

# ZURICH PRIME

## PROSPECTUS

### Introduction:

This Policy will pay for loss or damage caused by an Insured Peril to Property Insured at the Insured Premises subject to the terms conditions and exclusions stated in the Policy.

### Territory:

Coverage under this Policy applies to any covered loss or damage that takes place within India.

### Scope of the Policy:

#### This policy consists of two sections:

#### 1. Property Damage

- **Insured Perils:**

All risks of sudden and accidental physical loss or damage occurring during the Policy Period to the Property Insured unless caused by an Excluded Peril.

- **Excluded Perils (#):**

The following exclusions apply unless specifically stated elsewhere in the Policy:

- This Policy does not cover loss or damage to the Property Insured caused by the following however any subsequent loss or damage resulting from a cause, which itself is not otherwise excluded, is covered:
  - Its own faulty or defective design, faulty or defective workmanship or defective materials.
  - Its undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair.
  - Its materials inherent vice or latent defect.
  - The misapplication of tools, operational error or omission by the Insured or by any employees of the Insured.
  - Corrosion, erosion, oxidation, rust, dampness, dryness, frost, wet or dry rot, shrinkage, evaporation, loss of weight, mould, marring, scratching, animals, vermin, pests, insects, gradual deterioration, wear and tear or any gradually operating causes.
- Loss or damage to the Property Insured caused by or resulting from the following perils when the Insured Premises are unoccupied for more than 30 consecutive days unless the Insured gives the Insurers notice and the Insurers have specifically agreed in writing to provide Coverage for:
  1. freezing;
  2. malicious damage or vandalism (other than by Fire or Explosion);
  3. escape of water from any tank, apparatus or pipes;
  4. theft or attempted theft involving entry into or exit from unoccupied Buildings (as defined in 3.4.2.3 and 3.4.2.4 of the Policy wordings) by forcible and violent means;
  5. breakage of fixed glass.

Coverage for these perils only applies to the extent that such Coverage is not otherwise excluded or limited by this Policy or its endorsements.

- Theft of Property Insured in or on the Insured Premises, unless
  - a) following entry into or exit from Buildings at the Insured Premises by forcible and violent means; or
  - b) theft following assault or threat to the Insured or any employee of the Insured.
  
- This Policy does not cover any loss or damage to any property whatsoever arising directly or indirectly from any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:
  - Ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
  - The radioactive, toxic, explosive or other hazardous or contaminating properties of any:
    - a) nuclear installation, nuclear reactor or other nuclear assembly or nuclear component thereof; or
    - b) radioactive matter.
  - Act of Terrorism.
  - Earthquake, Volcanic Eruption, Flood, Storm unless specifically provided as a Defined Peril under this Policy and then only within the limits and definitions of that Defined Peril.

**Note:** (#) For complete list of exclusions, please refer to the Policy wordings

## **2. Business Interruption**

Business Interruption coverage is only provided if Limits of Liability are shown and NCP is not stated in the Policy Schedule.

### **Material Damage Proviso**

If any of the Property Insured or other property (of the type insured in this Policy) used by the Insured at the Insured Premises for the purpose of the Business shall sustain loss or damage by an Insured Peril and the Business is or would have been in consequence thereof interrupted or interfered with the Insurers will pay to the Insured the amount of the loss resulting from such interruption or interference in accordance with the provisions contained herein and provided that at the time of such loss or damage there shall be in force an insurance covering the interest of the Insured in the property at the Insured Premises against such loss or damage and that payment:

- has been made or liability admitted therefor;
- would have been made or liability admitted therefor but for a proviso excluding liability for losses below a specified amount.

