

# **BUSINESS SURAKSHA POLICY WORDINGS**

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## **BUSINESS SURAKSHA**

Whereas the **Insured** has made to Future Generali India Insurance Company Ltd (hereinafter called the "**Company**"), a proposal which is hereby agreed to be the basis of this **Policy** and has paid the premium specified in the **Schedule**, now the **Company** agrees, subject always to the following terms, conditions, exclusions, and limitations, to indemnify the **Insured** in excess of the amount of the **Deductible** and subject always to the **Sum Assured** against such loss as is herein provided.

### **Definitions**

The following words or terms shall have the meaning ascribed to them wherever they appear in this **Policy**, and references to the singular or to the masculine shall include references to the plural and to the female wherever the context so permits:

**"Policy Period"** means the period between the commencement date and the expiry date shown in the Schedule.

**"Insured"** means the person named in the **Schedule** who is insured by the Company.

**"Insured Premises"** means the property named in the **Schedule** so long as the use of the same is restricted to solely as mentioned in the schedule.

**"Schedule"** means the means that portion of the Policy which sets out details of risk, Your personal details, the type of insurance cover in force, the period and the sum insured. Any Annexure or Endorsement to the Schedule shall also be a part of the Schedule.

**"Plate Glass"** means the glass described in Schedule.

**"Burglary"** means the unforeseen and unauthorised entry to or exit from the **Insured Premises** by aggressive and detectable means with the intent to steal **Contents** there from.

**"Contents"** means the items specified in the Schedule.

**"Valuables"** means: gold or silver or any precious metals or articles made from any precious metals; watches or Jewellery or Precious Stones or models or coins or curios, sculptures, manuscripts, stamps, collections of stamps, rare books, medals, moulds, designs or any other collectibles; deeds, ATM cards, credit cards, charge cards, bonds, bills of exchange, bank, treasury or promissory notes, cheques, money, securities, or any other negotiable instrument;

**"Policy"** means the proposal, the Schedule, the **Policy** documents and any endorsements attaching to or forming part thereof either on the effective date or during the Policy Period.

**"Occupation"** means Occupation of **Insured** as shown in the **Schedule** or as declared to **Us** in the **Proposal**

**"Accident"** or **"Accidental"** means a sudden, unintended, fortuitous visible and external event and does not include any naturally occurring condition or degenerative process.

**"Bodily Injury"** means physical bodily harm or injury (but does not include any mental sickness, disease or illness) which first occurs during the Policy Period and requires inpatient treatment in a Hospital by a Physician.

**"Hospital/ Nursing Home"** means any institution in India established for indoor care and treatment of sickness and Injuries and which

- (a) Is properly licensed, and in areas where licensing facilities are unavailable, the institution must be one recognized in the locality as a Hospital, has at least 10 inpatient beds and must satisfy (b) to (d) below;
  - (b) Is primarily engaged in providing diagnostic, medical and surgical facilities for care and treatment of injured or sick persons on an inpatient basis, and is not an institution which is primarily a rest or convalescent facility, a place for custodial care, a facility for the aged or alcoholics or drug addicts or for the treatment of mental disorders.
  - (c) Employs Doctors and qualified nursing staff who are permanently available on the premises to provide necessary medical care and attention to the patients on 24 -hour basis;
  - (d) Maintains daily medical records for each of its patient
- "Permanent Total Disablement"** means disablement which entirely prevents an Insured Person from attending to any Business or Occupation of any and every kind and which lasts 12 months and at the expiry of that period is beyond hope of improvement.

**"Permanent Partial Disablement"** means doctor certified total and continuous loss or impairment of a body part or sensory organ specified

**"Sum Assured"** means the amount stated in the Schedule, which is the maximum amount (regardless of the number of amount of claims made or the number of the **Insureds** who make a claim) for any one claim and in the aggregate for all claims for which the **Company** will make payment in relation to the Cover to which the **Sum Assured** relates during the **Policy Period**.

**"Deductible"** means the amount stated in the **Schedule** which shall be borne by the **Insured** in respect of each and every Claim made under this **Policy**. The **Company's** liability to make any payment under the **Policy** is in excess of the **Deductible**.

**"Damages"** means monetary sums payable pursuant to judgments or awards and/or settlements negotiated by or on behalf of the **Insured**, but shall not include fines, penalties, punitive damages, exemplary damages, non-pecuniary relief, taxes, or any other amount for which an **Insured** is not financially liable, or which is without legal recourse to the **Insured**, or any matter that may be or be deemed to be uninsurable under Indian law.

**"Electronic Equipment"** shall mean the items as specified in the **Schedule** and which are contained or fixed at or in the **Insured Premises**.

**"Jewellery"** means the items of **Jewellery** specified in the Schedule.

**"Precious Items"** means the items specified in the Schedule.

**"Property Damage"** means actual physical damage to tangible material property belonging to a third person.

**"We, us, our"** means Future Generali India Insurance Company Limited.

**"You, your"** means the person (or people) named in the schedule, their domestic partner and members of their family (or families) who are permanently living with them

### **COVERS**

On the happening of any insured event as provided for hereunder arising during the **Policy Period** and notified as prescribed, **We** will make payment as provided for under each Cover but only up to the **Sum Insured** as specified in the **Schedule** against each Cover or each sub-limit of the **Sum Insured**, as the case may be.

### **SECTION-I STANDARD FIRE & SPECIAL PERILS**

#### **PROTECTION OF YOUR ASSETS AGAINST STANDARD FIRE & SPECIAL PERILS**

##### **Buildings and/or Contents (Excluding Valuables)**

The Business Suraksha Policy covering Buildings and/or contents (under this section) is to show block wise separate amounts on (i) Building (ii) Machinery and accessories (iii) Stock and Stock-in-Process and (iv) Furniture, Fixtures and Fittings and (v) other contents..

**We** will indemnify **You** in respect of loss of or damage to the Building and / or contents specified in the **Schedule** against perils mentioned under heading 'covered accidents' below:

##### **Covered Accidents**

1. **Fire:** Excluding destruction or damage caused to the property insured by:
  - a. i) Its own fermentation, natural heating or spontaneous combustion.
  - ii) Its undergoing any heating or drying process.
- b. Burning of property insured by order of any Public Authority.
2. **Lightning.**
3. **Explosion/implosion:** Excluding loss, destruction of or damage:
  - a. To boilers (other than domestic boilers), economisers or other vessels, machinery or apparatus (in which steam is generated) or their contents resulting from their own explosion/ implosion,
4. Caused by centrifugal forces.
5. **Aircraft Damage:** Loss, Destruction or damage caused by Aircraft, other aerial or space devices and articles dropped there from excluding those caused by pressure waves.
6. **Riot, Strike and Malicious Damage:** Loss of or visible physical damage or destruction by external violent means directly caused to the property insured but excluding those caused by:

- a. Total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.
  - b. Permanent or temporary dispossession resulting from confiscation, commandeering, requisition or destruction by order of the Government or any lawfully constituted Authority.
  - c. Permanent or temporary dispossession of any building or plant or unit or machinery resulting from the unlawful occupation by any person of such building or plant or unit or machinery or prevention of access to the same.
  - d. Burglary, housebreaking, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any malicious act.
7. **Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Flood and Inundation:** Loss destruction or damage directly caused by storm, cyclone, typhoon, tempest, hurricane, flood or inundation excluding those resulting from volcanic eruption or other convulsions of nature.
  8. **Impact Damage:** Loss of or visible physical damage or destruction caused to the property insured due to impact by any Rail/ Road vehicle or animal by direct contact not belonging to or owned by:
    - a. the **Insured** or any occupier of the premises or
    - b. their employees while acting in the course of their employment.
  9. **Subsidence and Landslide including Rock slide:** Loss, destruction or damage directly caused by Subsidence of part of the site on which the property stands or Land slide/ Rock slide excluding:
    - a. the normal cracking, settlement or bedding down of new structures
    - b. the settlement or movement of made up ground
    - c. coastal or river erosion
    - d. defective design or workmanship or use of defective materials
    - e. demolition, construction, structural alterations or repair of any property or groundwork or excavations
  10. **Bursting and/ or overflowing of Water Tanks, Apparatus and Pipes.**
  11. **Missile testing operations.**
  12. **Leakage from Automatic Sprinkler Installations,** excluding loss, destruction or damage caused by
    - a. Repairs or alterations to the buildings or premises
    - b. Repairs, Removal or Extension of the Sprinkler Installation
    - c. Defects in construction known to the Insured.
  13. **Bush Fire,** excluding loss, destruction or damage caused by Forest Fire.
  14. **Earthquake – Fire and Shock (As per attached EQ endorsement)**

**Terrorism:** As per Terrorism endorsement enclosed if opted

#### Specific Exclusions Applicable to Section – I

##### This section does not cover

1. Loss, destruction or damage to bullion or unset precious stones, any curios or works of art for an amount exceeding Rs. 10000/-, manuscripts, plans, drawings, securities, obligations or documents of any kind, stamps, coins or paper money, cheques, books of accounts or other business books, computer systems records, explosives unless otherwise expressly stated in the policy.
2. Loss, destruction or damage to the stocks in Cold Storage premises caused by change of temperature.
3. Loss, destruction or damage to any electrical machine, apparatus, fixture, or fitting arising from or occasioned by over-running, excessive pressure, short circuiting, arcing, self heating or leakage of electricity from whatever cause (lightning included) provided that this exclusion shall apply only to the particular electrical machine, apparatus, fixture or fitting so affected and not to other machines, apparatus, fixtures or fittings which may be destroyed or damaged by fire so set up.
4. Expenses necessarily incurred on (i) Architects, Surveyors and Consulting Engineer's Fees and (ii) Debris Removal by the Insured following a loss, destruction or damage to the Property insured by an insured peril in excess of 3% and 1% of the claim amount respectively.
5. Loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever.
6. Loss, or damage by spoilage resulting from the retardation or interruption or cessation of any process or operation caused by operation of any of the perils covered.
7. Loss by theft during or after the occurrence of any insured peril except as provided under Riot, Strike and Malicious Damage cover.

8. Any Loss or damage occasioned by or through or in consequence directly or indirectly due to Volcanic eruption or other convulsions of nature.
9. Loss or damage to property insured if removed to any building or place other than in which it is herein stated to be insured, except machinery and equipment temporarily removed for repairs, cleaning, renovation or other similar purposes for a period not exceeding 60 days.
10. Excess for each and every claim will be as mentioned on the policy schedule.

#### Basis of Loss Settlement to Section - I

In case of partial loss we shall pay the cost required for reinstating or repairing the affected items to their previous state before the loss. No depreciation shall be applicable.

In case of total loss we shall pay the cost of replacing or reinstating the property affected with that of the same kind or type but not superior to or more extensive than the insured property when new as on the date of loss.

Until expenditure has been incurred by the insured in replacing or reinstating the property destroyed or damaged, the company shall liable for payment only to the extent of the actual value of the property before the loss.

#### POLICY CLAUSES / ENDORSEMENTS WORDINGS

Note:-

Unless otherwise mentioned against the respective clause, the policy is subject to clauses/ warranties as appearing in the policy schedule. The clauses applicable are part of the Policy and shall be taken into account for interpretation and determination of Insurer's liability under the Policy

#### DESIGNATION OF PROPERTY CLAUSE

For all purpose of determining, where necessary, the item under which any property is insured, the insurers agree to accept the designation under which the property has been entered in the insured's books.

#### LOCAL AUTHORITIES CLAUSE

"The insurance by this policy extends to include such additional cost of reinstatement of the destroyed or damaged property hereby insured as may be incurred solely by reason of the necessity to comply with the Building or other Regulations under or framed in pursuance of any act of Parliament or with Byelaws of any Municipal or Local authority provided that

- 1) The amount recoverable under this extension shall not include:
  - a) The cost incurred in complying with any of the aforesaid Regulations or Byelaws,
    1. in respect of destruction or damage occurring prior to the granting of this extension,
    2. In respect of destruction or damage not insured by the policy.
    3. under which notice has been served upon the insured prior to the happening of the destruction of damage,
    4. in respect of undamaged property or undamaged portion of property other than foundations (unless foundations are specifically excluded from the insurance by this policy ) of that portion of the property destroyed or damaged,
  - b) The additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations of Bye-laws not arisen,
  - c) The amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid Regulations or Bye-laws.
- 2) The work of reinstatement must be commenced and carried out with reasonable dispatch and in case must be completed within twelve months after the destructions or damage or within such further time as the Insurers may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-laws so necessitate) subject to the liability of the insurer under this extension not being thereby increased.
- 3) If the liability of the insurer under (any item of) the policy apart from this extension shall be reduced by the application of any of the terms and conditions of the policy then the liability of the Insurers under this extension (in respect of any such item) shall be reduced in like proportion.
- 4) The total amount recoverable under any item of the policy shall not exceed the sum insured thereby.
- 5) All the conditions of the policy except in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.
- 6) No additional premium shall be charged for inclusion of this clause in this policy. "

#### **REINSTATEMENT VALUE CLAUSE**

"It is hereby declared and agreed that in the event of the property insured under within the policy being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the policy is to be calculated shall be cost of replacing or 3tating on the same site or any other site with property of the same kind or type but not superior to or more extensive than the insured property when new as on date of the loss, subject to the following Special Provisions and subject also to the terms and conditions of the policy except in so far as the same may be varied hereby."

