

**DIGIT CONTRACTOR'S ALL RISKS INSURANCE POLICY (COMMERCIAL)**  
**Add-On Covers/Clauses/Warranties**

<b>Sr. No</b>	<b>Add-On Cover/Clause</b>	<b>UIN</b>
1	Air Freight	IRDAN158CP0008V01201920/A0009V01201920
2	Additional Custom Duty	IRDAN158CP0008V01201920/A0010V01201920
3	Loss due to Breakage of Glass	IRDAN158CP0008V01201920/A0011V01201920
4	Limited Maintenance Visits Cover	IRDAN158CP0008V01201920/A0012V01201920
5	Extended Maintenance Cover	IRDAN158CP0008V01201920/A0013V01201920
6	Cover of Extra Charges for Overtime, Night Work, and Work on Public Holidays, Express Freight Including Air Freight	IRDAN158CP0008V01201920/A0014V01201920
7	Cover of Extra Charges for Overtime, Night Work, and Work on Public Holidays, Express Freight Excluding Air Freight	IRDAN158CP0008V01201920/A0015V01201920
8	Professional Fees Clause	IRDAN158CP0008V01201920/A0016V01201920
9	Clearance and Removal of Debris (Including Foreign Debris)	IRDAN158CP0008V01201920/A0017V01201920
10	Cover for Increased Customs Duty	IRDAN158CP0008V01201920/A0018V01201920
11	Loss Minimization Expenses	IRDAN158CP0008V01201920/A0019V01201920
12	Owners Surrounding Property	IRDAN158CP0008V01201920/A0020V01201920
14	Cover for Cross Liability	IRDAN158CP0008V01201920/A0021V01201920
15	Cover of Manufacturers' Risk	IRDAN158CP0008V01201920/A0022V01201920
16	Cover for Valuable Documents	IRDAN158CP0008V01201920/A0023V01201920
17	Outright Defect Exclusion DE-1	IRDAN158CP0008V01201920/A0024V01201920
18	Extended Defective Condition Exclusion DE-2	IRDAN158CP0008V01201920/A0025V01201920
19	Limited Defective Condition Exclusion DE-3	IRDAN158CP0008V01201920/A0026V01201920
20	Defective Part Exclusion DE-4	IRDAN158CP0008V01201920/A0027V01201920
13	Automatic Reinstatement	IRDAN158CP0008V01201920/A0028V01201920
21	Design Improvement Exclusion DE-5	IRDAN158CP0008V01201920/A0029V01201920
22	Contractual Liability Cover	IRDAN158CP0008V01201920/A0030V01201920

23	Cover For Testing Of Machinery And Installations	IRDAN158CP0008V01201920/ A0031V01201920
24	Cover For Insured Contract Works Taken Over Or Put Into Service	IRDAN158CP0008V01201920/ A0032V01201920
25	Vibration, Removal Or Weakening Of Support Cover	IRDAN158CP0008V01201920/ A0033V01201920
26	Cover of Contractor' Construction/Erection Machinery	IRDAN158CP0008V01201920/ A0034V01201920
27	Earthquake Extension Clause	IRDAN158CP0008V01201920/ A0035V01201920
28	Cessation of Work	IRDAN158CP0008V01201920/ A0036V01201920
29	Temporary Repairs	IRDAN158CP0008V01201920/ A0037V01201920
30	Continuity Of Cover	IRDAN158CP0008V01201920/ A0038V01201920
31	Incompatibility Of Undamaged Machinery	IRDAN158CP0008V01201920/ A0039V01201920
32	Leased Equipment Rental Costs	IRDAN158CP0008V01201920/ A0040V01201920
33	Pair And Set Clause	IRDAN158CP0008V01201920/ A0041V01201920
34	Involuntary Betterment	IRDAN158CP0008V01201920/ A0042V01201920
35	Inland Transit	IRDAN158CP0008V01201920/ A0043V01201920
36	Employees' Personal Effects And Tools	IRDAN158CP0008V01201920/ A0044V01201920
37	Sound/Undamaged Property Destruction	IRDAN158CP0008V01201920/ A0045V01201920
38	Special Conditions Concerning Fire Fighting Facilities	IRDAN158CP0008V01201920/ A0046V01201920
39	Properties Under Consignment, Care, Custody And Control	IRDAN158CP0008V01201920/ A0047V01201920
40	Errors and Omissions Clause	IRDAN158CP0008V01201920/ A0048V01201920
41	Civil Authority Clause	IRDAN158CP0008V01201920/ A0049V01201920
42	Off Site Storage Premises Cover	IRDAN158CP0008V01201920/ A0050V01201920
43	72 Hours Clause	IRDAN158CP0008V01201920/ A0051V01201920
44	50: 50 Clause	IRDAN158CP0008V01201920/ A0052V01201920
45	Waiver of Subrogation	IRDAN158CP0008V01201920/ A0053V01201920
46	Primary & Non-Contributory Clause	IRDAN158CP0008V01201920/ A0054V01201920
47	Non-Vitiation	IRDAN158CP0008V01201920/ A0055V01201920

48	Sectional Clause (Roads/Canals)	IRDAN158CP0008V01201920/ A0056V01201920
49	Special Conditions concerning Removal of Debris from Landslides	IRDAN158CP0008V01201920/ A0057V01201920
50	Loss Payee Clause	IRDAN158CP0008V01201920/ A0058V01201920
51	Event Clause	IRDAN158CP0008V01201920/ A0059V01201920
52	Highest Single Deductible	IRDAN158CP0008V01201920/ A0060V01201920
53	Designation of Property Clause	IRDAN158CP0008V01201920/ A0061V01201920
54	Warranty Concerning Structures In Earthquake Zones	IRDAN158CP0008V01201920/ A0062V01201920
55	Exclusion of Loss, Damage or Liability Due to Flood and Inundation	IRDAN158CP0008V01201920/ A0063V01201920
56	Exclusion of Loss, Damage or Liability due to Windstorm or Wind-Related Water Damage	IRDAN158CP0008V01201920/ A0064V01201920
57	Special Conditions Concerning The Construction Of Tunnels, Galleries, Temporary Or Permanent Subsurface Structures Or Installations	IRDAN158CP0008V01201920/ A0065V01201920
58	Special Conditions Concerning Underground Cables, Pipes And Other Facilities	IRDAN158CP0008V01201920/ A0066V01201920
59	Warranty Concerning Camps And Stores	IRDAN158CP0008V01201920/ A0067V01201920
60	Warranty Concerning Construction Material	IRDAN158CP0008V01201920/ A0068V01201920
61	Serial Losses	IRDAN158CP0008V01201920/ A0069V01201920
62	Drilling Work For Water Wells	IRDAN158CP0008V01201920/ A0070V01201920
63	Special Conditions For Laying Water Supply And Sewer Pipes	IRDAN158CP0008V01201920/ A0071V01201920
64	Special Conditions Concerning Piling Foundation And Retaining Wall Works	IRDAN158CP0008V01201920/ A0072V01201920
65	Wet Works	IRDAN158CP0008V01201920/ A0073V01201920
66	Cofferdams	IRDAN158CP0008V01201920/ A0074V01201920
67	Breakwater	IRDAN158CP0008V01201920/ A0075V01201920
68	Multiple Insured Clause	IRDAN158CP0008V01201920/ A0076V01201920
69	Agreed Bank Clause	IRDAN158CP0008V01201920/ A0077V01201920
70	Claim Preparation Costs	IRDAN158CP0008V01201920/ A0078V01201920
71	Temporary Structures And Plant & Equipment - Temporary works including roads, camps for workers, material storage place, Buildings / sheds / site offices / support structures, portacabins	IRDAN158CP0008V01201920/ A0079V01201920

