any referred risks or risk exceeds their acceptance limits as we will not hesitate to cancel such cover notes and/or withdraw all cover notes if necessary.

A.2. REVISED WINDSCREEN REPAIR/REPLACEMENT GUIDELINES

After much deliberation on the feedback on the implementation of windscreen repair/replacement at panel workshop; we have decided to allow insured to determine their own windscreen sum insured. However kindly be advised that all windscreen repair/replacement **must still be done** at our panel workshop or franchise outlet or at our selected windscreen specialist repairers at time of claims.

As such, Allianz windscreen price listing will now only act as a guide. We will inform all our panel workshops and selected windscreen specialist repairers not to base on our windscreen price when determining windscreen settlement.

APPENDIX A
REVISED MOTOR UNDERWRITING GUIDELINES (WEF 1/2/2010)

Allianz

Allianz General Insurance Company (Malaysia) Berhad (735426-V)

Our Reference No. 0001/JT/pt/10

8th January, 2010

Dear Valued Agents,

We wish to inform you that our Underwriting Guidelines (as attached) supersede the current guidelines with effect from 1st February 2010.

Kindly ensure that you adhere strictly to the Motor Underwriting Guidelines. Please also obtain approval prior to acceptance of any risk which exceeds your acceptance limits or falls under our Referred Risks.

Please be informed any cover note issued under Referred Risks or exceeded acceptance limits without approval will be blacklisted in the system and automatically be barred from renewal next year. We also will not hesitate to cancel such cover note and withdraw all your cover notes if necessary.

We seek your co-operation and please do not hesitate to contact your branch if you need any clarification.

Thank you.

Jimmy Tan
Head of Motor Department
Head Office

Allianz

MOTOR UNDERWRITING GUIDELINES
FOR CENTRAL REGION & KUALA LUMPUR EFFECTIVE 01/02/2010

Type	AGENTS ACCEPTANCE LIMIT (RM)	VEHICLE MIN SUM INSURED (RM)
Private Car	250,000.00	10,000.00
Commercial	100,000.00	10,000.00
Motorcycle	6,000.00	1,000.00

REFERRED RISKS

1 Above Agents acceptance limit.
2 All Third Party Cover.
3 All New Proposers and Named Drivers above 65 years old.
4 All New Proposers and Named Drivers below 25 years old.
5 All New Proposers fall under Construction related/ Car Workshop including Car Accessories Dealers/ Auto Parts Dealers/ Freight Forwarded/ Transportation related.
6 Proposers/Named Drivers with adverse claims experience (more than 2 claims).
7 Driving School (Except Sabah & Sarawak).
8 Buses (Private/Public/Factory/Express/Tourists/Stage).
9 Goods Carrying Vehicles (A Permit).
10 Motor Trade Plate.
11 Motorcycle Trade / Motorcycle used for Hire.
12 Special Types.
13 Tankers.
14 Taxi and Hire Cars.
15 Vehicle categorised as High Risk Theft Vehicle (HRTV) - Please refer to our HRTV Listing below.
Note : The Company reserves the right to include other make/model as HRTV from time to time
16 Vehicles involved with engine modifications to enhance performance and built for speed.
17 All other risks not stated on this Motor Underwriting Guidelines.

DECLINED RISKS

1 Treaty Exclusion (like racing and/or speed trials as well as vehicle in rails and not on terra firma).
2 Vehicles transporting hazardous and flammable goods such as petroleum, diesel, gases, bitumen, cements and other types of chemicals or liquids.

SPECIAL REMARKS

1 Inspection is mandatory if policy cover has lapsed more than : (i) five (5) days if vehicle is from other Insurer, (ii) fourteen (14) days if vehicle is from Allianz.
2 Windscreen - refer to our Windscreen Guidelines

HIGH RISK THEFT VEHICLE (HRTV)

Make	Model	Age of Vehicle
Private Cars *		
BMW	5 Series	5 years & below
Toyota	Harrier (if Sum Insured more than RM100k)	-
	Camry	3 years & below
	Fortuner / Hilux / Landcruiser / Lexus / Prado	5 years & below
Honda	CRV	3 years & below
Commercial		
Daihatsu	Delta	3 years & below
Hicom	All Models	3 years & below
Motorcycles		
Yamaha	RXZ / Y125	3 years & below
Honda	C100	3 years & below

* Vehicles fitted with Captor or Cobra Connex Tracking & Immobiliser Systems are NOT classified as HRTV.

Allianz

MOTOR UNDERWRITING GUIDELINES
LOADING & EXCESS EFFECTIVE 01/02/2010

FOR NON-HRTV

LOADING

		Comprehensive			Third Party		
		Motor Cycle*	Private Car**	C Permit	Motor Cycle*	Private Car**	C Permit
Age of Vehicle	0 - 3 Years	0	0	0	25	25	25
	4 - 6 Years	5	0	10	50	50	50
	7 - 10 Years	10	5	15	75	75	75
	11 -15 Years	15	10	20	100	100	100
	16 - 20 Years	15	Decline	20	100	Decline	100
	Above 20 Years	Decline			Decline		
Driver Age or Experience	Below 18	10	na	na	25	na	na
	Below 25	na	10	na	na	25	na
	Above 65	na	10	na	na	25	na
Claims Experience	2 Claims	15	15	15	50	50	50
	> 2 Claims	25	25	25	100	100	100
Sport & High Performance Car		na	25 (Refer HO)	na	na	50 (Refer HO)	na
Special Vehicles carrying noxious or flammable materials, low loaders, timber/log carriers & petrol tanker				10			25
Max Cumulative Loading		30	35	40	150	150	150

*** Motor Cycle - Compulsory All Rider under Comprehensive &Third Party.**
****Private Car - vehicle above 15 years up to 35 years, acceptance may be considered if under Third Party Fire & Theft coverage subject to Bank Negara's terms and Company's guidelines.**

EXCESS

Capacity	Motor Cycle	Private Car		C Permit
		5 Years & Below***	Above 5 Years	
Motorcycle				
Up to 100cc	RM75			
101 to 150cc	RM100			
151 to 250cc	RM150			
251 to 500cc	1% of SI/Max RM500			
Above 500cc	2.5% of SI/Max RM1,000			
Private Car			1% of Sum Insured subject to max as follows:-	
Up to 1,400cc		Nil	RM500	
1,401 to 1,600cc		Nil	RM750	
1,601 to 1,800cc		Nil	RM1,000	
1,801 to 2,000cc		Nil	RM1,250	
2,001 to 2,500cc - SI up to RM150k		1% of SI/Max RM1,500	RM1,500	
2,001 to 2,500cc - SI more than RM150k		1% of SI	2% of SI	
Above 2,500cc		2% of SI	2.5% of SI	
Maximum Permitted Excess				2% of SI

*****Vehicle subject to no claim arising/intimated.**

- End of Circular –