Digit Comprehensive Political Violence Insurance
UIN: IRDAN158CP0177V01201920
Prospectus

Go Digit General Insurance Ltd.

Go Digit General Insurance Ltd. ('Digit') is a new-age general insurance company that is backed by the Fairfax Group – one of the world's largest financial holding companies which is engaged in General Insurance, Reinsurance and Investment management across more than 30 countries.

Digit's singular mission is to make insurance simple for all. With that mission in mind, we are reimagining products and redesigning processes. Our products are designed keeping the consumer in mind, our processes are simple, fast and transparent & our documents are easy to understand. With the help of cutting-edge technology and people who bring in years of experience in both the insurance and technology domain, we want to be the new-age insurance company that's revolutionising the insurance industry. And by doing so, we want to be part of our consumers' lives by enabling them to live life, without worrying about an uncertain future

Product Introduction

Political Violence happens to be one of the growing concerns across the world. Attacks like 2008 Mumbai attack also referred to as 26/11, World Trade Centre terrorist attack (9/11), 2006 Mumbai train bombings have heavily increased the alertness of the terrorism situation in the country. Furthermore, presence of political disturbances are visible in many parts of the world due to several reasons such as change in political bodies, laws, trade restrictions, rise in populism etc.
Such activities or situations give rise to property damage which burdens the corporate bodies or establishments. This also hampers the ongoing business activities and profits of companies and could also give rise to third party claim.

Go Digit General Insurance would like to introduce 'Digit Comprehensive Political Violence Insurance' to help such owners and other insureds to mitigate their risk and seek protection against terrorism and political risk that will help them cover up the loss arising from such events.

There are three sections under this Policy as mentioned below and Insured can opt one or more sections:

a Section I – Property Damage Coverage
b Section II – Business Interruption Coverage
c Section III – Third Party Liability

The Insured will be protected for each of the section mentioned above, if opted, against various perils like terrorism, riots, strike, malicious damage, resurrection, rebellion, mutiny etc. as opted by the Insured.

Who Can Buy this Product?

This Product is a Commercial Product and can be offered to Entities. The minimum Policy Sum Insured under this Policy should be Rs. 5 Crores.

What are the detailed Coverages, Exclusions and Conditions under this Policy?

Section I – Property Damage Coverage

1. Insuring Clause

If the Insured has opted for this Section and paid premium, subject to the Definitions, Terms, Conditions, Exclusions, Warranties, Extensions, Limits and Deductible hereinafter contained, this Policy insures the property described in the Policy Schedule, against direct physical loss or physical

damage occurring during the Policy Period and caused by an Insured Event(s) stated in the Policy Schedule.

2. Insured Location

An Insured Location within this Policy is a location:

2.1. Listed in the Policy Schedule, or

2.2. Covered under the terms and conditions of the Changes in Values and Automatic Additions or Errors and Omissions provisions.

3. Property Insured

This Policy insures the following property, unless otherwise excluded elsewhere in this Policy, located at an Insured Location or within 1000 feet thereof as mentioned in the Policy Schedule, to the extent of the interest of the Insured in such property.

a) Real Property, including new buildings and additions under construction at an Insured Location, in which the Insured has an insurable interest.

b) Personal Property:

i. owned by the Insured.

ii. consisting of the Insured's interest as a tenant in improvements and betterments. In the event of physical loss or damage, Insurers agree to accept and consider the Insured as sole and unconditional owner of improvements and betterments, notwithstanding any contract or lease to the contrary.

iii. of officers and employees of the Insured.

iv. of others in the Insured's custody to the extent the Insured is under obligation to keep insured for physical loss or damage insured by this Policy.

v. of others in the Insured's custody to the extent of the Insured's legal liability for physical loss or damage to Personal Property. Insurers will defend that portion of any suit against the Insured that alleges such liability and seeks damages for such insured physical loss or damage. Insurers may, without prejudice, investigate, negotiate and settle any claim or suit as Insurers deems expedient.

This Policy also insures the interest of contractors and subcontractors in insured property during construction at an Insured Location or within 1000 feet thereof as mentioned in the Policy Schedule, to the extent of the Insured's legal liability for insured physical loss or damage to such property. Such interest of contractors and subcontractors is limited to the property for which they have been hired to perform work and such interest will not extend to Section II – Business Interruption coverage provided under this Policy.

Personal Property also deemed to be that of Stock and materials in trade, which has been declared to insurers.

4. Property Excluded

Unless specifically declared hereon, this Policy DOES NOT cover:

a. land or land values, except land improvements consisting of landscaped gardens, roads and pavements, sporting pitches and fields, at the Insured location, should the values be declared and agreed by Insurers but not including any fill or land beneath such property

b. power transmission, feeder lines or pipelines not on the Insured's premises, unless such power transmission, feeder lines or pipelines located outside of the Insured location are declared and agreed by insurers, as described in the Policy Schedule.

c. aircraft or any other aerial device, or watercraft.

d. any land conveyance, including vehicles, locomotives or rolling stock not on the Insured's premises, except as otherwise provided by this Policy.

e. animals, plants and living things of all types, except for as covered within this Policy.

f. exported property after such property is loaded on board an aircraft or watercraft for shipment or after aviation or marine insurance attaches, whichever occurs first; nor imported property prior to its discharge from an aircraft or watercraft or until the aviation or marine insurance terminates, whichever occurs last.

Exclusion Applicable To Section I – Property Damage Coverage

This Policy does not cover any loss or damage arising out of or caused by or as a result of the following, unless specifically agreed otherwise and mentioned in the Policy Schedule:

a. nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.
b. loss arising from war (whether before or after the outbreak of hostilities) between any two of the following:
   China, France, The Russian Federation, The United Kingdom and The United States of America
c. seizure or legal or illegal occupation unless physical loss or damage is caused directly by an Insured Event.
d. confiscation, 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, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.
e. from or in consequence of the 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, except as covered within Property Damage Extension Seepage and/or Pollution and/or Contamination Clean up.
f. chemical or biological release or exposure of any kind.
g. attacks by electronic means including 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.
h. cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications of any type or service not on the Insured's premises, except as otherwise provided by this Policy.
i. loss or increased cost as a result of threat or hoax.
j. burglary, house-breaking, looting, theft or larceny or caused by any person taking part therein. However, this exclusion shall not apply to physical loss or damage to insured property caused by looting which results directly from an Insured Event
k. loss of use, delay or loss of markets, loss of income, increased cost of working or any other consequential loss.

Extensions applicable to Section I - Property Damage Coverage

Below extensions are applicable to Section I - Property Damage Coverage. The Extensions are only applicable if shown as covered along with the Sub-Limits in the Policy Schedule. These Extensions will not increase the Sum Insured mentioned under Section I - Property Damage Coverage and subject to the Definitions, Terms, Conditions, Exclusions, Warranties, Extensions, Limits and Deductible applicable to this Section of the Policy.

Sub-limit will be the maximum amount payable for any one or all losses or damage, during the Policy Period, for below extensions.

1. **Accounts Receivable**
   This Policy covers any shortage in the collection of accounts receivable, resulting from insured physical loss or damage to accounts receivable records, including accounts receivable records stored as electronic data, while anywhere within this Policy's Territorial Limits, including while in transit. Insurers will be liable for the interest charges on any loan to offset impaired

collections pending repayment of such sum uncollectible as the result of such loss or damage. Unearned interest and service charges on deferred payment accounts and normal credit losses on bad debts will be deducted in determining the recovery.

(i) In the event of loss to accounts receivable records, the Insured will use all reasonable efforts, including legal action, if necessary, to effect collection of outstanding accounts receivable.

(ii) The Insured agrees to use any suitable property or service:
   a) owned or controlled by the Insured; or
   b) obtainable from other sources,
   in reducing the loss under this Additional Coverage.

(iii) This Policy covers any other necessary and reasonable costs incurred to reduce the loss, to the extent the losses are reduced.

(iv) If it is possible to reconstruct accounts receivable records so that no shortage is sustained, Insurers will be liable only for the reasonable and necessary cost incurred for material and time required to re-establish or reconstruct such records, and not for any costs covered by any other Policy.

(v) ACCOUNTS RECEIVABLE Exclusions: The following exclusions are in addition to the Specific and General Exclusions applicable to this section:
   This Additional Coverage does not insure against shortage resulting from:
   a) bookkeeping, accounting or billing errors or omissions; or
   b)
      (i) alteration, falsification, manipulation; or
      (ii) concealment, destruction or disposal,
      of accounts receivable records committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property; but only to the extent of such wrongful giving, taking, obtaining or withholding.

(vi) All amounts recovered by the Insured on outstanding accounts receivable on the date of loss will belong and be paid to Insurers up to the amount of loss paid by Insurers.
   All recoveries exceeding the amount paid will belong to the Insured.

2. Brands And Labels Clause

If branded or labelled property insured by this Policy is physically damaged and Insurers elect to take all or any part of that property, the Insured may at the Insurers' expense:

- stamp “salvage” on the property or its containers; or
- remove or obliterate the brands or labels,

if doing so will not damage the property. In either event, the Insured must relabel such property or its containers to be in compliance with any applicable law.

3. Consequential Reduction In Value

This Policy covers the reduction in value of insured merchandise that is a part of pairs, sets, or components, directly resulting from physical loss or damage insured by this Policy to other insured parts of pairs, sets or components of such merchandise. If settlement is based on a constructive total loss, the Insured will surrender the undamaged parts of such merchandise to Insurers.

4. Data, Programs Or Software

This Policy covers insured Physical Loss or Damage to Electronic Data, Programs or Software, while anywhere within this Policy's TERRITORIAL LIMIT, including while in transit.

(i) This Additional Coverage also covers the cost of the reasonable and necessary actions taken for the temporary repair of insured Physical Loss or Damage to Electronic Data, Programs or Software and to expedite the permanent repair or replacement of such damaged property, provided such actions are taken due to actual insured Physical Loss Or Damage To Electronic Data, Programs Or Software.

(ii) Costs recoverable under this Additional Coverage are excluded from coverage elsewhere in this Policy.

(iii) This Additional Coverage excludes loss or damage to data, programs or software when they are stock in process, finished goods manufactured by the Insured, raw materials, supplies or other merchandise not manufactured by the Insured.

(iv) This Additional Coverage does not insure:

a) errors or omissions in processing or copying; all unless physical damage not excluded by this Policy results, in which event, only that resulting damage is insured.

b) loss or damage to data, programs or software from errors or omissions in programming or machine instructions; all unless physical damage not excluded by this Policy results, in which event, only that resulting damage is insured.

c) deterioration, inherent vice, vermin or wear and tear; all unless physical damage not excluded by this Policy results, in which event, only that resulting damage is insured.

d) Physical Loss or Damage caused by the malicious introduction of machine code or instruction.

For the purpose of this extension, Physical Loss Or Damage To Electronic Data, Programs Or Software shall mean the destruction, distortion or corruption of electronic data, programs or software.

5. Debris Removal

This Policy includes expenses incurred in the removal from the Insured Location of debris of insured property directly destroyed or damaged by an Insured Event.

The cost of removal of debris shall not be considered in determination of the valuation of the property insured.

6. Decontamination Costs

If insured property is contaminated as a direct result of physical damage by an Insured Event and there is in force at the time of the loss any law or ordinance regulating contamination, including but not limited to the presence of pollution or hazardous material, then this Policy covers, as a direct result of enforcement of such law or ordinance, the increased cost of decontamination and/or removal of such contaminated insured property in a manner to satisfy such law or ordinance. This Additional Coverage applies only to that part of insured property so contaminated as a direct result of insured physical damage.

The Insurers are not liable for the costs required for removing contaminated uninsured property nor the contaminant therein or thereon, whether or not the contamination results from an Insured Event.

7. Expediting Costs

This Policy covers the reasonable and necessary costs incurred to pay for the temporary repair of insured damage to insured property and to expedite the permanent repair or replacement of such damaged property.

This Additional Coverage does not cover costs:

(i) recoverable elsewhere in this Policy; or

(ii) of permanent repair or replacement of damaged property.

8. Fine Arts

This Policy covers insured physical loss or damage to Fine Arts articles while anywhere within this Policy's Situation of Property Insured, including while in transit, whilst within a Country with covered Property herein.

(i) This Additional Coverage excludes loss or damage if the Fine Arts cannot be replaced with other of like kind and quality, unless it is specifically declared to the Insurers.

(ii) Fine Arts Exclusion:
In addition to the Specific and General Exclusions applicable to this section, as respects Fine Arts, this Policy does not insure against loss or damage from any repairing, restoration or retouching process.

(iii) The term Fine Arts wherever used in this Policy means paintings; etchings; pictures; tapestries; rare or art glass; art glass windows; valuable rugs; statuary; sculptures; antique furniture; antique jewellery; bric-a-brac; porcelains; and similar property of rarity,

historical value, or artistic merit excluding automobiles, coins, stamps, furs, jewellery, precious stones, precious metals, watercraft, aircraft, money, securities, unless specifically agreed and mentioned in the Policy Schedule.

