

UNIVERSAL SOMPO - BHARAT LAGHU UDYAM SURAKSHA

PROSPECTUS

Introduction

This prospectus gives basic information about the **Bharat Laghu Udyam Suraksha** Policy that You can purchase from Universal Sampo General Insurance Company Ltd. The **Bharat Laghu Udyam Suraksha** Policy provides insurance cover for physical loss or damage to or destruction of Insured Property relating to Your business.

This policy is for enterprises where the total value at risk across all insurable asset classes at one location **exceeds ₹ 5 Crore (Rupees Five Crore) but does not exceed ₹50 Crore (Rupees Fifty Crore)** at the policy commencement date.

Important Dos and Don'ts

1.	When You fill up the Proposal Form	• Read the instructions in the proposal form carefully before filling up the details. • Understand the basis for arriving at the Sum Insured for Building, Plant and Machinery, Furniture, Fixtures, Fittings, Stocks and other Contents before filling up the details. This is given below in this Prospectus under the heading 'Sum Insured'. It is also explained in the Proposal Form. • Make sure You have opted for the correct policy based on the total Sum Insured. • Fill up the proposal form completely and answer all the questions truthfully.
2.	During the Policy Period	• Make full disclosure in the proposal and related documents about Yourself and all the Insurable Assets. • Remember, the information You give Us is the basis of Our contract with You. • You must inform Us of any changes in the business premises or if it remains unoccupied for more than 30 days. • Do not allow unauthorised persons to occupy Your premises. • Ensure that all security procedures are in force.
3.	When You have a Claim	• Give notice of loss to Us, as required. • Inform the respective authorities, as required. • Make true and full disclosures in Your claim form. • Give all documents supporting the claim. • Give full cooperation for inspection and investigation of claim.

The Insurance Cover

In this Prospectus, You will find information about the following insurance covers:

1. **Standard Cover:** We cover physical loss or damage, or destruction caused to the building and structures, plant and machinery, stock and other assets relating to Your business. These are the Insured Properties.

If any Insured Property is lost, damaged or destroyed, We provide cover as follows-

Your loss	Condition	We pay, but not more than the Sum Insured
Any Insured Property is damaged. (Partial Loss)	You have repaired such property.	Cost of repairs
If any Insured Stock is damaged. (Partial Loss)		Extent of the loss of such Partial Loss
Any Building or Plant and Machinery or Furniture, Fixture, Fittings is completely destroyed. (Total Loss)	You have rebuilt the building or reinstated/replaced such property.	Reinstatement /Replacement Value (i.e. amount at which the Insured Property can be reinstated or replaced by a similar property, without deducting depreciation)
Stock is completely destroyed (Total Loss)		a For raw material: Landed Cost at Your Premises, b For stock in process: Input Cost of the stock at the time of damage, c For finished stock: the Manufacturing Cost of the finished stock or the Contract Price of goods sold but not delivered.
Any Building, Plant and Machinery, Furniture, Fixture and Fittings is completely destroyed (Total Loss)	You have not rebuilt the building or reinstated other property.	Market Value (Reinstatement Value less Depreciation)

- i. You must commence the repairs, reinstatement or reconstruction within a reasonable time after the date of damage or destruction. You must complete the repairs or reinstatement within 12 months from the date of damage or destruction or within such time as We may allow.
- ii. In all cases, We will not pay more than the relevant Sum Insured.
- iii. We will pay only to the extent required to bring the Property to a condition substantially the same as, but not superior, better or more extensive than its condition if it were new on the date, it is damaged or destroyed.
- iv. You can reconstruct the new building on the same site, or another site. If You reconstruct the new building on another site, We will not pay You more than what We would pay to reconstruct on the same site.

2. In-built Covers: Under the Standard Cover, We also pay the following:

	In-built Cover	Details
1	Additions, alterations or extensions	Property that You erect, acquire or add during the Policy Period is covered up to 15% of the Sum Insured for that item (excluding stocks).
2	Temporary removal of stocks	Loss to stocks temporarily removed to other premises for fabrication, processing or finishing up to 10% of value.
3	Cover for Specific Contents	Cover for Money up to ₹50,000 (Fifty Thousand Rupees) during the policy period, cover for documents such as deeds, manuscripts, business books, plans, drawings, securities etc. up to ₹50,000 (Rupees Fifty Thousand) during the policy period, cover for computer programmes, information and data up to ₹ 5 Lakh (Rupees Five Lakh) during the policy period and cover for personal effects of employees, Directors and visitors up to ₹15,000 (Rupees Fifteen Thousand) per person for a maximum of 20 persons during the policy period.
4	Start-Up Expenses	Start-up cost incurred by You in respect of insured risk consequent upon a loss or damage due to insured events up to ₹ 5 Lakhs (Rupees Five Lakh).
5.	Professional fees	Reasonable fees of architects, surveyors and consulting engineers up to 5% of the claim amount. Customer can also increase limit for architect and surveyor fees by opting for addon cover
6.	Costs for Removal of debris	Reasonable expenses for removal of debris up to 2 % of the claim amount.
7.	Costs compelled by Municipal Regulations	Additional cost of reconstruction of property incurred solely for complying with municipal regulations.

