DIGIT CONTRACTOR'S ALL RISK INSURANCE POLICY (COMMERCIAL)
PROSPECTUS
UIN: IRDAN158CP0008V01201920

Go Digit General Insurance Ltd.

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

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

Product Introduction

A Contractor's all risk insurance is a comprehensive insurance policy that covers various civil engineering projects, like buildings, water tanks, sewage treatment plans, flyovers, airports, etc. In order to protect the prospective customers from perils like fire, collapse, act of god, earthquake etc. Digit has designed the Digit Contractor's All Risks Insurance Policy, which would indemnify the customer in case of loss arising from such perils.

To whom can this Product be sold?

This Product will be sold only to Principals, Sub-Contractors and Contractors having minimum Policy sum insured of Rs. 5 crores.

What is briefly covered under this policy?

This Policy provides coverage against the following:

a) Section I - Material Damage and
b) Section II - Third Party liability

and covers all risks/perils other than those which are specifically excluded.

What are the detailed coverages, exclusions, specific conditions and provisions under the Digit Contractor's All Risk Insurance Policy?

Detailed Coverage description is as mentioned below:

SECTION I - MATERIAL DAMAGE

If any of the property insured be accidentally physically lost destroyed or damaged other than by an excluded cause during the period of insurance or any subsequent period in respect of which the insured shall have paid and the Insurer shall have accepted the premium required for the renewal of this policy, the Insurer will pay to the Insured the value of the property at the time of the happening of its accidental physical loss or destruction or damage (being hereinafter termed Damage) or at its option reinstate or replace such property or any part thereof

The Insurer will also reimburse the Insured for the cost of clearance and removal of debris following upon any event giving rise to an admissible claim under this Policy but not exceeding in all the sum (if any) set opposite thereto in the Schedule.

EXCLUSIONS applicable to Section - I

The Company, shall not, however, be liable for:

a. the first amount of the loss arising out of each and every occurrence shown as Excess in the Schedule;
b. loss discovered only at the time of taking an inventory;

c. normal wear and tear, gradual deterioration due to atmospheric conditions or lack of use or obsolescence or otherwise, rust, scratching of painted or polished surfaces or breakage of glass;
d. loss or damage due to faulty design;
e. the cost of replacement, repair or rectification of defective material and/or workmanship, but this exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss of or damage to correctly executed items resulting from an accident due to such defective material and/ or workmanship;
f. the cost necessary for rectification or correction of any error during construction unless resulting in physical loss or damage;
g. loss of or damage to files, drawings, accounts, bills, currency, stamps, deeds, evidence of debt, notes, securities, cheques, packing materials such as cases, boxes, crates;
h. any damage or penalties on account of the Insured's non-fulfillment of the terms of delivery or completion under his Contract of construction or of any obligations assumed there under or lack of performance including consequential loss of any kind or description or for any aesthetic defects or operational deficiencies;
i. loss of or damage to vehicles licensed for general road use or water borne vessels or Machinery/Equipment mounted or operated or fixed on floating vessels/craft/barges or aircraft.

Provision applying to Section - I

Memo 1 - SUM INSURED:
It is a requirement of this Insurance that the sum of insurance stated in the schedule shall not be less than the completely erected value of the property inclusive of freights, custom duty, erection cost and the insured undertakes to increase or decrease the amount of insurance in the event of any material fluctuation in the level of wages or prices. Provided always that such increase or decrease shall take effect only after the same has been recorded on the policy by the Company.
If in the event of the occurrence of a loss, or damage it is found that the Sum insured representing the completely erected value of the property and/or of particular item involved is less than the amount required to be insured, then the amount recoverable by the insured under this policy shall be reduced in such proportion as the Sum Insured bears to amount required to be insured.

Memo 2 - PREMIUM ADJUSTMENT:
The Sum Insured under the Policy representing the complete value of the contract works shall be adjustable at completion of the construction on the basis of actual values to be declared by the insured in respect of freight and handling charges, customs dues and construction cost and difference in premium shall be met with by payment at the rate agreed to or by the insured as the case may be. Any increase or decrease in the Prime cost of materials shall not be the subject matter of premium adjustment.

Memo 3 - REINSTATEMENT OF SUM INSURED:
In the event of loss or damage the Insurance shall notwithstanding be maintained in force during the period of insurance for the Sum Insured the Insured undertaking to pay a pro-rata additional premium on the full amount of each claim for the loss or damage from the date of such loss to the expiry of the period of Insurance.

