

## BUSINESS SECURE

### ENDORSEMENT/EXTENSION WORDINGS

#### SECTION I - FIRE AND SPECIAL PERILS

##### 1. AGREED BANK CLAUSE

All policies in which a Bank/Financial Institution has interest shall be issued in the name of Bank/Financial Institution and owner or mortgagor and shall contain a suitable clause to protect their interest. A specimen copy of the Clause is given hereunder.

It is hereby declared and agreed

1.1 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.

1.2 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.

1.3 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.

1.4 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.

1.5 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 2 of the Section I of the Policy except where a breach of the condition has been committed by the Bank or its duly authorized agents or servants and this insurance shall not be invalidated by any act or omission on the part of 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 hazards 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

1.6 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 Corporations 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.

## 2. 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.

## 3. DESIGNATION OF PROPERTY CLAUSE

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

## 4. REINSTATEMENT VALUE CLAUSE

Reinstatement value insurance may be granted on Buildings, Machinery Furniture, Fixture and Fittings only subject to the incorporation of the following memorandum in the policy:

It is hereby declared and agreed that in the event of the property insured under (Item Nos.....of ..... ) 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 reinstating 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:*

The work of replacement or 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.

- 4.1 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 therein.
- 4.2 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.
- 4.3 This Memorandum shall be without force or effect if

- a) the Insured fails to intimate to the Company within 6 months from the date 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.

## 5. LOCAL AUTHORITIES CLAUSE

Reinstatement Value Policy may be extended to cover additional cost of reinstatement solely by reason of the necessity to comply with the regulations of local authority by incorporating the following clause in the policy.

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 Bye-laws of any Municipal or Local authority provided that

5.1 The amount recoverable under this extension shall not include:

- a) the cost incurred in complying with any of the aforesaid Regulations or Bye-laws,
  - i. in respect of destruction or damage occurring prior to the granting of this extension
  - ii. in respect of destruction or damage not insured by the policy,
  - iii. under which notice has been served upon the insured prior to the happening of the destruction or damage,
  - iv. in respect of undamaged property or undamaged portions 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 or 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.

5.2 The work of reinstatement must be commenced and carried out with reasonable dispatch and in any case must be completed within twelve months after the destruction or damage or within such further time as the Company 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 Company under this extension not being thereby increased.

5.3 If the liability of the Company 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 Company under this extension (in respect of any such item) shall be reduced in like proportion.

5.4 The total amount recoverable under any item of the policy shall not exceed the sum insured thereby.

5.5 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.

5.6 No additional premium shall be charged for inclusion of this clause in this policy.

**6. 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 increase per annum.

Item Number	Specified percentage increase per annum
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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 Company: -

- 6.1 The sums to be insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by 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 up to that renewal date, and
- 6.2 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.

**7. FLOATER 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”

**8. DECLARATION CLAUSE**

8.1 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 ..... Company 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 a) the average of the values at risk on each day of the month or b) the highest value at risk during the month or c) the value of stocks on the last day of the month or d) the average of the values at risk on each of the quarter 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 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.

8.2 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 rate of.....  
(insert the Tariff 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 \_\_\_% 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

8.3 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.

8.4 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.

8.5 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.

8.6 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.

8.7 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 \_\_\_ 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 \_\_\_ of the provisional premium whichever is greater.

8.8 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 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 in Clause 1 above

8.9 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.

8.10 It is warranted that every other policy on a declaration basis covering the stocks insured hereby shall be identical in wording with this policy.

8.11 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.

#### **9. ARCHITECTS, SURVEYORS AND CONSULTING ENGINEERS FEES (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 upto 7.5% of the adjusted loss is covered, but it 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.

#### **10. REMOVAL OF DEBRIS (in excess of 1% of the claim amount)**

It is permissible to cover cost necessarily incurred by an insured in the removal of debris from the premises of the insured, dismantling, demolishing, shoring up or propping of Insured property following destruction or damage by Insured Peril by incorporating the following clause

"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 (Items.....of) this policy destroyed or damaged by perils hereby insured against but not exceeding in the aggregate INR....."

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

#### **11. 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**

In consideration of the payment of additional premium 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.

## **12. 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, 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.

## **13. FOREST FIRE**

In consideration of the payment of additional premium the insurance under this section of 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.

Note 1: Where loss experience for previous 5 years excluding the expiring policy period is less than 30%, a 50% discount on the rate may be considered.

Note 2: Where loss experience is above 60%, the rate shall be adjusted in such a way that the loss experience for policy period worked out as given in Note 1 above be adjusted to 60% subject to a maximum rate of Rs.15%o.

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

In consideration of an additional premium, 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 Vehicles, Fork lifts, cranes, stackers and the like and articles dropped therefrom.

## 15. SPONTANEOUS COMBUSTION

In consideration of the payment by the Insured to the Company of additional premium, Company agrees notwithstanding what is stated in the printed exclusions of this policy to the contrary that the insurance by items specified under 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.

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

The Insurance by this Policy extends to cover Buildings and/or Machinery, Plant and other Contents as defined in the item specified under this policy 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 by item No.....
  - 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.
- a. No liability shall attach to the insurers in respect of any Building, Machinery, Plant or other Contents while such property is otherwise insured. 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 may be suitably adjusted.
- b. 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.
- c. Other Contents' in the above clause shall mean 'Furniture and Fittings' and does not include 'Stocks'.
- d. This clause should be incorporated at the time of issuing the policy.

## 17. EARTHQUAKE (FIRE AND SHOCK)

*If option to delete STFI peril is exercised*

"In consideration of the payment by the Insured to the Company of the sum 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 excised*

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 therefrom.

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: Excess as mentioned on the policy 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).
- 3) 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.

#### 18. 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 by the Insured to the Company of additional premium, it is hereby agreed and declared that, notwithstanding anything contained to the contrary, in the within written Policy, the insurance under this section 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 Conditions:

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 of this section 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'

## 19. LEAKAGE AND CONTAMINATION COVER

Policy may be extended to include the risks of (a) accidental leakage and ANNEXURE 'A' 103 contamination or (b) accidental leakage. The extension will apply to oils and chemicals only. It will not apply to any other commodity.

It shall be obligatory to use one of the following endorsement wordings:

A. Where Leakage And Contamination Cover Is Granted:

"In consideration of the payment of an additional premium, 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:

- Loss by Contamination through Improper Handling or Controls by Insured's own Employees;
- 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;
- 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;
- Loss by burglary or theft or any attempt thereat;
- Loss resulting from processing or faulty workmanship;
- Loss resulting from shrinkage, evaporation, loss of weight unless caused by a peril not otherwise excluded;
- Any legal and/or contractual liability arising from any cause whatsoever; and
- Consequential Loss of any nature.

B. Where Leakage Cover Alone Is Granted:

"In consideration of the payment of an additional premium, 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:

- 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;
- 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;
- loss by burglary or theft or any attempt thereat;
- loss resulting from processing or faulty workmanship;
- loss resulting from shrinkage, evaporation, loss of weight unless caused by a peril not otherwise excluded;
- any legal and/or contractual liability arising from any cause whatsoever; and
- Consequential Loss of any nature.

### Special Condition (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 INR 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

## 20. 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.

## 21. LOSS OF RENT CLAUSE

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.

## 22. ADDITIONAL EXPENSES OF RENT FOR AN ALTERNATIVE ACCOMMODATION

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 "Kutcha" 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 or 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
  - i. the Owner-Occupant to insure both building and contents
  - ii. 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 of ..... months whichever is earlier

Provided that the liability of the Company shall not exceed INR..... 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:**

- i. 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.
- ii. 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 ratable 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.

## 23. START UP EXPENSES

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.

## 24. TERRORISM DAMAGE INCLUSION ENDORSEMENT

### Sabotage and 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 Original Policy 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 sabotage and/or terrorism to the location/s mentioned in the schedule 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 organization(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Act, 1967 (as amended from time to time) 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.

For the purpose of this cover, an act of sabotage means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put 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 sabotage and/or 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, paramilitary 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 or riots;
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 sabotage and/or 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;
18. Any loss due to fines or damages for breach of contract, or penalties of whatever nature;
19. Any infidelity, fraudulent, dishonest or criminal act by any director, officer or trustee of the Insured whether acting alone or in collusion with others;
20. Any debt, insolvency or commercial failure, whether to provide bond or security or otherwise, or any other financial cause of any party or person whatsoever.

21. loss or damage caused by Civil Commotion, Insurrection, Revolution or Rebellion, Mutiny and/or Coup d'Etat and Civil War except as may be insured specifically under any Political Violence Extension to this cover;
22. Third party liability howsoever arising except as may be insured specifically under any Third-Party Liability Extension to this cover.

### **LIMIT OF INDEMNITY**

The limit of indemnity under this cover shall not exceed the Total Sum Insured given in the Policy Schedule or INR 20,000,000,000 per compound/location whichever is lower.

In respect of sabotage and/or terrorism cover for dwellings, limit of indemnity shall not exceed Total Sum Insured as mentioned in the Policy Schedule or INR 4,000,000,000 per compound/location whichever is lower.

In respect of several locations being covered under a single policy on a floater basis, the maximum aggregate loss suffered from all the locations mentioned in the Policy schedule shall not exceed Total Sum Insured as mentioned in the Policy Schedule or INR 20,000,000,000/- 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 20,000,000,000. If the actual aggregate loss suffered at one compound/location is more than INR 20,000,000,000, the amounts payable towards individual policies shall be reduced in proportion to the sum insured of the policies.

### **EXCESS\***

Shops & Residential Risks: 1% of the claim amount for each and every claim subject to Minimum of INR 10,000 and Maximum of INR 500,000

Non-Industrial Risks: 1% of the claim amount for each and every claim subject to Minimum of INR 25,000 and Maximum of INR 1,000,000

Industrial Risks: 5% of the claim amount for each and every claim subject to Minimum of INR 100,000 and Maximum of INR 25,00,000

\*Whichever is applicable

### **ADD ON COVERS**

It is further declared and agreed that the limit of indemnity including the claim on add on cover(s) shall not exceed total sum insured plus separate sublimit opted for add on cover(s) or INR 20,000,000,000 whichever is lower. In respect of several insurance policies within the same compound/location, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 20,000,000,000.

In respect of sabotage and/or terrorism cover for long term dwellings, limit of indemnity including the claim on add on cover(s) shall not exceed total sum insured plus separate sublimit opted for add on cover(s) or INR 4,000,000,000/- whichever is lower. In respect of several insurance policies within the same compound/location, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 4,000,000,000/-

### **MID TERM COVER**

In case the coverage under this endorsement is granted during the currency of the policy, no claims will be payable for loss or damage to property caused by an act of sabotage and/or terrorism occurring during the first 15 (fifteen) days from the date of granting such cover. There should be no known or recorded/reported losses from ground up including threats/hoaxes from date of inception of policy to the date of granting such cover.

## **SANCTION, LIMITATION AND EXCLUSION CLAUSE**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

## **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 Sabotage and/or 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.

(\*) The wordings for Terrorism Damage Cover Endorsement are as prescribed by Indian Market Terrorism Risk Insurance Pool (Pool) currently in force and will be subject to change as per Pool guidelines or as per the Reinsurance arrangement from time to time.

By way of this extension, We hereby delete the exclusion "Terrorism Damage Exclusion Warranty" under Section I of the Policy Wording

## **25. VOLUNTARY DEDUCTIBLE CLAUSE**

It is hereby declared and agreed that the insured having opted a voluntary deductible of ..... 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 of ..... % on the final premium payable for the policies and Add-on Covers.

It is further agreed that the above voluntary deductible opted shall replace the compulsory excess stipulated under "General Exclusions" attached to the policy(ies) and/or for add-on covers.

## **26. MOLTEN MATERIAL SPILLAGE COVER**

In consideration of the payment of the after-mentioned additional premium shown in the policy/the Endorsement, it is hereby agreed and declared that, subject to the conditions of the Policy, the policy extends to cover physical loss or damage to property excluding cost of molten material serving business operations that arises without the occurrence of fire as a result of the spillage or leakage of glowing molten material from container or lines.

Physical loss or damage shall not include damage to containers, unless such damage is caused by spilled glowing molten material acting from the outside.

Loss Limit- Rs..... Crores each and every loss (Material Damage + Business Interruption) & Rs..... Crores in the aggregate for the policy period

Provided also that, no liability shall attach under this extension, had there been any claim due to molten material spillage during the 2 years period preceding this policy period.

## 27. LOSS MINIMIZATION EXPENSES

This Policy includes expenses for loss minimisation necessarily incurred by the Insured to prevent any aggravation of an Insured Loss following a loss or damage at any Insured's Premises specified in the Schedule, including moving / shifting of property if this contributes to loss minimisation, subject to a limit per loss as per schedule.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## 28. BRAND / TRADEMARKS

In consideration of the payment of additional premium, it is hereby agreed and declared that in the event of loss or damage by a peril insured against the property bearing a brand or trademark or which in any way carries or implies the guarantee or responsibility of the manufacturer or Insured, the salvage value of such damaged property shall be determined after removal in the customary manner of all such brands or trademarks or other identifying characteristics.

The Insured shall have full right to the possession of all goods involved in any loss under this policy and shall retain control of all damaged goods. The Insured, exercising reasonable discretion, shall be the sole judge as to whether the goods involved in any loss under this policy are fit for consumption and no goods so deemed by the Insured to be unfit for consumption shall be sold or otherwise disposed of except by the Insured or with the Insured's consent but the Insured shall allow Insurers any salvage obtained on the sale or other disposition of such goods.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## 29. SUE AND LABOUR CHARGES

In consideration of the payment of additional premium, it is hereby agreed and declared that in case of loss or damage, or imminent loss or damage, to the Contract Works insured hereunder due to a cause indemnifiable under the Policy, it shall be lawful and necessary for the Insured, their factors, servants and assigns, to sue, labour, and travel for in and about the defence safeguard and recovery of the Property Insured hereunder or any part thereof without prejudice to this insurance, to the charges whereof the Company shall contribute according to the rate and quantity of the loss amount indemnifiable hereunder by the Company or which would have been indemnifiable hereunder by the Company but for the actions of the Insured; nor shall such acts of the Insured or Company in recovering saving and preserving Property Insured in case of loss or damage be considered a waiver or an acceptance of abandonment.

In the case of imminent loss or damage the Insured shall take such action as they consider prudent to prevent or reduce loss of or damage to the Contract Works and shall inform the Insurers as soon as practicable thereafter.

The liability of the Company under this Endorsement shall not increase the Limit of Liability stated in the Policy Schedule and shall be subject to the Deductibles applicable for the section where this extension is made part of and as specified in the Policy.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## 30. CLAIMS PAYMENT ON ACCOUNT

It is hereby declared and agreed that all claims to be paid to the Insured within reasonable time after receipt of satisfactory documentation and determination of the quantity of the loss presented by the loss adjusters and agreed by the Company. In the event of indemnifiable loss or damage payment on account will be made by the Company as early as possible on request if this is approved by the Company and where the liability has been established in a preliminary loss report and accepted by the Company.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

### **31. 72 HOURS CLAUSE**

#### **Windstorm**

Insurers shall not be liable for any loss occurring before the effective date and time of the Policy nor for any loss commencing after the expiration date and time of this Policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the first windstorm damage occurs prior to the date and time of the expiration of this Policy.

Each loss by windstorm shall constitute a single claim hereunder; provided, if more than one windstorm shall occur within any period of seventy two (72) hours during the term of this Policy such windstorm shall be deemed to be a single windstorm within the meaning thereof.

Official recognised Authority (or as agreed between The Insurer and The Insured) will elect the moment from which each of the aforesaid periods of seventy two (72) hours shall be deemed to have commenced but no two such seventy two (72) hour periods shall overlap.

#### **Earthquake**

Insurers shall not be liable for any loss caused by an earthquake occurring before the effective date and time of this policy nor for any loss commencing after the expiration date and time of this policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the earthquake damage occurs prior to the date and time of the expiration of this Policy.

Any and all losses caused by earthquake shall constitute a single loss hereunder provided that more than one earthquake shock occurring within any seventy two (72) hour period during the Period of Insurance of this Policy shall be deemed to be a single earthquake within the meaning thereof.

Official recognised Authority (or as agreed between The Insurer and The Insured) will elect the moment from which each of the aforesaid periods of seventy two (72) hours shall be deemed to have commenced but no two such seventy two (72) hours periods shall overlap.

#### **Flood**

Insurers shall not be liable for any loss caused by flood occurring before the effective date and time of this policy nor for any loss commencing after the expiration date and time of this policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the first flood damage occurs prior to the date and time of the expiration of this Policy.

Each loss caused by flood and all losses caused by flood within a seventy-two (72) hours period shall be deemed to constitute a single loss.

Official recognised Authority (or as agreed between The Insurer and The Insured) will elect the moment from which each of the aforesaid periods of seventy two (72) hours shall be deemed to have commenced but no two such seventy two (72) hours periods shall overlap.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

### **32. INVOLUNTARY BETTERMENT/ TECHNOLOGICAL ADVANCEMENT**

Notwithstanding Condition of Reinstatement, In the event that new Property Insured of like kind and quality is not obtainable Property Insured which is as similar as possible to that which has sustained Damage and

which is capable of performing the same function shall be deemed to be new Property Insured of like kind and quality and in no event shall this be considered as a betterment to the Insured.

In the event of replacement with new Property Insured the Insurer will pay the cost of purchasing and installing technologically current Property Insured which is necessitated by incompatibility between

- 1) new Property Insured installed to replace Property Insured which has sustained Damage and
- 2) existing Property Insured which has not incurred Damage at the same or an interdependent location

Provided always that

- (a) Damage was directly caused to the Property Insured
- (b) the Insurer shall be liable only for the amount sufficient to enable the Insured to resume operations in substantially the same manner as before the Damage
- (c) the Insurer shall be liable for only the difference between
  - (i) the highest sales value of the existing Property Insured which has not incurred Damage at the same or interdependent location and
  - (ii) the installed cost of the technologically current Property Insured
- (d) the liability of the Insurer shall not exceed the Inner Limit of Liability stated in the Specification

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

### **33. PARTS UNDAMAGED CLAUSE**

In consideration of the payment of additional premium, it is hereby agreed and declared that, the policy stands extended to include replacement of undamaged parts also in the machinery subject to condition that,

- a) Such replacement of undamaged part is necessary to avoid the recurrence of the damage as may be certified by Surveyor
- b) Prior approval from the insurer is taken for such replacement
- c) By such replacement of undamaged part, there is no technical improvement in performance, capacity or output.

This is payable only if there is an admissible claim under the main Policy. The claim subject to limit of overall Sum Insured of the machinery/equipment.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

### **34. DECONTAMINATION AND COST OF CLEAN UP EXPENSES**

In consideration of the payment of additional premium, it is agreed and understood that, if the insured property is contaminated as a direct result of physical damage insured by this policy and there is in force at the time of loss any law or ordinance regulating contamination, including but not limited to the presence of pollution or hazardous material, then this policy covers as a direct result of enforcement of such law or ordinance, the increased cost of decontamination and/or removal of such contaminated insured property in a manner to satisfy such law or ordinance.

This additional coverage applies only to that part of insured property so contaminated as a direct result of insured physical damage. The company is not liable for the costs required for removing contaminated uninsured property nor the contaminant therein or thereon, whether or not contamination results from an insured event.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

### 35. ACCIDENTAL DAMAGE COVER

In consideration of the payment of additional premium, it is hereby declared and agreed that the policy is extended to cover direct loss or damage to the property described in the Schedule due to accident from any fortuitous cause subject to the terms, conditions and exclusions herein. The limit of indemnity shall not exceed the limit specified in the Schedule against this extension.

Below exclusions will be applicable to this coverage in addition to the policy exclusions

1. Loss, destruction or damage to bullion or unset precious stones, any curios or works of art, manuscripts, plans, drawings, securities, obligations or documents of any kind, stamps, coins or paper money, cheques, books of accounts or any other business books, computer systems records, explosives unless otherwise expressly mentioned in the policy.
2. Loss, destruction or damage to the insured property premises caused by change of temperature.
3. 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.
4. Damage to belts, ropes, chains, rubber tyres, dies, moulds, cutters or exchangeable tools, engraved or impression cylinders or rolls; object which are brittle in nature and all operating media ( e.g.- lubricants, fuel, catalyst, refrigerant, dowtherm), felts, endless conveyor belts or wires, sieves, fabrics, heat resisting and anti-corrosive linings, packing materials, parts not made of metal ( except insulating material) and non-metallic linings or coatings of metal parts unless caused by Fire, lightning, riot, strike, malicious damage, storm, tempest, flood or inundation.
5. Loss or damage by electrical/mechanical/electronic derangement or breakdown.
6. Loss or damage due to termites, moths, insect, vermin, inherent vice, fumes, flaws, latent defects, fluctuations in atmospheric or climatic conditions.
7. Loss or damage due to collapse, settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to an insured property.
8. Loss, destruction or damage caused by
  - a. corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or Insects
  - b. change in temperature colour, flavour, texture or finish
  - c. joint leakage failure of welds cracking fracturing collapse or overheating of boilers economizers, superheaters pressure vessels or any range of steam and feed piping in connection therewith
  - d. mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates
9. Loss, destruction or damage due to Burglary, theft, and/or any attempts thereat
10. Breakage, cracking, or scratching of crockery, glass, cameras, binoculars, lenses, sculptures, curios, pictures, musical instruments, sports gear, and other similar articles of brittle or fragile nature;
11. Loss or damage to Property in transit
12. Loss, destruction or damage caused by
  - a. Shortage in supply or delivery of materials, or shortage due to clerical or accounting error
  - b. any wilful act or wilful negligence on the part of the Insured or any other person acting on his behalf

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

### 36. DEWATERING EXPENSES

In consideration of the payment of additional premium, it is hereby declared and agreed that the Policy covers costs and expenses necessarily and reasonably incurred for dewatering, including shafts and underground following an event which is not specifically excluded hereunder.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

### 37. ACCOUNTS RECEIVABLE

This Policy covers any shortage in the collection of accounts receivable, resulting from insured physical loss or damage to accounts receivable records, including accounts receivable records stored as electronic data, while anywhere within this Policy's TERRITORY, including while in transit. The Company will be liable for the interest charges on any loan to offset impaired collections pending repayment of such sum uncollectible as the result of such loss or damage. Unearned interest and service charges on deferred payment accounts and normal credit losses on bad debts will be deducted in determining the recovery.

- 1) In the event of loss to accounts receivable records, the Insured will use all reasonable efforts, including legal action, if necessary, to effect collection of outstanding accounts receivable.
- 2) The Insured agrees to use any suitable property or service:
  - a. owned or controlled by the Insured; or
  - b. obtainable from other sources,in reducing the loss under this Additional Coverage.
- 3) This Policy covers any other necessary and reasonable costs incurred to reduce the loss, to the extent the losses are reduced.
- 4) If it is possible to reconstruct accounts receivable records so that no shortage is sustained, the Company will be liable only for the reasonable and necessary cost incurred for material and time required to re-establish or reconstruct such records, and not for any costs covered by any other insurance.
- 5) ACCOUNTS RECEIVABLE Exclusions: The following exclusions are in addition to the EXCLUSIONS clause of this section:  
This Additional Coverage does not insure against shortage resulting from:
  - a) bookkeeping, accounting or billing errors or omissions; or
  - b) (i) alteration, falsification, manipulation; or
  - (ii) concealment, destruction or disposal,  
of accounts receivable records committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property; but only to the extent of such wrongful giving, taking, obtaining or withholding.
- 6) The settlement of loss will be made within 90 days from the date of physical loss or damage. All amounts recovered by the Insured on outstanding accounts receivable on the date of loss will belong and be paid to the Company up to the amount of loss paid by the Company. All recoveries exceeding the amount paid will belong to the Insured.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

### 38. BROAD WATER DAMAGE

In consideration of the payment of additional premium, it is hereby agreed and declared that the Policy extends to insure against loss or damage to the insured property caused by the backing up or escape of water from a sewer or storm drain, sump, septic tank, eavestrough or downspout provided the water has not entered the ground or seeped through a basement or foundation wall.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

### 39. ELECTRICAL APPARATUS CLAUSE

In consideration of the payment of an additional premium, it is hereby agreed and declared that Loss or Damage by fire to the electrical appliances, apparatus, fixture or fitting insured under this policy arising from

or occasioned by overrunning, excessive pressure, short circuiting, arcing, self-heating or leakage of electricity from whatever cause (lighting included) is covered subject to the terms and conditions of the Policy, but it is expressly understood that no liability exists under this policy for loss or damage to any electrical machine, apparatus, fixing or fitting or to any portion of the electrical installation, unless caused by fire or lightning.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **40. IMMEDIATE REPAIRS**

In consideration of the payment of additional premium, it is hereby declared and agreed that, in case of loss of or damage to the property insured, the insurer may immediately begin repairs or reconstruction and in case of dispute as to the cost of repair and/or reconstruction the loss shall be settled in accordance with the terms of this Policy. The sole object of this Condition being not to deprive the Insured from the use of operating properties which may be necessary to their Business.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **41. EMPLOYEE'S PERSONAL PROPERTY/ EFFECT**

In consideration of the payment of additional premium, it is hereby declared and agreed that, notwithstanding anything to the contrary in this Policy, the Company will pay for direct physical loss of or damage in respect of the Policy to personal effects (except vehicles) owned by Insured, Insured's officers, partners, employee or of others in Insured's care, custody or control when at a premises described in the Schedule. The coverage does not apply to theft from any vehicle. Company will pay no more than the limit of liability as mentioned in the Schedule.