Which unexpected events are covered?

We pay for the physical loss, damage or destruction caused to Insured Property by the following unforeseen events occurring during Policy Period.

The events covered are given in the Column A and those not covered in respect of these events are given in Column B.

	Column A	Column B
	We cover physical loss or damage, or destruction caused to the Insured Property by	We do not cover for loss or damage, or destruction caused to the Insured Property by

1	Fire, including due to its own fermentation, or natural heating, or spontaneous combustion.	caused by a. It's a process b. burning of Insured Property by an order of any Public Authority.
2	Explosion or Implosion	a. caused to boilers, economizers or other vessels, machinery or apparatus in which steam is generated, or their contents, resulting from their own explosion or implosion, or b. caused by centrifugal forces.
3	Lightning	-
4	Earthquake, volcanic eruption, or other convulsions of nature Customer can opt to delete this cover in lieu of which discount will be allowed in the premium	-
5	Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Tsunami, Flood and Inundation Customer can opt to delete this cover in lieu of which discount will be allowed in the premium	-
6	Subsidence of the land on which Your Premises stand, Landslide, Rockslide	caused by a normal cracking, settlement or bedding down of new structures, b the settlement or movement of made-up ground, c coastal or river erosion, d defective design or workmanship or use of defective materials, or e demolition, construction, structural alterations or repair of any property, or ground works or excavations.
7	Bush fire, Forest fire, Jungle fire	-
8	Impact damage of any kind, i.e., damage caused by impact of, or collision caused by, any external physical object (e.g. vehicle, falling trees, aircraft, wall etc.),	a. caused by pressure waves caused by aircraft or other aerial or space devices travelling at sonic or supersonic speeds b. caused by vehicle, animal or aircraft belonging to or owned by Insured or their

		employee while acting in course of employment. Customer can opt to add this cover at an additional premium
9	Missile testing operations	-
10	Riot, Strikes, Malicious Damages,	caused by a. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind, b. temporary or permanent dispossession, confiscation, commandeering, requisition or destruction by order of the government or any lawful authority, or c. temporary or permanent dispossession of any Building by unlawful occupation by any person.
11	Acts of terrorism (Coverage as per Terrorism Clause attached) Customer can opt to delete this cover in lieu of which discount will be allowed in the premium	Exclusions as per Terrorism Clause attached.
12	Bursting or overflowing of water tanks, apparatus and pipes,	-
13	Leakage from automatic sprinkler installations.	a. repairs or alterations in the Building in which Your Business is located, b. repairs, removal or extension of any sprinkler installation, or c. defects in the construction known to You.
14	Theft within 7 days from the occurrence of, and proximately caused by, any of the above Insured Events	a. if it is of any article or thing outside Your Premises, or b. of any article or thing attached from the outside of the outer walls or the roof of Your Premises, unless securely mounted.

Examples

1. Your insured building catches fire. All its doors are opened for fighting the fire. A person takes advantage of the situation and carries away Insured electronic equipment. Since this theft follows a fire within 7 days of the occurrence of the fire, We will pay for Your loss up to the limits of the applicable Sum Insured for that equipment.
2. During riots, a rioter breaks a window of Your shop and takes away articles of value ₹ 95,000. It costs ₹ 20,000 to repair the window. Here the loss is due to theft which occurred within 7 days of occurrence of the riots, which is an insured event. It arose at a time when You were not in a position to protect Your property. We will pay ₹ 95,000 for the loss of articles, and ₹ 20,000 for repairs of the window, but not more than the Sum Insured.

Standard Add-On

You can purchase standard Add-on covers under **Bharat Laghu Udyam Suraksha** Policy. You must apply for these covers and pay additional premium (if any).

1. Declaration policy for Stocks

You can opt for Declaration Policy to take care of frequent fluctuations in stocks/ stocks value subject to certain conditions. You must apply for this cover, and pay additional premium, as required.

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 at the rate of (insert the Tariff rate) 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 currency 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 currency 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 currency (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 cancellation, 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 currency 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.

2. Floater cover

You can opt for Floater cover under the Policy for physical loss or damage to Stocks at more than one location subject to certain conditions. Read the Clause and understand the conditions.