#### **Special Provisions**

1. The work of replacement of reinstatement (Which may be carried out upon another site and in any manner suitable to the requirements of the insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch and in any case must be completed within 12 months after the destruction or damage or within such further time as the company may in writing allow, otherwise no payment beyond the amount which would have been payable under the policy if this memorandum had not been incorporated therein shall be made.
2. Until expenditure has been incurred by the Insured in replacing or reinstating the property destroyed or damaged the Company shall not be liable for any payment in excess of the amount which would have been payable under the policy if this memorandum had not been incorporated there in.
3. If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered had been destroyed, exceeds the sum Insured thereon or at the commencement of any destruction or damage to such property by any of the perils insured against by the policy, then the insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the policy (if more than one) to which this memorandum applies shall be separately subject to the foregoing provision.
4. This Memorandum shall be without force or effect if:
  - a. The Insured fails to intimate to the Company within 6 months from the day of destruction or damage or such further time as the Company may in writing allow his intention to replace or reinstate the property destroyed or damaged.
  - b. The Insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site

#### **CONTRACT PRICE INSURANCE CLAUSE**

In the case of insurance of imported goods only (and not for goods of local manufacture) which are sold under a contract which is cancelled either wholly or to the extent of loss or damage, it is permissible to issue a policy on the basis of Contract Price and the following clause shall be inserted in the Policy

"It is hereby agreed and declared that in respect only of goods sold but not delivered for which the insured is responsible and with regard to which under the conditions of sale, the sale contract is by reason of the perils covered under the Policy, cancelled either wholly or to the extent of the loss or damage, the liability of the company shall be based on the contract price and for the purpose of average the value of all goods to which the clause would in the event of loss or damage be applicable shall be ascertained on the same basis"

#### **ARCHITECTS, SURVEYORS AND CONSULTING ENGINEER'S FEE (UP TO 3% OF THE CLAIM AMOUNT)**

"It is hereby declared and understood that the expenses incurred towards Architects, Surveyors and Consulting Engineers fees for plans, specification tenders, quantities and services in connection with the superintendence of the reinstatement for the Building, Machinery, Accessories and Equipment insured under this policy is covered up to 3% of the adjusted loss, but it is understood that this does not include any costs in connection with the preparation of the Insured's claim or estimate of loss in the event of damage by insured perils".

#### **ARCHITECTS, SURVEYORS AND CONSULTING ENGINEER'S FEE (IN EXCESS OF 3% OF THE CLAIM AMOUNT)**

"It is hereby declared and understood that the expenses incurred towards Architects, Surveyors and Consulting Engineers fees for plans, specification tenders, quantities and services in connection with the superintendence of the reinstatement for the Building, Machinery, Accessories and Equipment insured under this policy up to 7.5% of the adjusted loss is covered, but is understood that this does not include any cost in connection with the preparation of the Insured's claim or estimate of loss in the event of damage by insured perils".

#### **REMOVAL OF DEBRIS CLAUSE (UP TO 1% OF THE CLAIM AMOUNT)**

"It is hereby declared and agreed that the expenses incurred up to 1% of the claim amount is included in the sum insured on:

- (a) Removal of debris from the premises of the Insured;
- (b) Dismantling or demolishing;
- (c) Shoring up or propping."

#### **REMOVAL OF DEBRIS (IN EXCESS OF 1% OF THE CLAIM AMOUNT)**

"On costs and expenses necessarily incurred by the insured

- (a) In the removal of debris from the premises of the Insured;
- (b) Dismantling or demolishing;
- (c) Shoring up or propping;

of the portion or portions of the property insured by this policy destroyed or damaged by perils hereby insured against but not exceeding in the aggregate of the Sum Insured as specified in the Policy Schedule.

Note: 1. (b) & (c) above should be deleted when neither Building nor Machinery are covered

Note: 2. The cover may be given by separate item in the policy for an amount not exceeding 10% of the total sum insured.

#### **COINSURANCE CLAUSE**

"It is hereby declared and agreed that all reference to the words 'Future Generali India Insurance Company Limited' or 'The Company' wherever they occur in this policy shall be deemed to refer 'The Insurer' as defined in the Schedule incorporated herein and the liability of each insurer shall be separately limited to the share shown against their names provided that, where any condition require notice or communication to be given to the said insurer, notice or communication to 'Future Generali India Insurance Company Limited' shall deem to be sufficient notice to all the insurers"

#### **LOSS OF RENT**

POLICY may be extended to cover the above subject to following

Where loss of rent caused by Insured Perils is covered, the following Rent Clause should be inserted in the Policy:-

"The insurance on rent applies only if (any of) the said building(s) or any part thereof is unfit for occupation in consequence of its destruction or damage by the perils insured against and then the amount payable shall not exceed such portion of the sum insured on Rent as the period necessary for reinstatement bears to the term of the Rent Insured"

#### **INSURANCE OF ADDITIONAL EXPENSES OF RENT FOR AN ALTERNATIVE ACCOMMODATION**

Policy may be extended to cover the above subject to following:

Additional expenses of rent for an alternative accommodation in respect of non-manufacturing risks may be covered on the following basis:

- A. The cover may be granted for non-manufacturing premises only
- B. The cover may be granted under the Policy and not under Consequential Loss (Fire) Policy
- C. The period of Indemnity may be limited to the period during which the original premises remain untenable as a result of occurrence of perils insured against. Maximum indemnity period not to exceed 3 (three) years
- D. The additional expense recoverable under the policy may be additional rent actually paid i.e. the difference between the new and the original rent only
- E. Certificate from the Local Municipal Authority or an Architect to the effect that premises in question are untenable will be accepted as adequate proof of the fact that the premises, in fact, have become untenable
- F. Insurance should be granted against Fire, Riot, Strike, Malicious and Terrorist Damage and Earthquake (Fire & Shock) and other Extraneous Perils. Cover against Riot, Strike, Malicious and Terrorist Damage should be granted only if it involves actual physical damage to the building. The cover does not intend to pay, if for instance, the insured's entry is barred by strikers, demonstrators and similar occurrences
- G. The cover may be limited to buildings other than those of "Kutchra" construction.
- H. The area for alternative accommodation may be equivalent to the area presently occupied. However, no restriction will apply in respect of locality for the alternative accommodation, so long as the alternative accommodation is taken in the same city of town

- I. Cover may be permitted to the tenant as also to the Owner-Occupant. Further, in respect of the Owner-Occupant, the alternative accommodation may be limited to the area presently under his occupation
- J. For the Owner-Occupant, since he will not be paying any rent based on the area occupied by him (in comparison with the actual rent being paid by the tenant in the same building or similar buildings in the same locality) the standard rent based on the rateable values fixed by Municipal/Revenue Authorities for tax purposes may be treated as the original rent for the purpose of this insurance
- K. It will be compulsory for :-
  - the Owner-Occupant to insure both building and contents
  - the tenant to insure the contents of the premises for which he is seeking this extension

Endorsement wording for insurance of rent for alternative accommodation Tenant or Owner-Occupant

It is hereby declared that in the event of the premises described in the policy and occupied by the insured, hereinafter referred to as 'PREMISES' being destroyed or damaged by any Insured Peril as to become unfit for occupation and the insured in consequence taking up alternative accommodation, the Company shall, subject to special conditions set out herein, indemnify the insured against the additional rent (as explained herein) which the insured is called upon to bear for the period beginning from the date of operation of any of the Insured Perils until the 'PREMISES' is rendered fit for occupation such period not exceeding such reasonable time as is required to restore the premises with due diligence to a condition fit for occupation or the maximum indemnity period (as per policy schedule) whichever is earlier

Provided that the liability of the Company shall not exceed the sum insured hereby

Provided further that if the sum produced by applying the monthly additional rent, borne by the insured for the alternative accommodation to the maximum indemnity period is more than the Sum Insured hereby, the liability of the Company shall be proportionately reduced.

#### Special Conditions

1. This insurance shall apply subject to the condition that the PREMISES occupied by the insured, whether as owner or tenant, forms part of a building not being "Kutcha" Construction.
2. If the area of alternative accommodation taken by the insured is more than the area of the PREMISES occupied by the insured, the additional rent borne by the insured for the purpose of this insurance shall be deemed to be that proportion of the additional rent actually borne by the insured as the area of the PREMISES which was in the insured's occupation bears to the area of the alternative accommodation taken by the insured. The insured shall be at liberty to take alternative accommodation in any locality so long as it is within the Municipal limit of the city or town in which the PREMISES is situated

#### Explanation

**Additional Rent:** If the insured is the Owner-Occupant, the additional rent borne by him is arrived at after deducting the standard rent of the premises from the actual rent paid for the alternative accommodation. The standard rent shall be based on the rateable values fixed by the Municipal/Revenue authorities for tax purposes.

If the insured is a tenant only and for safeguarding his legal tenancy rights is obliged to pay rent for the premises even during the period when it is not fit for occupation, the additional rent borne by him is the actual rent for the alternative accommodation.

If the insured is a tenant and is not obliged to pay rent for the premises during the period when it is not fit for occupation, the additional rent borne by him is the actual rent paid for alternative accommodation taken less the rent which he was paying for the premises immediately prior to the same being damaged or destroyed by Insured Perils and rendered unfit for occupation

#### TEMPORARY REMOVAL OF STOCKS CLAUSE

"It is agreed that the stock insured hereby not exceeding 10% of the total sum insured of such stock is covered while temporarily removed to any other premises for purposes of fabrication or processing or finishing or other similar purposes. This extension does not apply to stock if and so far as it is otherwise insured.

The pro-rata condition of average should be applied to the limit of stocks temporarily removed as well as to the total sum insured of such stock under the policy."

#### FOREST FIRE

"In consideration of the payment of additional premium the insurance under the policy shall extend to include loss of or damage to the property insured directly caused by burning, whether accidental or otherwise, of forest, bush and jungles and the clearing of lands by Fire."

#### IMPACT DAMAGE DUE TO INSURED'S OWN RAIL/ ROAD VEHICLES, FORK LIFTS, CRANES, STACKERS AND THE LIKE AND ARTICLES DROPPED THERE FROM.

"In consideration of an additional premium (as specified in the Policy Schedule), it is hereby agreed and declared that the policy is extended to cover loss and/or damage caused due to impact by direct contact to Insured's property caused by Insured's own Rail/Road Vehicle, Fork lifts, cranes, stackers and the like and articles dropped there from."

#### SPONTANEOUS COMBUSTION CLAUSE

"In consideration of the payment by the Insured to the Company of additional premium (as specified in the policy schedule) the Company agrees notwithstanding what is stated in the printed exclusions of this policy to the contrary that the insurance of this policy shall extend to include loss or damage by fire only of or to the property insured caused by its own fermentation, natural heating or spontaneous combustion

#### OMISSION TO INSURE ADDITIONS, ALTERATIONS OR EXTENSIONS

"The Insurance by this Policy extends to cover Buildings and/ or Machinery, Plant and other Contents as per policy schedule, hereof which the insured may erect or acquire or for which they may become responsible:-

- a) at the within described premises
- b) for use as factories
  - i) The liability under this Extension shall not exceed in respect of (a) above, 5% of the Sum Insured by each item, in respect of (b) above, 5% of the Sum Insured.
  - ii) The Insured shall notify the Insurer of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the date of inception.
  - iii) Following the advice of any additional insurance as aforesaid, cover by this extension shall be fully reinstated.
  - iv) No liability shall attach to the insurers in respect of any Building, machinery, Plant or other contents while such property is otherwise insured.

Note 1: All new additions to Buildings and/or Machinery and Plant not specifically insured/included during the currency of the policy should be declared at the end of the year and suitable additional premium paid on pro rata basis from the date of completion of the construction/erection of additions subject to adjustment against the advance premium collected.

If the insured fails to declare the values of such additions within 30 days after the expiry of the policy, there shall be no refund of the advance premium collected.

Note 2: 'Other Contents' in the above clause shall mean 'Furniture and Fittings' and does not include 'Stocks'

Note 3: This clause should be incorporated at the time of issuing the policy

#### ESCALATION CLAUSE

"In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the under noted items(s) the Sum(s) Insured thereby shall, during the period of insurance, be increased each day by an amount representing 1/365th of the specified percentage increased per annum.

Unless specifically agreed to the contrary the provisions of this clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each renewal date the insured shall notify the Insurers:-

- a. The sum to be insured under each item above, but the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by the any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of insurance upto that renewal date, and
- b. The specified percentage increase(s) required for the forthcoming period of insurance, but in the absence of instructions to the contrary prior to renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein."

**DETERIORATION OF STOCKS IN COLD STORAGE PREMISES DUE TO CHANGE IN TEMPERATURE ARISING OUT OF LOSS OR DAMAGE TO THE COLD STORAGE MACHINERY(IES) IN THE INSURED'S PREMISES DUE TO OPERATION OF INSURED PERIL**

"In consideration of the payment of additional premium (as specified in the policy schedule) it is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions this policy covers destruction of or damage to the property hereby insured caused by change of temperature in consequence of failure of electric supply following damage to Insured's property due to insured peril(s).

Provided that the Company shall not be liable for any loss occasioned by the deliberate act of the Government, Municipal or Local Authority or Supply Authority not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's systems or by the exercise by any such authority of its power to withhold or restrict or ration supply not necessitated solely by damage to the Supply Undertaking's generating or supply equipment by an insured peril"

Provided further that the Company shall not be liable for any loss unless the duration of each such failure exceeds 24 hours Subject otherwise to the terms, extensions, conditions and limitations of this Policy"

In any action, suit or other proceedings where the company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the Insured

**DETERIORATION OF STOCKS IN COLD STORAGE PREMISES DUE TO ACCIDENTAL POWER FAILURE CONSEQUENT TO DAMAGE AT THE PREMISES OF POWER STATION DUE TO AN INSURED PERIL (ACCIDENTAL POWER FAILURE)**

"In consideration of the payment of additional premium (as specified in the policy schedule) it is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions, this policy covers destruction of or damage to the property hereby insured caused by change of temperature in consequence of failure of electric supply at the terminal ends of electric service feeders from which the Insured obtains electric supply directly due to damage caused by any peril insured against under this policy to property at insured premises or any Electric Station or Sub-Station of Public Electric Supply undertaking from which the Insured obtains electric supply.

Provided that the Company shall not be liable for any loss occasioned by the deliberate act of the Government, Municipal or Local Authority or Supply Authority not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's systems or by the exercise by any such authority of its power to withhold or restrict or ration supply not necessitated solely by damage to the Supply Undertaking's generating or supply equipment by an insured peril

Provided further that the Company shall not be liable for any loss unless the duration of each such failure exceeds 24 hours Subject otherwise to the terms, exceptions, conditions and limitations of this Policy"

In any action, suit or other proceedings where the company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the Insured.