Subject otherwise to the terms, conditions and exclusions of the Policy.

#### **42. GROWING PLANTS, CROPS AND TREES, LANDSCAPING**

It is hereby declared and agreed that, notwithstanding anything to the contrary as mentioned in the Policy and subject to the Insured having paid the agreed additional premium, the Company will pay for direct physical loss of or damage, in respect of the Policy, to lawns, plants, shrubs or trees occurring at such premises as described in the Schedule. This coverage does not apply to improvements at a golf course unless specifically mentioned in the Schedule. This coverage does not apply to loss or damage caused by or resulting from: windstorm and hail; vehicle damage; weight of snow, ice or sleet; and water damage.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the Schedule.

#### **43. CLAIMS PREPARATION COST**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the insurance by this Policy extends to include costs reasonably incurred by the Insured in producing and certifying any particulars or details in support of any claim as may be required by the Company in terms of the conditions of the Policy.

The claim under this head is payable only subject to prior approval only, from the Insurer.

Limit: Up to per event and in aggregate as agreed and specified in Schedule

Deductible: As specified in the Schedule.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **44. CAPITAL ADDITIONS / NEWLY ACQUIRED PROPERTY / INTEREST**

On payment of additional premium and subject to the sub-limit shown in the Schedule, this Policy is extended to include, in so far as the same are not otherwise insured:

- a) any newly acquired machinery and plant or newly constructed buildings, and
- b) alterations additions and improvements to buildings subsequent to a certificate of completion,
- c) alterations additions and improvements to machinery and plant, at the Insured locations, but not in respect of any appreciation in value during the current Period of Insurance, provided that :

The Insured undertakes to give particulars within 30 days of commencement of the Insurer's liability and to effect specific insurance before the expiry of the Period of Insurance and to pay an additional premium on demand.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **45. CATALYSTS, LINING, REFRACTORY AND CONSUMABLE**

It is hereby declared and agreed, notwithstanding anything to the contrary mentioned in this Policy that, this Policy does not cover destruction of or damage with respect to the Policy to refractory, lining catalyst or consumable material while in process, production manufacture or transit except from the perils namely fire, lightning, windstorm, hail, explosion, aircraft damage, smoke, earthquake and collapse.

For the purpose of this Policy, the basis of settlement with respect to destruction of or damage to such refractory, lining, catalyst or consumable material as covered hereunder shall be limited to the actual cash value of such property. Where available, the normal remaining life of the refractory lining, catalyst or consumable material shall be taken into consideration in determining the actual cash value.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **46. EXPEDITING EXPENSES**

In consideration of the payment of additional premium, it is hereby agreed and declared that the Company shall indemnify the insured in the event of loss, in addition to the indemnity otherwise provided, the reasonable extra cost of safeguarding, preserving, temporary repair and of expediting the repair of such damaged property, including overtime and extra cost of express and other rapid means of transportation.

The Company shall not be liable under this extension for more than the sub-limit as mentioned in the Schedule in respect of any one Occurrence, which shall be part of and not in addition to the policy limit.

This Additional Coverage does not cover costs:

- 1) recoverable elsewhere in this Policy; or
- 2) of permanent repair or replacement of damaged property.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **47. INADVERTANT OMISSION**

The insured having notified the Company of their intention to insure all property in which they are interested and it being their belief that all such property is insured, if hereinafter any such property shall be found to have been inadvertently omitted, the Company will deem it to be insured within the terms of this policy subject to no claims reported under the policy, up to a limit in the aggregate specified in the Schedule

provided that such property is declared to Company immediately upon discovery of such omission but not later than 60 days after policy expiry. No refund of premium would be allowed under this cover.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **48. PROPERTY IN TRANSIT**

- 1) This Policy covers the following Personal Property, except as excluded by this Policy, while in transit within the TERRITORY of this Policy:
  - a) owned by the Insured
  - b) shipped to customers under F.O.B., C & F or similar terms. The Insured's contingent interest in such shipments is admitted
  - c) of others in the actual or constructive custody of the Insured to the extent of the Insured's interest or legal liability
  - d) of others sold by the Insured, that the Insured has agreed prior to the loss to insure during course of delivery
  
- 2) This Additional Coverage excludes:
  - a) samples in the custody of salespeople or selling agents
  - b) property insured under import or export ocean marine insurance
  - c) waterborne shipments
  - d) airborne shipments unless by regularly scheduled passenger airlines or air freight carriers
  - e) property of others, including the Insured's legal liability for it, hauled on vehicles owned, leased or operated by the Insured when acting as a common or contract carrier.
  - f) any transporting vehicle
  - g) property shipped between continents, except by land or air between Europe and Asia
  
- 3) Coverage Attachment and Duration:
  - a) This Additional Coverage covers from the time the property leaves the original point of shipment for transit. It then covers continuously in the due course of transit:
    - (i) within the continent in which the shipment commences until the property arrives at the destination within such continent; or
    - (ii) between Europe and Asia, for land or air shipments only, from when the shipment commences until the property arrives at the destination
  - b) However, coverage on export shipments not insured under ocean cargo policies ends when the property is loaded on board overseas vessels or aircraft. Coverage on import shipments not insured under ocean cargo policies begins after discharge from overseas vessels or aircraft.
  
- 4) This Additional Coverage:
  - a) covers general average and salvage charges on shipments
  - b) insures physical loss or damage caused by or resulting from:
    - (i) unintentional acceptance of fraudulent bills of lading, shipping or messenger receipts
    - (ii) improper parties having gained possession of property through fraud or deceit
  
- 5) Additional General Provisions:
  - a) This Additional Coverage will not inure directly or indirectly to the benefit of any carrier or bailee.
  - b) The Insured has permission, without prejudicing this insurance, to accept:
    - (i) ordinary bills of lading used by carriers;
    - (ii) released bills of lading;
    - (iii) undervalued bills of lading; and
    - (iv) shipping or messenger receipts
  - c) The Insured may waive subrogation against railroads under side track agreements.

Except as otherwise stated, the Insured will not enter into any special agreement with carriers releasing them from their common law or statutory liability.

#### **49. COST OF CLEARING DRAINS**

In consideration of the payment of additional premium, it is hereby agreed and declared that, this section of the policy will extend to pay for the reasonable costs incurred by the Insured towards clearance of drains including expenses necessarily incurred in clearing and/or repairing drains, gutters, sewers and the like, at or in the vicinity of property hereby insured, consequent upon damage which is not excluded under this section of the policy.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **50. PAIR AND SET CLAUSE**

In consideration of the payment of additional premium, it is hereby agreed and declared, in the event of insured loss or damage to the insured property, this policy shall insure the resulting reduction in value of the remaining undamaged components or parts of products customarily sold as individual units or sold as pairs, sets, lots or in ranges. At the Insured's option, the insured may collect the full value of the pair or set provided the Insured tenders the remaining articles of the pair or set to the Company.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **51. DEFERRED PAYMENT CLAUSE**

This Policy covers insured physical loss or damage to Personal Property of the type insured sold by the Insured under a conditional sale or trust agreement or any installment or deferred payment plan and after such property has been delivered to the buyer. Coverage is limited to the unpaid balance for such property.

In the event of loss to property sold under deferred payment plans, the Insured will use all reasonable efforts, including legal action, if necessary, to effect collection of outstanding amounts due or to regain possession of the property.

There is no liability under this Policy for loss:

- a) Pertaining to products recalled including, but not limited to, the costs of recall, test or to advertise such recall by the Insured.
- b) From theft or conversion by the buyer of the property after the buyer has taken possession of such property.
- c) To the extent the buyer continues payments.
- d) not within the TERRITORY of this policy

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **52. PROTECTION AND PRESERVATION OF PROPERTY**

In consideration of the payment of additional premium, it is hereby agreed and declared that, this policy extends to cover:

- 1) Reasonable and necessary costs incurred for actions to temporarily protect or preserve insured property, provided such actions are necessary due to actual, or to prevent immediately impending, insured physical loss or damage to such insured property.
- 2) Reasonable and necessary:
  - a) Fire department, firefighting charges imposed as a result of responding to a fire in, or on exposing the insured property:
  - b) Costs incurred of restoring and recharging fire protection systems following an insured loss; and
  - c) Costs incurred of water used for fighting a fire in, on or exposing the insured property.

This extension is subject to the deductible provisions applicable in case of occurrence of a physical loss or damage to the insured property.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

### **53. ADDITIONAL INSURED**

It is understood and agreed that any Individual, firm, corporation and/or its joint ventures, for whom or with whom The Insured may be operating is hereby named as additional insured in the Schedule when required by contract, or as required. It is further understood and agreed that in the event there is any violation of the terms and conditions of this insurance by one insured, it shall not affect the rights of other insured; including interest of mortgagees and notice of assignment in respect thereof.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

### **54. STARTUP/SHUT DOWN EXPENSES**

In consideration of the payment of additional premium, it is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions, the policy extends to cover actual shut down and startup costs for power and other utilities namely water, electricity, steam, gas and necessarily as well as fuels and combustibles to re-establish the plant it was at the time of the damage subject to limit specified. Start-up costs due to normal and/or emergency shut down not recoverable

### **55. TENANTS LIABILITY**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed premium to the Company the policy extends to cover:

- a) Tenant's liability, being those financial consequences of the liability which the Insured may incur as tenant, in respect of insured material damage under articles of any civil code
- b) Neighbor's liability, being those financial consequences of the liability which the Insured may incur articles of any civil code for any insured material damage to the property of neighbors and co-tenants.
- c) Tenant' claims against the landlord, being those financial consequences of the liability incurred under articles of any civil code by the latter for any insured material damage caused to the property of the said tenants, as a result of constructional defects or lack of maintenance.

Deductible- Bodily Injury or Death claims: Nil

Property Damage: Rs.5, 000/- for one claim or all claims of a series consequent to or attributable to one source or original cause.

### **56. COLLAPSE**

In consideration of the payment of additional premium, it is hereby agreed that, the insurance shall be extended to cover loss or damage due to total and partial collapse of insured property provided that.

- a) The Company indemnify the Insured in respect of loss or damage to any property or land or building only if such loss or damage results in the total or partial collapse,
- b) The Company indemnify the Insured in respect of loss or damage to any property or land or building only if prior to the commencement of construction its condition is sound and the necessary loss prevention measures have been taken,

If required, the insured, before commencement of construction and at his own expense, prepares a report on the condition of any endangered property or land or building.

The Company shall not indemnify the Insured in respect of

- a) Loss or damage which is foreseeable having regard to the nature of the construction work or the manner of its execution,
- b) Superficial damage which neither impairs the stability of the property, land or building nor endangers their users,
- c) The costs of loss prevention or minimization measures which become necessary during the period of insurance

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **57. OBSOLETE EQUIPMENT CLAUSE**

In consideration of the payment of additional premium, it is hereby agreed and declared that the value of Insured Property shall be determined as the cost of repairs or replacement with new, like kind and of similar quality at the time and place of loss. However, should the property be technologically obsolete or unavailable because it is no longer in production, and should the property be actually replaced by another system/ property, then the Insurer shall be liable for the replacement cost as new of equipment including connected accessories and peripherals which will at least perform substantially the same functions as the original equipment.

The Company shall not deduct towards accessories and peripherals (other than salvage value if any) rendered redundant although not damaged by the insured perils arising out of replacement by new property/ system. The liability of the Company shall not be reduced by any amount of betterment inherent in the design of such functionally equivalent equipment. However, the indemnification shall not exceed the value insured for the system/ equipment replaced.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **58. OBSOLETE PARTS CLAUSE**

In consideration of the payment of additional premium, it is hereby agreed and declared that, in the event of spares currently insured hereunder and represented within the total sum insured under this Policy becoming obsolete following an indemnifiable loss to the Plant & Machinery, the same should form part of the claim subject to Insurer's retaining right of salvage over such obsolete parts.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **59. PROFESSIONAL FEES CLAUSE**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon and subject to the Insured having paid the agreed additional premium that this Policy extends to cover the actual costs incurred by the Insured, of reasonable fees payable to the Insured's accountants, architects, auditors, engineers, or other professionals and the cost of using the Insured's employees, for producing and certifying any particulars or details contained in the Insured's books or documents, or such other proofs, information or evidence required by the Company resulting from insured loss payable under this Policy for which the Company has accepted liability.

- 1) This additional coverage will not include the fees and costs of attorneys, public adjusters, and loss arbitrators, all including any of their subsidiary, related or associated entities either partially or wholly owned by them or retained by them for the purpose of assisting them nor the fees and costs of loss consultants who provide consultation on coverage or negotiate claims.
- 2) This additional coverage is subject to the deductible that applies to the loss.

The indemnity provided herein shall be subject to the limit of indemnity as specified in the Schedule.

## **60. AGGRAVATION CLAUSE**

It is noted and agreed that, where an insured loss exists and is aggravated by an excluded peril, the impact of this excluded peril shall not preclude the right of the insured to be indemnified for the claim arising out of the original loss. The claim, nevertheless, will be limited to the amount of the loss that the insured has suffered being clearly distinguishable as arising from the original loss as opposed to the excluded peril.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## **61. LEAK SEARCH AND FINDING COSTS**

In consideration of the payment of additional premium, it is hereby agreed and declared that in addition to indemnifiable costs of repair or replacement the Company will indemnify the Insured for the cost and expenses necessarily and reasonably incurred in locating and obtaining access to any part or parts of the insured property in order to locate and repair leaks or other damages not otherwise excluded by the policy / insured perils clause and subject to a limit specified in the Schedule.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## **62. NON INVALIDATION CLAUSE**

It is hereby agreed that this insurance shall not be invalidated by:

1. Any change of occupancy or increase of risk taking place in the property insured without the insured's knowledge provided that they shall, immediately on the same coming to their knowledge, advise the insurers and pay any additional premium that may be required from the date of such increase of risk.
2. Workmen on the premises for the purposes of effecting repairs, minor alterations to the premises or general maintenance purposes and the like.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## **63. WAIVER OF UNDERINSURANCE CLAUSE**

If, in the event of loss or damage, it is found that the sum insured is less than the amount required to be insured, then the amount recoverable by the insured under this section shall be reduced in such proportion as the sum insured bears to the amount required to be insured. Provided, however, if the said sum insured in respect of such item(s) of the schedule shall not be less than 85% of the value of the item(s) thereat, this condition shall be of no purpose and effect.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## **64. REMOVAL OF DEBRIS – EXTERNAL -DEBRIS**

It is hereby understood and agreed that otherwise subject to the terms, exclusions, provisions and conditions contained herein the Policy or endorsed thereon, and subject to the Insured having paid the additional premium this Policy extends to cover costs and expenses necessarily incurred by the Insured with the consent of the Company in demolishing or removing external debris of property, other than insured property accumulated within the risk location of the Policy, by any sudden event due to the perils covered under the policy, that could not reasonably be ascertained by the Insured or if ascertained the insured could not have prevented the damage by reasonable amount of care/measures subject to a maximum limit of indemnity per any one occurrence and in the aggregate stated in the Schedule.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## 65. DELIBERATE DAMAGE CLAUSE

In consideration of the payment of additional premium, it is hereby declared and agreed that, this insurance covers physical loss of property insured or expenses incurred by the insured, directly caused by any act or order of any governmental authority acting under the powers vested in them to prevent or mitigate the damage or imminent damage or threat thereof, resulting directly from damage to the property insured, provided such act of governmental authority has not resulted from lack of due diligence by the insured to prevent or mitigate such hazard or threat, thereof and to any other physical damage. However, any kind of consequential losses are excluded.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## 66. MINOR WORKS

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, this policy is extended to include minor alterations and/or construction and/or re-construction and/or addition and/or maintenance and/or modifications and/or work carried out on any of the property insured under this policy against insured perils.

Notwithstanding other terms and conditions herein, this extension to the policy shall only pay in excess of more specific insurance if any, arranged in respect of minor works. This extension does not cover any loss or damage, to the property which, at the time of happening of such loss or damage, is insured, but for existence of this property by any project insurance policy.

It is further agreed and declared that, the loss of earnings, loss by delay, loss of market or any other consequential or indirect loss whatsoever, shall not be payable under this extension or even under corresponding Business Interruption policy if any, taken by the insured unless specifically agreed to in writing by the Company.

This extension excludes Loss or damage due to faulty design, defective material and bad workmanship, loss or damage arising out of testing, trial run etc. However, the corresponding BI policy shall pay consequential loss arising out of material damage to existing property insured under the policy by a peril not excluded under the policy.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## 67. NON VITIATION CLAUSE

- (i) It is hereby understood and agreed that if the Insured described in the schedule comprises more than one insured party each operating as a separate and distinct entity then cover hereunder shall apply in the same manner and to the same extent as if individual policies had been issued to each such insured party provided that the total liability of the Company to all of the insured parties collectively shall not exceed the sums insured and limits of indemnity including any inner limits set by memorandum or endorsement stated in the Policy.
- (ii) It is understood and agreed that any payment or payments by Company to any one or more such insured parties shall reduce to the extent of that payment Company's liability to all such parties arising from any one event giving rise to a claim under this Policy and (if applicable) in the aggregate.
- (iii) It is further understood that the Insured parties will at all times preserve the various contractual rights and agreements entered into by the insured parties and the contractual remedies of such parties in the event of loss or damage.
- (iv) It is further understood and agreed that Company shall be entitled to avoid liability to or (as may be appropriate) claim damages from any of the Insured parties in circumstances of fraud, material

misrepresentation, material non-disclosure or breach of any warranty or condition of this Policy each referred to in this clause as a Vitiating Act.

- (v) It is however agreed that a Vitiating Act committed by one insured party shall not prejudice the right to indemnity of any other insured party who has an insurable interest and who has not committed a Vitiating Act.
- (vi) Company hereby agree to waive all rights of subrogation which they may have or acquire against any insured party except where the rights of subrogation or recourse are required in consequence of or otherwise following a Vitiating Act in which circumstances Company may enforce such rights notwithstanding the continuing or former status of the vitiating party as an insured.
- (vii) The lenders, to the project hereby insured, shall not be entitled to any indemnity under this Policy for or arising from loss or damage in respect of which Company is by reason of a Vitiating Act no longer liable to indemnify any one or more other insured party.

#### **68. MULTIPLE INSURED CLAUSE**

If in any Section the Insured comprises of more than one party each operating as a separate and distinct entity, this Policy of Insurance shall, unless otherwise provided for in this Policy of Insurance, apply as if a separate policy had been issued to each of these parties provided always that the Insurer's overall liability towards the parties that constitute the Insured in any Section shall not exceed the Sum Insured and any limits of indemnity specified in the Schedule to that Section.

Any payment made by the Insurer to any Insured Party as a result of an occurrence of loss or damage shall reduce, by the amount of that payment, the Insurer's liability towards all Insured Parties that constitute the Insured arising from that occurrence under this Policy of Insurance.

#### **69. PROPERTY NOT IN INSURED PREMISES/ OFF-SITE**

On payment of additional premium, it is hereby declared and agreed that, this policy extends to cover property (Machineries / Equipments and Stocks) of the insured temporarily stored in unspecified locations outside the insured premises for a period of \_\_\_ months and upto a limit of INR \_\_\_\_\_ at any one location for any one loss and INR \_\_\_\_\_ in the aggregate for the policy period subject to these properties being part of the declared Sum Insured.

#### **70. VALUABLE PAPERS AND RECORDS**

It is hereby declared and agreed that, notwithstanding anything to the contrary contained in this Policy and subject to the Insured having paid the agreed additional premium, Company will pay for direct physical loss of or damage for the purpose of this Policy to **Valuable Papers and Records** at the premises described in the Schedule. Company will pay for the value, blank and Insured's necessary costs to research, replace or restore the information lost or damaged thereon, including those which exist on electronic or magnetic media that are Insured's property or the property of others in Insured's care, custody or control.

This coverage does not apply to loss or damage to property that cannot be repaired or restored with like kind or quality. Company will pay no more than the limit of liability as stated in the Policy Schedule.

Only for the purpose of this endorsement, **valuable papers and records** is defined as follows:

**Valuable Papers and Records** - inscribed or printed or written documents and manuscripts or records, including abstracts, books, deeds, drawings, films, maps, mortgages, prints and tracings, computer programs, card index systems, files, tapes, discs, drums, cells and other magnetic recordings or storage media for electronic data processing; but Valuable Papers and Records does not mean money or securities.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the Schedule.

#### **71. WAIVER OF SUBROGATION**

It is understood and agreed that this Insurance shall not be invalidated should the Insured waive, with Insurers' agreement, prior to loss or damage affected thereby any or all rights and recovery against any party for loss or damage to the property described herein, provided however, that the Insurers' rights of recourse against any manufacturers and suppliers be maintained in force. It is specifically agreed to automatically waive rights of recourse against contractors of the Assured (and /or their subcontractors) during the policy period but only in respect of the normal maintenance activities of the Assured. Normal maintenance shall be deemed to include work during normal shutdowns and the Startup from normal shutdowns.

It is hereby agreed and understood that the Insurers shall waive all rights of subrogation or action which they may have or acquire against any of the parties comprising the insured and/or any manufacturer or supplier with whom the insured has agreed in writing prior to a loss to waive such rights of subrogation arising out of any occurrence in respect of which any claim is admitted hereunder.

#### **72. GOODS HELD IN TRUST**

On payment of additional premium, it is hereby declared and agreed that certain items of the property may be subject of hire purchase, lease or other agreements and the interest of the other parties to these agreements is noted in this insurance, the nature and extent of such interest including other insurance to be disclosed in the event of loss, destruction or damage. These may also include all real and personal property of every kind and description belonging to the Insured or to others (including but not limited to goods under consignment, held in trust or on lease or paid for awaiting delivery) for which the Insured may be held liable for loss or damage while in their care, custody or control.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **73. FLOATER INSURANCE – UNSPECIFIED LOCATIONS**

On payment of additional premium, it is hereby declared and agreed that the stocks insured under Policy is subject to a floating Sum Insured declared hereon all the locations owned and or occupied by the Insured anywhere in India.

Provided always that:-

1. There shall be a minimum of 10 locations covered under this item in the Policy
2. The sum insured at any one location shall not exceed 10% of the Total Sum Insured

In the event of any loss or damage, the Company's maximum liability shall not exceed 10% of the Total Sum Insured for any one of the unspecified locations and the floating sum insured declared hereon in respect of all the unspecified locations covered under the Policy.

At all times during the currency of this Policy the Insured shall maintain good internal audit and accounting procedures under which the total amount at risk and locations can be established at any particular time if required.

Provided further that all the conditions of this Policy shall apply (except on so far as they may be hereby expressly varied)

#### **74. VEHICLE LOAD CLAUSE**

In consideration of the payment of additional premium, in the event of any of the insured's vehicles being left loaded overnight\* whilst in or on the premises described in the specification hereto the Company will indemnify the insured in respect of such load in the event of loss or damage by any of the perils insured against by this Policy.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

\*Can be modified to include "where the goods are already sold but not yet delivered" and deleting overnight on the basis of the customer's requirement.

#### **75. TRACE AND ACCESS**

Subject to prior approval of the Insurer, the Insurer will reimburse the insured with costs and expenses incurred in investigating and identify the cause of Damage, and of identifying the location of such cause. Such reimbursement will include costs (including consulting engineer's fees) incurred with the prior consent of the insurer in conducting investigation and/or tests into possible repair (whether or not successful) replacement or reinstatement of property suffering Damage.

#### **76. REMOVAL OF DEBRIS INCLUDING EXTERNAL DEBRIS**

Policy may be extended to cover the above subject to following endorsement wordings.

It is permissible to cover cost necessarily incurred by an insured in the removal of debris from the premises of the insured, dismantling, demolishing, shoring up or propping of Insured property following destruction or damage by Insured Peril by incorporating the following clause

"On costs and expenses necessarily incurred by the insured

- 2.1 In the removal of debris from the premises of the Insured;
- 2.2 Dismantling or demolishing;
- 2.3 Shoring up or propping

of the portion or portions of the property insured by (Items (As specified in the Schedule) of) this policy destroyed or damaged by perils hereby insured against but not exceeding in the aggregate amount as specified in the Schedule.