9. Lawns, Plants, Trees And Shrubs

Where Landscaped gardens, have not been declared as part of the Property values mentioned in the Policy Schedule, this Policy will cover lawns, Plants, Shrubs or Outdoor trees at an Insured Location damaged or destroyed by an Insured Event, including the expense incurred in replacing with the same. Removing of the debris shall be included within the Debris Removal clause herein.

10. Loss Control

Notwithstanding any provision to the contrary within this Policy, it is understood and agreed that this Policy includes cover against physical loss or physical damage to insured property directly caused by the actions of the government of the state (or its Military Authority) where the insured property is located, in suppressing, controlling or minimizing the consequences of an Insured Event, as insured by this Policy. Insurers will only provide this cover if such damage is directly caused by the actions of the government of the state (or its Military Authority) where the insured property is located, and such damage takes place during the Occurrence of an Insured Event.

This includes;

reasonable and necessary:

a) fire department firefighting charges imposed as a result of responding to a fire in, on, or exposing the insured property.

b) costs incurred of restoring and recharging fire protection systems following an insured loss.

c) costs incurred for the water used for fighting a fire in, on or exposing the insured property.

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

“Military Authority” shall mean a military or security authority operating on behalf of a state recognised by the United Nations.

11. Public Authorities/Increased Cost Of Construction

This Policy includes, within the Sum Insured, the increased construction cost of damaged or destroyed property (including the additional loss sustained in demolishing any undamaged portion of the buildings, or structures) that may be incurred solely by reason of the necessity to comply with any law or ordinance which regulates the use of, and/or the building materials permitted to be used at, the site where the insured damage occurred.

PROVIDED always that such laws or ordinances shall predate the occurrence of the loss or damage and

(a) the work of reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Insurers not being thereby increased) must be carried out within 36 (thirty six) months of the date of damage or within such further period as the Insurers may allow, otherwise no payment beyond the amount which would have been payable under the Policy if this clause had not been incorporated herein shall be made.

(b) where any property is damaged or destroyed in part only the liability of the Insurers shall not exceed the sum representing the cost, which the Insurers could have been called upon to pay for reinstatement if such property had been wholly destroyed.

12. Seepage and/or Pollution and/or Contamination Clean-Up

Limited Seepage and/or Pollution and/or Contamination Resulting From Loss, Damage Or Destruction, As Insured By This Policy, Caused By An Insured Event, As Defined By The Policy.

Notwithstanding Losses Excluded under Exclusion Applicable To Section I – Property Damage Coverage “e” and “f” herein, this Policy is amended as set forth below. All other terms and

conditions of this Policy remain unchanged and continue to apply with full force and effect. Nothing contained in this Extension shall override any radioactive contamination exclusion, or except as set forth herein, the Seepage and/or Pollution and/or Contamination Exclusion Clause contained in this Policy. The inclusion of this Extension shall in no event increase the limit of liability of Insurers under this Policy.

If,

A. an Insured Event is the sole, immediate and direct cause of physical loss, damage or destruction, as insured by this Policy, to property insured by this Policy against such Insured Event (hereinafter in this Extension referred to as “Original Damage") and

B. the Original Damage is the sole, immediate and direct cause of seepage onto, and/or pollution and/or contamination of property (derived from pollutants and/or contaminants owned by, or in the care, custody or control of the Insured including seepage and/or pollution and/or contamination involving chemical and/or biological and/or mineral agents) which is:
   (i) located at the same premises as the Original Damage; and
   (ii) insured by this Policy and

C. said property is damaged thereby (hereinafter in this Extension referred to as “Resulting Damage");

then this Policy, subject to the following additional terms and limitations, also insures:

1. the Resulting Damage; and
2. the reasonable and necessary expense incurred by the Insured for debris removal and/or clean-up which is (hereinafter in this Extension referred to as “Resulting Loss”);
   (i) limited to the same premises as the Original Damage; and
   (ii) made necessary solely by the Resulting Damage;

   but which shall in no event include any expense of clean-up or removal of water, soil or air, except for:
   (i) the reasonable and necessary cost for the clean-up, removal and disposal of contaminants or pollutants from uninsured property consisting of land or water at an Insured Location if the release, discharge or dispersal of contaminants or pollutants is a direct result of physical loss, damage or destruction, as insured by this Policy, to insured property.
   (ii) the costs incurred following an Insured Event by reason of legal provisions or upon the order of public authorities for the purpose of restoring the land at an Insured Location to a condition as before the occurrence of the Insured Event.

PROVIDED ALWAYS THAT this Policy only insures the Resulting Loss where:

(a) Insurers have agreed to pay for the Original Damage or, but for the operation of a deductible or underlying amount, would have agreed to pay for the Original Damage; and

(b) within one year of the commencement of the Insured Event which caused the Original Damage, the Insured became aware and advised Insurers of the amount of:
   (i) the Resulting Loss; and
   (ii) any other interest to be claimed under this Policy as a result of the Resulting Damage, whether loss, damage or destruction, as insured by this Policy, business interruption, extra expense or otherwise.

13. Temporary Removal Of Property

1. When insured property is removed from an Insured Location for the purpose of being repaired or serviced or in order to avoid threatened physical loss or damage of the type insured by this Policy, this Policy covers such property:
   a) while at the location to which such property has been moved; and
   b) for physical loss or damage as provided at the Insured Location from which such property was removed.
2. This Additional Coverage does not apply to property:

a) insured, in whole or in part, elsewhere in this Policy.
b) insured, in whole or in part, by any other insurance Policy.
c) removed for normal storage, processing or preparation for sale or delivery.
d) Outside of a Country named within the Territorial Limits for an Insured location.

14. Third Party Vehicles Clause

This Policy is extended to cover third parties vehicles and/or client's vehicles and/or guests vehicles in the parking lot or under the insured´s custody, control or responsibility within the Insured locations premises.

15. Valuable Papers And Records

This Policy covers insured physical loss or damage to Valuable Papers and Records while anywhere within this Policy's Territorial Limits, including while in transit.

This Additional Coverage excludes loss or damage to:

a) property described below, if such property cannot be replaced with other of like kind and quality, unless specifically declared to Insurers.
b) currency, money or securities.
c) property held as samples or for sale or for delivery after sale.

For the purpose of this extension Valuable Papers and Records shall mean Written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, all of which must be of value to the Insured.

16. Errors And Omissions

If physical loss or damage is not payable under this Policy solely due to an error or unintentional omission:

I. in the description of where insured property is physically located;
II. to include any Location:
   a) owned, leased or rented by the Insured on the effective date of this Policy; or
   b) purchased, leased or rented by the Insured during the term of this Policy; or
   this Policy covers such physical loss or damage, to the extent it would have provided coverage had such error or unintentional omission not been made.

Insurers rights remain to charge an additional premium and/or apply additional terms from the date of such error or unintentional omission, which could reasonably have been demanded had such error or unintentional omission not occurred

It is a condition of this Additional Coverage that any error or unintentional omission be reported by the Insured to Insurers when discovered and corrected.

Section II – Business Interruption Coverage

1. Insuring Clause

If the Insured has opted for this cover and paid premium, subject to the Definitions, Terms, Conditions, Exclusions, Warranties, Extensions, Limits and Deductible hereinafter contained, this Policy insures Business Interruption loss as provided in the Business Interruption Coverage, directly resulting from physical loss or damage occurring during the Policy Period by an Insured Event to Property Insured by this Policy.

2. Clauses /Conditions

The Following clauses apply to all the Business Interruption Coverages herein unless as stated otherwise.

2.1. **Direct Damage**

2.1.1. No claim shall be payable unless and until a claim has been paid, or liability admitted, in respect of direct physical loss or physical damage by an Insured Event to Property Insured under the Property Damage Coverage Part to which this Business Interruption Coverage Part is attached and which gave rise to interruption of business.

This Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a deductible in said Property Damage Coverage Part which excludes liability for losses below a specified amount.

2.1.2. No claim shall be payable unless and until the insured event causing property damage loss is also an insured event for Section II – Business Interruption Coverage.

2.2. **Resumption Of Operations**

This Policy insures Business Interruption loss only to the extent the loss cannot be reduced through:

2.2.1. by complete or partial resumption of operation of the property, and/or

2.2.2. by making use of merchandise, stocks (opening or closing), or any other property at the Insured's locations or elsewhere,

and/or

2.2.3. by using or increasing operations elsewhere,

then such possible reduction shall be taken into account in arriving at the amount of the loss hereunder, all whether at an Insured Location or at any other location. The Insurers reserve the right to take into consideration the combined operating results of all associated, affiliated or subsidiary companies of the Insured in determining the Business Interruption loss.

2.3. **Expenses To Reduce Loss**

This Policy covers expenses reasonably and necessarily incurred by the Insured to reduce the loss otherwise payable under this section of this Policy. The amount of such recoverable expenses will not exceed the amount by which the loss has been reduced.

2.4. **Valuation**

All amounts and accounting details to be calculated using the Insured's usual generally accepted accounting standards.

2.5. **Limitations**

2.5.1. Insurers shall not be liable for more than the smaller of either:

a. any specific Business Interruption Sum Insured stated in the Policy Schedule, or

b. the Sum Insured stated in the Policy Schedule, where such Sum Insured includes Business Interruption, if such is a combined limit,

in respect of such loss, regardless of the number of locations suffering an interruption of business as a result of any one Occurrence.

2.5.2. The Indemnity Period stated in the Policy Schedule,

Exclusion Applicable To Section II – Business Interruption Coverage

This Policy does not cover any loss or damage arising out of or caused by or as a result of the following, unless specifically agreed otherwise and mentioned in the Policy Schedule:

1. increase in loss resulting from interference at the insured premises, by strikers or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation, unless there has been direct physical loss or physical damage to an Insured Location by an Insured Strike, Riot or Civil Commotion Event as defined within this Policy and specifically covered.
2. increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured interruption of business, and then Insurers shall be liable for only such loss as affects the Insured's profits during, and limited to, the Indemnity Period covered under this Policy.
3. loss of market or any other consequential loss except as specifically insured herein.

Business Interruption Coverage

(The Specific Coverage applicable to the Insured is shown under coverage section of the Policy Schedule along with the Sum Insured.)

Gross Profits

As respects Insured Locations to which Gross Profits coverage applies:

1. Measurement Of Loss

In the event of such direct physical loss or physical damage, Insurers shall be liable for the actual loss sustained by the Insured resulting directly from such necessary interruption of business, but not exceeding the Sum Insured stated in the Policy Schedule due to:

1.1. reduction in Turnover; and

1.2. increase in cost of working;

and the amount payable as indemnity thereunder shall be:

i) in respect of reduction in Turnover, the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of an Insured Event fall short of the Standard Turnover,

ii) in respect of increase in cost of working, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of an Insured Event but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided,

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business payable out of Gross Profit as may cease or be reduced in consequence of an Insured Event.

Provided that if the Sum Insured by this Extension be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover (or to a proportionately increased multiple thereof where the Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

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

2. Additional Condition

2.1. As respects all Insured Locations where Gross Profit applies, Item B under the Valuation clause of the Loss Adjustment And Settlement section is replaced by the following:
"B. On finished goods manufactured by the Insured, the replacement cost."

2.2. Coverage under Gross Profit for the reduction in sales due to contract cancellation will include only those sales that would have been earned under the contract during the Indemnity Period.

2.3. **Research and Development**

This Business Interruption Coverage Part is extended to insure the actual loss sustained by the Insured of continuing fixed charges and ordinary payroll directly attributable to the interruption of research and development activities that in themselves would not have produced income during the Indemnity Period.

2.4. **Soft Costs – Course of Construction**

This Business Interruption Coverage Part is extended to insure the Actual Loss Sustained incurred by the Insured of Soft Costs during the Indemnity Period arising out of the delay of completion of buildings and additions under construction directly resulting from physical loss or damage of the type insured to insured property under construction at an Insured Location.

Soft Costs shall mean:

Expenses over and above normal expenses at Locations undergoing renovation or in the course of construction limited to the following:

(i) Construction loan fees - the additional cost incurred to rearrange loans necessary for the completion of construction, repairs or reconstruction including; the cost to arrange refinancing, accounting work necessary to restructure financing, legal work necessary to prepare new documents, charges by the lenders for the extension or renewal of loans necessary.

(ii) Commitment fees, leasing and marketing expenses - The cost of returning any commitment fees received from prospective tenant(s) or purchaser(s), the cost of re-leasing and marketing due to loss of tenant(s) or purchaser(s).

(iii) Additional fees - for architects, engineers, consultants, attorneys and accountants needed for the completion of construction, repairs or reconstruction.

(iv) Carrying costs - property taxes, building permits, additional interest on loans, realty taxes and insurance premiums.

3. Definitions

The following term(s) mean:

3.1. Turnover

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

3.2. Gross Profit

The amount by which

3.2.1. the sum of the amount of the Turnover and the amounts of the closing stock and closing work in progress shall exceed

3.2.2. the sum of the amounts of the opening stock and opening work in progress and the amount of the Specified Working Expenses.

The amount of the opening and closing stocks and work in progress shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation.

3.3. Specified Working Expenses

3.3.1. Purchases and discounts relative thereto.

3.3.2. Bad debts.

The words and expressions used in the definition of Specified Working Expenses shall have the meaning usually attached to them in the books and accounts of the Insured.

