

DIGIT ELECTRONIC EQUIPMENT INSURANCE POLICY

PROSPECTUS

Go Digit General Insurance Ltd.

Go Digit General Insurance Ltd. ("Digit") is a new general insurance company being set up in India and is backed by Fairfax Financial Holdings Ltd. Fairfax is a large Canada based diversified financial services group engaged in General Insurance, Reinsurance and Investment management across more than 30 countries.

At Digit, our mission is to make Insurance products that are simple and transparent. For us, making Insurance simple translates into – Easy interface for customers to interact with us, Simple products, Simple and effective claims' process. Our goal is to offer products and services that customer really wants and back it by service, that we can be proud of. We have a team that brings in years of experience in Insurance and technology companies. We want to become a part of consumers' lives and enable them to live without worrying about uncertain future.

Product Introduction

At Digit, we understand that some things are just beyond one's control, such as any accidental loss or damage to the electronic equipments including fire, theft and burglary. We get that due to high usage, electronic equipments are more vulnerable to accidental damage and electrical breakdown. Therefore, we are offering Digit Electronic Equipment Insurance Policy which is aimed at providing a cover for unforeseen and sudden physical loss or damage from any cause to various electronic equipment used to perform various tasks at the Location/sites.

Who Can buy this Product?

This Product can be bought by any Person(s)/Entity(ies) having insurable interest in their Electronic Equipments

What risk is covered under the Digit Electronic Equipment Insurance Policy?

The Product has three Sections and coverage under each Section is as mentioned below:

Section I – Equipments

The Company hereby agrees with the insured (subject to the exclusions & conditions contained herein or endorsed hereon) that if at any time during the period of Insurance stated in the schedule or during any subsequent period for which the insured pays and the Company may accept the premium for the renewal of this Policy, the items or any part thereof entered in the Schedule shall suffer any unforeseen and sudden physical loss or damage from any cause, other than those specifically excluded, in a manner necessitating repair or replacement, the Company will indemnify the Insured in respect of such loss or damage as hereinafter provided by payment in cash, replacement or repair (at their own option) upto an amount not exceeding in any one year of insurance in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum expressed in the Schedule as insured hereby.

Section II – External Data Media

The Company hereby agrees with the Insured that if the external data media entered in the Schedule inclusive of the information stored thereon, which can be directly processed in EDP systems, shall suffer any material damage caused by peril covered under Section 1 of this Policy, the Company will indemnify the Insured as hereinafter provided in respect of such loss or damage up to an amount not exceeding in any one year of insurance in respect of each of the data media specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum insured hereby, provided always that such loss or damage occurs during the period of Insurance stated in the Schedule or during any subsequent period for which the Insured pays and the Company may accept the premium for the renewal of this Policy. This

cover applies while the insured data media are kept on the Premises. Coverage against restoration of data under Section II only to be granted if backup system is available.

Section III – Increased Cost of Working

Notwithstanding Special Exclusion (i) under Section 1 of this Policy the Company hereby agrees to indemnify the Insured upto but not exceeding the limits of Indemnity stated in the Schedule for all additional costs which the Insured shall incur to ensure continued data processing on substitute equipment if such costs arise as an unavoidable consequence of an indemnifiable loss or damage during the period of insurance to property insured under the Material Damage Section of this Policy.

What are the Exclusions under this Policy?

Below mentioned are the General as well as Section wise exclusions:

General Exclusions:

The Company will not indemnify the insured in respect of loss, damage or liability directly caused by or arising out of or aggravated by-

- a. War, Invasion, Act of foreign Enemy, Hostilities or War Like operations (whether war be declared or not), Civil War, Rebellion Revolution, Insurrection Mutiny, Civil Commotion, Confiscation, Commandeering a Group of Malicious persons or persons acting on behalf of or in connection with any political organisation, requisition or destruction or damage by order of any government de-jure or de-facto or any public, municipal or local authority.
- b. Nuclear Reaction, Nuclear radiation or radioactive contamination.
- c. Wilful act or wilful negligence of the Insured or his representative.;
- d. Cessation of work whether total or partial.
- e. Cost Incurred/time involved in the movement of machinery and/or any other property and/or personnel outside the territorial limits of India other than the cost of delivery of replacements for machinery lost or damaged.
- f. Derangement of the Insured property not accompanied by damage otherwise covered by this policy.
- g. Loss of or damage to the property covered under this policy falling under the terms of the Maintenance Agreement.
- h. Loss destruction or damage directly occasioned by pressure wave caused by aircraft and other aerial devices traveling at Sonic or Supersonic speeds.
- i. Terrorism Damage Exclusion Warranty:

This Policy excludes loss, damage cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and / or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organization(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

This exclusion also includes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to the above.