72	Waiver Of Contribution	IRDAN158CP0008V01201920/ A0080V01201920
73	Non-Invalidation Clause	IRDAN158CP0008V01201920/ A0081V01201920
74	No Control Clause	IRDAN158CP0008V01201920/ A0082V01201920
75	Co-insurance Clause	IRDAN158CP0008V01201920/ A0083V01201920
76	Nominated Loss Adjuster's Clause	IRDAN158CP0008V01201920/ A0084V01201920

Subject otherwise to the terms, conditions, exclusions, provisions, excess and deductible contained in the Policy, below Add-On Cover/Clauses/Endorsements are attached to and forming part of the Policy No. \_\_\_\_\_, wherever opted:

#### 1. 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 agreed additional premium is charged hereby. Limit of indemnity, during the policy period, shall be as mentioned in the Policy Schedule against this Add-On Cover.

Each and every claim payable under this Add-On Cover shall be subject to a minimum Excess of \_\_%, as mentioned in the Policy Schedule, of the Air freight incurred over and above the excess as applicable under the policy.

The Indemnity for such Air Freight will stand reduced after occurrence of the claim unless reinstated by the payment of an additional premium prescribed by the company.

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

#### 2. Additional Custom Duty

In consideration of the insured having paid an agreed additional premium, It is hereby declared and agreed that the insured shall also be indemnified during the policy period, towards the additional Custom Duty amount mentioned in the Policy schedule against this Add-On Cover, 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.

Each and every claim payable under this Add-On Cover shall be subject to an Excess of \_\_%, as mentioned in the Policy Schedule, of the admissible Additional Custom duty incurred and will be in addition to the excess amount applicable for the affected item under the policy.

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

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

### 3. Loss due to Breakage of Glass

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, and Insured having paid the agreed extra premium, this Policy extends to cover loss due to breakage of glass and exclusion c of Section I - Material Damage Section stands altered to

"Normal wear and tear, gradual deterioration due to atmospheric conditions or lack of use or obsolescence or otherwise, rust, scratching of painted or polished surfaces".

### 4. Limited Maintenance Visits Cover

In consideration of the payment of additional premium by the insured (which is included in the total premium set forth in the schedule) it is hereby declared and agreed that the indemnity provided by this policy is extended to include Maintenance Cover for the period of months mentioned in policy schedule to be reckoned from the date of completion or handing over provided the policy period has been extended till completion or handing over. However, during Maintenance Period this Insurance shall cover solely loss of or damage to the contract works caused by the insured contractor(s) in the course of the operations carried out for the purpose of complying with the obligations under the maintenance provisions of the contract.

### 5. Extended Maintenance Cover

In consideration of the payment of an additional premium by the insured (which is included in the Total Premium set forth in the Schedule), it is hereby declared and agreed that the indemnity provided by the policy is extended to include Maintenance Cover for the period mentioned in Schedule to be reckoned from the date of completion or handing over, provided the policy period has been extended till completion or handing over. However, during the Maintenance Period this insurance shall cover loss or damage to the contract works - a) caused by the Insured contractor(s) in the course of the operations carried out for the purpose of complying with the obligations under the maintenance provisions of the contract. b) occurring during the maintenance period provided such loss or damage was caused on the site during the erection period.

### 6. Cover of Extra Charges for Overtime, Night Work, and Work on Public Holidays, Express Freight including Air Freight

In consideration of the payment of additional premium by the insured, It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon the Insurer shall indemnify the insured, extra charges for Overtime, Night Work, and Work on Public Holidays and Express freight (including Air Freight) up to the limit as specified in the schedule.

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

If the sum(s) insured of the damaged 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.

Provided always that the amount payable shall not exceed the \_\_\_\_\_% of loss amount or limit selected in the Policy Schedule whichever is lower and as the case may be, per any one occurrence and that the indemnity in respect of Air Freight shall be subject to an additional excess of \_\_\_% of the Air Freight incurred per claim.

#### 7. Cover of Extra Charges for Overtime, Night Work, and Work on Public Holidays, Express Freight Excluding Air Freight

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and the Insured having paid the agreed premium the Insurer shall indemnify the insured, extra charges for Overtime, Night Work, and Work on Public Holidays and 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 damaged 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.

Provided always that the amount payable shall not exceed the \_\_\_\_\_% of loss amount or limit selected in the Policy Schedule whichever is lower and as the case may be, per any one occurrence.

#### 8. Professional Fees Clause

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and the Insured having paid the agreed premium, this Policy is extended to include Architects, Surveyors and Consulting Engineers or other Professional Fees necessarily and reasonably incurred in the reinstatement of the Insured Property consequent upon any event giving rise to an admissible claim under Section I of this Policy, 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.

The liability of the insurers under this Add-On Cover shall in no case exceed \_\_\_\_\_% of the Claim amount per any one occurrence and specified amount in the aggregate, as mentioned in the Policy Schedule.

#### 9. Clearance and Removal of Debris (Including Foreign Debris)

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and the Insured having paid the agreed premium, this policy is extended to cover costs and expenses necessarily incurred by the Insured, with the consent of the Insurers in demolishing or removing debris of portions of the property insured by Section I, following upon any event giving rise to an admissible claim under Section I of this Policy, up to an amount not exceeding \_\_\_% of the claim amount OR ₹\_\_\_\_ any one occurrence and ₹\_\_\_\_ in the aggregate as opted by the Insured and mentioned in the Policy Schedule.

#### 10. Cover for Increased Customs Duty

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 at the Insured exchange rate increased Customs Duty percentage payable on the replacement supplies over and above the Custom Duty taken into account while arriving at the sum insured of the affected item.

