



PROGRAMME IN BUILDING SURVEYING
DEPARTMENT OF BUILT ENVIRONMENT STUDIES AND TECNOLOGY
FACULTY OF ARCHITECTURE, PLANNING AND SURVEYING
UNIVERSITI TEKNOLOGI MARA
PERAK BRANCH
SERI ISKANDAR CAMPUS

BUILDING RISK ANALYSIS AND INSURANCE

NURSYAHADATUL AISYAH BINTI ABD KARIM
(2019893258)

BACHELOR OF BUILDING SURVEYING (HONS.)

PRACTICAL TRAINING REPORT

FEBRUARY 2022

PROGRAMME IN BUILDING SURVEYING
DEPARTMENT OF BUILT ENVIRONMENT STUDIES AND
TECNOLOGY
FACULTY OF ARCHITECTURE, PLANNING AND SURVEYING
UNIVERSITI TEKNOLOGI MARA
PERAK BRANCH SERI ISKANDAR CAMPUS
BUILDING RISK ANAYSIS AND INSURANCE

FEBRUARY 2022

This practical training report is fulfilment of the practical training course.

PREPARED BY

NAME : NURSYAHADATUL AISYAH BINTI ABD KARIM

SIGNATURE :

SUPERVISING LECTURER

NAME : SR DR WAN SAMSUL ZAMANI WAN HAMDAN

SIGNATURE :

DATE :

ACKNOWLEDGMENT

Praise be to Allah for (5) months I underwent my internship that begin on 1st September 2021 untill 30th January 2022, I am successfully completed my training at VA Risk Consultant Sdn Bhd. Eventhough I am responsible for what appears in these pages, my thanks is due to the following for their assistance, encouragement and support.

I would like to thanks to my Industrial Training Coordinator, Sr. Dr. Suriani Ngah Abdul Wahad for giving us guidelines and knowledge on performing our training. Special thanks to my supervisor, Sr. Dr. Wan Shamsul Wan Hasan for his valuable guidance, advice and providing me with necessary informations concerning my internship.

I extend my thankful to the director of VA Risk Consultant Sdn Bhd, Mr. George and Madam Kathy Lim, the head of training for granting me the opportunity to develop myself in this challenging yet exciting industrial training. Through this training, they have created an opportunity for students to broaden up their mind, gain first hand experiences in particular industry as well as being exposed to different working environments.

A special appreciation to my on-site supervisor Mr. Azryn for the useful knowledge and experience. I want to thank him for giving me the opportunity to have first-hand on site job. He had the kindness to accept me in here and guide me through my internship with advice and feedback despite his busy schedule.

To the rest, unforgettable helpful staff from VARC, for their technical support and constant supervision which contributed immensely to my personal development. I also thanks for their help and coach me during my internship by giving me feedback and tips on how to handle and approach situations.

TABLE CONTENTS

ACKNOWLEDGEMENT	i
TABLE OF CONTENT	ii
LIST OF TABLE	iii
LIST OF FIGURES	v

CHAPTER 1 INTRODUCTION

1.1 Company Background	1
1.2 Vision and Mission	3
1.3 Site Plan	
Key Plan	4
Location Plan	4
Site Plan	5
1.4 Organisational Chart	6
1.5 Service Provided	9
1.6 Introduction to Training Programme	10

CHAPTER 2 INSURANCE

2.1 Introduction	13
2.2 Risk Management	14
2.2.1 Type of Risk in Property Management	14
2.2.2 Risk Management Process	16
2.3 Strata Property Insurance	20
2.3.1 Policy Coverage Site Plan	21
2.4 Advantages of Property Insurance	24

CHAPTER 3 CASE STUDY: MENARA INSPIRATION	
3.1 Introduction	25
3.1.1 Building Information	28
3.2 Building Risk Analysis	29
3.3 Request for Quotation	35
CHAPTER 4 PROBLEM AND RECOMMENDATION	42
CHAPTER 5 CONCLUSION	44

LIST OF TABLE

CHAPTER 3 CASE STUDY: MENARA INSPIRATION

Table 1	Building Information Menara Inspiration	28
Table 2	Scope of inspection	31

CHAPTER 4 PROBLEMS AND RECOMMENDATIONS

Table 3	Summary Of Problems & Recommendations	28
---------	---------------------------------------	----

LIST OF FIGURE

CHAPTER 1 INTRODUCTION

Figure 1	Company Logo	1
Figure 2	Key Plan	4
Figure 3	Location Plan	4
Figure 4	Site Plan	5
Figure 5	Organizational Chart	6
Figure 6	Staffs of VA	6

CHAPTER 2 OVERVIEW BUILDING RISK ANALYSIS AND INSURANCE

Figure 7	Risk Management Process	16
Figure 8	Risk Response Strategies	31

CHAPTER 3 CASE STUDY: MENARA INSPIRATION

Figure 9	Menara Inspiration (Avenue D'vouge)	25
Figure 10	Existing Policy From Menara Inspiration	29
Figure 11	Building Audit With Technician	30
Figure 12	Proposal Of Fire Insurance Renewal	36
Figure 13	Summary Of Quotation	37
Figure 14	Risk Improvement Proposed	38
Figure 15	Quotation Recommendation	39
Figure 16	Agreement Letter From Rhb	40
Figure 17	Policy From Rhb Insurance	41

1.0 INTRODUCTION

1.1 COMPANY BACKGROUND



Figure 1: Company Logo

VA Risk Consultant Sdn Bhd, known as VARC is an office building which has become synonymous with effective insurance claims handling especially in the property and industrial sectors. In short VAR has started operation for almost 10 years and has achieved various achievement to enable it upgraded and recognized by many company in and outside the KL region.

The word VA is referring to 'Vorteil Assurance' to which it was incorporated in 2012 by Mr George Lee, who has 19 years of corporate experience working in Munich, Germany. The word vorteil was taken from Germany language it means advantage. From his European exposure, the structure of the European working environment is built into the VA Vorteil Assurance practices, procedures and work ethics.

VA Vorteil Assurance is moving forward to fully express its founder's enthusiasm, putting the emphasis on his strategies and values, now that it has complete command of every stage of claim and operation development. With the intention of providing professional insurance services with quality craftsmanship and integrity second to none, VA Vorteil Assurance has elevated its business entity to a private limited company, VA Risk Consultant Sdn Bhd, as of August 8, 2017.

VA specialises in stratified property, in term of property damage, casualty and liability insurance claim consultancy. They employ their own claim consultants to handle and resolve all insurance claim issues, from notification to favorable claim settlements. VA Risk Consultant conducts insurance

consultancy training and seminars for stakeholders in Stratified Property (Developer, JMB/MC, Residents, and related stratified authority bodies) in addition to providing insurance policies and claim consultancy services.

There are currently three main departments in charge of managing and administering not only internal company matters but also the needs of their customers. The establishment of the department is a long term plan that has been drafted since day one. Each department interrelated to each other and required them to work as one team to create a healthy work nature at the same time assisting in the company's business expansion.

Since its establishment, the building has gone many renovation in order to keep and upgrade their services comply with current need. At present, the VARC has it all. VARC will strive even harder to become an organization that leads to continuous growth according to its client's needs and the VA Vorteil Assurance name will become the iconic and dominant name for insurance claim consultants. It is hoped that the VA Risk Consultant will achieve greater success in the future.

1.2 VISION AND MISSION

It is necessary for every company to have mission and vision to keep them business on track and ensuring that everyone is working towards a single purpose. Same goes to VARC, where the company has set up few mission to be accomplished by everyone in their short term planning and vision as the long term aim to what VARC will be seen in future.

i. **Vision**

The vision is act as KPI for the staff in order to perform their work and delivery the services to the client. Therefore, VARC has set up their vision as per below:

- To be your best partner providing solutions in the event of a calamity.

ii. **Mission**

In order to achieve above vision, VARC has continuously improve their services to align with below mission;

- VA Vorteil Assurance aspires to drive a new era in the insurance industry. Through our professional conduct, competent approach and expertise in the industry we offer our customers comprehensive coverage at competitive premiums with exclusively selected top insurers in the market.

1.3 SITE PLAN

Key Plan



Figure 2: Key Plan VA Risk Consultant Sdn Bhd

Location Plan

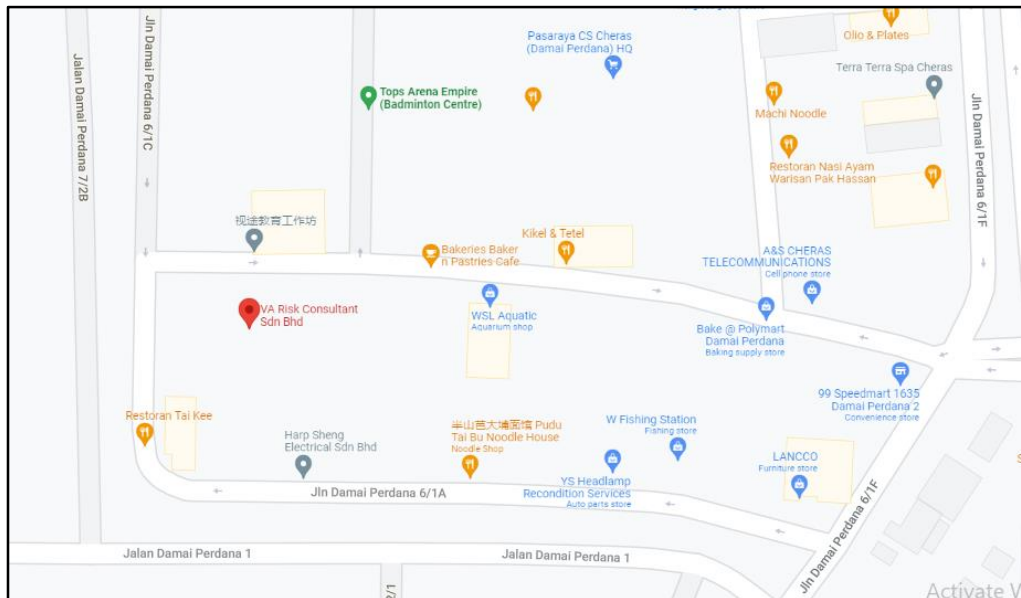


Figure 3: Location Plan VA Risk Consultant Sdn Bhd

SITE PLAN

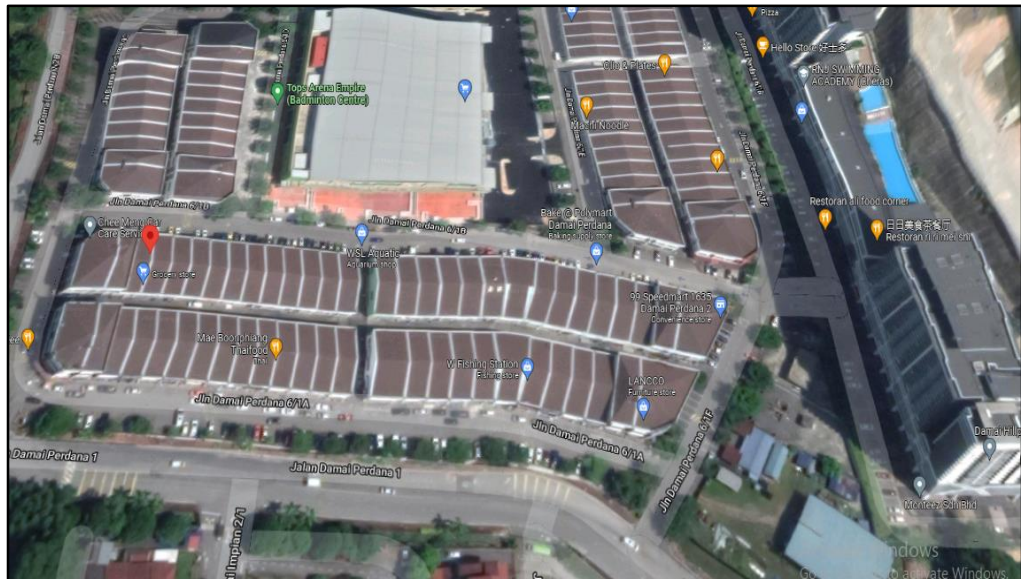


Figure 4: Site plan VA Risk Consultant Sdn Bhd

According to the figure shown (figure 1.2), VARC is located in Kuala Lumpur, nearby to the Selangor State. Meanwhile, in the following figure (Figure 1.3) VARC is located at Jalan Damai Perdana which it surrounded by residential areas as well as commercial building. The building is strategically located such that it is easily accessible and not too far from the sites.