Customer can choose this cover with additional premium.

Which property can be covered under this policy?

This policy covers the following properties in your premises, that is, the place you carry on your business. The properties must be located in your premises, except some properties that you declare, and the Policy covers in special situations. The **Bharat Laghu Udyam Suraksha** policy covers the following properties.

1. Any building or structure in your premises where you carry on Your business. It may be a shed, flat, house, unit of a building. It may be made of any material. It includes:

- i. Basement (if any), all fixtures and fittings permanently attached to the floor, walls or roof like electrical wiring, antennas etc.
- ii. The following 'additional structures' located on Your Premises and used for Your Business, that are shown in the Policy Schedule:
 - a. garage, out-houses, security sheds, towers, verandah or porch, tanks, compound walls, retaining walls, fences and gates, internal roads,
 - b. lifts, hoists,
 - c. solar panels, wind turbines and air conditioning systems, central heating systems, security systems and cameras, electrical installations, fire alarm, fire sprinkler systems, power lines, power installations, or
 - d. water, gas and sewage pipeline within the premises
- iii. any other structure shown in the Policy Schedule.

2. Plant and Machinery, that is, all equipment, machinery, pipes and cables, spares, computers, servers and preloaded licensed system software, located within any structure or in the open area of your premises. It includes

- i. machines under repair,
- ii. machines taken on hire or lease, or any system of purchase of goods,
- iii. foundation, bedding or setting of the machines, or
- iv. accessories of machines.

3. Stock of goods or merchandise. It may be:

- i. finished goods, semi-finished goods, stock in process, stock invoiced and ready for dispatch,
- ii. raw materials, packing materials,
- iii. stock accepted for job work for which You are responsible,

- iv. stock held in trust for which You are responsible,
- v. stock in Open in the Insured Premises.

4. All other assets, that is, all other tangible property located in Your premises and used for Your business. It includes

- i. furniture and fixtures, office equipment, telephone equipment, electronic equipment, computers etc,
- ii. canteen and kitchen equipment, gym and permanent sports equipment etc.

Who can purchase this policy?

- 1.** You can purchase the **Bharat Laghu Udyam Suraksha** Policy for the building or structure if
 - i. You own it, or occupy under a lease,
 - ii. You occupy it as purchaser under an agreement of sale or lease,
 - iii. You are an occupier authorised under any law,
 - iv. Your property is occupied by a tenant, a licensee or Your employee, or
 - v. You are a tenant under an agreement in writing and are liable to repair it.
- 2.** You can purchase the **Bharat Laghu Udyam Suraksha** Policy for **plant and machinery, stock or other property** if
 - i. You own it, or use it under a lease in writing,
 - ii. You hold it in trust or on commission or are responsible for it,
 - iii. You have taken plant and machinery or other contents on hire or lease, or any other system of purchase,
 - iv. You have accepted stock for job work for which You are responsible.
- 3.** You are eligible to purchase the **Bharat Laghu Udyam Suraksha** Policy
 - i. If You carry on any business of manufacturing or production of goods, or of providing or rendering services, and
 - ii. if You own or are legally responsible for Your business, and
 - iii. if the value of all Your insurable assets at one location is more than ₹ 5 Crore (Rupees Five Crore) but not more than ₹ 50 Crore (Rupees Fifty Crore) at the policy Commencement Date. These include buildings, plant and machinery, stock, and all other assets, even if You have not taken insurance cover for all of them. Insurable Assets include all assets which You own, or hold as tenant or occupant, or hold in trust or on commission, or are legally responsible for.
- 4.** If the value of all Insurable Assets either exceeds ₹ 50 Crore or reduces below ₹ 5 Crore during the

policy period, this policy shall, on expiry, be replaced by the applicable policy.

This Policy will be subject to the laws of India, and to the jurisdiction of courts in India.

Sum Insured

- 1. The maximum claim amount:** The maximum amount We pay under this Policy is the total Sum Insured. The maximum amount We pay under this Policy for any cover, or any item, or category or group of items, is the Sum Insured for that cover or item, category or group. The Sum Insured for each cover is as per Policy Schedule.
- 2. Basis of sum insured:**
 - i. For Building, Plant and Machinery, Furniture, Fixture and Fittings and any other contents: Reinstatement Value
 - ii. For Stocks:
 - a. For raw material: Landed Cost at Your Premises.
 - b. For stock in process: Input Cost of the stock at the time of damage,
 - c. For finished stock: the Manufacturing Cost of the Finished Stock or the **Contract Price** of goods sold but not delivered and more precisely defined below.

