

Standard Fire and Special Perils Policy**(Retail) – Add-On Covers**

Below mentioned are the add-on covers available under Standard Fire and Special Perils Policy (Retail). The add-on(s) applicable to Your Policy are mentioned in Your Policy Schedule/ Certificate of Insurance.

1.	Molten Material Spillage	IRDAN158RP0001V01201920/A0022V01202021
2.	Decontamination and Cost of Clean Up Expense	IRDAN158RP0001V01201920/A0036V01202021
3.	Expediting Costs and Expenses for Loss Minimization	IRDAN158RP0001V01201920/A0037V01202021
4.	Protection and Preservation of Property	IRDAN158RP0001V01201920/A0038V01202021
5.	Contract Works	IRDAN158RP0001V01201920/A0039V01202021
6.	Sprinkler Up-Grading Costs	IRDAN158RP0001V01201920/A0040V01202021
7.	Claim Preparation Costs	IRDAN158RP0001V01201920/A0041V01202021
8.	Brands and Trademarks	IRDAN158RP0001V01201920/A0023V01202021
9.	Obsolete Parts	IRDAN158RP0001V01201920/A0026V01202021
10.	Deliberate Damage	IRDAN158RP0001V01201920/A0024V01202021
11.	Accidental Damage Cover	IRDAN158RP0001V01201920/A0025V01202021
12.	New Location and New Acquisition Cover	IRDAN158RP0001V01201920/A0027V01202021
13.	Property Under Care Custody and Control	IRDAN158RP0001V01201920/A0028V01202021
14.	Immediate Repairs	IRDAN158RP0001V01201920/A0029V01202021
15.	Pair and Set/Consequential Reduction in Value	IRDAN158RP0001V01201920/A0030V01202021
16.	Fire Extinguishing / Fighting Expenses	IRDAN158RP0001V01201920/A0031V01202021
17.	Involuntary Betterment/Obsolete Equipment Clause	IRDAN158RP0001V01201920/A0032V01202021
18.	Damage to Building (Occasioned by Theft)	IRDAN158RP0001V01201920/A0033V01202021
19.	Errors & Omissions	IRDAN158RP0001V01201920/A0034V01202021
20.	Minor Works	IRDAN158RP0001V01201920/A0035V01202021
21.	Undamaged Foundations	IRDAN158RP0001V01201920/A0042V01202021
22.	Capital Additions	IRDAN158RP0001V01201920/A0062V01202021
23.	Smoke Damage Extension	IRDAN158RP0001V01201920/A0044V01202021
24.	Accidental Discharge of Gas Flooding Systems	IRDAN158RP0001V01201920/A0045V01202021
25.	Contamination and Co-mingling of stocks	IRDAN158RP0001V01201920/A0046V01202021
26.	Leakage and Overflowing of Storage Tanks	IRDAN158RP0001V01201920/A0047V01202021
27.	Seasonal Enhancement of Stocks Cover	IRDAN158RP0001V01201920/A0048V01202021
28.	Goods and Stocks undergoing any heating or drying process	IRDAN158RP0001V01201920/A0049V01202021
29.	Landscaping Cost	IRDAN158RP0001V01201920/A0050V01202021
30.	Duty Liability	IRDAN158RP0001V01201920/A0051V01202021
31.	Accounts Receivable	IRDAN158RP0001V01201920/A0052V01202021
32.	Property of Employees and Visitors/Personal Effects	IRDAN158RP0001V01201920/A0053V01202021
33.	Property Outside/Away from the Premises	IRDAN158RP0001V01201920/A0054V01202021
34.	Tenants Improvement	IRDAN158RP0001V01201920/A0055V01202021
35.	Shutdown Expenses	IRDAN158RP0001V01201920/A0056V01202021
36.	Waiver of Subrogation	IRDAN158RP0001V01201920/A0057V01202021
37.	Trace and Access	IRDAN158RP0001V01201920/A0058V01202021
38.	Waiver of Underinsurance	IRDAN158RP0001V01201920/A0059V01202021
39.	Catalyst and Consumable interest in process	IRDAN158RP0001V01201920/A0060V01202021

40.	Plans, Documents, Computer Systems Records, Archives and Cost of Re-writing Records	IRDAN158RP0001V01201920/A0061V01202021
41.	Exhibition, Exposition, Fair or Trade Show	IRDAN158RP0001V01201920/A0015V01202021
42.	Lawns, Plants, Shrubs or Trees	IRDAN158RP0001V01201920/A0007V01202021
43.	Tenant's Liability	IRDAN158RP0001V01201920/A0008V01202021
44.	Unrepaired Damage	IRDAN158RP0001V01201920/A0009V01202021
45.	Seventy-Two Hours Clause	IRDAN158RP0001V01201920/A0010V01202021
46.	Additional Insureds (to be named in The Schedule)	IRDAN158RP0001V01201920/A0011V01202021
47.	Multiple Insured Clause	IRDAN158RP0001V01201920/A0012V01202021
48.	Payments on Account	IRDAN158RP0001V01201920/A0013V01202021
49.	Non-Vitiation Clause	IRDAN158RP0001V01201920/A0014V01202021
50.	Nominated Loss Adjusters	IRDAN158RP0001V01201920/A0020V01202021
51.	Non-Invalidation	IRDAN158RP0001V01201920/A0021V01202021
52.	Primary and Non-Contributory	IRDAN158RP0001V01201920/A0016V01202021
53.	Vehicle Load Clause	IRDAN158RP0001V01201920/A0017V01202021
54.	Un-Occupancy Clause	IRDAN158RP0001V01201920/A0018V01202021
55.	Leak search / finding cost Clause	IRDAN158RP0001V01201920/A0019V01202021
56.	Loss Payee Clause	IRDAN158RP0001V01201920/A0006V01202021

ADDITIONAL ENDORSEMENT & CLAUSES

1. Molten Material Spillage

In consideration of the payment of additional premium, it is hereby declared and agreed that the insurance under this policy shall, subject to terms, conditions and exclusions of this Policy and also subject to terms, conditions and exclusions hereinafter contained, extend to cover loss or damage caused to Property insured by inadvertent escape of molten material. However, loss or damage to spilled material is not covered.

The Indemnity provided under this extension, is limited to INR _____ in respect of any one occurrence and INR _____ during the Period of Insurance

This Extension will be subject to an additional Excess of INR _____.

2. Decontamination and Cost of Clean Up Expense

If insured property is contaminated as a direct result of physical loss or damage insured by this Policy and there is in force at the time of such physical loss or damage any law or ordinance regulating contamination, including but not limited to the presence of pollution or hazardous material, then this Policy is extended to cover, 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 Company is 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.

The Company is not liable under this extension for more than the sublimit in respect of any one Occurrence as mentioned in the Policy Schedule / Certificate, which shall be part of and not in addition to the Policy Limit.

3. Expediting Costs and Expenses for Loss Minimization

The insurance shall be extended to cover the reasonable and necessary costs incurred to pay for the safeguarding, preserving and temporary repair of insured damage to insured property and to expedite the permanent repair or replacement of such damaged property, including overtime and extra cost of express and other rapid means of transportation.

The Company is not liable under this extension for more than the sublimit as mentioned in the Policy Schedule in respect of any one occurrence, which shall be part of and not in addition to the policy limit.

4. Protection and Preservation of Property

This Extension covers:

1. Reasonable and necessary costs incurred for actions to temporarily protect or preserve insured property, provided such actions are necessary due to actual, or to prevent immediately impending, insured physical loss or damage to such insured property.
2. Reasonable and necessary costs includes, but not limited to:
 - 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; and
 - c. Costs incurred for the water used for fighting a fire in, on or exposing the insured property.

This Additional Coverage is subject to the deductible provisions that would have applied had the physical loss or damage occurred. The Indemnity Limit is up to the amount specified in the Policy Schedule/ Certificate of Insurance per event and in aggregate. Subject otherwise to the terms, exceptions and conditions of the policy.

5. Contract Works

The Property Insured extends to include the permanent works and temporary works erected or in the course of erection in performance of the Contract and the materials and all other property of whatsoever nature or description for incorporation therein but excluding contractors plant, fines and penalties assumed under contract and losses more specifically insured elsewhere.

Definition (applicable to the cover provided by this extension only):

Contract shall mean any Contract with the Insured as Employer for the extension or refurbishment of existing Buildings with a construction period not exceeding twelve months in duration within the Territorial Limits.

Temporary Work are 'parts of the works that allow or enable construction/ erection of, protect, support or provide access to, the permanent works and which might or might not remain in place at the completion of the works.