3.4. Rate Of Gross Profit

The Rate of Gross Profit earned on the Turnover during the financial year immediately before the date of an Insured Event **

3.5. Annual Turnover

The Turnover during the twelve months immediately before the date of an Insured Event **

3.6. Standard Turnover

The Turnover during the period in the twelve months immediately before the date of an Insured Event which corresponds with the Indemnity Period **

** to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the date of the Insured Event or which would have affected the business had the Insured Event not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Insured Event would have been obtained during the relative period after the Insured Event.

3.7. Normal

The condition that would have existed had no loss occurred.

4. Indemnity Period

The Indemnity Period applying to GROSS PROFIT is as follows:

4.1. The period:

4.1.1. starting from the time of physical loss or damage of the type insured against; and

4.1.2. ending not later than the period of time shown in the Indemnity Period stated in the Policy Schedule,

during which period the results of the business shall be directly affected by such damage.

4.1.3. not to be limited by the expiration of this Policy.

4.2. For property under construction, the period:

4.2.1. starting on the date that production, business operation or service would have commenced if physical damage of the type insured against had not happened; and

4.2.2. ending not later than the period of time shown in the Indemnity Period stated in the Policy Schedule,

during which period the results of the business shall be directly affected by such damage.

4.2.3. not to be limited by the expiration of this Policy.

The Rate of Gross Profit and Standard Turnover will be based on the experience of the business after construction is completed and the probable experience during the Indemnity Period.

4.3. The Indemnity Period does not include any additional time due to the Insured's inability to resume operations for any reason, including but not limited to:

4.3.1. making changes to equipment.

4.3.2. making changes to the buildings or structures except as provided in the Public Authorities/Increased Cost Of Construction clause in the Property Damage section.

4.3.3. re-staffing or retraining employees.

If two or more Indemnity Periods apply such periods will not be cumulative.

Gross Earnings

As respects Insured Locations to which Gross Earnings coverage applies:

1. Measurement Of Loss

In the event of such insured direct physical loss or damage to an Insured Location, Insurers in the event of such direct physical loss or damage, shall be liable for the actual loss sustained by the Insured resulting directly from such necessary interruption of business, but not exceeding the reduction in Gross Earnings, as defined hereafter, less charges and expenses which are not necessary during the interruption of business, for a period not to exceed the Indemnity Period.

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

2. Research And Development

This Business Interruption Coverage Part is extended to insure the actual loss sustained by the Insured of continuing fixed charges and ordinary payroll directly attributable to the interruption of research and development activities that in themselves would not have produced income during the Indemnity Period.

3. Soft Costs – Course Of Construction

This Business Interruption Coverage Part is extended to insure the Actual Loss Sustained incurred by the Insured of Soft Costs during the Indemnity Period arising out of the delay of completion of buildings and additions under construction directly resulting from physical loss or damage of the type insured to insured property under construction at an Insured Location.

Soft Costs shall mean:

Expenses over and above normal expenses at Locations undergoing renovation or in the course of construction limited to the following:

a. Construction loan fees - the additional cost incurred to rearrange loans necessary for the completion of construction, repairs or reconstruction including; the cost to arrange refinancing, accounting work necessary to restructure financing, legal work necessary to prepare new documents, charges by the lenders for the extension or renewal of loans necessary.

b. Commitment fees, leasing and marketing expenses - The cost of returning any commitment fees received from prospective tenant(s) or purchaser(s), the cost of re-leasing and marketing due to loss of tenant(s) or purchaser(s).

c. Additional fees - for architects, engineers, consultants, attorneys and accountants needed for the completion of construction, repairs or reconstruction.

d. Carrying costs - property taxes, building permits, additional interest on loans, realty taxes and insurance premiums.

4. Definitions

4.1. GROSS EARNINGS

Gross Earnings are for the assessment of premium and for adjustment in the event of loss defined as, the sum of:

(a) total net sales value of production or sales of Merchandise, and

(b) other earnings derived from the operations of the business.

LESS THE COST OF

(c) Raw Stock from which production is derived,

(d) supplies consisting of materials consumed directly in the conversion of such Raw Stock into Finished Stock, or in supplying the services sold by the Insured,

(e) Merchandise sold including packaging materials therefor,

(f) materials and supplies consumed directly in supplying the service(s) sold by the Insured,

(g) service(s) purchased from outsiders (not employees of the Insured) for resale which do not continue under contract,

(h) the difference between the cost of production and the net selling price of Finished Stock which has been sold but not delivered.

No other costs shall be deducted in determining Gross Earnings.

In determining Gross Earnings due consideration shall be given to the experience of the business before the date of loss or damage and the probable experience thereafter had loss not occurred.

4.2. RAW STOCK

Material in the state in which the Insured receives it for conversion into Finished Stock.

4.3. STOCK IN PROCESS

Raw Stock which has undergone any ageing, seasoning, mechanical or other process of manufacture at the Insured's premises but which has not become Finished Stock.

4.4. FINISHED STOCK

Stock manufactured by the Insured which in the ordinary course of the Insured's business is ready for packing, shipment or sale.

4.5. MERCHANDISE

Goods kept for sale by the Insured which are not the product of manufacturing operations conducted by the Insured.

4.6. NORMAL

The condition that would have existed had no loss occurred.

5.Indemnity Period

The Indemnity Period applying is as follows:

5.1. For building and equipment, the period:

5.1.1. starting from the time of physical loss or damage of the type insured against; and

5.1.2. ending when with due diligence and dispatch the building and equipment could be:

i. repaired or replaced; and

ii. made ready for operations,

under the same or equivalent physical and operating conditions that existed prior to the damage.

5.1.3. not to be limited by the expiration of this Policy.

5.2. For building and equipment under construction:

5.2.1. the equivalent of the above period of time will be applied to the level of business that would have been reasonably achieved after construction and start-up would have been completed had no physical damage happened; and

5.2.2. due consideration will be given to the actual experience of the business compiled after completion of the construction and start-up.

5.3. For stock-in-process and mercantile stock, including finished goods not manufactured by the Insured, the time required with the exercise of due diligence and dispatch:

5.3.1. to restore stock in process to the same state of manufacture in which it stood at the inception of the interruption of production or suspension of business operations or services; and

5.3.2. to replace physically damaged mercantile stock.

5.4. For raw materials and supplies, the period of time:

5.4.1. of actual interruption of production or suspension of operations or services resulting from the inability to get suitable raw materials and supplies to replace similar ones damaged; but

5.4.2. limited to that period for which the damaged raw materials and supplies would have supplied operating needs.

5.5. If water:

5.5.1. used for any manufacturing purpose, including but not limited to as a raw material or for power;

5.5.2. stored behind dams or in reservoirs; and

5.5.3. on any Insured Location,

is released as the result of physical damage of the type insured against under this Policy to such dam, reservoir or connected equipment, Insurers' liability for the actual interruption of production or suspension of operations or services due to inadequate water supply will not extend beyond 30 consecutive days, unless specifically agreed otherwise and mentioned in Policy Schedule, after the damaged dam, reservoir or connected equipment has been repaired or replaced.

5.6. For physically damaged exposed films, records, manuscripts and drawings, the time required to copy from backups or from originals of a previous generation. This time does not include research, engineering or any other time necessary to restore or recreate lost information.

5.7. The Indemnity Period shall however not exceed the Time Limitation as stated within the Policy Schedule.

6. Extended Period Of Indemnity

Coverage is extended to cover the reduction in sales resulting from:

6.1. the interruption of business as covered by Gross Earnings;

6.2. for such additional length of time as would be required with the exercise of due diligence and dispatch to restore the Insured's business to the condition that would have existed had no loss occurred; and

6.3. commencing with the date on which the liability of the Insurers for loss resulting from interruption of business would terminate if this Extension had not been included herein.

Coverage under this Extension for the reduction in sales due to contract cancellation will include only those sales that would have been earned under the contract during the extended Indemnity Period.

Coverage under this Extension does not apply for more than the number of consecutive days specified in the Policy Schedule.

Gross Revenue

As respects Insured Locations to which Gross Revenues coverage applies:

1. Measurement Of Loss

In the event of such direct physical loss or physical damage, Insurers shall be liable for the actual loss sustained by the Insured resulting directly from such necessary interruption of business, but not exceeding the reduction in Gross Revenue, as defined hereafter, less charges and expenses which are not necessary during the interruption of business, for a period not to exceed Indemnity Period.

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

2. Research And Development

This Business Interruption Coverage Part is extended to insure the actual loss sustained by the Insured of continuing fixed charges and ordinary payroll directly attributable to the interruption of research and development activities that in themselves would not have produced income during the Indemnity Period.

3. Soft Costs – Course Of Construction

This Business Interruption Coverage Part is extended to insure the Actual Loss Sustained incurred by the Insured of Soft Costs during the Indemnity Period arising out of the delay of completion of buildings and additions under construction directly resulting from physical loss or damage of the type insured to insured property under construction at an Insured Location.

Soft Costs shall mean:

Expenses over and above normal expenses at Locations undergoing renovation or in the course of construction limited to the following:

a) Construction loan fees - the additional cost incurred to rearrange loans necessary for the completion of construction, repairs or reconstruction including; the cost to arrange refinancing, accounting work necessary to restructure financing, legal work necessary to prepare new documents, charges by the lenders for the extension or renewal of loans necessary.
b) Commitment fees, leasing and marketing expenses - The cost of returning any commitment fees received from prospective tenant(s) or purchaser(s), the cost of re-leasing and marketing due to loss of tenant(s) or purchaser(s).
c) Additional fees- for architects, engineers, consultants, attorneys and accountants needed for the completion of construction, repairs or reconstruction.
d) Carrying costs- property taxes, building permits, additional interest on loans, realty taxes and insurance premiums.

4. Definitions

4.1. GROSS REVENUE

The money paid or payable to the Insured for services rendered in the course of the business at the premises and the amount payable as indemnity hereunder shall be the amount by which the Gross Revenue during the Indemnity Period shall, in consequence of the loss or damage, fall short of the Standard Gross Revenue.

4.2. STANDARD GROSS REVENUE

The Gross Revenue during that period in the 12 months immediately before the date of the loss or damage which corresponds with the indemnity period to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business either before or after the loss or damage which would have affected the business had the loss or damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the loss or damage would have been obtained during the relative period after the loss or damage.

4.3. NORMAL

The condition that would have existed had no loss occurred.

5. Indemnity Period

The Indemnity Period applying is as follows:

5.1. For building and equipment, the period:

5.1.1. starting from the time of physical loss or damage of the type insured against; and

5.1.2. ending when with due diligence and dispatch the building and equipment could be:

(i) repaired or replaced; and

(ii) made ready for operations,

under the same or equivalent physical and operating conditions that existed prior to the damage.

5.1.3. not to be limited by the expiration of this Policy.

5.2. For building and equipment under construction:

5.2.1. the equivalent of the above period of time will be applied to the level of business that would have been reasonably achieved after construction and start-up would have been completed had no physical damage happened; and

5.2.2. due consideration will be given to the actual experience of the business compiled after completion of the construction and start-up.

5.3. For stock-in-process and mercantile stock, including finished goods not manufactured by the Insured, the time required with the exercise of due diligence and dispatch:

5.3.1. to restore stock in process to the same state of manufacture in which it stood at the inception of the interruption of production or suspension of business operations or services; and

5.3.2. to replace physically damaged mercantile stock.

5.4. For raw materials and supplies, the period of time:
  5.4.1. of actual interruption of production or suspension of operations or services resulting from the inability to get suitable raw materials and supplies to replace similar ones damaged; but
  5.4.2. limited to that period for which the damaged raw materials and supplies would have supplied operating needs.

5.5. If water:
  5.5.1. used for any manufacturing purpose, including but not limited to as a raw material or for power;
  5.5.2. stored behind dams or in reservoirs; and
  5.5.3. on any Insured Location,

  is released as the result of physical damage of the type insured against under this Policy to such dam, reservoir or connected equipment, Insurers' liability for the actual interruption of production or suspension of operations or services due to inadequate water supply will not extend beyond 30 consecutive days , unless specifically agreed otherwise and mentioned in Policy Schedule, after the damaged dam, reservoir or connected equipment has been repaired or replaced.

5.6. For physically damaged exposed films, records, manuscripts and drawings, the time required to copy from backups or from originals of a previous generation. This time does not include research, engineering or any other time necessary to restore or recreate lost information.

5.7. The Indemnity Period shall however not exceed the Time Limitation as stated in the Policy Schedule.

6. Extended Period Of Indemnity

Coverage is extended to cover the reduction in sales resulting from:

6.1. the interruption of business as covered by Gross Revenue;

6.2. for such additional length of time as would be required with the exercise of due diligence and dispatch to restore the Insured's business to the condition that would have existed had no loss occurred; and

6.3. commencing with the date on which the liability of the Insurers for loss resulting from interruption of business would terminate if this Extension had not been included herein.

Coverage under this Extension for the reduction in sales due to contract cancellation will include only those sales that would have been earned under the contract during the extended Indemnity Period.

Coverage under this Extension does not apply for more than the number of consecutive days specified in the Policy Schedule.