Memo 4 - BASIS OF LOSS SETTLEMENT:
In the event of any loss or damage the basis of any settlement under this Policy shall be -
a. in the case of damage which can be repaired the cost of repairs necessary to restore the property to their condition immediately before the occurrence of the damage less salvage, or
b. in the case of a total loss - the actual value of the property immediately before the occurrence of the loss less salvage;

however, only to the extent the cost claimed has to be borne by the Insured and to the extent they are included in the Sum Insured and provided always that the provisions and conditions have been complied with.

All damages, which can be repaired, shall be repaired, but if the cost of repairing any damage equals or exceeds the value of the property immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (b) above.
The cost of any provisional repairs will be borne by the Company if such repairs constitute part of the final repairs and do not increase the total repair expenses.
The cost of any alterations, additions and/or improvements shall not be recoverable under this Policy.

Memo 5 - EXTENSION OF COVER:
Any extra charges incurred for overtime, work on holidays, express freight (excluding air freight) are not covered by this insurance unless agreed upon at an additional premium to be prescribed by the Company.

Memo 6 - CONSTRUCTION PLANT AND MACHINERY:
Loss of or damage to Construction Plant and Machinery excludes loss or damage directly caused by its own explosion or its own mechanical or electrical breakdown or derangement.

Memo 7 - SURROUNDING PROPERTY:
Loss of or damage to property located on or adjacent to the site and belonging to or held in care custody or control of the Principal (s) or the Contractor(s) shall only be covered if occurring directly due to the construction of the items insured under Section I and happening during the period of cover, and provided that a separate Sum therefore has been entered in the Schedule under Section I, for Principal's surrounding specified property. This cover does not apply to construction/erection machinery, plants and equipment.

Memo 8 - MAJOR PERILS/AOG Perils:
The major peril/Acts of God claims shall mean claims arising out of –
a. Earthquake - Fire & Shock
b. Landslide/Rockslide/Subsidence
c. Flood/Inundation
d. Storm/Tempest/Hurricane/Typhoon/Cyclone/Lightning or other atmospheric disturbances.
e. Collapse
f. Water damage for "wet" risks i.e. contract involving works in rivers, canals, lakes or sea.

Memo 9. REINSTATEMENT OF THE INDEMNITY LIMIT:
Reinstatement of the indemnity limit on payment of additional premium after occurrence of claim can be allowed for extensions like express freight, overtime, surrounding property, airfreight. However, in respect of Third-Party Liability, reinstatement can be allowed up to overall limit of Rs.1 crore during entire Policy period.

Memo 10. THIRD PARTY LIABILITY:
Third party liability (TPL) cover cannot be granted during extended maintenance.

SECTION II - THIRD PARTY LIABILITY
The Insurer will indemnify the insured against:
a) legal liability for accidental loss or damage caused to property of other persons including property held in trust by or under custody of the Insured for which he is responsible excluding any such property used in connection with construction thereon.
b) legal liability (liability under contract excepted) for fatal or non-fatal injury to any persons other than the Insured's own employees or workmen or employees of the owner of the works or premises or other firms connected with any other construction work thereon, or members of the Insured's family or of any of the

aforesaid; directly consequent upon or solely due to the construction of any property described in the Schedule.

Provided that the total liability of the Company during the period of Insurance under this cause shall not exceed the limits of Indemnity set opposite thereto in the Schedule.

In respect of a claim for compensation to which the indemnity provided herein applies, the Company will, in addition, indemnify the Insured against -

a) all costs and expenses of litigation recovered by any claimant from the Insured,
b) all costs and expenses incurred with the written consent of the Company.

The exclusion contained in paragraphs (d), (f) & (g) in Section I of this Policy shall apply also to this Section.

Exclusion to Section II

The Company will not indemnify the Insured in respect of:

1. The Excess stated in the Schedule to be borne by the Insured in any one occurrence related to property damage.
2. Expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under Section I of this Policy;
3. Liability consequent upon -
   a) bodily injury to or illness of employees or workmen of the Contractor(s) or the Principal(s) or any other firm connected with the project which or part of which is insured under Section I, or members of their families;
   b) Loss of or damage to property belonging to or held in care custody or control of the Contractor(s), the Principal(s) or any other firm connected with the project which or part of which is insured under Section - I, or an employee or workman of one of the aforesaid;
   c) any accident caused by vehicles licensed for general road use or by waterborne vessels or aircraft;
   d) any agreement by the Insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.

Specific Conditions applying to Section II

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

What are the general conditions under the Digit Contractor's All Risks Insurance Policy?