Contract Price is in respect only of goods sold but not delivered, for which You are responsible and with regard to which under the conditions of the sale, the sale contract is cancelled by reason of any damage insured under this Policy either wholly or to the extent of the damage. The Company's liability shall be based on the Contract Price.
 - iii. Bullion or unset precious stones, any curios or works of art or obsolete machinery and the like are to be covered on Agreed Value basis subject to the valuation certificate being submitted and found acceptable by Us.

3. Restoration of Sum Insured:

If We have paid any loss on Your claim, it reduces the Sum Insured. When We pay You the full Sum Insured for any cover or any item covered, the Policy ends to that extent. If You pay proportionate premium for the expired policy period, We will restore the policy to the full original amount of Sum Insured during the Policy Period. This ensures full cover during the period of the policy. However, in case You, immediately on occurrence of loss, exercise Your option not to restore the Sum Insured, the Sum Insured shall stand reduced by the amount of loss.

Examples

- 1.** If You repair Your air-conditioning tower insured for ₹ 45 lakhs that is damaged in a fire, and We pay Your claim of ₹ 25 lakhs You can pay proportionate premium for ₹ 25 lakhs for unexpired period in order to take benefit of full cover.
- 2.** If the tower is destroyed, and We pay Your claim of ₹ 45 lakhs, the new tower that You install will not be covered under this Policy unless the premium is paid to Us for it.

3. *If Your building insured for ₹ 20 Crore is severely damaged and We pay You ₹ 20 Crore under the Bharat Laghu Udyam Suraksha Policy for its repair and reinstatement, You will not be covered under this Policy for the new building that You construct, unless the premium is paid to Us for it.*

Underinsurance

Underinsurance waiver up to 15%: This is a special feature of the **Bharat Laghu Udyam Suraksha** policy, where We waive underinsurance up to 15%.

The Sum Insured for each item of Insured Property must be sufficient to pay for Reinstatement/ Replacement of that Property on the date of loss. If the Reinstatement/ Replacement Value of the Insured Property, in totality, including additions, alterations, erections and new acquisitions, is more than the Sum Insured, except to the extent waived i.e. 15%, it amounts to underinsurance and will reduce proportionate to the difference, the amount that We will pay for Your claim. Every item of Insured Property is subject to this condition separately.

If at the time of the damage the Sum Insured applying to the relevant Buildings, Plant and Machinery, Furniture, Fixture, Fittings, Stocks and other Contents is less than 85% of the value of Insurable Assets You will be responsible for the difference and the You will bear a proportionate share of the loss.

Examples (These examples only demonstrate the effect of underinsurance. Final claim payable may vary due to application of Excess and other policy terms)

1. *You have taken insurance for a Sum Insured of ₹ 50 Crore which was the value at risk at the insurance commencement date. The value at risk of insurable items at the time of loss is found as ₹ 57Crore. There is a loss of ₹ 10 Crore. Underinsurance works out to 12.28%. Since it is less than 15%, We will consider the full claim of ₹ 10 Crore for payment.*
2. *Your factory has stored stock of finished goods. Its manufacturing cost is ₹ 25 Crore. This includes some stock that is older than 6 months. Your Bharat Laghu Udyam Suraksha policy covers stock of finished goods for ₹ 30 Crore. Due to change in raw material price, the manufacturing cost of same amount of stock on the date of loss is ₹ 32.5 Crore. The stock of finished goods with manufacturing cost ₹ 10 Crore is burnt in fire. Since underinsurance works out to less than 15%, We will consider the full claim of ₹ 10 Crore for payment.*
3. *Your shop has Bharat Laghu Udyam Suraksha Policy. You have insured the structure for ₹ 30 Crore and stock for ₹ 10 Crore. The actual value of structure is ₹ 32 Crore and of stock is ₹ 16 Crore. Stock of ₹ 50 Lakh is burnt in a fire. The stock has underinsurance of 37.5% and hence, we could consider Your claim for payment of ₹ 31.25 Lakh only (62.5% of ₹50 Lakh) by applying underinsurance.*

Exclusions, that is, what We do not pay

We do not cover losses or expenses, or any loss, damage to, or destruction of the Insured Property, directly or indirectly as a result of or if caused by or arising from events, stated below:

1. i. Excess of 5 % of each claim, subject to a minimum of ₹ 10,000 (Rupees Ten Thousand). This means that We will deduct 5 % of each claim, subject to a minimum of ₹ 10,000 (Rupees Ten Thousand) for each and every loss suffered by You under the terms of this policy.

Customer can opt for voluntary deductible add-on for availing discount in premium.

