

**Digit My Property Insurance  
Add-On Cover**

Below mentioned are the add-on covers available under “Digit My Property Insurance”. The add-on(s) applicable to Your Policy are mentioned in Your Policy Schedule

S.no.	Add on Cover Name	UIN
1.	Escalation Clause	IRDAN158RP0008V01202223/A0005V01202324
2.	Adequacy of Sum Insured	IRDAN158RP0008V01202223/A0006V01202324
3.	Incidental Costs	IRDAN158RP0008V01202223/A0007V01202324
4.	Accidental Damage Cover	IRDAN158RP0008V01202223/A0008V01202324
5.	Loss of Rent and Additional Expenses of Rent for an Alternate Premises	IRDAN158RP0008V01202223/A0009V01202324
6.	Fire Extinguishing/Fighting Expenses and Sprinkler up grading costs	IRDAN158RP0008V01202223/A0010V01202324
7.	Involuntary Betterment	IRDAN158RP0008V01202223/A0011V01202324

### 1. Escalation Clause

If You opted for this add on cover in consideration of payment of additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the under noted items(s) the Sum(s) Insured thereby shall, during the period of insurance, be increased each day by an amount representing 1/365th of the specified percentage increase per annum. Unless specifically agreed to the contrary the provisions of this clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each renewal date the insured shall notify the Insurers:-

- i. the sums to be insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of insurance upto that renewal date, and
- ii. the specified percentage increase(s) required for the forthcoming period of insurance, but in the absence of instructions to the contrary prior to renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

### 2. Adequacy of Sum Insured

If You opted for this add on cover in consideration of payment of additional premium, it is hereby agreed and declared that If the claim amount is less than 1 Cr. Then the value of the Insured Contents hereby insured shall at the time of any insured event be collectively of greater value than the Sum Insured thereon then the Insured shall not be considered his own insurer of the difference and shall not bear a rateable proportion of the loss or damage. Every item, if more than one, shall be separately subject to this Special Condition.

Adequacy of Insurance to be reckoned with reference to the total Sum Insured/Indemnity limits under the Policy including the automatic increase/ capital additions/ inadvertent omission.

### 3. Accidental Damage

If You opted for this add on cover in consideration of payment of additional premium, the policy is extended to cover direct physical loss or damage to the property described in the Policy Schedule whilst situated in the insured premises due to accident from any fortuitous cause including accidental

discharge, leakage, or overflow of water or steam from plumbing, septic tanks and cylinders, stand pipes for fire hose, industrial and domestic appliances, refrigerating system, air-conditioning system and rain (or snow) admitted through defective roof, headers spouting or by open or defective windows, show windows, picture windows, doors, transoms, ventilators or skylights; subject to the terms, conditions, warranties and exclusions herein.

If you have opted this cover, point no. 8.b of Column B under Clause B in the base policy shall stand deleted.

The Limit of Indemnity under this policy shall not exceed the amount stated in the Policy Schedule for the period of Insurance. The below will be applicable to this coverage in addition to the policy standard exclusions:

1. Loss, destruction or damage to bullion or unset precious stones, any curios or works of art, manuscripts, plans, drawings, securities, obligations or documents of any kind, stamps, coins or paper money, cheques, books of accounts or other business books, computer system records, explosives unless otherwise expressly stated in the Policy Schedule.
2. Loss, destruction or damage to the insured property premises caused by change of temperature.
3. Loss or damage by spoilage resulting from the retardation or interruption or cessation of any process or operation caused by operation of any of the perils covered.
4. Damage to belts, ropes, chains, rubber tyres, dies, moulds, blades, cutters, knives or exchangeable tools, engraved or impression cylinders or rolls, object made of glass, porcelain, ceramics, all operating media (e.g. lubricating oil, fuel, catalyst, refrigerant etc.) felts, endless conveyor belts or wires, sieves, fabrics, heat resisting and anti-corrosive lining and parts of similar nature, packing material, parts not made of metal (except insulating material) and non-metallic lining or coating or metal parts, unless caused by fire, lightning, riot, strike, malicious damage, storm, tempest, flood and inundation.
5. Loss or damage due to breakdown, electrical, electronic and/or mechanical derangement.
6. Loss or damage due to termites, moths, insects, vermin, inherent vice, fumes, latent defect, fluctuations in atmospheric or climatic conditions, the action of light.
7. Loss or damage due to collapse, settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to any insured property.
8. Any loss or damage due to self-intentional destruction, and/or arising out of provocation by the Insured or its authorized representative.

#### **4. Incidental Costs**

If You opted for this add on cover in consideration of payment of additional premium, It is hereby agreed and declared that if a loss, destruction or damage is payable under the base policy then We will also pay the incidental Costs associated with the insured property upto the fixed percentage of admissible claim amount under the policy, as specified in the Policy Schedule.

For the purpose of this Add-On cover while calculating the amount payable under this Cover, We will consider the admissible claim amount under the base policy after all applicable deductions and/or before applying policy excess, if any.

#### **5. Loss of Rent and Additional Expenses of Rent for an Alternate Premises For Owners (Loss of Rent)**

If You opted for this add on cover in consideration of payment of additional premium, it is hereby agreed and declared that if (any of) the said building(s) or any part thereof is unfit for occupation in consequence of its destruction or damage by the perils insured against and then the amount payable shall not exceed such portion of the sum insured on Rent as the period necessary for reinstatement bears to the term of the Rent Insured".