Permanent work means the permanent works to be constructed/ Erected and completed in accordance of contract."

The Indemnity Limit is up to the amount specified in the Policy Schedule/ Certificate of Insurance per event and in aggregate. Subject otherwise to the terms, exceptions and conditions of the policy.

6. Sprinkler Up-Grading Costs

It is agreed that 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/ Certificate of Insurance per event and in aggregate. Subject otherwise to the terms, exceptions and conditions of the policy.

7. Claim Preparation Costs

In consideration of the premium paid, and subject to the Exclusions, Conditions and Limitations of the Policy to which this Extension is attached, this Policy is extended to cover the actual costs incurred by the Insured of reasonable fees payable to the Insured's accountants, architects, auditors, engineers, or other professionals and the cost of using the Insured's employees, for producing and certifying any particulars or details contained in the Insured's books or documents, or such other proofs, information or evidence required by the company resulting from insured loss payable under this Policy for which the company have accepted liability.

Coverage will not include the fees and costs of attorneys, public adjusters, and loss appraisers, all including any of their subsidiary, related or associated entities either partially or wholly owned by them or retained by them for the purpose of assisting them nor the fees and costs of loss consultants who provide consultation on coverage or negotiate claims.

The company shall not be liable under this Extension for more than the sub-limit of in respect of any one Occurrence as mentioned in Your Policy Schedule/Certificate of Insurance, which shall be part of and not in addition to the policy limit.

8. Brands and Trademarks

In the event of loss or damage by a peril insured against to property bearing a brand or trademark or which in any way carries or implies the guarantee or responsibility of the manufacturer or Insured, the salvage value of such damaged property shall be determined after removal in the customary manner of all such brands or trademarks or other identifying characteristics.

The Insured shall have full right to the possession of all goods involved in any loss under this policy and shall retain control of all damaged goods. The Insured, exercising reasonable discretion, shall be the sole judge as to whether the goods involved in any loss under this policy are fit for consumption and no goods so deemed by the Insured to be unfit for consumption shall be sold or otherwise disposed of except by the Insured or with the Insured's

consent but the Insured shall allow Insurers any salvage obtained on the sale or other disposition of such goods.

9. Obsolete Parts

In the event of spares currently insured hereunder and represented within the total sum insured under the policy becoming obsolete following an indemnifiable loss to the Plant and Machinery, the same should form part of the claim subject to Insurer's retaining right of salvage over such obsolete parts.

10. Deliberate Damage

This Insurance covers physical loss of or damage to the property insured or expenses incurred by the Insured directly caused by any act or order of any governmental authority acting under the powers vested in them to prevent or mitigate the damage or imminent damage or threat thereof (Example: Pollution Hazard), resulting directly from damage to the property insured, provided such act of governmental authority has not resulted from lack of due diligence by the Insured to prevent or mitigate such hazard or threat thereof and to any other physical damage.

Consequential losses are however excluded.

The indemnity provided herein shall be subject to the limit of indemnity as specified in The Schedule.

11. Accidental Damage Cover

This policy is extended to cover direct physical loss or damage to the property described in the Policy Schedule / Certificate of Insurance whilst situated in the insured premises due to accident from any fortuitous cause subject to the terms, conditions and exclusions herein.

The Limit of Indemnity under this policy shall not exceed the amount stated in the Policy Schedule / Certificate of Insurance 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 / Certificate of Insurance.
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, lightening, 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.

12. New Location and New Acquisition Cover

Property at a new location acquired, whether acquired through merger, acquisition or otherwise, by the Insured, other than those in operation or acquired prior to the effective date of this coverage, is automatically covered up to the limit specified in the Policy Schedule / Certificate of Insurance for a period up to 15 days from the date of acquisition.

All current/ future subsidiaries to be automatically covered for their respective share/ rights.

It is understood that the Insured shall declare within 15 days from the date of acquisition the value of property at any such location acquired and will pay the appropriate additional premium from the date of acquisition on pro rata basis at the base policy rate.

Property under this Add-on Cover shall include Building, Contents, Plant, Machinery and Stocks.

13. Property Under Care Custody and Control

The Policy is extended to include physical damage to property not belonging to the Insured, but which is under the care custody or control of the Insured or which they are responsible to insure, provided that the maximum duration of such responsibility shall not exceed consecutive 120 days in respect of any one item of property during any one Period of Insurance.

The indemnity provided herein shall be subject to the limit of indemnity as specified in Your Policy Schedule/Certificate of Insurance.

14. Immediate Repairs

It is agreed that in case of loss the Insured, if they so elect, may immediately begin repairs or reconstruction but such work shall at all times be open to supervision by the Insurer and in case of dispute as to the cost of repair and/or reconstruction the loss shall be settled in accordance with the terms of this Policy, the sole object of this Condition being not to deprive the Insured from the use of operating properties which may be necessary to their Business. Evidence of loss to be photographed and if any damaged items are replaced then same to be preserved for inspection by Surveyor

It is further noted and agreed that in the event of physical loss or damage to the property insured hereunder the insured, at their sole discretion, shall have the option to accept repair or replacement terms as offered by the Original Equipment Manufacturer (OEM) regardless of any other terms offered from other suppliers, manufacturers or fabricators. Provided always that the difference between the OEM quote and the lowest quote doesn't exceed 25% of the lowest quote and quotes are based on the same technological specifications.

This Cover is subject to the Limit of Indemnity mentioned in Your Policy Schedule/Certificate of Insurance.

15. Pair and Set/Consequential Reduction in Value

In the event of insured loss or damage to Insured Property, this policy shall insure the resulting reduction in value of the remaining undamaged components or parts of products customarily sold as individual units or sold as pairs, sets, lots or in ranges.

At the Insured's option, the Insured may collect the full value of the pair or set provided the Insured tenders the remaining article or articles of the pair or set to the Insurer.

16. Fire Extinguishing / Fighting Expenses

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions that 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 /Certificate of Insurance. We will pay:

- 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.

17. Involuntary Betterment/Obsolete Equipment Clause

Notwithstanding Condition of Reinstatement, In the event that new Property Insured of like kind and quality is not obtainable, 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 / Certificate of Insurance.

18. Damage to Building (Occasioned by Theft)

This cover includes damage to building caused by theft or attempted theft excluding damage

- i. More specifically insured by or on behalf of the insured
- ii. In respect of any building which is empty or not in use

Notwithstanding anything herein stated to the contrary, it is hereby declared and agreed that the cover provided under this policy shall extend to cover damage to the premises for which the insured is responsible by burglary, housebreaking or robbery or any attempt threat, provided there is visible evidence of forcible and violent entry into or exit from the premises and provide that the liability of the company shall not exceed in aggregate the sum mentioned in your Policy Schedule / Certificate of Insurance.

19. Errors & Omissions

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that The Company will pay for direct physical loss of or damage caused by a loss to property on the insured location which is not payable under this Policy because of an unintentional omission or error by the Insured, at the time of policy inception, in the description or inclusion of any property to declare the same as an insured property; but only to the extent The Company would have provided coverage had the unintentional omission or error not been made.

Insured must report any unintentional omission or error as soon as possible.

This coverage does not apply if there is coverage available under any of the provisions, endorsements, add-on covers of this Policy.

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

20. Minor Works

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this policy is extended to cover physical loss or damage to minor alterations and/ or construction and/ or re-construction and/ or additions and/ or maintenance and/ or modifications and/ or work which is carried out on any of the property insured under this policy against insured perils.

Notwithstanding other terms and conditions herein, this extension to the policy shall only pay in excess of more specific insurance if any, arranged in respect of minor works. This extension does not cover any loss or damage to property which, at the time of the happening of such loss or damage, is insured, but for the existence of this policy, by any project insurance policy or policies.

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

21. Undamaged Foundations

In consideration of the payment of additional premium and notwithstanding anything to the contrary in this policy or in any of its conditions, it is hereby agreed and declared that, following the operation of an insured peril resulting in an admissible loss, only the insured building is damaged with no damage to building's plinth and foundations, with the consent of the insurer, if reinstatement of the damaged Property is to be carried out in any other position or elsewhere whether for reason of the exercising of state or local government requirements or otherwise, the abandoned building's plinth and foundations will be considered as being destroyed by the Insured Peril and the Insured shall be indemnified subject to the terms and conditions of the policy and provided that the value of plinth and foundation has been declared by the Insured.