In any action, suit or other proceedings where the company allege that by reason of the provisions of the above exclusions any loss, destruction, damage or liability is not covered by this insurance, the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.

Special Exclusion to Section I – Equipments

The Company shall not be liable for-

- a. the Excess stated in the Schedule to be borne by the Insured in any one occurrence; if more than one item is lost or damaged in one occurrence, the insured shall not, however, be called upon to bear more than the highest single Excess applicable to such items;
- b. loss or damage caused by any faults or defects existing at the time of commencement of the present insurance within the knowledge of the insured, or his representatives, whether such faults or defects were known to the company or not;
- c. loss or damage as a direct consequence of the continual influence of operation (e.g. wear and tear, cavitations, erosion, corrosion, incrustation) or of gradual deterioration due to atmospheric conditions;
- d. any costs incurred in connection with the elimination of functional failures unless such failures were caused by an indemnifiable loss of or damage to the insured items;
- e. any costs incurred in connection with the maintenance of the insured items, such exclusion also applying to parts exchanged in the course of such maintenance operations;
- f. loss or damage for which the manufacturer or supplier of the insured items is responsible either by law or under contract;
- g. loss of or damage to rented or hired equipment for which the owner is responsible either by law or under a lease and/or maintenance agreement;
- h. consequential loss or liability of any kind or description
- i. loss of or damage to bulbs, valves, tubes, ribbons, fuses, seals, belts, wires, chains, rubber tyres, exchangeable tools, engraved cylinders, objects made of glass, porcelain or ceramics sieves or fabrics, or any operating media (e.g. lubricating oil, fuel, chemicals);
- j. aesthetic defects, such as scratches on painted polished or enamelled surfaces.

In respect of the parts mentioned under i) and j) above the Company shall be liable to provide compensation in the event that such parts are effected by an indemnifiable loss or damage to the insured items.

Special Exclusions to Section II – External Data Media

The company shall not be liable for-

- a. the excess stated in the Schedule to be borne by the Insured in any one occurrence;
- b. any costs arising from false programming, punching, labelling or inserting, inadvertent cancelling of information or discarding of data media, and from loss of information caused by magnetic fields;
- c. consequential loss of any kind or description whatsoever.

Special Exclusions to Section III – Increased Cost of Working

The Company shall not be liable for -

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

- iv. Any other consequential loss such as loss of market or interest.

What are the various provisions applicable to each of the three Sections?

Provisions applicable for each of the three Sections are listed below:

Provisions applicable to Section I – Equipments

SUM INSURED

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

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

Note: Value of "System Software" which is integral to the built-in-software only could be included under Section-I. The "Application Software" being external cannot be included under Section-I of Schedule of EEI policy.

BASIS OF INDEMNITY

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

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

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

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

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

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

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

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

If the sum insured is less than the amount required to be insured as per Provision - 1 hereinabove, the Company will pay only in such proportion as the sum insured bears to the amount required to be insured. Every item if more than one shall be subject to this condition separately.

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

WARRANTY

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

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

- i. Safety Checks
- ii. Preventive maintenance
- iii. Rectification of Loss or damage or faults arising from normal operations as well as from ageing.

Provisions applicable to Section II – External Data Media

Memo 1 Sum Insured –

It is a requirement of this Insurance that the sum insured shall be the amount required for restoring the insured external data media by replacing lost or damaged data media by new material and reproducing lost information.

Memo 2 Basis of Indemnity –

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

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

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

Provisions applicable to Section III – Increased Cost of Working

Memo 1 INDEMNITY PERIOD –

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

Memo 2 SUM INSURED –

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

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

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

Memo 3 LOSS SETTLEMENT –

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

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

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

Provided always that –

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

What are the various conditions applicable under this Product?