Provided always that such additional duty is incurred in connection with any loss or damage to the insured items recoverable under the policy and provided further that the amount payable hereunder shall not exceed specified amount as in schedule in the aggregate.

Each and every claim payable under this extension shall be subject to an excess of \_\_%, as mentioned in the Policy Schedule, of the Additional Customs Duty incurred over and above the excess normally applicable.

#### 11. Loss Minimization Expenses

If upon the happening of any peril hereby insured resulting in actual damage to the Insured Property, the Insured shall take all steps to minimize further loss or damage arising from the occurrence or accident, expenses necessarily and reasonably incurred by or on behalf of the Insured in an attempt to prevent or minimize such further loss or damage will be Indemnified upto a limit of Rs. \_\_\_\_\_ in the aggregate, as mentioned in the Policy Schedule.

#### 12. Owners Surrounding Property

It is hereby declared and agreed that the insured having paid the extra premium the policy extends to cover loss of or damage to property located on or adjacent to the Project Site and Belonging to or held in care, custody or control of the Principal(s) or the Contractor(s) shall only be covered if occurring directly due to the erection, construction or testing of the items insured under Section I and happening during the period of cover. This cover does not apply to Construction/ Erection Machinery, Plant and Equipment, Temporary Buildings and Temporary site installations.

Limit of indemnity shall be \_\_% of the policy Sum Insured as mentioned in the Policy Schedule.

The policy does not cover loss due to Fire, Lightning, Explosion and Aircraft damage, unless specifically agreed and mentioned in the Policy Schedule.

#### 13. Automatic Reinstatement

Notwithstanding anything contained herein to the contrary it is hereby agreed and understood that the amounts insured are always to remain at risk and shall not be reduced following loss or damage insured hereunder so long as the aggregate of the sums paid and/or payable does not exceed \_\_%, as specified in the Policy Schedule, of the completely erected value- if restricted.

It is hereby, declared and agreed that the insured having paid the extra premium that amount insured are always to remain at risk and shall not be reduced, so long as the aggregate of the sum paid an/or payable does not exceed the agreed \_\_\_\_\_% of sum insured as specified in the Policy Schedule.

#### 14. Cover for Cross 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, the Third Party Liability cover of the Policy shall apply to the insured parties named in the Schedule as if a separate policy had been issued to each party, provided that the Insurers shall not indemnify the Insured under this Endorsement in respect of liability for

- Loss of or damage to items insured or insurable under Section I of the Policy, even if not recoverable due to excess or any limit.
- Fatal or non-fatal injury or illness of employees or workmen who are or could have been insured under Workmen's Compensation and/or Employer's Liability Insurance

The Insurer's total liability in respect of the insured parties shall not however exceed in the aggregate for any one accident or series of accident arising out of one event the limit of indemnity stated in the schedule.

### 15. Cover of Manufacturers' Risk

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and Insured having paid the premium, Item "e" under "Special Exclusion to Section I" shall be replaced by the following wording:

"The Policy excludes the costs necessary to replace, repair or rectify any component, part or individual item of the Property Insured which is defective in design, plan, specification, materials, or workmanship, but this exclusion shall not apply to other parts or items of the Property Insured unintentionally damaged as a consequence of such defect."

This endorsement does, however, not apply to parts and items of civil engineering sections.

### 16. Cover for Valuable Documents

Subject otherwise to the terms, exclusion, provisions and conditions contained in the policy, the Indemnity granted by Section 1 of this policy shall, in addition extend to indemnify the insured in respect of costs necessarily and reasonably incurred in rewriting or redrawing plans or specifications of the contract works insured hereunder, when such plans or specifications are lost or damaged by any cause not excluded by this section and the Insured needs to have them redrawn or rewritten in order to complete the project or to enable payment to be made for works already carried out.

The liability of the Insurers shall not exceed in the aggregate during the Policy Period the Sum Insured specified in the Policy Schedule

### 17. Outright Defect Exclusion DE-1

Notwithstanding anything contained herein to the contrary, it is herein agreed that the Exclusion I. d under Section I is replaced with exclusion(s) below:

This policy excludes loss of or damage to the Property Insured due to defective design, plan, specification materials or workmanship.

### 18. Extended Defective Condition Exclusion DE-2

In consideration of the payment of an additional premium by the insured, notwithstanding anything contained herein to the contrary, it is herein agreed that the Exclusion I. d under Section I is replaced with exclusion(s) below:

This policy excludes loss of or damage to and the cost necessary to replace, repair or rectify:

- a. Property Insured which is in a defective condition due to a defect in design, plan, specification materials or workmanship of such Property Insured or any part thereof.
- b. Property Insured which relies for its support or stability on (a) above
- c. Property Insured lost or damage to enable the replacement repair or rectification of Property Insured excluded by (a) and (b) above.

Exclusion (a) and (b) above shall not apply to other Property Insured which is free of the defective condition but is damaged in consequence thereof.

For the purpose of the Policy and not merely this Exclusion the Property Insured shall not be regarded as lost or damage solely by virtue of the existence of any defect in design plan specification materials or workmanship in the Property Insured or any part thereof.

Subject otherwise to terms, conditions, excess and exceptions of the policy.



**19. Limited Defective Condition Exclusion DE-3**

In consideration of the payment of an additional premium by the insured, notwithstanding anything contained herein to the contrary, it is herein agreed that the Exclusion I. d under Section I is replaced with exclusion(s) below:

This policy excludes loss of or damage to and the cost necessary to replace repair or rectify.

- a. Property Insured which is in a defective condition due to a defect in design, plan, specification materials or workmanship of such Property Insured or any part thereof.
- b. Property Insured lost or damaged to enable the replacement repair or rectification of Property Insured excluded by (a) above.

Exclusion (a) above shall not apply to other Property Insured which is free of the defective condition but is damaged in consequence thereof.

For the purpose of the Policy and not merely this Exclusion the Property Insured shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design plan specification materials or workmanship in the Property Insured or any part thereof.

Subject otherwise to terms, conditions, excess and exceptions of the policy.

**20. Defective Part Exclusion DE-4**

In consideration of the payment of an additional premium by the insured, notwithstanding anything contained herein to the contrary, it is herein agreed that the Exclusion I. d under Section I is replaced with exclusion(s) below:

This Policy excludes loss of or damage to and the cost necessary to replace, repair or rectify.

- a. Any component part or individual item of the Property Insured which is defective in design plant specification materials or workmanship
- b. Property Insured lost or damaged to enable the replacement repair or rectification of Property Insured excluded by (a) above.

Exclusion (a) above shall not apply to other parts or items of Property Insured which are free from defect but are damaged in consequence thereof.

For the purpose of the Policy and not merely this exclusion the Property Insured shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design plan specification materials or workmanship in the Property Insured or any part thereof.