- ii. For terrorism risk the Excess shall be as per the Clause attached with this policy.
2. Your deliberate, wilful or intentional act or omission, or of anyone on Your behalf, or with Your connivance.
 3. Loss, damage or destruction to any electrical/electronic machine, apparatus, fixture, or fitting by over-running, excessive pressure, short circuiting, arcing, self-heating or leakage of electricity from whatever cause (lightning included). This exclusion applies only to the particular machine so lost, damaged or destroyed. However, any ensuing loss or damage to other insured property due to operation of an insured peril is covered.
 4. Loss, destruction or damage to the stocks in cold storage premises caused by change of temperature.
 5. 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 Insured Event.
Customer can opt for Spoilage Material Damage Cover add-on.
 6. Your Premises or any Insured Building remaining continuously unoccupied for a period of more than 30 days unless You have obtained prior written approval from Us and such approval is recorded as an endorsement on the Policy.
 7. War, invasion, act of foreign enemy hostilities or war-like operations (whether war is declared or not), civil war, mutiny, civil commotion amounting to a popular rising, military rising, rebellion, revolution, insurrection or military or usurped power.
 8. Ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from combustion of nuclear fuel, or the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component that is part of it.
 9. Pollution or contamination, unless
 - i. the pollution or contamination itself has resulted from an Insured Event, in which case only physical damage to the Insured Property is covered, or
 - ii. an Insured Event itself results from pollution or contamination.
 10. Loss, destruction or damage to bullion or unset precious stones, any curios or works of art unless such amount is declared separately and recorded in the Policy Schedule.
 11. Loss of any Insured Property which is missing or has been mislaid, or its disappearance cannot be linked to any single identifiable Insured Event.
 12. Loss or damage to any Insured Property removed from Your Premises to any other place, except
 - i. Machinery and equipment temporarily removed for repairs, cleaning, renovation or other similar purposes for a period not exceeding 60 days,
 - ii. Stock covered under in-built Cover 'Temporary removal of stocks.
 13. Any reduction in market value of any Insured Property after its repair or reinstatement.
 14. Loss or damage to any Insured Property or any claim which is covered by a marine policy in force at the time of loss or damage, except in excess of the limits of that policy.
 15. Any consequential or indirect loss or damage of any description, i.e. losses or extra costs (financial or non-financial) that follow or are a consequence of an Insured Event, like, loss by delay, loss of

income or wages or earnings, or of market, or of time, medical expenses, or any costs not covered by this Policy.

16. Costs, fees or expenses for preparing any claim.
17. Below Warranty will be applied in case multiple policies involving Bank or other lending or financing entity

Warranted that in case there is more than one insurance policy issued to the customer/ policyholder covering the same risk, contribution clause stands deleted. Underinsurance will be applied on an overall basis taking into consideration the sum insured under all policies and comparing it with the value at risk.

Premium

The premium is the amount You pay Us for this insurance. The Policy Schedule shows the amount of premium for the Policy Period and all other taxes and levies. Your policy will commence on payment of premium in full.

Eligible Discounts

Insured will be eligible for maximum discounts on premium. Criteria for such discount may include but not limited to the following:

1. Type of Construction
2. Age of Risk
3. Surrounding Occupancy Exposure
4. Housekeeping
5. Past Claims experience of the risk

Changes and Cancellation

1. Changes during Policy Period.

You can choose to make changes to the covers of this Policy, for example, take additional cover, or increase or reduce any Sum Insured. You must make a proposal or request for any change. It will be effective only after We have accepted Your proposal, and You have paid the additional premium where applicable.

2. You can cancel the Policy.

You can cancel the policy at any time during the term, by informing the Company. In case You cancel the policy, you are not required to give reasons for cancellation

In such case of cancelation, the Company will refund proportional premium for unexpired policy period if there is no claim(s) made during the policy period. No refund shall be paid, if claim is made under the Policy.

3. We can cancel the policy.

The Company can cancel the policy only on the grounds of established fraud, by giving minimum notice of 7 days to the retail policyholder.

4. Policy ends automatically:

- i. If insured property is lost, destroyed or stolen, or its cost of repair is more than the Sum Insured, and We have paid You the entire Sum Insured for that property and You have decided not to restore the Sum Insured.
- ii. Change of ownership of insured property
- iii. Sale of Insured Property

Details of additional covers (add-ons) offered with the policy

You can buy the following additional covers (add-ons) that will be added to Your **Bharat Laghu Udyam Suraksha** Policy on payment of additional premium:

1. Accidental Damage Cover: UIN: IRDAN134RP0035V01202021/A0011V01202223

This policy is extended to cover direct physical loss or damage to Building and Contents situated in the insured premises due to accident from any fortuitous cause including accidental discharge, leakage, or overflow of water or steam from plumbing, septic tanks and cylinders, stand pipes for fire hose, industrial and domestic appliances, refrigerating system, air-conditioning system and rain (or snow) admitted through defective roof, headers spouting or by open or defective windows, show windows, picture windows, doors, transoms, ventilators or skylights; subject to the terms, conditions, warranties and exclusions herein.