Below conditions are applicable to this Product:

General Conditions

1. The due observance and fulfilment of the terms of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the questionnaire and proposal made by the Insured shall be a condition precedent to any liability of the Company.
2. The schedule and the section(s) shall be deemed to be incorporated in and form part of this policy and expression "this policy" wherever used in this contract shall be read as including the Schedule and the Section(s). Any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule or of the Section(s) shall bear such meaning wherever it may appear.
3. The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the company to prevent loss, damage or liability and comply with statutory requirements and manufacturers recommendations.
4.
 - a) Representatives of the Company shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the company with all details and information necessary for the assessment of the risk.
 - b) The Insured shall immediately notify the Company in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require to ensure safe operation of the Insured items and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.

No material alteration shall be made or admitted by the Insured whereby the risk is increased unless the continuance of the Insurance be confirmed in writing by the Company.

Duties following an Accident

In the event of any occurrence which might give rise to a claim under this Policy, the Insured shall-

- a. immediately notify the Company by telephone as well as in writing giving an indication as to the nature and extent of loss or damage;
- b. take all steps within his power to minimise the extent of the loss or damage;

- c. preserve the parts affected and make them available for inspection by a representative or Surveyor of the Company;
- d. furnish all such information and documentary evidence as the Company may require;
- e. inform the police authorities in case of loss or damage due to theft or burglary.

The Company shall not in any case be liable for loss, damage or liability of which no notice has been received by the Company within 14 days of its occurrence.

Upon notification being given to the Company under this condition, the Insured may carry out the repair or replacement of any minor damage not exceeding Rs.5, 000/- provided that the carrying out of such repairs without prejudice to any question of liability of the Company and that any damaged part requiring replacement is kept for inspection by the Company, but in all other cases a representative shall have the opportunity of inspecting the loss or damage before any repairs or alterations are effected.

The liability of the Company under this Policy in respect of any item sustaining damage shall cease if said item is kept in operation after a claim without being repaired in the satisfaction of the Company or if temporary repairs are carried out without the Company's consent.

Recourse

The Insured shall at the expense of the Company do and concur in doing and permit to be done all such acts and things as may be necessary or required by the Company in the interest of any rights or remedies, or of obtaining relief or indemnity from parties (other than those insured under this Policy) to which the Company shall be or would become entitled or subrogated upon their paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after the Insured's indemnification by the Company.

Fraudulent Claims

If a claim is in any respect fraudulent, or if any false declaration is made or used in support thereof, or if any fraudulent means or devices are used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy, or if a claim is made and rejected and no action or suit is commenced within three months after such rejection or, in case of arbitration taking place as provided therein, within three months after the Arbitrator or Arbitrators or Umpire have made their award, all benefit under this Policy shall be forfeited.

Other Insurance

If at the time any claim arises under this Policy there be any other Insurance covering the same loss, damage or liability the Company shall not be liable to pay or contribute more than their rateable proportion of any claim for such loss, damage or liability.

Termination of Insurance

This Insurance may be terminated at any time at the request of the Insured; in which case the Company will retain the premium calculated at the customary short period rate for the time the Policy has been in force. This insurance may also at any time be terminated at the option of the Company, on 15 days' notice to that effect being given to the Insured, in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation. It is however, further stated that such cancellation by the insurer should only be exercised on ground of mis-representation, fraud, non-disclosure of material facts and non-co-operation by the insured.

What are the various endorsements applicable under this Product?

There are various endorsements/Clauses mentioned in the erstwhile Electronic Equipment Insurance Tariff, however, only below endorsements would attract additional premium.

1. **Escalation Clause:** With this endorsement, the base policy can be extended where the insured will be given the option for a continuous increase in his sum insured up to a specified percentage of initial Sum Insured.