Subject otherwise to terms, conditions, excess and exceptions of the policy.

**21. Design Improvement Exclusion DE-5**

In consideration of the payment of an additional premium by the insured, notwithstanding anything contained herein to the contrary, it is herein agreed that the Exclusion I. d under Section I is replaced with exclusion(s) below:

This policy excludes

- a. The cost necessary to replace, repair or rectify any Property Insured which is defective in design, plan, specification materials or workmanship.
- b. Loss or damage to the Property Insured caused to enable replacement, repair or rectification of such defective property.

But should damage to the Property Insured (other than damage as defined in (b) above) result from such a defect this exclusion shall be limited to the costs of additional work resulting from improvement to the original design plan specification materials or workmanship.

For the purpose of the policy and not merely this Exclusion the Property Insured shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design plan specification materials or workmanship in the Property Insured or any part thereof.

Subject otherwise to terms, conditions, excess and exceptions of the policy.

## 22. Properties Under Consignment, Care, Custody And Control

Notwithstanding anything to the contrary, it is hereby agreed and declared that, on payment of an additional premium, certain items of the property may be subject to 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 the 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 in their care, custody or control

The liability of the Insurers shall not exceed the Sum Insured as specified in the Policy Schedule.

Subject otherwise to terms, conditions, deductibles and exceptions of the policy.

## 23. Errors and Omissions Clause

It is hereby understood and agreed, subject otherwise 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, that the Insured shall not be prejudiced in any manner by any unintentional and/or inadvertent:

- Delay and/or omission and/or failure to advise inclusion of assets or details which but for such delay or omission or failure would have been covered by this policy; and/or
- Inaccuracy and/or error in description; and /or
- Failure to notify material changes as required; and/or
- error in the name or title of the Insured.

It is hereby understood and agreed that the Insured shall take all reasonable steps to rectify such omission or failure or inaccuracy or error as the case may be, on becoming aware thereof.

Limit for this Cover is as mentioned in the Policy Schedule.

## 24. Civil Authority Clause

This Policy covers any loss, damage, expense or liability arising as a result of any act or order of any governmental body or agency; and or any increase caused by any act or order of any governmental body or agency in any loss, damage, expense or liability caused by any event hereby insured against.

The liability of the Insurers shall not exceed \_\_\_% of the Contract Value, as specified in the Policy Schedule.

#### 25. Off Site Storage Premises Cover

In consideration of payment of an additional premium, it is agreed and understood that otherwise subject to the terms, exclusion, provisions and conditions contained in the policy or endorsed thereon, Subject to Limit as specified in the Policy Schedule per location, this insurance shall be extended to cover loss of or damage to the property Insured whilst in storage anywhere in India.

#### 26. Contractual Liability Cover

In consideration of payment of an additional premium, it is agreed and understood that otherwise subject to the terms, exclusion, provisions and conditions contained in the policy or endorsed thereon, Subject to Limit as specified in the Policy Schedule, this policy covers legal liability for injury to persons and loss of or damage to property imposed under any contract or agreement necessarily and reasonably entered into, provided that such liability would have been implied by law.

#### 27. Cover For Testing Of Machinery And Installations

In consideration to payment of an additional premium, it is agreed and understood that otherwise subject to the terms, exclusion, provisions and conditions contained in the policy or endorsed thereon, Subject to Limit as Specified in the Policy Schedule, the period of cover shall be extended to include a test operation or a test loading but not beyond four weeks from the date of commencement of the test.

If, however, a part of a plant or one (or several) machine(s) is (are) tested and/or put into operation or taken over, the cover for that particular part of the plant or machine(s) and any liability resulting there from shall cease whereas the cover shall continue for the remaining parts to which the above does not apply.

It is further agreed and understood that for the machinery and installations undergoing a test, exclusions c and d of the Exclusions to Section 1 of the Policy shall be deleted, and the following exclusion shall apply:

“loss or damage due to faulty design, defective material or casting, bad workmanship other than faults in erection:”

In the case of second-hand items, the insurance hereunder shall, however, cease immediately on the commencement of the test.

#### 28. Cover For Insured Contract Works Taken Over Or Put Into Service

In consideration to payment of an additional premium, it is agreed and understood that otherwise subject to the terms, exclusion, provisions and conditions contained in the policy or endorsed thereon, subject to Limit and Deductible as specified in Policy Schedule, the insurance shall be extended to cover loss of or damage to parts of the insured contract works taken over or put into service if such loss or damage emanates from the construction of the items insured under Section 1 and happens during the period of cover.

#### 29. Vibration, Removal Or Weakening Of Support Cover

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, Section 2 of this insurance shall be extended to cover liability consequent upon loss or damage caused by vibration or by the removal or weakening of support.

Provided always that

- the Insurers indemnify the Insured in respect of liability for loss or damage to any property or land or building only if such loss or damage results in the total or partial collapse,
- the Insurers indemnify the Insured in respect of liability for 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 Insurers shall not indemnify the Insured in respect of liability for

- loss or damage which is foreseeable having regard to the nature of the construction work or the manner of its execution,
- superficial damage which neither impairs the stability of the property, land or buildings nor endangers their users,
- the costs of loss prevention or minimization measures which become necessary during the period of insurance.

Deductible, Limit of indemnity any one occurrence and in aggregate are as specified in Policy Schedule.

### 30. Cover of Contractor' Construction/Erection Machinery

In consideration of the payment of an additional premium by the insured, It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the cover under Section I of the Policy shall be extended up to the limit specified in the Policy Schedule to include loss of or damage to the construction/erection machinery mentioned in the attached list of machines, excluding however

- loss or damage due to electrical or mechanical breakdown, failure, breakage or derangement, freezing of coolant or other fluid, defective lubrication or lack of oil or coolant, but if as a consequence of such breakdown or derangement an accident occurs causing external damage, such consequential damage shall be indemnifiable,
- loss of or damage to vehicles licensed for general road use or waterborne vessels or aircraft unless these vehicles are exclusively used on construction site.
- loss of or damage to replaceable parts and attachments such as bits, drills, knives or other cutting edges, saw blades, dies, moulds, patterns, pulverizing and crushing surfaces, screens and sieves, ropes, belts, chains, elevator and conveyor bands, batteries, tyres, connecting wires and cables, flexible pipes, joining and packing material regularly replaced.
- loss or damage whilst in transit from one location to another location.
- loss or damage due to total or partial immersion in tidal waters.
- loss or damage as a direct consequence of the continual influence of operation (e.g. wear and tear, corrosion, rust, deterioration due to lack of use and normal atmospheric conditions).
- loss or damage occurring whilst any insured item is undergoing a test of any kind or is being used in any manner or for any purpose other than for which it was designed.
- loss or damage due to any faults or defects existing at the time of commencement of this policy within the knowledge of insured or his representatives whether such faults or defects were known to the company or not.
- loss or damage directly or indirectly caused by, or arising out of, or aggravated by willful act or willful negligence of the insured or his representatives

- loss or damage for which supplier or manufacturer is responsible either by law or under contract.
- loss or damage due to explosion of any boiler or pressure vessel subject to internal steam or fluid pressure or of any internal combustion engine
- loss or damage discovered only at the time of taking an inventory or routine servicing.

