

Insurance covers operated by Fire, Engineering and Miscellaneous Department

Fire Insurance

Fire insurance covers the properties as buildings, machinery, furniture, stocks and equipments owned by the state, cooperatives, joint-ventured companies or the public against the loss or damage due to the fire and allied perils. Any person who has the legally recognized relationship to the property can insure his or hers. The properties which are difficult to value are not allowed to be insured. The insurance period ranges from 10 days to one year. Buildings are categorized into four classes .The premium is calculated in accordance with the tariff based on the classes of the insured building and its surrounding buildings located within 25 feet to 50 feet.

The following additional covers can be purchased together with the fire cover.

- Riot, Strike and Malicious Damage
- Earthquake Fire and Earthquake Shock
- Explosion
- Spontaneous Combustions
- Storm, Typhoon, Hurricane, Tempest, Cyclone
- Flood and Inundation
- Air Craft Damage Impact Damage Subsidence and Landslide
- Burglary
- War Risk

Engineering Insurance

1.Contractor—s All Risk Insurance (CAR)

It gives coverage for both damage of property and third party liability insurance from the time of collecting construction material to the construction site to the time of handover after the contract works. The design fault is not allowed to claim. The sum insured is contract value. The value of machines and equipments at the site can also be added to sum insured. The premium rate ranges from 0.3% to 0.5%.

2.Erection All Risk Insurance (EAR)

The EAR covers starts form the time of the arrival of construction materials to the site to the time of testing and commissioning after the installation and

erection. The design fault is not allowed to claim. The testing period is allowed to 2 weeks. The premium rate ranges from 0.3 % to 0.5%.

3.Machinery Insurance

Machinery and equipment—s break down, non standardization, design fault, damages due to the unskillful workers, malicious damage, and electrical breakdown, natural disasters are covered. The premium rate ranges from 0.3 % to 0.5%.

Miscellaneous Insurance

1.Fidelity Insurance

Fidelity insurance is designed to indemnify the employers against the loss of money or misappropriation of the employees assigned as cashiers in public, cooperative and private sectors. The period of insurance is one year. The premium rate for government employees is 1 % and 2 % for the employees of cooperative and private entities.

2.Cash-in-Safe Insurance

Cash-in-Safe Insurance indemnifies the insured against the burglary of money kept in the premise by the public, cooperative and private enterprises. The insurance period varies from one day to one year. The premium rate for government and private banks ranges from 0.2% to 0.5% and from 0.5 % to 1% for cooperative and private entities.

3.Cash-in-transit Insurance

Cash-in-transit insurance covers the loss of money due to the robbery or theft during the transit from one place to another by government, cooperative and private enterprises. The sum insured is the amount of sum carried at one time. The premium is charged, based on the miles of distance and discount is offered based on the specifications. The premium rate ranges from 0.2% to 1%.

4.Burglary Insurance

Burglary insurance covers the loss of property due to the burglary. It can be purchased together with the fire insurance. Burglary means stealing the property either by breaking in the roof, wall, floor, door or window or destroying the lock, In case of burglary, it must be filed at the police-station in the respective township. The premium rate is charged, based on the structure of the building where insured properties are kept. The premium rates range from minimum 0.25% to maximum 1%.

5.Personal accident and disease insurance

Any person within the age from 16 to 60 and in good health can take out the personal accident and disease insurance. The insured can choose Table A for accidental death & injury cover and medical expense cover for 55 diseases expressed the proposal. Table B can be chosen for accidental death and injury. The person over the age of sixty can choose the Table D. The insurance period ranges from one month, three months, and six months to one year. The maximum sum insured for citizen residing in Myanmar is Ks. 5,000,000 or USD -20,000 but USD 30,000 for foreigners, citizen or foreigners who are to go abroad can insure for up to USD 50,000. The premium rates are based on the insured—s occupation, which is categorized into three classes. Class I is for those who have the lowest risk , class II is for those who are work site and class III is for those who are working under the hazardous condition . The table of Premium rate is annexed.

6. Workmen—s Compensation Insurance (WC)

According to the Myanmar workmen—s compensation Act, 1923, the employer of government, cooperative and private enterprise has to buy workmen—s compensation insurance for employees. They insure their employees against the the death and injury during the work. Period of insurance is one year and renewal can be done. Premium is charged 2 % on income par year of the employee.

Liability Insurance

1. Miner s— Liability Insurance

Those who are between the ages from 18 to 60 can take out this insurance. The sum insured is Ks. 5, 00,000/- per unit and maximum -4 can be bought. In the event of death, the benefit is up to the sum insured and in the event of bodily injury the benefit is up to 80 % of the sum insured. The premium is Ks. 3,500/- per unit and its policy term is one year.

2. Third Party Liability Insurance / Public Liability Insurance / Comprehensive General Liability Insurance

Businessmen or contractors take out this kinds of insurance against the liability arising from the death bodily injury or property of third party due to his negligence or that of his employees in the course of work or of the performance of their duty. The Maximum limit of liability can be described in the proposal form. The maximum limit of liability for death, injury or property damage is designated fixed. This kind of insurance policy can be purchased in (terms of) US Dollar.

The Premium rates are fixed subject to the limit of liability. The limits of liability ranges from Ks. 20 million to Ks. 10,000 million in Kyat and from USD 20000 to USD 2500000 in USD. Premium rates range from 0.2 % to 0.5% accordingly.

Deposit Insurance

Deposit insurance has been underwritten since 1st October , 2011 so that people do not lose the deposit at the banks, banks can obtain more deposit by creating the people—s trust in banks, increase the capacity of granting more loans in parallel and then increase their income . It is the banks that take out the insurance for those who deposit from Ks. 100,000/- to Ks. 1,000,000/- per head. The premium rate constitutes 0.12%. In case of bankruptcy, Myanma Insurance will indemnity the depositors directly or through the banks up to 60% of the sum insured.

Credit Guarantee Insurance

Credit guarantee insurance has been underwritten since 2015 so that bank can grant the loans to the small and medium enterprises for their development by taking out the insurance as a guarantee against the financial default. The premium rates for credit guarantee insurance with collateral constitutes 2 % for first year, 1.5 % for second year and 1% for third and consecutive year. The premium rates for credit guarantee insurance without collateral constitute 3% for first year, 2.5 % for second year and 2% for third and consecutive years.

Reinsurance

Some risks underwritten by Myanma Insurance are insured in the international insurance markets through reinsurance brokers. Some risks underwritten in terms of US Dollar which exceed Myanma Insurance—s underwriting capacity (USD 2.5 million)are ceded to the reinsurers abroad subject to fronting commission 15 %.