Note: 1. (2.2) & (2.3) 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

Notwithstanding anything to the contrary in this policy or in any of its conditions, this endorsement is extended to include external debris of property, other than insured property, accumulated at the premises of the insured subject to the limits/sublimits and conditions specified in the Policy Schedule.

#### **77. UNOCCUPANCY CLAUSE**

The insurance by this Policy will not be prejudiced in the event of any Building remaining unoccupied for a greater period than 30 days, notwithstanding anything contained in the Conditions of this Policy, provided that in due course the Insured or their agents give notice in writing to the Company and on demand pay such reasonable additional premium as the Company may require.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **78. NEW LOCATION COVER**

On payment of additional premium, it is hereby declared and agreed that, property at a new location acquired by the Insured, other than those in operation or acquired prior to the effective date of this coverage,

is automatically covered up to the amount as specified in the Schedule and for a period up to 30 days from the date of acquisition.

It is understood that the Insured shall declare within 30 days from the date of acquisition the value of property at any such location acquired and will pay the appropriate additional premium from the date of acquisition on pro rata basis at the basic rate.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **79. ADDITIONAL CUSTOMS DUTY**

On payment of additional premium, it is hereby declared and agreed that the insured shall also indemnify during the currency of this policy, toward the additional Custom Duty amount as mentioned in the Schedule which may be incurred by the insured over and above the custom Duty amount taken into account in arriving at the Sum Insured of the affected item.

Such additional Import / Customs Duties shall be payable in addition to the Limit of Indemnity stated in the Schedule.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **80. ERRORS AND OMISSIONS AND MIS-DESCRIPTION CLAUSE**

On payment of additional premium, it is hereby declared and agreed that in the event of physical loss or damage to property of the Insured located in the country in which the locations herein insured are situated and such loss or damage is not payable under this Policy solely because of:

- 1) any error or unintentional omission in the description or location of Property Insured under this Policy, which error or omission existed at the inception date of this Policy; or
- 2) any error or unintentional omission in the description or location of Property Insured under this Policy, in any subsequent amendments to this Policy; or
- 3) failure through error or unintentional omission to include
  - a. any location owned or occupied by the Insured at the inception date of this Policy, or
  - b. any location newly acquired or occupied during the term of this Policy and not reported within sixty (60) days (see Automatic Coverage above); or
  - c. any error or unintentional omission which results in cancellation of Property Insured under this Policy,

such loss or damage shall be insured by this Policy only to the extent this Policy would have provided coverage had the error or unintentional omission not been made, up to the sublimit specified in the Schedule.

It is a condition of this coverage that such error or unintentional omission shall be reported and corrected when discovered.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **81. FIRE-FIGHTING EXPENSES**

It is hereby declared and agreed that, notwithstanding anything to the contrary in this Policy, this Policy extends to cover all expenses necessarily and reasonably incurred by or on behalf of the Insured in extinguishing fire or in mitigating, containing or suppressing loss, destruction or damage by any peril or eventuality hereby insured against occurring at or adjacent to or immediately threatening the situation of any property insured by the Policy.

It is further agreed that the indemnity afforded by this clause shall include (but not be limited to) the payment of wages to Insured's employees (other than full-time members of a work's fire brigade), the cost of

replenishing fire-fighting appliance; and the cost of replacing, reinstating or repairing materials and equipment lost, destroyed or damaged unless otherwise specifically insured.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

The indemnity provided herein shall be subject to the limit of indemnity as specified in the Schedule.

## **82. AUTOMATIC REINSTATEMENT CLAUSE**

On payment of additional premium, it is hereby declared and agreed that, subject to the Insurance Limits as stated in the Schedule in the event of any claim occurring under this Policy and in the absence of written notice by the Insured to the contrary, the insurance in respect of any Property Insured or Business Interruption arising is automatically reinstated as and from the date of the Damage.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## **83. DEMOLITION AND INCREASED COST OF CONSTRUCTION**

On payment of additional premium, it is hereby declared and agreed that:

- 1) This Policy covers the reasonable and necessary costs incurred, described in item 3 below, to satisfy the minimum requirements of the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement or use of buildings or structures, provided:
  - a) such law or ordinance is in force on the date of insured physical loss or damage;  
and
  - b) its enforcement is a direct result of such insured physical loss or damage.
- 2) This Additional Coverage does not cover loss due to any law or ordinance with which the Insured was required to comply had the loss not occurred.
- 3) This Additional Coverage, as respects the property insured in item 1 above, covers:
  - a) the cost to repair or rebuild the physically damaged portion of such property with materials and in a manner to satisfy such law or ordinance; and
  - b) the cost:
    - (i) to demolish the physically undamaged portion of such property insured;  
and
    - (ii) to rebuild it with materials and in a manner to satisfy such law or ordinance,to the extent that such costs result when the demolition of the physically damaged insured property is required to satisfy such law or ordinance.
- 4) This Additional Coverage excludes any costs incurred as a direct or indirect result of enforcement of any laws or ordinances regulating any form of contamination including but not limited to the presence of pollution or hazardous material.
- 5) The Company's maximum liability for this Additional Coverage at each location of the Insured in any occurrence will not exceed the actual cost incurred in demolishing the physically undamaged portion of the property insured in item 1 above plus the lesser of:
  - a) the reasonable and necessary actual cost incurred, excluding the cost of land, in rebuilding on another site;  
or
  - b) the cost of rebuilding on the same site.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **84. CONTAMINATION AND CO-MINGLING OF STOCKS**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon and subject to the Insured having paid the agreed additional premium, that the insurance under the Policy shall extend to cover loss or damage to stocks as a result of accidental contamination and/or accidental co-mingling arising from a cause not otherwise excluded in the Policy, whilst in the Insured's care, custody or control.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the Schedule.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **85. LOSS PAYEE CLAUSE**

It is hereby understood and agreed, that the loss shall be payable to the Insured or as directed by the Insured, which shall include such party who has an insurable interest in the subject matter insured at the time of loss or damage.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **86. PRIMARY AND NON CONTRIBUTORY COVER**

It is expressly agreed that this policy provides primary insurance cover and shall not be contributory to any other policy that may exist whether the other policy also covers the interest of the insured or not. Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **87. TEMPORARY REPAIRS**

This policy covers the following costs:-

- (1) the cost actually incurred by the Insured following Damage, in making temporary repairs to any of the property and erecting temporary buildings in place of any of the said property.
- (2) the cost of installation, testing, supervision freight and all other additional costs reasonably incurred by the Insured following Damage to property with the consent of the Insurer to expedite repairs, or to prevent or reduce further loss insofar as such costs are not more specifically insured.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **88. CONTRACT WORKS**

On payment of additional premium, it is hereby declared and agreed that the Property insured extends to include the permanent works and temporary works erected or in the course of erection in performance of the Contract and the materials and all other property of whatsoever nature or description for incorporation therein but excluding contractors plant, fines and penalties assumed under contract and losses more specifically insured.

Definition (applicable to the cover provided by this extension only):

Contract shall mean any Contract with the Insured as Employer for the extension or refurbishment of existing Buildings with a construction period not exceeding twelve months in duration within the Territorial Limits.

Temporary Work are 'parts of the works that allow or enable construction/ erection of, protect, support or provide access to, the permanent works and which might or might not remain in place at the completion of the works.

Permanent work means the permanent works to be constructed/ Erected and completed in accordance of contract.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **89. CONTINGENT DUTY CLAUSE**

It is hereby understood and agreed that any contingent liability accruing to the account of the Insured on account of any duty / taxes due to the loss / destruction / damage of the Insureds Property covered under this policy caused by a peril not otherwise excluded under the policy will be allowed as a claim under this policy

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **90. DELAY IN REPAIRS**

The insurer shall, within the agreed maximum period of indemnity, be liable for a period not exceeding four weeks for any loss of interest insured resulting from a delay in repair or replacement of lost or damaged property insured of foreign make, where such delay results from import or export restrictions, custom regulation, currency restrictions or any other regulation imposed by any Government or Public Authority.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **91. BANKRUPTCY AND INSOLVENCY**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon that in the event of bankruptcy or insolvency of the Insured, the Company shall not be relieved thereby of the obligations regarding payment of claims under the Policy.

#### **92. EXPIRATION**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon that if this Policy should expire or be cancelled while an insured event affecting the property hereby insured is in progress, the Company shall be responsible as if the entire loss had occurred prior to the expiration of this insurance.

#### **93. OUTAGE CLAUSE**

It is hereby agreed and understood that duration of the period from the time breakdown occurs resulting in shut down of the unit till the unit is synchronized and achieved full load or is in operation for 72 hours since the synchronization whichever is earlier would be considered as single outage.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **94. NO CONTROL CLAUSE**

This Insurance shall not be affected by failure of the Insured to comply with the provisions of the policy in any portion of the property over which the Insured has no control.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **95. SPRINKLER UP-GRADING COSTS**

It is agreed that in the event of Damage to a sprinkler installation which conforms to the latest rules on compliance of safety rules on Sprinkler Installations if the Insurer of the premises in which the installation is contained require that the repaired or reinstated installation shall conform to the Loss Prevention Rules for Sprinkler Installations current at the time of reinstatement then this Policy shall cover such additional costs Such costs shall include inter alia the provision of any additional pipework pumps tanks and the cost of associated building works

The liability of the Insurer under this clause shall in no case exceed the Sum Insured on the item including such sprinkler installation.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **96. CONTROL OF DAMAGED GOODS CLAUSE**

It is agreed that in the event of damage to goods insured under this policy, the Assured shall retain control of all damaged goods. The Assured, however, agrees whenever practicable to recondition and sell such goods after removal of all brands and trademarks, the Company being entitled to the proceeds from such sale. It is further agreed the Company will be consulted and allowed to inspect any damaged goods prior to any disposal or sales of such property. Where it is agreed by both the Assured and the Company that the disposal or sale of such damaged goods is detrimental to the Assured's interest (or which the Assured will be unable to sell or dispose of under their agreement with any trade associations) such damage will be treated as a constructive total loss, and the goods shall be retained by the insured

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **97. DESTRUCTION COST**

It is agreed that upon operation of an insured peril, Insurers will pay the additional costs and expenses reasonably incurred by the Assured in connection with destruction of damaged Goods.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **98. RE-VALIDATION CHARGES**

In the event of triggering of any insured peril(s) resulting in loss/damage to Civil Structures/Plant and Machinery which necessitates the insured to put either a portion of/complete Civil Structures &/or a portion of /complete Plant & Machinery for Revalidation/Stability Tests, this policy would respond to such costs subject to the sublimit entered in the Schedule.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **99. DESTRUCTION OF SOUND PROPERTY**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon that the insurance by this Policy extends to cover the cost of destruction and subsequent replacement of undamaged property or undamaged portions of property, if such destruction is solely necessary in order to carry out repairs or reinstatement of the property insured by this Policy and for which the Company has admitted liability. Provided that this shall not include any work necessary to undamaged property to comply with any act, regulation or by-law of any local or Public Authority.

For the purpose of this clause, "undamaged" shall mean not damaged physically and directly by any event or perils not otherwise excluded by this Policy.

## 100. REPEAT TESTS

If as a result of loss or damage due to a peril insured against hereunder it becomes necessary to repeat any test and/or trial or to carry out subsequent test(s) and/or trial(s), Insurers hereon will bear the cost of any such repeated and/or subsequent test(s) and/or trial(s) subject to the Policy limit and it being within the framework of this cover and which forms part of the Sum Insured.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## 101. EXPORT TAX BENEFITS

It is hereby agreed and understood, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the insurance by this Policy extends to include the loss of tax benefits, derived solely from the export of any product which is manufactured, stored or contained at the premises of the Insured following upon loss as insured which results in the interruption of or interference with the business.

Provided that such benefits are directly attributed to export tax benefits and which may be adjusted by any Tax allowance or Tax concession which was provided for by Statute or any other recognized authority to which the Insured could have had benefit after the date of loss but because of the loss the Insured could not benefit from such allowance or concession.

If during the period of time from the date of loss to the expiry of the Indemnity Period any Statute or concession was passed or allowed for which the Insured could have but did not benefit as a result of the loss; then such amount of loss shall be considered as loss in terms of the provisions of this clause.

The sum insured in terms of the provisions of this clause shall be independently determined and shall be a 'first loss' amount and shall be the maximum amount payable in the event of loss as insured.

The indemnity in terms of the provisions of this clause is not subject to condition of average.

The indemnity provided herein shall be subject to the limit of indemnity as specified in The Schedule.

## 102. DAMAGE TO BUILDING (OCCASIONED BY THEFT)

This cover includes damage to building caused by theft or attempted theft excluding damage

- i. More specifically insured by or on behalf of the insured
- ii. In respect of any building which is empty or not in use

Notwithstanding anything herein stated to the contrary, it is hereby declared and agreed that the cover provided under this policy shall extend to cover damage to the premises for which the insured is responsible by burglary, housebreaking or robbery or any attempt threat, provided there is visible evidence of forcible and violent entry into or exit from the premises and provide that the liability of the company shall not exceed in aggregate the sum mentioned in the schedule.

This extension of coverage does not increase the limit of liability provided in the policy

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of the policy, except as hereinabove set forth.

## 103. POLLUTANT CLEAN UP AND REMOVAL

It is noted and agreed that notwithstanding anything contained in this Policy to the contrary, in the event of direct physical loss or damage to the property insured hereunder arising directly from seepage and/or pollution and/or contamination, this Policy (subject otherwise to its terms, conditions, exceptions, and limitations including but not limited to any applicable deductible) extends to cover costs and expenses necessarily and reasonably incurred by the Insured for

- (1) Removing debris of the property insured hereunder destroyed or damaged from the location of the loss;  
and/or
- (2) cleaning up, at the location of the loss, made necessary as a result of such direct physical loss or  
damage;  
and/or
- (3) cleaning up and removing pollutants from land and water confined within Insured's premises

Provided that this policy does not insure against the costs of decontamination or removal of water, soil or any other substance not covered by this Policy on or under such premises.

It is a condition precedent to recovery under this extension that the Company shall have paid or agreed to pay for direct physical loss or damage to the property insured hereunder unless such payment is precluded solely by the operation of any deductible and that the Insured shall give notice to the Company of intent to claim for cost of removal of debris or cost of clean-up NO LATER THAN 12 MONTHS AFTER THE DATE OF SUCH PHYSICAL LOSS OR DAMAGE.

Provided always that the Company's liability under this extension shall not exceed the amount as per Schedule for any one occurrence and in aggregate.

However, the liability of the Company under this endorsement and this Policy shall in no case exceed the Total Sum Insured on the Policy.

It is understood and agreed that this Policy does not insure against fines, penalties, and expenses directly attributable to such fines and penalties incurred or sustained by or imposed the Insured at the order of any government agency, court or other authority arising from any cause whatsoever.

Nothing in this Endorsement shall override any radioactive contamination exclusion clause in this Policy to which this Endorsement is attached.

#### **104. UNDECLARED PROPERTY OF OTHERS**

It is hereby noted and agreed that this Policy is extended to cover the property of others which the Insured is responsible for or has agreed to insure or is required to insure but did not declare such property under the Insureds books or records or other business document. This extension is applied to the said property at any location within India.

Provided always that the Company's liability under this extension shall not exceed amount as mentioned in the Schedule for any one occurrence and in aggregate.

However, the liability of the company under this endorsement and this policy shall in no case exceed the total sum insured on the policy.

The extension under this Endorsement shall be subject to the same terms, conditions and exceptions of this policy unless otherwise to the contrary stated under this Endorsement only.

#### **105. APPRAISEMENT CLAUSE**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon that no special inventory or appraisal of the undamaged property shall be required, if the aggregate claim for any one insured loss or damage does not exceed the amount as specified in the Schedule by the item or items effected.

#### **106. KEY AND LOCK CLAUSE**

On payment of additional premium, it is hereby declared and agreed that the Policy extends to include:

- (a) replacing keys and locks or modifying the locking mechanism to any strongroom, safe or money receptacle in the event of such keys or locks having being stolen
- (b) repairing any locking mechanism (mechanical or electrical) to any strongroom, safe or money receptacle including any alarm devices relating or attached thereto following upon forceable entry; or any attempt thereat to such strongroom, safe or money receptacle
- (c) the recoding of locking devices of any safe, strongroom or receptacle following loss or damage as insured

Provided that:-

- (i) the Company's indemnity shall be limited to the cost of replacing any such lock with one of similar quality to that being the subject of the claim
- (ii) the Insured shall bear a deductible as specified in the Schedule for each and every claim
- (iii) the insurance in terms of the provisions of this clause shall relate to the premises occupied by the Insured only

provided that if such keys relate to a safe they shall not be left on the Premises overnight unless the Premises are occupied by the Insured or an authorised Employee in which case they shall be deposited in a secure place not in the vicinity of the safe.

Nothing herein contained shall be held to vary, alter, waive or change any of the terms, limits or conditions of the Policy, except as hereinabove set forth.

#### **107. TAX TREATMENT OF PROFITS**

This Policy is extended to cover the increased tax liability from an insured loss at a location of the Insured if the tax treatment of:

- 1) the profit portion of a loss payment under this Policy involving finished stock manufactured by the Insured; and/or
- 2) the profit portion of a TIME ELEMENT loss payment under this Policy;

is greater than the tax treatment of profits that would have been incurred had no loss occurred.

#### **108. MOULD & FUNGI ENDORSEMENT**

- A. This Policy only insures Damage to Property Insured by mould, mildew, fungus or spores, when directly caused by Damage to Property Insured during the Period of Insurance by one of the following listed perils:
- fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank apparatus or pipe, impact by any road vehicle or animal

This coverage is subject to all limitations of the Policy and, in addition, to each of the following specific limitations:

- 1. The said property must be insured for Damage by that listed peril as detailed above.
  - 2. The Insured must report to the Insurer the existence and cost of the Damage by mould, mildew, fungus or spores as soon as practicable, but no later than 6 months after the listed peril as detailed above first caused any Damage to such insured property during the Period of Insurance. This Policy does not insure any Damage by mould, mildew, fungus or spores first reported to the Insurer after that 6 month period.
- B. Except as set forth in A. above, this Policy does not insure any loss, damage, claim, cost, expense, or other sum directly or indirectly arising out of or relating to mould, mildew, fungus or spores of any type, nature or description.

#### **109. DUTY**

Notwithstanding anything to the contrary mentioned in the Policy, it is hereby declared and agreed that subject to the Insured having paid agreed additional premium the Policy covers any loss sustained by the Insured if, in case of physical loss or damage to property insured by this Policy, the excise duty and/or import duty and/or other duties due in respect of such property is not yet paid to the relevant authority and also has not been waived by such authority.

The Company is under the obligation to pay as from the date of refusal by the relevant authority to withdraw its claim for the relevant duty.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the Schedule.

#### **110. VESSEL IMPACT TO JETTY**

This Section extends to cover the Insured's loss resulting from 'Damage' as herein defined caused by vessel impact to the crude/product jetty used by the Insured.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **111. CURRENCY CONVERSION**

Where currency conversion is necessary when applying the terms and conditions of this Policy, the rates of exchange to be adopted shall be those prevailing:-

- a) for premium payments, at inception of each policy year
- b) for premium adjustment, at the expiry of each policy year
- c) for loss settlement, at the date of final settlement of loss

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **112. MERGER AND ACQUISITION**

Subject to the limits of liability set forth in Declarations, this policy automatically covers the Insured's interest in newly acquired property, as is otherwise covered by this policy, whether acquired through merger, acquisition or otherwise. The Insured agrees to report, within sixty (60) days of the interest being known to the Insured, newly acquired interest up to the limit as specified in the Policy Schedule. In the event of failure of the Insured to report newly acquired interest to the Company within sixty (60) days, as specified herein, the Company shall not be liable for more than the limit as specified in the Schedule in the event of loss occurrence covered by this policy, with respect to said interest.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **113. TENANTS**

The Insurance hereby shall not be prejudiced by any act or omission unknown to or beyond the control of the Insured on the part of any tenant occupying or using the premises provided that the Insured, immediately on becoming aware thereof, shall give notice to the Company and pay an additional premium if required.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **114. CIVIL AUTHORITY**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon that the insurance by this Policy extends to cover against any loss or increased cost occasioned by any civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property hereby insured hereunder following a loss covered under this Policy.

Subject to the limit of the Sum Insured, property hereby insured under this Policy is also covered against the risk of damage or destruction by civil authority during a conflagration and for the purpose of retarding the same provided that neither such conflagration nor such damage or destruction is caused or contributed to by war, invasion, revolution, rebellion, insurrection or warlike operations as more fully described in General Exclusions as specified under this Policy.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the Schedule.

#### **115. TEMPORARY STRUCTURES PLANT & EQUIPMENT (INCLUDING ELECTRICAL CABLES & PIPES)**

The insurance by this Policy extends to include loss as insured resulting from interruption of or interference with the business in consequence of damage as insurable by a Material Damage Policy (and any endorsement thereto) or Contractors All Risks Policy (should such have been effected) insuring Temporary Structures, Plant and Equipment including electrical cables and pipes being the property of the Insured or being utilised for the continued operation of the business by or on behalf of the Insured provided that damage takes place to such property whilst contained on or in the immediate proximity to the property or premises of the Insured.

#### **116. AMMONIA CONTAMINATION**

It is hereby declared and agreed that, notwithstanding anything to the contrary mentioned in the Policy, and subject to the Insured having paid the agreed additional premium, in the event of direct physical loss of or damage to property insured caused by an Accident to an Object occurring at a premises described in the Schedule, Company will pay for contamination to property insured caused by ammonia. The maximum sum payable by the Company in such an event, will not exceed the Limit of Indemnity as mentioned in the Schedule.

IT IS UNDERSTOOD AND AGREED THAT THE BELOW DEFINITIONS ARE APPLICABLE FOR THE PURPOSE OF THIS ENDORSEMENT:

Object - any boiler, fired pressure vessel, unfired vessel normally subject to vacuum or internal pressure other than weight of its contents, refrigerating and air conditioning systems, any metal piping and its accessory equipment, and mechanical, or electrical machines or apparatus used for the generation, transmission, or utilization of mechanical or electrical power, not otherwise excluded as property insured.

Object does not mean or include any of the following:

- (a) Part of pressure or vacuum equipment that is not under internal pressure of its contents or internal vacuum;
- (b) Insulating or refractory material, but not excluding the glass lining of any Covered Property (equipment);
- (c) Non-metallic pressure or vacuum equipment unless it is constructed and used in accordance with the American Society of Mechanical Engineers (ASME) code or another appropriate and approved code;
- (d) Catalyst;
- (e) Vessels, piping and other equipment that is buried below ground and requires the excavation of materials to inspect, remove, repair or replace;
- (f) Vehicle, aircraft, self-propelled equipment of floating vessel including any Covered Property (equipment) that is mounted upon or used solely with any one or more vehicle(s), aircraft, self-propelled equipment or floating vessel;

- (g) Drag-line, excavation or construction equipment including any Covered Property (equipment) that is mounted upon or used solely with any one or more drag-lines, excavation, or construction equipment;
- (h) Felt, wire, screen, die, extrusion plate, swing hammer, grinding disc, cutting blade, non-electrical cable, chain, belt, rope, clutch plate, brake pad, non-metal part or any part or tool subject to periodic replacement;
- (i) Equipment or any part of such equipment manufactured by the Insured for sale.

Accident - a sudden and accidental breakdown of the Object or a part of the Object, which manifests itself by physical damage at the time of its occurrence and necessitates repair or replacement.

This includes:

- (a) Failure of pressure or vacuum equipment;
- (b) Mechanical failure including rupture or bursting caused by centrifugal force; or
- (c) Electrical failure including arcing.

Accident does not mean:

- (a) The breakdown of any structure, foundation or setting supporting or housing any Object or part of the Object including pen-stock, draft tube or well casing;
- (b) The breakdown of any insulating or refractory material;
- (c) The functioning of any safety or protective device;
- (d) The cracking of any part on an internal combustion gas turbine exposed to the products of combustion;
- (e) The explosion of gases or fuel within the furnace of any Object or within the flues or passages through which the gases of combustion pass; or combustion explosion outside the Object;
- (f) The use of water or other means to extinguish a fire;
- (g) The freezing of property insured caused by cold weather;
- (h) The leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- (i) The breakdown of any vacuum tube, gas tube or brush;
- (j) The defects, erasures, errors, limitations or viruses in computer equipment and programs;
- (k) Malfunction including but not limited to adjustment, alignment, calibration, cleaning or modification;
- (l) The hydrostatic, pneumatic or gas pressure testing of any property insured (equipment);
- (m) The insulation breakdown testing of any type of electrical equipment; or
- (n) The indirect result of an Accident, except as provided for time element loss in the policy.

One Accident means that if an initial Accident causes other Accidents, all will be considered one Accident. All Accidents at any one described premises that manifest themselves at the same time and are the result of the same cause will be considered one Accident.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the Schedule.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **117. CUSTOMER GOODS CLAUSE**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon that the insurance by this Policy extends to cover goods belonging to the Insured's customers, purchased but not delivered or temporarily in the custody of the Insured for alteration, repair or renovation or other purposes at the Premises insured insofar as such goods are not otherwise insured under any other insurance policy.

