

SERVICE CONTRACT LIABILITY INSURANCE POLICY

PROSPECTUS

This policy is designed to provide a coverage to manufacturer / Whole seller / Retailer/ Any other entity/ subject to the Contract issued.

COVERAGES:

Accidental Damage: -

We will pay for physical loss or damage to the covered Product resulting from an accident during the Contract Period.

CONTRACT:

The Contract may be offered within a specified period of purchase of a covered new Product as specified in the schedule:

- 1) The Product is manufactured in India or is legally imported in India & sold through Official Channels supported by an invoice.
- 2) The Product is purchased new.

OPTIONAL COVERS :

The following extensions to base covers can be opted by Insured on payment of additional premium to the Company.

1. Mechanical and Electrical Breakdown

It is hereby agreed and declared that, any loss or damage caused due to Mechanical or Electrical derangement or Breakdown is covered for the items covered under the Categories- Kitchen Appliances, Household Appliances / Electronic & Portable Gadgets subject to the exclusions, basis of indemnity, terms and conditions of the Policy.

2. Specific Matter Endorsement

It is hereby agreed and declared that

All other terms and conditions remain unchanged.

PRODUCT CATEGORIES UNDER THE POLICY

Sr. No.	Categories	Sub Categories
1	Apparels and Footwear	Clothing, Designer Clothing, Wedding Dress , Curtains, Bed linen, Shoes, Boots, Slippers and other related products
2	Fashion Items	Handbags, Spectacles, Belts, Wallets, Helmet, Wrist Watches and other related products
3	Kitchen Appliances	Gas Stove, Induction, Coffee Maker, Toaster, Ovens, Blender, Food Processor, Mixer, Electric Grill, Iron, Pressure Cooker and other related products
4	Household Appliances/Electronic	Vaccum Cleaner, Electric Water Boiler, Clothes Dryer, Refrigerator, Washing Machine, Television and other related products
5	Household Furniture/Non-Electronic	Tables, Chairs, Beds, Desks, Dressers, Cupboards, Furniture, Fittings, Clock, other related products
6	Portable gadgets	Projector, Laptops, Mobiles , iPad, Digital Wrist Watch, Camera, Microphone, Bluetooth Headphones, tablets ,Notebook computers, Digital Pen, Musical Instruments(Electronic / portable), AR & VR Headsets, and other related items.

EXCLUSIONS:

This policy is subject to exclusions.

1. The excess stated in the Schedule to be borne by the Insured for each and every occurrence.
2. Loss or Damage caused by any process of cleaning, dyeing or bleaching, restoring, servicing, wear & tear, preventative maintenance, repairing or renovation or deterioration arising from moth, vermin, insects, rodents, termites, cockroaches, or mildew or any other gradually operating cause.
3. Loss or damage due to corrosion, rust, denting, scratching, blockages or dust.
4. Fading, colour loss or colour change and/or cracking and peeling of leather or vinyl.
5. Any loss or damage caused by stains due to whatever reason.

6. a) Loss or damage whether directly or indirectly arising from War, Warlike operations, Act of Foreign Enemy, Hostilities (whether war be declared or not), Civil war, Rebellion, Insurrection, Civil Commotion, Military or Usurped Power, Seizure, Delay, Capture, Confiscation, Arrests, Restraints and Detainment by the order of any Government authority.