Below general conditions are applicable to this Product:

1. The due observance and fulfilment of the terms of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statement and answers in the questionnaire and proposal made by the Insured shall be a condition precedent to any liability of the company.
2. The Schedule and the Section(s) shall be deemed to be incorporated in and form part of this Policy and expression "this Policy" wherever used in this contract shall be read as including the Schedule and the Section(s). Any word or expression to which a specific meaning has been attached in any part of this Policy or of the Schedule or of the Section(s) shall bear such meaning wherever it may appear.

3. The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Company to prevent loss, damage or liability and comply with statutory requirements and manufacturers' recommendations.
4.
   a) Representatives of the Company shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Company with all details and information necessary for the assessment of the risk.
   b) The Insured shall immediately notify the Company by Telegram and in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.

   No material alteration shall be made or admitted by the Insured where by the risk is increased unless the continuance of the Insurance be confirmed in writing by the Company.
5. In the event of any occurrence, which might give rise to a claim under this Policy, the Insured shall:
   a) Immediately notify the Company by Telephone or Telegram as well as in writing giving an indication as to the nature and extent of loss or damage;
   b) take all steps within his power to minimise the extent of the loss or damage;
   c) preserve the parts affected and make them available for inspection by a representative or Surveyor deputed by the company;
   d) furnish all such information and documentary evidence as the Company may require;
   e) inform the police authorities in case of loss or damage due to theft or burglary.

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

   Upon notification being given to the Company under this condition the Insured may carry out the repair or replacement of any minor damage not exceeding Rs. 2,500/-. In all other cases a representative of the Company shall have the opportunity of inspecting the loss or damage before any repairs or alterations are affected. If a representative of the Company does not carry out the inspection within a period of time which could be considered as adequate under the circumstances the Insured is entitled to proceed with the repairs or replacement.

   The liability of the Company under this Policy in respect of any item sustaining damage shall cease if said item is not repaired properly without delay.

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

7. 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.

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

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

10. This insurance may be terminated at the request of the Insured at any time in which case the Insurers will refund appropriate premium amount subject to the following conditions:
    i) Claims experience under the policy as on date of cancellation should be less than 60 % of reworked premium.
    ii) "The unexpired period is not less than 3 months or 25 % of the policy period whichever is less".
    iii) Testing period should not have commenced.

    The Company may terminate the policy on grounds of misrepresentation, fraud, non-disclosure or non-cooperation by the Insured, giving 15 days' notice to the Insured for the cancellation and there would be no refund of premium.

What are the general exclusions applicable under Digit Contractor's All Risk Insurance Policy?

The General Exclusions applicable to both Section I and Section II are as below:

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

a) War, Invasion, Act of foreign enemy, hostilities or War like operations (whether war be declared or not) Civil War, rebellion, revolution, insurrection, mutiny, Civil commotion, Military or usurped power, martial law, conspiracy, confiscation, commandeering a group of malicious persons or persons acting on behalf of or in connection with any political organisation, requisition or destruction or damage by order of any Government de jure or defacto or by any Public, Municipal or Local Authority;
b) Nuclear reaction, Nuclear radiation or Radioactive contamination;
c) Wilful act or wilful negligence of the Insured or of his responsible representative;
d) Cessation of work whether total or partial.
e) Terrorism Damage Exclusion Warranty

Notwithstanding any provision to the contrary within this insurance it is agreed that this insurance excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to the use of force of violence and/or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar

purpose including the intention to influence any government and/or to put the public, or any section of the public in fear.
The warranty also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to action taken in respect of any act of terrorism.
If the Company alleges that by reason of this exclusion, any loss, damage, cost or expenses is not covered by this insurance the burden of proving the contrary shall be upon the Insured.
In any action, suit or other proceedings where the Company, allege that by reason of the provisions of Exclusion (a) above any loss, destruction, damage or liability is not covered by this insurance, the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.

What are the various endorsements applicable under this Product?

Following tariff endorsements may be attached to the Policy by adjusting or providing additional Sum Insured where applicable.

1. Pipeline construction
2. Exclusion of loss of stabilising fluid
3. Road construction
4. Piling construction
5. Abandonment of shafts
6. Crops, forests, cultivated areas
7. Existing underground cables
8. Contract works time schedule
9. Temporary access roads
10. Special conditions concerning the construction of dam and water reservoir
11. Special conditions concerning safety measures with respect to precipitation, flood and inundation
12. Special conditions concerning removal of debris from landslides
13. Endorsement for escalation provision
14. Terrorism Damage Exclusion Warranty

Detailed wordings of these endorsements/extensions are as mentioned in Annexure I of this document.

In addition to the above-mentioned Endorsement Covers, are there any other Add-On Cover/Clauses which can be opted / applicable to this Product?