**SPOILAGE MATERIAL DAMAGE COVER**

Policy may be extended to include spoilage risk subject to the following conditions:-

The cover shall extend to material damage, i.e.

- i) Loss of stock in process; and
- ii) Damage to machinery, containers and equipment (including cost of removal of debris and cleaning) and shall be provided by a separate item of the SFSP Policy subject to the Conditions that the perils causing the spoilage should be the same as those covered under the Policy

"In consideration of the payment of an additional premium (as specified in the policy schedule) it is hereby agreed and declared that, notwithstanding anything contained to the contrary, in the within written Policy, the insurance of this policy shall extend to cover loss or damage by Spoilage resulting from the retardation or interruption or cessation of any process or operation caused by any

of the perils covered under this Policy, provided that liability for destruction of or damage to the property insured described in the schedule to this policy, or any part of such property, is first admitted by the Company.

Provided always that all the conditions (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and that any reference therein to the loss or damage caused by insured perils shall be deemed to apply also to loss or damage caused by Spoilage which peril this insurance extends to include by virtue of this Endorsement."

**Special Condition**

For the purpose of this Endorsement but no otherwise, the following special conditions shall apply:

**Average:** If the property hereby insured against spoilage shall, at the time of occurrence of any loss or damage, be collectively of greater value than the sum insured on machinery, containers, equipment and stocks in the specified blocks, then the Insured shall be considered as being his own insurer for the difference and shall bear rateable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to this condition.

Provided that it is hereby further expressly agreed and declared that the liability of the Company shall in no case under this endorsement and the Policy exceed the sum insured for the specific item of this Policy

**Sum to be Insured:-**

The cover must be for all stocks and machinery, container and equipment in specified blocks, specified sums being declared for each block and must be made subject to 'Average'

**LEAKAGE AND CONTAMINATION COVER**

**a) Where Leakage and Contamination Cover Is Granted**

"In consideration of the payment of an additional premium (as specified in the policy schedule) it is hereby agreed and declared that the Insurance under this policy shall, subject to terms, conditions and exclusions of this policy and also subject to terms, conditions and exclusions hereinafter contained, extend to include the physical loss of oil/chemical by leakage from its container by accidental means and all accidental contaminations by contact with foreign matter."

PROVIDED always that this policy does not cover

1. Loss by Contamination through Improper Handling or Controls by Insured's own Employees.
2. Loss resulting from loss of use, loss of earnings, delay or loss of markets or other consequential or indirect loss or damage of any kind or description whatsoever.
3. Loss resulting from any kind of infidelity or dishonesty on the part of the Insured or any of their employees, inventory shortage, mysterious disappearance or unexplained loss.
4. Loss by burglary or theft or any attempt thereat
5. Loss resulting from processing or faulty workmanship
6. Loss resulting from shrinkage, evaporation, loss of weight unless caused by a peril not otherwise excluded.
7. Any legal and/or contractual liability arising from any cause whatsoever; and
8. Consequential Loss of any nature

**b) Where Leakage Cover Alone is Granted**

"In consideration of the payment of an additional premium (as specified in the policy schedule) it is hereby agreed and declared that the Insurance under this policy shall, subject to terms, conditions and exclusions of this Policy and also subject to terms, conditions and exclusions hereinafter contained, extend to include the physical loss of oil/chemical by leakage from its container by accidental means."

PROVIDED always that this policy does not cover

- 1) loss resulting from loss of use, loss of earnings, delay or loss of markets or other consequential or indirect loss or damage of any kind or description whatsoever
- 2) loss resulting from any kind of infidelity or dishonesty on the part of the Insured or any of their employees, inventory shortage, mysterious disappearance or unexplained loss
- 3) loss by burglary or theft or any attempt thereat
- 4) loss resulting from processing or faulty workmanship
- 5) loss resulting from shrinkage, evaporation, loss of weight unless caused by a peril not otherwise excluded
- 6) any legal and/or contractual liability arising from any cause whatsoever; and
- 7) Consequential Loss of any nature

Special Conditions: (Applicable to a and b)

- i) The cover under this endorsement shall attach only on or after the receipt of the insured subject matter in land tanks as described in the policy and subject to lodgment with the company by Insured of a certificate obtained by them at their own expense from a competent approved and independent agency/ surveyor as to the purity and quality of the subject matter herein insured.
- ii) Before the commencement of pumping and/ or decanting operations, the Insured shall arrange at their own expense sampling and quality/purity certification by competent, approved and independent agency/surveyor for such distinct lot, batch or tank load ex-ocean vessel of insured subject matter and shall pump/decant only such material as is pure and without contaminants
- iii) The insured shall at their own expense arrange inspection and certification from competent approved and independent agency/surveyor as to the cleanliness and fitness of the pipe lines, pumping equipment and the receiving land tanks to carry and/or receive the insured subject matter, prior to the commencement of pumping, decanting, receiving and/or storage operations. Such certification as mentioned above should, inter alia, confirm that the pumping, carrying and storage equipment facilities and tanks are free from impurities, contaminants and/or residue or left-overs from previous use of equipment, facilities or storage tanks. As concerning the receiving land tanks an initial certificate of fitness to receive and store the insured material shall be deemed to satisfy the above condition in so far as such tanks are concerned. However, a fresh certification as mentioned above would be required in the event of the said tanks being empty and fresh stocks are subsequently pumped/decanted in during the currency of this insurance
- iv) In case of loss to property insured hereunder, the basis of adjustment shall be the market value at the time and place of loss
- v) It is understood and agreed that all loss or damage to property occurring during any one period of seventy two consecutive hours during the currency of this policy directly caused by earthquake shock shall be deemed to have been caused by single earthquake and therefore to constitute one loss for the purpose of this policy, the Insured shall select a time from which any such period shall commence but no two such selected periods shall overlap.
- vi) All salvage recoveries and payments recovered or received subsequent to a loss settlement under this policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustment shall be made by the parties hereto
- vii) If any breach of a clause or condition in this contract or policy of insurance shall occur prior to a loss under this Policy, such breach shall not void the policy nor avail the company to avoid the liability unless such breach shall exist at the time of such a loss under this contract or policy, it being understood that such breach of a clause or condition is applicable only to the specific property to which the condition or clause has reference and in respect of which such breach occurred
- viii) Each claim for loss or damage shall be adjusted separately and each claim is subject to an excess of 1% on each tank with a minimum of Rs. 60,000/- each loss
- ix) If the property hereby insured shall at the time of the operation of a peril insured hereunder, be collectively of greater value than the sum insured thereof, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the policy shall be separately subject to this condition

Note: Special Conditions (i), (ii) and (iii) are not applicable where Leakage Cover alone is granted.

#### **START UP EXPENSES CLAUSES**

Policy may be extended subject to the following endorsement wordings:-

"It is hereby agreed and declared that this policy extends to cover start-up costs necessarily and reasonably incurred by the insured consequent upon a loss or damage covered by this policy."

#### **DECLARATION CLAUSE**

The following clause shall be attached to Declaration Policy(ies).

- 1) In consideration of the premium by this policy being provisional in that it is subject to adjustment on expiry of each period of insurance.  
"The Insured agrees to declare to the Future Generali India Insurance Co Ltd in writing the value of his stocks (other than retail) less any amount insured by Policies other than

declaration policies, in each separate building or noncommunicating compartment or in the open on the following basis namely 1] average of the values at risk on each day of the months or 2] the highest value at risk during the months and to make such declaration(s) latest by the last day of the succeeding month. Such declaration(s) shall be signed by the Insured or by a responsible person authorised to sign on his behalf."

If other policies on declaration basis cover the stocks hereby insured, the declaration shall be made so as to apportion to each policy a share of the value of the stocks insured under such declaration policies, PRO RATA to the respective amounts named in the policies

In the event of a declaration not being made latest by the last day of the succeeding month, then the insured shall be deemed to have declared the Sum Insured hereby as the value at risk.

On the expiry of each period of insurance the premium shall be calculated at the Policy Rate on the average Sum Insured namely, the total of the values declared or deemed to have been declared divided by the number of declarations deemed to have been made.

If the resultant premium is less than the provisional premium, the difference shall be repaid to the Insured but such repayment shall not exceed 50% of the provisional premium.

Further it is hereby agreed and understood that no reduction in sum insured shall be allowed during the currency of the policy.

- 2) The basis of value for declarations shall be the market value and any loss hereunder shall be settled on the basis of the Market Value immediately anterior to the loss.
- 3) If at the time of any loss, there be any subsisting insurance or insurances on other than a declaration basis, whether effected by the Insured or by any other person or persons, covering the stocks hereby insured, this policy shall apply only to the excess of the value of such stocks at the time of the loss over the sum Insured by such other insurance or insurances, and this Company shall not be liable to pay or contribute more than that proportion of such loss which such excess (or, if there be other declaration insurances covering the same stocks, a rateable proportion of such excess) but not exceeding the Sum Insured hereby, bears to the total value of the stocks.
- 4) If after the occurrence of a loss it is found that the amount of the last declaration previous to the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said last declaration bears to the amount that ought to have been declared.
- 5) Notwithstanding the occurrence of loss it is understood that the Sum Insured will be maintained at all times during the currency of the policy and the Insured therefore undertakes to pay extra premium on the amount of any loss pro rata from the date of such loss to the expiry of the period of insurance, the premium being calculated at the rate applicable to the stocks destroyed and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment of premium.
- 6) In event of this policy being cancelled by the Insured during its currency (whether stocks exist or not) the premium to be retained by the Company shall be the appropriate short period premium calculated on the average amount insured up to the date of cancellation, or 50% of the provisional premium whichever is greater.  
Notwithstanding the above, if the policy is cancelled by the insured after a loss has occurred, the premium to be retained by the company shall be the PRO RATA proportion of the premium calculated on the average amount insured up to the date of cancellation plus the PRO RATA proportion of the premium from the date of loss to the expiry of the period of insurance on the amount of loss paid, or 50% of the provisional premium whichever is greater.
- 7) The maximum liability of the company shall not exceed the Sum Insured hereby and premium shall not be receivable on value in excess thereof. The Sum Insured may, however, be increased by prior agreement with the Company in which event the new Sum Insured and the date from which it is effective will be recorded on the policy by endorsement. In the event of an increase in the Sum Insured being agreed to, the Company shall charge on such increased sum an additional provisional premium on a basis proportionate to the unexpired period of the policy and upon expiry of each period of insurance the total provisional premium so paid shall be adjusted as provided for a Clause 1 above. If during the currency of the policy, the rate for the class of risk to which the insurance applies is revised, and an increase in the Sum Insured under a Declaration Policy



is agreed to, the Company shall charge on such increased sum an additional provisional premium on a basis proportionate to the unexpired period of policy, at the rate at which the insurance was originally effected and upon expiry of each period of insurance the total provisional premium so paid shall be adjusted as provided for the Clause 1 above.,

- 8) If the stocks hereby insured shall at the time of loss be collectively of greater value than the Sum Insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, on stock shall be separately subject to this condition.
- 9) It is warranted that every other policy on a declaration basis covering the stocks insured hereby shall be identical in wording with this policy.
- 10) This insurance is subject in all respects to the printed conditions of the policy except in so far as they may be varied by the above conditions.

#### **FLOATER CLAUSE**

"In consideration there of, Floater Extra charged over and above the policy rate, the Sum Insured in aggregate under the policy is available for any one, more, or all locations as specified in respect of movable property.

At all times during the currency of this policy the insured should have a good internal audit and accounting procedure under which the total amount at risk and the locations can be established at any particular time if required.

The changes in the address of locations specifically declared at inception should be communicated"

#### **FLOATER DECLARATION CLAUSE**

"In consideration of Floater Extra charged over and above the policy rate the Sum Insured in aggregate under the policy is available for any one, more, or all locations as specified in respect of movable property.

At all times during the currency of this policy the insured should have a good internal audit and accounting procedure under which the total amount at risk and the locations can be established at any particular time if required.

The changes in the address of locations specifically declared at inception should be communicated"

Also:

- 1) In consideration of the premium by this policy being provisional in that it is subject to adjustment on expiry of each period of insurance.  
The Insured agrees to declare to Future Generali India Insurance Company Limited in writing the value of his stocks (other than retail) less any amount insured by Policies other than declaration policies, in each separate building or non-communicating compartment or in the open on the following basis namely: 1] average of the values at risk on each day of the month or 2] the highest value at risk during the month and to make such declaration(s) latest by the last day of the succeeding month. Such declaration(s) shall be signed by the Insured or by a responsible person authorized to sign on his behalf.

If other policies on declaration basis cover the stocks hereby insured, the declarations shall be made so as to apportion to each policy a share of the value of the stocks insured under such declaration policies, PRO RATA to the respective amounts named in the policies.

In the event of a declaration not being made latest by the last day of the succeeding month then the insured shall be deemed to have declared the Sum Insured hereby as the value at risk.

On the expiry of each period of insurance the premium shall be calculated at the policy rate on the average Sum Insured namely, the total of the values declared or deemed to have been declared divided by the number of declarations deemed to have been made.

If the resultant premium is less than the provisional premium, the difference shall be repaid to the Insured but such repayment shall not exceed 20% of the provisional premium.

Further it is hereby agreed and understood that no reduction in sum insured shall be allowed during the currency of the policy.

- 2) The basis of value for declarations shall be the market value and any loss hereunder shall be settled on the basis of the Market Value immediately anterior to the loss.
- 3) If at the time of any loss, there be any subsisting insurance or insurances on other than a declaration basis, whether effected by the insured or by any other person or persons, covering the stocks hereby insured, this policy

shall apply only to the excess of the value of such stocks at the time of the loss over the Sum Insured by such other insurance or insurances, and this Company shall not be liable to pay or contribute more than that proportion of such loss which such excess (or, if there by other declaration insurances covering the same stocks, a rateable proportion of such excess) but not exceeding the Sum Insured here, bears to the total value of the stocks.