Rental Income / Value

As respects to Insured Locations to which Rental Income / Value coverage applies:

1. Measurement Of Loss

In the event of such direct physical loss or damage, Insurers shall be liable for the actual loss sustained by the Insured resulting directly from such necessary untenantability, but not exceeding the reduction in Rental Income, as defined hereafter, less charges and expenses which are not necessary during the period of untenantability, for a period not to exceed the Indemnity Period.

2. Resumption Of Operations

Resumption of Operations for Rental income / Value will be amended to read as follows;

This Policy insures Rental Income / Value loss resulting from untenantability only to the extent the loss cannot be reduced:

a) by complete or partial resumption of occupation of the property, and/or
b) by making use of any other property at the Insured's locations or elsewhere, and/or
c) by using or increasing operations elsewhere,

then such possible reduction shall be taken into account in arriving at the amount of loss hereunder.

The Insurers reserve the right to take into consideration the combined operating results of all

associated, affiliated or subsidiary companies of the Insured in determining the Rental Income / Value loss.

3. Definition

3.1. RENTAL INCOME

Rental Income is for the assessment of premium and for adjustment in the event of loss defined as the sum of:

3.1.1. the anticipated gross rental income from tenant occupancy of the described property as furnished and equipped by the Insured, and

3.1.2. the amount of all charges which are the legal obligations of the tenants and which would otherwise be obligations of the Insured, and

3.1.3. the fair rental value of any portion of such property which is occupied by the Insured.

In determining Rental Income due consideration shall be given to the rental experience before the date of damage or destruction and the probable experience thereafter had no loss occurred.

4. Indemnity Period

The Indemnity Period applying is as follows:

4.1. For building and equipment, the period:

a) starting from the time of physical loss or damage of the type insured against; and

b) ending when with due diligence and dispatch the building and equipment could be:

(i) repaired or replaced; and

(ii) made ready for operations,

under the same or equivalent physical and operating conditions that existed prior to the damage.

c) not to be limited by the expiration of this Policy.

4.2. For building and equipment under construction:

a) the equivalent of the above period of time will be applied to the level of business that would have been reasonably achieved after construction and start-up would have been completed had no physical damage happened; and

b) due consideration will be given to the actual experience of the business compiled after completion of the construction and start-up.

4.3. For raw materials and supplies, the period of time:

a) of actual interruption of production or suspension of operations or services resulting from the inability to get suitable raw materials and supplies to replace similar ones damaged; but

b) limited to that period for which the damaged raw materials and supplies would have supplied operating needs.

4.4. The Indemnity Period shall however not exceed the Time Limitation as stated in the Policy Schedule.

5. Extended Period Of Indemnity

Coverage is extended to cover the reduction in rental income resulting from:

5.1. the interruption of business as covered by Rental Income / Value;

5.2. for such additional length of time as would be required with the exercise of due diligence and dispatch to restore the Insured's business to the condition that would have existed had no loss occurred; and

5.3. commencing with the date on which the liability of the Insurers for loss resulting from interruption of business would terminate if this Extension had not been included herein.

Coverage under this Extension for the reduction in sales due to contract cancellation will include only those sales that would have been earned under the contract during the extended Indemnity Period.

Coverage under this Extension does not apply for more than the number of consecutive days specified in the Policy Schedule.

Leasehold Interest

As respects to Insured Locations to which Leasehold Interests coverage applies:

1. Measurement Of Loss:

The recoverable Leasehold Interest incurred by the Insured of the following:

1.1. If the lease agreement requires continuation of rent; and if the property is wholly untenantable or unusable, the actual rent payable for the unexpired term of the lease; or if the property is partially untenantable or unusable, the proportion of the rent payable for the unexpired term of the lease.

1.2. If the lease is cancelled by the lessor pursuant to the lease agreement or by the operation of law; the Lease Interest for the first three months following the loss; and the Net Lease Interest for the remaining unexpired term of the lease.

2. Leasehold Interest Exclusions:

As respects Leasehold Interest, **exclusion 2 under Exclusion Applicable To Section II – Business Interruption Coverage**, does not apply and the following applies instead:

This Policy does not insure any increase in loss resulting from the suspension, lapse or cancellation of any license, or from the Insured exercising an option to cancel the lease; or from any act or omission of the Insured that constitutes a default under the lease.

In addition, there is no coverage for the Insured's loss of Leasehold Interest directly resulting from physical loss or damage to Personal Property.

3. Definitions

The following term(s) means:

3.1. Lease Interest:

The excess rent paid for the same or similar replacement property over actual rent payable plus cash bonuses or advance rent paid (including maintenance or operating charges) for each month during the unexpired term of the Insured's lease.

3.2. Net Lease Interest:

That sum which placed at 6% interest rate compounded annually would equal the Lease Interest (less any amounts otherwise payable hereunder), unless specifically agreed otherwise and mentioned in the policy schedule.

4. Indemnity Period

The Indemnity Period applying is as follows:

4.1. For building and equipment, the period:

4.1.1. starting from the time of physical loss or damage of the type insured against; and

4.1.2. ending when with due diligence and dispatch the building and equipment could be:

(i) repaired or replaced; and

(ii) made ready for operations,

under the same or equivalent physical and operating conditions that existed prior to the damage.

4.1.3. not to be limited by the expiration of this Policy.

4.2. For raw materials and supplies, the period of time:

4.2.1. of actual interruption of production or suspension of operations or services resulting from the inability to get suitable raw materials and supplies to replace similar ones damaged; but

4.2.2. limited to that period for which the damaged raw materials and supplies would have supplied operating needs.

4.3. The Indemnity Period shall however not exceed the Time Limitation as stated in the Policy Schedule.

Commissions, Profits And Royalties

As respects to Insured Locations to which Commissions, Profits and Royalties coverage applies:

1. Measurement Of Loss

1.1. The recoverable Commissions, Profits And Royalties loss is the actual loss sustained by the Insured of the following during the Indemnity Period:

1.1.1. Commissions, Profits and Royalties;
1.1.2. Less non-continuing expenses and charges during the Period of Liability.

1.2. The Commissions, Profits And Royalties payable hereunder will be the actual loss sustained of income to the Insured during the Indemnity Period under any royalty, licensing fee or commission agreement between the Insured and another party which is not realizable due to physical loss or damage insured by this Policy to property of the other party of the type insured by this Policy located within the Policy's Territory.

1.3. The Insured will influence, to the extent possible, said party(ies) with whom the agreements described above have been made to use any other machinery, supplies or locations in order to resume business so as to reduce the amount of loss hereunder, and the Insured will cooperate with that party in every way to effect this. This Policy does not cover any cost to effect the above unless authorized in advance by the Insurers.

1.4. In determining the indemnity payable hereunder, the Insurers will consider the amount of income derived from such agreements before and the probable amount of income after the date of loss or damage.

1.5. There is recovery hereunder but only if such loss or damage interrupts the delivery of goods in whole or in part to the Insured or for their account.

2. Commissions, Profits And Royalties Exclusions

As respects Commissions, Profits And Royalties, **exclusion 3 under Exclusion Applicable To Section II – Business Interruption Coverage** does not apply.

3. Definitions

The following term(s) means:

3.1. Commissions:
The income that would have been received by the Insured from the sale of goods not owned by the Insured.

3.2. Profits:
The amount that would have been received by the Insured from the sale of goods belonging to the Insured, in excess of the cost to the Insured of such goods.

3.3. Royalties:
The income the Insured is not able to collect under royalty or licensing agreements.

4. Indemnity Period

The Indemnity Period applying is as follows:

4.1. For building and equipment, the period:
4.1.1. starting from the time of physical loss or damage of the type insured against; and
4.1.2. ending when with due diligence and dispatch the building and equipment could be:
(i) repaired or replaced; and
(ii) made ready for operations,
under the same or equivalent physical and operating conditions that existed prior to the damage.
4.1.3. not to be limited by the expiration of this Policy.

4.2. For building and equipment under construction:
4.2.1. the equivalent of the above period of time will be applied to the level of business that would have been reasonably achieved after construction and start-up would have been completed had no physical damage happened; and
4.2.2. due consideration will be given to the actual experience of the business compiled after completion of the construction and start-up.
4.2.3. For stock-in-process and mercantile stock, including finished goods not manufactured by the Insured, the time required with the exercise of due diligence and dispatch:
a) to restore stock in process to the same state of manufacture in which it stood at the inception of the interruption of production or suspension of business operations or services; and
b) to replace physically damaged mercantile stock.

4.2.4.For raw materials and supplies, the period of time:

a) of actual interruption of production or suspension of operations or services resulting from the inability to get suitable raw materials and supplies to replace similar ones damaged; but

b) limited to that period for which the damaged raw materials and supplies would have supplied operating needs.

4.2.5.If water:

a) used for any manufacturing purpose, including but not limited to as a raw material or for power;

b) stored behind dams or in reservoirs; and

c) on any Insured Location,

is released as the result of physical damage of the type insured against under this Policy to such dam, reservoir or connected equipment, Insurers' liability for the actual interruption of production or suspension of operations or services due to inadequate water supply will not extend beyond 30 consecutive days , unless specifically agreed otherwise and mentioned in Policy Schedule, after the damaged dam, reservoir or connected equipment has been repaired or replaced.

4.2.6.For physically damaged exposed films, records, manuscripts and drawings, the time required to copy from backups or from originals of a previous generation. This time does not include research, engineering or any other time necessary to restore or recreate lost information.

4.2.7.The Indemnity Period shall however not exceed the Time Limitation as stated in the Policy Schedule.

Additional Increased Cost Of Working

This Policy is extended to cover Additional Increased Cost of Working as follows;

1.Measurement Of Loss

The additional expenditure beyond that recoverable under the BUSINESS INTERRUPTION, GROSS PROFITS COVERAGE necessarily and reasonably incurred to continue the operation of the Insured's business as nearly as reasonably practicable during the Indemnity Period over and above the cost that would normally have been incurred to conduct the business during the same period had no loss or damage occurred.

2.Indemnity Period

The Indemnity Period is as follows:

2.1. The period:

2.1.1. starting from the time of physical loss or damage of the type insured against; and

2.1.2. ending not later than the period of time shown in the Indemnity Period stated in Policy Schedule,

during which period the results of the business shall be directly affected by such damage.

2.1.3. not to be limited by the expiration of this Policy.

2.2. For property under construction, the period:

2.2.1. starting on the date that production, business operation or service would have commenced if physical damage of the type insured against had not happened; and

2.2.2. ending not later than the period of time shown in the Indemnity Period stated in the Policy Schedule,

during which period the results of the business shall be directly affected by such damage.

2.2.3. not to be limited by the expiration of this Policy.

The Rate of Gross Profit and Standard Turnover will be based on the experience of the business after construction is completed and the probable experience during the Indemnity Period.

2.3. The Indemnity Period does not include any additional time due to the Insured's inability to resume operations for any reason, including but not limited to:

2.3.1.making changes to equipment.

2.3.2. making changes to the buildings or structures except as provided in the PUBLIC AUTHORITIES/INCREASED COST OF CONSTRUCTION clause in the PROPERTY DAMAGE section.

2.3.3. re-staffing or retraining employees.

If two or more Indemnity Periods apply such periods will not be cumulative.

Extra Expense

1. Measurement Of Loss

The recoverable Extra Expense loss will be the reasonable and necessary extra costs incurred by the Insured during the Indemnity Period in order to continue as nearly as practicable the Normal conduct of the Insured's business, at the Insured Location suffering direct physical loss or physical damage by an Insured Event, as covered by the Property Damage Coverage Part, to Property Insured by this Policy.

2. Extra Expense Exclusions

As respects Extra Expense, the following are also excluded:

2.1. Any loss of Earnings, Income, Revenue or any other consequential loss.

2.2. Costs that normally would have been incurred in conducting the business during the same period had no physical loss or damage occurred.

2.3. Cost of permanent repair or replacement of property that has been damaged or destroyed.

2.4. Any expense recoverable elsewhere in this Policy.

3. Definitions

3.1. EXTRA EXPENSE

Extra Expense as used in this Extension means the excess (if any) of the total cost necessarily and reasonably incurred during the Indemnity Period chargeable to the conduct of the Insured's business over and above the total cost that would normally have been incurred to conduct the Insured's business during the same period had no such direct physical loss or physical damage occurred and includes the reasonable extra cost of temporary repair or of expediting the repair or replacement of such damaged property of the Insured, including overtime and the extra cost of express or other rapid means of transportation. Any salvage value remaining in property obtained for temporary use under this Extension shall be taken into account in the determination of such Extra Expense.

3.2. NORMAL

The condition that would have existed had no loss occurred.

4. Indemnity Period

The Indemnity Period applying is as follows:

4.1. For building and equipment, the period:

4.1.1. starting from the time of physical loss or damage of the type insured against; and

4.1.2. ending when with due diligence and dispatch the building and equipment could be:

(i) repaired or replaced; and

(ii) made ready for operations,

under the same or equivalent physical and operating conditions that existed prior to the damage.

4.1.3. not to be limited by the expiration of this Policy.

4.2. For building and equipment under construction:

4.2.1. the equivalent of the above period of time will be applied to the level of business that would have been reasonably achieved after construction and start-up would have been completed had no physical damage happened; and

4.2.2. due consideration will be given to the actual experience of the business compiled after completion of the construction and start-up.