22. Capital Additions

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions

The Insurer shall indemnify the insured in respect of loss of or damage to:

(a) any buildings, machinery and other equipment acquired or operated by or held in the care, custody or control of the insured after the inception of this Policy of Insurance and not included in The Schedule;

(b) any additions or extensions to Property Insured which have been carried out after the inception of this Policy of Insurance collectively referred to as “capital additions”.

(c) Any increase in the New Replacement Value as a result of such capital additions shall not exceed the percentage of the total Sum Insured specified in The Schedule.

This Additional Insurance Cover is also subject to the Insuring Party advising The Insurer within three months of the particulars of any such capital additions and in case of the capital additions exceeding the limit specified in The Schedule the payment of any additional Premium the Insurer may require.

The liability of the Insurer shall not exceed the Limit of Liability stated in the Policy Schedule / Certificate of Insurance.

23. Smoke Damage Extension

This Policy is extended to cover destruction of or damage to the property insured (by fire or otherwise) directly caused by smoke due to a sudden, unusual and faulty operation of any heating or cooking unit, only when such unit is connected to a chimney by exhaust pipe or vent pipe, but not smoke from fire-places or industrial apparatus.

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

24. Accidental Discharge of Gas Flooding Systems

This Policy is extended to cover reasonable costs/expenses incurred by the insured in refilling cylinders of any gas flooding systems installed for the protection of property arising out of the accidental discharge of such system upto the Limit of Liability stated in your Policy Schedule / Certificate of Insurance.

25. Contamination and Co-mingling of stocks

This Policy is extended to cover loss or damage to stock as a result of fortuitous accidental contamination and/ or accidental co-mingling arising from a cause not otherwise excluded whilst in the Insured's care, custody and control.

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

26. Leakage and Overflowing of Storage Tanks (Other than water storage tanks)

This Policy is extended to cover the loss of stock caused by sudden and accidental leakage and/ or overflowing from any storage tank or vessel, pipeline. Limit per occurrence and the aggregate limit of liability during the policy period is as stated in your Policy Schedule / Certificate of Insurance.

27. Seasonal Enhancement of Stocks Cover

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions the Sum Insured of Stocks insured under the policy would be enhanced by percentage mentioned of their initial Sum Insured for a period of specified two months (Insured has a choice to select two months in succession or in a staggered way.)

28. Goods and Stocks undergoing any heating or drying process

This Policy is extended to cover the loss or damage to property insured by fire only occasioned by its undergoing any heating or drying process provided that loss or damage due to smoke, fumes,

scorching, charring, chemical reaction, change of state or original composition or discoloration of property is excluded.

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

29. Landscaping Cost

This Policy is extended to cover the reasonable cost of remaking, reconstituting, redesigning and purchasing as necessary in order to replace surrounding and internal landscape grounds and gardens following Damage.

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

30. Duty Liability

This Policy is extended to insure for the insured's liability for custom's, excise and other duties which the insured may become liable to pay in the event of Damage to property insured, to the extent it is included in the sum insured.

31. Accounts Receivable

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions if 'Accounts Receivable' is shown in the schedule then following insured damage to the insured's accounts receivable records the Company will pay up to the sum insured shown in the schedule for: (a) all amounts due to you that cannot be collected as a direct result of damage to Insured's accounts receivable records; and (b) debt collection costs that would not have been incurred had Insured's accounts receivable records not been damaged and that these debt collection costs are necessarily incurred to collect amounts that otherwise would not have been collected. Provided that Company will not pay for: (i) losses due to book-keeping or accounting errors or omissions; (ii) loss due to Insured's dishonesty or dishonesty of Insured's directors, partners, employees and officers or any other person who has an interest in the accounts receivable records; (iii) bad debts that would normally not be collected by Insured; and (iv) collection costs that would normally have been incurred.

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

32. Property of Employees and Visitors/Personal Effects

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that this Policy covers direct physical loss of or damage in respect of the personal effects (except vehicles) owned by Insured, Insured's officers, partners, employee or of others in Insured's care, custody or control when at a premise described in the Schedule. The coverage does not apply to theft from any vehicle.

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

33. Property Outside/Away From the Premises

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions the insured may keep anywhere part of the property (including goods) in the open, but Machinery and Equipment away from the Premises is subject to a sub-limit per location per event. Cover is extended to include stocks outside plant Premises in Tanks / Pipelines or for conversion, stock in depot whether owned or leased. The maximum time period for which this part of the property may be outside the insured's premises is 30 days.

34. Tenants Improvement

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions that the Tenant's Premises: The Company will also pay in addition to the sum Insured for insured property, the cost of repairing or replacing damage to Insured's landlord's premises or property (other than glass) for which Insured is liable under the terms of lease or rental agreement arising from theft or attempted theft at the premises.

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

35. Shutdown Expenses

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions this policy extends to cover shut down and start-up costs necessarily and reasonably incurred by the insured consequent upon a loss or damage covered by this policy.

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

36. Waiver of Subrogation

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions that in the event of the claim arising under this policy, the Company agrees to waive any rights remedies or relief to which they might become entitled by subrogation against specific parties

37. Trace and Access

it is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions that the costs and expenses incurred in investigating and identifying the cause of Damage, and of identifying the location of such cause.

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

38. Waiver of Underinsurance

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions if, in the event of loss or damage, it is found that the sum insured is less than the amount required to be insured, then the amount recoverable by the insured under this section shall be reduced in such proportion as the sum insured bears to the amount required to be insured. Provided, however, if the said sum insured in respect of such item(s) of the schedule shall not be less than ____% (as mentioned in your Policy Schedule/Certificate of Insurance) of the value of the item(s) thereat, this condition shall be of no purpose and effect.

39. Catalyst and Consumable (including lining and refractory) interest in process

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that loss of or damage to catalysts and consumable materials including lining and refractory in the course of process are covered to a maximum limit as specified in the Schedule. This extension also covers loss and/or damage of catalysts due to its sudden poisoning /deactivation by a cause not excluded under the policy.

Basis of Indemnity – Actual Cash value (i.e. the residual value)

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

40. Plans, Documents, Computer Systems Records, Archives and Cost of Re-writing Records

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that the insurance by this Policy extends to cover loss of data, data media and records including plans, documents and archives as well as its restoring or regeneration or reconstruction, up to a limit as specified in the Schedule subject to following.

1. The loss of data, data media and records having been caused by damage covered under this policy.
2. We will indemnify the Insured the Cost, Charges and Expenses incurred in restoring or regenerating or reconstructing the documents but only for the value of the material and not for their value to the Insured, which may have been destroyed, damaged, lost, or mislaid following a claim admissible under the policy. It is understood that the said documents may consist of deeds, views, agreements, maps, plans, records, books, letters, certificates and the like, but bearer bonds, coupons, bank or currency notes or other negotiable instruments shall be deemed to be excluded from this insurance.
3. Data / Software backup being kept in fireproof safe.
4. The following special exclusions will apply:
 - a) Loss or damage for which the Repair Company or Maintenance Company is contractually liable.
 - b) Any cost for standard adjustment, rectifying functional failures and maintenance of Insured object unless necessary in connection with the repair of an Insured loss.
 - c) Normal wear and tear of media
 - d) Erroneous programming, perforating, inadvertent cancelling of information or discarding of data media, loss of information caused by magnetic fields, loading or printing.
 - e) Consequential loss of any kind

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

41. Exhibition, Exposition, Fair or Trade Show

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that The Company will pay to the Insured for direct physical loss of or damage caused by a peril mentioned below to property insured situated on the premises of any exhibition, exposition, fair or trade show unless such property is otherwise more specifically insured. The scope of coverage will be within the Territorial scope of this policy.

Perils Covered – Insured Perils under the policy unless otherwise specifically mentioned in The Schedule

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

42. Lawns, Plants, Shrubs or Trees

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that The Company will pay for direct physical loss of or damage, in respect of the Policy, to lawns, plants, shrubs or trees occurring at such premises as described in the Schedule. This coverage does not apply to improvements at a golf course unless specifically mentioned in the Schedule. This coverage does not apply to loss or damage caused by or resulting from: windstorm and hail; vehicle damage; weight of snow, ice or sleet; and water damage.

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

43. Tenant's Liability

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, the indemnity provided by this insurance extends to include all sums for which the Insured having insurable interest derived out of the terms of the lease agreement shall become legally liable to pay following upon damage to property occupied by the Insured, consequent upon the Insured's occupation of any premises or building as a tenant

Provided that: -

1. Such liability arises out of the normal occupational activity of the Insured at the premises described in the Schedule to the Policy or as otherwise confirmed by The Company or endorsed thereon
2. There shall be no liability on behalf of The Company following any property or portion of property or premises being sub-let by the Insured insofar as such property is concerned.
3. The Insured shall not breach any contractual agreement or obligation between any landlord or any other tenant of the premises or property as such breach may have any bearing on the interests of The Company.