#### **118. MARGIN CLAUSE**

It is hereby understood and agreed that, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, no adjustment in value of property shall be made unless the values reported represent an increase of more than 10% from the initial values reported.

This is to include fluctuations, which may occur in the values of property under the Policy which are automatically held covered.

The premium shall be proportionately increased for the unexpired term of the Policy for the increase in values when such an adjustment becomes applicable.

#### **119. OPERATIONAL TESTING**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon and subject to the Insured having paid the agreed additional premium that this Policy extends to cover insured physical loss or damage to insured property during the Period Of Operational Testing.

Property, including stock or material, manufactured or processed by the Insured is excluded under this Additional Coverage.

- 1) References and Application: The following term(s) means:  
(a) Period Of Operational Testing:

The period of time beginning 24 hours prior to the earlier of the following:

- (i) introduction, into a system, of feedstock or other materials for processing or handling;
- (ii) commencement of fuel or energy supply to a system,

and ending with the earlier of the following:

- (i) the expiration date or cancellation date of this Policy.
- (ii) if specified, the number of consecutive days shown in the schedule of the policy.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the Schedule.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **120. ORIGINAL EQUIPMENT MANUFACTURER**

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon that in the event of accidental physical loss or damage to the property hereby insured the Insured, at sole discretion, shall have the option to accept repair or replacement terms as offered by the Original Equipment Manufacturer (OEM) regardless of any other terms offered from other suppliers, manufacturers or fabricators.

Provided always that the difference between the OEM quote and the lowest quote does not exceed the \_\_\_% of the lowest quote and quotes are based on same technological specifications.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

#### **121. PROPERTY IN THE COURSE OF CONSTRUCTION / ERECTION**

In consideration of payment of additional premium, it is hereby understood and agreed that the insurance by this Policy extends to provide automatic coverage during the Period of Insurance for property in the course of construction / erection including up to 4 weeks testing and commissioning subject to the inclusion of the appropriate values at risk for Premium adjustment purposes and subject to a maximum estimated contract value and a maximum contract period including testing/commissioning as per Schedule and additional Premium to be agreed. At the option of the Insured the interest of contractors and/or sub-contractors is hereby assumed for work being performed on site for the Insured including temporary structures, tools, equipment and materials incidental to such work as specified in the Schedule.

With regards to property in course of construction, such as buildings, foundations and structures, the following additional exclusions shall apply:

- loss or damage due to faulty design;
- the cost of replacement, repair or rectification of defective material and/or workmanship, but this exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss of or damage to correctly executed items resulting from an accident due to such defective material and/or workmanship;

With regards to erection of mechanical, electrical or electronic machinery, installations or equipment in course of erection the following additional exclusions shall apply:

- loss or damage due to faulty design, defective material or casting, bad workmanship other than faults in erection
- Any Consequential Loss of any kind or description whatsoever including but not limited to penalties, losses due to delay, lack of performance, loss of contract or Business Interruption - is excluded absolutely.

The indemnity provided herein shall be subject to the limit of indemnity and deductible as specified in the Schedule.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## **122. PURCHASER CLAUSE**

It is hereby understood and agreed that if at the time of any loss or damage to any building hereby insured the Insured shall have contracted to sell his interest in such building and the purchase shall not have been but shall be thereafter completed the Purchaser on the completion of the purchase if and so far as the property is not otherwise insured by or on behalf of the Purchaser against such loss or damage shall be entitled to the benefit of this Policy so far as it relates to such loss or damage without prejudice to the rights and liabilities of the Insured or for the Company under this Policy up to the date of completion of the purchase.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## **123. UNREPAIRED DAMAGES**

It is hereby understood and agreed that in the event of the Insured deciding not to replace or repair the damaged item covered under the Policy and decides to continue with the damaged item after incurring necessary expenditure for safe working of the damaged item, the Company shall indemnify the amount expended in making the item safe plus the reasonable repair cost which would have been incurred by the Insured had the Insured repaired the damage item or reasonable amount equivalent to reduced life of damaged item.

Subject otherwise to the terms, conditions and exceptions/exclusions of the Policy.

## **SECTION II- BUSINESS INTERRUPTION (FIRE)**

### **1. SUPPLIER'S EXTENSION**

In consideration of the payment of the additional premium, it is hereby agreed and declared that subject to the conditions of the policy, loss as insured by the item(s) number(s) of this policy, resulting from interruption of/or interference with the business in consequence of damage (as within defined) to property at the under noted situation shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Provided that the liability under this memorandum in respect of any one location shall not exceed in respect of (each of) item(s) number(s) percent of the sum insured thereunder.

**Suppliers' Premises**

Where the extension relates to more than one supplier with differing limits, the proviso and "Situations" should be amended to read as follows:

"Provided that the liability under this memorandum in respect of any one location under (each of) item(s) No(s) ..... shall not exceed the percentage of the sum insured thereunder shown against each situation,

SITUATION	LIMIT"
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"Further provided that if the percentage shown against the name of the supplier in whose premises damage has occurred shall be less than the percentage of dependence of the insured on that supplier, the amount otherwise payable shall be proportionately reduced."

**2. CUSTOMER'S EXTENSION**

In consideration of the payment of the additional premium, it is hereby agreed and declared that, subject to the conditions of the Policy, loss as insured by items(s) Nos. of this policy, resulting from interruption of or interference with the business in consequence of damage (as within defined) to property at the undernoted situations, shall be deemed to be loss resulting from damage to property used by the Insured at the premises.

**Provided that** the liability under this memorandum in respect of any location shall not exceed in respect of (each of) item(s) No. (s) ..... percent of the sum insured thereunder.

**Further Provided** that if the percentage, shown against the name of the customer in whose premises damage has occurred, shall be less than the percentage of the Annual Turnover derived by the Insured from that customer, the amount otherwise payable will be proportionately reduced.

**Provided Again** that the liability under this memorandum in respect of any one location under (each of) item(s) no(s) ..... shall not exceed the percentage of the sum insured thereunder shown against each situation.

Name of the Customer	Situation of the premises	Selected percentage limit of the sum insured
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**3. SERVICE INTERRUPTION TIME ELEMENT (EXTENSION TO COVER LOSS DUE TO ACCIDENTAL FAILURE OF PUBLIC ELECTRICITY/ GAS/ WATER SUPPLY)**

In consideration of the payment of an additional premium, it is hereby agreed and declared that loss as insured by + (item Nos..... of) this policy resulting from interruption of or interference with the business carried on by the insured at the premises described within in consequence of failure of electric supply at the terminal ends of the electricity service feeders\*/Gas Works\*/Water Works\* from which the insured obtain electric Supply\*/Gas\*/Water\* at the said premises directly due to Damage (as within defined) to property at an Electricity Station or Substation of Public Electricity Supply Undertaking\*/Gas Works\*/Water Works\* (excluding Jack wells ) from which the insured obtain electricity supply\*/Gas\*/Water\* shall be deemed to be loss resulting from damage to property used by the insured at the premises

+ Delete if inapplicable

\* Omit as may be necessary

Provided, however, 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 system 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.

For the purpose of the above extension, the 'Indemnity Period' in respect of each damage or of a series of damages consequent on or attributable to one source or original cause shall be as follows:

"The period beginning with the occurrence of damage and ending not later than 60 days thereafter during which the result of the business shall be affected in consequence of the damage."

Provided 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.

#### **4. ADDITIONAL INCREASE IN COST OF WORKING**

In consideration of the payment of the additional premium, it is hereby agreed and declared that, subject to the conditions of the Policy, and notwithstanding anything contained herein to the contrary, this policy extends to cover costs and expenses necessarily and reasonably incurred during the indemnity period in consequence of the 'Damage' and not otherwise payable under Loss of Gross Profit Provision (increase in cost of working) for the purposes of maintaining the business, it being understood that if any such costs under Loss of Gross Profit provisions (Reduction in turnover and Increase in cost of working) are of a capital asset nature then account shall be taken of the residual value of such capita items so involved existing at the end of the maximum Indemnity Period.

Subject otherwise to the terms, exceptions, conditions and limitations of this Policy.

#### **5. GROUP INTERDEPENDENCY**

In consideration of the payment of the additional premium, it is hereby agreed and declared that, subject to the conditions of the Policy, Loss as insured by this Section of the policy of insurance resulting from interruption of or interference with the business in consequence of loss or damage to property whether or not insured by Material Damage Section of the policy of insurance and situated at any other named premises in territorial limits owned and/or occupied and/or used by the Insured for the purpose of the business insured or any other business shall be deemed to be loss resulting from loss or damage to property used by the insured at any of the insured premises, up to the limit as specified in the Schedule. This cover is not extended to suppliers or customers and shall be on named basis.

This Clause is subject otherwise to the terms, Conditions and Exclusions of the Policy.

#### **6. MOLTEN METAL SPILLAGE COVER**

In consideration of the payment of the after-mentioned additional premium shown in the policy/the Endorsement, it is hereby agreed and declared that, subject to the conditions of the Policy, the policy extends to cover losses consequent to the physical loss or damage to property excluding cost of molten material serving business operations that arises without the occurrence of fire as a result of the spillage or leakage of glowing molten material from container or lines.

Physical loss or damage shall not include damage to containers, unless such damage is caused by spilled glowing molten material acting from the outside.

Loss Limit- Rs..... Crores each and every loss (Material Damage + Business Interruption) & Rs..... Crores in the aggregate for the policy period

#### **7. PROFESSIONAL ACCOUNTANTS**

Any particulars or details contained in The Insured's books of account or other business books or documents which may be required by The Insurer for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for The Insured and their report shall be prima facie evidence of the particulars and details to which such report relates.

In consideration of the payment of the additional premium shown in the Policy Schedule, it is hereby agreed and declared that, subject to the conditions of the Policy, The Insurer will pay to The Insured the reasonable charges payable by The Insured to their professional accountants for producing such particulars or details or any other proofs, information or evidence as may be required by The Insurer and reporting that such particulars or details are in accordance with The Insured's books of account or other business books or documents provided that the sum of the amount payable under this clause shall not exceed the limit stated in The Schedule and the amount otherwise payable under the Policy of Insurance shall in no case exceed the liability of The Insurer as stated.

## **8. CLAIMS PREPARATION COST**

In consideration of the payment of the additional premium, it is hereby agreed and declared that, subject to the conditions of the Policy, and notwithstanding anything contained herein to the contrary, the insurance by this Policy extends to include costs reasonably incurred by the Insured in producing and certifying any particulars or details in support of any claim as may be required by the Company in accordance with the terms and conditions of the Policy.

The claim under this head is payable only subject to prior approval, from the Insurer.

Limit: Up to per event and in aggregate as agreed and specified in the Schedule

## **9. INGRESS/EGRESS**

In consideration of the payment of the additional premium shown in the Policy Schedule, it is hereby agreed and declared that, subject to the conditions of the Policy, this policy is extended to include the actual loss sustained by the Insured from the necessary Interruption of Business or Extra Expense incurred as covered hereunder, during the length of time, not exceeding four consecutive weeks, when as a direct result of a peril insured against hereunder within ..... Km radius of the Insured's premises, ingress to or egress from the Insured's premises is prevented.

## **10. DENIAL OF ACCESS**

In consideration of the payment of the additional premium shown in the Policy Schedule, it is hereby agreed and declared that, subject to the conditions of the Policy, it is understood and agreed that loss resulting from interruption of or interference with the Business carried on by the Insured following

- a) physical loss or damage to property in the Vicinity of the Premises which prevents or hinders the use of the Premises or access thereto, whether the Premises or Property Insured of the Insured therein shall be damaged or not,
- b) interference with the Business carried out by the Insured in consequence of the said Premises or property within the Vicinity of the said Premises containing or thought to contain a harmful device provided that the Police shall be informed immediately the Insured is aware of the presence or suspected presence of such harmful device,
- c) interference with the Business carried on by the Insured in consequence of action by the Police Authority following danger or disturbance in the Vicinity of the Premises, which prevents or hinders the use of the Premises or access thereto.

Provided that

- i) for the purposes of this Extension Vicinity shall mean within ..... Km radius of the Insured's Premises
- ii) the liability of the Company does not exceed the Limit of Liability stated in the Schedule in respect of any one event
- iii) the aggregate liability of the Company in respect of all events occurring during any one Period of Insurance does not exceed the Limit of Liability stated in the Schedule
- iv) the Maximum Indemnity Period shall mean three months, and

- v) there shall be no liability under the Extension for loss arising from any cause within the control of the Insured
- vi) there shall be no liability under the Extension for loss for the first 24 hours of any interference with the Business

**11. PREVENTION OF ACCESS**

In consideration of the payment of the after-mentioned additional premium shown in the policy/the Endorsement, it is hereby agreed and declared that, subject to the conditions of the Policy, Coverage under this section shall extend to include loss or reduction resulting from cessation, interruption, interference or inhabitation to the business as consequence of:-

- Physical destruction of or damage to property belonging to the Insured or property within a radius of .... kms from the insured premises (inland only & excluding port blockage) which prevents or hinders the use of or access to the premises;

The total liability under this Clause is limited to maximum of 4 weeks over and above the policy Business Interruption deductible.

Deductible: ..... days

**12. INSURED PROPERTY STORED AT OTHER SITUATIONS**

In consideration of the payment of (the after mentioned additional premium) (an additional premium which included in the premium hereon) it is hereby agreed and declared that subject to the conditions of the policy, loss as insured by the item(s) number(s) of this policy, resulting from interruption of/or interference with the business in consequence of damage (as within defined) to property at the under noted situation shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Provided that the liability under this memorandum in respect of any one location shall not exceed in respect of (each of) item(s) number(s) percent of the sum insured thereunder.

Note:

**(a) Property of the Insured Stored**

Where the extension relates solely to property of the insured, the words “property at the undernoted situation” and the heading “situations” should be deleted from the wording and the former replaced by “property of the insured while stored anywhere than at premises in the Insured’s occupation”.

**(b) Suppliers’ Premises**

Where the extension relates to more than one supplier with differing limits, the proviso and “Situations” should be amended to read as follows:

“Provided that the liability under this memorandum in respect of any one location under (each of) item(s) No(s) ..... shall not exceed the percentage of the sum insured thereunder shown against each situation,

SITUATION	LIMIT”
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“Further provided that if the percentage shown against the name of the supplier in whose premises damage has occurred shall be less than the percentage of dependence of the insured on that supplier, the amount otherwise payable shall be proportionately reduced.”

**(c) Premises where a Contract is being carried out:**

The following should be inserted under ‘SITUATIONS’: ‘Any location where the insured is carrying out work’.

**(d) Professional Insured:**

Applicable solely to items on the Gross Revenue/Fees of a business providing professional or similar service only.

The words 'Property at the under noted situations' and the heading 'SITUATION' should be deleted from the wording and the former replaced by 'documents belonging to or held in trust by the insured, whilst temporarily at premises not in the occupation of the insured, or whilst in transit by road, rail or inland waterway.'

**13. RETURN OF PREMIUM CLAUSE**

"If the insured declares at the latest twelve months after the expiry of any period of Insurance, that the Gross Profits 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 any period of insurance, as certified by the Insured's Auditors, was less than the Sum Insured thereon, a pro-rata return of premium not exceeding 50% of the premium paid on such Sum Insured for such period of insurance shall be made in respect of the difference. Where however the declaration is not received by the Company within twelve months after the expiry of the period of insurance no refund shall be admissible.

If any damage has occurred giving rise to claim under this Policy, such return shall be made in respect only of said difference as is not due to such damage."

**14. SPOILAGE RISK EXTENSION**

Loss of Profits as a result of spoilage may be covered as an additional item by extending the Consequential Loss (Fire) Insurance Policy subject to the following conditions:-

(a) Scope of Cover

The cover shall extend to loss of profits arising out of the spoilage, i.e... interruption of business solely as a result of (i) loss of stock-in-process and (ii) damage to machinery, containers and equipment. The following endorsement wording shall be used:

Attached to and forming part of the Policy No .....

In consideration of the payment of the additional premium, it is hereby agreed and declared that notwithstanding anything in the within written policy contained to the contrary, the term 'Damage' as defined under this Policy, shall extend to include loss or damage in consequence of spoilage resulting from the retarding or interruption or cessation of any process or operation caused by any of the perils covered under this Policy,

Provided that it is hereby further expressly agreed and declared that:

(1) The liability of the Company shall in no case under this endorsement and the policy exceed the sum insured by this policy.

(2) 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 caused by spoilage which perils this insurance extends to include by virtue of this Endorsement.

**15. EARTHQUAKE EXTENSION**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything in the within written policy contained to the contrary, the term 'Damage' as defined in this policy shall (subject always to the Special Conditions hereinafter contained) extend to include Earthquake:

Provided that it is hereby further expressly agreed and declared that:-

- (1) The liability of the Company shall in no case under the Endorsement and the Policy exceed the sum insured by this Policy.
- (2) All the Conditions of this Policy shall apply in all respects to the insurance granted by this exclusion save in so far as the same may be expressly varied by the above Special Conditions.
- (3) The Special Conditions herein shall apply only to the insurance granted by this extension and the Conditions of the Policy shall apply in all respects to the insurance granted by the policy as if this Endorsement had not been made thereon.

## **16. Sabotage and Terrorism Damage Cover Endorsement - Material Damage and Loss of Profit (\*)**

### **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:-

- (i) Physical loss or physical damage occurring during the period of this Policy caused by an act of sabotage and / or terrorism to the location/s mentioned in the schedule, subject to the exclusions, limits and excess hereinafter contained,

For the purpose of this cover, an act of s a b o t a g e a n d / o r 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, 1967 (as amended from time to time) 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.

For the purpose of this cover, an act of sabotage means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

- (ii) 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 sabotage and/or 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.

- (iii) Loss resulting from necessary interruption of business caused by direct physical loss or damage in respect of which liability has been admitted by the Company under (i) and/or (ii) above. In the event of such direct physical loss or damage, this Policy shall be liable for the actual loss sustained by the insured resulting directly from such necessary interruption of business, but not exceeding the loss of gross profits, as defined in the Policy, less charges and expenses which are not necessary during the

interruption of business, for such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the property as has been destroyed or damaged, commencing with the date of such direct physical loss or damage and not limited by the expiration of this Policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent necessary to resume operations of the Insured with the same operational capability as existed immediately before the loss.

## LOSSES EXCLUDED

### (A) For Materials Damage

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 sabotage and/or 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 processor operations or omissions of any kind;
18. Any loss due to fines or damages for breach of contract or penalties of whatever nature;
19. Any infidelity, fraudulent, dishonest or criminal act by any director, officer or trustee of the Insured whether acting alone or in collusion with others;
20. Any debt, insolvency or commercial failure, whether to provide bond or security or otherwise, or any other financial cause of any party or person whatsoever.
21. loss or damage caused by Civil Commotion, Insurrection, Revolution or Rebellion, Mutiny and/or Coup d'Etat and Civil War except as may be insured specifically under any Political Violence Extension to this cover ;
22. Third party liability howsoever arising except as may be insured specifically under any Third-Party Liability Extension to this cover.

(B) For Loss of Profit

This cover shall not indemnify:-

1. increase in loss resulting from interference at the insured premises, by terrorists or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;
2. increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured interruption of business, and then the Company shall be liable for only such loss as affects the Insured's earnings during, and limited to, the period of indemnity covered under this Policy;
3. increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
4. the Insured's lack of sufficient capital for timely restoration or replacement of property lost destroyed or damaged;
5. loss resulting from:
  - a) deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software;
  - b) other erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software unless caused by damage to the machine or apparatus in which the records are mounted;
6. loss resulting from alterations, additions, improvements, rectification of defects or faults or elimination of any deficiencies carried out after the physical loss;
7. loss of market or any other consequential loss.
8. loss as a result of physical or mental or bodily injury to any person.
9. loss arising from Contingent Business Interruption Extension of Business Interruption/Loss of Profit Section under this policy, comprising of Customers and Suppliers premises, Prevention of Access and Public Utilities.

**LIMIT OF INDEMNITY**

The limit of indemnity under this cover shall not exceed the Total Sum Insured for Material Damage and Loss of Profits given in the Policy Schedule or INR 20,000,000,000 per compound/location whichever is lower.

In respect of several locations being covered under a single policy on a floater basis, the maximum aggregate loss suffered for Material Damage and Loss of Profits from all the locations mentioned in the Policy schedule shall not exceed Total Sum Insured as mentioned in the Policy Schedule or Rs. 20,000,000,000/- 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 anyone or all insurers shall be INR 20,000,000,000 for Material Damage and Loss of Profits. If the actual aggregate loss suffered at one compound/location is more than INR 20,000,000,000 for Material damage and Loss of Profits, the amounts payable towards individual policies shall be reduced in proportion to the sum insured of the policies.

## **EXCESS**

### **A. For material damage\***

Shops & Residential Risks: 1% of the claim amount for each and every claim subject to Minimum of INR 10,000 and Maximum of INR 500,000

Non-Industrial Risks: 1% of the claim amount for each and every claim subject to Minimum of INR 25,000 and Maximum of INR 1,000,000

Industrial Risks: 5% of the claim amount for each and every claim subject to Minimum of INR 100,000 and Maximum of INR 25,00,000

\*Whichever is applicable.

### **B. For Loss of Profit**

In anyone occurrence of loss or damage, the Company shall not be liable for the amount obtained by multiplying seven (7) days standard turnover with rate of gross profit.

## **ADD ON COVERS**

It is further declared and agreed that the limit of indemnity including the claim on add on cover(s) shall not exceed total sum insured plus separate sublimit opted for add on cover(s) or INR 20,000,000,000 whichever is lower. In respect of several insurance policies with in the same compound /location, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 20,000,000,000.

## **MID TERM COVER**

In case the coverage under this endorsement is granted during the currency of the policy, no claims will be payable for loss or damage to property caused by an act of sabotage and/or terrorism occurring during the first 15 (fifteen) days from the date of granting such cover. There should be no known or recorded/reported losses from ground up including threats/hoaxes from date of inception of policy to the date of granting such cover.

## **SANCTION, LIMITATION AND EXCLUSION CLAUSE**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

## **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 Sabotage and/or 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 7 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 the Policy save as modified or endorsed herein shall apply

(\* The wordings for Terrorism Damage Cover Endorsement are as prescribed by Indian Market Terrorism Risk Insurance Pool (Pool) currently in force and will be subject to change as per Pool guidelines or as per the Reinsurance arrangement from time to time.

**23. VOLUNTARY DEDUCTIBLE CLAUSE**

The Insurer must attach to the policy (ies) the following clause in case the Insured accept the deductible and the discount in premium is granted.

“It is hereby declared and agreed that insured having opted to bear the amount of loss as computed hereunder of each and every admissible claim under the policy.

- i. In respect of a policy insuring reduction in turnover, the amount equivalent to the rate of Gross Profit applied to the Standard Turnover for ..... Days.
- ii. In respect of a policy insuring reduction in output, the amount equivalent to the rate of Gross Profit applied to the Standard Output for ..... days.

The Company has allowed a discount of ..... % on the final premium payable for Consequential Loss (Fire) Policy and its extensions covering all the Special Perils.”

**24. ACCUMULATED STOCK CLAUSE**

Where the insured maintains sufficient stock of finished goods from time to time as a matter of business policy, the Insurers may, at their discretion, attach the following Clause to the Consequential Loss (Fire) Policy issued on Turnover Basis:-

“In adjusting any loss, account shall be taken and an equitable allowance made if any shortage in turnover due to the damage is postponed by reason of the Turnover being temporarily maintained from accumulated stocks of finished goods in the Insured’s warehouses.”

**BUSINESS INTERRUPTION SPECIFICATIONS**

**Specification A - Insurance on Gross Profit on Turnover Basis**

Item No.	Sum Insured
1. On Gross Profit .....	Rs.
2.	
3.	
Total Sum Insured    Rs. _____	

The insurance under Item No.1 is limited to loss of Gross Profit due to (a) Reduction in Turnover and (b) increase in Cost of Working and the amount payable as indemnity thereunder shall be: -

- (a) IN RESPECT OF 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 (subject to the provisions of Memo 2) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided.

Less any sum saved during the Indemnity Period in respect of such of the Insured Standing Charges as may cease or be reduced in consequence of the Damage:

Provided that if the Sum Insured by this Item be less than the sum produced by applying the Rate of Gross Profit to (where the Indemnity Period exceeds 12 months insert 'times' as may be appropriate e.g. for 18 months insert one and a half times) 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 Clauses (a) and (b) of Item 1 shall apply separately to each department affected by the damage except that if the Sum Insured 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."