- 4) If after the occurrence of a loss it is found that the amount of the last declaration previous to the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said last declaration bears to the amount that ought to have been declared.
- 5) Notwithstanding the occurrence of loss it is understood that the Sum Insured will be maintained at all times during the currency of the policy and the Insured therefore undertakes to pay extra premium on the amount of any loss pro rata from the date of such loss to the expiry of the period of insurance, the premium being calculated at the rate applicable to the stocks destroyed and such extra premium shall not be taken into account in and shall be distinct from, the final adjustment of premium.
- 6) In event of the policy being cancelled by the Insured during its currency (whether stocks exist or not) the premium to be retained by the company shall be the appropriate short period premium calculated on the average amount insured up to the date of cancellation, or 80% of the provisional premium whichever is greater. Notwithstanding the above, if the policy is cancelled by the insured after a loss has occurred, the premium to be retained by the company shall be the PRO RATA proportion of the premium calculated on the average amount insured up to the date of cancellation plus the PRO RATA proportion of the premium from the date of loss to the expiry of the period of insurance on the amount of loss paid, or 80% of the provisional premium whichever is greater.
- 7) The maximum liability of the company shall not exceed the sum Insured hereby and premium shall not be receivable on value in excess thereof. The sum Insured may, however, be increased by prior agreement with the Company in which event the new sum Insured and the date from which it is effective will be recorded on the policy by endorsement. In the event of an increase in the sum Insured being agreed to, the company shall charge on such increased sum an additional provisional premium on a basis proportionate to the unexpired period of the policy and upon expiry of each period of insurance the total provisional premium so paid shall be adjusted as provided for in Clause 1 above. If during the currency of the policy, the rate for the class of risk to which the insurance applied is revised, and an increase in the Sum Insured under a Declaration Policy is agreed to, the company shall charge on such increased sum an additional provisional premium on a basis proportionate to the unexpired period of policy, at the rate at which the insurance was originally effected and upon expiry of each period of insurance the total provisional premium so paid shall be adjusted as provided for in Clause 1 above.
- 8) If the stocks hereby insured shall at the time of loss be collectively of greater value than the Sum Insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, on stock shall be separately subject to this condition.
- 9) It is hereby warranted that every other policy on a declaration basis covering the stocks insured hereby shall be identical in wording with this policy.

This insurance is subject in all respects to the printed conditions of the policy except in so far as they may be varied by the above conditions.

#### **EARTHQUAKE (FIRE AND SHOCK)**

If option to delete STFI peril is exercised

"In consideration of the payment by the Insured to the Company of additional premium, it is hereby agreed and declared that notwithstanding anything stated in the printed exclusions of this policy to the contrary, this Insurance is extended to cover loss or damage (including loss or damage by fire) to any of the property Insured by this policy occasioned by earthquake including Landslide/ Rockslide resulting there from but excluding flood or overflow of the sea, lakes, reservoirs and rivers caused by Earthquake.

Provided always that all the conditions of this policy shall apply (except in so far as they may be hereby expressly varied) and that

any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this endorsement."

If option to delete STFI peril is not exercised

"In consideration of the payment by the Insured to the Company of additional premium, it is hereby agreed and declared that notwithstanding anything stated in the printed exclusions of this policy to the contrary, this Insurance is extended to cover loss or damage (including loss or damage by fire) to any of the property Insured by this policy occasioned by or through or in consequence of earthquake including flood or overflow of the sea, lakes, reservoirs and rivers and/ or Landslide/ Rockslide resulting there from.

Provided always that all the conditions of this policy shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this endorsement."

Special conditions

- 1) Excess clause - As Mentioned in schedule.
- 2) Extension cover shall be granted only if the entire property in one complex/compound/location covered under the policy is extended to cover this risk and the Sum Insured for this extension is identical to the sum Insured against the risk covered under main policy except for the value of the plinth and foundations of the building(s).

Onus of proof In the event of the Insured making any claim for loss or damage under this policy he must (if so required by the Company) prove that the loss or damage was occasioned by or through or in consequence of earthquake.

#### **AGREED BANK CLAUSE**

"It is hereby declared and agreed:-

- i) That upon any monies becoming payable under this policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.
- ii) That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder.

N.B.: The Bank shall mean the first named Financial Institution / Bank named in the policy.

- iii) That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the insured or any of them in any manner arising under or in connection with this policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.
- iv) That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the insured or any of them arising under or in connection with this policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.
- v) That this insurance so far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of condition 3 of the Policy except where a breach of the condition has been committed by the Bank or its duly authorised agents or servants and any other party insured hereunder whereby the risk is increased or by anything being done to upon or any building hereby insured or any building in which the goods insured under the policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alterations or increase of hazard not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company necessary additional premium from the time when such increase of risks first took place and
- vi) It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this policy and shall claim that as to the Mortgagor or owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagor or Owner or any other party or parties insured hereunder or from any securities or funds available.

N.B.: In cases where the name of any Central Government or State Government owned and/ or sponsored Industrial Financing or Rehabilitation Financing corporation and /or Unit Trust of India or General Insurance Corporation of India and/ or its subsidiaries or LIC of India/any financial Institution is included in the title of the Fire Policy as mortgagees, the above Agreed Bank clause may be incorporated in the Policy substituting the name of such institution in place of the word 'Bank' in the said clause.

#### **TERRORISM DAMAGE COVER ENDORSEMENT (MATERIAL DAMAGE ONLY) INSURING CLAUSE**

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment by the Insured to the Company of additional premium as stated in the Schedule, it is hereby agreed and declared that notwithstanding anything stated in the 'Terrorism Risk Exclusion' of this Policy to the contrary, this Policy is extended to cover physical loss or physical damage occurring during the period of this Policy caused by an act of terrorism, subject to the exclusions, limits and excess described hereinafter.

For the purpose of this cover, an act of terrorism means an act or series of acts, 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 organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/ or to put the public or any section of the public in fear for such purposes.

This cover also includes loss, damage, cost or expense directly caused by, resulting from or in connection with any action taken in suppressing, controlling, preventing or minimizing the consequences of an act of terrorism by the duly empowered government or Military Authority.

Provided that If the Insured is eligible for indemnity under any government compensation plan or other similar scheme in respect of the damage described above, this Policy shall be excess of any recovery due from such plan or scheme.

For the purpose of the aforesaid inclusion clause, "Military Authority" shall mean armed forces, para military forces, police or any other authority constituted by the government for maintaining law and order.

#### **LOSSES EXCLUDED**

This cover shall not indemnify loss of or damage to property caused by any or all of the following:-

1. loss by seizure or legal or illegal occupation;
2. loss or damage caused by:
  - i) voluntary abandonment or vacation,
  - ii) confiscation, commandeering, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority, which deprives the Insured of the use or value of its property;
3. loss or damage arising from acts of contraband or illegal transportation or illegal trade;
4. loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment;
5. loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind;
6. loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind;
7. any fine, levy, duty, interest or penalty or cost or compensation/damages and/or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person;
8. loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon. This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any

- other electronic system in the launch and/or guidance system and/ or firing mechanism of any weapon or missile;
9. loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion;
  10. loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder;
  11. any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working;
  12. loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service;
  13. loss or increased cost as a result of threat or hoax;
  14. loss or damage caused by or arising out of burglary, house - breaking, looting, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any action taken in respect of an act of terrorism;
  15. loss or damage caused by mysterious disappearance or unexplained loss;
  16. loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
  17. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.

#### LIMIT OF INDEMNITY

The limit of indemnity under this cover shall not exceed the Total Sum Insured given in the Policy Schedule or INR 1000 crores whichever is lower. In respect of several insurance policies within the same compound/location with one or different insurers, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 1000 crores. If the actual aggregate loss suffered at one compound/location is more than INR 1000 crores, the amounts payable under individual policies shall be reduced in proportion to the sum insured of the policies.

#### CANCELLATION CLAUSE

Notwithstanding the cancellation provisions relating to the basic insurance policy on which this endorsement is issued, there shall be no refund of premium allowed for cancellation of the Terrorism risk insurance during the period of insurance except where such cancellation is done along with the cancellation of the basic insurance. Where a policy is cancelled and rewritten mid-term purely for the purpose of coinciding with the accounting year of the insured, pro-rate refund of the cancelled policy premium will be allowed.

If the cancellation is for any other purpose, refund of premium will only be allowed after charging short term scale rates.  
Note: The definitions, terms and conditions of main Policy save as modified or endorsed herein shall apply.

#### TERRORISM DAMAGE EXCLUSION WARRANTY

This Policy 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 exclusion, an act of terrorism means an act or series of acts, 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 organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

This exclusion also includes loss, damage, cost or expense 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 the above.

#### VOLUNTARY DEDUCTIBLE CLAUSE

"It is hereby declared and agreed that the insured having opted a voluntary deductible (as specified in the policy schedule), out of net amount of each and every admissible claim under the fire policy(ies) covering the said premises, the company has allowed a discount as

per policy schedule on the final premium payable for the policies and Add on Covers.

'It is further agreed that the above voluntary deductible opted replace the compulsory excess stipulated under "General Exclusion" attached to the policy (ies) and or for add-on cover'

#### WARRANTIES

##### STFI DELETION 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 Storm Tempest Flood Inundation (STFI) group of perils as specified in the policy wordings

##### RSMD 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 Riot, Strike, Malicious Damage (RSMD) perils as specified in the policy wordings

##### SILENT RISK

Warranted that no manufacturing and storage activities are carried out

##### SHOP – NON- HAZARDOUS GOODS

Warranted that the value of stock of any or all of the following goods does not exceed 5% of the total stock value

1. Celluloid Goods
2. Coir (Loose)
3. Crackers and Fire Works
4. Explosive of any kind
5. Hay/Straw
6. Hemp
7. Jute (Loose)
8. Matches
9. Methylated spirit
10. Nitro-Cellulose Plastics
11. Oils/Ether/Industrial Solvents and other inflammable liquids flashing liquids flashing at and below 320 C (Closed Cup test).
12. Paints with inflammable base having Flash point below 320 C (Closed Cup test) Other than in sealed tins or drums.
13. Varnishes having flash point below 320 C (Closed Cup Test) other than in sealed tins or drums.
14. Disinfectant liquids and liquid insecticides-other than in sealed tins or drums.
15. Vegetable fibres of any kind including Rayon Fibre.

##### GODOWNS/ OPEN STORAGE – NON-HAZARDOUS GOODS STORAGE

Warranted that the items falling under Category I, II or III described below are not stored exceeding 5% of the total stock value

##### CATEGORY I

1. Solids which are moderately or slightly combustible
2. Flammable liquids having flash points above 65°C
3. Inert and non-combustible gases
4. Highly toxic materials
5. Wastes of non-hazardous materials

##### CATEGORY II

1. Pyrotechnic material
2. Flammable liquids having flash points above 32°C upto 65°C
3. Moderate Oxidising Agents and Oxygen
4. Materials which evolve combustible gases in contact with water
5. Wastes of Category I materials

##### CATEGORY III

1. Explosive
2. Materials which are self ignitable
3. Flammable liquids having flash points upto 32 °C
4. Strong oxidising agents
5. Combustible gases
6. Wastes of category II & III materials

Also warranted that no storage of Coir waste, Coir Fibre, Caddies

##### GODOWNS / OPEN STORAGE – HAZARDOUS GOODS CAT-I STORAGE

Warranted that the items falling under Category II or III described below are not stored exceeding 5% of the total stock value

#### CATEGORY II

1. Pyrotechnic material
2. Flammable liquids having flash points above 32°C upto 65°C
3. Moderate Oxidising Agents and Oxygen
4. Materials which evolve combustible gases in contact with water
5. Wastes of Category I materials

#### CATEGORY III

1. Explosive
2. Materials which are self ignitable
3. Flammable liquids having flash points upto 32°C
4. Strong oxidising agents
5. Combustible gases
6. Wastes of category II & III materials

Also warranted that no storage of Coir waste, Coir Fibre, Caddies

#### **GODOWNS / OPEN STORAGE – HAZARDOUS GOODS CAT-II STORAGE**

Warranted that the items falling under Category II or III described below are not stored exceeding 5% of the total stock value

#### CATEGORY III

1. Explosive
2. Materials which are self ignitable
3. Flammable liquids having flash points upto 32 °C
4. Strong oxidising agents
5. Combustible gases
6. Wastes of category II & III materials

Also warranted that no storage of Coir waste, Coir Fibre, Caddies

#### **GODOWNS / OPEN STORAGE – HAZARDOUS GOODS CAT-III STORAGE**

Warranted that no storage of Coir waste, Coir Fibre, Caddies

#### **TANKS (OTHERS)**

Warranted that liquids with flash point 32 °C or below are not stored

#### **TANKS (DYKE)**

Warranted tanks storing materials with different flash points are located in different dykes

#### **FEA WARRANTY**

Internal/ Internal and External Fire Extinguishing Appliances having been installed in the premises referred to in this policy and a discount is allowed in the premium chargeable. It is warranted that:

1. System is erected and tested as per relevant regulations of TAC
2. Appliances shall be maintained in efficient working order and as per TAC regulations
3. Insurer shall be immediately apprised of any strike or lock-out in the premises

#### **CHEMICAL MANUFACTURING (OTHERS)**

Warranted that no manufacturing of chemicals using materials with Flash Point below 32 °C/ No manufacturing of Bulk Drugs

#### **CIGARETTE FILTER MANUFACTURING (OTHERS)**

Warranted that no manufacturing using materials with Flash Point below 32 °C

#### **CINEMATOGRAPHIC FILM EDITING (WITHOUT FILM PROCESSING)**

Warranted that no Film Processing is carried out

#### **DETERGENT MANUFACTURING (OTHERS)**

Warranted no Sulphonation plant in the premises.