4.3. For stock-in-process and mercantile stock, including finished goods not manufactured by the Insured, the time required with the exercise of due diligence and dispatch:

4.3.1. to restore stock in process to the same state of manufacture in which it stood at the inception of the interruption of production or suspension of business operations or services; and

4.3.2. to replace physically damaged mercantile stock.

4.4. For raw materials and supplies, the period of time:

4.4.1. of actual interruption of production or suspension of operations or services resulting from the inability to get suitable raw materials and supplies to replace similar ones damaged; but

4.4.2. limited to that period for which the damaged raw materials and supplies would have supplied operating needs.

4.5. If water:

4.5.1. used for any manufacturing purpose, including but not limited to as a raw material or for power;

4.5.2. stored behind dams or in reservoirs; and

4.5.3. on any Insured Location,

is released as the result of physical damage of the type insured against under this Policy to such dam, reservoir or connected equipment, Insurers' liability for the actual interruption of production or suspension of operations or services due to inadequate water supply will not extend beyond 30 consecutive days, unless specifically agreed otherwise and mentioned in Policy Schedule, after the damaged dam, reservoir or connected equipment has been repaired or replaced.

4.6. For physically damaged exposed films, records, manuscripts and drawings, the time required to copy from backups or from originals of a previous generation. This time does not include research, engineering or any other time necessary to restore or recreate lost information.

4.7. The Indemnity Period shall however not exceed the Time Limitation as stated in the Policy Schedule.

5. Extended Period Of Indemnity

This Business Interruption Coverage Part is extended to provide coverage for

5.1. such additional length of time as would be required with the exercise of due diligence and dispatch to restore the Insured's business to the condition that would have existed had no loss occurred; and

5.2. commencing with the date on which the liability of the Insurers for loss resulting from interruption of business would terminate if this Extension had not been included herein.

Coverage under this Extension for the reduction in sales due to contract cancellation will include only those sales that would have been earned under the contract during the extended Indemnity Period.

Coverage under this Extension does not apply for more than the number of consecutive days specified in the Policy Schedule.

6. Contingent Extra Expense

This Policy also covers the Extra Expense, as defined within this Coverage Part, incurred by the Insured during the Indemnity Period directly resulting from physical loss or damage by an Insured Event to property of the type insured, at any locations of direct suppliers or customers located within the countries stated within the Territorial Limits as described in the Policy Schedule of this Policy.

The term "Supplier or customer" does not include any company supplying to or receiving from the Insured Location, as described elsewhere within the Policy, air, electricity, fuel, gas, water, steam, transmission or voice data or video, refrigeration, or sewage.

Extensions Applicable To Section II – Business Interruption Coverage

Below extensions are applicable to Section II – Business Interruption Coverage. The Extensions are only applicable if shown as covered along with the Sub-Limits in the Policy Schedule. These Extensions will not increase the limit of liability mentioned under Section II – Business Interruption Coverage and

subject to the Definitions, Terms, Conditions, Exclusions, Warranties, Extensions, Limits and Deductible applicable to this Section of the Policy.
Sub-limit will be the maximum amount payable for any one or all losses or damage, during the Policy Period, for below extensions.

1. **Contingent Business Interruption**
   This Policy covers the actual loss sustained by the Insured, as insured by this Policy, during the Indemnity Period resulting from or caused by loss or damage by an Insured Event to property of the type insured by this Policy that directly or indirectly prevents a supplier (including suppliers of any tier) of goods and/or services to the Insured from rendering their goods and/or services, or property that prevents customers (including customers of any tier) of goods and/or services from the Insured from accepting the Insured's goods and/or services.
2. **Denial Of Access By Order Of Civil Or Military Authority**
   The Insured will be indemnified for the actual loss sustained by the Insured, as insured by this Policy during Period of time, not exceeding the number of days indicated in the Policy Schedule at the insured's Location when, directly as a result of physical loss or physical damage to real or personal property of a type not otherwise excluded located within three (3) Km, unless specifically agreed otherwise and mentioned in Policy Schedule, of the Insured's Location, ingress to or egress from such Insured location is specifically prohibited by order of civil or military authority.
   In any case, coverage hereunder shall be limited to the amount of days as indicated in the Policy Schedule and shall not commence until the Insured has suffered Loss of Production consequent upon such Occurrence for the number of days stated in the Policy Schedule of Policy Schedule as the Waiting Period.
3. **Interdependency Clause**
   Business Interruption coverage is extended to include loss resulting to an Insured Location from interruption of or interference with the business of any company forming part of the Insured's group of companies insured herein as a result of direct physical loss or physical damage by an Insured Event at the premises of any other group company.
4. **Ingress/Egress**
   This Policy is extended to cover the actual loss sustained by the Insured as insured by this Policy during the period of time, not to exceed the Sub-limit indicated in the Policy Schedule, including the number of days, when, as a result of an Insured Event within three (3) Km, unless specifically agreed otherwise and mentioned in Policy Schedule, from the Insured Location, ingress to, egress from, or access to real or personal property is prevented or impaired.
5. **Loss Of Attraction**
   This Policy covers the actual loss sustained, by the Insured, as insured by this Policy resulting from interruption of or interference with the Business caused by physical loss or physical damage by an Insured Event, to Attraction Property(ies) located within 1 km, unless specifically agreed otherwise and mentioned in Policy Schedule, of the Insured's Location, which attracts business to the Insured Location.
   Attraction Property is limited to:
   - Transportation hubs
   - Iconic or historic buildings open to the public
   - National monuments
   - Stadia, sports and entertainment venues
   - Shopping malls
   - Theme parks, stadium
   - Religious centres or major places of worship
   - Office complexes with buildings of over 10 stories, unless specifically agreed otherwise and mentioned in Policy Schedule
   - Hotels with more than 150 beds Coverage under this extension, unless specifically agreed otherwise and mentioned in Policy Schedule;

1) excludes loss resulting from interruption of or interference with the Business that is covered under the separate Denial of Access including civil or military order, Ingress / Egress or Service Interruption extensions included in this Policy.
2) is limited to an Attraction Property within the Territorial limits, as stated in the Policy Schedule.

The Maximum Indemnity Period under this Extension is 60 days, unless specifically agreed otherwise and mentioned in Policy Schedule.

Extensions Applicable For Section I – Property Damage Coverage And Section II – Business Interruption Coverage

Below extensions are applicable to both Section I - Property Damage Coverage & Section II – Business Interruption Coverage. The Extensions are only applicable if shown as covered along with the Sub-Limits in the Policy Schedule. These Extensions will not increase the respective Sum Insured or combined Sum Insured for Section I - Property Damage Coverage & Section II – Business Interruption Coverage as opted and mentioned in Policy Schedule and subject to the Definitions, Terms, Conditions, Exclusions, Warranties, Extensions, Limits and Deductible applicable to this Section of the Policy.

Sub-limit will be the maximum amount payable for any one or all losses or damage, during the Policy Period, for below extensions.

1. Brand Rehabilitation

Following an Insured Event, should Brand Rehabilitation not be covered elsewhere within the Policy, the Insurers will pay advertising costs and/or cost of public relations consultancy company by the Insurers, necessarily and reasonably incurred by the Insured for up to a maximum amount of consecutive days stated in the Policy Schedule, for the sole purpose of avoiding or diminishing a reduction in turnover or resuming or maintaining normal business.

2. Changes In Values And Automatic Additions

Automatic coverage shall apply at no additional premium to any:

(a) increases in insured values at existing Insured Locations following a revaluation of insured property at such locations and/or due to any construction and/or renovation work at such locations;

(b) additional property and/or interest of the type already insured by this Policy which may be acquired or otherwise become at the risk of the Insured during the Policy Period. Coverage applies from the date of rental, lease or purchase;

(c) unintentional error in the valuation of the insured property; PROVIDED always that:

1. the total increase in insured values during the Period in respect of (a), (b) and (c) above does not exceed 15% of the total declared values at inception; and
2. any unintentional error in the valuation of the insured property must be reported by the Insured to Insurers when discovered and corrected; and
3. any increase in value provided by this clause shall not be in addition to the Incorrect Declaration Penalty clause.

Should the Total Insurable Values decrease, no return premium shall be due payable by the insurers, unless the reduction in Total Insurable values at the time of binding is greater than 15%.

3. Experts Fees

This Policy includes, within the Sum Insured, the necessary and reasonable fees of architects, surveyors, consulting engineers and other professional experts which are incurred in reinstating or repairing the insured property following damage insured under this Policy.

4. Off Premises Storage For Property Under Construction

This Policy covers insured physical loss or damage to property of the type insured that is under contract to be used in a construction project at an Insured Location.

Coverage attaches at the time such property is delivered to the Insured or their contractor (with respect to the property under construction) by the manufacturer or supplier and such property is

located at a storage site within this Policy's TERRITORIAL LIMITS but away from the Insured Location. This coverage includes necessary expendable materials and supplies to be utilized in the construction project but does not include any property owned or rented by the contractor.

5.Service Interruption

The Insurers will be liable for loss or damage, as described below, when the specified services are for a period in excess of as stated in the Policy Schedule:

A. The physical loss or damage to property insured by this Policy; and

B. The actual loss sustained by the Insured during the Period of Service Interruption, Should this Policy cover Business Interruption coverage ;

At an Insured location directly resulting from the lack of incoming electricity, fuel, water, gas, steam, telecommunications (excluding satellites) or refrigerant service or from lack of sewerage service by reason of accidental occurrence to the facilities of the utility suppliers which immediately prevents in whole or in part the delivery of the specified service to an Insured Location.

The Insured will immediately notify the suppliers of services of any interruption of such services.

The Insurers will not be liable if the interruption of services is caused directly by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has for the supply of such specified services.

In determining loss under coverage:

B. The Period of Service Interruption means the period of time:

1. starting with the time when an interruption of specified service to an Insured Location occurs; and
2. ending when with due diligence and dispatch the service could be wholly restored and the location receiving the service could or would have resumed normal operations following the restoration of service under the same or equivalent physical and operating conditions as provided by Section II – Business Interruption coverage of the Policy.

   The period of Service Interruption is limited to only those hours during which the Insured would have or could have used service(s) if it had been available.

   The period of Interruption does not:

1. Include the interruption of operations caused by any reason other than interruption of the specified service.
2. Include the interruption of operations caused by any remediation, change, correction, repair or assessment of any date or time recognition problem, including the Year 2000, in any electronic data processing equipment or media. However, the Period of Interruption does include the interruption of operations caused by the repair of accidental physical loss or damage not excluded by this Policy to the facilities of the utility supplier.

"Electronic data processing equipment or media" as used herein means any computer, computer system or component, hardware, network, microprocessor, microchip, integrated circuit or similar devices or components in the computer or non-computer equipment, operating systems, data, programs or other software stored on electronic, electro-mechanical, electro-magnetic data processing or production equipment, whether the property of the insured or not.

6.Transit

1) This Policy covers the following Personal Property, except as excluded by this Policy, while in transit within the Situation of the Property Insured of this Policy, or whilst within a country which has Property Insured herein of this Policy:
   a) owned by the Insured.
   b) shipped to customers under free on board, cost and freight or similar terms. The Insured's contingent interest in such shipments is admitted.
   c) of others in the actual or constructive custody of the Insured to the extent of the Insured's interest or legal liability.
   d) of others sold by the Insured, that the Insured has agreed prior to the loss to insure during course of delivery.

2) This Additional Coverage excludes:
   a) samples in the custody of salespeople or selling agents.
   b) property insured under import or export ocean marine insurance.
   c) waterborne shipments, unless:
      i. by inland water; or
      ii. by roll-on/roll-off ferries operating between European ports; or
      iii. by coastal shipments.
   d) airborne shipments unless by regularly scheduled passenger airlines or air freight carriers.
   e) property of others, including the Insured's legal liability for it, hauled on vehicles owned, leased or operated by the Insured when acting as a common or contract carrier, unless the Insured business activity includes hauling others personal property, as advised and mentioned in the Policy Schedule.
   f) any transporting vehicle, unless values for the transporting vehicles are on file with the Insurers and agreed to be covered by Insurers as indicated in the Policy Schedule, Transportation Sublimit Section.
   g) property shipped between continents, except by land or air between Europe and Asia.
3) Coverage Attachment and Duration:
   a) This Additional Coverage covers from the time the property leaves the original point of shipment for transit. It then covers continuously in the due course of transit:
      i. within the continent in which the shipment commences until the property arrives at the destination within such continent; or
      ii. between Europe and Asia, for land or air shipments only, from when the shipment commences until the property arrives at the destination.
   b) However, coverage on export shipments not insured under ocean cargo policies ends when the property is loaded on board overseas vessels or aircraft. Coverage on import shipments not insured under ocean cargo policies begins after discharge from overseas vessels or aircraft.
4) This Additional Coverage:
   a) covers general average and salvage charges on shipments covered while waterborne.
   b) insures physical loss or damage caused by or resulting from:
      i. unintentional acceptance of fraudulent bills of lading, shipping or messenger receipts.
      ii. improper parties having gained possession of property through fraud or deceit.
5) Additional General Provisions:
   a) This Additional Coverage will not inure directly or indirectly to the benefit of any carrier or bailee.
   b) The Insured has permission, without prejudicing this Policy, to accept:
      i. ordinary bills of lading used by carriers;
      ii. released bills of lading;
      iii. undervalued bills of lading; and
      iv. shipping or messenger receipts.
   c) The Insured may waive subrogation against railroads under side track agreements.