In the event of any Landlord to the Insured having effected insurance on behalf of the Insured as tenant; or the Insured as tenant being entitled to indemnity or compensation from any other source then the provision of such compensation shall be combined with such insurance and shall be considered to be the 'initial indemnity' and any amount having been paid for by such combined 'initial indemnity' shall be deducted from the indemnity provided for by this Policy. If such an amount of 'initial indemnity' shall exceed the limit of indemnity as provided by this Policy then there shall be no payment of indemnity in terms of this clause.

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

44. Unrepaired Damage

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, that in the event of the Insured deciding not to replace or repair the damaged item covered under the Policy and decides to continue with the damaged item after incurring necessary expenditure for safe working of the damaged item, the measure of indemnity in respect of claims for unrepaired damage shall be the reasonable depreciation in the market value of the item at the time this insurance terminates arising from such unrepaired damage, but not exceeding the reasonable cost of repairs which would have been incurred by the Insured had the Insured repaired the damaged item.

In no case shall the Insurer be liable for unrepaired damage item in the event of a subsequent total loss sustained during the Policy Period or any extension thereof.

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

45. Seventy-Two Hours Clause

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions

Windstorm (Storm, Cyclone, Typhoon, Tempest, Hurricane and Tornado)

Insurers shall not be liable for any loss occurring before the effective date and time of the Policy nor

for any loss commencing after the expiration date and time of this Policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the first windstorm damage occurs prior to the date and time of the expiration of this Policy.

Each loss by windstorm shall constitute a single claim hereunder; provided, if more than one windstorm shall occur within any period of seventy-two (72) hours during the term of this Policy such windstorm shall be deemed to be a single windstorm within the meaning thereof.

Official recognised Authority (or as agreed between The Insurer and The Insured) will elect the moment from which each of the aforesaid periods of seventy-two (72) hours shall be deemed to have commenced but no two such seventy-two (72) hour periods shall overlap.

Earthquake (to be deleted if Earthquake Cover is not opted for)

Insurers shall not be liable for any loss caused by an earthquake occurring before the effective date and time of this policy nor for any loss commencing after the expiration date and time of this policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the earthquake damage occurs prior to the date and time of the expiration of this Policy.

Any and all losses caused by earthquake shall constitute a single loss hereunder provided that more than one earthquake shock occurring within any seventy-two (72) hour period during the Period of Insurance of this Policy shall be deemed to be a single earthquake within the meaning thereof.

Official recognised Authority (or as agreed between The Insurer and The Insured) will elect the moment from which each of the aforesaid periods of seventy-two (72) hours shall be deemed to have commenced but no two such seventy-two (72) hours periods shall overlap.

Flood

Insurers shall not be liable for any loss caused by flood occurring before the effective date and time of this policy nor for any loss commencing after the expiration date and time of this policy. However, The Insurer will be liable for any losses occurring for a period of up to maximum seventy-two (72) hours after the expiration of this Policy, provided that the first flood damage occurs prior to the date and time of the expiration of this Policy.

Each loss caused by flood and all losses caused by flood within a seventy-two (72) hours period shall be deemed to constitute a single loss.

Official recognised Authority (or as agreed between The Insurer and The Insured) will elect the moment from which each of the aforesaid periods of seventy-two (72) hours shall be deemed to have commenced but no two such seventy-two (72) hours periods shall overlap.

46. Additional Insureds (to be named in The Schedule)

It is understood and agreed that any individual, firm, corporation and/or its joint ventures, for whom or with whom The Insured may be operating is hereby named as additional Insured in The Schedule when required by contract, or as required. It is further understood and agreed that in the event there is any violation of the terms and conditions of this insurance by one Insured, it shall not affect the rights of other Insureds; including interest of mortgagees and notice of assignment in respect thereof.

Nothing contained in this Endorsement shall be deemed to increase the Sum(s) Insured or Limit of Indemnity stated in Your Policy Schedule/Certificate of Insurance.

47. Multiple Insured Clause

If in any Section The Insured comprises of more than one party each operating as a separate and distinct entity, this Policy of Insurance shall, unless otherwise provided for in this Policy of Insurance, apply as if a separate policy had been issued to each of these parties provided always that The Insurer's overall liability towards the parties that constitute The Insured in any Section shall not exceed the Sum

Insured and any limits of indemnity specified in The Schedule to that Section. Any payment made by The Insurer to any Insured Party as a result of an occurrence of loss or damage shall reduce, by the amount of that payment, The Insurer's liability towards all Insured Parties that constitute The Insured arising from that occurrence under this Policy of Insurance

48. Payments on Account

Payments on account may be made to the Insured following Damage at the discretion of the Insurer but in no case shall any payment exceed the Insurer's liability for each item in respect of which payment is to be made

49. Non-Vitiation Clause

The various parties comprising the insured operate as separate and distinct entities, the rights of each of these parties in all respects shall (non-withstanding anything contained or implied herein to the contrary), be treated as though each of the parties had separate policies for their respective rights and interests and indemnities of any of the parties who are not guilty of any act, omission, statement, fraud, misrepresentation, non-disclosure, breach of condition/warranty or mis-statement on the part of any individual insured which may vitiate any claims or render this policy void shall have such effect only as to the rights and interests of that particular insured and shall not prejudice the rights and interest of any other insured under this policy.

Nothing contained in this Endorsement shall be deemed to increase the Sum(s) Insured or Limit of Indemnity stated in the Policy Schedule / Certificate of Insurance, subject otherwise to the terms, exclusions, conditions and limitations of this Policy.

50. Nominated Loss Adjusters

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

51. Non-Invalidation

It is hereby agreed that this insurance shall not be invalidated by:

1. Any change of occupancy or increase of risk taking place in the property insured without the insured's knowledge provided that they shall, immediately on the same coming to their knowledge, advise the insures and pay any additional premium that may be required form the date of such increase of risk.
2. Workmen on the premises for the purposes of effecting repairs, minor alterations to the premises or general maintenance purposes and the like.

52. Primary and Non-Contributory

It is expressly agreed that this policy provides primary insurance cover and shall not be contributory to any other policy that may exist whether the other policy also covers the interest of the insured or not. Subject other wise to the terms and conditions of the Policy.

53. Vehicle Load Clause

In the event of any of the insured's vehicles being left loaded overnight whilst in or on or about the premises of the insured or his authorised warehouses the Company will indemnify the insured in respect of such load in the event of loss or damage by any of the perils insured against by this Policy.

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule/Certificate of Insurance.

54. Un-Occupancy Clause

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions that the insurance by this Policy will not be prejudiced in the event of any Building remaining unoccupied for a greater period than 30 days, provided that in due course the Insured or their agents give notice in writing to the Company and on demand pay such reasonable additional premium as the Company may require.

55. Leak search / finding cost Clause

It is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions in addition to indemnifiable costs of repair or replacement the company will indemnify the insured for the cost and expenses necessarily and reasonably incurred in locating and obtaining access to any part or parts of the insured property in order to locate and repair leaks or other damages.

The indemnity provided herein shall be subject to the limit of indemnity as specified in your Policy Schedule / Certificate of Insurance.

56. Loss Payee Clause

it is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions loss is payable to The Insured or as directed by The Insured, which shall include such party who has an insurable interest in the subject matter insured at the time of loss or damage.

Standard Fire and Special Perils Policy
Tariff Endorsement and Clauses

Below mentioned are the Tariff endorsements and clauses available under Standard Fire and Special Perils Policy. The endorsements /clauses applicable to Your Policy are mentioned in Your Policy Schedule/Certificate of Insurance.

1. Architects, Surveyors and Consulting Engineers Fees (in excess of 3% of the claim amount)

Policy may be extended to cover the above subject to following endorsement wordings:

"It is hereby declared and understood that the expenses incurred towards Architects, Surveyors and Consulting Engineers fees for plans, specification tenders, quantities and services in connection with the superintendence of the reinstatement for the Building, Machinery, Accessories and equipment insured under this policy up to 7.5% of the adjusted loss is covered, but it is understood that this does not include any cost in connection with the preparation of the Insured's claim or estimate of loss in the event of damage by insured perils".