The sums insured on construction/erection machines shall be their replacement values, which shall mean the cost of replacement of each insured item by a new item of the same kind and the same capacity.

Deductible applicable to this Add-On Cover is as specified in the Policy Schedule.

### 31. Earthquake Extension Clause

In consideration of the payment of an additional premium by the insured, It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, it is hereby Agreed and declared that this insurance is included to cover loss or damage to any property insured by this policy occasioned by Earthquake Fire and/ or shock including tsunami.

Applicable Excess: As applicable to Act of God Perils.

### 32. Cessation of Work

It is hereby understood and agreed that otherwise subject to terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, and subject to the Insured having paid the additional premium, exclusion (d) under General Exclusions to the Policy shall be replaced by the following wordings:

“d) any partial or total cessation of work exceeding \_\_\_days/Months, as mentioned in the Policy Schedule, of which the Company has not been notified”

The indemnity provided herein shall be subject to the limit of liability and deductible as specified in the Schedule. In the event of partial or total cessation of work, the Insured shall use his diligence and do all things reasonably practicable to protect the insured property

### 33. Temporary Repairs

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, the insurance shall be extended to cover:

- 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.

The liability of the Insurers shall not exceed in the aggregate during the Policy Period the Sum Insured specified in the Policy Schedule

### 34. Continuity Of Cover

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, the insurance shall be extended to cover

- Continuity of coverage as per policy coverage for portion of project / contract package that are complete before the Commercial Operation Date and are either handed over to principals and/or Contractors but not tested integrally and / or put to commercial operation and / or await testing with the other packages till the Commercial Operation Date of the project and thus the coverage shall continue for entire project components / packages till Commercial Operation Date of the project
- Coverage shall continue for entire project components / packages till Commercial Operation Date of the project

### 35. Incompatibility Of Undamaged Machinery

It is hereby understood and agreed that subject otherwise to the terms, exclusions, provisions and conditions contained herein the Policy or endorsed thereon and subject to the Insured having paid the additional premium the Insurance under Section I is extended to cover the cost of

1. modification of an equipment already erected and/or to be erected under project as per insured contract(s) provisions or
2. the replacement restoration or recompilation of an equipment already erected and/or to be erected under project as per insured contract(s) provisions whichever is the lesser cost to achieve compatibility in the event that the indemnifiable loss of or damage to any equipment under Section I has resulted in undamaged equipment being unavoidably incompatible with replacement equipment.

Provided that the liability of the Company shall not exceed the Limit of Liability under Section I stated in the Schedule for each individual item replaced restored recompiled or modified or limit of indemnity whichever is less.

### 36. Leased Equipment Rental Costs

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment of additional premium, it is hereby declared and agreed the Insurer shall cover the Insured for their necessary continuing rental charges on leased equipment damaged by an Insured event. Company will pay the actual rental charges which are the responsibility of the Insured as stipulated in the rental contract or lease agreement.

The cover provided by this endorsement shall not exceed the sub limit stated in the Policy Schedule.

Coverage under this extension will start on the date of loss and will end on the date the Property is actually repaired, rebuilt or replaced with due diligence

### 37. Pair And Set Clause

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment of additional premium, it is hereby declared and agreed that In the event of Damage by an insured peril against any article or articles of Property Insured which are a part of a pair or set, the amount of Damage to such article or articles shall be, at the Insured's option:

- I. the reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article or articles, but in no event shall such loss or damage be construed to mean total loss of the pair or set; or
- II. the full value of the pair or set provided that the Insured surrenders the remaining articles of the pair or set to the Company.

The cover provided by this endorsement shall not exceed the Sub Limit stated in the Policy Schedule for this item.

### 38. Involuntary Betterment

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment of additional premium, it is hereby declared and agreed that in the event of replacement property of like kind and quality is not obtainable, new property which is as similar as possible to the damaged property and which is capable of performing the same function, shall be deemed to be new property of like kind and quality and in no event shall this be considered as a betterment to the Insured.

The Insurer will pay the cost of purchasing and installing technologically current equipment which is necessitated by incompatibility between new equipment installed to replace equipment suffering Damage and undamaged existing equipment at the same or an interdependent location.

Provided that

- I. 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
- II. the Insurer shall be liable for only the difference between the highest sales value of the undamaged existing equipment at the same or interdependent location and the installed cost of the technologically current equipment.

### 39. Inland Transit

This Section will indemnify the Insured, up to the Sum Insured specified in the Policy Schedule, in respect of insured Loss, while Insured Property is being transported on any vehicle (including loading and unloading) to the Project Site or to temporary offsite facilities, provided that:

- (a) said Insured Property is owned, or is in the custody, care or control of the Insured; and
- (b) the transits insurance hereunder shall only indemnify the Insured to the extent that the Loss is not recoverable under any other insurance; and
- (c) such transits take place within the Territorial Limits specified in the Policy Schedule.

Such cover does not apply during marine or air transit but shall include transits by roll-on roll-off ferry when a bill of lading is not issued. Limit of liability and deductible as specified in the Policy Schedule.

### 40. Employees' Personal Effects And Tools

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment of additional premium, the Policy is extended to include loss or damage to personal effects and tools of the employees, project manager engaged in this contract

The liability of the Company shall not exceed the limit of indemnity as mentioned below (after application of the amount specified in deductible below in respect of any one employee)

Company shall not be liable for: -

- I. the deductible/ franchise as mentioned in Policy Schedule of all costs and each event
- II. loss or damage which occurs other than at the site of the project or working area or in transit thereto or therefrom.
- III. loss of or damage to motor vehicles, precious metals, precious stones or articles made there from or money

#### 41. Sound/Undamaged Property Destruction

It is hereby understood and agreed that subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the additional premium, in the event of total or partial damage or destruction to the property insured hereunder the destruction of undamaged property forming part of the contract works necessary for the replacement and reinstatement of the damaged property is covered so long as there is no change to original design. The cover provided by this endorsement shall not exceed the limit and deductible stated in the Policy Schedule.