Definitions

**GROSS PROFIT** – The sum produced by adding to the Net Profit the amount of the insured Standing Charges, or if there be no Net Profit the amount of the Insured Standing Charges less such a proportion of any net trading loss as the amount of the Insured Standing Charges bears to all the Standing Charges of the business.

**NET PROFIT** – The net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all Standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

**INSURED STANDING CHARGES** – (Appropriate list to be inserted).

**TURNOVER** – The money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the business at the premises.

**INDEMNITY PERIOD** – The period beginning with the occurrence of the damage and ending not later than \_\_\_\_\_ months thereafter during which the results of the business shall be affected in consequence of the damage.

<p><b>RATE OF GROSS PROFIT</b> – The rate of Gross Profit earned on the turnover during the financial year immediately before the date of the damage.</p>	<p>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.</p>
<p><b>ANNUAL TURNOVER</b> – The Turnover during the twelve months immediately before the date of the damage.</p>	
<p><b>STANDARD TURNOVER</b> –The Turnover during that Period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period.</p>	

Memo 1: If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his 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.

Memo 2: If any Standing Charges of the business be not insured by this policy then in computing the amount recoverable hereunder as increase in Cost of Working that proportion only of the additional expenditure shall be brought into account which the sum of the Net Profit and the Insured Standing Charges bears to the sum of the Net Profit and all the Standing Charges.

Memo 3: If the Insured declares, at the latest twelve months after the expiry of any Period of Insurance, that 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 any period of Insurance, as certified by the Insured's Auditors, was less than the Sum Insured thereon, a pro-rata return of premium not exceeding 50% of the premium paid on such Sum Insured for such period of Insurance shall be made in respect of the difference. Where, however, the declaration is not received by the Company 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 the damage.

**Specification B - Insurance on Gross Profit on Output Basis**

<b>Item No.</b>	<b>Sum Insured</b>
1. On Gross Profit	Rs. _____

The insurance under Item No.1 is limited to loss of Gross Profit due to (a) Reduction in Output and (b) increase in Cost of Working and the amount payable as indemnity thereunder shall be: -

- (a) IN RESPECT OF REDUCTION IN OUTPUT: the sum produced by applying the Rate of Gross Profit to the amount by which the Output during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Output.
- (b) IN RESPECT OF INCREASE IN COST OF WORKING: the additional expenditure (subject to the provisions of Memo 2) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Output which but for that expenditure would have taken place during the Indemnity period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided.

Less any sum saved during the Indemnity Period in respect of such of the Insured Standing Charges as may cease or be reduced in consequence of the Damage;

Provided that if the Sum Insured by this Item be less than the sum produced by applying the Rate of Gross Profit to \* the Annual Output, the amount payable shall be proportionately reduced.

\* Insert that appropriate multiple if the indemnity period exceeds 12 months.

Departmental Clause:

If the business be conducted in departments, the independent trading results of which are ascertainable, the provision of Clauses (a) and (b) of Item 1 shall apply separately to each department affected by the damage except that if the Sum Insured 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 Output thereof, the amount payable shall be proportionately reduced.

**Definitions**

**GROSS PROFIT** – The sum produced by adding to the Net Profit the amount of the insured Standing Charges, or if there be no Net Profit the amount of the Insured Standing Charges less such a proportion of any net trading loss as the amount of the Insured Standing Charges bears to all the Standing Charges of the business.

**NET PROFIT** – The net trading profit (exclusive of all capital receipt and accretions and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all Standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

**INSURED STANDING CHARGES** – (Appropriate list to be inserted).

**OUT PUT** - The quantity of \_\_\_\_\_ + \_\_\_\_\_ produced at the premises measured in units of ++

**INDEMNITY PERIOD** – The period beginning with the occurrence of the damage and ending not later than \_\_\_\_\_ months thereafter during which the results of the business shall be affected in consequence of the damage.

+ Insert description of commodity produced by the insured

++ Insert unit of weight used

<p><b>RATE OF GROSS PROFIT</b> – The rate of Gross Profit per unit earned on the output during the financial year immediately before the date of the damage.</p>	<p>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.</p>
<p><b>ANNUAL OUTPUT</b> – The output during the twelve months immediately before the date of the damage.</p>	
<p><b>STANDARD OUTPUT</b> – The output during that Period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period.</p>	

**Memo 1:** If during the Indemnity Period goods shall produce elsewhere than at the premises for the benefit of the business either by the Insured or by others on the insured’s behalf the quantity so produced shall be brought into account in arriving at the Output during the Indemnity Period.

**Memo 2:** If any Standing Charges of the business be not insured by this policy then in computing the amount recoverable hereunder as increase in Cost of Working that proportion only of the additional expenditure shall be brought into account which the sum of the Net Profit and the Insured Standing Charges bears to the sum of the Net Profit and all the Standing Charges.

**Memo 3:** If the Insured declares, at the latest twelve months after the expiry of any Period of Insurance, that 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 any period of Insurance, as certified by the Insured’s Auditors, was less than the Sum Insured thereon, a pro-rata return of premium not exceeding 50% of the premium paid on such Sum Insured for such period of Insurance shall be made in respect

of the difference. Where, however, the declaration is not received by the Company 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 the damage.

### Specification C – “Difference” Basis

Item No.	Sum Insured
1. On Gross Profit	Rs. _____

The insurance under Item No.1 is limited to loss of Gross Profit due to (a) Reduction in Turnover and (b) increase in Cost of Working and the amount payable as indemnity thereunder shall be: -

- (a) IN RESPECT OF 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 that expenditure would have taken place during the Indemnity period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided.

Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business payable out of the Gross Profit as may cease or be reduced in consequence of the Damage;

Provided that if the Sum Insured 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.

\* Insert the appropriate multiple if the Indemnity Period exceeds 12 months.

#### Departmental Clause:

If the business be conducted in departments, the independent trading results of which are ascertainable, the provision of Clauses (a) and (b) of Item 1 shall apply separately to each department affected by the damage except that if the Sum Insured 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.

#### Definitions

GROSS PROFIT – The amount by which

- (1) the sum of the Turnover and the amount of the Closing Stock shall exceed.
- (2) The sum of the amount of the Opening Stock and the amount of the Specified Working Expenses

Note 1- The amount of the Opening and Closing Stocks shall be arrived at in accordance with Insured's normal accountancy methods, due provisions being made for depreciation.

#### Specified Workings Expenses:-

1. All Purchases (less Discounts Received) ;
2. % Of the Annual Wage Roll (including Holiday and Insurance contributions);

3. Power;
4. Consumable Stores;
5. Carriage;
6. Packing Materials;
7. Bad Debts;
8. Discounts Allowed;
9. Any other expenses to be specified.

Note 2 – The words and expressions used in this Definition shall have the meaning usually attached to them in the books and accounts of the Insured.

TURNOVER – The money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the business at the premises.

INDEMNITY PERIOD – The period beginning with the occurrence of the damage and ending not later than \_\_\_\_\_ months thereafter during which the results of the business shall be affected in consequence of the damage.

<p>RATE OF GROSS PROFIT – The rate of Gross Profit earned on the turnover during the financial year immediately before the date of the damage.</p>	<p>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.</p>
<p>ANNUAL TURNOVER – The Turnover during the twelve months immediately before the date of the damage.</p>	
<p>STANDARD TURNOVER – The Turnover during that Period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period.</p>	

Memo 1: If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his 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.

Memo 2: If the Insured declares, at the latest twelve months after the expiry of any Period of Insurance, that 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 any period of Insurance, as certified by the Insured's Auditors, was less than the Sum Insured thereon, a pro-rata return of premium not exceeding 50% of the premium paid on such Sum Insured for such period of Insurance shall be made in respect of the difference. Where, however, the declaration is not received by the Company 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 the damage.

### Specification I - Revenue Basis

Specification referred to in Policy No. ....issued by Zurich Kotak General Insurance Company (India) Limited in the name of ..... and forming an integral part of that policy.

Item No.

Sum Insured

1. On Gross Revenue

Rs. \_\_\_\_\_

The insurance under Item 1 is limited to (a) loss of Gross Revenue and (b) Increase in Cost of Working and the amount payable as indemnity thereunder shall be :-

(a) IN RESPECT OF LOSS OF GROSS REVENUE: the amount by which the Gross Revenue earned during the Indemnity Period shall, in consequence of the damage, fall short of the Standard Gross revenue.

(b) IN RESPECT OF INCREASE IN COST OF WORKING: the additional expenditure (subject to the provisions of Memo 2) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross revenue which but for that expenditure would have taken place during the indemnity period in consequence of the Damage but not exceeding the amount of the reduction in gross revenue thereby avoided.

less any sum saved during the Indemnity Period in respect of such of the working expenses and standing charges of the business as may cease or be reduced in consequence of the damages,

Provided that if the Sum Insured by this Item be less than \* the Annual Gross Revenue, the amount payable under this shall be proportionately reduced.

**Definitions**

GROSS REVENUE – The money paid or payable to the insured for \*\* in course of the business at the premises.

INDEMNITY PERIOD – The period beginning with the occurrence of the damage and ending not later than \_\_\_\_\_ months thereafter during which the results of the business shall be affected in consequence of the damage.

<p>STANDARD GROSS REVENUE – The gross Revenue during the period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period.</p>	<p>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.</p>
<p>ANNUAL GROSS REVENUE – The Gross Revenue earned during the period in the twelve months immediately before the date of the damage.</p>	

\* Here is inserted the appropriate multiple if the Indemnity period exceeds 12 months

\*\* Here is inserted an agreed description such as “work done and service rendered” or “entertainment provided” and, if necessary, a qualifying exclusion such as “excluding the cost of drink and food supplied.”

Memo 1: If during the Indemnity Period work shall be done or services rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on insured’s behalf the money paid or payable in respect of such work or services shall be brought into account in arriving at the Gross Revenue during the Indemnity Period.

Memo 2: In the event of \* the Gross Revenue earned during the accounting period of twelve months most nearly concurrent with any period of Insurance, as certified by the Insured’s Auditors, less than the Sum Insured thereon, a pro-rata return of premium not exceeding 50% of the premium paid on such Sum Insured for such period of Insurance will be made in respect of the difference provided the Insured’s declarations is received within twelve months of

the expiry of the policy if any damage shall have occurred, giving rise to A claim under the policy, such return shall be made in respect only of so much of the said difference as is not due to such damage.

Note: The words “Gross Revenue” wherever they occur, may be altered to Revenue, Gross Income, Commission, Gross Fees, Royalties or similar term to suit the nature of the income of an insured’s business.

\* Here is inserted the appropriate multiple if the Indemnity Period exceeds 12 months.

### Specification D – Wages

#### (i) DUAL BASIS

The insurance under item ..... Is limited to loss in respect of “Wages” and the amount payable as indemnity thereunder shall be

#### (a) In Respect of Reduction in Turnover

- i. During the portion of the Indemnity Period beginning with the occurrence of the damage and ending not later than ..... Weeks thereafter the sum produced by applying the Rate of Wages to the Shortage in Turnover/Output during the said portion in the Indemnity Period.

less any saving during the said portion of the Indemnity Period through reduction in consequence of the damage in the amount of Wages paid

- ii. During the remaining portion of the Indemnity Period the sum produced by applying the Rate of Wages to the Shortage in Turnover/Output during the said remaining portion of the Indemnity Period.

less any saving during the said remaining portion of the Indemnity Period through reduction in consequence of the damage in the amount of Wages paid but not exceeding the sum produced by applying ..... percent of the Rate of Wages to the Shortage in Turnover/Output during the said remaining portion of the Indemnity Period, increased by such amount as is deducted for saving under the terms of Clause (i) (OPTION TO CONSOLIDATE – at the option of the insured, the number of weeks referred to in clause (a) (i) above may be increased to ..... X ..... provided that the amount arrived at under the provisions of clause (a)(ii) shall not exceed such amount as is deducted under clause (a) (i) for saving effected during the said increased number of weeks.

(X) here insert the equivalent numbers of weeks ascertained from the conversion Table provided in Section II-Rule 3 (a)

- (b) In Respect of Increase in Cost of Working so much of the additional expenditure described in Clause (b) of Item 1 as exceeds the amount payable thereunder but not more than the additional amount which would have been payable in respect of Reduction in Turnover/Output under the Provisions of Clauses (a) (i) and (ii) of this item had such expenditure not been incurred.

Provided that if the Sum Insured by this item be less than the sum produced by applying the Rate of Wages to (insert the appropriate multiple if the Indemnity Period exceeds 12 months. e.g. where the indemnity period is eighteen months insert one and a half times) the Annual Turnover/output, the amount payable under this shall be proportionately reduced.

#### Definitions

WAGES – Total Wages of all employees other than those whose wages are insured as a standing charge.

Note: - The above definition may be altered to suit the requirements of individual clients.

**RATE OF WAGES** – The Rate of Wages to Turnover/Output 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.

**SHORTAGE IN TURNOVER/OUTPUT** - The amount by which the Turnover/Output during a period shall in consequence of the damage fall short of the part of the Standard Turnover/Output which relates to that period.

**Specification D - Wages**

(ii) Pro Rata Basis

The insurance under Item No..... on .....weeks Wages on sum insured Rs..... Is limited to the loss incurred by the Insured by the payment of Wages for a period beginning with occurrence of the damage and ending not later than ..... weeks thereafter.

The amount payable as indemnity under this item shall be the actual amount which the Insured shall pay as Wages for such period to employees whose services cannot in consequence of the damage be utilized by the Insured at all and an equitable part + (based upon shortage of production) of the Wages paid for such period to employees whose service cannot in consequence of the damage be utilized by the Insured in full;

Provided that if the sum insured by this item shall be less than the aggregate amount of the Wages that would have been paid during the ..... weeks immediately following the damage, had the damage not occurred, the amount payable shall be proportionately reduced.

For the purpose of this item the term Wages shall mean \* .....+. It is permissible to omit the words in brackets or to substitute for 'production' some other indeed of activity.

\* Here insert a precise definition of the scope to which the insurance of Wages (which may, if desired, expressly include Bonuses, Holiday Pay and the like) is to apply e.g.

the Wages of all Employees the Wages of a specified category or categories of Employees the wages of all Employees who are normally paid on a weekly basis	(Add, if any wages are insured as a standing charge other than whose Wages are insured as a Standing Charge under Item No.....)
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**Specification E -**

**Lay –off and/or retrenchment Compensation with or without Notice Wages Liability**

The insurance under Item No. 3 is limited to the amount which the Insured shall become legally liable to pay and shall pay to employees .... \* .... Under the provisions of the Industrial Disputes Act, 1947 and all subsequent amendments thereto.

Provided that the amount payable as indemnity under this item shall not exceed the amount which would otherwise have been payable as Wages to the said employees during the period of indemnity, had no damage occurred.

Provided also that if the sum insured by this policy shall be less than the aggregate amount of ..... \* ..... to the said employees the amount payable shall be proportionately reduced.

“For the purpose of this item “Employee” shall mean “Workman” as defined under the Industrial Disputes Act, 1947 and subsequent amendments thereto but excluding those employees whose remuneration is insured as a standing charge under Item 1 of the Policy.

\* insert here the appropriate cover opted by the insured, viz.

- (i) Lay-off and/or Retrenchment Compensation or
- (ii) Lay-off and/or Retrenchment Compensation with or without Notice Wages Liability or
- (iii) Lay-off Compensation, or
- (iv) Retrenchment Compensation or
- (v) Retrenchment Compensation with or without notice Wages Liability

as the case may be.

**Specification F – Additional Cover Clauses**

**Auditors’ Clause  
 (Modifying the Company’s liability under condition 3)**

The Insurance under Item No. is limited to the reasonable charges payable by the Insured to their Auditors for producing and certifying any particulars or details contained in the Insured’s books of account or other business books or documents or such other proofs, information or evidence as may be required by the Company under the terms of Condition 3 of this Policy. Any particulars or details contained in the Insured’s books of account or other business books or documents which may be required by the Company under Condition 3 of this Policy for the purpose of investigating or verifying any claim hereunder may be produced and certified by the Insured’s Auditors, and their certificate shall be prima facie evidence of the particulars and details to which such certificates relate.

**Specification G - New Business Clause**

For the purpose of any claim arising from damage occurring before the completion of the first year’s trading of the business at the premises the terms “Rate of Gross Profit”, “Annual Output/Turnover” and “Standard Output/Turnover” shall bear the following meaning and not as within stated:-

<p><b>RATE OF GROSS PROFIT</b> – The rate of Gross Profit earned on the Output/Turnover during the period between the date of the commencement of the business and the date of the damage.</p>	<p>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.</p>
<p><b>ANNUAL OUTPUT/TURNOVER</b> – The proportional equivalent for a period of twelve months or the Output/Turnover realized during the period between the commencement of the business and the date of the damage.</p>	
<p><b>STANDARD OUTPUT/TURNOVER</b> – The proportional equivalent for a period equal to the Indemnity Period of the Output/Turnover realized during the period between the commencement of the business and the date of the damage.</p>	

**Specification H – Solicitors’ and Professional Mens’ Fees**

**Specification for Professional Mens’ Policy**

SPECIFICATION referred to in Policy No. .... issued by Zurich Kotak General Insurance Company (India) Limited in the name of ..... and forming an integral part of that policy

Item No.	Sum Insured
1. On Gross Profit	Rs.
2. On Additional Expenditure	Rs.
3. On Legal, Clerical and other charges	Rs.
<b>Total Sum Insured</b>	Rs. _____

The insurance under Item No.1 is limited to loss of Gross Fees and Increase in Cost of Working and the amount payable as indemnity thereunder shall be: -

- (a) IN RESPECT OF LOSS OF GROSS FEES: the amount by which Gross Fees earned during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Gross Fees.
- (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 Gross Fees which, but for that expenditure, would have taken place during the Indemnity period in consequence of the Damage, but not exceeding the reduction in Gross Fees thereby avoided.

Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business as may cease or be reduced in consequence of the damage.

Provided that if the Sum Insured by this Item be less than \* the Gross Fees, the amount payable shall be proportionately reduced.

THE INSURANCE UNDER ITEM 2 is limited to such further additional expenditure beyond that recoverable under Item 1(b) as the Insured shall necessarily and reasonably incur during the Indemnity Period in consequence of the damage in connection with the fitting up of Temporary Offices, increased Rent, Rates, Taxes, Lighting, Heating and Insurance thereof, removal costs and expenses incidental thereto.

THE INSURANCE UNDER ITEM NO 3: is limited to Legal, Clerical and other charges necessarily incurred in the replacement or restoration of deeds and other documents (including stamps thereon) manuscripts, plans, specifications and writings of every description and books (written and printed), books of account, card indexes and other business records, not exceeding in respect of any one document, plan, book or card index set the sum of Rs. ....

**Definitions**

**GROSS FEES** – The money paid or payable to the insured for services rendered in course of the business at the premises.

**INDEMNITY PERIOD** – The period beginning with the occurrence of the damage and ending not later than \_\_\_\_\_ months thereafter during which the results of the business shall be affected in consequence of the damage.

<b>ANNUAL GROSS FEES</b> –The Gross Fees earned during the twelve months 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.
<b>STANDARD GROSS FEES</b> –The Gross Fees earned during that Period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period.	

**Memo 1:** If during the Indemnity Period services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such services shall be brought into account in arriving at the Gross Fees during the Indemnity Period.

**Memo 2:** The Insurance by item 3 extends to cover property as therein described if and in so far as it is not otherwise insured whilst temporarily removed to any premises not in the insured's occupation and whilst in transit between such places by road, rail or inland waterway, in India to an amount not exceeding 10 percent of the sum insured by the said item.

**Memo 3:** If the Insured declares, at the latest twelve months after the expiry of any Period of Insurance, that the Gross Fees 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 any period of Insurance, as certified by the Insured's Auditors, was less than the Sum Insured thereon, a pro-rata return of premium not exceeding 50% of the premium paid on such Sum Insured for such period of Insurance shall be made in respect of the difference.

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 the damage.

**Note:** As regards the rate for covering Professional Mens' Fees, the standard percentage scale of the basis provided in the Consequential Loss (Fire) Tariff would be applicable to such covers.

**Specification J - Alternative Basis Clause**

It is agreed and declared that, whenever found necessary, the term 'Output' may be substituted for the term 'Turnover' and for the purpose of this policy 'Output' shall mean the sale value of goods manufactured by the 'Insured' in the course of the business at the premises,

Provided that:

(a) Only one such meaning shall be operative in connection with any one occurrence involving damage (as within defined).

(b) If the meaning set out above be used, memo No.1 shall be altered to read as follows:

**Memo 1:** If during the INDEMNITY PERIOD goods shall be manufactured other than at the premises for the benefit of the business either by the Insured or by others on the Insured's behalf, the sale value of the goods so manufactured shall be brought into account in arriving at the OUTPUT during the INDEMNITY PERIOD.

## SECTION III- BURGLARY & HOUSEBREAKING

### 1. THEFT COVER

In consideration of the payment of additional premium, it is agreed and declared that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon this section of the policy is extends to cover loss or damage to insured property as defined in the policy schedule arising out of theft.

### 2. RIOT, STRIKE AND MALICIOUS DAMAGE

In consideration of the payment of additional premium, it is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, policy extends to cover Loss of or visible physical damage or destruction by external violent means directly caused to the property insured but excluding those caused by

- Total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.
- Permanent or temporary dispossession resulting from confiscation, commandeering, requisition or destruction by order of the Government or any lawfully constituted Authority.
- 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.

### 3. HOLD UP

In consideration of the payment of additional premium, it is agreed and declared that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon this section of the policy is extends to cover loss or damage to insured property as defined in the policy schedule arising out of hold up. Hold Up means forcible removal by actual or threatened violence against Insured and/or insured's family and/or Employee(s) of the Insured.

### 4. FIRST LOSS BASIS CLAUSE

First loss coverage involves the selection by the Insured of a Sum Insured for a particular item of property covered, which is lower than the total replacement value of the property at the Insured's premises.

First loss cover can be issued for an amount less than the total value of the property at risk with a stipulation that the Company will pay the whole amount of loss up to the limit of the Sum Insured.

The options for First loss cover will be as follows:

- First Loss Cover with Partial Average: Retain the Condition and measure the application of average against any difference between the total sum insured of all the items subject to first loss cover and the value of such items at the time of loss
- First Loss without Condition of Average: or delete the Under-insurance Condition completely

First Loss Policies can be issued where the value of property covered is considerable and property is of bulky nature rendering total loss a remote possibility, e.g. heavy machinery, stock of metal bars etc.,

Note: This policy cannot be issued on Declaration basis.

The following condition shall apply if First Loss is specified in the Schedule to be applicable. The scale of first loss percentage would be as follows.

“Where the sum insured fixed is at XX% of the total value at risk, full rate quoted to be applied on the sum insured on first loss basis and rate charged for the balance sum insured ((1-XX)% of the total value at risk) will be 25% of the base policy rate.”

## **5. FLOATER 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”

## **6. TERRORISM DAMAGE COVER ENDORSEMENT**

It is hereby declared and agreed that in consideration of payment of additional premium specified in the Schedule, the Terrorism Damage Exclusion Warranty forming part of the within mentioned policy stands deleted. The expression/s "terrorism and/or act of terrorism" shall have the same meaning/s as contained in Terrorism Damage Exclusion Warranty.

In case of Terrorism Damage being covered by Indian Market Terrorism Risk Insurance Pool (Pool), the Pool wordings as mentioned in Section I will replace the above wordings.

## **SECTION IV, V, VI- ELECTRONIC EQUIPMENTS/MACHINERY BREAKDOWN/BOILER AND PRESSURE VESSELS**

### **1. THIRD PARTY LIABILITY**

In consideration of the payment of the additional premium it is hereby agreed and declared that notwithstanding anything to the contrary stated in this policy, the Company will indemnify the insured:

- a) against legal liability for the accidental loss or damage caused to the property of other persons.
- b) against legal liability (liability under contract excepted) for fatal or non-fatal injury to any persons other than the insured or his own employees or employee of the owner of the works/site/premises/ location or employees of the other firms/connected with any other work site/ premises/ location or members of the family of the insured or any of the aforesaid.

### **EXCLUSIONS UNDER THE TPL EXTENSION -**

The Company will not indemnify the insured, under this extension in respect of -

- a) The first amount of policy excess of each claim for any one occurrence related to property damage.
- b) Expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under the policy.
- c) Liability consequent upon -
  - i. bodily injury to or illness of employees/workmen/members of the families of the insured or of the owners of the works/site/premises/ location or of any other firm/contractors connected with any other work at the works/site/premises/location.
  - ii. loss of or damage or property belonging to or held in trust by or under custody of the owner of the works/site/premises/location of any other firms/contractors or an employee/ workmen/ family members of any of the aforesaid.

- iii. any accident caused by vehicles licensed for general road or by waterborne vessels or used aircraft.
- iv. any agreement by the insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.