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

7. Unspecified Third-Party Locations

Insurers will provide coverage for the Insured's property that is covered herein whilst the covered property is at unspecified third-party locations.

A third-party location as used herein shall be defined as a location at which the Insured has property of the type insured hereunder which has not been reported to the Insurers, which is not covered within the Temporary Removal of Property clause within Property Damage Section of the Policy.

Upon report to the Insurers of said location, this Policy's Sum Insured Limit shall apply.

Specific Conditions Applicable To Section I And Section II

1. **Additional Insurable Interests**
   Additional insured interests are automatically added to this Policy as their interest may appear when named as additional named insured, lender, mortgagee and/or loss payee as mentioned in the Policy Schedule. Such interests become effective on the date shown in the Policy Schedule and will not amend, extend or alter the Definitions, Terms, Conditions, Exclusions, Warranties, Extensions, Limits and Deductible of this Policy.
2. **Assignment**
   Assignment or transfer of this Policy shall not be valid except with the written consent of Insurers.
3. **Due Diligence**
   The Insured (or any of the Insured's agents, sub or co-contractors) must use due diligence and do (and concur in doing and permit to be done) everything reasonably practicable, including but not limited to taking precautions to protect or remove the insured property, to avoid or diminish any loss herein insured and to secure compensation for any such loss including action against other parties to enforce any rights and remedies or to obtain relief or indemnity.
4. **Deductible**
   The Insurers hereon shall not be liable for the Deductible stated in the Policy Schedule and will be liable only if the Insured sustains a loss in a single Occurrence greater than the applicable Deductible specified in the Policy Schedule, and only for its share of that greater amount.
   Unless otherwise stated below:
   A. When this Policy insures more than one location, the Deductible will apply against the total loss covered by this Policy in any one Occurrence.
   B. If two or more deductibles provided in this Policy apply to a single Occurrence, the total to be deducted will not exceed the largest Deductible applicable, unless otherwise provided.

   However, any deductibles applicable to Business Interruption coverages shall apply in addition to the applicable Property Damage deductible.
5. **Fraudulent Claims Clause**
   If any claim under this Policy shall be in any respect fraudulent or if any fraudulent means or device are used by the Insured or anyone acting on Insured's behalf to obtain any benefit under this Policy, all benefits and rights under the Policy shall be forfeited.
6. **Governing Law**
   This Policy shall be governed by and construed in accordance with the laws as stated in the Policy Schedule.
7. **Incorrect Declaration Penalty**
   If the values declared as stated in the Policy Schedule are less than the correct insured values by more than 15%, unless specifically agreed and mentioned in the Policy Schedule, as determined in the Valuation clause, then any recovery otherwise due hereunder shall be reduced in the same proportion that the values declared bear to the values that should have been declared, and the Insured shall co-insure for the balance.
8. **Inspection and Audit**
   The Insurers or their representatives shall be permitted but not obligated to inspect the Insured's property at any time.
   Neither the Insurers' right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to determine or warrant that such property is safe.
   The Insurers may examine and audit the Insured's books and records at any time up to two years after the final termination of this Policy, as far as they relate to the subject matter of this Policy.
9. **Jurisdiction**
   Any dispute which does not fall within the Arbitration clause of this Policy shall be determined under the exclusive jurisdiction of the courts as stated in the Policy Schedule.
10. **Lenders Loss Payee And Mortgagee Interests And Obligations**

A. The Insurers will pay for loss to specified Property Insured under this Policy to each specified Lender Loss Payee (hereinafter referred to as Lender) as its interest may appear, and to each specified Mortgagee as its interest may appear, under all present or future mortgages upon such property, in order of precedence of the mortgages.

B. The interest of the Lender or Mortgagee (as the case may be) in Property Insured under this Policy will not be invalidated by:
   1) any act of neglect of the debtor, mortgagor, or owner (as the case may be) of the property.
   2) foreclosure notice of sale, or similar proceedings with respect to the property.
   3) change in the title or ownership of the property.
   4) change to a more hazardous occupancy.

The Lender or Mortgagee will notify the Insurers of any known change in ownership, occupancy, or hazard and, within 10 days of written request by the Insurers, may pay the increased premium associated with such known change. If the Lender or Mortgagee fails to pay the increased premium, all coverage under this Policy will cease.

C. If this Policy allows for this Policy to be cancelled, and is cancelled at the request of the Insured or its agent, the coverage for the interest of the Lender or Mortgagee will terminate 10 days after the Insurers send to the Lender or Mortgagee written notice of cancellation, unless:
   1) sooner terminated by authorization, consent, approval, acceptance, or ratification of the Insured's action by the Lender or Mortgagee, or its agent.
   2) this Policy is replaced by the Insured, with a Policy providing coverage for the interest of the Lender or Mortgagee, in which event coverage under this Policy with respect to such interest will terminate as of the effective date of the replacement Policy, notwithstanding any other provision of this Policy.

D. The Insurers may cancel this Policy if the debtor, mortgagor, or owner has failed to pay any premium due under this Policy, the Insurers may cancel this Policy for such non- payment but will give the Lender or Mortgagee written notice 10 days prior to the effective date of cancellation. If the Lender or Mortgagee fails to pay the premium due by the specified cancellation date, all coverage under this Policy will cease.

E. The Insurers have the right to invoke this Policy's Suspension clause. The suspension of insurance will apply to the interest of the Lender or Mortgagee in any machine, vessel, or part of any machine or vessel, subject to the suspension. The Insurers will provide the Lender or Mortgagee at the last known address a copy of the suspension notice.

F. If the Insurers pay the Lender or Mortgagee for any loss, and denies payment to the debtor, mortgagor or owner, the Insurers will, to the extent of the payment made to the Lender or Mortgagee be subrogated to the rights of the Lender or Mortgagee under all securities held as collateral to the debt or mortgage. No subrogation will impair the right of the Lender or Mortgagee to sue or recover the full amount of its claim. At its option, the Insurers may pay to the Lender or Mortgagee the whole principal due on the debt or mortgage plus any accrued interest. In this event, all rights and securities will be assigned and transferred from the Lender or Mortgagee to the Insurers, and the remaining debt or mortgage will be paid to the Insurers.

G. If the Insured fails to render proof of loss, the Lender or Mortgagee, upon notice of the Insured's failure to do so, will render proof of loss within 60 days of notice and will be subject to the provisions of this Policy relating to Arbitration, Settlement Of Claims, and Service Of Suit.

H. Other provisions relating to the interests and obligations of the Lender or Mortgagee may be added to this Policy by agreement in writing.

11. Liberalization

If during the period that insurance is in force hereunder, any filed rules or regulations affecting the same are revised by statute so as to broaden the insurance without additional premium charge, such extended or broadened insurance will inure to the benefit of the Insured within such jurisdiction, effective the date of the change specified in such statute.

12. Misrepresentation Or Non-Disclosure

This Policy shall be null, and void and all premiums paid hereon shall be forfeited in the event of misrepresentation, misdescription or non-disclosure of any material fact in the Proposal form,

personal statement, declaration and connected documents, or any material information having been withheld. If the Insured is unsure what constitutes material fact(s) or circumstance(s), they should consult the Insurer or Insurer's representative.

13. **Non-Cancellation**

This Policy shall be non-cancellable by the Insurers or the Insured except in the event of non-payment of the premium, mis-representation, fraud, non-disclosure of material facts and non-co-operation by the Insured where the Insurers may cancel the Policy at their discretion in accordance with the terms of the Premium Payment clause herein.

14. **Other Insurance**

This insurance will act as primary insurance, and will respond first, in the event the Insured is otherwise insured incidentally for any damages and claims expenses which are indemnifiable under this Policy (namely, under a more general or combined policy providing coverage, in addition, for other risks not indemnified under this Policy).

Where the Insured is, irrespective of this Policy, entitled to be indemnified in whole or in part by any other Insurance in respect of any damages which would otherwise have been indemnifiable in whole or in part by the Insurers of this Policy (namely, under a policy which does not provide coverage for other risks not indemnifiable under this Policy), there shall be no contribution or participation by the Insurers of this Policy on the basis of any deficiency, concurrent or double insurance for such damages or that part of such damages for which the Insured is entitled to be indemnified by such other insurance. This condition will apply whether or not the Insured is actually indemnified by such other insurance, or if such other insurance is avoided or rescinded.

15. **Premium Payment**

The Insured undertakes that premium will be paid in full to Insurers within the payment period stated in the Policy Schedule (or, in respect of instalment premiums, when due).

If the premium due under this Policy has not been so paid to Insurers within the payment period stated in the Policy Schedule (and, in respect of instalment premiums, by the date they are due) Insurers shall have the right to cancel this Policy by notifying the Insured in writing. In the event of cancellation, premium is due to Insurers on a pro rata basis for the period that Insurers are on risk, but the full Policy premium shall be payable to Insurers in the event of a loss or Occurrence prior to the date of termination which gives rise to a valid claim under this Policy.

In the event of cancellation due to misrepresentation, fraud, non-disclosure of material facts and non-co-operation by the insured, there would be no refund of premium.

It is agreed that Insurers shall give not less than fifteen (15) days prior notice of cancellation to the Insured. If premium due is paid in full to Insurers before the notice period expires, notice of cancellation shall automatically be revoked. If not, the Policy shall automatically terminate at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause, which will remain in full force and effect.

16. **Protection Maintenance**

It is agreed that any protection provided for the safety of the insured property and advised to Insurers at the inception of the Policy shall be maintained in good order throughout the Policy Period and shall be in use at all relevant times, and that such protection shall not be withdrawn or varied to the detriment of the interests of the Insurers without their consent.

17. **Rights Of Third Parties**

This Policy is effected solely between the Insured and Insurers.

This Policy shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any term of this Policy.

This clause shall not affect the rights of the Insured.

18. **Renewal Notice:**

The Company is 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 by the Insured.

19. Sanction Limitation And Exclusion

No Insurer shall be deemed to provide cover and no 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 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.

20. Salvage And Recoveries

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this Policy, after deduction of all recovery expenses, shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.

21. Situation

This Policy insures property within the Territorial Limits mentioned in the Policy Schedule and elsewhere covered within this Policy.

22. Sum Insured

1. The Insurers hereon shall not be liable for more than the Sum Insured stated in the Policy Schedule in a single Occurrence regardless of the number of Locations or coverages involved. However, when a sub-limit for a Location or other specified property or coverage is shown, such sub-limit will be the maximum amount payable for any loss or damage arising from physical loss or damage at such Location or involving such other specified property or such coverage.
2. The sub-limits specified in the Policy Schedule apply in the aggregate on a per Occurrence basis, unless otherwise specified, for all Locations and coverages combined.
3. The Insurers' maximum liability (or sub-limit) in a single Occurrence regardless of the number of Locations or coverages involved will not exceed the Policy limit of liability as specified in the Policy Schedule. When a limit of liability for a Location or other specified property or coverage is shown, such limit will be the maximum amount payable for any loss or damage arising from physical loss or damage at such Location or involving such other specified property or coverage.
4. If cover is available under more than one insuring clause, extension or write-back of this Policy for the same loss, damage, cost or expense, the liability of the Insurers in respect of that loss, damage, cost or expense will not exceed the single highest applicable limit or sub-limit.
5. With regards to Multiple Insureds
   (a) The total liability of the Insurers in the aggregate for any loss or losses sustained by any or all of the Insureds during the Policy Period shall not exceed the amount for which the Insurers would be liable had such loss or losses been sustained by any one of the Insureds alone.
   (b) For the avoidance of doubt, the Sum Insured set out in the Policy Schedule applies to the aggregate of all claims by all Insureds hereunder, and Insurers shall have no liability in excess of these limits whether insured losses are sustained during the Policy Period by all of the Insureds or any one or more of them.
6. Where the Sum Insured is to apply on an aggregate (or known as "in all for the Period") as shown in the Policy Schedule, the Insurers total liability for all losses during the Period set forth in the Policy Schedule, is limited to that aggregate limit of indemnity set forth in the Sum Insured. The aggregate limit of indemnity shall be reduced by the amount of any payment made under this Policy. Upon exhaustion of the aggregate limit of indemnity the Insurers shall have no further liability to indemnify the Insured under any insuring clause of this Policy for any loss or losses. Provided always, irrespective of the total amounts of loss or losses or series of losses and subject always to the Policy limits:
   (a) that, should more than one insuring clause apply, the total liability of the Insurers shall not exceed the limit of indemnity under one of the applicable insuring clauses stated in the

Schedule and in no event shall each limit of indemnity under separate insuring clauses be aggregated.

(b) The aggregate limit of indemnity shall not be reinstated in whole or in part by any recovery effected subsequent to any payment under this Policy.

(c) Regardless of the number of years this Policy has been in force or may continue to be in force and of the premiums paid or payable in respect thereof the liability of the Insurers shall not be cumulative in amount from year to year or from period to period and in no case shall exceed the limits stated in the Policy Schedule.