Yes, We have below mentioned endorsements/clauses under this Product to enhance the coverage which can be opted on payment of additional premium (where ever applicable):

- Air Freight
- Additional Custom Duty
- Loss due to Breakage of Glass
- Limited Maintenance Visits Cover
- Extended Maintenance Cover
- Cover of Extra Charges for Overtime, Night Work, and Work on Public Holidays, Express Freight Including Air Freight
- Cover of Extra Charges for Overtime, Night Work, and Work on Public Holidays, Express Freight Excluding Air Freight
- Professional Fees Clause
- Clearance and Removal of Debris (Including Foreign Debris)
- Cover for Increased Customs Duty
- Loss Minimization Expenses
- Owners Surrounding Property
- Automatic Reinstatement

- Cover for Cross Liability
- Cover of Manufacturers' Risk
- Cover for Valuable Documents
- Outright Defect Exclusion DE-1
- Extended Defective Condition Exclusion DE-2
- Limited Defective Condition Exclusion DE-3
- Defective Part Exclusion DE-4
- Design Improvement Exclusion DE-5
- Properties Under Consignment, Care, Custody And Control
- Errors and Omissions Clause
- Civil Authority Clause
- Off Site Storage Premises Cover
- Contractual Liability Cover
- Cover For Testing Of Machinery And Installations
- Cover For Insured Contract Works Taken Over Or Put Into Service
- Vibration, Removal Or Weakening Of Support Cover
- Cover of Contractor' Construction/Erection Machinery
- Earthquake Extension Clause
- Cessation of Work
- Temporary Repairs
- Continuity Of Cover
- Incompatibility Of Undamaged Machinery
- Leased Equipment Rental Costs
- Pair And Set Clause
- Involuntary Betterment
- Inland Transit
- Employees' Personal Effects And Tools
- Sound/Undamaged Property Destruction
- Special Conditions Concerning Fire Fighting Facilities
- 72 Hours Clause
- 50: 50 Clause
- Waiver of Subrogation
- Primary & Non-Contributory Clause
- Non-Vitiation
- Sectional Clause (Roads/Canals)
- Special Conditions concerning Removal of Debris from Landslides
- Loss Payee Clause
- Event Clause
- Highest Single Deductible
- Designation of Property Clause
- Warranty Concerning Structures In Earthquake Zones
- Exclusion of Loss, Damage or Liability Due to Flood and Inundation
- Exclusion of Loss, Damage or Liability due to Windstorm or Wind- Related Water Damage
- Special Conditions Concerning The Construction Of Tunnels, Galleries, Temporary Or Permanent Subsurface Structures Or Installations
- Special Conditions Concerning Underground Cables, Pipes And Other Facilities
- Warranty Concerning Camps And Stores
- Warranty Concerning Construction Material
- Serial Losses

- Drilling Work For Water Wells
- Special Conditions For Laying Water Supply And Sewer Pipes
- Special Conditions Concerning Piling Foundation And Retaining Wall Works
- Wet Works
- Cofferdams
- Breakwater
- Multiple Insured Clause
- Agreed Bank Clause
- Claim Preparation Costs
- Temporary Structures And Plant & Equipment - Temporary works including roads, camps for workers, material storage place, Buildings / sheds / site offices / support structures, portacabins
- Waiver Of Contribution
- Non-Invalidation Clause
- No Control Clause
- Co-insurance Clause
- Nominated Loss Adjuster's Clause

Note: Details of the above endorsements and clauses are mentioned separately in Annexure 1 of this Document.

Is terrorism cover inbuilt?

No, terrorism cover is optional, and you can opt for it by payment of additional premium.

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

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

In cases where the Sum Insured for CAR is required to be increased during the policy period, additional premium will be charged on the additional Sum insured. It is not permissible to charge pro-rata premium on such increased sum insured.

Mid-term increase in SI shall be affected only after the same has been recorded in the policy by the Company before the occurrence of any claim.

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

Yes, You will have to pay the normal excess at the time of claim as mentioned in Annexure II of this document.

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

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

Higher Excess opted	Discount	Higher Excess opted	Discount
2 times the Minimum Excess	5.00%	40 times the Minimum Excess	40.00%
5 times the Minimum Excess	10.00%	50 times the Minimum Excess	45.00%
10 times the Minimum Excess	20.00%	100 times the Minimum Excess	50.00%
20 times the Minimum Excess	30.00%	>100 times the Minimum Excess	55.00%
30 times the Minimum Excess	35.00%		

Is there any provision for refund of premium for early completion of the project?