#### **CONDITIONS APPLYING TO TPL EXTENSION -**

- a) No admission, offer, promise, payment of indemnity shall be made or given by or on behalf of the insured without written consent of the company who shall be entitled, if any so desire, to take over and conduct in the name of the insured the defence or settlement of any claim or to prosecute for their own benefit in the name of the insured any claim for indemnity or damage or otherwise and shall have full discretion in the conduct of any proceeding or in the settlement of any claim and the insured shall give all such information and assistance as the Company may require.
- b) The Company may, so far as any accident is concerned, pay to the insured the limit of indemnity for any one accident/for any one period, after deducting therefrom in such case of any sum/s already paid as compensation in respect thereof or any lesser sum for which the claim or claims arising such accident can be settled and the Company shall thereafter be under no further liability in respect of such accident under this section.

#### **2. EXPRESS FREIGHT**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the insured having paid the agreed extra premium, this insurance shall be extended to cover extra charges for express freight (excluding air freight).

Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under the policy.

If the sum(s) insured of the demand item(s) is/are less than the amount(s) required to be insured the amount payable under this endorsement for such extra charges shall be reduced in the same proportion.

#### **3. AIR FREIGHT**

It is hereby declared and agreed that the Policy shall also indemnify towards Air Freight incurred by the Insured in connection with the indemnifiable loss under the Policy.

In consideration thereof an additional premium of Rs. \_\_\_ is charged hereby

Limit of indemnity shall be Rs. \_\_\_\_\_ during currency of the Policy.

Each and every claim shall be subject to a minimum Excess of 5 % of the admissible Air Freight incurred over and above the excess as applicable under the Policy.

Subject otherwise to terms, conditions and exceptions of the Policy.

#### **4. ADDITIONAL CUSTOMS DUTY**

In consideration of the Insured having paid an additional premium, it is hereby declared and agreed that the Insured shall also be indemnified during the currency of the policy, towards the additional Customs Duty upto the limit specified in the Schedule, which may be incurred by the Insured over and above the Customs Duty amount taken into account in arriving at the Sum Insured the affected items.

Each and every claim payable under the extension shall be subject to an Excess of 5 % of the admissible Additional Customs Duty incurred and will be in addition to the Excess amount applicable for the affected item under the Policy.

The Indemnity for such Additional Customs Duty will stand reduced after occurrence of the claim unless reinstated by payment of an additional premium prescribed by the Company.

Subject otherwise to the terms, conditions and exceptions of the Policy.

**Note:**

For computation of indemnity under the Additional Customs Duty extension, exchange rate applicable on date of occurrence shall be considered.

**5. 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 undernoted item(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 increase per annum.

Item Number	Specified Percentage Increase per annum

Unless specifically agreed to the contrary the provisions of the 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:-

(i) the Sums to be Insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by 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

(ii) the specified percentage increase(s) required for the forthcoming period of Insurance, but in the absence of instructions to the contrary prior to the 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.

**6. FLOATER CLAUSE**

“In consideration of Floater Extra charged over and above the policy rate the S.I. 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”

**7. PARTS UNDAMAGED CLAUSE**

The policy stands extended to include replacement of undamaged parts also in the machinery subject to condition that, a) Such replacement of undamaged part is necessary to avoid the recurrence of the damage as may be certified by Surveyor b) Prior approval from the insurer is taken for such replacement c) By such replacement of undamaged part, there is no technical improvement in performance, capacity or output.

This is payable only if there is an admissible claim under the main Policy  
The claim subject to limit of overall Sum Insured of the machinery/equipment.

## 8. OWNERS SURROUNDING PROPERTY

In consideration of Insured having paid extra premium it is hereby agreed and declared, subject to otherwise terms and conditions of the Policy, that this insurance by within Policy is extended to cover loss or damage to property located at or adjacent to the site and belonging to or held in care, custody, control of the principal(s) or the contractor(s) if occurring directly due to damage of items mentioned in the schedule while at rest or in use for construction or erection during period of Policy.

The Company will pay to the Insured the value of the damaged property at the time of accident or at its option reinstate or replace such damaged property or any part thereof provided that -

The liability of the Company shall in no case exceed the limits mentioned in the Schedule for this extension during the currency of the Policy.

The Insured shall bear the same excess as mentioned in the schedule of the Policy.

In respect of loss or damage resulting to underground piping tunneling or underground cables and other underground facilities, the indemnity will be restricted to actual repair cost, provided prior to commencement of work, Insured ascertains with the relevant authorities about the exact locations or positions of such cables, pipes or other underground facilities. Cracks that neither impair the stability of the structure nor safety of its users are not covered.

## 9. WAIVER OF BETTERMENT

In the event of total physical damage of the insured machinery/ equipment necessitating replacement, which may become obsolete at the time of such replacement, the Indemnity shall be the cost of reinstatement of the damaged machinery with the follow up model of the same type, provided that, such cost of replacement does not exceed the sum insured set against the said item.

It is further agreed & declared that, this extension shall not be enforceable if the insured is unable or unwilling to reinstate the property. However, if the cost of replacement with the follow up model exceeds the sum insured set against the said item, the company's liability would not exceed the sum insured.

## 10. OMISSION TO INSURE/ INADVERTENT OMISSION

In consideration of the payment of additional premium, this policy extends to cover equipments as defined in the schedule hereof which the insured may acquire or for which they may become responsible or any inadvertent omissions.

- i) The liability under this extension shall not to exceed 5% of the sum insured for equipments mentioned in the schedule.
- ii) The insured shall notify the Company 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 Company in respect any equipment while such equipment is otherwise insured. All new additions to the equipments by the insured 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 acquisition of additions or may be suitably adjusted.

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

Limit: 5% of the Sum Insured as mentioned in schedule

## 11. PROFESSIONAL FEE

In consideration of the payment of additional premium, the policy is extended to include any amount in respect of Architects, Surveyors and Consulting Engineers reimbursable fees or other professional fees necessarily incurred by the Insured in the reinstatement of the Insured property consequent upon its loss, destruction or damage but not for preparing any claim.

The claim under this head is payable subject to prior approval only, from the Company.

Limit: Up to per event and in aggregate as agreed and specified in Schedule

## 12. OMISSION TO INSURE ADDITIONS, ALTERATIONS

In consideration of the payment of additional premium, the insurance by this policy extends to cover Portable Equipments as defined in the schedule hereof, which the Insured may acquire or for which they may become responsible:-

(i) The liability under this Extension shall not exceed in respect of portable equipments 5% of the Sum Insured by items of the Schedule.

(ii) The Insured shall notify the Company 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 the portable equipments by the Insured 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 purchase, 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

## 13. CLAIMS INVESTIGATION COST

The Policy stands extended to cover the expenses related to investigating and identifying of the cause or exact location of loss or damage. This is payable only if prior approval of the insurer is taken before incurring the expense. Maximum amount payable under this head is as mentioned in the Policy schedule and subject to deductible/excess as mentioned therein.

This is payable only if there is an admissible claim under the Policy

## 14. CLAIMS PREPARATION COST

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the insurance by this Policy extends to include costs reasonably incurred by the Insured in producing and certifying any particulars or details in support of any claim as may be required by the Company in terms of the conditions of the Policy.

The claim under this head is payable only subject to prior approval only, from the Insurer.

Limit: Up to per event and in aggregate as agreed and specified in Schedule

## 15. NON VITIATION CLAUSE / MULTIPLE INSURED CLAUSE

- (i) It is noted and agreed that, if the Insured described in the Annexure comprises more than one insured party each operating as a separate and distinct entity, then (save as provided in this Clause) cover hereunder shall apply in the same manner and to the same extent as if individual policies have been issued to each such insured party provided that, the total liability of the Insurers to all of the insured parties collectively shall not exceed the sums insured and limits of indemnity including any inner limits set by memorandum or endorsement stated in the policy.
- (ii) It is understood and agreed that, any payment or payments by Insurers to any one or more such insured parties shall reduce Insurer's Liability to the extent of that payment, to all such parties arising from any one event giving rise to a claim under this policy and in the aggregate.
- (iii) It is further understood that, the insured parties will at all times preserve the various contractual rights and agreements entered into by the insured parties and the contractual remedies of such parties in the event of loss or damage.
- (iv) It is further understood and agreed that, the Insurers shall be entitled to avoid liability to or (as may be appropriate) claim damages from any one of the insured parties in circumstances of fraud, material misrepresentation, material non-disclosure, etc. resulting in a breach of any warranty or condition of this policy each a referred to in this clause as a Vitiating Act.
- (v) It is however agreed that (save as provided in this Clause) a Vitiating Act committed by one insured party shall not prejudice the right to indemnity of any other insured party who has an insurable interest and who has not committed a Vitiating Act.
- (vi) Insurers hereby agree to waive all rights of subrogation which they may have or acquire against any insured party except where the rights of subrogation or recourse are acquired in consequence of or otherwise following a Vitiating Act in which circumstances, the Insurers may enforce such rights notwithstanding the continuing or former status of the vitiating party as an Insured.
- (vii) In the event of any Vitiating Act committed by any one or more insured parties Insured, the Lenders shall not be entitled to any indemnity under this policy for more than their pro rata share of interest as against the entire asset value under charge for each and every claim for, or arising out of each and every event of loss or damage in respect of which Insurers are otherwise no longer liable to indemnify any other one or more insured parties by reason a Vitiating Act or Acts.

## 16. COVER FOR MOBILE AND PORTABLE EQUIPMENT OUTSIDE THE PREMISES

It is agreed and understood that, otherwise subject to the terms, exclusions, provisions and conditions contained in the this Section- Boiler and Pressure vessels of the Policy or endorsed thereon, and subject to the Insured having paid the agreed extra premium this insurance shall be extended to cover loss or damage to the mobile and/or portable equipment as specified in the Policy schedule or

Item(s) No(s) ----- of the Policy Schedule, whilst stationary or in transit anywhere within the territorial limits specified in the Policy.

The insurers shall not be liable under this Endorsement for

- loss or damage occurring whilst the above items are unattended unless locked inside a building or vehicle
- loss or damage from any cause whatsoever whilst the above items are installed or carried in or on aircraft or aerial devices or waterborne vessels or craft.

(NOTE: Underwriter has discretion to delete the word 'While in Transit')

Deductible: As specified in the Policy Schedule

## 17. TERRORISM DAMAGE INCLUSION ENDORSEMENT (APPLICABLE FOR SECTION IV – ELECTRONIC EQUIPMENTS)

### Sabotage and 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 Original Policy 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 sabotage and/or terrorism to the location/s mentioned in the schedule 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 organization(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Act, 1967 (as amended from time to time) 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.

For the purpose of this cover, an act of sabotage means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put 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 sabotage and/or 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, paramilitary 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 or riots;
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 sabotage and/or 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;
18. Any loss due to fines or damages for breach of contract, or penalties of whatever nature;
19. Any infidelity, fraudulent, dishonest or criminal act by any director, officer or trustee of the Insured whether acting alone or in collusion with others;
20. Any debt, insolvency or commercial failure, whether to provide bond or security or otherwise, or any other financial cause of any party or person whatsoever.
21. loss or damage caused by Civil Commotion, Insurrection, Revolution or Rebellion, Mutiny and/or Coup d'Etat and Civil War except as may be insured specifically under any Political Violence Extension to this cover;
22. Third party liability howsoever arising except as may be insured specifically under any Third-Party Liability Extension to this cover.

#### **LIMIT OF INDEMNITY**

The limit of indemnity under this cover shall not exceed the Total Sum Insured given in the Policy Schedule or INR 20,000,000,000 per compound/location whichever is lower.

In respect of sabotage and/or terrorism cover for dwellings, limit of indemnity shall not exceed Total Sum Insured as mentioned in the Policy Schedule or INR 4,000,000,000 per compound/location whichever is lower.

In respect of several locations being covered under a single policy on a floater basis, the maximum aggregate loss suffered from all the locations mentioned in the Policy schedule shall not exceed Total Sum Insured as mentioned in the Policy Schedule or INR 20,000,000,000/- 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

20,000,000,000. If the actual aggregate loss suffered at one compound/location is more than INR 20,000,000,000, the amounts payable towards individual policies shall be reduced in proportion to the sum insured of the policies.

#### **EXCESS\***

Shops & Residential Risks: 1% of the claim amount for each and every claim subject to Minimum of INR 10,000 and Maximum of INR 500,000

Non-Industrial Risks: 1% of the claim amount for each and every claim subject to Minimum of INR 25,000 and Maximum of INR 1,000,000

Industrial Risks: 5% of the claim amount for each and every claim subject to Minimum of INR 100,000 and Maximum of INR 25,00,000

\*Whichever is applicable

#### **ADD ON COVERS**

It is further declared and agreed that the limit of indemnity including the claim on add on cover(s) shall not exceed total sum insured plus separate sublimit opted for add on cover(s) or INR 20,000,000,000 whichever is lower. In respect of several insurance policies within the same compound/location, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 20,000,000,000.

In respect of sabotage and/or terrorism cover for long term dwellings, limit of indemnity including the claim on add on cover(s) shall not exceed total sum insured plus separate sublimit opted for add on cover(s) or INR 4,000,000,000/- whichever is lower. In respect of several insurance policies within the same compound/location, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 4,000,000,000/-

#### **MID TERM COVER**

In case the coverage under this endorsement is granted during the currency of the policy, no claims will be payable for loss or damage to property caused by an act of sabotage and/or terrorism occurring during the first 15 (fifteen) days from the date of granting such cover. There should be no known or recorded/reported losses from ground up including threats/hoaxes from date of inception of policy to the date of granting such cover.

#### **SANCTION, LIMITATION AND EXCLUSION CLAUSE**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

#### **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 Sabotage and/or 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.

(\*) The wordings for Terrorism Damage Cover Endorsement are as prescribed by Indian Market Terrorism Risk Insurance Pool (Pool) currently in force and will be subject to change as per Pool guidelines or as per the Reinsurance arrangement from time to time.

By way of this extension, We hereby delete the exclusion "Terrorism Damage Exclusion Warranty"

## **SECTION VII - ALL RISK**

### **1. GEOGRAPHICAL SCOPE - WORLDWIDE**

It is hereby declared and agreed that in consideration of payment of additional premium specified in the Schedule, the relevant section of this policy is extended to provide worldwide coverage.

### **2. MECHANICAL OR ELECTRICAL DERANGEMENT/BREAKDOWN**

It is hereby declared and agreed that in consideration of payment of additional premium specified in the Schedule, the Mechanical or Electrical derangement/breakdown Exclusion Warranty of forming part of the mentioned policy stands deleted.

### **3. DESIGNATION OF PROPERTY CLAUSE**

For the 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.

### **4. FIRST LOSS BASIS CLAUSE**

The Sum insured is on the First Loss Basis in proportion of \_\_\_% of 100% Sum Insured, amounting to a value as stated in the Schedule. It is further declared and agreed that in the event of the total value of items at risk at the time of loss being greater than the total value declared for purpose of this cover and incorporated in the Schedule, insured shall be considered as being their own insurer, for the difference, and shall bear a rateable share of the loss accordingly.

Subject otherwise to the coverage, terms and conditions and the claims procedure as incorporated in the Policy and endorsed hereon

### **5. NEW FOR OLD BASIS CLAUSE**

In the event of a loss the company shall indemnify the Insured for Replacement Value of the insured items by a new item of the same kind and same capacity without any allowance for wear and tear and/or depreciation provided the age of the damaged insured item does not exceed 5 Years.

In case the age of the damaged item exceeds 5 years the settlement shall be on the Replacement Value of the insured items as new at the time of damage less due allowance for betterment, wear and tear and/or depreciation or the value which can be realized from the market for such insured item immediately before occurrence of damage whichever is lower.

### **6. TERRORISM DAMAGE COVER ENDORSEMENT**

It is hereby declared and agreed that in consideration of payment of additional premium specified in the Schedule, the Terrorism Damage Exclusion Warranty forming part of the within mentioned policy stands deleted. The expression/s "terrorism and/or act of terrorism" shall have the same meaning/s as contained in Terrorism Damage Exclusion Warranty.

In case of Terrorism Damage being covered by Indian Market Terrorism Risk Insurance Pool (Pool), the Pool wordings as mentioned in Section I will replace the above wordings.

## SECTION VIII- MONEY

### 1. CASH KEPT OVERNIGHT AT PROPRIETOR'S, PARTNER'S, DIRECTOR'S HOUSE DUE TO EXIGENCIES

On payment of additional premium and subject to limits set forth for Money in Safe, it is hereby declared and agreed that, this section of the policy stands extended to include loss of Money kept at Insured's/ Proprietor's/ Partner's/ Director's house, kept separately and away from personal cash/valuables during overnight due to situations such as continuous bank holiday or Riot & Strike preventing the Insured/such people from depositing the Money in bank. Subject otherwise to conditions set forth in the Policy including definition of Safe.

### 2. ASSAULT RISKS

On payment of additional premium, it is hereby declared and agreed that the Policy extends to cover an injury occurring within twelve (12) months suffered by the:

Owner, partner, proprietor, director or Authorised Employee of the Insured, in the case of Money on Insured Premises or in transit, or during a Robbery/ Burglary/ House breaking/ Theft or attempted Theft and such injury is the sole cause of

- i) Death;
- ii) Total and permanent loss of sight in one or both eyes;
- iii) Total and permanent loss of one or both hands or feet;

The Company will, in respect of such injury, pay to the Insured or his or her legal representative, amount as mentioned in the Policy Schedule in respect of any one person and in the aggregate, for any one event.

However, no amount will be payable in respect of:

1. Death, attributable to, or consequent upon, or accelerated by; or
2. Disablement, aggravated by, attributable to, or consequent upon;
3. any pre-existing physical defect, illness or disease or injury.

### 3. THEFT

On payment of additional premium, it is hereby declared and agreed that the Policy stands extended to include the Theft of Money in cash counter caused by persons other than cashiers/ Authorised Employees specifically entrusted with the responsibility of handling cash.

Subject otherwise to limits mentioned in the Policy

### 4. DAMAGE TO SAFE

On payment of additional premium, it is hereby declared and agreed that the Policy stands extended to include damage to Safe caused by perpetrators in attempt to cause loss. The Claim under this cover is payable only subject to Claim for Cash in Safe being payable and up to maximum of 5% of limits set forth for cash in Safe and within overall limits as mentioned in the Policy Schedule specifically in respect of Cash in Safe.

### 5. FLOATER COVER

On payment of additional premium, it is hereby declared and agreed that the Policy stands extended to cover the sum insured in aggregate for any one, more, or all locations as specified in respect of Money in Safe and counter.

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.

Subject otherwise to limits mentioned in the Policy.

## **6. INFIDELITY OF CASH CARRYING EMPLOYEES**

On payment of additional premium, it is hereby declared and agreed that, the Policy stands extended to include loss of Money In Transit caused by infidelity acts of cash carrying Employees specifically entrusted with the responsibility of cash carrying and discovered within 30 days from the date of the transit or as mentioned in the Policy Schedule.

Subject, otherwise to the limits mentioned in the Schedule.

## **7. LOSS OF PERSONAL EFFECTS OF EMPLOYEES**

On payment of additional premium, it is hereby agreed and declared that, the Policy stands extended to include loss or damage to personal effects of Employees caused during the acts of Burglary or Housebreaking, Hold up covered under the Policy.

The maximum amount payable under this is limited to Rs. 10,000 per Employee and Rs. 30,000 maximum in all and the same being restricted to personal cash or damage to clothing of such affected Employee.

## **8. TERRORISM DAMAGE COVER**

### **8.1 Money in counter or Safe**

On payment of additional premium, it is hereby declared and agreed that the Policy stands extended to pay for loss of Money in counter or Safe due to Act of Terrorism.

Subject otherwise to limits and terms and conditions, exclusions mentioned in the Policy and Schedule.

### **8.2 Money In Transit**

On payment of additional premium, it is hereby declared and agreed that the Policy stands extended to pay for loss of Money in transit due to Act of Terrorism.

Subject otherwise to limits and terms and conditions, exclusions mentioned in the Policy and Schedule.

In case of Terrorism Damage being covered by Indian Market Terrorism Risk Insurance Pool (Pool), the Pool wordings as mentioned in Section I will replace the above wordings.

## **9. USE OF DUPLICATE KEY**

On payment of additional premium, it is hereby declared and agreed that the Policy stands extended to include loss of Money in Safe by use of duplicate key subject to below noted conditions:

- Safe keys or duplicate keys thereof at all times be kept in secured place and away from the portion of the Insured Premises in which such Safe is situated and always out of sight of the any one.
- At the material time of loss, the Safe is duly secured in all respects
- Such loss is not caused by any Insured/family members of the Insured or Employees of the Insured

## **10. OFF ROLL/ CONTRACTOR'S EMPLOYEES**

On payment of additional premium, it is hereby declared and agreed that the Policy extends to cover loss of Money In Transit, whilst carried by the Insured's Off roll Employees/ Contractor's Employees occasioned by Robbery, Theft or any other fortuitous cause.

Provided always that, the limit of the Company's liability for any one loss shall in no case exceed the amount specified against in the respective section in the said Schedule.

Subject otherwise to limits mentioned in the Policy and the terms, conditions, warranties and exclusions in the Policy.

#### **11. STRIKE, RIOT AND CIVIL COMMOTION**

On payment of additional premium, it is hereby declared and agreed that the Policy stands extended to pay for loss of Money in counter or Safe due to Strike, Riot and Civil Commotion subject to no Employee or Insured or family members of insured being privy to it.

Subject otherwise to limits mentioned in the Policy.

### **SECTION IX- FIDELITY GUARANTEE**

#### **1. ADDITIONAL EXPENSES EXTENSION**

It is hereby declared and agreed that in consideration of the premium charged under the Policy, and subject to the terms and conditions, the Insured will be indemnified towards expenses reasonably incurred towards substantiating the claim. The cover under this extension shall be up to 10% of the claim amount subject to maximum of Rs.50, 000/- in respect of each and every claim. This extra benefit shall however not increase the amount insured.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements, if any, thereon.

#### **2. CONTRACTUAL EMPLOYEE(S) EXTENSION**

It is hereby declared and agreed that in consideration of the premium charged under the Policy and subject to the terms and conditions, the coverage under the Policy is extended to indemnify the Insured against any direct pecuniary loss sustained by reason of any act of fraud or dishonesty committed by any Contractual Employee(s) who are hired by the Insured to undertake any specific work and for a specific period of time at a specific pay.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements, if any, thereon

#### **3. RETROACTIVE PERIOD**

It is hereby declared and agreed that in consideration of payment of additional premium under this endorsement and subject to otherwise the terms and conditions of this Policy, the Company also agrees to indemnify the insured against any direct pecuniary loss sustained by reason of any act of fraud or dishonesty committed by any permanent employee(s) during the retroactive period mentioned on the policy schedule and discovered during the period of insurance of this policy provided that in such retroactive period, the insurance was continuously in force but in no event we shall be liable to pay any claim in respect of loss sustained prior to inception of the Original/first Policy.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements.

#### **4. COVERAGE FOR FOREIGN EXCHANGE**

It is hereby declared and agreed that in consideration of the premium charged under the Policy and subject to the terms and conditions, the coverage under the Policy is extended to indemnify the Insured against any direct pecuniary loss of foreign currency in possession of the Employee/Insured, sustained by reason of any act of fraud or dishonesty committed by any permanent Employee(s) of the Insured.

In the event of the claim, the same will be settled only in Indian currency and the Insured will be indemnified in respect of the loss with reference to the exchange rate prevailing as on the date of discovery of the loss.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements, if any, thereon.

**SECTION XII- BAGGAGE**

**1. GEOGRAPHICAL SCOPE - WORLDWIDE**

It is hereby declared and agreed that in consideration of payment of additional premium specified in the Schedule, the relevant section of this policy is extended to provide worldwide coverage.

**SECTION XIV- EMPLOYEE COMPENSATION**

**1. COVERAGE FOR MEDICAL EXPENSES**

In consideration of the payment of additional premium, it is hereby understood and agreed that this Policy is extended to cover Insured's liability towards medical expenses for treatment of Injury arising out of accident in respect of which indemnity granted under this policy otherwise applies.

Provided always that, the liability of the Company under this endorsement shall be limited to Rs. (the limit specified in the Schedule) in respect of each Employee per accident and the aggregate liability of the Company for all accidents during the Period of Insurance to Rs. (the limit specified in the Schedule)

Subject to otherwise to the terms, provisions and conditions of the within Policy.

**2. COVERAGE FOR OCCUPATIONAL DISEASES**

In consideration of the payment of additional premium, it is hereby understood and agreed that the indemnity herein granted is extended to cover the legal liability of the Insured to the Employee for Occupational Diseases solely and directly contracted due to employment under the Insured in the Business in respect of which the within policy is granted.

Provided always that, the liability of the Company under this endorsement shall be limited to Rs. (the limit specified in the Schedule) in respect of each Employee and in the aggregate for all Employees during the Period of Insurance to Rs. (the limit specified in the Schedule)

Subject to otherwise to the terms, provisions and conditions of the within Policy.