#### **GRANITE FACTORIES (OTHERS)**

Warranted that no inflammable solvents are used in the manufacturing

#### **INK MANUFACTURING (EXCLUDING PRINTING INK)**

Warranted no manufacturing of Printing Ink is carried out in the premises

#### **MAN MADE FIBRE MANUFACTURING (CELLULOSE)**

Warranted manufacturing is carried out only using Cellulose

#### **METALLIZING WORKS (METALS ONLY)**

Warranted that metallizing using metals only is carried out

#### **PAINT FACTORIES (WATER BASED)**

Warranted that only water based paints are manufactured

#### **PAINT FACTORIES (OTHERS)**

Warranted that no Nitrocellulose based paints are manufactured

#### **PLASTIC GOODS MANUFACTURING (EXCLUDING FOAM PLASTICS)**

Warranted that no manufacturing of Foam Plastics carried out in the premises

#### **PULVERIZING PLANTS (METALS & NON-HAZARDOUS GOODS ONLY)**

Warranted that pulverizing of metals and non-hazardous goods only are carried out

#### **ROPE WORKS (OTHERS)**

Warranted that no plastic ropes manufactured in the premises

#### **RUBBER GOODS MANUFACTURING (WITHOUT SPREADING)**

Warranted that no spreading is carried out in the premises

#### **TINY SECTOR INDUSTRY**

Warranted that value at risk is less than Rs.10 lacs

#### **SPRINKLER SPOT PROTECTION WARRANTY**

Warranted that blocks where Sprinkler Discount is allowed are protected by Sprinklers as per Tariff Advisory Committee regulations

#### **PUMP HOUSES (WATER)**

Warranted that Pump House handles water only

#### **PIPE LINES (WATER)**

Warranted that pipeline is used for transporting water only

#### **GAS HOLDERS/ VESSELS – NITROGEN**

Warranted that no material other than Nitrogen, Carbon Dioxide or Inert Gases are stored

#### **CONSTRUCTION (APPLICABLE OTHER THAN FOR OPEN STORAGE)**

Warranted that the building covered under the policy / in which the contents covered under this policy is present is not Kutcha construction as described below:

Kutcha construction: Building (s) having walls and/or roofs of wooden planks/thatched leaves and/ or grass/hay of any kind/ bamboo/ plastic cloth/ asphalt cloth/ canvas/ tarpaulin and the like.

### **SECTION-II FIRE LOSS OF PROFIT**

#### **PROTECTION OF YOUR GROSS PROFIT**

If **Your** Business is interrupted because of Damage due to the Premises by Fire & allied perils and a valid claim is payable under Section I of this Policy, **We** will pay for the loss resulting from the interruption in respect of the following items in accordance with the Basis of Settlement and the Limit of Liability.

- (a) Gross Profit due to reduction in turnover
- (b) Increase in cost of working

#### **DEFINITIONS**

1. Indemnity Period: The period beginning with the occurrence of the Damage and ending not later than number of months specified in the Schedule thereafter during which the results of the business is affected in consequence of Damage to the Premises caused by Fire & Allied Perils.
2. Turnover: The money paid or payable to the Insured for services rendered in course of the business at the Premises
3. Gross profit: The amount by which the sum of the Turnover and the amount of Billing shall exceed the sum of the amount of the Opening Billing and the amount of the Specified Working Expenses

Rate of Gross Profit: The rate of Gross Profit per unit earned on the Turnover during the financial year immediately before the date of the damage	To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the damage.
Annual Turnover: The turnover during the twelve months immediately before the date of the damage.	
Standard Turnover: The Turnover during the Period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period	

## CONDITIONS

1. If during the Indemnity Period services shall be rendered elsewhere than at the Premises for the benefit of the business either by Insured or by others on insured's behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.
2. Insured shall declare within nine months after the expiry of any Period of Insurance, the Gross Profit earned (or a proportionately increased multiple thereof where the maximum Indemnity Period exceeds 12 months) during the accounting period of 12 months most nearly concurrent with the Period of Insurance, as certified by the Insured's Auditors, was less than the Limit of Liability there on, a prorata return of premium not exceeding 50% of the premium paid by Insured for such period of Insurance shall be made in respect of the difference. Where, however, The Company does not receive the declaration within twelve months after the expiry of the period of Insurance, no refund shall be admissible. If any damage has occurred giving rise to a claim under this policy such return shall be made in respect only of said difference, as is not due to such damage.
3. The insurance of this Policy ceases if (a) the business be wound up or carried on by Liquidator or Receiver or Permanently discontinued or (b) the insured's interest ceases otherwise than by death (c) any alteration be made either in the business or in the premises or property therein where by the risk of Damage is increased, at any time after the commencement of this insurance, unless its continuance be admitted by memorandum signed by or on behalf of Us.

### BASIS OF SETTLEMENT

The amount payable as indemnity shall be

- a. In respect of loss of Gross Profit due to Reduction in Turnover: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity period shall, in consequence of the damage, fall short of the Standard Turnover.
- b. In respect of Increase in cost of working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for the expenditure would have taken place during the Indemnity Period in consequence, but not exceeding the reduction in turnover so avoided. Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business payable out of Gross Profit as may cease or be reduced in consequence of the damage.

Provided that if the Limit of Liability by this item be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover, the amount payable shall be proportionately reduced.

### Departmental Clause

If the business be conducted in departments, the independent trading results of which are ascertainable, the provision of Clause (a) and (b) of Item 1 shall apply separately to each department affected by the damage except that if the Limit of Liability by the said item be less than the aggregate of the sum produced by applying the rate of gross profit for each department of the business (whether affected by the Damage or not) to the relative Annual Turnover thereof, the amount payable shall be proportionately reduced.

### LIMIT OF LIABILITY

The maximum amount the company may have to pay as indemnity under this Section shall not exceed the Limit of Liability in respect of each item as stated in the Schedule for any one Period of Insurance.

### DEDUCTIBLE / EXCESS

Deductible / Excess for each and every claim in respect of fire loss of profit as specified on policy schedule.

## SECTION-III – BURGLARY

### PROTECTION OF YOUR CONTENTS AGAINST BURGLARY

#### Contents (Excluding Money & Valuables)

We will indemnify You in respect of loss of or damage to the insured premises and/or the Contents in the Insured Premises specified in the Schedule caused by actual or attempted Burglary.

#### Specific Exclusions Applicable to Section – III

We shall not be liable for and no indemnity is available hereunder in respect of:

1. any loss or damage caused by actual or attempted Burglary and/or theft: where You or any member Your Family is or is alleged to be concerned or implicated;
2. to livestock, motor vehicles and pedal cycles;

3. to Valuables and/ or Jewellery and/or Precious Items, unless specifically stated in the Schedule.
4. Deductible for each and every claim in respect of burglary will be as specified on the Policy Schedule.
5. Loss or damage where you have not immediately registered a police complaint detailing the items lost or damaged

#### Basis of Loss Settlement to Section - III

- a. Where the Insured Premises and/ or Contents can reasonably be repaired or reinstated at a cost less than the replacement cost then We will indemnify You in respect of the expenses necessarily incurred to restore the aforementioned to its state immediately prior to the happening of the actual or attempted Burglary.
- b. In the case of a total loss, We shall indemnify You in respect of the restoration or replacement costs. We shall not be bound to reinstate or restore exactly or completely, but only as permitted by the circumstances and in a reasonably sufficient manner and to the state that existed immediately prior to the happening of the Burglary.

In any case We are not liable to indemnify You more than market value of the affected contents or Sum Insured mentioned in the schedule whichever is lower.

## SECTION-IV – MACHINERY BREAKDOWN

### PROTECTION OF YOUR MACHINERIES AND/ OR EQUIPMENTS AGAINST BREAKDOWN

We will indemnify You against the repair or replacement costs arising from the unexpected mechanical or electrical breakdown of machineries or equipment mentioned in the schedule whilst contained in or fixed at the Insured Premises, provided that Our liability in respect of any one machinery item in any one Policy Period will not individually or in the aggregate exceed the sub-limit of the Sum Assured set against such item in the Schedule.

It is the requirement of this Insurance that the Sum Insured shall be equal to the cost of replacement of the insured property by new property of the same kind and same capacity which shall mean its replacement cost including freight and customs duties, if any, and erection costs.

#### Specific Exclusions Applicable to Section – IV

We shall not be liable for and no indemnity is available hereunder in respect of:

1. Accident, Loss, damage/ and/ or liability resulting from over load experiments or tests requiring the imposition of abnormal conditions.
2. Gradually developing flaws, defects, cracks or partial fractures in any part not necessitating immediate stoppage, although at some future time repair or renewal of the parts affected may be necessary.
3. Deterioration of or wearing away or wearing out any part of any machine caused by or naturally resulting from normal use or exposure.
4. Loss, damage and/ or liability caused by or arising out of the willful act to willful neglect or gross negligence of You or Your responsible representatives.
5. Liability assumed by You by agreement unless such liability would have attached to You notwithstanding such agreement.
6. Loss, damage and/ or liability due to faults or defects existing at the time of commencement of this insurance and known to You or Your responsible representative but not disclosed to Us.
7. Loss of use of Your plant or property of any other consequential loss incurred by You.
8. Loss, damage/ and/ or liability due to explosions in Chemical Recovery, Boilers, other than pressure explosions for e.g. smelt, chemical, ignition, explosions, etc
9. The Deductible, as stated in the Schedule, to be first borne by You out of each and every claim; where more than one item is damaged in one and same occurrence, You shall not, however, be called upon to bear more than the highest Excess applicable to any one such item
10. Loss of or damage to belts, ropes, chains, rubber tyres, dies, moulds, blades, cutters, knives or exchangeable tools, engraved or impression cylinders or rolls; objects made of glass, porcelain, ceramics, all operating media (e.g. lubricating oil, fuel, catalyst, refrigerant, dowtherm) felts, endless conveyor belts or wires; sieves, fabrics, heat resisting and anti-corrosive lining and parts of similar nature, packing material, parts not made of metal (except insulating material) and non-metallic lining or coating of metal parts.
11. Loss or damage for which the manufacturer or supplier or repairer of the property is responsible either by law or contract.

In any action, suit or other proceeding where **We** alleges that by reason of the provisions of the exceptions or exclusions above, any loss, destruction, damage or liability is not covered by this insurance, the burden of proving that such loss, destruction, damage or liability is covered shall be upon **You**.

#### **Basis of Loss Settlement to Section – IV**

Provided that the **Sum Assured** in respect of each item specified in the **Schedule** shall be equal to the cost of replacement of the same with new property of the same kind and capacity, the basis of loss settlement shall be as follows:

a) In cases where damage to an insured item can be repaired, **We** will pay expense necessarily incurred to restore the damaged machine to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties if any to the extent such expenses have been included in the Sum Insured. If the repairs are executed at a workshop owned by **You**, then **We** will pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced except for (i) wear and tear parts and (ii) parts for which manufacturers have specified a fixed life for use and the like but the value of any salvage will be taken into account.

If the cost of repairs as detailed hereinabove equals or exceeds the actual value of the machinery insured immediately before the occurrence of the damage the settlement shall be made on the basis provided for in (b) below.

b) In cases where an insured item is destroyed, **We** will pay the actual value of the item immediately before the occurrence of the loss including costs for ordinary freight erection and customs duties if any provided such expenses have been included in the sum insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the item. **We** will also pay any normal charges for the dismantling of the machinery destroyed but the salvage will be taken into account.

Any extra charges incurred for overtime, night-work, work on public holidays, express freight are covered by this insurance only if especially agreed to in writing.

In the event of the makers' drawings, patterns and for boxes necessary for the execution of a repair not being available the Company shall not be liable for cost of making any such drawing patterns or core boxes.

The cost of any alterations, improvements or overhauls shall not be recoverable under this Policy.

The cost of any provisional repairs will be borne by **Us** if such repairs constitute part of the final repairs and do not increase the total repair expenses.

If the Sum Insured is less than the amount required to be insured mentioned hereinabove, **We** will pay only in such proportion as the Sum Insured bears to the amount required to be insured. Every item if more than one shall be subject to this condition separately.

**We** will make payments only after being satisfied, with the necessary bills and documents that the repairs have been effected or replacements have taken place, as the case may be. **We** may, however, not insist for bills and documents in case of total loss where **You** are unable to replace the damaged equipments for reasons beyond **Your** control. In such cases claims can be settled on 'Indemnity Basis'.

#### **SECTION-V – ELECTRONIC EQUIPMENT**

##### **PROTECTION OF YOUR ELECTRONIC EQUIPMENTS AGAINST ALL RISKS**

###### **V-A Protection of Your Electronic Equipments**

**We** will indemnify **You** against:

The repair or replacement costs in respect of any **Electronic Equipment** caused by any unforeseen and sudden physical loss (except a cause specifically excluded), provided that **Our** liability in respect of any one **Electronic Equipment** item in any one **Policy Period** will not individually or in the aggregate exceed the sub-limit of the **Sum Assured** set against such item in the **Schedule**.

The policy shall apply to the Insured items only after successful completion of their performance/ acceptance test whether they are at work or at rest or being dismantled for the purpose of cleaning or overhauling or in the course of aforesaid operations themselves or when being shifted within the premises or during subsequent re-erection.

#### **Specific Exclusions Applicable to Section – V-A**

**We** shall not be liable for and no indemnity is available hereunder in respect of:

1. any fault or defect of which **You** were or ought reasonably to have been aware at the commencement of the **Policy Period**, regardless of whether such was or should have been known **Us**;
2. loss or damage for which the manufacturer or supplier is responsible;
3. loss or damage caused to any item of **Electronic Equipment** older than 10 years from the date of manufacture;
4. loss or damage due to or consequent upon wear and tear, gradual deterioration, atmospheric or climatic conditions, rust, corrosion, moth, vermin or insect;
5. any costs incurred in connection with the maintenance of the **Electronic Equipment**, including parts replaced in the course of such maintenance operations;
6. any costs incurred in connection with the elimination of functional failures unless such failures were caused by an indemnifiable event hereunder;
7. loss or damage caused by or arising out of the willful acts or willful gross negligence of **You** and/ or **Your Family**;
8. the cost of transporting the **Electronic Equipment** to and from the place of repair;
9. loss of or damage to any **Electronic Equipment** by perils insurable under other Cover of this **Policy**;
10. loss or damage to portable items or mobile phones or other similar communication devices.
11. Loss destruction or damage directly occasioned by pressure wave caused by aircraft and other aerial devices traveling at Sonic or Supersonic speeds.
12. The Excess stated in the Schedule to be borne by **You** in any one occurrence; if more than one item is lost or damaged in one occurrence, **You** shall not, however, be called upon to bear more than the highest single Excess applicable to such items
13. Loss of or damage to bulbs, valves, tubes, ribbons, fuses, seals, belts, wires, chains, rubber tyres, exchangeable tools, engraved cylinders, objects made of glass, porcelain or ceramics sieves or fabrics, or any operating media (e.g. lubricating oil, fuel, chemicals)
14. Aesthetic defects, such as scratches on painted polished or enamelled surfaces.