ESCALATION PROVISION

There will be automatic regular increase in the Sum Insured throughout the period of the policy in return for an additional premium to be paid in advance. The terms and conditions for this extension shall be as follows -

- a) The selected percentage increase shall not exceed 25 % of the Sum Insured.
- b) The additional premium, payable in advance, will be at 50 % of the full rate (i.e. Rate calculated excluding other Endorsement Rates), to be charged on the selected percentage increase.
- c) The Sum Insured at any point of time would be assessed after application of the Escalation Clause.
- d) Different escalation percentages for different machines may be granted under the escalation clause.
- e) Prorata Condition of Average will continue to apply as usual.
- f) The Automatic increase operates from the date of inception upto the date of operation of any of the Insured Perils.

2. Express Freight:

With this endorsement, the base policy is extended to cover extra charges for express freight (excluding air freight). Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under the policy.

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

3. Air Freight:

With this endorsement, the base policy is extended to cover any Air Freight charges incurred by Insured in connection with the indemnifiable loss under the Policy.

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

4. Owner's Surrounding Property:

With this endorsement, the base policy is extended to cover loss or damage to property located at or adjacent to the site and belongings to or held in care custody, control of the principal(s) or the contractor(s) if occurring directly due to damage of items mentioned in the schedule while at rest or in use for construction or erection during period of policy.

The liability of the Company shall in no case exceed the Sum Insured for any one accident or series of accidents arising out of any one event and in the whole the total indemnity of an amount during the period of the Policy.

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

You shall bear an excess of 1% of the limit of liability elected.

5. Third Party Liability:

With this endorsement, the Company will indemnify the insured

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

EXCLUSIONS UNDER THE TPL EXTENSION

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

- a) The first amount of policy excess of each claim for any one occurrence related to property damage.
- b) Expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under the policy.
- c) Liability consequent upon –
 - i. bodily injury to or illness of employees/workmen/members of the families of the insured or of the owners of the works/site/ premises/location or of any other firm/contractors connected with any other work at the works/site/premises/location.
 - ii. loss of or damage to property belonging to or held in trust by or under custody of the owner of the works/site/ premises/ location of any other firms/contractors or an employee/workmen/family member of any of the aforesaid.
 - iii. any accident caused by vehicles licensed for general road use or by waterborne vessels or by aircraft.
 - iv. any agreement by the insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.

CONDITIONS APPLYING TO TPL EXTENSION -

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

You shall bear an excess of 1% of the TPL limits selected.

Note: The maximum Sum Insured under TPL extension of Annual Policies should not exceed 10% of the Sum Insured subject to a maximum amount of Rs.10 crs. Per location

6. Additional Custom Duty:

With this endorsement, the Insured shall also be indemnified during the period of the policy, towards the additional Customs Duty, which may be incurred by the Insured over and above the Customs Duty amount taken into account in arriving at the Sum Insured of the affected item.

You shall bear an excess of 5 % of the admissible Custom Duty increased, in addition to the Excess amount applicable for the affected item under the Policy.

7. Floater Clause

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

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

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

8. Terrorism Damage Cover Endorsement (Material Damage only)

Insuring Clause

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

For the purpose of this cover, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

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

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

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

Losses Excluded

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

1. loss by seizure or legal or illegal occupation;
2. loss or damage caused by:
 - 2.1. voluntary abandonment or vacation,
 - 2.2. confiscation, commandeering, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority, which deprives the Insured of the use or value of its property;
3. loss or damage arising from acts of contraband or illegal transportation or illegal trade;
4. loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to

- any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment;
5. loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind;
 6. loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind;
 7. any fine, levy, duty, interest or penalty or cost or compensation/damages and/or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person;
 8. loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon. This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile;
 9. loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion;
 10. loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder;
 11. any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working;
 12. loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service;
 13. loss or increased cost as a result of threat or hoax;
 14. loss or damage caused by or arising out of burglary, house - breaking, looting, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any action taken in respect of an act of terrorism;
 15. loss or damage caused by mysterious disappearance or unexplained loss;
 16. loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
 17. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.

Limit Of Indemnity

The limit of indemnity under this cover shall not exceed the Total Sum Insured given in the Policy Schedule or INR 20,000,000,000 whichever is lower. In respect of several insurance policies within the same compound/location with one or different insurers, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 20,000,000,000. If the actual aggregate loss suffered at one compound/location is more than INR 20,000,000,000 the amounts payable towards individual policies shall be reduced in proportion to the sum insured of the policies.