1.4 ORGANISATIONAL CHART



Figure 5: Organizational Chart VA Risk Consultant



Figure 6: Staffs of VA Risk Consultant

As shown above, VA Risk Consultant Sdn Bhd is led by Mr. George Lee as Group Managing Director. The organization is separated into three major departments; Human Resources & Performance Control Department, Claims & Operations Department, and Risk Analysis & Policy Management Department. Each of them has specific tasks and roles to which they contribute significantly to the smooth operation of the business.

Starting with the Human Resources Department, which is led by Mrs. Farhanie, has a significant role in ensuring that issues concerning staffing, development, compensation, safety and health, and employee and labour relations are constantly monitored and updated on a regular basis.

Mrs. Kathy Lim head of the Claims & Operations Department, which is the backbone of the company's operations with assist from Mrs. Muna, Ms. Ana, Ms. Lisa, and Mr. Azryn work in this department. They are responsible for handling claim cases on behalf of the client and will use their knowledge, expertise, and network contacts to argue for or support the client's case throughout the claims process or when the claim outcome is not satisfied.

Meanwhile, Mrs. Aisah leads the Risk Analysis & Policy Management Department, which also includes three other employees: Mrs. Shireen, Ms. Lia, and Mr. Ammar. They are in charge of handling issues relating to company policies and insurance companies. They collaborate closely with the insurer to ensure that the coverage quoted is consistent with the policy offered.

Aside from that, the company provides personal lines consulting services to which it is that covers individuals against loss that results from death, injury, or loss of property. Personal Lines, as the term suggests, it include motor insurance, health insurance, travel insurance, and home insurance. This department has been managed by Ms. Hidayah and Ms. Dinah.

Next is Technical Service Department which handled by Mr. Azryn. Aside engaged in claim advocacy, he as well work actively on building audit and inspection. Additional, building audit is one of the service specialty provided by company to any building prospect (future client) for free. During my three month of practical training, I was able to be part of the team to conduct building audit work.

Last but not least, is technical and customer support is managed by Mr. Quzir. He is responsible to any job related to customer-needs. Aside from that, he is in-charge to ensure the policy is being delivered to insured safely, as well as other mailing and clerical work in the office.

Despite the small number of employees, VARC has proven that quantity is not a barrier to the company's ability to grow its business wings and compete with other consulting firms. Up to now, VARC has successfully take care 216 clients consisting of stratified property, mixed development, offices, condominium, apartment, laded property and school. To date, VA has handled 5,150 claim files, ranging from RM10 millions defamation suit (liability), RM1 million flood damage to RM 45 third party bodily injury claim. Besides. VA as well attended 135 AGM & EGM, conducted ad-hoc insurance training for Property Management Association (PMA), seminar for parcel owners and virtual training for stakeholders.

1.5 SERVICE PROVIDED

- **Claim Consultancy**

VARC provides claim consultancy services for clients/unit owner who encounter unsatisfactory claim offer from their current insurer.

- **Claim Management**

VARC has its own in house claim consultant that will assist to analyze and strategies the claim prior notifying the insurer. They as well coordinate the necessary conference calls, stats updates, litigation strategy updates and navigation throughout the entire claim process.

- **Reporting**

VARC provides officer that will assist to provide comprehensive insurance report (from the policy coverage details to claim record) upon request.

- **Building Audit**

VARC has owns building surveyor which will helps to inspects, check and advise the building from insurance perspective ranging from the age of the building, type of residence, construction structure, potential hazards from neighbouring projects, fitness of the critical building equipment such as firefighting system and any other concerns raised related to the property.

- **Risk Analysis**

The in-house risk analyst responsible to provide risk improvement list after gather all necessary information from the building audit conducted. They recommend competitive premium to the clients and ensure its policy is comprehensively covered. They also ensure all the policies and certificates issues correctly following the Standard Operation Procedure.

- **VA Academy**

Apart from providing claim advocacy, VARC also has certified trainer under HRDF programme and is experienced in handling ad conducting insurance seminar and workshop.

1.6 INTRODUCTION TO TRAINING PROGRAMME

Industrial training's goal is to expose students to the working world ahead of time so that they are well prepared and have all of the tools they need to achieve their goals and careers after graduation.

My industrial training began on October 11, 2021 and conclude on January 31, 2022. I work primarily during office hours from 8.30 a.m to 5.30 p.m. However, due to the nature of my employment, I occasionally found myself working outside of office hours. I started my training of first month under Service & Technical Department following by Claim & Operation Department. I technically was exposed with numerous task and job that consequently help me in gaining new knowledge and allowing me to integrate theory learned with practice. My main duties carried out throughout the training including building audit, insurance claim advocacy and any other ad-hoc tasks. To put it simply, I have listed the activities as below;

i. **Claim Advocacy Services.**

Claim consultant is the major business of the company as we help to handle and solve all insurance claim issues right from notification and onwards to favourable claim settlement. Every day, we receive various types of claims from clients, ranging from the smallest to the largest. During my three-month internship, I was given the opportunity to handle more than 50 claims, including plate glass, lightning damage, and vandalism. With the assistance of the staff, I was able to obtain letter of full settlement from the insurer for all of the claims that I filed.

ii. **Building Audit**

Building audit is a vital responsibility that was assigned to me. With assist from my supervisor, Mr. Azryn, I was able to understand more in depth about the inspection work on site. Every week, I was assigned to do building audits at various sites in order to examine the situation and analyse the hazards that existed at those locations. During the building audit, ten major components will be examined; firefighting system safety, genset system, LV system, aviation

obstruction light, barrier gate, cctv, elevator system, water system, and common area. The inspection is limited to physical and visual inspection. Among the tasks I must complete are taking pictures, identifying risks, and assessing the condition of each item.

iii. Reporting and Documenting

In addition to claim advocacy, I am taught how to write a claim report that has been registered for the particular site. This claim record is a list of claims reported by clients that must be retained as company records. Aside from that, I contribute to the attainment of building audit reports. The report will include all information and data gathered during the building audit. During the practical training, I produced 50 claim reports and 70 building audit reports for use in client meetings.

iv. Certificate of Insurance Amendment

Certificate of insurance of usually be called as CI is a certificate that will be given to the unit owner who has successfully confirmed that the insured person have been accepted according to the terms and conditions of the Master Policy and Master Policy Schedule. In the certificate provides the proof of insurance and basic information about the insurance coverage that ones have purchased. For some reason such as the owner has sold the unit to new owner, loans with bank, they may require to change the details in the certificate otherwise mortgagee may charge them. Therefore, I was responsible in ensuring the details such as unit number the name spelling and mortgagee are correctly informed to the insurer for amendment purpose. All the revised certificate will be sent to insured through the email.

v. Name Card Design and Building Audit Template.

I was given opportunity to prepare a template of building audit report. The template purposely will be used during the meeting VASSP with the clients. To put it simply, the summary of building audit such as the maintenance issues and probable claimable items will be transferred into the template. It was such good opportunity where I am exposed

to use *canva apps* and develop creative thinking. I felt double honored as I was entrusted in designing a name card for our panel contractor. I managed to come out with 5 different designs and one of them has been selected to be used.

vi. Volunteerism

I was able to volunteer for flood relief December last year. The programme took place only one day. We have the chance to help flood victims in the Hulu Langat area with basic necessities. Despite the fact that we only had a few volunteers, we were able to help over fifteen flood-affected families. Besides that I was also involved in training conducted by the company. The training who was attended by Area Manager has successfully organized and accomplished the objectives.

vii. Clerical work

Apart from the activities listed above, I also do administrative work such as assisting staff with client data management, assisting Madam with technical reports, assisting Boss with client data updates producing slide presentations, collecting and organizing information in excel, and preparing meeting handouts, along with a few other things.

2.0 OVERVIEW BUILDING RISK ANALYSIS AND INSURANCE

2.1 INTRODUCTION

While purchasing a home is a dream come true for many people, as a homeowner, they need be well-versed on how to safeguard that dream from unanticipated occurrences. It is possible that no matter how hard one tries to secure their home, unpleasant situations will occur.

Failure to preserve precious items can result in a loss that can significantly exacerbate financial circumstances. This is especially true if one does not have a significant emergency backup fund. Worry not, the benefit of strata property insurance is that unit owners are relieved of the burden of conducting research and determining which policy to purchase.

As the person in charge of insuring the building, there are a few factors that must be identified ahead of time in order to avoid huge losses on the investment. Aside from that, getting insurance is a good way to not only safeguard your goods from harm, but also to lessen the financial load that comes with future disasters or calamities. Understanding the deeper "why" behind insurance purchases gives a feeling of purpose that allows to keep the policy active.

Insurance is simply a small part of what risk management entails. A loss is a loss, whether it is insured or uninsured. A loss's financial implications will have an impact on the business, and it may result in further substantial costs such as repairs, lost income, and additional expenses.

As a result, this chapter will briefly outline the flow of the risk assessment process prior to allowing a strata building to be covered by insurance. Aside from that, this chapter will solely focus on the extent of insurance that is involved in stratified buildings based on the knowledge learned throughout the practical training.

2.2 RISK MANAGEMENT

In the context of insurance, risk is referring to the risk or likelihood of something harmful or unexpected happening, such as loss or damage to a person's valuable assets, injury, or death, which insurers analyse and use to calculate the premium that the policyholder must pay.

Risk insurance entails determining the amount to be paid to Insurance policyholders who have sustained a loss that is covered by the policy. It includes a variety of risks such as theft, loss, or damage to property, as well as the possibility of someone being injured; there is always the possibility that something unexpected or damaging will occur at any time.

It evolves in estimating the amount of the financial value for damages to insured property or items that may be lost, hurt, or destroyed accidentally or frequently happens to occur. It also specifies how much it would cost to replace or repair such an insured object in order to cover the policyholder's loss in the event of damage. Insurers are responsible for calculating claims and assessing their risks.

2.2.1 TYPE OF RISK IN PROPERTY MANAGEMENT

There are many other hazards that practically every organisation must face, with legal and administrative risks being the most common. Identifying potential risk is one part of the primary concern that usually overwhelmed property managers. Below listed few of the risk that generally may be associated in property management.

1. Administration risk

Since property managers must deal with a lot of information, such as resident databases, rent rolls, incidents, and claims, it can be difficult to keep track of everything, and things can get messy if they don't have a good system in place. Things like a forgotten clause, sloppy claim handling, missing deadlines, and more can waste a lot of time and money.

2. Physical risk

Physical damage is always a possibility, whether to own a tiny house or a billion-dollar mansion. Some of the major dangers involved with property management include furniture breakdowns, scraped paintwork, outside wall degradation, and more. While there are a variety of ways to manage such a risk, the most usual is to transfer it to an insurer. General liability insurance will protect an organisation against physical damage, stolen or destroyed items, and the expense of losses caused by the tenant's negligence.