2. Loss of Rent and Additional Expenses of Rent for an Alternate Premises

a. For Owners (Loss of Rent)

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

UIN: IRDAN134RP0035V01202021/A0012V01202223

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

EXPLANATION

Additional Rent: If the insured is the Owner-Occupant, the additional rent borne by him is arrived at after deducting the standard rent of the premises from the actual rent paid for the alternative premises. The

standard rent shall be based on the rateable values fixed by the Municipal/Revenue authorities for tax purposes.

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

3. Escalation Clause: UIN: IRDAN134RP0035V01202021/A0013V01202223

This clause provides automatic pro-rata increase in the sum insured from the date of inception till expiry of the policy. The increase in the sum insured shall be 1/365 the of the above-specified percentage for each day since inception up to the date of the loss.

4. Involuntary Betterment: UIN: IRDAN134RP0035V01202021/A0014V01202223

In the event of damage to Insured property wherein replacement property of like kind and quality is not obtainable due to technological obsolescence or statutory/regulatory requirements, new property which is as similar as possible to the damaged property and which is capable of performing the same function, shall be deemed to be new property of like kind and quality and in no event shall this be considered as a betterment to the Insured.

The Company will also pay the cost of purchasing and installing technologically current equipment, which is necessitated by incompatibility between new equipment installed to replace equipment suffering damage and undamaged existing equipment at the same or an interdependent location.

**5. Additional Removal of Debris Including Foreign Debris:
UIN: IRDAN134RP0035V01202021/A0015V01202223**

The insurance under this policy is extended to cover cost necessarily and reasonably incurred by an insured in the removal of debris incl. foreign debris from the premises of the insured, dismantling, demolishing, shoring up or propping of Insured property following destruction or damage by Insured Peril. The coverage will be (in excess of 2% and maximum of 5% of the claim amount).

6. Protection and Preservation of Property: UIN: IRDAN134RP0035V01202021/A0016V01202223

This policy extends to cover expenses for loss minimization necessarily and reasonably incurred by the Insured to prevent any aggravation of an insured loss following a loss or damage at any Insured's Premises specified in the Schedule, including moving or shifting of property if this contributes to loss minimization.

7. Cost of Clearing Drains Cover: UIN: IRDAN134RP0035V01202021/A0017V01202223

Policy extends to cover any expense necessarily incurred by the Insured in the clearing of drains within the surrounding premises as a consequence of property insured by this policy being destroyed or damaged by fire or by any other perils hereby insured against, it being understood that the total liability for such clearing shall not exceed any one loss /aggregate.

8. Extra Expense: UIN: IRDAN134RP0035V01202021/A0018V01202223

This extends the policy towards expenses which are reasonable and necessary incurred by the Insured towards:

- i. extra expenses to temporarily continue as nearly normal as practicable in the conduct of the Insured's business;
- ii. extra costs of temporarily using property or facilities of the Insured or others
- iii. less any value remaining at the end of the period of liability for property obtained in connection with the above.

9. Voluntary Deductible Clause: UIN: IRDAN134RP0035V01202021/A0049V01202324

It is hereby declared and agreed that the insured having opted a voluntary deductible of 5% of the claim amount subject to a minimum of Rs. _____ for losses arising out of Act of God Perils and a voluntary deductible of Rs. _____ for losses arising out of all other perils, 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 replace the compulsory excess stipulated under "General Exclusion" attached to the policy(ies) and or for add-on cover

10. Architects, Surveyors and Consulting Engineers Fees (in excess of 5% of the claim amount): UIN: IRDAN134RP0035V01202021/A0050V01202324

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 a maximum of 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.

11. 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: UIN: IRDAN134RP0035V01202021/A0051V01202324

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.

12. 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. UIN: IRDAN134RP0035V01202021/A0052V01202324

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 the cold storage machinery (ies) due to insured peril(s). 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.

13. Omission to Insure additions, alterations or extensions: UIN: IRDAN134RP0035V01202021/A0053V01202324

The Insurance by this Policy extends to cover Buildings and/or Machinery, Plant and other Contents and 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.
- iv). No liability shall attach to the insurers in respect of any Building, machinery, Plant or other contents while such property is otherwise insured.