Excess*

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

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

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

*Whichever is applicable

Add On Covers

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

Mid Term Cover

In case the coverage under this endorsement is granted during the currency of the policy, no claims will be payable for loss or damage to property caused by an act of terrorism occurring during the first 15 (fifteen) days from the date of granting such cover.

Sanction, Limitation And Exclusion Clause

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

Cancellation Clause

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

If the cancellation is for any other purpose, refund of premium will only be allowed after charging short term scale rates.

Note: The definitions, terms and conditions of main Policy save as modified or endorsed herein shall apply.

9. Endorsement for Exclusion Of Damage Caused By Fire And Allied Perils

Notwithstanding the conditions, provisions and other endorsements of this policy, it is hereby agreed and understood that the Company shall not be liable to indemnify the insured in respect of any loss, damage or liability directly or indirectly caused by or resulting from –

- i. Fire (including losses arising out of firefighting and rescue work).
- ii. Lightning.
- iii. Explosion/implosion.
- iv. Riot, Strike and Malicious Damage.

- v. Impact by any rail/road vehicle or animals.
- vi. Aircraft and other aerial and/or space devices and/or articles dropped therefrom.
- vii. Storm, cyclone, typhoon, tempest, hurricane, tornado, flood and inundation.
- viii. Subsidence and Land Slide including Rockslide.
- ix. Earthquake, Fire and Shock.

In case of equipment covered under EEI Policy as also Fire Policy, if the insured desires to delete Fire and Allied Perils the following discounts are permitted:

Cover	Discounts
For equipment covered under EEI Policy as also under Standard Fire and Special perils policy and Earthquake.	10 % of the applicable EEI rate
For equipment covered under EEI Policy as also under Standard Fire and Special perils policy without any one or two of the additional covers such as STFI or RSMTD or Earthquake.	7.5 % of the applicable EEI rate
For equipment covered under EEI Policy as also under Standard Fire and Special peril Policy without STFI and RSMTD and Earthquake	5 % of the applicable EEI rate

What is the maximum policy period that can be opted under this Product?

The policy period under this Product can be for maximum of twelve months.

If any policy is to be issued for shorter period than twelve months, it should be issued at the rates set out hereunder –

Policy Period Required	% of Annual Rate
Not exceeding 1 week	10%
Not exceeding 1 month	25%
Not exceeding 2 months	35%
Not exceeding 3 months	50%
Not exceeding 4 months	60%
Not exceeding 6 months	75%
Not exceeding 8 months	85%
Exceeding 8 months	Full Annual Rate

Do I need to pay anything from my pocket at the time of claim?

Yes, You will have to pay the normal excess as per the below table at the time of claim:

EXCESS		
Section I - Equipment		
a) For Equipment with Value up to ₹1lakh		
i.	Equipment (other than Winchester Drive (Hard Disc Drives), Personal Computer, V-SAT Equipment)	5% of claim amount subject to a minimum of ₹1,000/-
ii.	Winchester Drive (Hard Disc Drives)	10% of claim amount subject to minimum of ₹2,500/-
iii.	V-SAT Equipment	For Act of God Claims - 10% of claim

	amount subject to a minimum of ₹10,000/- For Claims other than Act of God - 5% of claim amount subject to a minimum of ₹1,000/-
b) For Equipment with value more than ₹1lakh	
i. Equipment (other than "Winchester Drive (Hard Disc Drives), Personal Computer, V-SAT Equipment)	5% of claim amount subject to a minimum of ₹2,500/-
ii. Winchester Drive (Hard Disc Drives)	25% of claim amount subject to a minimum of ₹10,000/-
iii. V-SAT Equipment	For Act of God Claims - 10% of claim amount subject to a minimum of ₹10,000/- For Claims other than Act of God - 5% of claim amount subject to a minimum of ₹1,000/-
c) For Personal Computer	5% of claim amount subject to a minimum of ₹2,500/-
Section II – External Data Media	
a) For Equipment with Value up to ₹1lakh	5% of claim amount subject to a minimum of ₹1,000/-
b) For Equipment with value more than ₹1lakh	10% of claim amount subject to minimum of ₹2,500/-
Section III – Increased Cost of Working	
Time Excess Options	4 days (96 hours) 7 days (168 hours) 14 days (336 hours) 28 days (672 hours)

What if I opt for a higher Excess? Will I get any discount in premium?

