# Explanation Note for easy understanding.

## If still in doubt, feel free to contact our Customer Service.

| Cargo Value | Minimum Premium Per Parcel | Deductible on each and every claim |
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| **(EXPLANATION NOTE)** | | |
| *This is the purchase value of your cargo and the amount you protect with this insurance which you can make a claim up to the limit of your purchase value of cargo* | *Premium YOU pay to US* | *This is the amount to be deducted during your claim or not protected by this insurance.* |
| RM200 and below | RM 1.00 | Nil/No deduction |
| RM201 to RM500 | RM5.00 | Nil/No deduction |
| RM501 to RM2,500 | RM8.00 | Deduct 15% of loss or RM350.00 whichever is lower |
| RM2,501 to RM10,000 | RM10.00 | Deduct 12.5% of loss or RM550.00 whichever is lower |
| RM10,001 to RM50,000 | RM50.00 | Deduct RM1,000 on each and every loss |
| RM50,001 to RM100,000 | RM75.00 | Deduct RM1,500 on each and every loss |
| RM100,001 to RM250,000 | RM100.00 or 0.1% on Cargo Value whichever is higher | Deduct RM2,000 on each and every loss |

## EXAMPLES (subject to terms and conditions and for illustration purposes only)

| 1) | **You buy a T-shirt for RM180.00.** <br> (This Marine Open Cover for Boxku protects you for the **Cargo Value** + **10% uplift**) <br><br> **What is 10% uplift?** <br> Uplift of 10% of the cargo value is to cover all incidental administration, costs and expenses incurred for shipping as practiced in maritime insurance. <br><br> With Cargo Value of RM180.00 + 10% Uplift RM18.00 = **RM198.00.** <br><br> So your Cargo value + 10% Uplift falls within the range of **RM200.00 and below**. <br> You pay premium of RM1.00 to protect your cargo/purchases. |
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| | If so unfortunate, your Cargo is lost you can make a claim up to RM198.00.<br><br>There will be no deduction on your claim as there was NIL Deductible under this range<br><br>## "Premium of RM1.00 protects you up to RM198.00" |
| 2 | **You buy a Smart TV for RM2,250.00.**<br><br>Cargo value RM2,250.00 + 10% Uplift RM250.00 = **RM2,500.00**<br><br>So your Cargo Value + 10% Uplift falls within the range of **RM501 to RM2,500.00**.<br>You pay premium of RM8.00.<br><br>If so unfortunate, your Cargo is lost you can make a claim up to RM2,500.00.<br><br>However, there is _**a deductible of 15% of loss OR RM350.00 whichever is lower**_ under this range.<br><br>How to apply deductible?<br><br>15% of loss = Cargo Value RM2,500.00 x 15% = RM375.00<br><br>OR<br><br>a minimum of RM350.00 whichever is lower.<br><br>So, deductible = **RM350.00 since its lower than 15% of RM375.00**<br><br>After deductible, the Insurance pays you RM2,150.00<br><br>(Cargo Value RM2,250.00 + 10% uplift RM250.00 = RM2,500.00 less deductible RM350.00)<br><br>## "Premium of RM8.00 protects you up to RM2,150.00" |
| 3) | **You buy a handbag for RM3,000.00.**<br><br>Cargo value RM3,000.00 + 10% Uplift RM300.00 = RM3,300.00<br><br>So your Cargo Value + 10% Uplift falls within the range of **RM2,501 to RM10,000.00**.<br>You pay premium of RM10.00.<br><br>If so unfortunate, your Cargo is lost you can make a claim up to RM3,300.00.<br><br>However, there is _**a deductible of 12.5% of loss OR RM550.00 whichever is lower**_ under this range.<br><br>How to apply deductible? |