3. Default Risk

The chance of someone failing to meet a financial obligation is known as credit risk or default risk. Lenders are concerned that a borrower will not be able to make a monthly loan payment on schedule, posing a default risk. Similarly, leased property carries the danger of renters not being able to make lease payments on time. Late payments can cause cash flow issues for the landlord, but the situation can get even worse if the tenant goes out of business and vacates the premises. The property owner is therefore faced with an unanticipated shortage in lease income as well as additional expenditures associated with finding a new tenant for the space.

4. Regulatory Risk

Any change in regulations or law that could affect real estate owners or tenants is referred to as legislative or regulatory risk. These changes might occur at the local, regional, or national level. Direct threats may include zoning changes, construction codes, and public goods and utilities access. Changes in local or federal tax rates, mortgage deductibility rules, banking restrictions, and other factors could pose more indirect hazards.

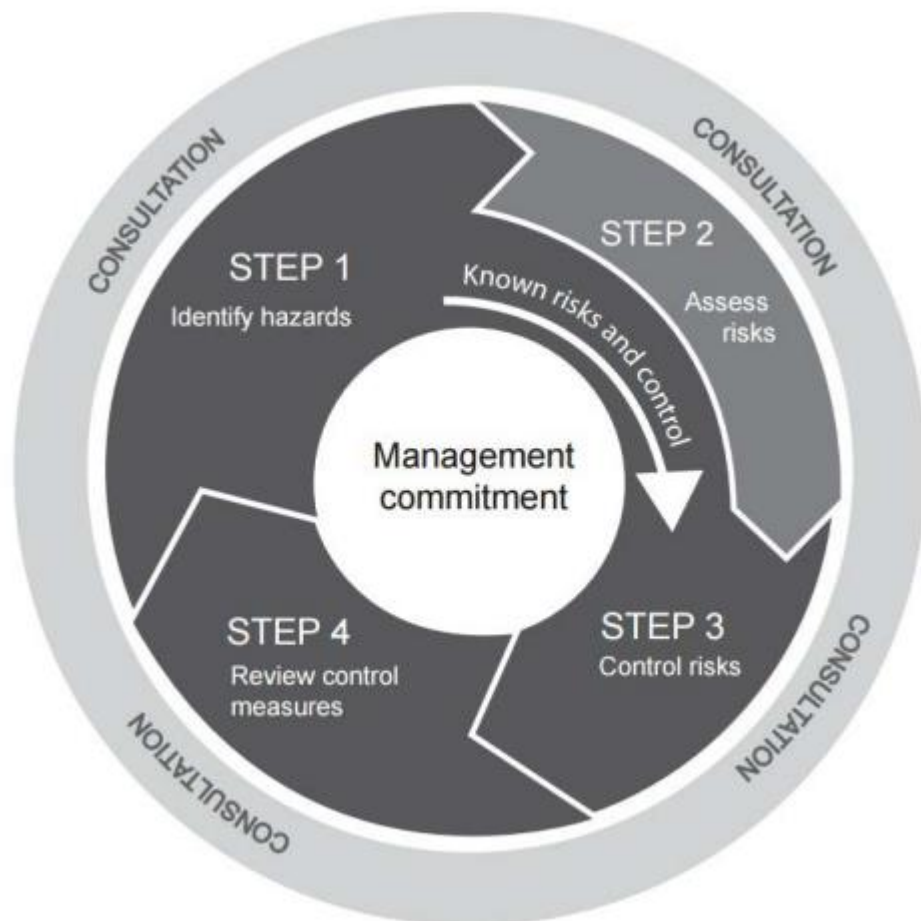
5. Construction risk

When a property is under construction, the property owner has an additional source of risk. Whether it's a new construction or a major refurbishment, construction risk exists. The construction project may take longer than anticipated, delaying expected rental income, costing more than budgeted, or exposing previously undetected flaws in the property, requiring additional time and expense to fix. All of these possibilities result in a decrease in the property owner's expected cash flow.

2.2.2 RISK MANAGEMENT PROCESS

Risk management's purpose is to "protect not only a company's assets and income from the risk of unintentional loss, but also other stakeholders who rely on the business." Whether it operate in the commercial or public sector, the steps of risk management are the same.

Identifying potential loss risks necessitates a review of not just the services supplied, but also the assets held. Furthermore, the organisation must determine where it has legal obligations and how much money it will need to operate the various services and facilities.



Picture 7: Risk Management Process

Identifying Risk

The first phase in the risk management process is to identify any occurrences that may have a negative (risk) or positive (opportunity) impact on the project's goals:

- i. Goals for the project
- ii. The project's financial timeline
- iii. The scope of the undertaking

These occurrences can be recorded in the risk matrix and then in the risk register. A risk (or opportunity) is defined by its description, causes, and effects, qualitative and quantitative evaluations, and mitigation strategies. It can also be defined by who is in charge of its actions. For a risk (or opportunity) to be valid, it must have all of these features.

Risk Assessment

Qualitative and quantitative risk and opportunity assessments are the two forms of risk and opportunity assessments. A qualitative assessment examines the criticality of an event based on its likelihood and influence. A quantitative evaluation examines the event's financial impact or benefit. Both are required for a thorough assessment of risks and opportunities.

Risk Treatment

To treat risks, a business must first prepare a treatment plan that identifies its risk management tactics. The goal of the risk treatment strategy is to lower the risk's probability of occurrence (preventive action) and/or lessen the risk's impact (mitigation action). The goal of a treatment plan for an opportunity is to maximise the likelihood of the opportunity occurring and/or the advantages of the opportunity. A response strategy for the project is defined based on the nature of the risk or opportunity. The following seven options are available:



Picture 8: Risk Response Strategies

i. Risk Avoidance

Risk avoidance is referred to as the elimination of hazards, activities, and exposures that can have a negative impact on an organisation and its assets. Risk avoidance strives to completely avoid compromising situations, whereas risk management aims to control the damages and financial implications of hazardous events.

ii. Risk Transfer

Risk transfer is a risk management and control approach in which a pure risk is contractually transferred from one party to another. The purchase of an insurance policy, for example, transfers a specified risk of loss from the policyholder to the insurer. Hold-harmless provisions, contractual obligations to provide insurance coverage for the benefit of another party, and reinsurance are all instances. Risk transfer, when done correctly, distributes risk evenly, putting responsibility for it on specified parties based on their ability to handle and insure against it. The party with the most control over the sources of potential liabilities should bear the brunt of the liability.

The most common method of risk transfer is through an insurance policy. This is a voluntary agreement between two parties, the insurance company and the policyholder, in which the insurance company takes the policyholder's strictly defined financial risks. Simply said, if a worker is harmed, the insurance company is responsible for the costs. When a structure is destroyed by fire, the insurance company pays to rebuild it. For taking on this risk, insurance companies charge a fee, or an insurance premium. There are

also deductibles, reserves, reinsurance, and other financial arrangements that alter the financial risk that the insurance firm takes on.

iii. Risk Mitigate

Risk mitigation is known as the practice of limiting risk exposure and reducing the chance of an incident. It requires addressing the key risks and issues on a regular basis to guarantee that the company is adequately safeguarded. Mitigation often takes the form of controls, or processes and procedures that regulate and guide an organization.

Risk Monitoring

The process of maintaining track of recognized risk, monitoring residual risks, detecting new risk, assuring the execution of risk plans, and evaluating their efficacy in decreasing risk is known as risk monitoring control. Risk monitoring and control keeps track of the risk indicators that come with putting contingency plans in place. Risk management and control is a continuous procedure that lasts the duration of the project. As the project progresses, new risks emerge, and previously predicted hazards vanish.

Successful risk monitoring and control systems give information that aids in making effective decisions prior to the occurrence of the risk. To assess the acceptability of the project's risk level on a regular basis, communication with all project stakeholders is required.

2.3 STRATA PROPERTY INSURANCE

Clearly stated in Strata Management Act 2013, Section 93 (1) of the act says *“Any person or body who has a duty or is responsible under this Act to maintain and manage any building shall insure such building under a damage policy with a licensed insurer in accordance with the part.”*

Shortly, according to the SMA 2013, property managers are responsible for obtaining protection for the building in the event of fire, lightning, explosion, bursting or overflowing of water tanks or pipelines, windstorms, and any other occurrence stated in the policy. In stratified building management, there is an insurance policy widely utilized to covers all of the building’s coverage and protection requirement known as JMB master Policy.

The property managers or MC are required to have this Master Fire Insurance Policy. It will cover the property, and owners will be compelled to pay a yearly premium. Every corporation and insurance firm is unique. Many owners believe that because their apartments are deemed to be part of the building as a whole, they are insured for damages to the windows, ceilings, floors, and floor coverings in their flats. This isn't always the case, though. Certain property features may be excluded from the Strata Insurance coverage, and it does not cover contents or personal things. When it comes to Public Liability and lot owners Fixtures, Fittings, and General Contents, it pays to think of this type of insurance ending at the entry door to each individual unit (furniture, appliances etc.) This is especially important if the owner has a tenant living in the unit or apartment.

This is especially important if the unit or flat is occupied by a renter, since they may require supplementary Landlords Insurance coverage for loss of rent, rent default, and malicious damage by tenants. In addition to Residential Strata insurance, owners will need to assess their own personal circumstances to determine which insurance(s) they may require to protect themselves.

Every five years, the Body Corporate Committee should request to have the complex or apartment building valued, and the Strata Insurance policy should be evaluated every year. Because older buildings require more care and repairs, inflationary costs must be included in.

2.3.1 POLICY COVERAGE

A fire insurance policy covers all movable and immovable goods, including buildings, plants and machinery, equipment and accessories, stocks, and other contents. The explanation of the coverage but not limited to as per below;:

i. Fire

This coverage protects your structure and/or contents from fire and lightning-related loss or damage. Special perils, such as storms and tempests, floods, and earthquakes, could also be included in the coverage. The Revised Fire Tariff, issued by PIAM, governs the premium rates, wordings, coverage, terms and conditions, clauses, and endorsements of a typical fire tariff policy. Insurers are authorised to develop non-tariff fire insurance products with different coverage, terms, and conditions under Bank Negara Malaysia's tariff liberalisation framework. Policyholders should contact their agents or insurers with any questions they may have.

ii. Money

Money insurance can cover theft, fire, and loss of money in transportation. It can also cover cash in a safe. Almost every business handles money in some way - cash, checks, credit card slips, and bankers' draughts – making this type of insurance necessary for both large and small firms. It will even cover a little amount of cash left at directors' or staff' homes during and after office hours.

The coverage including the cost of repair or replacement of the safe or strong room, as a result of theft or attempted theft, if these items are not specifically insured as well as compensation in the form of a personal accident benefit to employees who may be harmed while accompanying or carrying money during a robbery.

iii. Burglary

The insured is covered by the burglary/theft policy against loss or damage to insured property as a result of actual, forcible, and/or violent entry into or exit from the premises, or damage to insured property or the premises as a result of theft or any attempt threat, including armed robbery/hold-up.

iv. Glass

Accidental breakage of glass while on the insured's premises from any reason other than those specified excluded in the policy is covered by plate-glass insurance.

v. Fidelity Guarantee

During the period of insurance, and during the uninterrupted continuance of employment of the said employee, and in connection with the occupation and duties of the said employees, Fidelity Guarantee Insurance will provide indemnity to the employer against loss of money or property as a result of acts of fraud or dishonesty of any employee of the insured.