2. Removal of Debris (in excess of 1% of the claim amount)

Policy may be extended to cover the above subject to following endorsement wordings:

"On costs and expenses necessarily incurred by the insured

- a) In the removal of debris from the premises of the Insured;
- b) dismantling or demolishing;
- c) shoring up or propping;

of the portion or portions of the property insured by (Items..... of) this policy destroyed or damaged by perils hereby insured against but not exceeding in the aggregate Rs."

Note: 1. (b)& (c) above will be deleted when neither Building nor Machinery are covered.

Note:2. The cover may be given by separate item in the policy for an amount not exceeding 10% of the total Sum Insured.

3. (A) Deterioration of Stocks in Cold Storage premises due to accidental power failure consequent to damage at the premises of Power Station due to an insured peril

Policy covering stocks in cold storage premises may be extended to cover the above subject to following endorsement wordings:

"In consideration of the payment of additional premium of Rs. _____ it is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions, this policy covers destruction of or damage to the property hereby insured caused by change of temperature in consequence of failure of electric supply at the terminal ends of electric service feeders from which the Insured obtains electric supply directly due to damage caused by any peril insured against under this policy to property at insured premises or any Electric Station or Sub-Station of Public Electric Supply undertaking from which the Insured obtains electric supply.

Provided that the Company shall not be liable for any loss occasioned by the deliberate act of the Government, Municipal or Local Authority or Supply Authority not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's systems or by the exercise by any such authority of its power to withhold or restrict or ration supply not necessitated solely by damage to the Supply Undertaking's generating or supply equipment by an insured peril.

Provided further that the Company shall not be liable for any loss unless the duration of each such failure exceeds 24 hours.

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

"In any action, suit or other proceedings where the company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the Insured.

3. (B) Deterioration of stocks in cold storage premises due to change in temperature arising out of loss or damage to the cold storage machinery(ies) in the Insured's premises due to operation of insured peril.

Policy may be extended to cover the above subject to following endorsement wordings:

* "In consideration of the payment of additional premium of Rs. _____ it is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions this policy covers destruction of or damage to the property hereby insured caused by change of temperature in consequence of failure of electric supply following damage to Insured's property due to insured peril(s). Provided that the Company shall not be liable for any loss occasioned by the deliberate act of the Government, Municipal or Local Authority or Supply Authority not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking's systems or by the exercise by any such authority of its power to withhold or restrict or ration supply not necessitated solely by damage to the Supply Undertaking's generating or supply equipment by an insured peril.

Provided further that the Company shall not be liable for any loss unless the duration of each such failure exceeds 24 hours.

Subject otherwise to the terms, extensions, conditions and limitations of this Policy".

In any action, suit or other proceedings where the company alleges that by reason of the provisions of this condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the Insured.

4. Forest Fire

Policy may be extended to cover the above subject to following endorsement wordings:

"In consideration of the payment of additional premium the insurance under item of the policy shall extend to include loss of or damage to the property insured directly caused by

burning, whether accidental or otherwise, of forest, bush and jungles and the clearing of lands by Fire."

5. Impact Damage due to Insured's own Rail/Road Vehicles, Fork lifts, Cranes, Stackers and the like and articles dropped therefrom.

Policy may be extended to cover the above subject to following endorsement wordings:

"In consideration of an additional premium of Rs. _____, it is hereby agreed and declared that the policy is extended to cover loss and/or damage caused due to impact by direct contact to Insured's property caused by Insured's own Rail/Road Vehicles, Fork lifts, cranes, stackers and the like and articles dropped therefrom."

6. Spontaneous Combustion

Policy may be extended to cover the above subject to following endorsement wordings:

"In consideration of the payment by the Insured to the Company of additional premium of Rs. _____ the Company agrees notwithstanding what is stated in the printed exclusions of this policy to the contrary that the insurance by (items) of this policy shall extend to include loss or damage **by fire only** of or to the property insured caused by its own fermentation, natural heating or spontaneous combustion."

N.B.: The expression 'by fire only' in the endorsement above must not be omitted under any circumstances.

7. Omission to Insure additions, alterations or extensions

Policy may be extended to cover the above subject to following endorsement wordings:

The Insurance by this Policy extends to cover Buildings and/or Machinery, Plant and other Contents as defined in Columns..... hereof which the insured may erect or acquire or for which they may become responsible: -

- (a) at the within described premises
- (b) for use as factories

i The liability under this Extension shall not exceed in respect of (a) above, 5% of the Sum Insured by each item, in respect of (b) above, 5% of the Sum Insured by item No.....

ii The Insured shall notify the Insurer of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the date of inception.

iii Following the advice of any additional insurance as aforesaid, cover by this extension shall be fully reinstated.

- 1) No liability shall attach to the insurers in respect of any Building, Machinery, Plant or other Contents while such property is otherwise insured. All new additions to Buildings and/or Machinery and Plant not specifically insured/included during the period of the policy should be declared at the end of the year and suitable additional premium paid on pro rata basis from the date of completion of the construction /erection of additions may be suitably adjusted.

If the insured fails to declare the values of such additions within 30 days after the expiry of the policy, there shall be no refund of the advance premium collected.

- 2) Other Contents' in the above clause shall mean 'Furniture and Fittings' and does not include 'Stocks'.

- 3) This clause should be incorporated at the time of issuing the policy.

8. Earth quake (Fire and Shock)

Extension cover shall be granted only if the entire property in one Complex/Compound/ location covered under the policy is extended to cover this risk and sum insured for this extension is identical to the sum insured against the risk covered under main policy except for the value of the plinth and foundation of the building(s).

If option to delete STFI peril is exercised

“In consideration of the payment by the Insured to the Company of the sum of _____ additional premium, it is hereby agreed and declared that notwithstanding anything stated in the printed exclusions of this policy to the contrary, this Insurance is extended to cover loss or damage (including loss or damage by fire) to any of the property Insured by this policy occasioned by earthquake including Landslide/Rockslide resulting there from but excluding flood or overflow of the sea, lakes, reservoirs and rivers caused by earthquake.

Provided always that all the conditions of this policy shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this endorsement.”

If option to delete STFI peril is not excised

“In consideration of the payment by the Insured to the Company of the sum of _____ additional premium, it is hereby agreed and declared that notwithstanding anything stated in the printed exclusions of this policy to the contrary, this Insurance is extended to cover loss or damage (including loss or damage by fire) to any of the property Insured by this policy occasioned by or through or in consequence of earthquake including flood or overflow of the sea, lakes, reservoirs and rivers and/or Landslide/Rockslide resulting there from.

Provided always that all the conditions of this policy shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by any of the perils which this insurance extends to include by virtue of this endorsement.”

Special conditions

- 1) Excess clause 5% of each and every claim subject to a minimum of Rs. 10,000/
- 2) Extension cover shall be granted only if the entire property in one complex/compound/location covered under the policy is extended to cover this risk and the Sum Insured for this extension is identical to the sum Insured against the risk covered under main policy except for the value of the plinth and foundations of the building(s).
- 3) Onus of proof in the event of the Insured making any claim for loss or damage under this policy he must (if so required by the Company) prove that the loss or damage was occasioned by or through or in consequence of earthquake.

9. Spoilage Material Damage Cover

Policy may be extended to include spoilage risk subject to the following conditions:

The cover shall extend to material damage, i.e.

i Loss of stock in process; and

ii Damage to machinery, containers and equipment (including cost of removal of debris and cleaning) and shall be provided by a separate item of the SFSP Policy subject to the Conditions that the perils causing the spoilage should be the same as those covered under the Policy.

The following endorsement wording shall be used.

"In consideration of the payment of an additional premium of Rs. _____ it is hereby agreed and declared that, notwithstanding anything contained to the contrary, in the within written Policy, the insurance under Item No..... of this policy shall extend to cover loss or damage by Spoilage resulting from the retardation or interruption or cessation of any process or operation caused by any of the perils covered under this Policy, provided that liability for destruction of or damage to the property insured described in the schedule to this policy, or any part of such property, is first admitted by the Company.

PROVIDED ALWAYS THAT all the conditions (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and that any reference therein to the loss or damage caused by insured perils shall be deemed to apply also to loss or damage caused by Spoilage which peril this insurance extends to include by virtue of this Endorsement."

SPECIAL CONDITIONS

For the purpose of this Endorsement but no otherwise, the following special conditions shall apply:

Average: If the property hereby insured against spoilage shall, at the time of occurrence of any loss or damage, be collectively of greater value than the sum insured on machinery, containers, equipment and stocks in the specified blocks, then the Insured shall be considered as being his own insurer for the difference and shall bear rateable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to this condition.