23. Titles

The titles in this Policy are only for reference. The titles do not in any way affect the provisions of this Policy.

24. Loss Adjustment and Settlement

1. Loss Adjustment/Payable

Loss, if any, will be adjusted with and payable to the Insured, or as may be directed by the Insured. Additional insured interests will also be included in loss payment as their interests may appear when named as additional named insured, lender, mortgagee and/or loss payee in the Policy Schedule.

2. Currency For Loss Payment

All amounts, including deductibles and limits of liability, indicated in this Policy are in the currency as stated in the Policy Schedule. Losses will be adjusted and paid in the currency as Stated in the Policy Schedule, unless directed otherwise by the Insured.

In the event of a loss adjustment involving currency conversion, the exchange selling rate will be calculated as follows:

A. As respects the calculation of deductible(es) and limits of liability, the rate of exchange published by the Reserve Bank of India on the date of loss.

B. As respects loss or damage to Real and Personal Property:

1) the cost to repair or replace Real and Personal Property will be converted at the time the cost of repair or replacement is incurred based on the rate of exchange published by the Reserve Bank of India.

2) if such property is not replaced or repaired, the conversion will be based on the rate of exchange published by the Reserve Bank of India as of the date of loss.

C. As respects BUSINESS INTERRUPTION loss the conversion will be based on the average of the rate of exchange published by the Reserve Bank of India on the date of loss and the rate of exchange published by The Reserve Bank of India on the last day of the Period of Liability.

If the Reserve Bank of India has not published on the stipulated date, the rate of exchange will be as published on the next business day.

3. Valuation

Adjustment of the physical loss amount under this Policy will be computed as of the date of loss at the location of the loss, and for no more than the interest of the Insured, subject to the following:

A. On stock in process, the value of raw materials and labour expended plus the proper proportion of overhead charges.

B. On finished goods manufactured by the Insured, the regular cash selling price at the Location where the loss happens, less all discounts and charges to which the finished goods would have been subject had no loss happened.

C. On raw materials, supplies and other merchandise not manufactured by the Insured:

1) if repaired or replaced, the actual expenditure incurred in repairing or replacing the damaged or destroyed property; or

2) if not repaired or replaced, the Actual Cash Value.

D. On exposed films, records, manuscripts and drawings, that are not Valuable Papers and Records, the value blank plus the cost of copying information from back-up or from

originals of a previous generation. These costs will not include research, engineering or any costs of restoring or recreating lost information.

E. On FINE ARTS articles, the lesser of:
   1) the reasonable and necessary cost to repair or restore such property to the physical condition that existed on the date of loss.
   2) cost to replace the article.
   3) the value, if any, stated in the Policy Schedule.

   In the event a Fine Arts article is part of a pair or set, and a physically damaged article cannot be replaced, or repaired or restored to the condition that existed immediately prior to the loss, Insurers will be liable for the lesser of the full value of such pair or set or the amount designated on the schedule. The Insured agrees to surrender the pair or set to Insurers.

F. On VALUABLE PAPERS AND RECORDS, the lesser of the following:
   1) The cost to repair or restore the item to the condition that existed immediately prior to the loss.
   2) The cost to replace the item.
   3) The amount designated for the item in the Policy schedule.

G. On property in transit:
   1) Property shipped to or for the account of the Insured will be valued at actual invoice to the Insured. Included in the value are accrued costs and charges legally due. Charges may include the Insured's commission as selling agent.
   2) Property sold by the Insured and shipped to or for the purchaser's account will be valued at the Insured's selling invoice amount. Prepaid or advanced freight costs are included.
   3) Property not under invoice will be valued:
      a) for property of the Insured, at the valuation provisions of this Policy applying at the location from which the property is being transported; or
      b) for other property, at the actual cash market value at the destination point on the date of loss,

      less any charges saved which would have become due and payable upon arrival at destination.

H. On all other property, the loss amount will not exceed the lesser of the following:
   1) The cost to repair.
   2) The cost to rebuild or replace on the same site with new materials of like size, kind and quality.
   3) The cost in rebuilding, repairing or replacing on the same or another site, but not to exceed the size and operating capacity that existed on the date of loss.
   4) The selling price of real property or machinery and equipment, other than stock, offered for sale on the date of loss.
   5) The cost to replace unrepairable electrical or mechanical equipment, including computer equipment, with equipment that is the most functionally equivalent to that damaged or destroyed, even if such equipment has technological advantages and/or represents an improvement in function and/or forms part of a program of system enhancement.
   6) The increased cost of demolition, if any, resulting from loss covered by this Policy, if such property is scheduled for demolition.
   7) The unamortized value of improvements and betterments, if such property is not repaired or replaced at the Insured's expense.
   8) The Actual Cash Value if such property is:
      a. useless to the Insured; or
      b. not repaired, replaced or rebuilt on the same or another site within thirty six month from the date of loss.

The Insured may elect not to repair or replace the insured real and/or personal property lost, damaged or destroyed. Loss settlement may be elected on the lesser of repair or replacement cost basis if the proceeds of such loss settlement are expended on other capital expenditures related to the Insured's operations within three years from the date of loss. As a condition of collecting under this item, such expenditure must be unplanned as of the date of loss and be made at an Insured Location under this Policy. This item does not extend to PUBLIC AUTHORITIES/INCREASED COST OF CONSTRUCTION.

For the purpose of this condition, Actual Cash Value shall mean the amount it would cost to repair or replace insured property, on the date of loss, with material of like kind and quality, with proper deduction for obsolescence and physical depreciation.

25. Notification Of Claims And Requirements In Case Of Loss

a) Notification

1. In the event of any Occurrence likely to give rise to a claim hereunder, the Insured shall as soon as reasonably practicable notify the Insurers.
2. protect the property from further loss or damage.
3. promptly separate the damaged and undamaged property; put it in the best possible order; and furnish a complete inventory of the lost, destroyed, damaged and undamaged property showing in detail the quantities, costs, Actual Cash Value, replacement value and amount of loss claimed.

b) In the event of Damage caused by an Insured Event, the Insured must deliver to the Insurers a signed and sworn proof of loss all such relevant information and evidence as may reasonably be required including:

i. full information in writing of the property lost, destroyed or damaged and the amount of the Damage and the Insured's interest and that of all others in the property;
ii. details of any other insurances on any property hereby insured, whether valid or not;
iii. all such proofs and information relating to the claim including time, place and cause of loss;
iv. any changes in the title, use, occupation, location, possession or exposures of the property since the effective date of this Policy
v. if required by insurers, include a copy of all the descriptions and schedules in all policies and, if required, provide verified plans and specifications of any buildings, fixtures, machinery or equipment destroyed or damaged
vi. if required by Insurers, a statutory declaration of the truth of the claim and of any matters connected to it,

which shall be submitted as soon as reasonably practical but in all cases this must be within 60 days of the Occurrence, or within 60 days of the date on which the Insured's corporate risk management department (or the individual acting in a similar capacity) first becomes aware of such Occurrence (unless such period be extended by the written agreement of Insurers).

c) In the event of a claim being made under Section II - Business Interruption Coverage as included under this Policy, the Insured must deliver to the Insurers:

i. not later than 30 days after the expiry of the Indemnity Period or within such further time as the Insurers may allow, particulars of his claim together with details of all other insurances covering property used by the Insured at the Premises for the purpose of the Business or any part of it or any resulting Consequential Loss.
ii. deliver to the Insurers such books of account and other business books, vouchers, invoices, balance sheets, and other documents, proofs, information, explanation and other evidence as may reasonably be required by the Insurers for the purpose of investigating the claim together with, if demanded, a statutory declaration of the truth of the claim and of any matters connected with it.

d) The Insured must co-operate fully in the investigation or adjustment of any claim.

e) If Insurers have not received such proof of loss within two years of the expiry date of this Policy, they shall be discharged from all liability hereunder, unless an extension has been agreed by Insurers.

f) In any claim and/or action, suit or proceeding to enforce a claim for loss under this Policy, the burden of proving that the loss is recoverable under this Policy and that no limitation or exclusion of this Policy applies and the quantum of loss shall fall upon the Insured.

26. Insurers' Option

Insurers have the option to take all or any part of damaged property at the agreed or appraised value. Insurers must give notice to the Insured of their intention to do so within 30 days after receipt of proof of loss.

27. Abandonment

There may be no abandonment of any property to Insurers.

28. Arbitration

The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy. Arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

29. Suit Against The Insurers

No suit, action or proceeding for the recovery of any claim will be sustained in any court of law or equity unless:

1. the Insured has fully complied with all the provisions of this Policy; and
2. legal action is started within twelve (12) months after inception of the loss.

If under the insurance laws of the jurisdiction in which the property is located, such twelve (12) months' limitation is invalid, then any such legal action needs to be started within the shortest limit of time permitted by such laws.

30. Service Of Suit

This Service of Suit clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in the Arbitration provision within this Policy. This clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such Arbitration provision for resolving disputes arising out of this Policy.

Any summons notice or process to be served upon the Insurers for the purpose of instituting any legal proceedings against them in connection with this Policy may be served upon the nominee stated in the Policy Schedule who have authority to accept service on their behalf.

31. Settlement Of Claims

The amount of loss, except for ACCOUNTS RECEIVABLE coverage, for which Insurers may be liable will be paid within 45 days after:

A. proof of loss as described in this Policy is received by Insurers; and

B. when a resolution of the amount of loss is made either by:
   1. written agreement between the Insured and Insurers; or
   2. the filing with Insurers of an award as provided in the Arbitration clause of this Policy.

32. Subrogation

Any release from liability entered into in writing by the Insured prior to loss hereunder shall not affect this Policy or the right of the Insured to recover hereunder. The right of subrogation against any of the Insured's subsidiary or affiliated companies or any other companies associated with the Insured through ownership or management is waived.

In the event of any payment under this Policy, the Insurers shall be subrogated to the extent of such payment to all the Insured's right of recovery, therefore. The Insured shall execute all papers required, shall cooperate with Insurers and, upon the Insurers' request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, attaining the attendance of witnesses and in the conduct of suits and shall do anything that may be necessary to secure such right. The Insurers will act in concert with all other interests concerned (including the Insured) in the exercise of such rights of recovery. If any amount is recovered as a result of such proceedings, such amount shall be distributed in the following priorities:

a) Any interest, (including the Insured's), exclusive of any deductible or self-insured retention, suffering a loss of the type covered by this Policy and in excess of the coverage under this Policy shall be reimbursed up to the amount of such loss;

b) Out of the balance remaining, the Insurers shall be reimbursed to the extent of payment under this Policy;

c) The remaining balance, if any, shall inure to the benefit of the Insured, or any insurer providing insurance primary to this Policy, with respect to the amount of such primary insurance, deductible, self-insured retention, and/or loss of a type not covered by this Policy.

The expense of all proceedings necessary to the recovery of any such amount shall be apportioned between the interests concerned, including that of the Insured, in the ratio of their respective recoveries as finally settled. If there should be no recovery and proceedings are instituted solely on the initiative of Insurers, the expense thereof shall be borne by the Insurers.

33. Collection From Others

Insurers will not be liable for any loss to the extent that the Insured has collected for such loss from others.

34. Partial Payment Of Loss Settlement

In the event of a loss occurring which has been ascertained to be insured loss or damage under this Policy and determined by Insurers' representatives to be in excess of the applicable insurance deductible, Insurers will advance mutually agreed upon partial payment(s) on the insured loss or damage, subject to the insurance's provisions. To obtain said partial payments, the Insured will submit a signed and sworn Proof of Loss as described in this Policy, with adequate supporting documentation.

35. Loss Adjustment Expenses

It is understood and agreed that the Insurers will appoint an adjuster, at their expense, for the adjustment of all insured claims made against this Policy.

Section III – Third Party Liability

1. Insuring Clause

If the Insured has opted for this cover and paid premium, subject to the Definitions, Terms, Conditions, Exclusions, Warranties, Extensions, Limits and Deductible hereinafter contained, Insurers agree to indemnify the Insured in respect of their operations for their Ultimate Net Loss, by reason of liability imposed upon the Insured by law, for monetary damages in respect of:

1. Claims first made against the Insured during the Policy Period;

   Or

2. Claims, or circumstances likely to give rise to a claim insured hereunder, which are reported in writing to Insurers as soon as reasonably possible and in no event later than 90 days after the expiry of this Policy, unless specifically agreed otherwise and mentioned in Policy Schedule.

Provided always that such Claims arise out of an Occurrence as defined herein that takes place during the Policy Period, for:

- Bodily Injury
- and/or Property Damage
- and/or Defence Expenses

Resulting solely and directly from an Act (or Acts) of an Insured Event(s), as defined herein.

This is a Claims Made and Reported Policy which applies only to claims first made against the insured during the Policy Period.

2. Exclusions Specifically Applicable to Section III – Third Party Liability

This Policy does not apply to any actual or alleged loss or damage, liability, injury, defence expenses, cost and expense, arising directly or indirectly from or as a result of:

2.1. nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.

2.2. loss arising from war (whether before or after the outbreak of hostilities) between any two of the following:

China, France, The Russian Federation, The United Kingdom and The United States of America

2.3. seizure or legal or illegal occupation unless physical loss or damage is caused directly by an Insured Event.