This policy covers monetary loss or personal property due to an act of fraud or dishonesty committed by employees during the period of insurance, during the uninterrupted continuance of such employee's employment, in connection with the occupation and duties of such employees, and discovered during the aforesaid period of insurance or within 6 months after the death, dismissal, or retirement of such employee, whichever occurs first.

vi. Machinery breakdown

This policy protects the insured machinery, plant, or equipment from sudden and unforeseen damage while at work or at rest, as well as during cleaning, maintenance, overhauling, inspection, or relocation within the premises. It will prevent gradual damage and loss from any foreseeable cause.

vii. All risk

Except for those causes specifically excluded by the policy, the All Risk Policy provides comprehensive coverage. When compared to a named perils policy, the All Risk Policy provides the most comprehensive coverage available.

viii. Public Liability

This type of insurance would protect an organization if an user or member of the public suffered a loss or injury as a result of the company's operations and filed a claim for compensation. The compensation payment as well as any legal costs would be covered by the insurance.

ix. Damage Falling Tree

The policy will protect against the damage caused by falling tree in any incident event. In the perils stated the coverage towards the fences/awning, in and/or outside the compound area.

x. Subsidence and landslide

Subsidence refers to the sinking of the area in which the property is located, while landslides refer to the collapse of a mountain or cliff's mass of earth. The loss, destruction, or damage directly caused by the subsidence of part of the site on which the property stands, as well as landslides and rock slides, is covered by fire insurance. It does not, however, cover property damage or destruction caused by demolition, repairs, or structural alterations, coastal or river erosion, normal cracking or settlement of new structures, or defective design or workmanship.

xi. Impact damage

The policy protects the insured property from damage or destruction caused by direct contact with any rail/road vehicles or animals. It is critical, however, that the insured, any occupier of the premises, or employees in the course of their employment do not own such vehicles or animals.

2.4 ADVANTAGE OF PROPERTY INSURANCE

To insure the building is not just being written in the act but extend to provide comprehensive coverage to the administration as well. There are few reasons has been identified to prove that the insurance coverage is important to the building.

1. Protection against property damage

Property insurance protects you from a variety of natural disasters, including monsoons and floods, fires, earthquakes, theft, and other weather-related damages. No property is impervious to fires, floods, or burglaries, regardless of its size, location, or other security features that may have been added. In some cases, the land on which your home is built can erode and cause it to collapse. Buildings have a lot of vulnerabilities because they are such large structures; protect it with earthquake or hurricane property insurance.

2. Protection against liability

Liability coverage is a lesser-known benefit of property insurance policies. This clause is found in many other types of insurance policies, including auto insurance. Sure, being a diligent property manager can help prevent many accidents and injuries, but an incident could also involve the adjacent structure. Your property insurance's liability coverage can help protect you from these potentially costly incidents.

3. Safety

Property insurance provides peace of mind and confidence to the building administrator by protecting against unforeseeable risks of loss such as fire, natural disasters, theft, and so on. Should those risks occur and losses occur, the insurance company will undoubtedly compensate you appropriately.

4. Financial disturbances away

Consider what would happen if the entire structure and its contents were destroyed in a fire. As the person in charge of the building, you will undoubtedly suffer a significant financial loss. All of those properties will undoubtedly cost a lot of money to repair and replace. Property insurance compensates for the loss, ensuring that the financial situation is not jeopardized.

3.0 CASESTUDY: MENARA INSPIRATION (AVENUE D'VOUGE)

3.1 INTRODUCTION



Picture 9: Menara Inspiration (Avenue D'Vogue)

Avenue D'Vogue is a beautifully designed and one-of-a-kind SoHo development in Petaling Jaya, Selangor, located at, Jalan Semangat, Seksyen 13. This project was built by the Inspiration Group Malaysia, a well-known development company, and it was completed in the year 2016. It is regarded as a fantastic addition to the Selangor property market, with all of the amenities and features that make it a top development in the region.

Avenue D'Vogue is a great place to live. Many great services and features are available in the property, which inhabitants of many new developments can only dream about. Residents of the development have access to a business centre where they live. Residents have access to a function room in the development, which they can use for a variety of purposes. The complex includes a wonderful BBQ area and a café where people can spend quality time with their families and friends. Children can also enjoy their time in this development because the developer has created a nice children's playground where they can play while staying in the development and not bothering their parents.

Avenue D'Vogue was strategically planned with the importance of the location's accessibility in mind. Even if they do not possess a car, homeowners do not have to worry about getting to and from the area. The Federal Highway provides easy access to the property. Residents can travel to and from the region through public transit, which includes the Mid Valley KTM Station, Seputeh KTM Station, Angkasapuri KTM Station, Pantai Dalam KTM Station, Petaling KTM Station, taxis, and buses. Aside from its strategic location, the neighbourhood is well-served by a variety of amenities. Residents do not need to be worried about anything in the neighbourhood because everything is readily available. The development is close to educational institutions such as Universiti Tunku Abdul Rahman (UTAR), Bukit Bintang Boys Secondary School, and the University of Malaya. There are numerous commercial areas surrounding the development, including Jaya One, Cold Storage, 99Speedmart, and 7 Eleven, where homeowners may shopping for almost everything they choose. There are also numerous cafés, mosques, petrol stations, churches, and hospitals in the region, ensuring that the development's residents have nothing to worry about.

Other amenities and features include a swimming pool and a fantastic gymnasium with the latest exercise machines where people can work out while staying in the property and maintaining a healthy lifestyle. The building also provides residents with a complete parking facilities. Most significantly, the building is fitted with sophisticated security devices and provides round-the-clock security to its residents to ensure that they are safe from any exterior threats while they are within.

Avenue D'Vogue is a ten-story building with a wonderful design. The development has a total of 332 units and is considered to be a peaceful development. The development's units have a built-up space ranging from 360 to 870 square feet. Additionally, consumers can choose from a variety of designs. The buyers also have the option of renting out their flats, making the property appealing as an investment.

The Avenue D'Vogue development company is regarded as a leader in the sector of residential property development. They are well-known for creating high-quality structures, houses, apartments, and condominiums with cutting-edge designs. They are a competent and dedicated development business that is passionate about bringing Avenue D'Vogue up to date with an art project so that the building's tenants may enjoy their lives while living in the city. The development firm ensured that Avenue D'Vogue becomes a beacon for future developments and draws visitors from all over town.

3.1.1 BUILDING INFORMATION

Building Name	Menara Inspiration (Avenue D'vouge)
Location	3A, Jalan 13/2, Seksyen 13, 46200 Petaling Jaya, Selangor
Year of Completion	2016
No. of Floor/ Units	16 Floors/ 360 Units
Type of Business	Condominium
Tenure	Leasehold
Facilities	<ul style="list-style-type: none"> • Café • Clubhouse • Squash Court • Swimming Pool • Gynasium Room • Playground • Barbeque Area • Covered Car Park • 24 Hours Security
Developer	Inspiration Group Malaysia

Table 1: Building Information Menara Inspiration

3.2 BUILDING RISK ANALYSIS

Building risk analysis, or building audit as it is more fondly called, is a component of the risk management process in property insurance. This chapter will go into greater detail on the risk assessment that was carried out on a specific case study, Menara Inspiration.

Typically, we will receive an invitation from the property management to offer a quotation for renewal purposes before performing a risk assessment on a building. Offers are normally sent to the corporation by official email or through the underwriting department. In order to do so, the underwriter will ask management to send a copy of the current policy for preliminary investigation.

TOKIO MARINE INSURANCE GROUP

TOKIO MARINE INSURANS (MALAYSIA) BERHAD (Co. No. 149230-U)

STAMP DUTY PAID

**TOKIO MARINE COMBINED ALL RISKS PLUS
POLICY SCHEDULE / JADUAL POLISI**

POLICY NO / NO POLISI : ZPP-Z0029315-PG-AGY-20

MENARA INSPIRATION JOINT MANAGEMENT BODY

MENARA INSPIRATION
LEVEL 15 3A, JALAN 13/2
SEKSYEN 13
PETALING JAYA
46200 SELANGOR

PG-04-0006559N (PG-000133) ANDREW & ASSOCIATES

TEL : 042818878

Picture 10: Existing policy from Menara Inspiration

Once the existing policy is obtained, the underwriter will arrange a building audit appointment with the property management. Simply said, a building audit is undertaken before the proposal paper is written to analyse the safety, assess and establish the hazards that exist as well as the threats exposed by a site as well giving recommendation and improvement in the context of insurance.. Mr. Azryn was given the duty from Technical Service Department down to the site to conduct the building audit.



Picture 11: Building Audit with Technician, Mr. Aidil

Building auditing will be carried out with the assistance of technicians in order to examine and identify the existing condition of the site. Only physical and visual inspections are needed to conduct a building audit, and there are few essential items that are frequently given attention during the building audit. Few of them such as fire alarm panel, genset room, lv room, barrier gate, CCTV, lift motor room, water tank, aviation obstruction light, plate glass, and common property. Pictures were taken throughout the inspection to enable the process of documentation after the inspection carried out.

SYSTEM	AREA TO BE INSPECTED
Fire alarm system	<ul style="list-style-type: none"> • Fire alarm panel
Cctv system	<ul style="list-style-type: none"> • CCTV monitor • DVR board
Genset Room	<ul style="list-style-type: none"> • CO₂ Panel • CO₂ cylinder • Genset • Battery • Diesel tank • Automated main failure board • Calibration date • Intake louver and fire curtain • Copper tape • Smoke detector, heat detector and water sprinkler • Suruhanjaya tenaga certificate • Ventilation fan • Fire extinguisher

SYSTEM	AREA TO BE INSPECTED
Lv room	<ul style="list-style-type: none"> • CO₂ Panel • CO₂ cylinder • Lv panel • Calibration date • Fire curtain • Copper tape • Smoke detector, heat detector and water sprinkler • Ventilation fan • Fire extinguisher
Water pump room/ water tank/ swimming pool	<ul style="list-style-type: none"> • BOMBA water tank • Wet riser control board • Jockey pump • Hose reel control board • Backwash water filter • Water tank • Booster pump • Water pump control panel • Water level indicator • Smoke detector • Ventilation fan • Fire extinguisher • Swimming pool pump • Sand filter/chlorine tank

SYSTEM	AREA TO BE INSPECTED
Lift motor room	<ul style="list-style-type: none"> • Lift motor • Lift rope • Motherboard • Ebops panel • Copper tape • Lift supervisory board • Smoke detector • Ventilation fan • Fire extinguisher • JKKP Certificate • Lift appearance, lift hall call button, lift button, lift car
Aviation obstruction light	<ul style="list-style-type: none"> • Aviation obstruction light • Lightning arrestor • Copper tape
Barrier gate system	<ul style="list-style-type: none"> • Barrier gate • Access card • Jaga Apps

SYSTEM	AREA TO BE INSPECTED
Common property/area	<ul style="list-style-type: none"> • Plate glass • Fire hydrant/hose reel • Convex mirror • Gymnasium room • Sauna • Guard house • Parking area • Rubbish house • Swimming pool • Squash/tennis/badminton court • Playground • Lobby area • Landscaping

Table 2: Scope of inspection

Following the building audit, a report on the conditions and concerns relating to the items listed will be generated. In summary, the report will be separated into three sections: building information, inspection summary (which will identify the maintenance issue and likely claimable items), and a more thorough finding for each component in one item. The report will include any remarks made during the audit as well as information acquired from the technician. The report purposely are to be kept as record of the company's building audit, as well as to assist the underwriter in preparing a proposal for management. Depending on the size of the site, the report usually takes two working days to complete. The attachment of the report will be provided in appendices.

3.3 REQUEST FOR QUOTATION

On behalf of the underwriter department, they will assist to inform the insurer to prepare the site with quotation. According to our company's policy, the insured will receive three quotations from three insurance providers for the purpose of determining which insurance company is best for renewal. Over the course of our ten years in the market, we've worked with more than 12 insurance firms, including RHB, Liberty, Tokyo Marine, Takaful, and others.

Menara Inspiration existing policy is from Tokio Marine which it only as master fire policy. As for the quotation, the insurer will provides quotation based on the existing policy and risk recommendation (enhancement coverage). Among three insurer that submit the quotation including Takaful Malaysia, RHB Berhad and Liberty Insurance.