**For Owners and Tenants (Additional Expenses of Rent for an Alternate Premises)**

In consideration of payment of additional premium, it is hereby agreed and declared that in the event of the premises described in the policy and occupied by the insured, hereinafter referred to as 'PREMISES' being destroyed or damaged by any Insured Peril as to become unfit for occupation and the insured in consequence taking up alternative premises, the Company shall, subject to special conditions set out herein, indemnify the insured against the additional rent (as explained herein) which the insured is called upon to bear for the period beginning from the date of operation of any of the Insured Perils until the 'PREMISES' is rendered fit for occupation such period not exceeding such reasonable time as is required to restore the premises with due diligence to a condition fit for occupation or the maximum indemnity period as opted by you and mentioned in Policy Schedule whichever is earlier.

Provided that the liability of the Company shall not exceed the Sum Insured as opted by you and mentioned in Policy Schedule. Provided further that if the sum produced by applying the monthly additional rent, borne by the insured for the alternative premises to the maximum indemnity period is more than the Sum Insured hereby, the liability of the Company shall be proportionately reduced.

**Special Conditions Applicable to Additional Expenses of Rent for an Alternate Premises :**

1. This insurance shall apply subject to the condition that the PREMISES occupied by the insured, whether as owner or tenant, forms part of a building not being "Kutchra" Construction.
2. If the area of alternative premises taken by the insured is more than the area of the PREMISES occupied by the insured, the additional rent borne by the insured for the purpose of this insurance shall be deemed to be that proportion of the additional rent actually borne by the insured as the area of the PREMISES which was in the insured's occupation bears to the area of the alternative premises taken by the insured. The insured shall be at liberty to take alternative premises in any locality so long as it is within the Municipal limit of the city or town in which the PREMISES is situated.

**EXPLANATION**

**Additional Rent:** If the insured is the Owner-Occupant, the additional rent borne by him is arrived at after deducting the standard rent of the premises from the actual rent paid for the alternative premises. The standard rent shall be based on the rateable values fixed by the Municipal/Revenue authorities for tax purposes.

If the insured is a tenant only and for safeguarding his legal tenancy rights is obliged to pay rent for the premises even during the period when it is not fit for occupation, the additional rent borne by him is the actual rent for the alternative premises. If the insured is a tenant and is not obliged to pay rent for the premises during the period when it is not fit for occupation, the additional rent borne by him is the actual rent paid for alternative premises taken less the rent which he was paying for the premises immediately prior to the same being damaged or destroyed by Insured Perils and rendered unfit for occupation.

General Conditions applicable to this add-on

1. Claim under this add-on will be accepted only if we have accepted Your claim for loss for physical damage to Your premises building.

**6. Fire Extinguishing / Fighting Expense and Sprinkler up grading costs****a) Fire Extinguishing / Fighting Expense**

If You opted for this add on cover in consideration of payment of additional premium, in the event of a fire or a series of fire arising directly or indirectly from the same occurrence including fire threatening to involve the property insured under this section of the policy, the insured shall be entitled to recover upto a Limit Any One Accident specified in Your Policy Schedule.

- i. the actual cost of material used and/or damaged in extinguishing or controlling or attempting to extinguish or control any such fire;
- ii. the cost of all clothing and/ or personal effects damaged and / or lost as a result of such fire and / or fight, extinguish or controlling or attempting to fight extinguish or control such fire unless more specifically insured elsewhere;
- iii. all other actual expense including any expenses paid for firefighting, extinguishing or controlling or attempting to fight extinguish or control such fire and / or localizing such fire.  
All claims for personal injury are excluded.
- iv. The expenses incurred to recharge/refill any fire protection devices.

Subject otherwise to all other terms, conditions, limitations and exclusions of the Base Policy to which this Add-on Cover is attached.

#### **b) Sprinkler Up-grading Costs**

If You opted for this add on cover in consideration of payment of additional premium, in the event of damage to a sprinkler installation which conforms to the latest rules on compliance of safety rules on Sprinkler Installations, if the Surveyor appointed by the Insurer recommends that the repaired or reinstated installation shall conform to the Loss Prevention Rules for Sprinkler Installations current at the time of reinstatement then this Policy shall cover such additional costs. Such costs shall include inter alia the provision of any additional pipework pumps tanks and the cost of associated building works.

The Indemnity Limit is up to the amount specified in the Policy Schedule per event and in aggregate. Subject otherwise to all other terms, conditions, limitations and exclusions of the Base Policy to which this Add-on Cover is attached.

#### **7. Involuntary Betterment**

If You opted for this add on cover in consideration of payment of additional premium, it is hereby agreed and declared that, in the event that new Property Insured of like kind and quality is not obtainable/financially viable Property Insured which is as similar as possible to that which has sustained Damage and which is capable of performing the same function shall be deemed to be new Property Insured of like kind and quality and in no event shall this be considered as a betterment to the Insured.

In the event of replacement with new Property Insured the Insurer will pay the cost of purchasing and installing technologically current Property Insured which is necessitated by incompatibility between new Property Insured installed to replace Property Insured which has sustained Damage and existing Property Insured which has not incurred Damage at the same or an interdependent location.

Provided always that:

1. Damage was directly caused to the Property Insured
2. The Insurer shall be liable only for the amount sufficient to enable the Insured to resume operations in substantially the same manner as before the Damage
3. The Insurer shall be liable for only the difference between
  - 3.1. the highest sales value of the existing Property Insured which has not incurred Damage at the same or interdependent location and
  - 3.2. The installed cost of the technologically current Property Insured

The liability of the Insurer shall not exceed the Limit of Liability stated in your Policy Schedule.\

Subject otherwise to all other terms, conditions, limitations and exclusions of the Base Policy to which this Add-on Cover is attached.