PROVIDED THAT it is hereby further expressly agreed and declared that the liability of the Company shall in no case under this endorsement and the Policy exceed the sum insured by item Nos. _____ of this Policy.

Sum to be Insured: The cover must be for all stocks and machinery, container and equipment in specified blocks, specified sums being declared for each block and must be made subject to 'Average'.

10. Leakage and Contamination Cover

SCOPE

Policy may be extended to include the risks of (a) accidental leakage and contamination or (b) accidental leakage.

The extension will apply to oils and chemicals only. It will not apply to any other commodity.

ENDORSEMENTS

It shall be obligatory to use one of the following endorsement wordings:

(A) WHERE LEAKAGE AND CONTAMINATION COVER IS GRANTED:

"In consideration of the payment of an additional premium of Rs.....it is hereby agreed and declared that the Insurance under this policy shall, subject to terms, conditions and exclusions of this policy and also subject to terms, conditions and exclusions hereinafter contained, extends to include the physical loss of oil/chemical by leakage from its container by accidental means and all accidental contaminations by contact with foreign matter."

PROVIDED always that this policy does not cover:

- a) Loss by Contamination through Improper Handling or Controls by Insured's own Employees;
- b) Loss resulting from loss of use, loss of earnings, delay or loss of markets or other consequential or indirect loss or damage of any kind or description whatsoever;
- c) Loss resulting from any kind of infidelity or dishonesty on the part of the Insured or any of their employees, inventory shortage, mysterious disappearance or unexplained loss;
- d) Loss by burglary or theft or any attempt thereat;
- e) Loss resulting from processing or faulty workmanship;
- f) Loss resulting from shrinkage, evaporation, loss of weight unless caused by a peril not otherwise excluded;
- g) Any legal and/or contractual liability arising from any cause whatsoever; and
- h) Consequential Loss of any nature.

(B) WHERE LEAKAGE COVER ALONE IS GRANTED:

"In consideration of the payment of an additional premium of Rs..... it is hereby agreed and declared that the Insurance under this policy shall, subject to terms, conditions and exclusions of this Policy and also subject to terms, conditions and exclusions hereinafter contained, extend to include the physical loss of oil/chemical by leakage from its container by accidental means.

PROVIDED always that this policy does not cover:

- a) loss resulting from loss of use, loss of earnings, delay or loss of markets or other consequential or indirect loss or damage of any kind or description whatsoever;
- b) loss resulting from any kind of infidelity or dishonesty on the part of the Insured or any of their employees, inventory shortage, mysterious disappearance or unexplained loss;
- c) loss by burglary or theft or any attempt thereat;
- d) loss resulting from processing or faulty workmanship;
- e) loss resulting from shrinkage, evaporation, loss of weight unless caused by a peril not otherwise excluded;
- f) any legal and/or contractual liability arising from any cause whatsoever; and
- g) Consequential Loss of any nature.

SPECIAL CONDITIONS: (Applicable to A and B)

- I. The cover under this endorsement shall attach only on or after the receipt of the insured subject matter in land tanks as described in the policy and subject to lodgment with the company by Insured of a certificate obtained by them at their own expense from a competent approved and independent agency/surveyor as to the purity and quality of the subject matter herein insured.

- II. Before the commencement of pumping and/or decanting operations, the Insured shall arrange at their own expense sampling and quality / purity certification by competent, approved and independent agency / surveyor for such distinct lot, batch or tank load ex-ocean vessel of insured subject matter and shall pump /decant only such material as is pure and without contaminants.
- III. The insured shall at their own expense arrange inspection and certification from competent approved and independent agency/ surveyor as to the cleanliness and fitness of the pipe lines, pumping equipment and the receiving land tanks to carry and/or receive the insured subject matter, prior to the commencement of pumping, decanting, receiving and/or storage operations. Such certification as mentioned above should, inter alia, confirm that the pumping, carrying and storage equipment facilities and tanks are free from impurities, contaminants and/or residue or left-overs from previous use of equipment, facilities or storage tanks. As concerning the receiving land tanks an initial certificate of fitness to receive and store the insured material shall be deemed to satisfy the above condition in so far as such tanks are concerned. However, a fresh certification as mentioned above would be required in the event of the said tanks being empty and fresh stocks are subsequently pumped/decanted in during the period of this insurance.
- IV. In case of loss to property insured hereunder, the basis of adjustment shall be the market value at the time and place of loss.
- V. It is understood and agreed that all loss or damage to property occurring during any one period of seventy-two consecutive hours during the period of this policy directly caused by earthquake shock shall be deemed to have been caused by single earthquake and therefore to constitute one loss for the purpose of this policy, the Insured shall select a time from which any such period shall commence but no two such selected periods shall overlap.
- VI. All salvage recoveries and payments recovered or received subsequent to a loss settlement under this policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustment shall be made by the parties hereto.
- VII. If any breach of a clause or condition in this contract or policy of insurance shall occur prior to a loss under this Policy, such breach shall not void the policy nor avail the company to avoid the liability unless such breach shall exist at the time of such a loss under this contract or policy, it being understood that such breach of a clause or condition is applicable only to the specific property to which the condition or clause has reference and in respect of which such breach occurred.
- VIII. Each claim for loss or damage shall be adjusted separately and each claim is subject to an excess of 1% on each tank with a minimum of Rs. 60,000/- each loss.
- IX. If the property hereby insured shall at the time of the operation of a peril insured hereunder, be collectively of greater value than the sum insured thereof, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the policy shall be separately subject to this condition

NOTE: SPECIAL CONDITIONS (i), (ii) AND (iii) ARE NOT APPLICABLE WHERE LEAKAGE COVER ALONE IS GRANTED.

11. Temporary Removal of Stocks Clause

It is agreed that the stock insured hereby not exceeding 10% of the total sum insured of such stock is covered while temporarily removed to any other premises for purposes of fabrication or processing or finishing or other similar purposes. This extension does not apply to stock if

and so far as it is otherwise insured. The pro-rata condition of average should be applied to the limit of stocks temporarily removed as well as to the total sum insured of such stock under the policy.

12. Loss of Rent Clause

POLICY may be extended to cover the above subject to following:

Where loss of rent caused by Insured Perils is covered, the following Rent Clause should be inserted in the Policy: -

"The insurance on rent applies only 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".

13. Insurance of Additional Expenses of Rent for an Alternative Accommodation

Policy may be extended to cover the above subject to following:

Additional expenses of rent for an alternative accommodation in respect of non-manufacturing risks may be covered on the following basis:

- a. The cover may be granted for non-manufacturing premises only.
- b. The cover may be granted under the Policy and not under Consequential Loss (Fire) Policy.
- c. The period of Indemnity may be limited to the period during which the original premises remain untenable as a result of occurrence of perils insured against. Maximum indemnity period not to exceed 3 (three) years.
- d. The additional expense recoverable under the policy may be additional rent actually paid i.e. the difference between the new and the original rent only.
- e. Certificate from the Local Municipal Authority or an Architect to the effect that premises in question are untenable will be accepted as adequate proof of the fact that the premises, in fact, have become untenable.
- f. Insurance should be granted against Fire, Riot, Strike, Malicious and Terrorist Damage and Earthquake (Fire & Shock) and other Extraneous Perils. Cover against Riot, Strike, Malicious and Terrorist Damage should be granted only if it involves actual physical damage to the building. The cover does not intend to pay, if for instance, the insured's entry is barred by strikers, demonstrators and similar occurrences.
- g. The cover may be limited to buildings other than those of "Kutcha" construction.
- h. The area for alternative accommodation may be equivalent to the area presently occupied. However, no restriction will apply in respect of locality for the alternative accommodation, so long as the alternative accommodation is taken in the same city or town.
- i. Cover may be permitted to the tenant as also to the Owner -Occupant. Further, in respect of the Owner-Occupant, the alternative accommodation may be limited to the area presently under his occupation.
- j. For the Owner-Occupant, since he will not be paying any rent based on the area occupied by him (in comparison with the actual rent being paid by the tenant in the same building or similar buildings in the same locality) the standard rent based on the rateable values fixed by Municipal/Revenue Authorities for tax purposes may be treated as the original rent for the purpose of this insurance.

- k. It will be compulsory for
- I. the Owner-Occupant to insure both building and contents.
 - II. the tenant to insure the contents of the premises for which he is seeking this extension

Endorsement wording for insurance of rent for alternative accommodation Tenant or Owner-Occupant

"It is hereby 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 accommodation, 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 of months whichever is earlier.