Refund of premium, arising out of cancellation of policies under CAR insurance due to abandonment of project, double insurance of same project etc. or refund of premium due to early completion earlier than the period mentioned in policy Schedule (including testing in respect of CAR policies) can be allowed provided the following conditions are fulfilled.

i.The period of insurance is 18 months and above;

ii. Notice for early completion being given in advance to the insurer before completion of the project.
iii. claims experience under the policy being less than 60
iv. The original policy period is not exceeding the contract period as per contractual clause. In the absence of the existence of the contract, the scheduled project period as per original bar chart should be the policy period. The minimum period for which refund can be claimed shall be 3 months.

What will be the policy period under this product?

The original policy period must not exceed the contract period as per contractual clause. In the absence of the existence of the contract, the scheduled project period as per original bar chart should be the policy period.

Is there any provision for extension under this Product?

The policy period under this Product can be extended beyond Policy Period by intimating us and on payment of additional premium.

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 other discounts are available under this policy?

When business is sourced directly by the company without involvement of any intermediary, 10% discount will be offered for the Direct business.

How do I claim under this Policy?

In case of a claim, we request you to register a claim by contacting our Customer Service No. 1800 103 4448: You can, alternatively, also register a claim by email on: hello@godigit.com
Please keep below details handy at the time of registering claims as this information will help us serve you faster: Policy Number, Location of Accident, Date and Time of Accident & Contact Number of the Insured/Caller.

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.

Annexure I – Endorsements/Clauses/Add-On Covers

1. PIPELINE CONSTRUCTION

Notwithstanding the conditions and provisions and endorsements of the policy, it is understood and agreed that the following special conditions shall apply -

a) Excavated material shall be deposited at least one meter away from the trench.

b) The length of trenches totally or partially opened at any one time shall never exceed in respect of any one work face **(As Specified in Schedule)** meters all work faces' combined total **(As Specified in Schedule)** meters.

c) Pipe shall be secured against heaving or floating up by covering them sufficiently and as soon as practicable.

d) The open ends of pipes shall be provisionally sealed at the end of each working day or in the event of immediate danger of flooding, otherwise expenses for clearing and cleaning of mud-filled pipeline sections shall not be indemnified.

e) Loss or damage arising from pressure testing producing tensions exceeding the yield point guaranteed by the manufacturer shall not be covered.

f) Loss of testing media shall not be covered.

g) Cost incurred in searching for leaks are indemnified

- up to but not exceeding the limit per event of **(As Specified in Schedule)**
- up to an aggregate limit for the policy period of **(As Specified in Schedule)**

however only if the leaks are a consequence of an insured event.

h) The Insurer is not liable for any claims due to pollution from any cause whatsoever.

2. EXCLUSION OF LOSS OF STABILISING FLUID

Notwithstanding the conditions, provisions and other endorsements of the policy, it is agreed and understood that the Insurers shall not be liable to indemnify the Insured in respect of loss of bentonite or other stabilizing fluid even if the quantity of losses originally expected is exceeded.

3. ROAD CONSTRUCTION

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

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

4. PILING CONSTRUCTION

Notwithstanding the conditions, provisions and other endorsements of the Policy, it is agreed and understood that the Insurers shall not be liable to indemnify the Insured in respect of -

a) Loss of or damage to piles and/or casings due to misplacement, jamming and/or extraction thereof.

b) Costs incurred in case of abandoned piling work, for any reasons not related to accidental loss or damage and mainly due to unforeseen ground conditions when piles cannot be driven to the required depth.

5. ABANDONMENT OF SHAFTS

It is hereby agreed and declared that, notwithstanding anything contained in the contrary, this endorsement excludes any loss or damage resulting as a consequence of shaft being abandoned due to any reason whatsoever.

6. CROPS, FORESTS, CULTIVATED AREAS

Notwithstanding the conditions, provisions and other endorsements of the Policy, it is agreed and understood that the Insurers shall not be liable to indemnify the Insured in respect of any loss, damage or liability directly or indirectly caused to crops, forests and/or other cultures during the execution of the contract works.

7. EXISTING UNDERGROUND CABLES

Notwithstanding the conditions, provisions and other endorsements of the Policy, it is understood and agreed that the following special conditions shall apply:
The Insurers shall not be liable under the Policy to indemnify loss or damage to existing underground cables or pipes of any kind (electric cables, telephone cables, water and gas pipes, sewers and other pipelines, etc.) unless prior to the commencement of works –
- the Insured had requested and obtained from the public authorities or the owners of such an underground system the exact position of all cables or pipes.
- the Insured had traced their existence and indicated location.
The indemnity shall in any case be restricted to the repair costs of such cables or pipes. Any consequential damage shall be excluded from the policy cover.