b) Any loss or damage directly or indirectly arising from Nuclear Weapons/Material/Radiations.
7. Consequential loss or legal liability of any kind.
8. Any Unexplained Loss/Damage/Disappearance of the covered Product.
9. Loss or damage to the covered Product due to unlawful act or illegal activities including criminal acts or intentional or fraudulent act by You or Your representative or Customer including family member, domestic help or staff member of customer.
10. Loss or damage to the covered Product due to misuse, reckless, abusive, willful or intentional conduct associated with handling and use of the covered Product.
11. Any latent / inherent defect or Recall Campaign in the event of mass failure of the Products covered or any use other than in accordance with manufacturer's recommendation or use of any accessory which has not been approved by the manufacturer with the covered Product.
12. Any Pre-existing conditions, damages or cosmetic loss or damage including but not limited to peeling of paint, improper storage, scratches and dents that do not otherwise affect the functionality of the covered item.
13. Product covered with a Unique Identification Number that has been altered, defaced or removed, or has been modified to alter its functionality or capability without the written permission of manufacturer, unless specified in the Contract.
14. Loss damage directly or indirectly caused by, or arising from Burglary or Theft.
15. Loss damage directly or indirectly caused by, consisting of, or arising from: a) any functioning or malfunctioning of the internet or similar facility, or of any intranet or private network or similar facility, b) any corruption, destruction, distortion, erasure or other loss or damage to data, software, or and kind of programming or instruction set, c) loss of use or functionality whether partial or entire of data, coding, program software, any computer or computer system or other device dependent upon any microchip or embedded logic, and any ensuing liability or failure of the Insured to conduct business d) Malfunctioning or deterioration in the performance of Product insured by unauthorized software/virus, software updates.
16. Loss or Damage to Product insured whilst in the custody of any person other than Customer, Customer's Family.
17. Loss or damage to Product insured due to moisture where there is no physical ingress of water and loss or damage due to heat/smoke unless there is an actual fire.
18. Terrorism Damage Exclusion Warranty: Notwithstanding any provision to the contrary within this insurance it is agreed that this insurance excludes loss, damage cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force or violence and / or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purpose including the intention to influence any government and/or to put the public, or any section of the public in fear.

The warranty also excludes loss, damage, cost or expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to action taken in respect of any act of terrorism.

If the company alleges that by reason of this exclusion, any loss, damage, cost or expenses is not covered by this insurance the burden of proving the contrary shall be upon the insured.

In the event, any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

19. Costs if no fault is found in the Product.
20. Damage/failure caused before or during Product delivery.
21. Replacement of any consumable item or accessory or software. These include, but are not limited to - plugs, fuses, batteries, light bulbs, light covers, cables, filters, attachments, belts, toner, ribbons, drums, tapes and items of similar nature.
22. Costs arising from incorrect installation, modification or maintenance, use of batteries, charger and / or accessories not approved by the manufacturer, incorrect electrical leads or connection.
23. Any loss or damage to the covered product used for commercial, rental or profit generation purposes.
24. Loss or damage to Battery internal or external to the covered Product.
25. Any loss or damage due to Misplacement of covered Product.
26. Loss or damage caused by Mechanical or Electrical derangement or Breakdown of any covered Product.
Breakdown shall mean the actual failure breaking distortion or burning out of equipment arising out of
 - a) Mechanical or electrical defects in the covered product.
 - b) Failure, fluctuation of electricity supply.
27. Over winding, scratching, denting or internal damage of watches and clocks.
28. Any damage to packing, both internal and external is not covered.
29. Any loss or damage caused at insured premises is not covered.
30. This insurance does not cover any loss or damage to property which, at the time of the happening of such loss or damage, is insured/covered by or would, but for the existence of this Policy, be insured/covered by any policy or policies/Manufacturer's Guarantee/Warranty except in respect of any excess beyond the amount which would have been payable under the policy or policies/Guarantee/Warranty had this insurance not been effected.

POLICY TENURE

This Policy is designed to provide insurance protection for covered product which is in subject matter in respect of Contract sold/offered to the Customers. Policy can be purchased for tenure of 1 year and contract can be of duration of up to 1 years depending on the need. Risk in respect of each contract must start within the policy period.

PRODUCTS COVERED:

As stated in attached Annexure I. Products that may be included from time to time.

SUM INSURED

It is the aggregate amount of each Contract covered in the Policy which is our maximum liability that we will pay. Minimum sum insured required is INR 5 Cr.

Sum Insured will be on Invoice Value (Aggregate).

DEDUCTIBLE

1% of the Sum insured subject to minimum of INR. 50/- for each and every claim.

DEPRECIATION

Apparels and Footwear, Accessories for all categories

Age of the Covered Product	Depreciation Percentage
0-90 days	20%
Above 90 days	60%

Kitchen Appliances, Household Appliances/Electronics, Household Furniture/Non-Electronics

Age of the Covered product	Depreciation Percentage
0-90 days	20%
91-180 days	30%
181 days – 270 days	40%
Above 270 days	50%

Portable Gadget

Age of the Covered product	Depreciation Percentage
0-90days	20%
91-180 days	30%
181 days – 365 days	50%

CANCELLATION

The Company may at any time cancel the Policy on grounds of mis-representation, non-disclosure of material facts, fraud, non-cooperation by the insured by sending thirty days' notice in writing to the insured at his last known address in which case the Company shall return to the insured a proportion/ pro-rata portion of the premium corresponding to the unexpired period of insurance provided that if no claim has been paid under the policy.