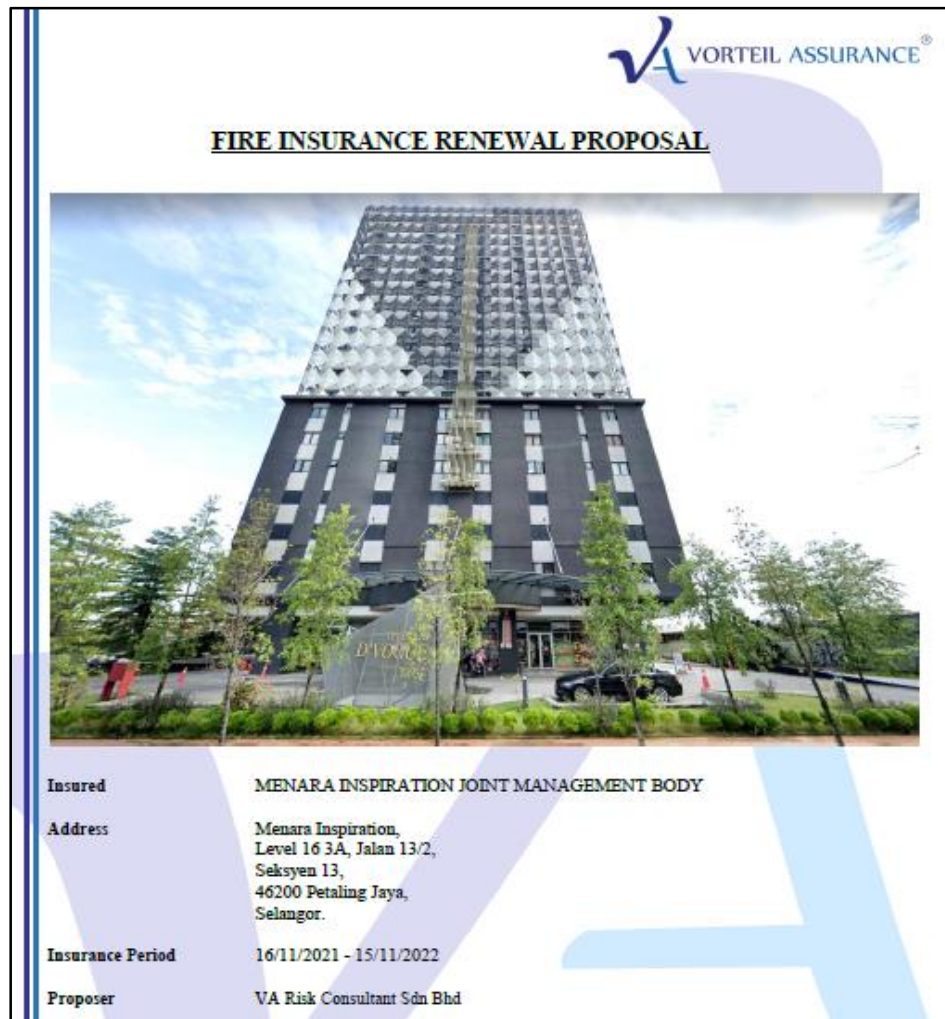
On behalf of the insurer, they are in the business of taking risks on behalf of their clients. In exchange for a premium, an insurer agrees to bear the risks stated in the policy when it issues an insurance contract. Risk pooling and the law of big numbers are two statistical ideas that insurers use to make money. Insurers pool risks by admitting a large number of policyholders who are unlikely to lose money. They are aware that some of those policyholders will suffer a loss in the future, but they believe they will be in the minority.

When it comes to insurance applicants, insurers prefer applicants who have a low risk of losing money. If an insurer isn't picky, it may end up paying out more in claims and expenses than it takes in in premiums. The insurer may go bankrupt if its investment income does not cover the shortfall.

An underwriter will analyse the application for property insurance to ensure that the property fulfils the insurer's underwriting guidelines. In order to evaluate insurance applicants, underwriters employ both objective and subjective data. Documents such as experience rating spreadsheets and computer-generated loss runs are commonly used to collect objective data. A written note from the insurance agent noting that the applicant is an upstanding member of his community and an expert in his industry is an example of subjective information.

From a single source, an underwriter can get both objective and subjective information about this site. For example, a physical assessment (building audit) of this structure revealed that it has a metal roof (an objective fact) and that it is in good condition (a subjective opinion). When examining the application, the underwriter will look to determine if the site poses any risks that are relevant to the coverage they're looking for.

The insurer will provide with a quote within 7 working days. All quotations supplied to our team will be received and re-evaluated by the underwriter department before being given to the insured. A proposal will be issued to the insured for this purpose, outlining the coverage and the amount that has to be covered by them in further detail.



Picture 12: Proposal of Fire Insurance Renewal for Menara Inspiration

MENARA INSPIRATION JOINT MANAGEMENT BODY												
Summary of Fire Insurance Quotations (As Per Existing Policy)												
Period of Insurance : 16/11/2021 - 15/11/2022												
Class of Insurance	TOKIO MARINE INSURANS (M) BERHAD			RHB INSURANCE BERHAD			SYARIKAT TAKAFUL MALAYSIA AM BERHAD			LIBERTY INSURANCE BERHAD		
	As per Existing Policy			Quotation 1			Quotation 2			Quotation 3		
	Sum Insured	Excess	Premium	Sum Insured	Excess	Premium	Sum Insured	Excess	Premium	Sum Insured	Excess	Premium
FIRE INSURANCE	FIRE INSURANCE	Excess is regulated by PIAM	44,839.46	PROPERTY ALL RISK	Excess is regulated by PIAM	41,667.95	FIRE INSURANCE	Excess is regulated by PIAM	43,765.29	FIRE INSURANCE	Excess is regulated by PIAM	45,845.48
Covered Perils (✓) :	RM 101,000,000.00			RM 101,000,000.00			RM 101,000,000.00			RM 101,000,000.00		
Fire & Lightning	✓	NIL		✓	NIL		✓	NIL		✓	NIL	
Aircraft Damage	✓	NIL		✓	NIL		✓	NIL		✓	NIL	
Earthquake & Volcanic Eruption	✓	NIL		✓	NIL		✓	NIL		✓	NIL	
Storm Tempest	✓	200.00		✓	200.00		✓	200.00		✓	200.00	
Explosion	✓	NIL		✓	NIL		✓	NIL		✓	NIL	
Impact Damage	✓	250.00		✓	250.00		✓	250.00		✓	250.00	
Bursting or Overflowing of Water Tanks Apparatus or Pipes - exceeding 5 Storey	✓	1,000.00		✓	1,000.00		✓	1,000.00		✓	1,000.00	
Riot Strike and Malicious Damage	✓	NIL		✓	NIL		✓	NIL		✓	NIL	
Subsidence & Landslip (standard cover)	✓	25,000.00		✓	25,000.00		✓	25,000.00		✓	25,000.00	
Subsidence & Landslip (deletion of exclusion a) - nominated	Not Covered	25,000.00		Not Covered	25,000.00		Not Covered	25,000.00		Not Covered	25,000.00	
Flood - nominated	RM 10,000,000.00	2,500.00		RM 10,000,000.00	2,500.00		RM 10,000,000.00	2,500.00		RM 10,000,000.00	2,500.00	
Damage by Falling Trees	Not Covered	250.00		Not Covered	250.00		Not Covered	250.00		Not Covered	250.00	
								Terrorism Extension (Sublimit RM 1,000,000.00)				
MISC CLASSES INSURANCE												
Money Insurance												
- Money in Transit	10,000.00	NIL		10,000.00	NIL		10,000.00	NIL		10,000.00	NIL	
- Money in Premises	10,000.00	NIL		10,000.00	NIL		10,000.00	NIL		10,000.00	NIL	
- Money in Locked Safe	10,000.00	NIL		10,000.00	NIL		10,000.00	NIL		10,000.00	NIL	
- Damaged to Safe	1,000.00	NIL		1,000.00	NIL		1,000.00	NIL		1,000.00	NIL	
Burglary	50,000.00	NIL		50,000.00	NIL		50,000.00	NIL		50,000.00	NIL	
Plate Glass	50,000.00	NIL		50,000.00	NIL		50,000.00	NIL		50,000.00	NIL	
Fidelity Guarantee	50,000.00	NIL		50,000.00	NIL		50,000.00	NIL		50,000.00	NIL	
All Risk	200,000.00	NIL		Covered Under Property All Risk			200,000.00	NIL		200,000.00	NIL	
Public Liability	2,000,000.00	NIL		2,000,000.00	NIL		2,000,000.00	NIL		2,000,000.00	NIL	
Group Personal Accident	30,000.00	NIL		30,000.00	NIL		30,000.00	NIL		30,000.00	NIL	
Machinery Breakdown	200,000.00	NIL		200,000.00	NIL		200,000.00	NIL		200,000.00	NIL	
Error & Omission	2,000,000.00	No Extension		2,000,000.00	Extension - Covered Loss of Documents RM200k & Libel and Slander RM200k		2,000,000.00	Extension - Covered Loss of Documents RM200k & Libel and Slander RM200k		2,000,000.00	Extension - Covered Loss of Documents RM200k & Libel and Slander RM200k	
								1,000.00 (Additional premium for Error & Omission)				
TOTAL PREMIUM			44,839.46			41,667.95			44,765.29			49,092.48
DISCOUNT												
SST (6%)			6,725.91			6,250.19			6,714.78			7,263.07
STAMP DUTY			2,386.81			2,125.07			2,283.03			2,503.72
Total Premium (After SST)			40,410.30			37,552.82			40,433.45			44,332.33

Picture 13: Summary of quotation as per existing policy

RISK IMPROVEMENT RECOMMENDATION

VA care for your property. After analyzed your existing insurance coverage and your current property risk exposure, see VA risk improvement recommendation below.

1) **Subsidence & Landslip (deletion of exclusion a)**

Recommended to include this peril with nominated sum insured RM 1 Million to cover any loss or damage to the items that is not attached to the main building such as perimeter wall and guard house of Menara Inspiration due to subsidence & landslip.

2) **Damage by Falling Trees**

Recommended to include this peril to cover the fences/awning/roof damaged caused by the falling trees in and/or outside the compound of Menara Inspiration. (see image below)



3) **Burglary**

Recommended to increase the sum insured from RM 50K to RM 300K to cover the possible loss/claim amount especially theft to generator set parts or copper tapes in Menara Inspiration and to include Full Theft extension with no sublimit.

Full Theft extension is beneficial for Menara Inspiration as with this extension, Burglary claim will be payable with the theft incident WITHOUT showing the break in sign.

Picture 14: Risk Improvement Proposed

According to the above figure, several enhancements to the existing policy have been made to reduce the risk of harm from fallen trees, burglary, as well as subsidence and landslides. This enhancement as well written in the proposal to insured assess and value the recommendation whether or not it useful for the property.

VA QUOTATION RECOMMENDATION

In this Fire Insurance Renewal Proposal, VA would like to recommend

RHB Insurance Berhad - Quotation 4 (Enhancement Coverage)

- + It is a Property All Risks Policy.
- + Payment Installment (negotiable to 4 term monthly payments).
- + Subsidence and Landslip (deletion of exclusion a) - Covered with nominated sum insured RM [REDACTED]
- + Flood - Covered with nominated sum insured RM [REDACTED]
- + Burglary - Covered with increased sum insured from RM [REDACTED] to RM [REDACTED] with NIL excess and Full Theft Extension.
- + Error & Omission - Covered with two (2) Extra extension
 - Loss of Document [REDACTED]
 - Libel & Slander [REDACTED]
- + Registered and Certified Building Revaluation - FREE without contract.
[SUM INSURED MUST BE ADOPTED RIGHT AWAY AFTER THE VALUATION REPORT IS PRESENTED]
- + FREE Thermographic Infrared Scanning Survey.