### **Exclusions:**

In addition to the exclusions provided elsewhere in this Policy, the following exclusions apply to Business Interruption Coverage:

This Section does not cover:

- Any loss during any idle period that would have been experienced had the interruption of the Business not occurred. This includes but is not limited to when production, operation, services, delivery or receipt

of goods or services or any other business activities would have ceased or would not have taken place or would have been prevented due to:

- Planned or rescheduled shutdown;
  - Strikes or other work stoppage;
  - Any reason other than physical loss or damage insured by this Policy,
- Any increase in Business Interruption loss due to:
    - Fines or damages for breach of contract or for late or non-completion of orders;
    - Penalties of any nature;
    - Any other consequential or remote factors.
  - Any Business Interruption loss due to a peril not insured under this Policy on or off from the Insured Premises.
    - However, in the event that an interruption is due to an Insured Peril and during such interruption a loss that is otherwise excluded occurs the Insurers will pay for the Business Interruption loss which is directly caused by the Insured Peril under this Section.
  - Any Business Interruption loss resulting from damage to property of others however this exclusion does not apply to Business Interruption loss suffered by the Insured as a direct result of the damage to property (of the type insured in this Policy) of others used by the Insured.

#### **Extensions of Coverage and Defined Perils:**

- **Extensions of Coverage to Section – Property Damage**

- 1. Accounts Receivable (Book Debts)**

The Insurers will pay for the actual loss sustained resulting from physical loss or damage by an Insured Peril to the Insured's accounts receivable records.

- 2. Brands and Labels**

If branded or labelled Property Insured under this Policy sustains loss or damage by an Insured Peril and the Insurers elect to take all or any part of that property the Insurers will pay for the Insured to stamp 'salvage' on the property or its containers or remove or obliterate the brands or labels if doing so will not damage the property.

- 3. Capital Additions at Existing Premises**

The Insurers will pay for physical loss or damage caused by an Insured Peril from the time the Insured became legally responsible for any newly erected buildings, alterations, additions and improvements, machinery and plant at the Insured Premises declared to the Insurers but not in respect of appreciation in value.

- 4. Civil or Military Authority**

The Insurers will pay for physical loss or damage directly caused by acts of destruction by order of a civil or military authority at the time of and for the purpose of preventing the spread of Fire provided such Fire did not originate from any peril excluded by this Policy.

- 5. Debris Removal**

The Insurers will pay for the reasonable and necessary costs incurred for removal of debris to the nearest suitable waste disposal site, costs of storage and destruction and demolishing the remains of Property Insured following physical loss or damage by an Insured Peril to the Property Insured.

## **6. Expediting Costs**

The Insurers will pay for the reasonable and necessary costs incurred by the Insured to pay for the temporary repair following physical loss or damage caused by an Insured Peril to Property Insured and to expedite the permanent repair or replacement of such damaged property.

## **7. Fine Arts**

The Insurers will pay for physical loss or damage caused by an Insured Peril to Fine Arts at an Insured Premises.

## **8. Fire Brigade Service Charges**

The Insurers will pay for the reasonable costs and expenses for fire brigade charges and other extinguishing expenses following loss or damage by an Insured Peril to Property Insured at an Insured Premises. The Fire Brigade Service Charges are those assumed by contract or agreement prior to loss or damage or required by local ordinance.

## **9. Land Improvements**

The Insurers will pay for the additional cost of reclaiming, restoring or repairing Land Improvements resulting from physical loss or damage caused by an Insured Peril to Property Insured at an Insured Premises.

## **10. Money in Locked Safe and/or Strong-Room**

The Insurers will pay for loss or damage to Money caused by Fire, Explosion or by Theft whilst Money is retained at an Insured Premises in an Approved Locked Safe and/or Strong room.

## **11. Money on Insured Premises during Business Hours**

The Insurers will pay for loss or damage to Money caused by Fire, Explosion or by Theft whilst Money is retained at the Insured Premises during Business Hours, whilst stored outside an approved locked safe and/or strong room.

## **12. Personal Property of Officers, Employees and Visitors of the Insured**

The Insurers will pay for loss or damage by an Insured Peril to personal effects not otherwise insured belonging to officers, employees and visitors of the Insured while at the Insured Premises.

## **13. Professional Fees**

The Insurers will pay for the actual costs incurred by the Insured of reasonable fees paid 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 details contained in the Insured's books or documents, or such other proofs, information or evidence required by the Insurers resulting from loss or damage payable under this Policy for which the Insurers have accepted liability.