8. CONTRACT WORKS TIME SCHEDULE

Notwithstanding the conditions, provisions and other endorsements of the Policy it is understood and agreed that –

a) The contract works time schedule together with plans, documents and specifications supplied and any other statements made by the Insured with respect of works programme is deemed to be incorporated herein.
b) The Insurers shall not indemnify the Insured in respect of loss or damage caused by, or arising out of, or aggravated by deviations from the contract works time schedule exceeding four weeks, unless the Insurers had agreed in writing to such a deviation before a loss occurred.

This memo applies only to the dam works during period of river diversion

9. TEMPORARY ACCESS ROADS

Irrespective of the periods of Insurance specified in the Policy, the Insurer will indemnify the Insured only for unforeseen accidental loss or damage to temporary access roads insured under the Policy if such loss or damage occurs prior to such roads being completed or taken into use for their purpose by the contractors, whichever takes place first.

10. SPECIAL CONDITIONS CONCERNING THE CONSTRUCTION OF DAM AND WATER RESERVOIR

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

- grouting of soft rock areas and/or other additional safety measure even if their necessity arises only during construction,
- expenses incurred for dewatering even if the quantities of water originally expected are exceeded substantially,
- loss or damage due to breakdown of the dewatering system if such breakdown could have been avoided by sufficient stand-by facilities,
- expenses incurred for additional sealing or water proofing and additional facilities for the discharge of run off and or underground water,
- expenses incurred for the repairs of eroded slopes or other graded areas, if the Insured has failed to take the measures required or to take them in time,
- loss or damage due to subsidence if caused by insufficient compacting, cracks and leakage not caused by Insured peril.

11. SPECIAL CONDITIONS CONCERNING SAFETY MEASURES WITH RESPECT TO PRECIPITATION, FLOOD AND INUNDATION

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the Insurers shall indemnify the Insured for loss, damage or liability caused directly or indirectly by precipitation only if adequate precautions have been taken in designing and executing the project involved.

In this context, adequate precautions shall mean that allowance is made for precipitation, flood and inundation up to a return period of 10 years for the location insured and the entire policy period on the basis of statistics prepared by the Meteorological agencies.

Loss, damage or liability resulting from the Insured's not immediately removing obstruction (e.g. sand, trees) from watercourses, whether carrying water or not, in order to maintain free water flow shall not be indemnifiable.

12. SPECIAL CONDITIONS CONCERNING REMOVAL OF DEBRIS FROM LANDSLIDES

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

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

13. ENDORSEMENT FOR ESCALATION PROVISION

In consideration of the payment of additional premium by the insured, It is hereby declared and agreed that the Company shall provide for escalation in Sum Insured under items of Section I of the schedule attached to the policy up to **(As specified in the schedule)** % of the Original Site value, the basis of claim settlement shall be the original Site value of effected equipment plus increase in cost of replacement, if any, provided that the increase in the value of such equipment does not exceed **(As specified in the schedule)** % of the original site value.

It is also hereby declared and agreed that in the event of a claim the insured would be considered as fully insured up to the Sum Insured inclusive of **(As specified in the schedule)** % increase as per selected escalation and under-insurance would apply only in the event of the cost of replacement of the effected equipment exceeding the original value of selected **(As specified in the schedule)** % towards escalation.

It is however understood and agreed that the premium collected against price escalation herein above shall not be subject to refund the premium adjustment clause in the memo 2 of the policy.

It is further understood and agreed that in case of additional premium chargeable during final adjustment, additional escalation premium will be charged to the insured but in case of any premium refundable during final adjustment no refund shall be allowed against the escalation premium already charged to the insured.

14. SABOTAGE AND TERRORISM DAMAGE COVER ENDORSEMENT (MATERIAL DAMAGE ONLY) WITH EFFECT FROM 1ST APRIL, 2021

INSURING CLAUSE

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

For the purpose of this cover, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Act, 1967 (as amended from time to time) or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.
For the purpose of this cover, an act of sabotage means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.
This cover also includes loss, damage, cost or expense directly caused by, resulting from or in connection with any action taken in suppressing, controlling, preventing or minimizing the consequences of an act of sabotage and/or terrorism by the duly empowered government or Military Authority.
Provided that if the Insured is eligible for indemnity under any government compensation plan or other similar scheme in respect of the damage described above, this Policy shall be excess of any recovery due from such plan or scheme.
For the purpose of the aforesaid inclusion clause, "Military Authority" shall mean armed forces, paramilitary forces, police or any other authority constituted by the government for maintaining law and order.