#### **Basis of Loss Settlement to Section – V-A**

It is a requirement of this insurance that the Sum Insured shall be equal to the cost of replacement of the insured property by new property of the same kind and same capacity, which shall mean its replacement cost including freight, dues and customs duties, if any and erection costs.

The sum insured of the equipment insured under this section shall include the value of 'System Software'.

Provided that the **Sum Assured** in respect of each item specified in the **Schedule** shall be equal to the cost of replacement of the same with new property of the same kind and capacity, the basis of loss settlement shall be as follows:

a) In cases where damage to an insured item can be repaired **We** will pay expenses necessarily incurred to restore the damaged machine to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair-shop customs duties and dues if any, to the extent such expenses have been included in the Sum Insured. If the repairs are executed at a workshop owned by **You**, **We** will pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced, except those with limited life, but the value of any salvage will be taken into account. If the cost of repairs as detailed hereinabove equals or exceeds the actual value of the machinery insured immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (b) below.

- b) In cases where an insured item is destroyed, **We** will pay the actual value of the item immediately before the occurrence of the loss, including costs for ordinary freight, erection and customs duties if any, provided such expenses have been included in the sum insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the item. **We** will also pay any normal charges for the dismantling of the machinery destroyed, but the salvage will be taken into account.

Any extra charges incurred for overtime, night-work, work on public holidays, express freight, are covered by this Insurance only if especially agreed to in writing.

In the event of the Makers' drawings, patterns and core boxes necessary for the execution of a repair not being available **We** shall not be liable for the cost of making any such drawings, patterns and core boxes.

The cost of any alterations, improvements or overhauls shall not be recoverable under this policy.

The cost of any provisional repairs will be borne by **Us** if such repairs constitute part of the final repairs, and do not increase the total repair expenses.

- c) In cases where the Insured item is subjected to total loss and meanwhile it becomes obsolete, all costs necessary to replace the lost or damaged insured item with a follow-up model (similar type) of similar structure/ configuration (of similar quality) i.e. low, average or high capacity – will be reimbursed.

If the sum insured is less than the amount required to be insured hereinabove, **We** will pay only in such proportion as the sum insured bears to the amount required to be insured. Every item if more than one shall be subject to this condition separately.

**We** will make payments only after being satisfied, with necessary bills and documents that the repairs have been effected or replacements have taken place, as the case may be. **We** may, however, not insist for bills and documents in case of total loss where the Insured is unable to replace the damaged equipment for reasons beyond their control. In such cases claims can be settled on 'Indemnity Basis'.

#### **WARRANTY –**

It is warranted that the Maintenance Agreement in force at the inception of this policy is maintained during the currency of this policy and no variation in the terms of the Agreement shall be made without the written consent of **Us** being obtained.

For the purpose of this warranty the word 'Maintenance' shall mean the following -

- i) Safety checks,
- ii) Preventive maintenance
- iii) Rectification of loss or damage or faults arising from normal operation as well as from ageing.

#### **V-B Protection of Your External Data Media**

**We** hereby agrees with **You** that if the external data media entered in the Schedule inclusive of the information stored thereon, which can be directly processed in EDP systems, shall suffer any material damage caused by peril covered under Section V-A of this Policy, **We** will indemnify **You** as hereinafter provided in respect of such loss or damage up to an amount not exceeding in any one year of insurance in respect of each of the data media specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum insured hereby, provided always that such loss or damage occurs during the period of Insurance stated in the Schedule or during any subsequent period for which **You** pay and **We** may accept the premium for the renewal of this Policy. This cover applies while the insured data media are kept on the Premises. Coverage against restoration of data under Section V-B only to be granted if backup system is available.

#### **Specific Exclusions Applicable to Section – V-B**

We shall not be liable for -

- a) The excess stated in the Schedule to be borne by You in any one occurrence;
- b) Any costs arising from false programming, punching, labeling or inserting, inadvertent canceling of information or discarding of data media, and from loss of information caused by magnetic fields;
- c) Consequential loss of any kind or description whatsoever.

#### **Basis of Loss Settlement to Section – V-B**

The sum insured shall be the amount required for restoring the insured external data media by replacing lost or damaged data media by new material and reproducing lost information.

**We** will indemnify any expenses that can be proved to have been incurred by the **You** within a period of 12 months as from the date of the occurrence strictly for the purpose of restoring the insured external data media to a condition equivalent to that existing prior to the occurrence and necessary for permitting data processing operations to be continued in the normal manner.

If it is not necessary to reproduce lost data or information, or if such reproduction is not effected within 12 months after the occurrence, **We** shall only be liable to indemnify the expenses incurred for replacing the lost or damaged data media themselves by new material.

As from the date of an indemnifiable occurrence the sum insured shall be reduced for the remaining period of insurance by the amount of indemnity paid, unless the sum insured is reinstated.

#### **V-C Protection of Your Increased Cost of Working**

Notwithstanding Exclusions applicable to all sections (3) of this Policy **We** hereby agrees to indemnify **You** upto but not exceeding the limits of Indemnity stated in the Schedule for all additional costs which **You** shall incur to ensure continued data processing on substitute equipment if such costs arise as an unavoidable consequence of an indemnifiable loss or damage during the period of insurance to property insured under Section V-A of this Policy.

#### **Specific Exclusions Applicable to Section – V-C**

We shall not be liable for -

- a) Costs incurred for use of substitute equipment during the Time Excess stated in the Schedule.
- b) Costs for replacement of data media, data and regeneration of data
- c) Costs arising out of circumstances, which are not connected with the insured material damage. In particular We shall not be liable for additional costs arising out of
  - i) bodily injuries,
  - ii) orders or measures imposed by any public authority,
  - iii) expansion and improvements of the equipments,
  - iv) Lack of funds causing delay in repairs or replacement of damaged equipments,
- d) Any other consequential loss such as loss of market or interest.

#### **Basis of Loss Settlement to Section – V-C**

The Indemnity Period shall commence with putting into use the substitute equipments. **You** shall bear that proportion of each claim, which corresponds to the Time Excess agreed.

The indemnity limit per hour and total sum insured stated in the schedule shall be declared by **You**. The total sum insured shall represent the aggregate limit of indemnity payable for all events occurring during the period of insurance.

**We** will also reimburse **You** for personnel expenses and costs for transportation of materials following an event giving rise to a claim under this Section of the Policy provided separate sums therefore have been entered in the Schedule.

As from the date of an indemnifiable occurrence the sum insured shall be reduced for the remaining period of insurance by an amount of indemnity paid unless reinstated by payment of an additional premium prescribed by **Us**.

**We** shall indemnify those costs and expenses, which can be proved to have been incurred during the indemnity, period to maintain data processing operations to their previous extent, that are additional to those which would have been incurred during the same period if no insured event had occurred.

The total indemnity per event shall not exceed an amount equal to the agreed indemnity limit per hour or the actual hourly rate payable for the use of substitute equipments, whichever is less multiplied by the number of working hours stated as Indemnity Period in the schedule or by the actual number of working hours for which the substitute equipment is put into use, whichever shall be less.

However, if it is found, following an interruption, that the limit selected per hour is less than the amount actually incurred per hour for use of substitute equipment, **We** shall be liable to indemnify **You** in the same proportion as the limit selected per hour bears to the amount actually incurred per hour.

Provided always that –

- i) the interruptions shorter than the Time Excess stated in the schedule shall be excluded from the scope of this Policy and
- ii) in respect of interruptions longer than the Time Excess You shall bear that proportion of each claim which corresponds to the Time Excess.

## SECTION-VI – ALL RISKS

### Portable Computer /Mobiles– All Risk

**We** will indemnify **You** to the extent of the actual value of portable computers before the loss anywhere in the World, so lost, destroyed or damaged, by Fire, Riot and Strike, Theft or Accident, from any fortuitous cause, any time during the period of this insurance and within the limits stated in the Schedule hereto, provided always that the liability of the Company shall in no case exceed the Sum Insured on each item or on the whole the Total Sum Insured hereby.

### Specific Exclusions Applicable to Section – VI

We shall not be liable in respect of :-

1. Damage caused by any process of cleaning, dyeing or bleaching, restoring, repairing or renovation or deterioration arising from wear and tear, moth, vermin, insects or mildew or any other gradually operating cause.
  2. Breakage, cracking or scratching of crockery, glass, cameras, binoculars, lenses, sculptures, curios, pictures, musical instruments, sports gear and similar articles of brittle or fragile nature, unless caused by fire or accident to the means of conveyance.
  3. Loss or damage caused by mechanical or electrical derangement/ breakdown of any article unless caused by accidental external means.
  4. Overwinding, denting or internal damage of watches and clocks.
  5. Loss or damage to money, securities, manuscripts, deeds, bonds, bills of exchange, promissory notes, stock or share certificates, stamps, travel tickets, travellers' cheques, business books or documents.
  6. Theft from any car except car of fully enclosed saloon type having at the time all the doors, windows and other openings securely locked and properly fastened.
  7. Any loss or damage arising through delay, detention or confiscation by Customs or other authorities.
  8.
    - a) Loss or destruction of or damage to any property whatsoever (including computer) or any loss or expense whatsoever resulting or arising therefrom;
    - b) Any legal liability of whatsoever nature;
    - c) Any consequential loss; directly or indirectly caused by or contributed to by or consisting of or arising from the incapacity or failure of any computer
      - (i) to treat any date before, during or after the year 2000 as the correct date or true calendar date, or correctly or appropriately to recognize manipulate interpret process store receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date or
      - (ii) to capture save retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer, being a command which causes the loss of data or the inability to capture save retain or correctly to process such data in regard to or in connection with any such date.
- A computer includes any computer, data processing equipment, microchip, integrated circuit or similar device or any computer software tools operating system or any computer hardware or peripherals and the information or data stored in or on any of the above, whether the property of the Insured or not.
9. Loss damage or consequential loss 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.

This shall not exclude subsequent damage not otherwise excluded which itself results from an insured peril.

10. Loss or damage due to or contributed to by the Insured having caused or suffered anything to be done whereby the risks hereby insured against were unnecessarily increased.

### Basis of Loss Settlement to Section – VI

Provided that the **Sum Assured** in respect of each item specified in the **Schedule** shall be equal to the cost of replacement of the same with new property of the same kind and capacity, the basis of loss settlement shall be as follows:

1. Where an insured item can reasonably be repaired or reinstated at a cost less than the replacement cost then, **We** will indemnify **You** in respect of the expenses necessarily incurred to restore such item to its state immediately prior to the happening of the insured event.
2. In the case of a total loss, **We** shall indemnify **You** in respect of the restoration or replacement costs up to the sub-limit of the **Sum Assured** set against such item in the **Schedule**, subject to depreciation of 20% per annum from the date of manufacture up to a maximum of 75% depreciation.
3. If the value of the **item** hereby insured shall at the time of any insured event be collectively of greater value than the **Sum Assured** thereon then **You** shall be considered **Your** own insurer of the difference and shall bear a rateable proportion of the loss or damage. Every item, if more than one, shall be separately subject to this Special Condition
4. **You** shall bear a deductible for each and every claim amount or as mentioned on the Policy Schedule.

## SECTION-VII – ACCIDENT SURAKSHA

### Protection for You and Your Employees

#### Accidental Compensation (Personal Accident) – Death/ PTD/ PPD

Following an Accidental Bodily Injury to You and/ or your employees which results in any of the events listed in the Table of Events, we will pay You or Your nominee or your employees or your employees nominee such percentage stated against the event in the Table of Events of the sum insured stated in the Schedule provided that the Schedule mentions that You have opted for coverage against that event and paid premium for the same.

#### COVERS

The Primary Cover includes the following benefits. We will make payment for the benefits as specified in the Schedule.

- A. Accidental Death
- B. Permanent Total Disablement
- C. Permanent Partial Disablement

Table of Events

Event	Percentage of Sum insured
Death	100%
Permanent Total Disablement	100%
Permanent Partial Disablement:	As Follows
Permanent Total Loss of sight of both eyes	100%
Permanent Total Loss of sight of one eye and physical separation of or the loss of ability to use either one hand or one foot	100%
An arm at the shoulder joint	75%
An arm above the elbow joint	70%
A hand at the wrist	50%
An arm beneath the elbow joint	60%
A thumb	25%
An index finger	10%
Any other finger	5%
A leg above mid-thigh	75%
A leg up to mid thigh	60%



A leg up to beneath the knee	50%
A leg up to mid-calf	45%
Permanent Loss of sight of one eye	50%

If a claim has already been settled for any of the covers the amount payable for the subsequent claims/s under any other covers shall be reduced by the amount/s already paid.

Regardless of one or more claims during the policy period, the maximum amount payable towards the Primary Cover shall be restricted to the Principal Sum Insured.

If more than one loss results from any Accident, only the one amount the largest, will be paid.

This cover shall cease for the particular Insured Person on payment of a claim for Death or Permanent Total Disablement of that Insured Person.

A masculine personal pronoun as used in this **Policy** includes the feminine, wherever the context requires.

We cover Accidental Bodily injury sustained by You during the Policy Period anywhere in the World (subject to the travel and other restrictions that the Indian Government may impose), but We will make payment within India and in Indian Rupees. The construction, interpretation and meaning of the provisions of this Policy shall be determined in accordance with Indian Law.