**3. COVERAGE FOR CONTRACTORS WORKERS/ EMPLOYEES**

In consideration of the payment of additional premium, it is hereby understood and agreed that the indemnity herein granted is extended to cover the legal liability of the Insured to the Employees in the employment of Contractors performing work for the Insured while engaged in the Business in respect of which the within Policy is granted, but only so far as regard claims under the Employees Compensation Act, 1923, and subsequent amendments of said Act prior to the date of the issue of this Policy.

Contractor's Name  
 Registered Address:

Sr. No.	Description of work done by <b>Employees</b>	Declared Number of <b>Employees</b>	Declared <b>Wages/ Contract Value during the Period of Insurance</b>	Place or Places of Employment

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Subject to otherwise to the terms, provisions and conditions of the within Policy.

**4. COVERAGE FOR LEGAL LIABILITY UNDER THE FATAL ACCIDENTS ACT, 1855**

In consideration of the payment of additional premium, it is hereby understood and agreed that the indemnity herein granted is extended to cover the legal liability of the Insured to the Employee under the Fatal Accidents Act, 1855 caused solely and directly due to employment under the Insured in the Business in respect of which the within policy is granted.

Subject to otherwise to the terms, provisions and conditions of the within Policy.

**5. COVERAGE FOR TERRORISM**

In consideration of the payment of additional premium, it is hereby understood and agreed that this Policy is extended to cover the legal liability of the Insured to the Employee by accident directly or indirectly caused by or arising from or in consequence of or attributable to 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 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.

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.

Subject to otherwise to the terms, provisions and conditions of the within Policy.

**SECTION XV- PUBLIC LIABILITY**

**1. 72 HOURS SUDDEN & ACCIDENTAL POLLUTION EXTENSION**

This insurance does not apply to Personal Injury or Bodily Injury or financial loss or loss of, damage to, or loss of use of Property directly or indirectly arising out of the discharge, dispersal, release or escape of smoke, vapors, soot, fumes, acid, alkalis, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants or pollutants into or upon land, the atmosphere or any water course or body of water, but this exclusion does not apply if such discharge, dispersal, release or escape meets all six of the following conditions:

1. the discharge, dispersal, release or escape must be neither expected nor intended by the Insured, and
2. the beginning of the discharge, dispersal, release or escape must take place during the policy period, and
3. the discharge, dispersal, release or escape must be physically evident to the Insured or other parties within 72 hours of the beginning of the discharge, dispersal, release or escape, and
4. the initial Bodily Injury or Property Damage caused by the discharge, dispersal, release or escape must be ensue within 72 hours of the beginning of the discharge, dispersal, release or escape.
5. Is indemnified in not more than one annual period of original insurance
6. Notwithstanding anything to the contrary in condition 4, Insured's duties in the event of occurrence, claim or lawsuit, or any other policy conditions, all claims made against the Insured under this coverage must

be reported to the company as soon as practicable but not later than 30 days after termination of the policy.

The term release includes, but is not limited to any of the following: spilling, leaking, pumping, pouring, emitting, emptying, injection, dumping or disposing.

If the Insured and the company should disagree with regard to when a discharge, dispersal, release or escape begins or becomes evident, the burden of proving that all 6 enumerated conditions are met rests with the Insured, at the Insured's own expense. Until such proof is accepted by the Company, the Company may, but not obligated to, defend any claim.

This clause shall not extend this Insurance to cover any liability which would not have been covered under this Insurance had this clause not been attached, except in so far as detailed herein.  
Any Liability arising from Outside India with regards to Pollution is purely excluded

This endorsement is granted in consideration of additional premium subject otherwise to the terms, exceptions, conditions and limitations of the within mentioned policy.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements if any thereon.

## **2. AOG PERILS ENDORSEMENT**

Notwithstanding anything herein contained to the contrary, it is agreed and declared that the coverage under the Policy is extended to cover Loss arising out of or in connection fire, explosion, earthquake, earth-tremor, volcanic eruption, flood, storm, tempest, typhoon, hurricane, tornado, cyclone or other similar convulsions of nature and atmospheric disturbance at the Insured 's premises and claims made during the policy period subject to limit of indemnity not exceeding the following which shall form part of the overall limit of indemnity as mentioned in the Schedule of the Policy.

This extension of coverage does not increase the Sum Insured provided in the Policy.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements if any thereon.

## **3. FOOD AND BEVERAGES EXTENSION**

Notwithstanding exclusion ... (product liability exclusion if one exists), this insurance extends to indemnify the insured against all sums which the insured shall become legally liable to pay as damages for bodily injury due to poisoning by food or non-alcoholic drink supplied by the insured, but excluding drugs and medicines, at or from the insured's premises, or due to the presence of foreign or deleterious matter in such food or drink.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements if any thereon.

## **4. GUEST EFFECTS**

Notwithstanding anything herein contained to the contrary, it is agreed and declared that the coverage under the Section is extended to cover Loss in respect of the Property of any third party who is a registered guest of the Insured's hotel.

Provided that, such Property is:

- a) specifically entrusted to the Insured
- b) and kept in a locked safe or strong room.

The liability of the Company shall not exceed the amount stated below in respect of any one article:

However this endorsement does not cover any claim directly or indirectly caused by or which arises out of

or in connection with or is attributable in any way to the following:

1. Jewellery, including but not limited to gold, watches, diamonds, precious stones or metals, money
2. Valuable papers and records comprising written, printed or otherwise inscribed official documents and records, which are vital for the continued existence of the business
3. Alcoholic drinks, liquors and beverages, cigars, etc.
4. Property Illegally acquired
5. Foodstuffs and perishables of any nature

This extension of coverage does not increase the Sum Insured provided in the Policy.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements if any thereon.

#### **5. LIFTS & HOISTS - TRADE USE**

Notwithstanding anything herein contained to the contrary, it is agreed and declared that the coverage under the Section is extended to cover Loss in respect of the use of any lift, hoist, escalator or elevator in the Premises in respect of the following:

1. Damage to any motor vehicle, trailer or caravan, tractors, plant and equipment or the like thereof necessitating the use of such lift or hoist by virtue of the business activity of the Insured and
2. Damage to Property or Injury to persons not being Employees of the Insured but authorised to be on his Premises for the purpose of the services conducted by the Insured.

It is a condition precedent to the Company's liability that the Insured should comply with any Act or statute of the government or government recognized authority or authorized local authority which are applicable to the provisions of this endorsement.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements if any thereon.

#### **6. LIFTS, HOISTS, ESCLATORS & ELEVATORS - PUBLIC USE**

Notwithstanding anything herein contained to the contrary, it is agreed and declared that the coverage under the Section is extended to cover Loss in respect of the use of any lift, hoist, escalator or elevator in the premises or for which the Insured is responsible whilst such are being utilized by members of the public.

It is a condition precedent to the Company's liability that the Insured should comply with any Act or statute of the government or government recognized authority or authorized local authority which are applicable to the provisions of this endorsement.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements if any thereon.

#### **7. MEDICAL PAYMENTS**

Notwithstanding anything herein contained to the contrary, it is agreed and declared that the coverage under the Section is extended to cover Medical Expenses claimed by a third party as described below for accidental physical Injury to that third party on the premises or on ways next to the Premises in connection with the Business of the Insured not exceeding the amount stated below:

Any one person:

Aggregate during the policy period:

provided that the insurer will pay:

1. Medical Expenses which are incurred and reported within 12 months from the date of the accident,

- and
2. The injured person subjects himself to examination, at the company's expense, by physicians of the company's choice as often as they may reasonably require.

#### Definitions

1. Medical Expenses Reasonable expenses for:
  - a. Necessary first aid at the time of an accident
  - b. Necessary medical, surgical, x-ray and dental services, including prosthetic devices, and
  - c. Necessary ambulance, hospital, professional nursing and funeral services.

This extension does not cover any Claim directly or indirectly caused by or which arises out of or in connection with or is attributable in any way to the following:

1. To the Insured or any of his Employees
2. To a person, whether or not the Insured's Employee, who at the time of the accidental Injury is entitled to benefits under any Worker's Compensation or disability benefits law or similar law
3. To a person taking part in athletics
4. To a person injured on that part of the premises the Insured owns or rents that the person normally occupies.

This extension of coverage does not increase the Sum Insured provided in the Policy.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements if any thereon.

#### **8. SWIMMING POOL EXTENSION**

Notwithstanding anything herein contained to the contrary, it is agreed and declared that the coverage under the Section is extended to cover Loss in respect of the following facilities provided by the Insured or on his behalf at his premises:

1. Swimming pool, hot tub, jacuzzi
2. Saunas or steam bath
3. Gym, fitness centres, health clubs and spas.

However this endorsement does not cover any claim directly or indirectly caused by or which arises out of or in connection with or is attributable in any way to recreational sports and hazardous activities.

This extension of coverage does not increase the Sum Insured provided in the Policy.

#### Specific Conditions

It will be a condition precedent to any liability under the Policy that:

1. Experienced life guards will be available at all times when the swimming pool is operational unless the depth of the pool does not exceed 1 meter at any point
2. Experienced trainers will be available at all times when the gym, health or fitness centres and spas are operational
3. The swimming pool, health clubs and other facilities will be maintained in a hygienic and amenable condition when in use.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements if any there

#### **9. TENANT'S LEGAL LIABILITY**

Notwithstanding anything herein contained to the contrary, it is agreed and declared that the Company will indemnify the Insured against liability at law in respect of accidental Damage to premises subject to the

Limits stated in the Schedule (including fixtures and fittings) leased or rented by the Insured unless such liability arises from an agreement to maintain in force insurance in respect of Damage to such premises and fixtures and fittings:

However this extension does not cover any claim directly or indirectly caused by or which arises out of or in connection with or is attributable in any way to the following:

1. By way of assumption of liability in a contract or agreement. This exclusion does not however apply to liability which would exist in the absence of the contract or agreement
2. Attributable to wear and tear, gradual deterioration, normal upkeep, latent defect, or inherent vice
3. In consequence of in any manner relating to professional liability or abuse.

This extension of coverage does not increase the Sum Insured provided in the Policy.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements if any thereon.

#### **10. TERRORISM LEGAL LIABILITY EXTENSION**

a) We agree to pay those sums that the insured becomes legally obligated to pay as damages because of

- i) bodily injury or
- ii) property damage

that is caused by terrorism and to which this insurance applied. We will have the right and duty to defend the insured against any suit seeking those damages. However we will have no duty to defend the insured against any suit seeking damages for bodily injury or property damage to which this insurance does not apply. We may, at our discretion, investigate any occurrence and settle any claim or suit that may result,  
But

- 1) The amount we will pay for damages pursuant to terrorism is limited to any one occurrence and in the aggregate. For the avoidance of doubt, limit applicable to terrorism is a component of, and payments made thereunder shall erode, the General Aggregate Limit of the Policy.
- 2) Our defense obligation pursuant to terrorism is limited to any one occurrence and in the aggregate. This limit is a component of, and shall erode, the Limit applicable to terrorism described in (1) above.
- 3) Our duty to defend applies only to those countries in the coverage territory where legal circumstances permit us to defend. In those countries in the coverage territory where legal circumstances do not permit us to defend, we will reimburse you for your defense cost, subject to our prior authorization as well as paragraph 2 above

b) This insurance applies to bodily injury and property injury damage only if:

- 1) The bodily injury or property damage is caused by an occurrence that involves terrorism and that takes place in the coverage territory;
- 2) The bodily injury or property damage occurs during the policy period; and
- 3) Any claim or suit is made or brought in the coverage territory

#### **11. TRANSPORTATION ENDORSEMENT**

NOTWITHSTANDING anything herein contained to the contrary , it is hereby agreed and declared that the insurance under this policy shall extend to include legal liability of the Insured for death or bodily injury or loss of or damage to or loss of use of property arising out of accident directly caused by materials/dangerous or hazardous substances as per list submitted to the company whilst being transported by rail/road/pipeline and claims made during the policy period subject to limit of indemnity not exceeding the following which shall form part of the overall limit of indemnity as mentioned in the Schedule of the Policy.

It is expressly agreed and understood that the cover granted under the endorsement shall not include pollution risk, howsoever caused, unless specifically covered by attaching an appropriate clause. Provided always that the statutory provisions as may be in force from time to time for carriage of dangerous/hazardous substances are complied with. This extension of coverage does not increase the Sum Insured provided in the Policy.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements if any thereon.

## 12. VALET PARKING

Notwithstanding anything herein contained to the contrary, it is agreed and declared that the coverage under the Section is extended to cover Loss in respect of collision damage to a third party's automobile occurring when such automobile is in the custody of the Insured's employee on the Premises or on the ways immediately adjoining the Premises, not exceeding the amount stated in the Schedule.

However this endorsement does not cover any claim directly or indirectly caused by or which arises out of or in connection with or is attributable in any way to the following:

1. Damages arising while such vehicle is being driven by any person who does not hold a valid license to drive or is disqualified from holding or obtaining such a license
2. Loss of any contents inclusive of Valuable Papers and Records, Money, jewellery and precious stones whether loose or fixed, securities, documents (including credit cards) and plans. "Valuable Papers and Records" means written, printed or otherwise inscribed official documents and records, which are vital for the continued existence of the business
3. Theft of articles or accessories from the parking lot unless the car is also stolen
4. Pre-existing damages, defects or conditions
5. Loss or damage by persons with whom the insured have no legal relationship or are not associated with in any manner i.e. in respect of loss by thief posing as a valet
6. Any claim attributable to the legal liability of the vehicle owner, which is required to be covered by way of a separate insurance contract, as per statutory provisions.

This extension of coverage does not increase the Sum Insured provided in the Policy.

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements if any thereon.

## 13. JOINT INSURED EXTENSION

Notwithstanding anything herein contained to the contrary, it is agreed and declared that the Insured as specified in the Schedule of this Policy is extended to include:

\_\_\_\_\_ (Name of Joint Insured) as mentioned in the Schedule

Subject otherwise to the terms, conditions and exceptions of the Policy and endorsements if any thereon.

## Section XVII- DIRECTORS AND OFFICERS LIABILITY

### 1. ADVANCEMENT OF DEFENCE COSTS

Notwithstanding anything herein contained to the contrary, it is agreed and declared that in respect of any Claim or Inquiry, the Insurer shall pay Defence Costs or Legal Representation Expenses on behalf of the Insured on an as incurred basis prior to final disposition or adjudication, the advancement of Defence Costs or Legal Representation Expenses as provided under this policy will be made within thirty (30) days of receipt of an invoice by the Insurer.

### 2. CORPORATE MANSLAUGHTER

Insurer shall pay the Cost of Insured with respect to any proceeding brought against them for Corporate

Manslaughter.

Corporate Manslaughter means a gross breach of duty of care causing the death of another person.

### **3. COUNSELLING SERVICES EXTENSION**

In addition to the Limit of Liability, the Insurer will pay to or on behalf of each Insured, up to the Counselling Services Extension Limit all reasonable fees, costs and expenses of an accredited psychiatrist, psychologist or counsellor chosen by the Insured at his/her own discretion with the prior written consent of the Insurer, not to be unreasonable withheld or delayed, to treat stress, anxiety or such similar medical conditions resulting from a Claim against, or Inquiry compelling attendance by, such Insured.

The sub-limit for this cover is the amount shown in the Schedule in the aggregate per Policy Period for each Insured, up to a total aggregate amount in the Policy Period as shown in the Schedule, for all Loss in respect of all Insured for all Claims and Inquiries.

The cover provided by this extension is in addition to, and not part of, the Limit of Liability and applies excess over any other insurance providing similar cover and indemnification available from any other source.

### **4. EMERGENCY COST ADJUSTMENT**

If Defence Costs or Legal Representation Costs are incurred by an Insured, prior to receiving the written consent of the Insurer, the Insurer agrees to give retrospective approval for such amounts incurred by the Insured to the point in time when the Insured could reasonably have sought the Insurer's written consent.

The Company or the Insured shall give written notice to the Insurer of the Claim or Inquiry which was the subject of the emergency as soon as practicable, together with reasons why an emergency existed.

The sub-limit for this cover is the amount shown in the Schedule in the aggregate for all Defence Costs and Legal Representation Costs.

Notwithstanding above, if it is established that there is no entitlement to indemnity under the Policy for the specific Defence Costs, Legal Representation Costs, such amounts shall be repaid to the Insurer immediately.

EMERGENCY COST means Defence Costs or Legal Representation Costs agreed by the Insurer in accordance with this extension.

### **5. EMPLOYEE PRACTICE LIABILITY COVER**

The Insurer will pay the Loss, up to the sub-limit specified in the Schedule, due to an Employee Practices Violation by an Insured arising from a Claim first made against the Company during the Policy Period and notified to the Insurer as required under the Policy, provided that such Claim is also made and continuously maintained against at least one Insured Person of the Company.

For the purpose of this Extension,

1. Loss shall not include:

(a) any obligation pursuant to any law or any regulation in any jurisdiction in respect of workers' compensation, disability benefits, redundancy or unemployment benefits or compensation, unemployment insurance, retirement benefits, social security benefits or any similar law or regulation whatsoever; or

(b) (i) front pay, future loss, future damages or future economic relief, or (ii) any employment-related benefits (other than back pay) to which the claimant would have been entitled as an employee had the Insured provided the claimant with continuance, reinstatement or commencement of employment;

(c) any liability or costs incurred by any Insured to modify any building or property in order to make such building or property more accessible or accommodating to any disabled person.

The Insurer shall not be liable to make any payment under this Extension, resulting directly or indirectly from an Employee Practices Violation alleging, arising out of, based upon or attributable to:

(a) any written demand made, or any suit or other pending proceeding, order, decree or judgment entered, against any Insured Person on or prior to the Retroactive Date specified in the Schedule, or alleging the same or essentially the same facts, circumstances or situation underlying or alleged therein;

(b) any actual or alleged liability of an Insured Person under any express employment contract or agreement; provided, however, that this exclusion shall not apply if the Insured Person would have had such liability even in the absence of such contract or agreement;

(c) a criminal, administrative or other disciplinary proceeding against the Company; provided, however, that this exclusion shall not apply to any claim made before an industrial tribunal.

## **6. INSURED VS INSURED COVER**

The Insurer will pay the Defence Costs, up to the sub-limit specified in the Schedule for this Extension, incurred due to a Wrongful Act of an Insured Person arising from a Claim first made against the Insured Person during the Policy Period and notified to the Insurer as required under the Policy, which is based upon, arising out of, or in any manner involving, or is made by or on behalf of or with the involvement, intercession, support or solicitation of an Insured.

## **7. INTELLECTUAL PROPERTY COVER**

The Insurer will pay the Defence Costs, up to the sub-limit specified in the Schedule, due to a Wrongful Act of an Insured Person arising from a Claim first made against the Insured Person during the Policy Period and notified to the Insurer as required under the Policy, relating to any actual or alleged infringement of a copyright, trademark, patent and/or other form of intellectual property, passing off or plagiarism.

## **8. INTERPRETIVE COUNSEL**

The Insurer will pay the reasonable costs fees and expenses incurred by Insured in appointing counsel in the jurisdiction in which Insured are based to interpret any advice received from counsel in a foreign jurisdiction for a Wrongful Act in response to a Claim made in that jurisdiction; and the reasonable costs of any translation needed to obtain such advice. Provided that Insured must obtain consent of Insurer before appointing any such counsel.

## **9. LIBEL AND SLANDER**

The Policy shall extend to include libel or slander by reason of words written or spoken by an Insured Person as a Wrongful Act under the Policy, provided that:

(a) the Insurer will pay the Loss which is covered as a result of this Extension only upto to the sub-limit specified in the Schedule;

(b) the Insurer will not pay any Loss arising out of a Claim involving criminal proceedings against the Insured Person under any jurisdiction.

## **10. MITIGATION COSTS**

Insured may request advice in relation to any Circumstance notified in accordance with this Certificate as to their legal position in relation to the same and in relation to any steps that might be taken or be appropriate to avert or minimise the risk of a Claim arising from such Circumstance. Insurer agree to pay the cost of obtaining any such advice from a lawyer retained by Insured with Insurers consent up to the limit as

specified in the Schedule. Any such Costs will be regarded as part of the defence Costs of any subsequent Claim.

(a) The cover provided under this Extension shall be excess of any indemnification provided by the Outside Entity or any valid and collectible insurance in respect of the Loss that becomes covered as a result of this Extension;

(a) The Insurer will pay the Loss which is covered as a result of this Extension only upto to the sub-limit specified in the Schedule.

Outside Director shall mean an Insured Person who at the specific written request of the Company is a director, officer, trustee, governor or equivalent of any Outside Entity in their capacity as such;

## 11. PUBLIC RELATIONS COVER

In the event that the Insured reasonably considers that the services of a public relations consultancy are required urgently in order to prevent or minimise the risk of a Claim which would be covered under the Policy then the Insurer will reimburse the reasonable fees and costs of a public relations consultancy instructed for this purpose up to the sub-limit specified in the Schedule.

This Extension will only be available if and when full written details of the risk or expected Claim and the steps taken by the Insured are provided to the Insurer within 30 days of the Insured's knowledge of the incident which requires the appointment of the public relations consultancy.

## 12. RETIRED DIRECTORS AND OFFICERS

The Insurer agrees to indemnify any Retired Directors or Officers for Claims made against, or Inquiries involving, such persons during the period of 84 months immediately following the expiry of this Policy Period, but only to the extent that such Claims are for Wrongful Acts and Inquiries occurring prior to the effective date of termination or non-renewal, provided that:

- (i) this Policy is not renewed or replaced with any other policy affording Directors and Officers or management liability cover;
- (ii) a Discovery Period is not invoked;
- (iii) a Transaction has not taken place; and,
- (iv) External Administrator's appointment has not taken place.

## 13. SPOUSAL, LEGAL REPRESENTATIVE, HEIR/ESTATE

The Insurer will pay for financial losses as arise from or due to the consequence of any claim made against:

- I. Lawful spouse or domestic partner of the policyholder
- II. Estates, heirs or legal representative of the policyholder; arising solely out of a wrongful act by Insured and made solely against such person, estate or its respective capacity as the spouse, estate, heir or legal representative of the Insured

However, the Insurer will cover estate and legal representative only if they observe all the terms and conditions under the policy.

## **TERRORISM DAMAGE COVER (SECTION WHEREVER THE SAME IS APPLICABLE UNLESS MENTIONED IN THE SPECIFIC SECTION)**

### **A. Sabotage and 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 Original

Policy 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 sabotage and/or terrorism to the location/s mentioned in the schedule 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 organization(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Act, 1967 (as amended from time to time) 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.

For the purpose of this cover, an act of sabotage means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put 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 sabotage and/or 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, paramilitary 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 or riots;
  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 sabotage and/or 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;
  18. Any loss due to fines or damages for breach of contract, or penalties of whatever nature;
  19. Any infidelity, fraudulent, dishonest or criminal act by any director, officer or trustee of the Insured whether acting alone or in collusion with others;
  20. Any debt, insolvency or commercial failure, whether to provide bond or security or otherwise, or any other financial cause of any party or person whatsoever.
  21. loss or damage caused by Civil Commotion, Insurrection, Revolution or Rebellion, Mutiny and/or Coup d'Etat and Civil War except as may be insured specifically under any Political Violence Extension to this cover;
  22. Third party liability howsoever arising except as may be insured specifically under any Third-Party Liability Extension to this cover.

### **LIMIT OF INDEMNITY**

The limit of indemnity under this cover shall not exceed the Total Sum Insured given in the Policy Schedule or INR 20,000,000,000 per compound/location whichever is lower.

In respect of sabotage and/or terrorism cover for dwellings, limit of indemnity shall not exceed Total Sum Insured as mentioned in the Policy Schedule or INR 4,000,000,000 per compound/location whichever is lower.

In respect of several locations being covered under a single policy on a floater basis, the maximum aggregate loss suffered from all the locations mentioned in the Policy schedule shall not exceed Total Sum Insured as mentioned in the Policy Schedule or INR 20,000,000,000/- 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 20,000,000,000. If the actual aggregate loss suffered at one compound/location is more than INR 20,000,000,000, the amounts payable towards individual policies shall be reduced in proportion to the sum insured of the policies.

### **EXCESS\***

Shops & Residential Risks: 1% of the claim amount for each and every claim subject to Minimum of INR 10,000 and Maximum of INR 500,000

Non-Industrial Risks: 1% of the claim amount for each and every claim subject to Minimum of INR 25,000 and Maximum of INR 1,000,000

Industrial Risks: 5% of the claim amount for each and every claim subject to Minimum of INR 100,000 and Maximum of INR 25,00,000

\*Whichever is applicable

### **ADD ON COVERS**

It is further declared and agreed that the limit of indemnity including the claim on add on cover(s) shall not exceed total sum insured plus separate sublimit opted for add on cover(s) or INR 20,000,000,000 whichever is lower. In respect of several insurance policies within the same compound/location, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 20,000,000,000.