2.4. confiscation, 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, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.

2.5. from or in consequence of the 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.

2.6. chemical or biological release or exposure of any kind.

2.7. attacks by electronic means including 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.

2.8. cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications of any type or service not on the Insured's premises.

2.9. Threat or hoax.

2.10. burglary, house-breaking, looting, theft or larceny or caused by any person taking part therein.

2.11. Loss of use, delay or loss of markets, failure to supply goods or services, failure to perform however caused or arising, loss of income, increased cost of working or any other consequential loss.

2.12. Bodily Injury to employees or contract workers of the Insured, arising out discrimination or humiliation, or arising under any workers' compensation, unemployment compensation or disability laws, statutes, or regulation.

2.13. Property

a) Owned, leased, rented or occupied by the Insured;

b) In the care, custody or control of the Insured.

2.14. Fines, penalties, punitive damages, exemplary damages, sanctions, or any additional damages resulting from the multiplication of compensatory damages.

2.15. Mental injury, anguish, or shock, where no Bodily Injury has occurred to the claimant.

2.16. Criminal, dishonest, fraudulent or malicious conduct by the Insured.

2.17. Goods or products designed, manufactured, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured.

2.18. Any claims or circumstances disclosed on the application for this insurance.

Nothing contained in the above exclusions shall extend this Policy to cover any liability which would not have been covered had these exclusions not been incorporated herein.

3. Specific Conditions Applicable To Section III – Third Party Liability

This Policy is subject to the following Conditions:

1. Insolvency

The insolvency, bankruptcy, receivership or any refusal or inability to pay, of the Insured or any Insurer and/or any Insurer shall not operate to:

a) Deplete the underlying amount(s) and/or each Occurrence retention set out in the Policy Schedule;

b) Increase Insurers' liability under this Policy;
c) Increase any Insurers' share of liability under this Policy.

In no event shall any Insurer of this Policy assume the responsibilities and/or obligations of the Insured and/or any Insurer and/or Insurer.

2. **Other Insurance**

This insurance will act as primary insurance, and will respond first, in the event the Insured is otherwise insured incidentally for any damages and claims expenses which are indemnifiable under this Policy (namely, under a more general or combined policy providing coverage, in addition, for other risks not indemnified under this Policy).

Where the Insured is, irrespective of this Policy, entitled to be indemnified in whole or in part by any other Insurance in respect of any damages which would otherwise have been indemnifiable in whole or in part by the Insurers of this Policy (namely, under a policy which does not provide coverage for other risks not indemnifiable under this Policy), there shall be no contribution or participation by the Insurers of this Policy on the basis of any deficiency, concurrent or double insurance for such damages or that part of such damages for which the Insured is entitled to be indemnified by such other insurance. This condition will apply whether or not the Insured is actually indemnified by such other insurance, or if such other insurance is avoided or rescinded.

3. **Notice Of Claim**

As a Conditions Precedent to Coverage under this Policy, Prompt notice must be given to Insurers whenever the Insured has information that a claim, alone, or in combination with any other claims, may give rise to liability and provide every demand, notice, summons or other process received by him or his representative to the Insurers.

The insured must keep the Insurers fully informed of the claim and forward to the Insurers copies of all relevant correspondence and legal processes.

For the purpose of this Condition, the Insured will notify Insurers on the basis that the Insured is liable and further is liable for any amount claimed.

4. **Protection Maintenance**

It is agreed that any protection provided for the safety of the insured property and advised to Insurers at the inception of the Policy shall be maintained in good order throughout the Policy Period and shall be in use at all relevant times, and that such protection shall not be withdrawn or varied to the detriment of the interests of the Insurers without their consent.

5. **Prevention Of Further Claims**

As soon as the Insured becomes aware of an Occurrence or receives a claim, the Insured shall promptly, and at its own expense, take all reasonable steps to prevent further Bodily Injury and/or Property Damage resulting from the same Occurrence or conditions which may give rise to a similar Occurrence.

6. **Attachment Of Liability**

Liability to pay under this Policy shall not attach unless and until the Insured has, with Insurers' prior written consent, paid an amount of Ultimate Net Loss which exceeds the underlying amount and/or the each occurrence retention set out in the Policy Schedule.

7. **Defence**

Insurers shall not be called upon to assume the handling or control of the defence or settlement of any claim made against the Insured; but Insurers shall have the right (but not the duty) to participate with the Insured in the defence or settlement or any claim which may be indemnifiable in whole or in part by this Policy.

Insurers will pay any defence expenses incurred (after exhaustion of the underlying amount or each occurrence retention, whichever is the greater) provided that the prior written consent of Insurers is obtained before those defence expenses are incurred, and subject always to Insurers' limit of liability set out in the Policy Schedule.

The Insurers will not pay any costs in defence of a claim which is excluded by this Policy.

The Insurers shall have the right at their expense to make any investigation they deem necessary, including, without limitation, any investigation with respect to the application for this Policy and statements made in the application and with respect to coverage.

The Insured shall not admit liability for or settle any Claim which may be indemnifiable in whole or in part by this Policy without Insurers' written consent.

8. **Appeals**

In the event the Insured elects not to appeal a judgement which may in whole or in part involve indemnity under this Policy, Insurers may, following discussion with the Insured, elect to make such appeal at their own costs and expense, and shall be liable for the taxable costs and disbursements and any additional interest incidental to such appeal. However, in no event shall the liability of Insurers exceed the limit of liability set out in the Policy Schedule, plus such costs, expenses, disbursements and interest.

9. **Apportionment Of Defence Expenses**

Whenever any written demand received by the Insured for damages is finally resolved by a payment by the Insured which, regardless of the amount thereof, is only covered in part by this Policy, then the percentage of any Defence Expenses that can be included in the Ultimate Net Loss recoverable hereunder shall be calculated by dividing that part of such payment which is covered by this Policy, by the total amount paid by the Insured.

10. **Loss Payable**

Any amount for which Insurers are liable under this Policy shall be due and payable solely to the Insured within 30 days after it is agreed by Insurers.

11. **Subrogation**

Any release from liability entered into in writing by the Insured prior to loss hereunder shall not affect this Policy or the right of the Insured to recover hereunder. The right of subrogation against any of the Insured's subsidiary or affiliated companies or any other companies associated with the Insured through ownership or management is waived.

In the event of any payment under this Policy, the Insurers shall be subrogated to the extent of such payment to all the Insured's right of recovery, therefore. The Insured shall execute all papers required, shall cooperate with Insurers and, upon the Insurers' request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, attaining the attendance of witnesses and in the conduct of suits and shall do anything that may be necessary to secure such right. The Insurers will act in concert with all other interests concerned (including the Insured) in the exercise of such rights of recovery. If any amount is recovered as a result of such proceedings, such amount shall be distributed in the following priorities:

a) Any interest, (including the Insured's), exclusive of any deductible or self-insured retention, suffering a loss of the type covered by this Policy and in excess of the coverage under this Policy shall be reimbursed up to the amount of such loss;

b) Out of the balance remaining, the Insurers shall be reimbursed to the extent of payment under this Policy;

c) The remaining balance, if any, shall inure to the benefit of the Insured, or any insurer providing insurance primary to this Policy, with respect to the amount of such primary insurance, deductible, self-insured retention, and/or loss of a type not covered by this Policy.

The expense of all proceedings necessary to the recovery of any such amount shall be apportioned between the interests concerned, including that of the Insured, in the ratio of their respective recoveries as finally settled. If there should be no recovery and proceedings are instituted solely on the initiative of Insurers, the expense thereof shall be borne by the Insurers.

12. **Application Of Recoveries**

All recoveries or payments recovered or received subsequent to a payment by Insurers under this Policy, after deduction of all recovery expenses, shall be applied on a 'top down' basis, such that the last amount paid out in settlement of a loss shall be reimbursed first, and all necessary adjustments shall then be made between the Insured and Insurers, notwithstanding any rule or precedent to the contrary.

13. **Waiver Or Change**

Notice to, or knowledge possessed by any person, shall not effect a waiver or change in any part of this Policy or stop Insurers from asserting any right under this Policy; nor shall any part of this

Policy be waived or changed, except by endorsement issued to form a part hereof, signed by Insurers.

14. Assignment

Assignment or transfer of this Policy shall not be valid except with the written consent of Insurers.

15. Non-Cancellation

This Policy shall be non-cancellable by the Insurers or the Insured except in the event of non-payment of the premium, mis-representation, fraud, non-disclosure of material facts and non-co-operation by the Insured where the Insurers may cancel the Policy at their discretion in accordance with the terms of the Premium Payment clause herein.

16. Law & Jurisdiction

As set out in the Risk Details.

17. Service Of Suit

This Service of Suit clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in the Arbitration provision within this Policy. This clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such Arbitration provision for resolving disputes arising out of this Policy.

Any summons notice or process to be served upon the Insurers for the purpose of instituting any legal proceedings against them in connection with this Policy may be served upon the nominee stated in the Policy Schedule who have authority to accept service on their behalf.

18. Arbitration

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

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

It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this policy that the award by such arbitrator/ arbitrators of the amount of the loss or damage shall be first obtained.

19. Inspection and Audit

The Insurers or their representatives shall be permitted but not obligated to inspect the Insured's property at any time.

Neither the Insurers' right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to determine or warrant that such property is safe.

The Insurers may examine and audit the Insured’s books and records at any time up to two years after the final termination of this Policy, as far as they relate to the subject matter of this Policy.

20. Cross Liability

In the event of claims being made by reason of Bodily Injury suffered by any employee of one Insured which does not arise out of the injured employee’s employment, for which another Insured is liable, then this Policy shall covered the Insured against whom such claim is made in the same manner as if separate policies had been issued to each Insured.

Nothing contained in this clause shall operate to increase Insurers’ limit of liability as set out in the Policy Schedule.

21. Onus Of Proof

In any arbitration or other proceeding to enforce a Claim for loss under this Policy, the burden of proving that the loss is recoverable under this Policy, and that no limitation or exclusion of this Policy applies, and the quantum of loss, shall fall upon the Insured.

22. **Fraudulent Claims Clause**
    If any claim under this Policy shall be in any respect fraudulent or if any fraudulent means or device are used by the Insured or anyone acting on Insured's behalf to obtain any benefit under this Policy, all benefits and rights under the Policy shall be forfeited.
23. **Misrepresentation Or Non-Disclosure**
    This Policy shall be null, and void and all premiums paid hereon shall be forfeited in the event of misrepresentation, misdescription or non-disclosure of any material fact in the Proposal form, personal statement, declaration and connected documents, or any material information having been withheld. If the Insured is unsure what constitutes material fact(s) or circumstance(s), they should consult the Insurer or Insurer's representative.
24. **Premium Payment**
    The Insured undertakes that premium will be paid in full to Insurers within the payment period stated in the Policy Schedule (or, in respect of instalment premiums, when due).
    If the premium due under this Policy has not been so paid to Insurers within the payment period stated in the Policy Schedule (and, in respect of instalment premiums, by the date they are due) Insurers shall have the right to cancel this Policy by notifying the Insured in writing. In the event of cancellation, premium is due to Insurers on a pro rata basis for the period that Insurers are on risk, but the full Policy premium shall be payable to Insurers in the event of a loss or Occurrence prior to the date of termination which gives rise to a valid claim under this Policy.
    In the event of cancellation due to misrepresentation, fraud, non-disclosure of material facts and non-co-operation by the insured, there would be no refund of premium.
    It is agreed that Insurers shall give not less than fifteen (15) days prior notice of cancellation to the Insured. If premium due is paid in full to Insurers before the notice period expires, notice of cancellation shall automatically be revoked. If not, the Policy shall automatically terminate at the end of the notice period.
    If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause, which will remain in full force and effect.
25. **Renewal Notice:**
    The Company is 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 by the Insured.
26. **Sanction Limitation And Exclusion**
    No Insurer shall be deemed to provide cover and no 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 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.

What is the maximum period of cover available under this Policy?

Policy Period will be for maximum 1 Year, except for Construction Projects where in it will be aligned to the Project Period.

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.

What do I do in case of a claim?

In case of a claim, we request you to register a claim by contacting our Customer Service No. 1800 258 5956: 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.

What do I do in case of any grievance?

The Company is committed to extend the best possible services to its customers. However, if you are not satisfied with our services and wish to lodge a complaint, please feel free to call our 24X7 Toll free number 1800-258-5956 or you may email to the customer service desk at hello@godigit.com. After investigating the matter internally and subsequent closure, we will send our response.
Senior Citizens can now contact us on 1800-258-5956 or write to us at seniors@godigit.com
Email: grievance@godigit.com

For further information, please refer the below link,

https://www.godigit.com/claim/grievance-redressal-procedure

The policyholder or the claimant also has the option to register the complaint on-line at IRDAI's Bima Bharosa by visiting https://bimabharosa.irdai.gov.in/

If You do not get a satisfactory response from Us and You wish to pursue other avenues for redressal of grievances, You may approach Insurance Ombudsman appointed by IRDAI under the Insurance Ombudsman Scheme.

For updated details of Ombudsman details, request to please check Council of Insurance Ombudsmen website available on https://www.cioins.co.in/Ombudsman

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.