The policy may also be cancelled by the insured at any time by giving thirty days' notice in writing to the Company and in such event the Company shall allow refund of premium at Company's short period premium calculation as given below provided no claim has occurred up to the date of cancellation.

Table of Short period rates	
Period of Risk	Amount of premium to be retained by the company
For a period not exceeding 1 month	1/8 th of Annual Premium
For a period not exceeding 2 months	2/8 th of Annual Premium
For a period not exceeding 3 months	3/8 th of Annual Premium
For a period not exceeding 4 months	4/8 th of Annual Premium
For a period not exceeding 5 months	5/8 th of Annual Premium
For a period not exceeding 6 months	6/8 th of Annual Premium
For a period not exceeding 7 months	7/8 th of Annual Premium
For a period exceeding 7 months	Full Annual Premium

Effect of Cancellation - Upon Cancellation of this Policy, We shall cease to insure You for liability under Contract sold/offered by You after the cancellation date, but the provisions of this Policy shall continue to govern the respective rights and obligation of the parties hereto in relation to each outstanding Contract sold/offered by You prior to the date of cancellation until such Contract terminates in accordance with its terms.

Geographical Territory - Within India

Condition of Average - Unless specifically stated in the Schedule, If the Sum insured is less than the amount required to be insured as per provisions hereinabove, we will pay only such proportion as the Sum insured bears to the amount required to be insured. Every Product if more than one shall be subject to this condition separately.

Notices –

All notices and other communications provided for in this Policy shall be in writing and shall be deemed to have been duly given if (i) delivered personally, (ii) sent by prepaid courier, with a record of receipt, or (iii) mailed by registered or certified mail, return receipt requested, in each case to the appropriate authority at the respective address. Each notice or communication shall be deemed to be effective when given, unless otherwise specified herein.

Conditions When a Claim Arises

1. Claim Procedure

A. In the event of any circumstances likely to give rise to a claim You must:

- i Intimate us as soon as reasonably possible, but in any event within 7 days of the date of the incident.
- ii Take all reasonable steps to recover Product insured which has been lost and protect /safe guard damaged Product from further loss or damage.

iii Provide all proofs, certificates, evidence, assistance or information which We may reasonably require.

B. The documents normally required to be submitted in the event of a claim are –

- Duly completed Claim form
- Estimate of loss / repairs
- Invoice/ Bills/Receipts
- Any other details/documents called for a specific loss

C. Claim Payment –

All admissible claims under this Policy shall be settled by Us within 30 working days from the date of receipt of all requisite claim/ investigation papers.

D. Basis of Indemnity

The Company will pay the insured the Invoice value minus depreciation or market value whichever is less of the Property Insured at the time of loss or damage. Wherever partial loss is identified, market value of the product will be considered in order to admit the claim. Market Value is applicable on specific products as mentioned in Policy Schedule.

(The list of documents furnished above is illustrative but not exhaustive. We may request for additional documents depending on the nature and circumstances of loss.)

For detailed information on this product, terms and conditions etc., please refer to the product policy clause, consult your advisor or visit our website before concluding a sale. Tax benefits are subject to change due to change in tax laws. Insurance is the subject matter of solicitations

ABOUT US

Future Generali India Insurance is a joint venture between the Future Group – the game changers in Retail Trade in India and Generali - an 191 year old global insurance group featuring among the world's 70 largest companies*. Future Generali has been aptly benefitting from the Indian expertise and network of Future Group and the global insurance insight in diverse product classes of Generali Group. Our competitive edge, extensive range of general insurance products, wide network, claim servicing capabilities and the ability to provide all possible general insurance solutions under one roof, makes us the most preferred partner for our customers.

*As per Fortune Global 500 Ranking (2020)

SECTION 41(2). OF INSURANCE ACT, 1938-PROHIBITION OF REBATES:

No person shall allow or offer to allow either directly or indirectly as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate except such rebate as may be allowed in accordance with the published prospectuses or tables of the Insurer.

Any person making default in complying with the provisions of this section shall be punishable with fine, which may extend to Ten Lakhs Rupees.

*****END*****