Insurance Company : RHB Insurance Berhad

Total Payable Premium : RM [REDACTED] (inclusive of Rebate, SST and Stamp Duty)

Picture 15: Quotation Recommendation

The underwriter department will examine all three quotes sent by the insurer and compare them to come up with the best quote that meets the property's needs. As a result, the underwriter will provide a summary quotation in the proposal, which we will recommend to the insured before they make a decision. Therefore, we have decided that RHB quotation is the best among them which entirely meet property's needs and support coverage.

RHB Insurance		STAMP DUTY PAID	
POLICY SCHEDULE			
JMB SUPREME INSURANCE			
POLICY NO. :		ACCOUNT CODE :	
INSURED NAME :	MENARA INSPIRATION JOINT MANAGEMENT BODY	RENEWAL NO. :	-
CORRESPONDENCE ADDRESS :	MANAGEMENT OFFICE, MENARA INSPIRATION JOINT MANAGEMENT BODY, LEVEL 16, MENARA INSPIRATION NO. 3A JALAN 13/2 SEKSYEN 13 46200 PETALING JAYA SELANGOR	COVER NOTE NO. :	
		BUSINESS REG. NO. :	-
		PERIOD OF INSURANCE :	FROM 16/11/2021 TO 15/11/2022 (BOTH DATES INCLUSIVE)
BUSINESS/OCCUPATION :	APARTMENT / CONDOMINIUM		

Picture 17: Policy from RHB Insurance

The insured and the VA will have a one-year contract, and the VA will function as an intermediary between the insured and the insurer for any claims or insurance certificate difficulties that arise. The VA will also be in charge of consulting Menara Inspiration on actions and tasks that must be completed to keep the site in excellent working order. The VA will conduct another building audit and write a proposal for the same reason, which is insurance renewal, after a year (before the policy expires). This procedure will continue until the VA is no longer acting as the site's agent.

4.0 PROBLEM AND RECOMMENDATION

Several concerns have been identified during practical training under the Technical Service Department, which to some extent affect the overall work process executed. The challenges that arise are described below, along with ideas for modifications that might be made to mitigate the situation.

PROBLEM	RECOMMENDATION
<p>Physical and visual inspection methods are used to conduct the building audit. As a result, due to height and space constraints, some areas are inaccessible to us. This has the unintended consequence of making the findings insufficient and inaccurate.</p>	<p>One of the improvements that can be done is the usage of a drone. Most drones can now be deployed and operated with very little experience due to advancements in control technology. Drones are becoming more accessible to a wider range of operators, thanks to the relatively inexpensive cost of most models. They can fly lower and in more directions, making it easier for them to navigate historically difficult-to-reach regions.</p>
<p>Building audit operations had to be undertaken virtually due to the spread of Covid-19, which necessitated a strong internet signal and excellent communication between us and the person in charge on site. The issue arises when the technician is unaware of the scope of the building audit, resulting in the data collected being useless as a reference.</p>	<p>On our part, we should create and disseminate a specialized building audit guide to the property management so that they can make preliminary revisions before the virtual building audit is completed. The scope of the inspection will be covered in detail in the handbook. With this guidance, the technician will be able to go more quickly to each site, allowing us to examine the current state of the system from a distance.</p>

PROBLEM	RECOMMENDATION
<p>The underwriter will advise to the insurer that a quote for the site be prepared. The given quotation must pass through our classification process. When such quotation is given for a large sum, there may be some issues such as delay in time to provide the insured with said quotation.</p>	<p>To avoid this from happening again, the SOP is that the insurer must supply us with quotation a week before the deadline, allowing us to make adjustments and request for corrections to insurer without influencing the deadline for quotation submission.</p>
<p>Another issue that arises frequently is that when the site is too large, it takes a long time to inspect the entire place.</p>	<p>It is suggested that the building audit conducted for such building is split into two team. By doing so, the audit will take less time to finish within the time frame.</p>

Table 4.0: Summary of Problem and Recommendation

5.0 CONCLUSION

In general, each site is unique, with different risks and hazards exposed. To provide protection and reduce risk, not only in terms of the responsibilities stipulated in the Strata Management Act, but also as a crucial first step in preserving property from future financial burdens. The major pillar should be selecting and purchasing the appropriate insurance to ensure that full coverage is supplied in accordance with the property's requirements.

As the person in charge of maintaining and managing the building or a site, they must be cautious and prudent in their judgments so that the dangers or problems that may occur are minimised. As a result, before making a choice, management should obtain guidance and counsel from a building insurance agency.

Menara Inspiration is one of the buildings that is administered in a timely and effective manner. All of the issues that arise can be resolved at the central level. Menara Inspiration has become one of the properties that is efficient in administrative affairs and has a strong relationship between us, agents, and insurer big kudos to the close cooperation of all levels of leadership.

To properly close, this internship is an excellent programme that all students should participate in. It helps me to improve and grow my abilities, knowledge, and skills. It was a memorable experience in which I gained not only new friends but also new information. The VA Risk Consultant programme is also a great place to intern because it provides a number of advantages and benefits to practical trainees.

BUILDING

AUDIT

REPORT

AVENUE D'VOGUE



Table Of Content

Area Of Survey	Page
1.0 Executive Summary 1.1 Introduction 1.2 Scope of Audit 1.3 Audit Approach	i
2.0 Objectives	ii
3.0 Site Introduction & Survey Information 3.1 Satellite Image 3.2 Site Location 3.3 Survey information	iii
4.0 Summary of The Findings 4.1 Maintenance Issues 4.2 Claimable Items	1 - 3
5.0 Detailed Audit Findings & Recommendations 5.1 Fire Alarm System 5.2 CCTV System 5.3 Aviation Obstruction Light 5.4 Lightning Arrestor and Copper Tape 5.5 Pumps & Water Tanks (Domestics & Bomba) 5.6 Lift Motor Room 5.7 Genset Room 5.8 LV Room/MDF/Consumer 5.9 Common Facilities/Common Area	4 - 42

EXECUTIVE SUMMARY

a. Introduction

VA Risk Consultant Sdn Bhd (VA) provides Building Audit (from Insurance perspective) in examining the condition of buildings and advising on ways to improve probable liability exposures arising from the gradual aging / wear & tear of the building structure, equipment, and systems. In addition, this report comprises the information of a list of claimable items through the inspection & findings during the site survey.

This Building Audit Report is prepared for Avenue D'Vouge.

b. Scope of Audit Work

- i. To observe the condition of the building not excluding the perimeter and building surroundings,
- ii. To advice and provide basic information of the preventive measure against the potential hazards.

c. Audit Approach

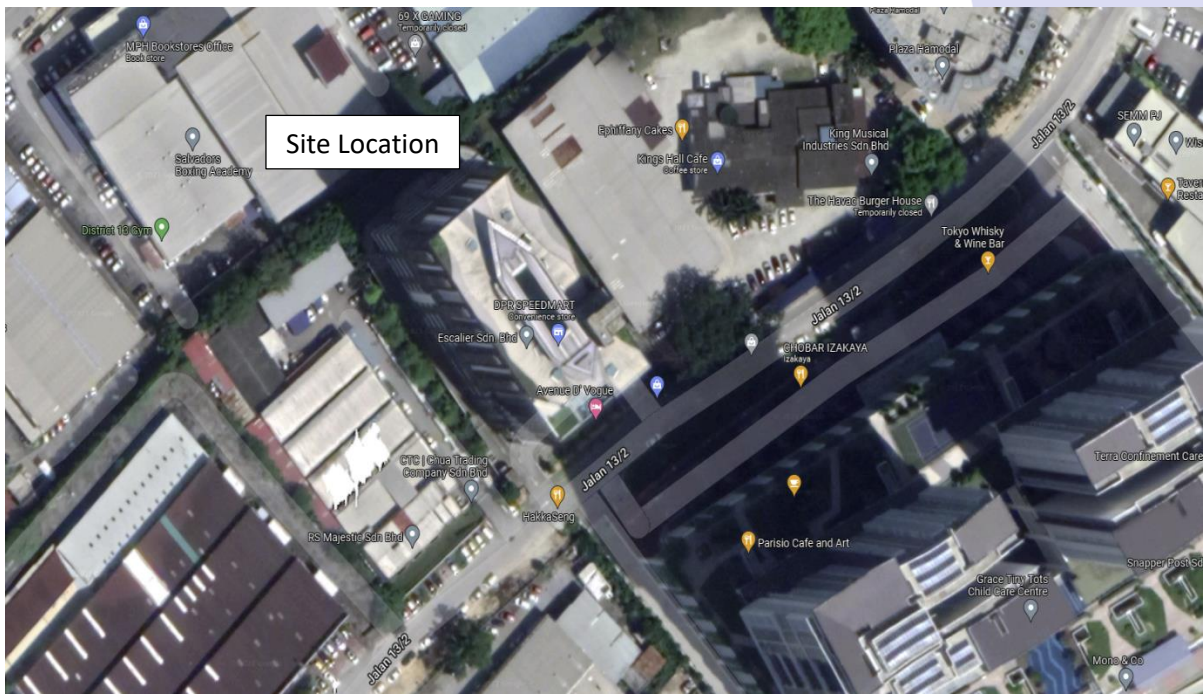
- i. Conduct visual and physical inspection on the building, genset room, LV room, fire alarm system, lift, lightning arrestor & copper tape, pump room, common facilities, and on specific areas highlighted by client.
- ii. Summarization of information obtained during the audit and building assessment.

OBJECTIVES

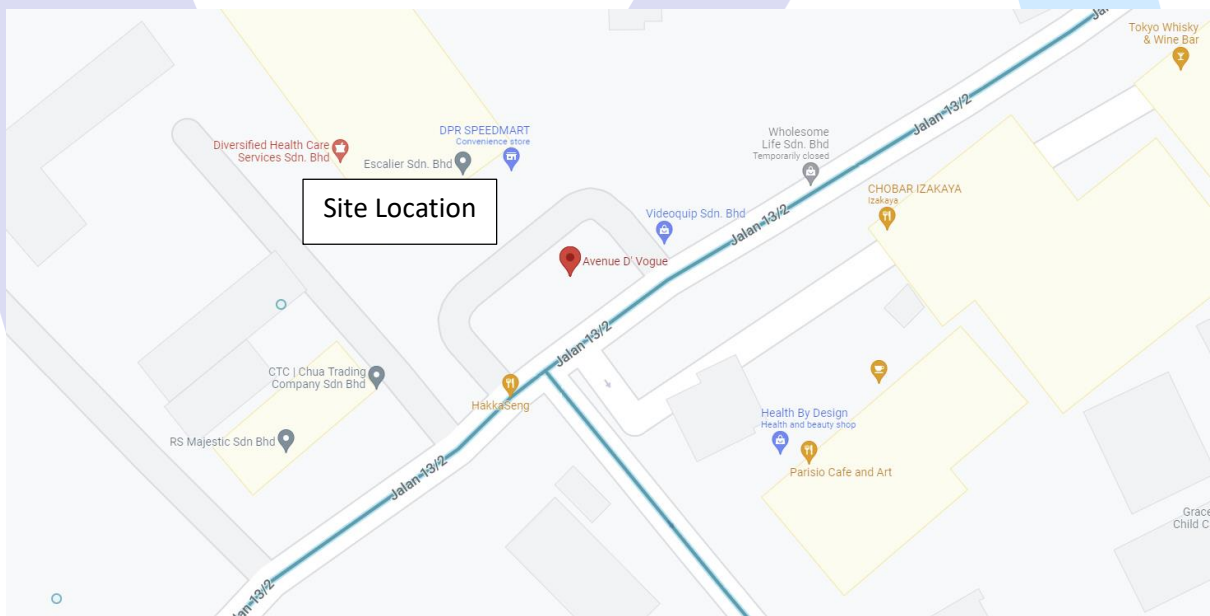
- a. Develop a baseline of the current condition for insured buildings
- b. Assist insured by advising the actions required to comply with life safety, environment, and accessibility requirements.
- c. Provide guidance and correct the observed deficiencies on the prioritized major components of the building.
- d. Advise insured for a routine inspection process for all facilities to a usable condition.
- e. Observe conditions that are potentially property damage or probable life safety hazards.
- f. Work closely with insured to ensure safe & comfort environment for all the stakeholders of the property.