#### Specific Exclusions Applicable to Section – VII

We will not pay for any compensation, benefit or expenses in respect of Death, Injury or Disablement, Accidental Medical Expenses of the Insured person as a consequence of the following

1. Intentional self injury (including but not limited to the use or misuse of any intoxicating drugs or alcohol)
2. Accident while under the influence of alcohol or drugs.
3. Participation in an actual or attempted felony, riot, crime, misdemeanor or civil commotion
4. Any accident of which a contributing cause was **Your** actual or attempted commission of, or willful participation in, an illegal act or any violation or attempted violation of the law or **Your** resistance to arrest.
5. Whilst engaging in Aviation or Ballooning or whilst mounting into, dismounting from or traveling in any balloon or aircraft other than as passenger (fare paying or otherwise) in any duly licensed standard type of aircraft.
6. Participating in motor racing or trial run as a driver, co-driver or passenger
7. Curative treatments or interventions that **You** carry out or have carried out on **Your** body
8. Pregnancy and childbirth, miscarriage, abortion or complications arising out of any of these
9. War, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, commotion unrest, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition of or damage or under the order of any government or public authority
10. Nuclear energy, radiation
11. Any existing disablement prior to the inception of the policy
12. Venereal or sexually transmitted diseases, HIV (Human Immunodeficiency Virus) or HIV related illness including AIDS (Acquired Immune Deficiency Syndrome) and/ or mutant derivatives or variations however caused.
13. Any medical expenses, services, supplies or treatment or hospital stay which were not recommended or approved as medically necessary by a Physician.
14. Any expense incurred which is not exclusively medical in nature
15. Expenses incurred for emergency medical evacuation

#### Things You Should Do – Applicable to Section – VII

1. If **You or insured person** meet with an accidental bodily injury that may result in a claim, then
  - a. **You or insured person** must immediately consult a Doctor and follow the advice and treatment that he recommends

- b. **You or insured person** or someone claiming on **Your** behalf must inform **Us** in writing immediately and in any event within 15 days
  - c. **You or insured person** must take reasonable steps to lessen the consequences of **Your** bodily injury.
  - d. **You or insured person** or someone claiming on **Your** behalf must promptly give **Us** the documentation and other information **We** ask for to investigate the claim or **Our** obligation to make payment for it.
  - e. **You or insured person** must have Yourself examined by **Our** medical advisors if **We** ask for this and as often as **We** consider this to be necessary.
  - f. In case of **Your or insured person's** death, someone claiming on **Your or insured person's** behalf must inform **Us** in writing immediately and send **Us** a copy of the Post Mortem report, FIR or any other document as required by **Us** within 15 days.
2. **We** have agreed to issue this policy based on the occupation that **You** have declared to **Us** while taking this policy. If **You** change **Your or insured person's** occupation then **You** must tell **Us** in writing within 30 days of the change. If **You** do not do this, then this insurance will cease as far as **You or insured person's** are concerned from the date that **You** changed **Your or insured person's** occupation.
  3. **You** should send any communication meant to **Us** in writing to **Our** address shown in the **Schedule**.

#### Things We Will Do - Applicable to Section – VII

- a. **We** will send any communication meant to **You** to **Your** address shown in the **Schedule**.
- b. **We** will make claim payment to **You** or **Your** Nominee or insured persons or insured person's Nominee . If there is no Nominee and **You** or **Your** employees are incapacitated or deceased, **We** will pay **Your or insured person** heir, executor or validly appointed legal representative and any payment **We** make in this way will be a complete and final discharge of **Our** liability to make payment.
- c. **We** will make all claim payments in Indian rupees within India only.
- d. If **We** cancel this policy **We** will give **You** 15 days notice in writing. In such cases **We** shall make **You** pro rata refund of premium for the balance period.
- e. If **You** renew this policy with **Us** within 7 days of expiry of the policy **We** shall give **You** 5% increase on the primary covers for each continuous claim free year. Maximum increase shall be 25% of the original policy sum insured. **You** will be eligible for this benefit only if the **Schedule** mentions that such benefit is included in the plan opted by **You**.
- f. If **You** renew this policy continuously with **Us**, **You** may become eligible for Renewal Discount in the renewal premium payable as per **Our** guidelines.

#### SECTION-VII - LIABILITY

##### Protection against Your Liability

##### VII-A Your Legal Liability As a Tenant - Tenants Legal Liability

**We** will provide cover up to amount specified in schedule if **You** are legally responsible as a tenant for:

1. loss of or damage to the insured premises by any of causes listed in Section-I under "covered accidents" other than Act of God Perils( Earthquake, lightning, subsidence, landslide, rock slide, Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Flood and Inundation )
2. accidentally broken fixed glass which forms part of the buildings (including glass in solar-panel units and fixed baths, shower trays, shower screens, bidets, wash basins, splash backs, pedestals, sinks, toilet pans and cisterns) and their fixtures and fittings; or
3. accidental damage to cables or underground pipes providing services to or from the buildings, or septic tanks and drain inspection covers.

**We** will not cover loss or damage caused by: wear, tear, settlement or shrinkage, vermin, insects, fungus, the weather, or anything which happens gradually; faulty materials, design or workmanship; building work which involves alterations, renovations, extensions or repairs; or subsidence or heave of the land.

##### VII-B Workers Compensation

**We** will indemnify **You** against:

**Your** legal liability to pay compensation under the Fatal Accidents Act 1855, the Workmen's Compensation Act 1923 or any

amendment thereto or under common law in respect of personal injury by accident or disease sustained by your employees as mentioned in the schedule employed by You during the course of employment.

#### VII-C Public Liability

We will indemnify You against:

Your legal liability to pay Damages for civil claims of Bodily Injury or Property Damage arising out of Your use, ownership or occupation of the Insured Premises for solely for the purposes intended and caused by the negligent act, error or omission of You, save that no indemnity is available hereunder for any liability that may be incurred under the Public Liability Insurance Act 1991 or any other statute or law based on no fault or strict liability, or for any civil claim brought by the You; and

#### Specific Exclusions Applicable to Section – IX-C

No indemnity is available hereunder and no payment will be made by Us for any claim directly or indirectly caused by, based on, arising out of or howsoever attributable to any of the following:

1. any voluntarily assumed liability unless such liability would have attached to You in the absence of such agreement;
2. any liability arising out of a deliberate, willful or intentional act, error, omission, or non-compliance with any statutory provision;
3. liability arising out of the ownership, possession or use by or on behalf of You or your employee of any motor vehicle or trailer.
4. liability arising out of the ownership, possession or use by or on behalf of You or Your employee of any watercraft, hovercraft, air- or spacecraft;
5. any interest and/or penalty imposed on You on account of Your failure to comply with the requirements laid down under the Workmen's Compensation Act 1923 or any amendment thereto;
6. the transmission of any communicable disease or virus;
7. occupation or business, trade or employment.

#### SECTION-IX - BAGGAGE

##### Accompanied Baggage

We will indemnify You and/ or Your Employee in respect of the accidental loss of, destruction of or damage caused to personal baggage accompanying You and/ or Your Employee or for which You or Your employees are responsible whilst travelling anywhere in India beyond 25 km radius of the insured premises.

#### Specific Exclusions Applicable to Section – IX

We shall not be liable for and no indemnity is available hereunder in respect of:

1. loss or damage due to cracking scratching or breakage of lens or glass whether part of china marble, gramophone records or otherwise and other articles of a brittle or fragile nature, unless such loss or damage arises from an accident to a vessel, train, or other mechanised vehicle or aircraft by which such baggage is conveyed by You and/ or Your Employee;
2. loss or damage caused by or any process of cleaning, dyeing repairing or restoring to which the baggage is subjected;
3. loss or damage caused by moth, mildew or vermin;
4. loss or damage to any electrical machines, apparatus, fixtures or fittings (including wireless sets, radio, television sets and tape recorders) arising from over running, excessive pressure, short circuiting arcing self heating or leakage or electricity from whatever cause (lightning included);
5. loss or damage caused by mechanical derangement or over winding of watches and clocks;
6. theft from cars except from fully enclosed saloon cars having all the doors, windows and other openings securely locked and properly fastened, and any other security aid properly applied;
7. loss or damage whilst being conveyed by any carrier under contract of affreightment;
8. loss of or damage to Jewellery or Valuables;
9. loss of or damage to article which did not form part of the Contents of the baggage when the journey commenced unless specifically declared and accepted by Us;
10. loss or destruction of or damage to baggage of a consumable nature;
11. loss of or damage to carried loose articles such as sticks, straps, umbrellas, sunshades, deck chairs, property in use on the journey or articles of clothing whilst being worn on the person or carried about;
12. loss destruction or damage caused by or arising from the leakage spilling or exploding of liquid, oils or material of a like nature or articles of a dangerous or damaging nature;

13. any tour or travel undertaken within the municipal limits of the village, town or city wherein You and/ or Your Family member are permanently resides.
14. loss of cash, cheque, promissory notes or any negotiable instruments, stamps and foreign exchange.

#### Basis of Loss Settlement to Section – IX

1. Where an insured item can reasonably be repaired or reinstated at a cost less than the replacement cost then, We will indemnify You up to the Sum Assured in respect of the expenses necessarily incurred to restore such item to its state immediately prior to the happening of the insured event.
2. In the case of a total loss, We shall indemnify You in respect of the restoration or replacement costs up to the Sum Assured only.

#### SECTION-X – PLATE GLASS

We will indemnify You in respect of any accidental loss of or damage caused to Plate Glass at the Insured Premises subject to limit of indemnity mentioned in schedule.

In the event of an accepted claim, We will also indemnify You in respect of the reasonable cost of erecting any temporary boarding necessitated by such loss or damage to Plate Glass, and repairing and reinstating Frames and Framework necessitated by such loss or damage to Plate Glass, but subject to a maximum payment of Rs.5,000/- for each and every claim.

#### Specific Exclusions Applicable to Section – X

We shall not be liable for and no indemnity is available hereunder in respect of loss or damage:

1. occurring during the course of any alteration, removal or repair to the Plate Glass;
2. comprising the breakage of lettering unaccompanied by the breakage of or damage to Plate Glass;
3. comprising the disfiguration or scratching of or damage to Plate Glass other than a fracture extending through the entire thickness of the Plate Glass;
4. any Plate Glass other than Plate Glass of plain and ordinary glazing quality, unless specifically stated otherwise in the Schedule;
5. breakage of Plate Glass not completely and securely fixed;
6. any consequential damage or losses, whether of a financial or property nature or by reason of personal injury, and any legal liability of Yours;
7. loss of or damage that is insured under any other Cover herein;
8. any loss or damage that is the subject of insurance under Ours plate glass or other insurance policy.

#### Basis of Loss Settlement to Section – X

1. We may, in its sole and absolute discretion, repair, replace or reinstate the Plate Glass to a condition equivalent to that which existed immediately prior to the insured event as an alternative to making payment to You.
2. If We opt to make payment to You, then the payment will be assessed by reference to the cost of replacing the Plate Glass with glass of plain and ordinary glazing quality, unless specifically stated otherwise in the Schedule. Where any Plate Glass is no longer in production, the payment will be assessed by reference to the latest available price that was being charged by reputable manufacturers for the same or similar Plate Glass.
3. If the value of the Plate Glass hereby insured shall at the time of any insured event be collectively of greater value than the Sum Assured thereon then You shall be considered Your own insurer of the difference and shall bear a rateable proportion of the loss or damage. Every item, if more than one, shall be separately subject to this Condition.
4. You shall bear a deductible for each and every claim as mentioned on the Policy Schedule.

#### SECTION – XI – MONEY INSURANCE

##### Money Insurance

We will indemnify You in respect of:

- I. loss by accident or misfortune whilst Yours' money is in Your hands or in the hands of employee(s) of the Insured in transit, between the insured premises and bank ( including Automatic Teller Machine centers) and vice versa
- II. loss of or damage to money and/ or valuables by Burglary and/ or Housebreaking, whilst contained in safe, burglar resistance or other steel cupboards/ cashbox and/ or such other places under lock and key in the premises stated in the Schedule

- III. loss of money whilst lying in the cashier's till in the insured premises, during business hours consequent to or following assault and/or violence against the Insured or any employee of the Insured or any threat, provided always that such money are in custody of a responsible person entrusted with the work of handling cash

Provided always that:

1. In no event the Company shall be liable for any loss unless notified forthwith to the Company in writing.
2. A complete account of cash in safe, steel cupboards, cash box and/ or other places under lock and key shall be kept secured in some place other than the place where the money covered is kept and **Our** liability shall be limited to the amount actually shown by such records not exceeding the amount stated in the Schedule under this section.

#### Specific Exclusions Applicable to Section – XI

**We** shall not be liable in respect of:

- a. Loss of money where any employee of You or member of Your family is concerned as principal or accessory or arising out of or attributable to an act of fraud or dishonesty committed by one or more of the employees carrying the money.
- b. Shortage due to error or omission.
- c. Loss of money by removal from safe following the use of the Key to the said safe or any duplicate thereof belonging to the Insured unless such key has been obtained by assault or violence or any threat thereat.

#### SECTION – XII – FIDELITY GUARANTEE

**We** will indemnify **You** against direct pecuniary loss due to fraud / dishonesty or fraudulent conversion of money or money's worth during the period of this insurance caused by the permanent salaried employees of the insured named in the schedule, whilst on the Premises described in this policy, subject to the limits specified in the Schedule.

Provided that the loss shall have occurred in connection with occupation and duties of the employee while on actual duty during the uninterrupted continuance of his employment and be discovered within 3 months after the death, dismissal or retirement of such person or three months after this Policy shall have ceased to exist, whichever of these events shall happen first.