#### 42. Special Conditions Concerning Fire Fighting Facilities

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall indemnify the Insured for loss or damage resulting directly or indirectly from fire and/or explosion only if the following requirements are fulfilled: -

- a. Adequate fire-fighting equipment and extinguishing agents of sufficient capacity must always be available at the site and ready for immediate use.
- b. Sufficient number of workmen must be fully trained in the use of such equipment and must be available for immediate intervention at all times.
- c. If storage of material for the construction or erection of the contract works is necessary at site or any other location within India, storage must be subdivided into storage units not exceeding the equivalent value of specified amount per storage unit. Individual storage units must either be at least 10 meters apart or separated by fireproof walls.
- d. All inflammable materials (such as shuttering material not fitted for concreting, litter, etc.) and especially all inflammable liquids and gases must be stored at a sufficiently large distance from the property under construction or erection and any hot work like welding etc.
- e. Provided further that in respect of storages of Indian sourced materials at locations other than the site, the amount payable shall not exceed the specified amount at any one location.
- f. Welding, soldering or the use of an open flame in the vicinity of combustible material is permitted only if at least one workman suitably equipped with extinguishers and well trained in fire-fighting facilities designed for the operation of the plant must be installed and serviceable.

#### 43. 72 Hours Clause

It is agreed that any loss or damage to the Insured Property arising during any one period of seventy-two (72) consecutive hours, caused by storm, tempest, flood or earthquake shall be deemed as a single event and therefore to constitute one occurrence with regard to the Excess(es) provided for herein.

For the purpose of the foregoing the commencement of any such seventy-two (72) hours period shall be decided at the discretion of the Insured, it is being understood and agreed, however, that there shall be no overlapping in any two or more such seventy two (72) hours periods in the event of damage occurring over a more extended period of time.

#### 44. 50: 50 Clause



In respect of the subject matter Insured hereunder consigned from outside India:

- The Insured hereby undertakes to inspect each item of the subject matter Insured upon arrival at the contract site for possible damage sustained during transit.
- In the case of packed items which are to be left in their packaging until a later date the packaging is to be visually inspected for signs of possible damage and where such damage is visible the items are to be unpacked and inspected and any damage discovered reported to the marine insurers.
- Where the packaging of an item shows no visible signs of damage to such item having been sustained during transit any subsequent damage discovered upon unpacking will be dealt with by the Marine Insurers or the EAR/CAR Insurers according to whether it can be clearly established that such damage was caused before or after arrival at the contract site.
- Where it is not possible to clearly establish whether the damage to an item was caused before or after arrival at the contract site it is hereby agreed that the cost of such damage shall be shared equally between the Marine Insurers and the EAR/CAR
- Insurers provided such a clause is included in the Marine Policy also.

#### 45. Waiver of Subrogation

It is hereby agreed and understood that otherwise subject to the terms exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall waive all their rights of subrogation or action which they may have or acquire against the assured and any person, firm or corporation having an association or affiliation at the time of loss with the assured through ownership or management subject to having been insured under this Policy.

#### 46. Primary & Non-Contributory Clause

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 terms, conditions and exceptions of the policy.

#### 47. Non-Vitiation

Notwithstanding anything to the contrary contained in this Policy, as the various parties comprising the insured operate as separate and distinct entities the rights of each of the parties in all respect shall (notwithstanding anything contained or implied herein to the contrary) be treated as though each of the parties had separate policies for their respective rights and interests and the rights and indemnities of any of the parties who are not guilty of any fraud, mis-representation, non-disclosure or breach of condition or warranty shall not be prejudiced or affected by any fraud, mis-representation, non-disclosure or breach of condition or warranty by any of the other parties comprising the Insured.

Nothing contained in this endorsement shall be deemed to increase the Sum(s) Insured or limit of indemnity stated in the Policy Schedule.

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

#### 48. Sectional Clause (Roads/Canals)

It is hereby warranted and agreed that, notwithstanding anything contained in this policy to the contrary, the following special conditions shall apply

The length of the working area (excavation and construction of coffer etc., however except final surfacing) shall never exceed \_\_meters, as Specified in Policy Schedule, at any work face and a total of \_\_\_meters , as Specified in Policy Schedule, at all work faces combined.

#### 49. Special Conditions concerning Removal of Debris from Landslides

It is agreed and understood that otherwise subject to the terms, exclusion, provisions and conditions contained in the policy or endorsed thereon, the insurer shall not indemnify the insured in respect of:

- Expenses incurred for the removal of debris from the landslide in excess of the costs of excavating the original materials from the area affected by such landslides.
- Expenses incurred for the repair of eroded slopes or other graded areas if the Insured has failed to take the measures required or to take them in time to time.

#### 50. Loss Payee Clause

In the event of claims being made under the policy, a form of discharge signed by an authorised representative of Insured shall be accepted as a valid discharge on behalf of all other parties interested in the insurance by the policy. An amount agreed in settlement of such claims shall be payable solely in favor of or to the order of Insured who agree to hold the insurer harmless in respect of such payment.

#### 51. Event Clause

In the event of a claim under this policy, all occurrences related to the same cause shall be treated as one and the same event.

The time of any event shall be the time at which such event commenced. Where the event comprises more than one occurrence, the time of the event shall be taken as the time of commencement of the first of such occurrences.

All events, whose time is prior to the expiry falls after the expiry or cancellation or termination of this policy shall be covered under this Add-On Cover

#### 52. Highest Single Deductible

No claim or series of claims under this policy arising out of the same event shall be subject to more than one deductible or time excess, as the case may be. In the event of any claim or series of claims falling under more than sections of this policy, only the highest of deductibles or time excess applicable shall apply to the exclusion of all others.

#### 53. Designation of Property Clause

For the purpose of determining, where necessary, the designation of any property Insured, the Insurer shall accept the designation under which such property has been entered in the Insured's book.

#### 54. Warranty Concerning Structures In Earthquake Zones

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall only indemnify the Insured for loss, damage or liability arising out of earthquake if the Insured proves that the earthquake risk was taken into account in design according to the official building codes valid for the site and that the qualities of material and workmanship and the dimensions on which the calculations were based were adhered to.

#### 55. Exclusion of Loss, Damage or Liability Due to Flood and Inundation

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall not indemnify the Insured for loss, damage or liability directly or indirectly caused by or resulting from flood and inundation.

**56. Exclusion of Loss, Damage or Liability due to Windstorm or Wind- Related Water Damage**

It is agreed and understood that, notwithstanding the terms, exclusions, provisions and conditions of the Policy or any Endorsements agreed upon, the Insurers shall not indemnify the Insured for loss or damage or liability directly or indirectly caused by or resulting from windstorm equal to or exceeding grade 8 on the Beaufort Scale (mean windspeed exceeding 62 km/h) or any water damage occurring in connection with or as a consequence of such windstorm.