Site Introduction & Survey Information

Perspective view



Site location



Survey Information

LOCATION	: Avenue D’Vougue 3A, Jalan 13/2, Seksyen 13, 46200 Petaling Jaya, Selangor
CONDUCTED BY	: VA RISK CONSULTANT SDN BHD No 53-1, Jalan Damai Perdana 6/1B, Bandar Damai Perdana, 56000 Kuala Lumpur
BUILDING SURVEYOR	: Mohamad Fadhilatul Azryn Bin Mohd Ali (Contact No: +6010 - 935 6373)
REPRESENTATIVES	: Miss Ekin (Building Manager) Mr. Aidil (Technician)
DATE OF SURVEY	: 1 st November 2021
DURATION OF SURVEY	: 2 Hours
COMPLETION OF THE BUILDING	: 2016
DEVELOPER	: N/A
Methodology	: Physical and Visual Inspection

4.0 Summary of the Findings

4.1 Maintenance Issues



- **Ventilation system has faulty and cause the room to overheat.**



- **The bulging of paint and water stain appears at the RC tank.**



- **The ceiling of basement parking shows hairline crack.**



Picture 3.4

- The trees at the common area are advised to be trimmed accordingly as it may damaging the backwash & water filter.



Picture 3.5

- The metal railing poses risks of falling off and causing harm to other property.



Picture 3.6

- Tiles at the lift hall broken due to the installation issue.



Picture 3.7

- Present of water stain and bulging paint at the wall.

4.2 Probable Claimable Items



- Aviation obstruction light faulty may be due to lightning arrestor



- Hose reel situated in safe condition. However, the fire nozzle was found missing

Remark:

1. The above reported probable claimable items are subject to client's current insurance policy coverage availability.
2. Technical report and evidence of damage must be furnished upon submission of insurance claim.

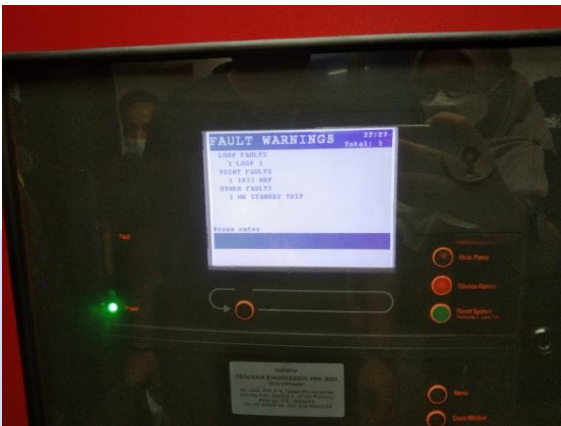
Detailed Audit Findings & Recommendations

Fire Alarm System



Picture 1.1

1. Main fire alarm panel functional and in good condition.



Picture 1.2

2. It shows faulty due to unattached cable at the pump room.

CCTV System



Picture 2.1

1. CCTV function to acceptable standard and properly maintained.



Picture 2.2

2. DVR in good condition and well-maintained

Genset Room



Picture 3.1

- 1. Light alarm indicator and fire alarm panel fully operate and in good condition**



Picture 3.2

- 2. CO₂ cylinder installed in good manner and in good condition**



Picture 3.3

- 3. CO₂ cylinder stamping shows manufacture year in 2014**



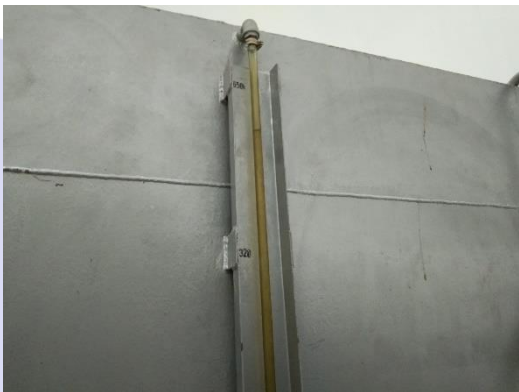
Picture 3.4

4. Copper tape in place and serviceable repair.



Picture 3.5

5. Diesel tank in good condition and well-maintained.



Picture 3.6

6. Diesel level in satisfactory level and in good condition



Picture 3.7

7. Genset in good working condition and well-maintained.



Picture 3.8

8. Auto starter in good working condition



Picture 3.9

9. Battery water level in good condition



Picture 3.10

10. The cable not properly attached, and the technician sealed it using tape



Picture 3.11

11. Automated main failure board in good working condition with the rubber mat intact and in place.



Picture 3.12

12. Smoke detector, heat detector and CO₂ sprinkler were properly installed and in satisfactory condition



Picture 3.13

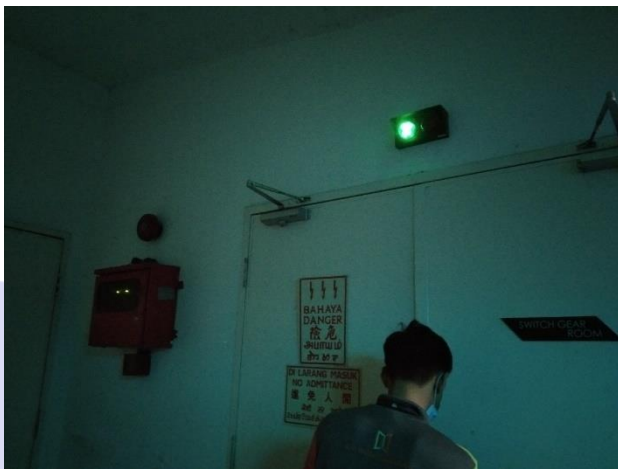
13. Fire extinguisher available for genset room and valid until 20/05/2022

LV Room/Consumer



Picture 4.1

1. Fire alarm panel and light alarm indicator at TNB room does not function. It was informed by the technician; they cannot attend to the issues as it requires an authorised person to access the room.



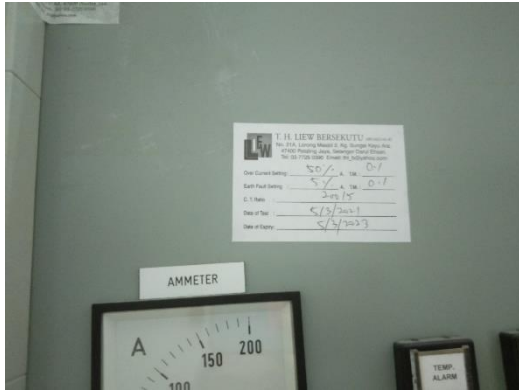
Picture 4.2

2. Fire alarm panel and light alarm indicator in good working condition.



Picture 4.3

3. The switch panel in good working condition and serviceable repair.



Picture 4.4

4. The calibration date of expiry is 5/03/2023



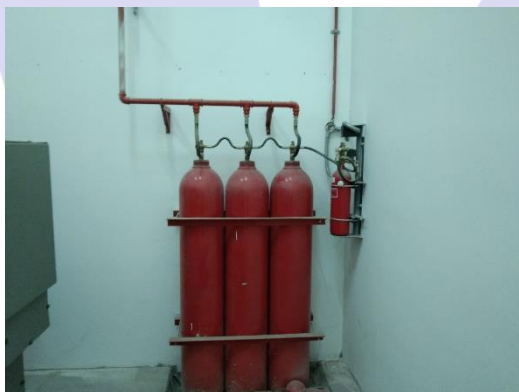
Picture 4.5

5. The control board in good working condition.



Picture 4.6

6. Copper tape available at the place and in good condition



Picture 4.7

7. CO₂ cylinder positioned in good order and satisfactory condition.



Picture 4.8

8. CO₂ cylinder stamping shows the manufacture year was in 2014



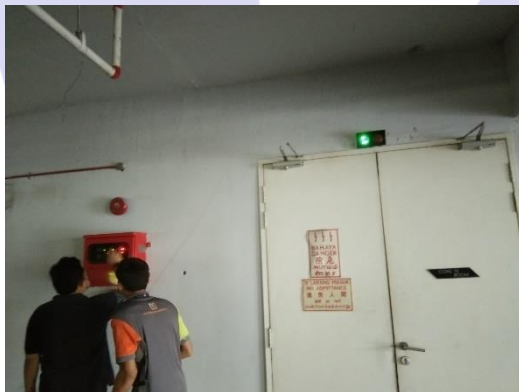
Picture 4.9

9. Smoke detector, heat detector and CO₂ sprinkler were properly installed and in satisfactory condition



Picture 4.10

10. Fire extinguisher certificate valid until 20/05/2022



Picture 4.11

11. Light alarm indicator function. Fire alarm panel shows faulty.



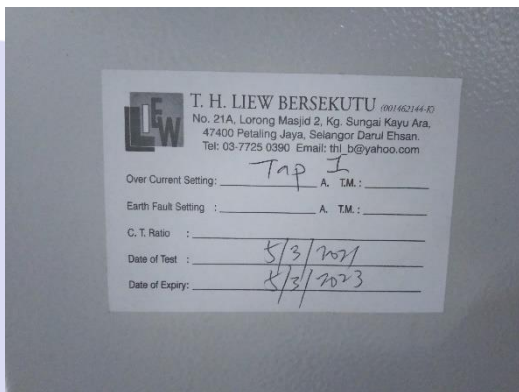
Picture 4.12

12. The fire alarm triggered due to heat detector sensed excessive heat in the room due to ventilation problem.



Picture 4.13

13. The control board in good working order and serviceable condition.



Picture 4.14

14. Calibration date of expiry is 5/03/2023



Picture 4.15

15. CO₂ cylinder installed and placed in good condition.



Picture 4.16

16. CO₂ cylinder stamping shows the manufacture year was in 2014



Picture 4.17

17. Pilot cylinder it locked to avoid gas discharged



Picture 4.18

18. Copper tape available at place and in good condition.



Picture 4.19

19. Ventilation system has faulty and cause the room to overheat.



Picture 4.20

20. Fire extinguisher certificate expiry of date is 20/05/2022.



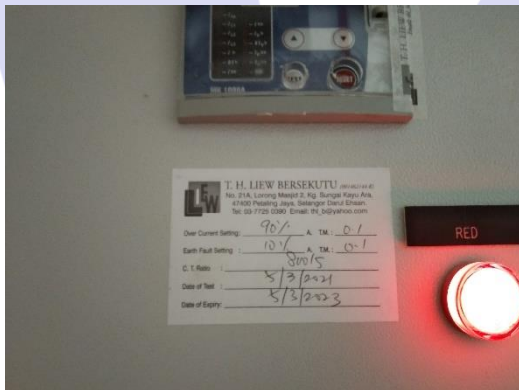
Picture 4.21

21. Both fire alarm panel and light alarm indicator are in working order Ventilation system in good condition and functional.