14. Spoilage Material Damage Cover UIN: IRDAN134RP0035V01202021/A0054V01202324

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 not otherwise, in addition to the general terms and conditions of the Policy, 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 time, 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

15. Leakage And Contamination Cover: UIN: IRDAN134RP0035V01202021/A0055V01202324

(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, extend 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 earning, 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 Consequential Loss of any nature.

SPECIAL CONDITIONS:

- (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 lodgement 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 pipelines, 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 leftovers from previous use of equipment, facilities or storage tanks. As concerning the receiving land tanks and 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 currency 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 currency 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 adjustments 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 here by 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.

(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 storage, 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:

- (i) In case of loss to property insured hereunder, the basis of adjustment shall be the market value at the time and place of loss.
- (ii) It is understood and agreed that all loss or damage to property occurring during any one period of seventy-two consecutive hours during the currency 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.
- (iii) 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 adjustments shall be made by the parties hereto.
- (iv) 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.
- (v) 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.
- (vi) If the property here by 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.

16. Impact Damage due to Insured's own Rail/Road Vehicles, Forklifts Cranes, Stackers and the like and articles dropped there from. UIN: IRDAN134RP0035V01202021/A0056V01202324

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 Vehicle, Fork lifts, cranes, stackers and the like and articles dropped there from.

17. Loss Of Income: UIN: IRDAN134RP0035V01202021/A0057V01202324

In consideration of payment of additional premium by the Insured, it is hereby agreed and declared that notwithstanding anything to the contrary as contained in the Policy, the Company hereby undertakes to indemnify the Insured from financial losses due to loss or damage to the insured property from fire & allied perils.

The company will compensate the insured for the loss of income as a result of business being inoperable due to loss or damage caused to the insured property by Fire & allied perils.

Conditions

- The claim must be admissible under Fire & Allied perils
- The compensation will be paid/provided as per the option selected by the insured from the table below based on the daily collection of the insured's business
- The compensation will be provided for the actual number of days for which business was affected and remained inoperable or 30 days whichever is less
- This add-on is for the non-Industrial category of business / occupancy. Any Manufacturing or storage units are excluded from the scope of this cover
- The insured must take initiatives to restart the business at earliest post occurrence of loss or damage by Fire & Allied perils. Deliberate delays for restarting the business are excluded from the coverage.

All other general terms & conditions of the policy will also be applicable to this:

(Amount in Rs)

Basis Daily collection	Benefit Plan	Max benefit	Premium (Rs) (With GST)
Up to Rs.1000/-	Rs.1000 for actual number of days for which business was affected up to max 30 days whichever is less	30,000	99
Above Rs.1000/- & Up to Rs.2000/-	Rs.2000 for actual number of days for which business was affected up to max 30 days whichever is less	60,000	198
Above Rs.2000/- & Up to Rs.3000/-	Rs.3000 for actual number of days for which business was affected up to max 30 days whichever is less	90,000	297
Above Rs.3000/- & Up to Rs.4000/-	Rs.4000 for actual number of days for which business was affected up to max 30 days whichever is less	1,20,000	396
Above Rs.4000/- & Up to	Rs.5000 for actual	1,50,000	495

Rs.5000/-	number of days for which business was affected up to max 30 days whichever is less		
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18. Contract Works: UIN: IRDAN134RP0035V01202021/A0045V01202627

In consideration of the payment of additional premium as stated in the schedule, It is hereby agreed that the Insured property under the policy is extended to include the permanent works and temporary works that are erected or in the course of erection during the policy period including Plant and Machinery, and materials and all other property of whatsoever nature or description for incorporation therein but excluding contractors plant & machinery, fines and penalties arising out of such construction and any loss that is insured in any other policy. Special Condition: 1. Construction for the purpose of this cover shall mean for the extension or refurbishment of existing Buildings with a construction period not exceeding twelve months in duration within the Territorial Limits. 2. Our liability shall not exceed the Limit of liability specified in the Policy Schedule.

19. Dynamo Clause: UIN: IRDAN134RP0035V01202021/A0046V01202627

In consideration of additional premium and notwithstanding to the contrary contained in the policy, it is hereby agreed that loss or damage to the electrical appliances, apparatus, fixtures or fittings insured under this policy arising from or occasioned by overrunning, excessive pressure, short circuit, arcing, self-heating or leakage of electricity from whatever cause (lightning included) is covered. However, it expressly excludes loss or damage to the electrical appliances, apparatus, fixtures or fittings due to breakdown by whatsoever reason.