In respect of sabotage and/or terrorism cover for long term dwellings, limit of indemnity including the claim on add on cover(s) shall not exceed total sum insured plus separate sublimit opted for add on cover(s) or INR 4,000,000,000/- whichever is lower. In respect of several insurance policies within the same compound/location, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 4,000,000,000/-

### **MID TERM COVER**

In case the coverage under this endorsement is granted during the currency of the policy, no claims will be payable for loss or damage to property caused by an act of sabotage and/or terrorism occurring during the first 15 (fifteen) days from the date of granting such cover. There should be no known or recorded/reported losses from ground up including threats/hoaxes from date of inception of policy to the date of granting such cover.

### **SANCTION, LIMITATION AND EXCLUSION CLAUSE**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

### **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 Sabotage and/or 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.

**(\*)The wordings for Terrorism Damage Cover Endorsement are as prescribed by Indian Market Terrorism Risk Insurance Pool (Pool) currently in force and will be subject to change as per Pool guidelines or as per the Reinsurance arrangement from time to time.**

By way of this extension, the exclusion "Terrorism Damage Exclusion Warranty" stands deleted

## **B. TERRORISM DAMAGE COVER ENDORSEMENT**

Attached to and forming part of the Policy No.\_\_\_\_

It is hereby declared and agreed that in consideration of payment of additional premium specified in the Schedule, the Terrorism Damage Exclusion Warranty forming part of the within mentioned policy stands deleted. The expression/s "terrorism and/or act of terrorism" shall have the same meaning/s as contained in Terrorism Damage Exclusion Warranty.

Name of Add-on	UIN
Business Secure - Section I - Additional Expenses Of Rent For An Alternative Accommodation	IRDAN152CP0006V03201819/A0030V01201819
Business Secure - Section I - Aggravation Clause	IRDAN152CP0006V03201819/A0074V01201819
Business Secure - Section I - Architects Surveyors And Consulting Engineers Fees	IRDAN152CP0006V03201819/A0037V01201819
Business Secure - Section I - Brand / Trademarks	IRDAN152CP0006V03201819/A0034V01201819
Business Secure - Section I - Broad Water Damage	IRDAN152CP0006V03201819/A0052V01201819
Business Secure - Section I - Capital Additions / Newly Acquired Property / Interest	IRDAN152CP0006V03201819/A0058V01201819
Business Secure - Section I - Claims Preparation Cost	IRDAN152CP0006V03201819/A0057V01201819
Business Secure - Section I - Collapse	IRDAN152CP0006V03201819/A0070V01201819
Business Secure - Section I - Decontamination And Cost Of Clean Up Expenses	IRDAN152CP0006V03201819/A0065V01201819
Business Secure - Section I - Deliberate Damage Clause	IRDAN152CP0006V03201819/A0078V01201819
Business Secure - Section I - Dewatering Expenses	IRDAN152CP0006V03201819/A0050V01201819
Business Secure - Section I - Earthquake (Fire And Shock)	IRDAN152CP0006V03201819/A0045V01201819
Business Secure - Section I - Escalation Clause	IRDAN152CP0006V03201819/A0035V01201819
Business Secure - Section I - Floater Clause	IRDAN152CP0006V03201819/A0036V01201819
Business Secure - Section I - Floater Insurance - Unspecified Locations	IRDAN152CP0006V03201819/A0083V01201819
Business Secure - Section I - Forest Fire	IRDAN152CP0006V03201819/A0041V01201819
Business Secure - Section I - Goods Held In Trust	IRDAN152CP0006V03201819/A0082V01201819
Business Secure - Section I - Immediate Repairs	IRDAN152CP0006V03201819/A0054V01201819
Business Secure - Section I - Impact Damage Due To Insured's Own Rail/Road Vehicles	IRDAN152CP0006V03201819/A0042V01201819
Business Secure - Section I - Inadvertant Omission	IRDAN152CP0006V03201819/A0061V01201819
Business Secure - Section I - Leak Search And Finding Costs	IRDAN152CP0006V03201819/A0075V01201819
Business Secure - Section I - Leakage And Contamination Cover	IRDAN152CP0006V03201819/A0027V01201819
Business Secure - Section I - Loss Of Rent Clause	IRDAN152CP0006V03201819/A0029V01201819
Business Secure - Section I - Minor Works	IRDAN152CP0006V03201819/A0079V01201819
Business Secure - Section I - Molten Material Spillage Cover	IRDAN152CP0006V03201819/A0033V01201819
Business Secure - Section I - Non Invalidation Clause	IRDAN152CP0006V03201819/A0076V01201819
Business Secure - Section I - Obsolete Equipment Clause	IRDAN152CP0006V03201819/A0071V01201819
Business Secure - Section I - Obsolete Parts Clause	IRDAN152CP0006V03201819/A0072V01201819
Business Secure - Section I - Omission To Insure Additions, Alterations Or Extensions	IRDAN152CP0006V03201819/A0044V01201819

Business Secure - Section I - Parts Undamaged Clause	IRDAN152CP0006V03201819/A0049V01201819
Business Secure - Section I - Property Not In Insured Premises/ Off-Site	IRDAN152CP0006V03201819/A0080V01201819
Business Secure - Section I - Protection And Preservation Of Property	IRDAN152CP0006V03201819/A0067V01201819
Business Secure - Section I - Removal Of Debris (In Excess Of 1% Of The Claim Amount)	IRDAN152CP0006V03201819/A0038V01201819
Business Secure - Section I - Spoilage Material Damage Cover	IRDAN152CP0006V03201819/A0046V01201819
Business Secure - Section I - Spontaneous Combustion	IRDAN152CP0006V03201819/A0043V01201819
Business Secure - Section I - Start Up Expenses	IRDAN152CP0006V03201819/A0031V01201819
Business Secure - Section I - Startup/Shut Down Expenses	IRDAN152CP0006V03201819/A0068V01201819
Business Secure - Section I - Sue And Labour Charges	IRDAN152CP0006V03201819/A0047V01201819
Business Secure - Section I - Temporary Removal Of Stocks Clause	IRDAN152CP0006V03201819/A0028V01201819
Business Secure - Section I - Tenants Liability	IRDAN152CP0006V03201819/A0069V01201819
Business Secure - Section I - Terrorism Damage Inclusion Endorsement	IRDAN152CP0006V03201819/A0032V01201819
Business Secure - Section I - Trace And Access	IRDAN152CP0006V03201819/A0085V01201819
Business Secure-Section I-Deterioration Of Stocks In Cold Storage Premises Accidental Failure	IRDAN152CP0006V03201819/A0039V01201819
Business Secure-Section I-Deterioration Of Stocks In Cold Storage Premises Change in Temp	IRDAN152CP0006V03201819/A0040V01201819
Business Secure-Section I-Cost of Clearing Drains	IRDAN152CP0006V03201819/A0063V01201819
Business Secure – Section II - Additional Increase In Cost Of Working	IRDAN152CP0006V03201819/A0023V01201819
Business Secure – Section II - Claims Preparation Cost	IRDAN152CP0006V03201819/A0007V01201819
Business Secure – Section II - Customer’s Extension	IRDAN152CP0006V03201819/A0016V01201819
Business Secure – Section II - Denial Of Access	IRDAN152CP0006V03201819/A0009V01201819
Business Secure – Section II - Earthquake Extension	IRDAN152CP0006V03201819/A0013V01201819
Business Secure – Section II - Group Interdependency	IRDAN152CP0006V03201819/A0024V01201819
Business Secure – Section II - Ingress/Egress	IRDAN152CP0006V03201819/A0008V01201819
Business Secure – Section II - Insured Property Stored At Other Situations	IRDAN152CP0006V03201819/A0011V01201819
Business Secure – Section II - Molten Metal Spillage Cover	IRDAN152CP0006V03201819/A0025V01201819
Business Secure – Section II - Prevention Of Access	IRDAN152CP0006V03201819/A0010V01201819
Business Secure – Section II - Professional Accountants	IRDAN152CP0006V03201819/A0026V01201819
Business Secure – Section II - Service Interruption Time Element	IRDAN152CP0006V03201819/A0022V01201819
Business Secure – Section II - Spoilage Risk Extension	IRDAN152CP0006V03201819/A0012V01201819
Business Secure – Section II - Supplier’s Extension	IRDAN152CP0006V03201819/A0021V01201819
Business Secure – Section II - Terrorism Damage Cover Endorsement	IRDAN152CP0006V03201819/A0014V01201819
Business Secure – Section III - First Loss Basis Clause	IRDAN152CP0006V03201819/A0018V01201819
Business Secure – Section III - Floater Clause	IRDAN152CP0006V03201819/A0019V01201819
Business Secure – Section III - Riot, Strike and Malicious Damage	IRDAN152CP0006V03201819/A0017V01201819
Business Secure – Section III - Terrorism Damage Cover	IRDAN152CP0006V03201819/A0020V01201819

Business Secure – Section III - Theft Cover	IRDAN152CP0006V03201819/A0015V01201819
Business Secure - Section IV - Additional Customs Duty	IRDAN152CP0006V03201819/A0089V01201819
Business Secure - Section IV - Air Freight	IRDAN152CP0006V03201819/A0088V01201819
Business Secure - Section IV - Claims Investigation Cost	IRDAN152CP0006V03201819/A0098V01201819
Business Secure - Section IV - Claims Preparation Cost	IRDAN152CP0006V03201819/A0099V01201819
Business Secure - Section IV - Cover For Mobile And Portable Equipment Outside The Premises	IRDAN152CP0006V03201819/A0100V01201819
Business Secure - Section IV - Escalation Clause	IRDAN152CP0006V03201819/A0090V01201819
Business Secure - Section IV - Express Freight	IRDAN152CP0006V03201819/A0087V01201819
Business Secure - Section IV - Floater Clause	IRDAN152CP0006V03201819/A0091V01201819
Business Secure - Section IV - Omission To Insure Additions, Alterations	IRDAN152CP0006V03201819/A0097V01201819
Business Secure - Section IV - Omission To Insure/ Inadvertent Omission	IRDAN152CP0006V03201819/A0095V01201819
Business Secure - Section IV - Owners Surrounding Property	IRDAN152CP0006V03201819/A0093V01201819
Business Secure - Section IV - Parts Undamaged Clause	IRDAN152CP0006V03201819/A0092V01201819
Business Secure - Section IV - Professional Fee	IRDAN152CP0006V03201819/A0096V01201819
Business Secure - Section IV - Terrorism Damage Inclusion Endorsement	IRDAN152CP0006V03201819/A0101V01201819
Business Secure - Section IV - Third Party Liability	IRDAN152CP0006V03201819/A0086V01201819
Business Secure - Section IV - Waiver Of Betterment	IRDAN152CP0006V03201819/A0094V01201819
Business Secure - Section IX - Additional Expenses Extension	IRDAN152CP0006V03201819/A0148V01201819
Business Secure - Section IX - Contractual Employee(s) Extension	IRDAN152CP0006V03201819/A0149V01201819
Business Secure - Section IX - Coverage For Foreign Exchange	IRDAN152CP0006V03201819/A0151V01201819
Business Secure - Section IX - Retroactive Period	IRDAN152CP0006V03201819/A0150V01201819
Business Secure - Section V - Additional Customs Duty	IRDAN152CP0006V03201819/A0105V01201819
Business Secure - Section V - Air Freight	IRDAN152CP0006V03201819/A0104V01201819
Business Secure - Section V - Claims Investigation Cost	IRDAN152CP0006V03201819/A0114V01201819
Business Secure - Section V - Claims Preparation Cost	IRDAN152CP0006V03201819/A0115V01201819
Business Secure - Section V - Cover For Mobile And Portable Equipment Outside The Premises	IRDAN152CP0006V03201819/A0116V01201819
Business Secure - Section V - Escalation Clause	IRDAN152CP0006V03201819/A0106V01201819
Business Secure - Section V - Express Freight	IRDAN152CP0006V03201819/A0103V01201819
Business Secure - Section V - Floater Clause	IRDAN152CP0006V03201819/A0107V01201819
Business Secure - Section V - Omission To Insure Additions, Alterations	IRDAN152CP0006V03201819/A0113V01201819
Business Secure - Section V - Omission To Insure/ Inadvertent Omission	IRDAN152CP0006V03201819/A0111V01201819
Business Secure - Section V - Owners Surrounding Property	IRDAN152CP0006V03201819/A0109V01201819
Business Secure - Section V - Parts Undamaged Clause	IRDAN152CP0006V03201819/A0108V01201819
Business Secure - Section V - Professional Fee	IRDAN152CP0006V03201819/A0112V01201819
Business Secure - Section V - Third Party Liability	IRDAN152CP0006V03201819/A0102V01201819
Business Secure - Section V - Waiver Of Betterment	IRDAN152CP0006V03201819/A0110V01201819
Business Secure - Section VI - Additional Customs Duty	IRDAN152CP0006V03201819/A0120V01201819

Business Secure - Section VI - Air Freight	IRDAN152CP0006V03201819/A0119V01201819
Business Secure - Section VI - Claims Investigation Cost	IRDAN152CP0006V03201819/A0129V01201819
Business Secure - Section VI - Claims Preparation Cost	IRDAN152CP0006V03201819/A0130V01201819
Business Secure - Section VI - Cover For Mobile And Portable Equipment Outside The Premises	IRDAN152CP0006V03201819/A0131V01201819
Business Secure - Section VI - Escalation Clause	IRDAN152CP0006V03201819/A0121V01201819
Business Secure - Section VI - Express Freight	IRDAN152CP0006V03201819/A0118V01201819
Business Secure - Section VI - Floater Clause	IRDAN152CP0006V03201819/A0122V01201819
Business Secure - Section VI - Omission To Insure Additions, Alterations	IRDAN152CP0006V03201819/A0128V01201819
Business Secure - Section VI - Omission To Insure/ Inadvertent Omission	IRDAN152CP0006V03201819/A0126V01201819
Business Secure - Section VI - Owners Surrounding Property	IRDAN152CP0006V03201819/A0124V01201819
Business Secure - Section VI - Parts Undamaged Clause	IRDAN152CP0006V03201819/A0123V01201819
Business Secure - Section VI - Professional Fee	IRDAN152CP0006V03201819/A0127V01201819
Business Secure - Section VI - Third Party Liability	IRDAN152CP0006V03201819/A0117V01201819
Business Secure - Section VI - Waiver Of Betterment	IRDAN152CP0006V03201819/A0125V01201819
Business Secure - Section VII - First Loss Basis Clause	IRDAN152CP0006V03201819/A0134V01201819
Business Secure - Section VII - Geographical Scope - Worldwide	IRDAN152CP0006V03201819/A0132V01201819
Business Secure - Section VII - Mechanical Or Electrical Derangement/Breakdown	IRDAN152CP0006V03201819/A0133V01201819
Business Secure - Section VII - New For Old Basis Clause	IRDAN152CP0006V03201819/A0135V01201819
Business Secure - Section VII - Terrorism Damage Cover Endorsement	IRDAN152CP0006V03201819/A0136V01201819
Business Secure - Section VIII - Assault Risks	IRDAN152CP0006V03201819/A0138V01201819
Business Secure - Section VIII - Cash Kept Overnight At Proprietors, Partners, Directors House	IRDAN152CP0006V03201819/A0137V01201819
Business Secure - Section VIII - Damage To Safe	IRDAN152CP0006V03201819/A0140V01201819
Business Secure - Section VIII - Floater Cover	IRDAN152CP0006V03201819/A0141V01201819
Business Secure - Section VIII - Infidelity Of Cash Carrying Employees	IRDAN152CP0006V03201819/A0142V01201819
Business Secure - Section VIII - Loss Of Personal Effects Of Employees	IRDAN152CP0006V03201819/A0143V01201819
Business Secure - Section VIII - Off Roll/ Contractor's Employees	IRDAN152CP0006V03201819/A0146V01201819
Business Secure - Section VIII - Strike, Riot And Civil Commotion	IRDAN152CP0006V03201819/A0147V01201819
Business Secure - Section VIII - Terrorism Damage Cover	IRDAN152CP0006V03201819/A0144V01201819
Business Secure - Section VIII - Theft	IRDAN152CP0006V03201819/A0139V01201819
Business Secure - Section VIII - Use Of Duplicate Key	IRDAN152CP0006V03201819/A0145V01201819
Business Secure - Section X - Terrorism Damage Inclusion Endorsement	IRDAN152CP0006V03201819/A0184V01201819
Business Secure - Section XI - Terrorism Damage Inclusion Endorsement	IRDAN152CP0006V03201819/A0185V01201819
Business Secure - Section XII - Geographical Scope - Worldwide	IRDAN152CP0006V03201819/A0170V01201819
Business Secure - Section XII - Terrorism Damage Inclusion Endorsement	IRDAN152CP0006V03201819/A0186V01201819

Business Secure - Section XIV - Coverage for Contractors Workers/ Employees	IRDAN152CP0006V03201819/A0153V01201819
Business Secure - Section XIV - Coverage for Legal Liability under Fatal Accidents Act, 1855	IRDAN152CP0006V03201819/A0154V01201819
Business Secure - Section XIV - Coverage for Medical Expenses	IRDAN152CP0006V03201819/A0161V01201819
Business Secure - Section XIV - Coverage for Occupational Diseases	IRDAN152CP0006V03201819/A0152V01201819
Business Secure - Section XIV - Coverage for Terrorism	IRDAN152CP0006V03201819/A0155V01201819
Business Secure - Section XV - 72 Hours Sudden & Accidental Pollution Extension	IRDAN152CP0006V03201819/A0156V01201819
Business Secure - Section XV - AOG Perils Endorsement	IRDAN152CP0006V03201819/A0157V01201819
Business Secure - Section XV - Food And Beverages Extension	IRDAN152CP0006V03201819/A0158V01201819
Business Secure - Section XV - Guest Effects	IRDAN152CP0006V03201819/A0159V01201819
Business Secure - Section XV - Joint Insured Extension	IRDAN152CP0006V03201819/A0169V01201819
Business Secure - Section XV - Lifts & Hoists -Trade Use	IRDAN152CP0006V03201819/A0160V01201819
Business Secure - Section XV - Lifts, Hoists, Escalators & Elevators - Public Use	IRDAN152CP0006V03201819/A0162V01201819
Business Secure - Section XV - Medical Payments	IRDAN152CP0006V03201819/A0163V01201819
Business Secure - Section XV - Swimming Pool Extension	IRDAN152CP0006V03201819/A0164V01201819
Business Secure - Section XV - Tenant's Legal Liability	IRDAN152CP0006V03201819/A0165V01201819
Business Secure - Section XV - Terrorism Legal Liability Extension	IRDAN152CP0006V03201819/A0166V01201819
Business Secure - Section XV - Transportation Endorsement	IRDAN152CP0006V03201819/A0167V01201819
Business Secure - Section XV - Valet Parking	IRDAN152CP0006V03201819/A0168V01201819
Business Secure - Section XVI - Terrorism Damage Inclusion Endorsement	IRDAN152CP0006V03201819/A0187V01201819
Business Secure - Section XVII - Advancement Of Defence Costs	IRDAN152CP0006V03201819/A0171V01201819
Business Secure - Section XVII - Corporate Manslaughter	IRDAN152CP0006V03201819/A0172V01201819
Business Secure - Section XVII - Counselling Services Extension	IRDAN152CP0006V03201819/A0173V01201819
Business Secure - Section XVII - Emergency Cost Adjustment	IRDAN152CP0006V03201819/A0174V01201819
Business Secure - Section XVII - Employee Practice Liability Cover	IRDAN152CP0006V03201819/A0175V01201819
Business Secure - Section XVII - Insured Vs Insured Cover	IRDAN152CP0006V03201819/A0176V01201819
Business Secure - Section XVII - Intellectual Property Cover	IRDAN152CP0006V03201819/A0177V01201819
Business Secure - Section XVII - Interpretive Counsel	IRDAN152CP0006V03201819/A0178V01201819
Business Secure - Section XVII - Libel And Slander	IRDAN152CP0006V03201819/A0179V01201819
Business Secure - Section XVII - Mitigation Costs	IRDAN152CP0006V03201819/A0180V01201819
Business Secure - Section XVII - Public Relations Cover	IRDAN152CP0006V03201819/A0181V01201819
Business Secure - Section XVII - Retired Directors And Officers	IRDAN152CP0006V03201819/A0182V01201819
Business Secure - Section XVII - Spousal, Legal Representative, Heir/Estate	IRDAN152CP0006V03201819/A0183V01201819
Business Secure - Section I - Accidental Damage Cover	IRDAN152CP0006V03201819/A0066V02201819
Business Secure - Section I - Accounts Receivable	IRDAN152CP0006V03201819/A0051V02201819
Business Secure - Section I - Electrical Apparatus Clause	IRDAN152CP0006V03201819/A0053V02201819
Business Secure - Section I - Employee's Personal Property/Effect	IRDAN152CP0006V03201819/A0055V02201819

Business Secure - Section I - Growing Plants, Crops And Trees, Landscaping	IRDAN152CP0006V03201819/A0056V02201819
Business Secure - Section I - Expediting Expenses	IRDAN152CP0006V03201819/A0060V02201819
Business Secure - Section I - Property In Transit	IRDAN152CP0006V03201819/A0062V02201819
Business Secure - Section I - Deferred Payment Clause	IRDAN152CP0006V03201819/A0064V02201819
Business Secure - Section I - Professional Fees Clause	IRDAN152CP0006V03201819/A0073V02201819
Business Secure - Section I - Valuable Papers And Records	IRDAN152CP0006V03201819/A0081V02201819
Business Secure - Section I - Vehicle Load Clause	IRDAN152CP0006V03201819/A0084V02201819
Business Secure - Section I - Removal of debris including external debris	IRDAN152CP0006V03201819/A0001V01202223
Business Secure - Section I - New location cover	IRDAN152CP0006V03201819/A0002V01202223
Business Secure - Section I - Additional customs duty	IRDAN152CP0006V03201819/A0003V01202223
Business Secure - Section I - Errors and omissions and mis-description clause	IRDAN152CP0006V03201819/A0004V01202223
Business Secure - Section I - Automatic reinstatement clause	IRDAN152CP0006V03201819/A0005V01202223
Business Secure - Section I - Demolition and increased cost of construction	IRDAN152CP0006V03201819/A0006V01202223
Business Secure - Section I - Contamination and co-mingling of stocks	IRDAN152CP0006V03201819/A0007V01202223
Business Secure - Section I - Contract works	IRDAN152CP0006V03201819/A0008V01202223
Business Secure - Section I - Contingent duty clause	IRDAN152CP0006V03201819/A0009V01202223
Business Secure - Section I - Destruction cost	IRDAN152CP0006V03201819/A0010V01202223
Business Secure - Section I - Re-validation charges	IRDAN152CP0006V03201819/A0011V01202223
Business Secure - Section I - Repeat tests	IRDAN152CP0006V03201819/A0012V01202223
Business Secure - Section I - Export tax benefits	IRDAN152CP0006V03201819/A0013V01202223
Business Secure - Section I - Damage to building (occasioned by theft)	IRDAN152CP0006V03201819/A0014V01202223
Business Secure - Section I - Pollutant clean up and removal	IRDAN152CP0006V03201819/A0015V01202223
Business Secure - Section I - Undeclared property of others	IRDAN152CP0006V03201819/A0016V01202223
Business Secure - Section I - Key and lock clause	IRDAN152CP0006V03201819/A0017V01202223
Business Secure - Section I - Mould & fungi endorsement	IRDAN152CP0006V03201819/A0018V01202223
Business Secure - Section I - Duty	IRDAN152CP0006V03201819/A0019V01202223
Business Secure - Section I - Vessel impact to jetty	IRDAN152CP0006V03201819/A0020V01202223
Business Secure - Section I - Merger and acquisition	IRDAN152CP0006V03201819/A0021V01202223
Business Secure - Section I - Ammonia contamination	IRDAN152CP0006V03201819/A0022V01202223
Business Secure - Section I - Temporary structures plant & equipment (including electrical cables & pipes)	IRDAN152CP0006V03201819/A0023V01202223
Business Secure - Section I - Operational testing	IRDAN152CP0006V03201819/A0024V01202223
Business Secure - Section I - Original equipment manufacturer	IRDAN152CP0006V03201819/A0025V01202223
Business Secure - Section I - Property in the course of construction / erection	IRDAN152CP0006V03201819/A0026V01202223
Business Secure - Section III - Hold Up	IRDAN152CP0006V03201819/A0026V01202223
Business Secure - Section I - Involuntary Betterment/ Technological Advancement	IRDAN152CP0006V03201819/A0039V01202223

Business Secure - Section I - Catalysts, Lining, Refractory And Consumable	IRDAN152CP0006V03201819/A0040V01202223
Business Secure - Section I - Removal Of Debris - External Debris	IRDAN152CP0006V03201819/A0041V01202223