LOSSES EXCLUDED

1. loss by seizure or legal or illegal occupation;
2. loss or damage caused by:

i. voluntary abandonment or vacation,
ii. confiscation, commandeering**,** nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority, which deprives the Insured of the use or value of its property;

3. loss or damage arising from acts of contraband or illegal transportation or illegal trade;
4. loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment;
5. loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind;
6. loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind;
7. any fine, levy, duty, interest or penalty or cost or compensation/damages and/or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person;
8. loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon. This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile;
9. loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest or riots;
10. loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder;

11. any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working;
12. loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service;
13. loss or increased cost as a result of threat or hoax;
14. loss or damage caused by or arising out of burglary, house - breaking, looting, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any action taken in respect of an act of sabotage and/or terrorism;
15. loss or damage caused by mysterious disappearance or unexplained loss;
16. loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
17. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind;
18. Any loss due to fines or damages for breach of contract, or penalties of whatever nature;
19. Any infidelity, fraudulent, dishonest or criminal act by any director, officer or trustee of the Insured whether acting alone or in collusion with others;
20. Any debt, insolvency or commercial failure, whether to provide bond or security or otherwise, or any other financial cause of any party or person whatsoever.
21. loss or damage caused by Civil Commotion, Insurrection, Revolution or Rebellion, Mutiny and/or Coup d'Etat and Civil War except as may be insured specifically under any Political Violence Extension to this cover;
22. Third party liability howsoever arising except as may be insured specifically under any Third-Party Liability Extension to this cover.

LIMIT OF INDEMNITY

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

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

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

In respect of several insurance policies within the same compound/location with one or different insurers, the maximum aggregate loss payable per compound/location by any one or all insurers, shall be INR 20,000,000,000. If the actual aggregate loss suffered at one compound/location is more than INR 20,000,000,000, the amounts payable towards individual policies shall be reduced in proportion to the sum insured of the policies.

EXCESS*

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

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

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

ADD ON COVERS

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

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

MID TERM COVER

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

SANCTION, LIMITATION AND EXCLUSION CLAUSE

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

CANCELLATION CLAUSE

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

If the cancellation is for any other purpose, refund of premium will only be allowed after charging short term scale rates.
Note: The definitions, terms and conditions of main Policy save as modified or endorsed herein shall apply.

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Annexure II - Applicable Excess Table

Description	EXCESS for normal losses - 5% of claim amount subject to minimum of Rs.	EXCESS for AOG/ Major Perils/ Collapse losses - 5% of claim amount subject to minimum of Rs.
Residential & Commercial Building, Office Bldgs, Schools, Universities, Hotels, Motels, Restaurants, Hospitals, Airport Bldg. of - Other than RCC & not more than 2 storeys	3,000	10,000
Residential & Commercial Building, Office Bldgs, Schools, Universities, Hotels, Motels, Restaurants, Hospitals, Airport Bldg. of - Other than RCC & exceeding 2 storeys & upto 5 storeys	5,000	20,000
Residential & Commercial Building, Office Bldgs, Schools, Universities, Hotels, Motels, Restaurants, Hospitals, Airport Bldg. of - RCC framed structure & not more than 5 storeys	5,000	20,000
Residential & Commercial Building, Office Bldgs, Schools, Universities, Hotels, Motels, Restaurants, Hospitals, Airport Bldg. of - RCC framed structure above 5 storeys & upto 10 storeys	5,000	20,000
Residential & Commercial Building, Office Bldgs, Schools, Universities, Hotels, Motels, Restaurants, Hospitals, Airport Bldg. of - RCC framed structure above 10 storeys & upto 15 storeys	5,000	20,000
Residential & Commercial Building, Office Bldgs, Schools, Universities, Hotels, Motels, Restaurants, Hospitals, Airport Bldg. of - RCC Framed structure above 15 storeys & upto 25 storeys	50,000	200,000
Residential & Commercial Building, Office Bldgs, Schools, Universities, Hotels, Motels, Restaurants, Hospitals, Airport Bldg. of - RCC framed structure above 25 storeys & upto 30 storeys	50,000	200,000
Residential & Commercial Building, Office Bldgs, Schools, Universities, Hotels, Motels, Restaurants, Hospitals, Airport Bldg. of - RCC framed structure above 30 storeys & upto 40 storeys	50,000	200,000
Residential & Commercial Building, Office Bldgs, Schools, Universities, Hotels, Motels, Restaurants, Hospitals, Airport Bldg. of - RCC framed structure above 40 storeys & upto 50 storeys	50,000	200,000
Residential & Commercial Building, Office Bldgs, Schools, Universities, Hotels, Motels, Restaurants, Hospitals, Airport Bldg. of - RCC framed structure above 50 storeys & upto 60 storeys	50,000	200,000
Theatres, Auditoriums & Cinema Halls of - Height not exceeding 22 mts. & span not exceeding 10 mts.	3,000	10,000
Theatres, Auditoriums & Cinema Halls of - Height not exceeding 22 mts. & span exceeding 10 mts.	5,000	20,000
Theatres, Auditoriums & Cinema Halls of - Height exceeding 22 mts. & span not exceeding 10 mts.	10,000	40,000