Picture 4.22

22. LV panel in good working condition. However, rubber mat was not available at the place.



Picture 4.23

23. Calibration date valid until 5/03/2023



Picture 4.24

24. Control panel in good working condition and properly enclosed.



Picture 4.25

25. CO₂ cylinder situated in good condition



Picture 4.26

26. CO₂ cylinder stamping shows manufacture year was in 2014



Picture 4.27

27. Copper tape in place and serviceable repair.



Picture 4.28



Picture 4.29

28. Smoke detector, heat detector and CO₂ sprinkler were properly installed and in satisfactory condition

29. Fire extinguisher certificate valid until 20/05/2022

Lift Motor Room & Lift Appearance



Picture 5.1



Picture 5.2



Picture 5.3

1. Lift motor room appears in good condition.

2. Lift motor in good working condition

3. Lift rope in good condition. However, the inspection does not cover the entire length of the rope and assessed based on visual inspection only.



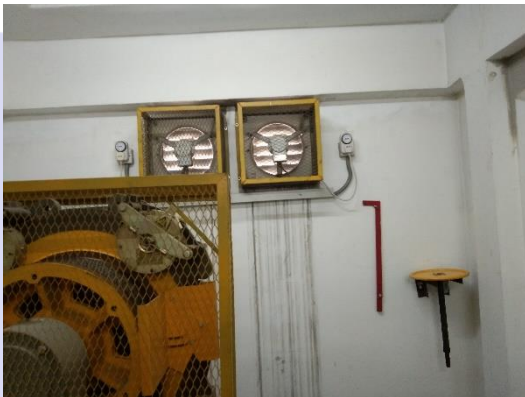
Picture 5.4

4. Lift motherboard in good working condition and well-maintained.



Picture 5.5

5. Water proofing which was installed by the technician.



Picture 5.6

6. Ventilation fan in good working condition. the present of stain at the wall was due to previous issues occurred.



Picture 5.7

7. Copper tape in place and secured.



Picture 5.8

8. Smoke detector installed in place and in good working condition.



Picture 5.9

9. Fire extinguisher expiry on 20/05/2022



Picture 5.10

10. Lift motor in good working condition and well-maintained.



Picture 5.11

11. Lift rope in good condition. However, the inspection does not cover the entire length of the rope and assessed based on visual inspection only.



Picture 5.12

12. Lift motherboard in good working condition and well-maintained.



Picture 5.13

13. Lift motherboard in good working condition and well-maintained.



Picture 5.14

14. Copper tape in place and in good working order.



Picture 5.15

15. Ventilation fan working and well-repaired.



Picture 5.16

16. Smoke detector available at the room and in good working condition.



Picture 5.17

17. Lift button intact and in usable condition.



Picture 5.18

18. Lift appearance in decent condition will hall call button function. The lift door as operates smoothly. Smoke detector as well installed and works perfectly.



Picture 5.19

19. Fire extinguisher certificate expiry is 20/05/2022

Pumps & Water Tanks



Picture 6.1

1. During the site inspection, testing on the sump pump has been conducted. All pumps work properly and the sensor as well in good condition.



Picture 6.2

2. Control board in good condition.



Picture 6.3

3. Water level indicator in place and serviceable condition. Tank cover as well in place and always enclosed.



Picture 6.4

4. Water harvesting system is used for cleaning purpose. The panel in good working condition and serviceable repair.



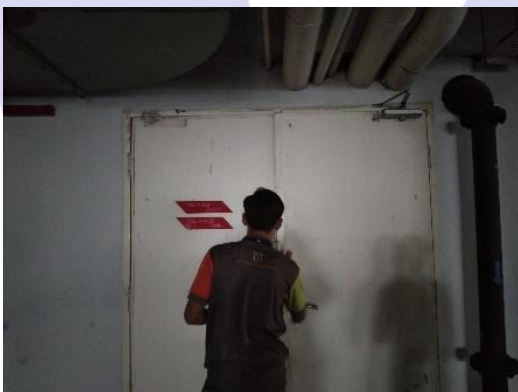
Picture 6.5

5. Swimming pool in good condition.



Picture 6.6

6. Swimming pool pump situated adjacent to the swimming pool. The pump is in good condition and functional.



Picture 6.7

7. Fire pump room appears in good condition and well-maintained.



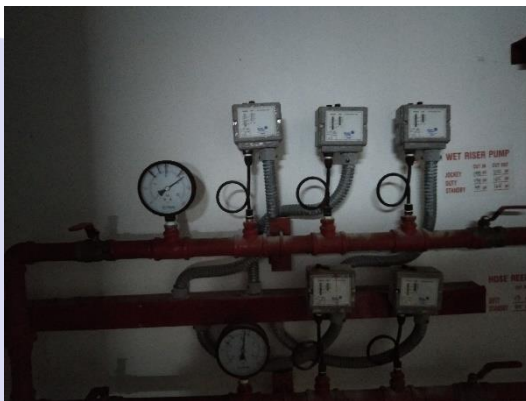
Picture 6.8

8. Fire pump in good condition and properly working



Picture 6.9

9. Water tank intact with the water level indicator in place and readable.



Picture 6.10

10. Meter gauge in good condition and functional.



Picture 6.11

11. The duty pump has minor leaking and set off by the technician. While standby pump in good condition and properly working.



Picture 6.12

12. The control board shows duty pump is set to off mode due to leaking. Meanwhile the standby pump is in manual mode.



Picture 6.13

13. The pump in good working order and well-maintained.



Picture 6.14

14. The pump in good working order and well-maintained.



Picture 6.15

15. Water sprinkler control board I good condition and always enclosed.



Picture 6.16

16. BOMBA control board in good condition and properly enclosed.



Picture 6.17

17. Water level indicator in good working condition and readable.



Picture 6.18

18. The bulging of paint and water stain appears at the RC tank.



Picture 6.19

19. RC tank has leaking. The water stain and chipped of concrete are visible at the bottom of the tank.



Picture 6.20

20. Pump room appears in good condition and well-maintained.



Picture 6.21

21. Water filter and pumps working in rotation basis and well-maintained.



Picture 6.22

22. Panel power working and in good condition.



Picture 6.23

23. The pumps in good working condition and well-maintained.



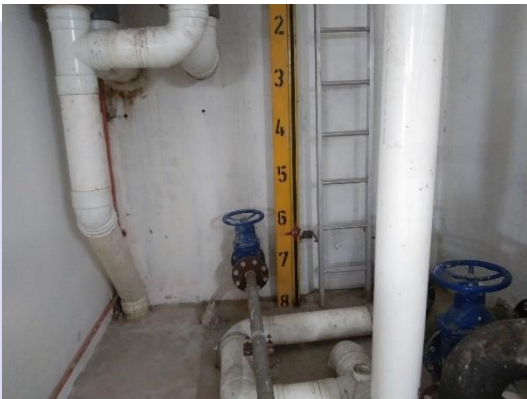
Picture 6.24

24. Water level indicator in good working order and readable.



Picture 6.25

25. Water filter and pump booster in good condition and functional.



Picture 6.26

26. Water level indicator working and in good condition.



Picture 6.27

27. Tank cover in place and intact

Aviation Obstruction Light



Picture 7.1

- 1. Lighting arrester in place and in good condition.**



Picture 7.2

- 2. Aviation obstruction light dysfunction may be due to lightning strike.**

Access Card System and Barrier Gate



Picture 8.1

- 1. Barrier gate functional and serviceable repair.**



Picture 8.2

- 2. Access card reader positioned in good condition and functional. The CCTV as well working**



Picture 8.3

- 3. Lighting at the barrier gate not properly function. The technician has noted the issues for maintenance work.**

Common Facilities & Common Area



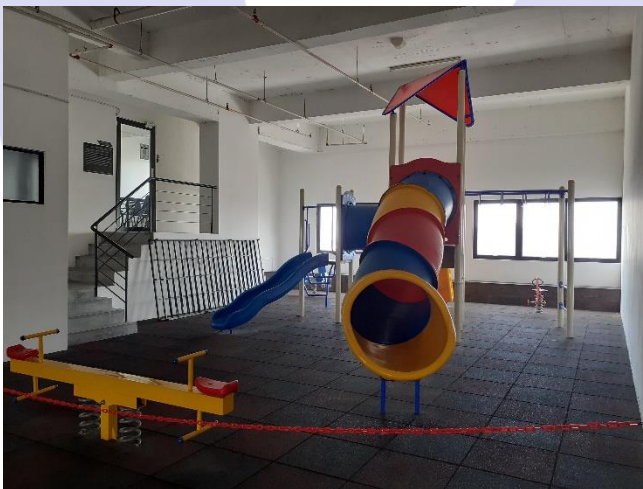
Picture 9.1

1. Access road to parking area. The signage in good condition.



Picture 9.2

2. Backwash and water filter in good working condition.



Picture 9.3

3. Playground appears in good condition



Picture 9.4

4. Reading room appears in good condition and well-maintained.



Picture 9.5

5. CCTV installed at the common area and functional.



Picture 9.6

6. Swimming pool at level 16 in good condition and functional.



Picture 9.7

7. Gymnasium in good condition with the glass are intact and serviceable repair.



Picture 9.8

8. The toilet in good condition.



Picture 9.9

9. Lift appearance in satisfactory condition and well-maintained.



Picture 9.10

10. The corridor appears in good condition, clean and well-maintained.



Picture 9.11

11. Gymnasium well-equipped and in good working condition.



Picture 9.12

12. BBQ area in good condition and well-maintained.



Picture 9.13

13. Glass roof at the entrance in good condition and intact



Picture 9.14

14. Grocery shop at the ground floor in serviceable repair. It is under care of management.



Picture 9.15

15. The entrance of building appears in good condition and the glass door in serviceable condition.



Picture 9.16

16. Fire hydrant and hose reel situated in good condition and functional.



Picture 9.17

17. The plate glass in good working condition.



Picture 9.18

18. Laundry area appears in decent condition and well-maintained.



Picture 9.19

19. The trees at the common area are advised to be trimmed accordingly as it may damaging the backwash & water filter.



Picture 9.20

20. Fire hydrant and hose reel in good condition and well-maintained



Picture 9.21

21. Mail room appears in decent condition and well-maintained. The glass door as well in serviceable repair.



Picture 9.22

22. Hose reel situated in safe condition. However, the fire nozzle was found missing.



Picture 9.23

23. Basement parking in good condition and well-maintained.



Picture 9.24

24. The signage at the basement appears in decent condition.



Picture 9.25

25. Retaining wall install at the perimeter area in good condition.



Picture 9.26

26. The trees are advised to be trimmed accordingly to avoid the branch fell off and damage the building



Picture 9.27

27. Swimming pool at the rooftop is under developer.



Picture 9.28

28. Hose reel and wet riser is stored at safe place and properly enclosed.



Picture 9.29

29. Glass railing at the rooftop in good condition and intact



Picture 9.30

30. The metal railing poses risks of falling off and causing harm to other property.



Picture 9.31

31. The door has sealed by the developer to avoid water from seeping through and damage the lift



Picture 9.32

32. Tiles at the lift hall broken due to the installation issue.



Picture 9.33

33. Present of water stain and bulging paint at the wall.



Picture 9.34

34. The ceiling of basement parking shows hairline crack.



Picture 9.35

35. The ceiling of basement parking shows hairline crack.



Picture 9.36

36. The floor of basement parking shows hairline crack.



Picture 9.37

37. The ceiling of basement parking shows hairline crack.



Picture 9.38

38. The plastering work to cover the crack that occurred at the surau



Picture 9.39

39. Hollow sound from the tiles.



Picture 9.40

40. The plastering work to cover the crack that occurred at the surau



Picture 9.41

41. Wet riser in good working condition and properly enclosed



Picture 9.42

42. Rubbish house appears in good condition and well-maintained. It was informed the rubbish house had fire due to unknown source and repairing work has undertaken



Picture 9.43

43. Air well in good condition.

***** END *****