Provided that the liability of the Company shall not exceed Rs. the sum insured hereby. Provided further that if the sum produced by applying the monthly additional rent, borne by the insured for the alternative accommodation to the maximum indemnity period is more than the Sum Insured hereby, the liability of the Company shall be proportionately reduced.

SPECIAL CONDITIONS:

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 accommodation 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 accommodation taken by the insured. The insured shall be at liberty to take alternative accommodation 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 accommodation. The standard rent shall be based on the ratable 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 accommodation. 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

accommodation 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

14. Start-up Expenses

Policy may be extended subject to the following endorsement wordings:

"It is hereby agreed and declared that this policy extends to cover start-up costs necessarily and reasonably incurred by the insured up to a maximum extent of Sum Insured stated in Your Policy Schedule/Certificate of Insurance, consequent upon a loss or damage covered by this policy."

15. Agreed Bank Clause

All policies in which a Bank/Financial Institution has interest shall be issued in the name of Bank/Financial Institution and owner or mortgagor and shall contain a suitable clause to protect their interest. A specimen copy of the Clause is given hereunder.

"It is hereby declared and agreed: -

- i. That upon any monies becoming payable under this policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.
- ii. That the receipts of the Bank shall be complete discharge of the Company therefor and shall be binding on all the parties insured hereunder.

N.B: The Bank shall mean the first named Financial Institution/ Bank named in the policy.

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

recover the full amount of any claim it may have on such Mortgagor or Owner or any other party or parties insured hereunder or from any securities or funds available.

N.B: In cases where the name of any Central Government or State Government owned and / or sponsored Industrial Financing or Rehabilitation Financing Corporations and /or Unit Trust of India or General Insurance Corporation of India and/or its subsidiaries or LIC of India/ any Financial Institution is included in the title of the Fire Policy as mortgagees, the above Agreed Bank Clause may be incorporated in the Policy substituting the name of such institution in place of the word 'Bank' in the said clause.

16. Contract Price Insurance Clause

In the case of insurance of imported goods only (and not for goods of local manufacture) which are sold under a contract which is cancelled either wholly or to the extent of loss or damage, it is permissible to issue a policy on the basis of Contract Price and the following clause shall be inserted in the Policy.

"It is hereby agreed and declared that in respect only of goods sold but not delivered for which the insured is responsible and with regard to which under the conditions of sale, the sale contract is by reason of the perils covered under the Policy, cancelled either wholly or to the extent of the loss or damage, the liability of the company shall be based on the contract price and for the purpose of average the value of all goods to which the clause would in the event of loss or damage be applicable shall be ascertained on the same basis."

17. Designation of Property Clause:

For the purpose of determining, where necessary, the item under which any property is insured, the insurers agree to accept the designation under which the property has been entered in the insured's books.

18. Reinstatement Value Policies

Reinstatement value insurance may be granted on Buildings, Machinery Furniture, Fixture and Fittings only subject to the incorporation of the following memorandum in the policy:

"It is hereby declared and agreed that in the event of the property insured under (Item Nos.....of) within the policy being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the policy is to be calculated shall be cost of replacing or reinstating on the same site or any other site with property of the same kind or type but not superior to or more extensive than the insured property when new as on date of the loss, subject to the following Special Provisions and subject also to the terms and conditions of the policy except in so far as the same may be varied hereby."

Special Provisions

1. The work of replacement or 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 Company not being thereby increased) must be commenced and carried out with reasonable dispatch and in any case must be completed within 12 months after the destruction or damage or within such further time as the Company may in writing allow,

otherwise no payment beyond the amount which would have been payable under the policy if this memorandum had not been incorporated therein shall be made.

2. Until expenditure has been incurred by the Insured in replacing or reinstating the property destroyed or damaged the Company shall not be liable for any payment in excess of the amount which would have been payable under the policy if this memorandum had not been incorporated therein.
3. If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered had been destroyed, exceeds the Sum Insured thereon or at the commencement of any destruction or damage to such property by any of the perils insured against by the policy, then the insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the policy (if more than one) to which this memorandum applies shall be separately subject to the foregoing provision.
4. This Memorandum shall be without force or effect if
 - a. the Insured fails to intimate to the Company within 6 months from the date of destruction or damage or such further time as the Company may in writing allow his intention to replace or reinstate the property destroyed or damaged.
 - b. the Insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.

19. Local Authorities Clause

Reinstatement Value Policy may be extended to cover additional cost of reinstatement solely by reason of the necessity to comply with the regulations of local authority by incorporating the following clause in the policy.

"The insurance by this policy extends to include such additional cost of reinstatement of the destroyed or damaged property hereby insured as may be incurred solely by reason of the necessity to comply with the Building or other Regulations under or framed in pursuance of any act of Parliament or with Bye-laws of any Municipal or Local authority provided that

1. The amount recoverable under this extension shall not include:
 - a. the cost incurred in complying with any of the aforesaid Regulations or Bye-laws,
 - I. in respect of destruction or damage occurring prior to the granting of this extension,
 - II. in respect of destruction or damage not insured by the policy,
 - III. under which notice has been served upon the insured prior to the happening of the destruction or damage,
 - IV. in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from the insurance by this policy) of that portion of the property destroyed or damaged,
 - b. the additional cost that would have been required to make good the property damaged or destroyed to a condition equal to its condition when new had the necessity to comply with any of the aforesaid Regulations of Bye-laws not arisen,
 - c. the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the property or by the

owner thereof by reason of compliance with any of the aforesaid Regulations or Bye-laws.

2. The work of reinstatement must be commenced and carried out with reasonable dispatch and in any case must be completed within twelve months after the destruction or damage or within such further time as the Insurers may (during the said twelve months) in writing allow and may be carried out wholly or partially upon another site (if the aforesaid Regulations or Bye-laws so necessitate) subject to the liability of the Insurer under this extension not being thereby increased.
3. If the liability of the insurer under (any item of) the policy apart from this extension shall be reduced by the application of any of the terms and conditions of the policy, then the liability of the Insurers under this extension (in respect of any such item) shall be reduced in like proportion.
4. The total amount recoverable under any item of the policy shall not exceed the sum insured thereby.
5. All the conditions of the policy except in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein."
6. No additional premium shall be charged for inclusion of this clause in this policy.

20. Escalation Clause

The following Clause shall be used:

"In consideration of the payment of an additional premium produced by applying the specified percentage to the first or the annual premium as appropriate on the under noted item(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.

Item Number

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."

21. ARCHITECTS, SURVEYORS AND CONSULTING ENGINEER'S FEES (up to 3% of the claim amount)

The following Clause shall be used : "It is hereby declared and understood that the expenses incurred towards Architects, Surveyors and Consulting Engineers fees for plans, specification tenders, quantities and services in connection with the superintendence of the reinstatement for the Building, Machinery, Accessories and equipment insured under this policy is covered up to 3% of the adjusted loss, but it is understood that this does not include any costs in connection with the preparation of the Insured's claim or estimate of loss in the event of damage by insured perils".

22. REMOVAL OF DEBRIS CLAUSE (up to 1% of the claim amount)

The following Clause shall be used: "It is hereby declared and agreed that the expenses incurred up to 1% of the claim amount is included in the sum insured on:

- (a) Removal of debris from the premises of the Insured;
- (b) dismantling or demolishing;
- (c) shoring up or propping.

"Note: (b) & (c) above should be deleted when neither Building nor Machinery are covered.

23. Floater Clause

The following clause shall be attached for floater policy(ies):

"In consideration of Floater Extra charged over and above the policy rate the S.I. in aggregate under the policy is available for any one, more, or all locations as specified in respect of movable property. At all times during the period of this policy the insured should have a good internal audit and accounting procedure under which the total amount at risk and the locations can be established at any particular time if required.

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

24. Declaration Clause

The following clause shall be attached to Declaration Policy(ies).

1. In consideration of the premium by this policy being provisional in that it is subject to adjustment on expiry of each period of insurance.

"The Insured agrees to declare to the Company in writing the value of his stocks (other than retail) less any amount insured by Policies other than declaration policies, in each separate building or non-communicating compartment or in the open on the following basis namely 1] average of the values at risk on each day of the month or 2] the highest value at risk during the month and to make such declaration(s) latest by the last day of the succeeding month. Such declaration(s) shall be signed by the Insured or by a responsible person authorised to sign on his behalf.