## **14. Public Authorities (Increased Cost of Construction)**

The Insurers will pay for additional cost of reinstatement as may be incurred solely by reason of the necessity to comply with the provisions of any applicable legislation or regulation (hereafter referred to as 'the Stipulations') in respect of physical loss or damage by an Insured Peril to Property Insured and undamaged portions thereof.

## **15. Temporary Removal**

The Insurers will pay for loss or damage caused by an Insured Peril to Property Insured (other than Semi-Finished Products or Stock in Process, Finished Stock, Raw Materials, supplies or Merchandise)

temporarily removed from an Insured Premises for the purpose of being repaired, serviced or temporarily stored or for any other purposes, while at the premises to which such property has been moved.

#### **16. Valuable Papers and Records (Reconstruction Costs)**

The Insurers will pay for loss or damage caused by an Insured Peril to Valuable Papers and Records, at the Insured Premises; and to Electronic Data stored on Electronic Data processing Media, owned and operated by the Insured at the Insured Premises, provided such Media suffers a physical loss or damage insured by this Policy.

#### **• Extensions of Coverage to Section – Business Interruption**

##### **1. Civil Authority Business Interruption**

The Insurers will pay for the Gross Profit loss sustained by the Insured as provided under this Policy resulting from the necessary interruption of the Insured's Business at an Insured Premises if the interruption is caused by order of civil authority that prohibits access to an Insured Premises.

##### **2. Contingent Business Interruption**

###### **- Specified Suppliers and/or Specified Customers**

The Insurers will pay for the Business Interruption loss as provided under this Policy sustained by the Insured during the Indemnity Period directly resulting from the necessary interruption of the Insured's Business at an Insured Premises if the interruption results from physical loss or damage caused by an Insured Peril to property (of the type insured under this Policy) of a Specified Supplier or a Specified Customer within the territorial scope of this Policy.

###### **- Direct Unspecified Suppliers and/or Direct Unspecified Customers**

The Insurers will pay for the Business Interruption loss as provided under this Policy sustained by the Insured during the Indemnity Period directly resulting from the necessary interruption of the Insured's Business at an Insured Premises if the interruption results from physical loss or damage caused by an Insured Peril to property (of the type insured under this Policy) of a Direct Unspecified Supplier or a Direct Unspecified Customer manufacturer or processor of components goods or materials within the territorial scope of this Policy.

##### **3. Denial of Access (Ingress/Egress)**

The Insurers will pay for the actual Gross Profit loss sustained by the Insured as provided under this Policy resulting from the interruption of the Insured's Business at the Insured Premises if ingress or egress to that Insured Premises by the Insured's suppliers, customers or employees is prohibited by physical obstruction due to physical loss or damage caused by an Insured Peril to real property not insured under this Policy and located within the distance of the Insured Premises as stated in Section 2 – Declarations of the Policy.

##### **4. Loss of Rent (Rental Value)**

The Insurers will pay for the loss of rent as provided under this Policy of certain buildings at the Insured Premises as required under the terms of the respective leases and where the Rent Receivable amount has been declared by the Policyholder or where the Rent Receivable has been declared as part of the Insured's Gross Profit. The Rent Receivable amount is the amount of the rent and other income received or receivable from the letting of the Insured Premises and for services rendered thereat.

##### **5. Research and Development**

The Insurers will pay for the fixed charges and expenses actually incurred by the Insured during the Indemnity Period directly attributable to the interruption of research and development projects that would not have produced income.

- **Extensions of Coverage to Section – Property Damage and Business Interruption**

- 1. Miscellaneous Unnamed Locations**

The Insurers will pay for loss or damage to Property Insured caused by an Insured Peril at Miscellaneous Unnamed Locations and for the Business Interruption loss sustained by the Insured during the Indemnity Period.