**57. Special Conditions Concerning The Construction Of Tunnels, Galleries, Temporary Or Permanent Subsurface Structures Or Installations**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall not indemnify the Insured in respect of the expenses incurred for

- alterations in the construction method or due to unforeseen ground conditions or obstructions,
- measures which become necessary to improve or stabilize ground conditions or to seal against water ingress unless necessary to reinstate indemnifiable loss or damage,
- removing material which has been excavated, or due to overbreak in excess of the design profile and/or for refilling cavities resulting there from,
- dewatering unless necessary to reinstate indemnifiable loss or damage,
- loss or damage due to breakdown of the dewatering system if such loss or damage could have been avoided by use of standby facilities,
- the abandonment or recovery of tunnel-boring machines,
- the loss of bentonite, suspensions, or any media or substance used for excavation support or as a ground-conditioning agent.

In the event of indemnifiable loss or damage the maximum amount payable under this Policy shall be limited to the expenses incurred to reinstate the insured property to a standard or condition technically equivalent to that which existed immediately before the occurrence of loss or damage but not in excess of the percentage as stated below of the original average per-metre construction cost of the immediate damaged area.

Maximum percentage payable is as Specified in the Policy Schedule.

**58. Special Conditions Concerning Underground Cables, Pipes And Other Facilities**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall only indemnify the Insured in respect of loss of or damage to existing underground cables and/or pipes or other underground facilities if, prior to the commencement of works, the Insured has inquired with the relevant authorities about the exact position of such cables, pipes or other underground facilities and takes all necessary steps to avoid damage to same.

Claims in respect of loss of or damage to such underground facilities which are in the same position as shown on the underground maps (drawings indicating the position of the underground facilities)

shall be payable after applying a deductible of \_\_\_% of the loss amount or the deductible as stated under the heading 'a' in the Policy Schedule against this add-on cover, whichever is the greater. Claims in respect of loss of or damage to underground facilities incorrectly shown on the underground map shall be payable after applying the deductible stated under the heading 'b' in the Policy Schedule against this add-on cover. The indemnity shall in any case be restricted to the repair costs of such cables, pipes or other underground facilities, any consequential damage and penalties being excluded from the cover.

#### 59. Warranty Concerning Camps And Stores

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall only indemnify the Insured for loss, damage or liability directly or indirectly caused to camps and stores by fire, flood or inundation if these camps and stores are located above the highest water level recorded anywhere on the site during the last 20 years and the individual storage units are either at least 50 m apart or separated by fire walls.

It is also agreed that the Insurers shall indemnify the Insured for any one occurrence only up to a limit of indemnity of for camps, for each individual storage unit.

#### 60. Warranty Concerning Construction Material

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall only indemnify the Insured for loss, damage or liability directly or indirectly caused to construction material by flood or inundation if such construction material does not exceed three days' demand and the exceeding quantities are kept in areas not endangered by 20-year floods.

#### 61. Serial Losses

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the following clause shall apply to this insurance: Loss or damage due to faulty design (if covered by endorsement), defective material and/or workmanship arising out of the same cause to structures, parts of structures, machines or equipment of the same type shall be indemnified according to the following scale after applying the policy deductible for each loss:

100% of the first 2 losses  
 80% of the 3rd loss  
 60% of the 4th loss  
 50% of the 5th loss  
 Further losses shall not be indemnified.

Unless specifically agreed otherwise and mentioned in the Policy Schedule.

#### 62. Drilling Work For Water Wells

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the cover for well drilling work shall be restricted to loss or damage due to or resulting from the following named perils:

- earthquake, volcanism, tsunami
- storm, cyclone, flood, inundation, landslide

- blow-out and/or cratering
- fire/explosion
- artesian waterflow
- mud loss, which cannot be overcome by known practices
- collapse of hole including collapse of casing due to abnormal pressure or heaving shales, which cannot be overcome by known practices

The indemnity shall be calculated on the basis of the costs (including material) spent for drilling the well up to the very moment when the first phenomena of the above perils are apparent and the well has to be abandoned due to a hazard insured against, and the Insured shall bear a deductible of \_\_\_% of the loss amount, minimum INR\_\_\_ for any one occurrence, as stated in the Policy Schedule.

**Special Exclusions:**

The Insurers shall not be liable for

- loss of or damage to drilling rig and drilling equipment (for which the drilling contractor may conclude a special insurance),
- costs of fishing operations of all kinds,
- costs of reconditioning and workover operations to restore well conditions including all stimulation work (acidizing, fracturing, etc.).

**63. Special Conditions For Laying Water Supply And Sewer Pipes**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall indemnify the Insured for any loss, damage or liability due to the flooding or silting of pipes, trenches or shafts only up to the maximum length of open trench stated below, partially or completely excavated, for any one loss event.

The Insurers shall be liable only if:

1. the pipes, immediately after laying, have been secured in such a manner by backfilling that they cannot be displaced if the trench is flooded;
2. the pipes, immediately after laying, have been closed to prevent water, silt or the like from penetrating;
3. the trenches of tested pipe sections have been backfilled immediately upon completion of the pressure test.

Maximum length: \_\_\_ meters as specified in the Policy Schedule

**64. Special Conditions Concerning Piling Foundation And Retaining Wall Works**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall not indemnify the Insured in respect of expenses incurred

- 1) for replacing or rectifying piles or retaining wall elements
  - a. which have become misplaced or misaligned or jammed during their construction,
  - b. which are lost or abandoned or damaged during driving or extraction, or
  - c. which have become obstructed by jammed or damaged piling equipment or casings,
- 2) for rectifying disconnected or declutched sheet piles,
- 3) for rectifying any leakage or infiltration of material of any kind,
- 4) for filling voids or for replacing lost bentonite,
- 5) as a result of any piles or foundation elements having failed to pass a load bearing test or otherwise not having reached their designed load bearing capacity,
- 6) for reinstating profiles or dimensions.

This endorsement shall not apply to loss or damage caused by natural hazards. The burden of proving that such loss or damage is covered shall be upon the Insured.

#### 65. Wet Works

Notwithstanding anything contained herein to the contrary, it is hereby agreed that the following Exclusion is added to Exclusions applicable to Section 1 of the Policy.

Insurers will not indemnify the Insured in respect of any Loss to Insured Property arising directly or indirectly from:

- a) dredging and re-dredging;
- b) loss of fill.

#### 66. Cofferdams

Notwithstanding anything contained herein to the contrary, it is hereby agreed that the following Exclusion is added to Exclusions applicable to Section 1 of the Policy .

Insurers will not indemnify the Insured in respect of any Loss to Insured Property arising directly or indirectly from the overtopping of a cofferdam caused by a flood with a return period of less than 20 years.