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| | 12.5% of loss = Cargo Value RM3,300.00 x 12.5% = RM412.50<br><br>OR<br><br>a minimum of RM550.00 whichever is lower.<br><br>So, deductible is RM412.50 since its lower than the minimum of RM550.00.<br><br>After deductible, the Insurance pays you RM2,887.50<br><br>(Cargo Value RM3,000.00 + 10% uplift RM300.00 = RM3,300.00 less deductible RM412.50)<br><br># "Premium of RM10.00 protects you up to RM2,887.50" |
| 4) | **If you have made a lot of purchases from household appliances to stationery and etc with a combined total purchase value of RM45,000.00 and combined under one big parcel.**<br><br>Cargo value RM45,000.00 + 10% Uplift RM4,500.00 = RM49,500.00<br><br>So your Cargo Value + 10% Uplift falls within the range of **RM10,001 to RM50,000.00**.<br>You pay premium of RM50.00.<br><br>If so unfortunate, your Cargo is lost you can make a claim up to RM49,500.00.<br><br>However, there is ***a deductible of RM1,000.00 on each and every claim*** under this range.<br><br>After deductible, the Insurance pays you RM48,500.00.<br><br>(Cargo Value RM45,000 + 10% uplift RM4,500 = RM49,500 less deductible RM1,000.00)<br><br># "Premium of RM50.00 protects you up to RM48,500" |
| 5 | **If you have made multiple purchases and you want to be sent in 4 big parcels.**<br>**1st parcel = RM50,000.00 by sea**<br>**2nd parcel = RM450.00 by air**<br>**3rd parcel = RM225,000.00 by sea**<br>**4th parcel = RM90,000.00 by air**<br><br>1st Parcel = Cargo Value RM50,000 + 10% uplift RM5,000 = RM55,000.00<br>So your Cargo Value + 10% Uplift falls within the range of **RM50,001 to RM100,000.00**.<br>You pay premium of RM75.00.<br><br>2nd Parcel = Cargo Value RM450.00 + 10% uplift RM45.00 = RM495.00<br>So your Cargo Value + 10% Uplift falls within the range of **RM201 to RM500**.<br>You pay premium of RM5.00.<br><br>3rd Parcel = Cargo Value RM225,000 + 10% uplift RM22,500 = RM247,500.00<br>So your Cargo Value + 10% Uplift falls within the range of **RM100,001 to RM250,000.00**.<br>You pay premium of RM247.50. |

Why 3$^{rd}$ Parcel has to pay RM247.50 rather than minimum RM100.00?
*Cargo Value + 10% Uplift = RM247,500.00 x rate of 0.1% = RM247.50*
*Hence, the premium is at RM247.50 because its higher than the minimum premium of*
*RM100.00 (RM100 or 0.1% on Cargo Value, whichever is higher).*

4$^{th}$ Parcel = Cargo Value RM90,910 + 10% uplift RM9,091 = RM100,001.00
So your Cargo Value + 10% Uplift falls within the range of **RM100,001 to RM250,000.00**.
You pay premium of RM100.00.

Why 4$^{th}$ Parcel pays minimum RM100.00 and not based on the rate of 0.1% of Cargo Value?
*Cargo Value + 10% Uplift = RM100,001 x rate of 0.1% = RM100.00 (rounded up)*
*Hence, the premium is based on the minimum of RM100.00 because it's NOT higher than the*
*minimum premium of RM100.00 (RM100 or o.1% on Cargo Value, whichever is higher).*
Here, each parcel will be dealt with separately with its individual deductible accordance to
the Cargo Value range.

No claim on 4$^{th}$ Parcel by air which arrives safely.

Claim on 1$^{st}$ , 2$^{nd}$ and 3$^{rd}$ Parcel: -

**1$^{st}$ Parcel Claim:**

If so unfortunate, your Cargo is lost you can make a claim up to RM55,000.00.

However, there is ***a deductible of RM1,000.00 on each and every claim*** under this range.

After deductible, the Insurance pays you RM54,000.00.

(Cargo Value RM50,000 + 10% uplift RM5,000 = RM55,000 less deductible RM1,000.00)

# "Premium of RM75.00 protects you up to RM54,000"

**2$^{nd}$ Parcel Claim:**

If so unfortunate, your Cargo is lost you can make a claim up to RM495.00.

There will be no deduction on your claim as there was NIL Deductible under this range.

# "Premium of RM5.00 protects you up to RM495.00"

**3$^{rd}$ Parcel Claim:**

If so unfortunate, your Cargo is lost you can make a claim up to RM247,500.00.

However, there is ***a deductible of RM2,000.00 on each and every claim*** under this range.

After deductible, the Insurance pays you RM245,500.00.

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| | (Cargo Value RM225,000 + 10% uplift RM22,500 = RM247,500 less deductible RM2,000.00)<br><br>**"Premium of RM247.50 protects you up to RM247.5K"**<br><br>Each parcel will be subjected to different deductibles and premium payable according to the Cargo Value/your purchase value of the cargo/parcel. |
| 6 | **If you have cargo of RM500,00.00 in a single parcel you can contact our Customer Service for acceptance and rate.**<br><br>**Otherwise, you can deliver by 2 – 3 parcels in accordance to our current table of cargo value and its premium.** |

**INTERPRETATION**

1) Cargo value = your purchase value of the things you bought/purchased.
2) Deductible = amount to be deducted from your claim which your insurance will not pay
3) Premium = payment you made for the purchase of insurance
4) Marine Open Cover for Boxku = your insurance coverage which protects your cargo
5) Cargo = Parcel or consignment or package/packaging
6) Multiple unit of Cargo combined into one single packaging = single unit purchase/cargo combining to make one big cargo/parcel
7) Actual cargo value = The exact purchase price as printed in your purchase invoice