If other policies on declaration basis cover the stocks hereby insured, the declarations shall be made so as to apportion to each policy a share of the value of the stocks insured under such declaration policies, PRO RATA to the respective amounts named in the policies.

In the event of a declaration not being made latest by the last day of the succeeding month, then the insured shall be deemed to have declared the Sum Insured hereby as the value at risk.

On the expiry of each period of insurance the premium shall be calculated on the average Sum Insured namely, the total of the values declared or deemed to have been declared divided by the number of declarations deemed to have been made.

If the resultant premium is less than the provisional premium, the difference shall be repaid to the Insured, but such repayment shall not exceed 50% of the provisional premium. Further it is hereby agreed and understood that no reduction in sum insured shall be allowed during the period of the policy

2. The basis of value for declarations shall be the market value and any loss hereunder shall be settled on the basis of the Market Value immediately anterior to the loss.
3. If at the time of any loss, there be any subsisting insurance or insurances on other than a declaration basis, whether effected by the Insured or by any other person or persons, covering the stocks hereby insured, this policy shall apply only to the excess of the value of such stocks at the time of the loss over the Sum Insured by such other insurance or insurances, and this Company shall not be liable to pay or contribute more than that proportion of such loss which such excess (or, if there be other declaration insurances covering the same stocks, a rateable proportion of such excess) but not exceeding the Sum Insured hereby, bears to the total value of the stocks.
4. If after the occurrence of a loss it is found that the amount of the last declaration previous to the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said last declaration bears to the amount that ought to have been declared.
5. Notwithstanding the occurrence of loss it is understood that the Sum Insured will be maintained at all times during the period of the policy and the Insured therefore undertakes to pay extra premium on the amount of any loss pro rata from the date of such loss to the expiry of the period of insurance, the premium being calculated at the rate applicable to the stocks destroyed and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment of premium.
6. In event of this policy being cancelled by the Insured during its period (whether stocks exist or not) the premium to be retained by the Company shall be the appropriate short period premium calculated on the average amount insured up to the date of concealment, or 50% of the provisional premium whichever is greater. Notwithstanding the above, if the policy is cancelled by the insured after a loss has occurred, the premium to be retained by the

company shall be the PRO RATA proportion of the premium calculated on the average amount insured up to the date of cancellation plus the PRO RATA proportion of the premium from the date of loss to the expiry of the period of insurance on the amount of loss paid, or 50% of the provisional premium whichever is greater.

7. The maximum liability of the Company shall not exceed the Sum Insured hereby and premium shall not be receivable on value in excess thereof. The Sum Insured may, however, be increased by prior agreement with the Company in which event the new Sum Insured and the date from which it is effective will be recorded on the policy by endorsement. In the event of an increase in the Sum Insured being agreed to, the Company shall charge on such increased sum an additional provisional premium on a basis proportionate to the unexpired period of the policy and upon expiry of each period of insurance the total provisional premium so paid shall be adjusted as provided for in Clause 1 above. If during the period of the policy, the rate for the class of risk to which the insurance applies is revised, and an increase in the Sum Insured under a Declaration Policy is agreed to, the Company shall charge on such increased sum an additional provisional premium on a basis proportionate to the unexpired period of policy, at the rate at which the insurance was originally effected and upon expiry of each period of insurance the total provisional premium so paid shall be adjusted as provided for in Clause 1 above.
8. If the stocks hereby insured shall at the time of loss be collectively of greater value than the Sum Insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, on stock shall be separately subject to this condition.
9. It is warranted that every other policy on a declaration basis covering the stocks insured hereby shall be identical in wording with this policy.
10. This insurance is subject in all respects to the printed conditions of the policy except in so far as they may be varied by the above conditions.

25. Voluntary Deductible Clause

The following clause shall be attached to the policy(ies) in case the insured accepts the deductible and the discount therefor:"

It is hereby declared and agreed that the insured having opted a voluntary deductible of Rs.-- ----- out of net amount of each and every admissible claim under the fire policy(ies) covering the said premises, the company has allowed a discount of ----% on the final premium payable for the policies and Add on Covers.

It is further agreed that the above voluntary deductible opted shall be in addition to compulsory exclusion stipulated under "General exclusions" attached to the policy(ies) and/or for add-on covers."

26. Floater Declaration Clause

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

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

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

1. In consideration of the premium by this policy being provisional in that it is subject to adjustment on expiry of each period of insurance. “The Insured agrees to declare to _____ General Insurance Company Limited in writing the value of his stocks (other than retail) less any amount insured by Policies other than declaration policies, in each separate building or non-communicating compartment or in the open on the following basis namely 1] average of the values at risk on each day of the month or 2] the highest value at risk during the month and to make such declaration(s) latest by the last day of the succeeding month. Such declaration(s) shall be signed by the Insured or by a responsible person authorized to sign on his behalf.

If other policies on declaration basis cover the stocks hereby insured, the declarations shall be made so as to apportion to each policy a share of the value of the stocks insured under such declaration policies, PRO RATA to the respective amounts named in the policies.

In the event of a declaration not being made latest by the last day of the succeeding month then the insured shall be deemed to have de-cleared the Sum Insured hereby as the value at risk.

On the expiry of each period of insurance the premium shall be calculated on the average Sum Insured namely, the total of the values declared or deemed to have been declared divided by the number of declarations deemed to have been made.

If the resultant premium is less than the provisional premium, the difference shall be repaid to the Insured, but such repayment shall not exceed 20% of the provisional premium.

Further it is hereby agreed and understood that no reduction in sum insured shall be allowed during the period of the policy.

2. The basis of value for declarations shall be the market value and any loss hereunder shall be settled on the basis of the Market Value immediately anterior to the loss.
3. If at the time of any loss, there be any subsisting insurance or insurances on other than a declaration basis, whether effected by the insured or by any other person or persons, covering the stocks hereby insured, this policy shall apply only to the excess of the value of such stocks at the time of the loss over the Sum Insured by such other insurance or insurances, and this Company shall not be liable to pay or contribute more than that

proportion of such loss which such excess (or, if there be other declaration insurances covering the same stocks, a rateable proportion of such excess) but not exceeding the Sum Insured here, bears to the total value of the stocks.

4. If after the occurrence of a loss it is found that the amount of the last declaration previous to the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said last declaration bears to the amount that ought to have been declared.
5. Notwithstanding the occurrence of loss it is understood that the Sum Insured will be maintained at all times during the period of the policy and the Insured therefore undertakes to pay extra premium on the amount of any loss pro rata from the date of such loss to the expiry of the period of insurance, the premium being calculated at the rate applicable to the stocks destroyed and such extra premium shall not be taken into account in and shall be distinct from, the final adjustment of premium.
6. In event of the policy being cancelled by the Insured during its policy period (whether stocks exist or not) the premium to be retained by the company shall be the appropriate short period premium calculated on the average amount insured up to the date of concealment, or 80% of the provisional premium whichever is greater. Notwithstanding the above, if the policy is cancelled by the insured after a loss has occurred, the premium to be retained by the company shall be the PRO RATA proportion of the premium calculated on the average amount insured up to the date of cancellation plus the PRO RATA proportion of the premium from the date of loss to the expiry of the period of insurance on the amount of loss paid, or 80% of the provisional premium whichever is greater.
7. The maximum liability of the company shall not exceed the sum Insured hereby and premium shall not be receivable on value in excess thereof. The sum Insured may, however, be increased by prior agreement with the Company in which event the new sum Insured and the date from which it is effective will be recorded on the policy by endorsement. In the event of an increase in the sum Insured being agreed to, the company shall charge on such increased sum an additional provisional premium on a basis proportionate to the unexpired period of the policy and upon expiry of each period of insurance the total provisional premium so paid shall be adjusted as provided for in Clause 1 above. If during the period of the policy, the rate for the class of risk to which the insurance applied is revised, and an increase in the Sum Insured under a Declaration Policy is agreed to, the company shall charge on such increased sum an additional provisional premium on a basis proportionate to the unexpired period of policy, at the rate at which the insurance was originally effected and upon expiry of each period of insurance the total provisional premium so paid shall be adjusted as provided for in Clause 1 above.
8. If the stocks hereby insured shall at the time of loss be collectively of greater value than the Sum Insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, on stock shall be separately subject to this condition.

9. It is hereby warranted that every other policy on a declaration basis covering the stocks insured hereby shall be identical in wording with this policy.

10. This insurance is subject in all respects to the printed conditions of the policy except in so far as they may be varied by the above conditions.

27. 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

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

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