- 2. Off Premises Service Interruption Property Damage and Business Interruption Loss (Public Utilities)**

The Insurers will pay for sudden and accidental physical loss or damage to Property Insured at an Insured Premises directly resulting from the interruption of the electricity, water, fuel, steam, oil, gas, telecommunications (supply of voice, data or video), Cloud Services, waste water services or waste collection and disposal services

- 3. Protection and Preservation of Property**

The Insurers will pay for the reasonable and necessary costs incurred for actions to temporarily protect or preserve Property Insured provided such actions are necessary due to actual or to prevent impending physical loss or damage due to an Insured Peril to such Property Insured including during temporary removal

- 4. Machinery and Equipment Breakdown**

The Insurers will pay for the sudden and accidental physical loss or damage to Machinery and Equipment and the Business Interruption loss (as provided under this Policy) caused by or resulting from:

- The explosion, bursting, cracking, rupture, fracturing, collapse, burning or overheating of gas turbines, steam boilers, hot water boilers, steam turbines, steam engines, steam pipes or other equipment for heating water, pressure vessels or apparatus in which internal pressure is due to steam only including equipment attached to and forming a part thereof and belonging to or under the control of the Insured other than a boiler used for domestic purposes only; except for explosion of accumulated gases or unconsumed fuel within the firebox or the combustion chamber of any fired vessel, other than gas turbines, or within the flues or passages which conduct the gases of combustion from them.
- Mechanical, electrical or electronic breakdown or derangement of the machine apparatus or equipment in which such breakdown or derangement originates including rupture or busting caused by centrifugal force.
- The entry of foreign bodies into operating Machinery and Equipment.
- Short-circuit, over-voltage or over-current caused by electrical currents artificially generated.

- **Deterioration of Stock (Spoilage)**

The **Insurers** will pay for physical loss or damage to Property Insured being Stock In Any Cold Chamber (consisting of **Semi-Finished Products** or **Stock in Process, Finished Stock, Raw Materials**, supplies or **Merchandise**) requiring any refrigerating, cooling or humidity control apparatus or equipment, only while such equipment or apparatus is located on the Insured Premises and the spoilage is in consequence of a sudden and accidental Machinery and Equipment Breakdown insured by this Policy.

- **Defined Perils**

- **Earthquake and Volcanic Eruption**

The Insurers will pay for sudden and accidental physical loss or damage to Property Insured and Business Interruption and Extensions of Coverage loss as provided under this Policy if such loss or damage is caused by Earthquake or Volcanic Eruption regardless of any other cause or event contributing concurrently or in any other sequence of loss.

Loss or damage by Earthquake or Volcanic Eruption includes any ensuing physical loss or damage including but not limited to losses resulting from Flood.

- **Flood**

The Insurers will pay for sudden and accidental physical loss or damage to Property Insured and Business Interruption and Extensions of Coverage loss as provided under this Policy if such loss or damage is caused by Flood regardless of any other cause or event contributing concurrently or in any other sequence of loss.

Loss or damage by Flood includes any ensuing physical loss or damage.

Any loss or damage resulting from Earthquake, Volcanic Eruption or Storm will not be loss by Flood.

- **Storm**

The Insurers will pay for sudden and accidental physical loss or damage to Property Insured and Business Interruption and Extensions of Coverage loss as provided under this Policy if such loss or damage is caused by a Storm regardless of any other cause or event contributing concurrently or in any other sequence of loss.

Loss or damage by Storm includes any ensuing physical loss or damage.

- **Add-on Covers/ Endorsements:**

- 1. Acts of Terrorism**

Policy is extended to cover physical loss or physical damage occurring during the period of the 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 specified.

- 2. Construction Works With Hot Work Permit**

By way of partial derogation from paragraph 3.2.15 Property Excluded of the Policy wordings and subject otherwise to the other terms and Conditions of this Policy, the Insurers specifically agree to pay for physical loss or damage caused by an Insured Peril to Construction Works at the Insured Premises owned or occupied by the Insured. The existing property or structure covered under this Policy is insured against physical loss or damage by the Insured Perils provided that the Insured complies with Supplementary Condition 'Hot Work Permits'.

- 3. Construction Works Without Hot Work Permit**

By way of partial derogation from paragraph 3.2.15 Property Excluded of the Policy wordings and subject otherwise to the other terms and Conditions of this Policy, the Insurers specifically agree to pay for physical loss or damage caused by an Insured Peril to Construction Works at the Insured Premises owned or occupied by the Insured.

- 4. Miscellaneous Unnamed Third-Party Premises**

The Insurers will pay for loss or damage to Property Insured caused by an Insured Peril within the territorial scope of this Policy at miscellaneous unnamed third-party locations which are not owned, leased or rented by the Insured.