Theatres, Auditoriums & Cinema Halls of - Height exceeding 22 mts. & span exceeding 10 mts.	10,000	40,000
Factory Sheds, Ware-house, Cold Storages, Hangers of: - Other than RCC const.	10,000	40,000
Factory Sheds, Ware-house, Cold Storages, Hangers of: - RCC Construction	5,000	20,000
Hangers having wall of: - i) RCC or ii) Rolled steel encased in 50 mm thick concrete or 100 mm thick masonry with panel walls of RCC, burnt – bricks, stone or concrete bonded in cement and/or lime mortar, and having roof of combination of RCC and GI / Aluminum /AC Sheet on steel/RCC Framework	10,000	40,000
Chimneys, Silos and Cooling Towers: - Up to 15 mts. Height & exceeding 10 mts. Dia.	10,000	40,000
Chimneys, Silos and Cooling Towers: Exceeding 15 mts. Height & exceeding 10 mts. Dia	10,000	40,000
Chimneys, Silos and Cooling Towers: - Hyperbolic or natural draught cooling tower	100,000	200,000
Roads (Where value of culverts and Road Bridges does not exceed 20% of the contract value) - In Townships only	5,000	20,000
Roads (Where value of culverts and Road Bridges does not exceed 20% of the contract value) - In Plain Areas	5,000	20,000
Roads (Where value of culverts and Road Bridges does not exceed 20% of the contract value) - In Hilly Areas/Ghat areas	10,000	40,000
Interior decoration works	10,000	40,000
Runways, Aprons, and Air Taxiways at Airports	5,000	20,000
Subways on Land: - Width not exceeding 15 mts.	5,000	20,000
Subways on Land: - Width exceeding 15 mts.	10,000	40,000
Bridges/Flyover on land -made of: - Steel	5,000	20,000
Bridges/Flyover on land-made of: - RCC or Pre-stressed concrete	10,000	40,000
Bridges/Flyover on land-made of: - Other materials	20,000	80,000
Bridges on rivers / creeks, dams/Coffer dams, aqua ducts, via ducts, barrages, structures/works in water, Weir-cum-causeway.	1,50,000	5,00,000
Reservoirs/Tanks of Materials other than Steel: - Surface & Underground	5,000	20,000
Reservoirs/Tanks of Materials other than Steel: - Overhead	5,000	20,000
Reservoirs/Tanks of Steel: - Surface and underground	5,000	20,000
Reservoirs/Tanks of Steel: - Overhead	5,000	20,000
Tunnels: - Others	200,000	500,000
Tunnels: - Below water	400,000	800,000
Water Supply: - Water supply installations for housing colonies including pump house with pumps, valves and piping and water supply lines but excluding water storage tanks.	3,000	10,000
Sewage Disposal: - System for housing Colonies including pump house with pump, sewage treatment Plant, holding ponds, sewer/drainage lines and storm water drains & Channels	3,000	10,000
Sewage Disposal: - Refurbishment of existing Sewage System	500,000	1,000,000
Underground and overhead water storage tanks for residential /commercial buildings and housing colonies	3,000	10,000
Ground levelling and area reclamation work	3,000	10,000

Fixing of pre cast RCC Parts for buildings, construction of compound walls and weather sheds for existing building/apartments	3,000	10,000
Other sundry works for residential / commercial buildings like water pooling, plastering of walls	3,000	10,000
All other risk not covered above	20,000	80,000
Under Ground Cable ducting	20,000	80,000
Natural Draught cooling Towers	100,000	200,000
Pile Foundations alone in respect of buildings and other structures	100,000	200,000
Canals / Culverts (Not involving works under water)	20,000	80,000
Railway Gauge conversion (Laying of Railway track)	10,000	40,000

For risks situated in Earthquake Zone I and II the minimum excess for claims arising out of AOG perils shall be as under during the entire policy period (including all extensions) –

Zone – I Rs. 25,000/- per claim

Zone – II Rs. 10,000/- per claim

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