If you opt for a higher excess, you would be eligible for below mentioned discounts in premium:

Sr. No	Higher Excess	Discount in Tariff Rates
a. Equipment with Value upto ₹1 Lakh		
i. Equipment and External Data Media		
1	7.5 % of the claim amount subject to a minimum of Rs.3000/-	10%
2	10 % of the claim amount subject to a minimum of Rs. 5000/-	20%
3	12.5% of the claim amount subject to a minimum of Rs. 10,000/-	30%
4	15 % of the claim amount subject to a minimum of Rs. 20,000/-	42.5%
ii. For Winchester Drive (Hard Disc)		
1	12.5% of the claim amount subject to a minimum of Rs.	10%

	5,000/-	
2	15% of the claim amount subject to a minimum of Rs.12,500/-	20%
3	17.5% of the claim amount subject to a minimum of Rs. 25,000/-	30%
4	20% of the claim amount subject to a minimum of Rs. 50,000/-	42.5%
b. Equipment with value more than Rs. 1 lakh -		
i. Equipment and External Media		
1	12.5% of the claim amount subject to a minimum of Rs. 5,000/-	10%
2	15% of the claim amount subject to a minimum of Rs.12,500/-	20%
3	17.5% of the claim amount subject to a minimum of Rs. 25,000/-	30%
4	20% of the claim amount subject to a minimum of Rs. 50,000/-	42.5%
ii. Winchester Drive (Hard Disc)		
1	25% of the claim amount subject to a minimum of Rs.20,000	10%
2	25% of the claim amount subject to a minimum of Rs.50,000	20%
3	25% of the claim amount subject to a minimum of Rs.1,00,000	30%
4	25% of the claim amount subject to a minimum of Rs.2,00,000	42.5%

How do I get the premium amount for this Insurance Cover?

Based on filled proposal form and information furnished, we will provide you with the premium amount.

Is there any provision for mid-term increase or decrease in Sum Insured?

Yes, there is provision for mid-term increase or decrease in Sum Insured as mentioned below:

MID-TERM INCREASE IN SUM INSURED –

If the Sum Insured is increased during the currency of the policy.

- Short period scale of rates shall apply to increased amounts.
- If the policy is renewed thereafter for 12 months for an amount not less than the increased sum insured, the difference of premium between short period scale of rate and pro-rata rate may be refunded.

MID-TERM DECREASE IN SUM INSURED –

If the Sum Insured is decreased during the currency of the policy. Short period scale of rates shall apply on the reduced Sum Insured.

Short Period Scale:

Policy Period	Required (For Increased/Decreased Sum Insured)	% of Annual Rate
Not exceeding 1 week		10%
Not exceeding 1 month		25%
Not exceeding 2 months		35%
Not exceeding 3 months		50%

Not exceeding 4 months	60%
Not exceeding 6 months	75%
Not exceeding 8 months	85%
Exceeding 8 months	Full Annual Rate

What is the renewal condition under this Policy?

We are not bound to accept any renewal premium or give notice that renewal is due. Under normal circumstances, renewal will not be refused except on the grounds of moral hazard, misrepresentation or fraud of the Insured.

The renewal premium shall be as per the rates approved by IRDAI on the date of renewal for this product.

What do I claim under this Policy?

In case of a claim, we request you to register a claim by contacting our Customer Service No. 1800 103 4448: You can, alternatively, also register a claim by email on: hello@godigit.com

Please keep below details handy at the time of registering claims as this information will help us serve you faster: Policy Number, Location of Accident, Date and Time of Accident & Contact Number of the Insured/Caller.

IMPORTANT NOTE: Above is a summary of Coverage and Exclusions, please refer to detailed Policy Terms & Conditions and Policy Schedule for full description which shall prevail in the event of any claim/complaint/dispute.