**5. Temporary Removal with Transit**

Notwithstanding anything contained herein to the contrary, it is hereby agreed that Extension 5.2.15 of the Policy wordings is deleted in full and replaced by the following:

The Insurers will pay for loss or damage caused by an Insured Peril to Property Insured (other than Semi-Finished Products or Stock in Process, Finished Stock, Raw Materials, supplies or Merchandise) temporarily removed from an Insured Premises for the purpose of being repaired, serviced or temporarily stored or for any other purposes and while In Transit to these premises all within the territorial scope of this Policy.

**6. Track and Trace for Burst Pipes (incl. Culverts)**

The Insurers will pay for the costs necessarily and reasonably incurred in removing and replacing any part of the property to locate the source of any water escaping from tanks, pipes, appliances or the fixed heating system of the building and the cost of repairing any burst pipes owned by the Insured following physical loss or damage caused by an Insured Peril to Property Insured.

**7. Extra Expense / Increased Costs of Working (Stand-Alone)**

Business Interruption Coverage is extended to include the Extra Expense cover applies to Insured Premises when no Gross Profit Coverage or Gross Revenue Coverage is effected.

**8. Gross Revenue**

Notwithstanding anything contained herein to the contrary, it is hereby agreed that coverage provided by Section 4.2 of the Policy wordings is deleted in full and replaced by the Endorsement wordings as specified.

**9. Acquisition of Companies and New Locations**

The Insurers will pay for loss or damage caused by an Insured Peril and for the Business Interruption loss, as provided under this Policy, sustained during the Indemnity Period by any companies and any premises newly acquired by the Insured within the Territorial Limits.

**10. Acquisition of New Locations**

The Insurers will pay for loss or damage caused by an Insured Peril and for the Business Interruption loss, as provided under this Policy, sustained by the Insured during the Indemnity Period to any premises newly acquired by the Insured within the Territorial Limits.

**11. Better Green™ Coverage**

This Section includes the reasonable additional reinstatement costs, expenses and additional Business Interruption loss necessarily incurred by the Insured following Damage by an Insured Peril (if such costs are not covered elsewhere within this Policy) to rebuild replace repair or restore the Property Insured at the Insured Premises with products or building materials from one or more of the following standards: BREEAM®; LEED®; Green Globes™

**12. Completed Civil Engineering Structures**

Notwithstanding anything contained herein to the contrary, it is hereby agreed that Property Excluded paragraphs 3.2.5 and 3.2.6 of the Policy wordings are partially amended as follows.

3.2.5 Dams, reservoirs, canals, bridges, viaducts, rigs, wells, tunnels, excavations, culverts, embankments, docks, piers, jetties, property underground (located below lowest floor level of the insured buildings/premises) and off-shore property unless specifically provided as a Special Extension under this Policy and then only within the limits and definitions of that Special Extension

3.2.6 Land (including underlying soil), driveways, pavements, roads, airport runways, and railway lines unless specifically provided as a Special Extension under this Policy and then only within the limits and definitions of that Special Extension

### **13. Computer Breakdown**

The Insurers will pay for physical loss or damage to the Computer Equipment used by the Insured at the Insured Premises directly caused by or resulting from Residual Breakdown. Computer Breakdown cover applies only when Machinery Breakdown coverage has not been effected.

### **14. Denial of Access (Non-Damage Extension)**

Section 5.3 – Extensions of Coverage to Section 4 of the Policy wordings is extended to include the following:

- a. The Insurers will pay for the Gross Profit loss sustained by the Insured as provided under this Policy resulting from the necessary interruption or interference of the Insured's Business in consequence of the Insured Premises or property within the vicinity of the Insured 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, or
- b. action by the civil authority following danger or disturbance in the vicinity of the Insured Premises, which prevents or hinders the use of the Insured Premises or access thereto. That interruption or interference must result from a civil authority's response to an incident within the distance of the Insured Premises as stated in Section 2 Declarations. The Insurers will pay for the actual Gross Profit

### **15. Exhibitions (Excluding Transit)**

The Insurers will pay for physical loss or damage by an Insured Peril to exhibition stands, furnishings and equipment and other Property Insured whilst such property is temporarily at any exhibition or trade show but excluding any transit to and from any exhibition (including loading, temporary housing "en route" and unloading in connection therewith) provided the exhibition or trade show is within the territorial limits.