#### 67. Breakwater

Notwithstanding anything contained herein to the contrary, it is hereby agreed that the following Limitation is added to Conditions applicable to Section 1 of the Policy :

Insurers will indemnify the Insured in respect of any Loss to any breakwater construction only for length of \_\_\_ metres, as specified in Policy Schedule, of unprotected breakwater. Unprotected in this context shall comprise the part of the breakwater for which the final armour has not been placed, whereby it is irrelevant whether this final armour contains of natural boulders or prefabricated elements (eg tetrapods, accropods).

It is further agreed that, notwithstanding anything contained herein to the contrary, the following Exclusion is added to Exclusions applicable to Section 1 of the Policy:

Insurers will not indemnify the Insured in respect of any Loss to Insured Works arising directly or indirectly from:

- a) improper positioning of prefabricated elements;
- b) subsidence and / or uneven settlement of civil structures;

#### 68. Multiple Insured Clause

It is expressly agreed that if in any section the insured comprises 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 the insured parties that constitute the insured arising from that occurrence under this policy of insurance.

#### 69. Agreed Bank Clause

It is hereby declared and agreed: -

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

#### 70. Claim Preparation Costs

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 Insurer in terms of the conditions of the Policy.

Limit for this Cover is as mentioned in the Policy Schedule.

#### 71. Temporary Structures And Plant & Equipment - Temporary works including roads, camps for workers, material storage place, Buildings / sheds / site offices / support structures, portacabins

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 Contractors All Risks Policy

(should such have been effected) insuring Temporary Structures, /works such as roads, camps for workers, material storage place, Buildings / sheds / site offices / support structures, portacabins, 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.

#### 72. Waiver Of Contribution

It is hereby agreed and understood that otherwise subject to the terms exclusions, provisions and conditions contained in the Policy or endorsed thereon, this policy will be primary without the right of contribution to any other insurance carried by or on behalf of the named Insureds with respect to their respective interests in the insured property.

#### 73. Non-Invalidation Clause

This insurance shall not be invalidated by any act or omission mis-description of occupancy or by any alteration where the risk of destruction or damage is increased unknown to or beyond the control of the Insured, provided that Insured shall give notice to Insurers as soon as they become aware of the situation

#### 74. No Control Clause

This Policy shall not be affected by failure of the Insured to comply with any provisions of this Policy (including the warranties or Conditions endorsed hereon) in any portion of the premises over which the Insured has no control.

#### 75. Co-insurance Clause

1. It is hereby declared and agreed that insurers named hereunder severally agree and accept the following for the proportion set against its name:

- 1.1. In event of any claim being admissible by the insurer towards the liability, to pay or make good to the insured the value of the property at the time of the happening of its loss or destruction or the amount of such damage thereto as provided for under the policy and/or
- 1.2. To indemnify the insured against liability at law or damage to any property or injuries to persons as provided for under the policy
2. Coinsurance Schedule: As specified in the schedule
3. Conditions forming part of this clause

It is hereby agreed and understood that:

- 3.1. The Insured in exercise of his option has after having understood the implications, selected the above-named lead Insurer and the named Co-insurers
- 3.2. The duties of insured would devolve upon the authorized intermediary licensed by IRDA (referred to as authorised representative here after) where the insured appoints such authorized intermediary to transact on his behalf with the insurer/s.
- 3.3. It shall be the responsibility of the insured or his authorised representative licensed by IRDA to decide on the panel of co-insurers and their respective shares of the risk herein as set out in coinsurance share under paragraph 2 above and communicate the same to all such participating co-insurers, prior to assumption of risk.
- 3.4. The lead Insurer shall finalise the terms and conditions applicable to the risk in the form of an underwriting slip with a unique code to be handed over to the Insured/Authorised intermediary.



- 3.5. It shall be the responsibility of the insured or his authorized representative to ensure that all insurers listed in the coinsurance schedule under paragraph 2 above, are fully aware of the terms and conditions of this policy and shall secure their unqualified acceptance of such terms and conditions prior to issuance of cover and inclusion of names of insurers in this coinsurance arrangement.
- 3.6. During the currency of the policy, if there are any material changes in risk or as changes in original terms and conditions such as variation in Sum Insured, changes in premium charged, extension of policy period, etc., the same shall be communicated by the insured or his authorised representative giving sufficient advance notice of 7 days to the leader as well as all other participating co-insurers listed in the coinsurance schedule under paragraph 2 above and procure confirmation thereon. The endorsement to this effect shall be executed by the lead insurer under advice to all other participating co-insurers.
- 3.7. The liability of the insurers shall in no case exceed in respect of each item of the sum expressed in the set schedule to be insured thereon or in the all, the total sum insured hereby or sums as may be substituted thereof by endorsement.
- 3.8. In the event of any of the insurers, chosen by the Insured as per paragraph above and listed in the coinsurance schedule, withdrawing from participation in this Policy at any time during its currency after giving due notice of 14 days, the insured shall arrange for an alternative insurer to take up the full share of risk vacated by the existing insurer. In the event of insured failing to do so, the insured shall be considered as his own insurer for such share of risk or part there of which is not taken up by such alternative co-insurer.
- 3.9. In the event of a claim under this policy, the insured shall give notice of its occurrence to the Lead Insurer with a copy to all the insurers as listed in clause 2 above.
- 3.10. Upon receipt of such notification of claim, all claim related activities including appointment of surveyors, etc shall be done by the lead insurer who shall decide the admissibility as well as quantum of the claim and the co-insurers shall abide by the same.
- 3.11. In the event of claim being value of more than 5 crores the lead insurer can immediately demand and the following co-insurer shall pay the cash call of their proportionate share of loss.
- 3.12. In all other cases, where the Lead Insurer pays 100% of the assessed loss, the following co-insurer/s shall remit their share of the loss to the Lead Insurers within a maximum period of 21 days from the date on which the Lead Insurer makes the demand. Lead Insurer's declaration that the Claim and the amount there of was in accordance with terms and conditions of the Policy issued shall be considered sufficient by the co-insurers for the purpose of remitting their share of the loss to the Lead Insurer.
- 3.13. The co-insurers forming part of this agreement shall be entitled to demand and obtain from the Lead insurer/Intermediaries copies of all policies, endorsements or other claim related documents relevant to this coinsurance clause.

In witness, whereof, this policy has been signed by Go Digit General Insurance Limited (Lead Insurer) for itself and as authorized agents for other participating insurers named herein

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

#### 76. Nominated Loss Adjuster's Clause

Insurer agrees that, in the event of an occurrence that is likely to give rise to a claim under this Policy, the Insured can appoint one of the following firms of Adjusters/Surveyors to act on behalf of Insurers to conduct all loss or damage surveys or adjustments

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