#### Specific Conditions Applicable to Section – XII

- (a) On the discovery of any act which may give rise to or has risen in a claim under this section, **You** shall:
  1. Immediate notice of loss in writing, which in any case should be within 24 hours of occurrence of the event should be given to the company and complain lodged with police authorities
  2. immediately take all steps to prevent further loss,
  3. supply at the request of and free of expense to **Us** all such proof, information and other evidence (verified by statutory declaration if so required) relating to the claim as **We** may require.
- (b) **You** shall report the occurrence of any event which could give rise to a claim immediately on discovery of the same and in no case later than 30 days from the date of such discovery.
- (c) **Our** liability for each employee in respect of all losses during the period of insurance is limited to the sum stated in the attached schedule against the said employee.
- (d) Any money of the Employee in the hands of **You** and any money which but for the Employee's dishonesty would have been due to the Employee from **You** shall be deducted from the amount otherwise payable under this Policy. Any money recovered after the settlement of any claim shall be the property of **You**, not exceeding, however, the amount paid by **You**.
- (e) **You** shall when required by **Us** but at the expense of **Us** if a conviction be obtained, use all diligence in prosecuting any of the employee to conviction for any act which such employee shall have committed and in consequence of which a claim will have to be made under such Policy and shall at **Our** expense give all information and assistance to enable **Us** to use for and obtain reimbursement by any such employee by reason of whose acts or defaults a claim has been made or by the estate of such employee or money which **We** shall have become liable to pay in respect thereof.
- (f) **We** shall be entitled at its own expense and for its own benefit in the name of **You** to prosecute all claims and exercise all rights of action competent to **You** against the employee in respect of any act against **You** in connection with which it may have made payment under this Policy and **You** shall give to **Us**

all such information and assistance as may be reasonable for maintaining such claims or rights.

**We** shall not be bound to give any notice or be affected by any notice of any trust charge lien assignment or other dealing with or relating to any contract of insurance but the receipt of **You** or **Your** legal personal representative shall in all cases be an effectual discharge to the Company.

#### Specific Exclusions Applicable to Section – XII

**We** shall not be liable in respect of:

1. loss due to loss of potential income, including but not limited to interest and dividends and loss of computer time, not realised by **You** because of loss covered under this Policy;
2. costs, fees and other expenses incurred by **You** in establishing the existence of or amount of loss covered under this Policy, except as may be specially stated to the contrary under Special Condition e of this section under this Policy;
3. damages of any type for which **You** are legally liable, except direct compensatory damages for which **You** are legally liable and arising from a loss covered under this Policy.;
4. the costs of defending any legal proceeding brought against You or the fees, costs or expenses incurred or paid by **You** in prosecuting or defending any legal proceeding whether or not such proceeding results or would result in a loss to the Insured covered by this Policy;
5. loss, or that part of any loss, as the case may be the proof of which either as to its existence or as to its amount, is dependent upon an inventory computation or profit and loss computation alone;
6. loss caused by any Employee who, at the time of committing any fraudulent or dishonest acts (as Insured hereunder) controls more than five percent of the issued share capital of the Insured company or of any Subsidiary of the Insured company;
7. loss caused by any broker, factor commission, consignee, contractor or other agent or representative of the same general character;
8. loss caused by any Employee from and after the time that the Insured or any partner or officer thereof not in collusion with such Employee shall have knowledge or information that such Employee has committed any dishonest or fraudulent act whether such act be committed any (a) after the date of employment by the Insured or, (b) prior to the date of employment by the Insured.
9. any liability in respect of any loss or claim (a) arising out of or in connection with any circumstances or occurrences which have been notified to any insurer on any other policy of insurance effected prior to the inception of this Policy;(b) arising out of or in connection with any circumstances or occurrences known to **You** prior to the inception of this Policy; and
10. loss due to loss of and /or damage to proprietary information, trade secrets, confidential processing methods or other confidential information of any kind. In any claim, and in any action, suit or other proceeding to enforce a claim under this Policy for loss, the burden of proving that such loss does not fall within this Exclusion shall be upon **You**.

#### Basis of Loss Settlement to Section – XII

**We** may, with the consent of **You** settle any claim for loss of property with the owner thereof. Any property for which **We** have made an indemnification shall become the property **Ours**.

**We** may, at **our** discretion, pay the actual cash value or make repairs to or replacements of such property. If **We** and **You** cannot agree upon such cash value or such cost of repairs or replacements, such cash value or such cost shall be determined by arbitration

#### Section – XIII - Pedal Cycle

**We** will indemnify **You** against:

1. the repair or replacement costs in respect of the Pedal Cycle caused by any unforeseen and sudden physical loss (except a cause specifically excluded), provided that **Our** liability in respect of any one Pedal Cycle in any one **Policy Period** will not individually or in the aggregate exceed the sub-limit of the **Sum Assured** set against such item in the **Schedule**, and
2. all sums that **You** may become legally liable to pay as litigation expenses (defence costs if incurred with **Our** prior written consent and, if ordered, claimant's costs) and compensation in respect of accidental damage to property in which **You** have no interest, or accidental death of or bodily injury to persons other than **You**, **Your Family** or employee arising out of an

accident happening through or in connection with the Pedal Cycle, subject to a limit of Rs.30,000/- for any and all claims in any one **Policy Period**.

#### Specific Exclusions Applicable to Section – XIII

**We** shall not be liable for and no indemnity is available hereunder in respect of:

1. any accident, loss damage or liability caused by or through or in connection with the use of any Pedal Cycle for hire or reward or outside India;
2. damage caused by over loading, strain or mechanical breakdown;
3. loss of or damage to accessories by theft unless the Pedal Cycle is stolen at the same time;
4. loss, damage or liability occurring whilst the Pedal Cycle is being used for competition, racing or pace making.

#### Basis of Loss Settlement to Section – XIII

1. Where the Pedal Cycle can reasonably be repaired or reinstated at a cost less than the replacement cost then, **We** will indemnify **You** in respect of the expenses necessarily incurred to restore such item to its state immediately prior to the happening of the insured event.
2. In the case of a total loss, **We** shall indemnify **You** in respect of the replacement costs up to the sub-limit of the **Sum Assured** set against such item in the **Schedule**.
3. **You** shall bear the deductible for each and every claim as mentioned on the Policy Schedule.

#### Special Condition applicable to Section – XIII

If left unattended, the Pedal Cycle must be properly locked and secured.

#### SECTION XIV - NEON SIGN/ GLOW SIGN

**We** will indemnify **You** in respect of loss or damage to Neon sign/glow sign, belonging to **You** and fixed in the insured premises by

- (a) Accidental External Means
- (b) Fire, Lightning, External Explosion or theft
- (c) Riot, Strike Malicious Act or Terrorism
- (d) Flood, Inundation, Storm, Tempest, Typhoon, Hurricane, Tornado or Cyclone

Provided that **We** shall not be liable in respect of each and every claim for the deductible mentioned on the Policy Schedule, provided that **Our** liability in respect of any loss or all losses in any one Period of Insurance is limited to the sum set against in the Schedule.

#### Specific Exclusions Applicable to Section – XIV

**We** shall not be liable in respect of the fusing or burning out of Bulbs and/ or Tubes arising from short-circuiting or arcing or any other mechanical or electrical breakdown of faults.

#### EXCLUSIONS APPLICABLE TO ALL SECTIONS

No indemnity is available hereunder and no payment will be made by **Us** for any claim directly or indirectly caused by, based on, arising out of or howsoever attributable to any of the following:

1. Loss, destruction or damage caused by war, invasion, act of foreign enemy hostilities or war like operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, rebellion, revolution, insurrection or military or usurped power.  
In any action suit or other proceedings where the Company alleges that by reason of the above provisions any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered, shall be upon the Insured.
2. Loss or damage caused by depreciation or wear and tear.
3. Consequential loss or liability of any kind or description except for Section II Business Interruption.
4. Loss, destruction or damage directly or indirectly caused to the property insured by
  - a. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
  - b. the radioactive toxic, explosives or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
5. Loss, destruction or damage caused to the insured property by pollution or contamination excluding
  - a. pollution or contamination which itself results from a peril hereby insured against.

- b. any peril hereby insured against which itself results from pollution or contamination

6. **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 warranty 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 organisation(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**.

#### GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS

##### 1. Due Observance

The due observance of and compliance with the terms, provisions, warranties and conditions of this **Policy** insofar as they relate to anything to be done or complied with by **You** and/or **Your Family** shall be a condition precedent to any liability of **Us** under this **Policy**.

##### 2. Reasonable Care

**You** shall:

- 2.1. take all reasonable steps to safeguard the Contents and the Insured Premises **against any insured event**;
- 2.2. take all reasonable steps to prevent a claim from arising under this **Policy**;
- 2.3. ensure that any security system or aid is maintained in accordance with any maintenance schedule or recommendations of the manufacturer or if none then as may be required, and kept in good and effective working condition;
- 2.4. when the **Insured Premises** are left unattended ensure that all means of entry to or exit from the Insured Premises have been properly and safely secured and any security system or aid has been properly deployed.

##### 3. Duties and Obligations after Occurrence of an Insured Event

It is a condition precedent to **Our** liability under this **Policy** that, upon the happening of any event giving rise to or likely to give rise to a claim under this **Policy**:**You** shall immediately and in any event within 7 days give written notice of the same to the address shown in the Schedule for this purpose, and in case of notification of an event likely to give rise to a claim to specify the grounds for such belief, and

- 3.1. in respect any claim under the Cover, immediately lodge a complaint with the police detailing the items lost and/or damaged and in respect of which **You** intend to claim, and provide a copy of that written complaint, the First Information Report and/or Final Report to **Us**, and
- 3.2. **You** shall within 30 days deliver to **Us** its completed claim form detailing the loss or damage that has occurred and an estimate of the quantum of any claim along with all documentation required to support and substantiate the amount sought from **Us**, and
- 3.3. **You** shall expeditiously provide **Us** and its representatives and appointees with all the information, assistance, records and documentation that they might reasonably require, and
- 3.4. **You** shall not admit liability or settle or make or promise any payment in respect of any claim which may be the subject of indemnity hereunder, or incur any costs or expenses in connection therewith, without the written consent of **Us** which shall be entitled to take over and conduct in the name of **You** the defence and/or settlement of any such claim, for which purpose **You** shall give all the information and assistance that **We** may reasonably require.

#### 4. Contribution

If, at the time of any Claim, there is, or but for the existence of this **Policy**, would be any other policy of indemnity or insurance in favour of or effected by or on behalf of **Us** applicable to such claim, the then **We** shall not be liable to pay or contribute more than its rateable proportion of any loss or damage. This condition is not applicable for Section VII and Section VIII which are benefit payment section.

#### 5. Subrogation

**You** and any claimant under this **Policy** shall at the expense of **Us** do or concur in doing or permit to be done all such acts and things that may be necessary or reasonably required by **Us** for the purpose of enforcing any civil or criminal rights and remedies or obtaining relief or indemnity from other parties to which **We** shall be or would become entitled or subrogated upon **Us** paying for or making good any loss or damage under this **Policy** whether such acts and things shall be or become necessary or required before or after **Your** indemnification by **Us**. This condition is not applicable for Personal Accident Section which is a benefit payment section.

#### 6. Fraud

If **You** or any claimant under this **Policy** shall make or advance any claim knowing the same to be false or fraudulent as regards amount or otherwise, this **Policy** shall be void and all claims or payments hereunder shall be forfeited.

#### 7. Cancellation

7.1. 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 15 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.

7.2. The policy may also be cancelled by the insured at any time by giving 15 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.

For a period not exceeding	15 days	10% of the Annual rate
-do-	1 month	15% of the Annual rate
-do-	2 months	30% of the Annual rate
-do-	3 months	40% of the Annual rate
-do-	4 months	50% of the Annual rate
-do-	5 months	60% of the Annual rate
-do-	6 months	70% of the Annual rate
-do-	7 months	75% of the Annual rate
-do-	8 months	80% of the Annual rate
-do-	9 months	85% of the Annual rate
For a period exceeding	9 months	The full Annual rate
N.B.: Extension of short period policy(ies) shall not be permitted.		

#### 8. Dispute Resolution

8.1. If any dispute or difference shall arise as to the quantum to be paid under this policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of a sole arbitrator to be appointed in writing by the parties to or if they cannot agree upon a single arbitrator within 30 days of any party invoking arbitration, the same shall be referred to a panel of three arbitrators, comprising of two arbitrators, one to be appointed by each of the parties to the dispute/difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

It is clearly agreed and understood that no difference or dispute shall be referable to arbitration as hereinbefore provided, if the Company has disputed or not accepted liability under or in respect of this policy.

8.2. The applicable law in and of the arbitration shall be Indian law.

8.3. The expenses of the arbitrator shall be shared between the parties equally and such expenses along with all reasonable costs in the conduct of the arbitration shall be awarded by the arbitrator to the successful party, or where no party can be said to have been wholly successful, to such party, as substantially succeeded.

8.4. It is agreed condition precedent to any right of action or suit upon this Policy that an award by such arbitrator or arbitrators shall be first obtained.

8.5. In the event that these arbitration provisions shall be held to be invalid then all such disputes shall be referred to the exclusive jurisdiction of the Indian Courts.

#### 9. Notices

9.1. Any and all notices and declarations for the attention of **Us** shall be submitted in writing and shall be delivered to the address specified in the **Schedule**.

9.2. Any and all notices and declarations for the attention of **You** shall be posted to **Your** address stated in the **Schedule**.

#### 10. Governing Law

The construction, interpretation and meaning of the provisions of this **Policy** shall be determined in accordance with Indian law. The section headings of this **Policy** are included for descriptive purposes only and do not form part of this **Policy** for the purpose of its construction or interpretation.

#### 11. Entire Contract

The **Policy** constitutes the complete contract of insurance. No change or alteration in this **Policy** shall be valid or effective unless approved in writing by **Us**, which approval shall be evidenced by an endorsement on the **Policy**.

#### 12. Territorial Limits

This **Policy** covers insured events arising during the **Policy Period** within India. **Our** liability to make any payment shall be to make payment within India and in Indian Rupees only.

#### 13. Reinstatement after settlement of a claim

All sums which may from time to time be paid by way of indemnity under this Policy in any one Period of Insurance shall be accounted in diminution of the Total Sum Insured so that in case of any subsequent event giving rise to a claim occurring during the same period the total amount payable during that period by the Company shall not in any case exceed the Total Sum Insured. In the event of the property lost, destroyed or damaged being replaced by other property, the Company will at the Insured's request extend this insurance by endorsement to include such property upon payment of the appropriate pro-rata additional premium.

#### 14. Renewal Clause

This Policy may be renewed by mutual consent every year and in such event, the renewal premium shall be paid to **US** on or before the date of expiry of the Policy or of the subsequent renewal thereof. However **WE** shall not be bound to give notice that such renewal premium is due.

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