### **16. Exhibitions (Including Transit)**

The Insurers will pay for physical loss or damage by an Insured Peril to exhibition stands, furnishings and equipment and other Property Insured whilst such property is temporarily at any exhibition or trade show, provided the exhibition or trade show is within the territorial limits.

### **17. Hired-in Plant**

The Insurers will pay for the Insured's legal liability under the terms of the hiring agreement or otherwise following physical loss or damage caused by an Insured Peril to pay compensation for loss of or damage to Hired-in Plant and machinery or plant on free loan whilst in the Insured's custody or under his control at an Insured Premises as well as the subsequent continuing hire charges, provided that the continuing hire charges shall commence 24 hours after the Occurrence of the physical loss or damage.

### **18. Inland Transit**

The Insurers will pay for physical loss or damage by an Insured Peril to Property Insured whilst In Transit within the territorial scope of this Policy by road, rail or inland waterway including loading and unloading and temporary housing limited to 90 consecutive days, whilst in the course of transit.

#### **19. Loss of Attraction**

The Insurers will pay for the actual Gross Profit loss as provided under this Policy sustained by the Insured directly resulting from the interruption of the Insured's Business at an Insured Premises if the interruption results from physical loss or damage caused by an Insured Peril to property (of the type insurable under this Policy) located within the distance of the Insured Premises as stated in Section 2 – Declarations of the Policy wordings and as a direct result there is a fall in the number of customers attracted to the Insured Premises.

#### **20. Margin/Inflation**

In the event of any claim for physical loss or damage caused by an Insured Peril to Property Insured, the Insurers will pay for the additional cost of reinstatement for buildings and plant due purely to inflationary factors, provided that

- (1) the declaration of values by the Insured was in accordance with paragraph 6.7 Declaration of Values and Average of the Policy wordings; and
- (2) the Insured has stated in writing the declared value for each of the said items.

#### **21. Escape of Molten Material**

The Insurers will pay for physical loss or damage to Property Insured caused by the sudden and accidental escape of molten metal not contained within any escape channel or catchment area designed for this purpose including the cost of removal thereof or clearance of the Insured Premises following such escape whether such escape is due to the use of equipment by the Insured or of any employees of the Insured or not.

#### **22. Fines and Damages**

The Insurers will pay for such sums as the Insured shall be legally liable to pay and shall pay in discharge of fines or damages incurred solely in consequence of the physical loss or damage by an Insured Peril for non-completion or late completion of orders in place before loss or damage occurred.

#### **23. Land and Water Contaminant Clean-up**

The Insurers will pay for the reasonable and necessary cost for the clean-up, removal and disposal of the appropriately evidenced presence of Contaminants from uninsured property consisting of land, water or any other substance in or on land at the Insured Premises if the release, discharge or dispersal of such Contaminants is a result of physical loss of or damage by an Insured Peril to Property Insured, always provided that law or ordinance requiring the removal exists at the time of loss and any government agency, court or fully recognised authority regulating Contamination is enforcing the removal of contaminated property in a manner to satisfy legal requirements.

#### **24. Locks and Keys**

The Insurers will pay for the necessary replacement of any locks keys or combinations or the opening of any safe or strong room following loss or damage of keys or combinations for the Insured Premises and of safety deposit boxes leased by the Insured, following theft occurring:

- a) in or on the Insured Premises; or
  - b) at the private residence of the Insured or any employee authorised to hold such keys or combinations
- by:

- (1) entry into or exit from buildings by forcible or violent means; or
- (2) assault or violence to the Insured or any employee of the Insured or an employee's family member.

**25. Metered Substances**

The Insurers will pay for the cost of metered water, gas, electricity or other metered substance for which the Insured is legally responsible arising from its escape, provided that the amount payable in respect of any one premises is limited to such excess water, gas or electricity charges resulting from the accidental escape of water, gas or other metered substance from pipes, apparatus or tanks and the additional accidental discharge of electricity, in consequence of an Insured Peril at the Insured Premises.

**26. Royalties**

The Insurers will pay for loss of Royalties following physical loss or damage by an Insured Peril to property (of the type insurable under this Policy) at the premises of any third party company or individual located within the territorial scope of this Policy with whom the Insured has a Royalty agreement.

**27. Vehicles on Insured Premises (Full Cover)**

Notwithstanding exclusion 3.2.8 of the Policy wordings, the Insurers will pay for physical loss or damage by an Insured Peril to own and/or third party Vehicles licensed for road use (including accessories thereon) whilst at an Insured Premises.

**28. Vehicles on Insured Premises (Limited Cover)**

Notwithstanding exclusion 3.2.8 of the Policy wordings, the Insurers will pay for physical loss or damage directly from a peril listed below to own and/or third party Vehicles licensed for road use (including accessories thereon) whilst parked at an Insured Premises.

Listed Perils: Fire; Explosion.

**29. Ammonia Contamination**

The Insurers will pay for physical loss or damage to Property Insured being stock in any cold chamber at an Insured Premises caused by or resulting from the sudden and accidental discharge, dispersal, seepage, migration, release or escape of ammonia in consequence of a Machinery Breakdown.

**30. Errors and Omissions**

The Insurers will pay for loss or damage by an Insured Peril to property (of the type insurable under this Policy) which is not payable under this Policy because of an unintentional error or omission at the time of Policy inception in the description or inclusion of any Insured Premises owned, occupied, leased or rented by the Insured to be Property Insured; but only to the extent this Policy would have provided Coverage had the unintentional omission or error not been made.

**31. Leasehold Interest (Loss of Use)**

Section 5.3 – Extensions of Coverage to Section 4 of the Policy wordings is extended to include the following: The Insurers will pay for the actual Leasehold Interest loss incurred by the Insured (as lessee) resulting from physical loss of or damage caused by an Insured Peril to a building (or structure) which is leased and not owned by the Insured.

**32. Theft**

Section 5.6 – Defined Perils of the Policy wordings is extended to include the following: The Insurers will pay for sudden and accidental physical loss or damage to Property Insured and resulting Business Interruption and Extensions of Coverage loss as provided under this Policy if such loss or damage is caused by theft or attempted theft of Property Insured

### **33. Radioactive Contamination**

Section 5.2 – Extensions of Coverage to Section 3 of the Policy wordings is extended to include the following: Notwithstanding Excluded Perils 3.4.3.1 and 3.4.3.2, the Insurers will pay for physical loss of or damage to Property Insured at an Insured Premises caused by sudden and accidental radioactive contamination, including resultant radiation damage

### **34. Transit (Broad Cover)**

Section 5.5 – Special Extensions of Coverage to Sections 3 and 4 of the Policy wordings is extended to include the following: Notwithstanding anything contained herein to the contrary, it is hereby agreed that Property Excluded paragraph 3.2.10 is amended as follows:

3.2.10 Property In Transit unless specifically provided as a Special Extension under this Policy and then only within the limits and definitions of that Special Extension.

### **35. Flood including ensuing Storm Surge**

Notwithstanding anything contained herein to the contrary, it is hereby agreed that Defined Perils paragraphs 5.6.2.1 and 5.6.3.1 of the Policy wordings are amended as follows.

#### **5.6.2 Flood**

5.6.2.1 The Insurers will pay for sudden and accidental physical loss or damage to Property Insured and Business Interruption and Extensions of Coverage loss as provided under this Policy if such loss or damage is caused by Flood regardless of any other cause or event contributing concurrently or in any other sequence of loss.

Loss or damage by Flood includes any ensuing physical loss or damage.

Any loss or damage resulting from Earthquake or Volcanic Eruption will not be considered to be loss by Flood. Any loss or damage caused by Flood resulting from Storm will be considered to be loss by Flood.

#### **5.6.3 Storm**

5.6.3.1 The Insurers will pay for sudden and accidental physical loss or damage to Property Insured and Business Interruption and Extensions of Coverage loss as provided under this Policy if such loss or damage is caused by a Storm regardless of any other cause or event contributing concurrently or in any other sequence of loss.

Loss or damage by Storm includes any ensuing physical loss or damage, except for any loss or damage caused by Flood. Any loss or damage caused by Flood will not be considered to be loss by Storm.

All other paragraphs remain unchanged.

### **36. Unnamed Perils**

Section 3.4- Excluded Perils of the Policy wordings is extended under 3.4.3 to include the following:

This Policy does not cover any loss or damage to any property whatsoever arising directly or indirectly from any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

Any peril other than physical loss or damage to the Property Insured caused by Fire, lightning Aircraft Impact and Explosion, unless specifically provided as a Special Extension of Coverage or

as a Defined Peril, under this Policy and then only within the limits and definitions of that Special Extension of Coverage or Defined Peril.

### **37. Deferred Payments**

Section 5.2 – Extensions of Coverage to Section 3 of the Policy wordings is extended to include the following: The Insurers will pay for direct physical loss of or damage caused by an Insured Peril to Finished Stock. Such Finished Stock must be sold by the Insured under a conditional sale, trust agreement, or instalment or deferred payment plan. Such Finished Stock must have been delivered to the buyer. Coverage is limited to the unpaid balance for such property.

### **38. Breakage of Fixed Glass**

It is agreed, that the Policy is modified as follows.

Excluded Perils Section 3.4.2.2 e) is amended as follows:

e) breakage of fixed glass (coverage is only provided when insured as a Defined Peril under this Policy and then only within the limits and definitions of that Defined Peril)

### **39. Hail**

It is agreed, that the Policy is modified as follows.

The following Exclusion is added to Section 3.4.2.:

This Policy does not cover loss or damage caused by Hail, unless specifically provided as a Defined Peril under this Policy and then only within the limits and definitions of that Defined Peril.

### **40. Fluctuations in Market Price**

Section 5.2 – Extensions of Coverage to Section 3 Property of the Policy wordings is extended to include the following:

Additional expenses relating to the price difference between the effective replacement cost for stock (Semi-Finished Products or Stock in Process, Raw Materials, supplies or Merchandise, other than Finished Stock) and the market price for such stock on the date of loss or damage.

### **41. Water Damage**

It is agreed, that the Policy is modified as follows.

The following Exclusion is added to Section 3.4.2.:

This Policy does not cover loss or damage caused by Water Damage, unless specifically provided as a Defined Peril under this Policy and then only within the limits and definitions of that Defined Peril.

### **42. Miscellaneous Personal Property**

The Insurers will pay for loss of or damage caused by an Insured Peril to the following property (of the type insured in this Policy) while within this Policy's Territory but away from the Insured Premises:

- a) The Insured's interest in Personal Property; and
- b) Property of Others, limited to property:
  - (i) In the Insured's care, custody or control;
  - (ii) In which the Insured has an insurable interest or obligation;
  - (iii) For which the Insured is legally liable; or
  - (iv) For which the Insurers have agreed in writing prior to any loss or damage to provide coverage.

### **43. Strike, Lock-out, Riot and Civil Commotion**

It is agreed, that the Policy is modified as follows: In exclusions paragraphs 3.4.2.1 and 3.4.2.5, the following text is removed: “riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances”.

**44. Wages – Limited Period basis**

The Insurance under this Item is limited to the loss incurred by the Insured by the payment of Wages for a period beginning with the Occurrence and ending not later than the number of consecutive days thereafter described in the Declarations as the Limited Period (Time Limit).

**NOTE:**

For detailed Coverage, Exclusions, Conditions etc., it is recommended to go through the Specimen copy of the Policy Wording which can be collected from any of our branch or downloaded from company web site [www.zurichkotak.com](http://www.zurichkotak.com).

**STATUTORY WARNING - PROHIBITION OF REBATES  
(Under Section 41 of Insurance Act 1938)**

- 1) No person shall allow or offer to allow, either directly or indirectly as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property, in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the Policy, nor shall any person taking out or renewing or continuing a Policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the Insurer.
- 2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.