20. Brand and Label : UIN: IRDAN134RP0035V01202021/A0047V01202627

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, the insurance shall be extended to cover the loss or damage to branded or labelled property insured by this Policy and the Insurer elects to take all or any part of that property, the Insured may at the Insurers expense:

- a) stamp "salvage" on the property or its containers; or
- b) remove or obliterate the brands or labels, if doing so will not damage the property. In either event, the Insured must re-label such property or its containers to be in compliance with any applicable law. However, the Insured will have the liberty to destroy the damaged articles in the presence of Insurer's representative if the Insured feels that the product can be misused by anyone exposing the company to legal liabilities and penalties as per the prevailing law of the land.

This cover is applicable for finished goods only.

21. Loss Minimization: UIN: IRDAN134RP0035V01202021/A0048V01202627

In consideration of additional premium and notwithstanding contrary contained in the policy, it is hereby agreed that We will pay reasonable expenses incurred to safeguard the property including moving /

shifting of property to prevent aggravation of Loss or damage to the Insured's property as specified in the Policy Schedule following the operation of insured perils.

Special Condition: We will pay actual expenses incurred subject to maximum of 10% of sum insured for respective item.

22. EMI Protect: UIN: IRDAN134RP0035V01202021/A0049V01202627

In consideration of the payment of additional premium as stated in the schedule, it is hereby declared and agreed subject to the terms, conditions and exclusions herein contained or otherwise expressed herein to indemnify the insured towards Equated Monthly Instalments (herein referred as EMI) payable to the financial institution(s) towards financing the insured asset, as stated in policy schedule, upon happening of any loss and/or damage due to insured peril.

The Company's liability under this add on is as under:

1. The Indemnity under this add on triggers upon happening of any loss / damage due to insured peril and Extent of damage is such that actual Repair / replacement time is more than 1 month.
2. Insurer Liability will be limited to a maximum period of 3 months EMI or Sum Insured as mentioned in the schedule whichever is less.
3. The Subject matter, as stated in policy schedule, of loss and / or damage must be mortgaged with financial institution (s) as stated in the policy schedule.

The Company's liability under this add on excludes any consequential loss or charge associated with the loan payment such as late payment charges or other documentation charges.

Insured will have to submit EMI Schedule certified by financier along with EMI payment track Record in the last one year immediately preceding the date of loss.

Limit of Liability is – up to INR 50 Lacs (Maximum for the policy period) Indemnity Period – up to 3 Months Maximum Indemnity per month –up to INR 20 Lacs.

23. Claim Preparation Clause: UIN: IRDAN134RP0035V01202021/A0050V01202627

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 expenses payable to the Insured's accountants, architects, auditors, engineers, 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.

Exclusion: This extension does not cover the expenses 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.

Condition:

1. Claim preparation cost should be limited to maximum up to 2% of claims amount.
2. 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 of Insurance, which shall be part of and not in addition to the policy limit.

**24. Wrong Fuelling of Vehicles/ Fuelling Error: UIN:
IRDAN134RP0035V01202021/A0051V01202627**

In consideration of the payment of additional premium as stated in the schedule, it is hereby agreed that this policy is extended to cover insured's liability to its customers arising out of wrong fuelling of vehicles by its employees at the risk location Premises specified in the schedule. Provided this coverage is limited to Petrol Pump and Diesel Pump stations only. Basis of Indemnity will include Cost of Fuel, cost of cleaning up Fuel tanks of vehicles and cost of engine in case the engine gets seized due to wrong fuel.

Subject to the limit of indemnity and deductible for this extension as specified in the Schedule

The insurance coverage provided under this add-on shall operate as secondary insurance with respect to the risks specified herein. In the event of a claim, the Insured shall first exhaust any applicable primary insurance coverage available under any other insurance policy, before seeking indemnification under this add-on. This coverage shall be triggered only after all other valid and collectible insurance has been fully utilized.

25. Fuel Contamination during Decantation: IRDAN134RP0035V01202021/A0052V01202627

It is hereby agreed that this policy is extended to cover loss arising due to contamination caused by water or alternate fuel in the underground fuel tanks at the risk location specified in the Policy Schedule during the decantation process. Provided this coverage is limited to Petrol Pump and Diesel Pump stations only. Basis of Indemnity will include Cost of Fuel which is contaminated and cost of cleaning the underground tanks.

Subject to the limit of indemnity and deductible for this extension as specified in the Schedule.

Subject otherwise to the terms, conditions and provisions of the policy.

26. New Location Cover: UIN: IRDAN134RP0035V01202021/A0053V01202627

Property at a new location acquired 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 as specified in Policy Schedule on Assets of the location involved for a period up to 30 days from the date of acquisition. It is understood that the Insured shall declare within 30 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 basic rate.

**27. Adequacy of Sum Insured (Max up to Rs.1Cr): UIN:
IRDAN134RP0035V01202021/A0054V01202627**

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

Adequacy of Insurance to be reckoned with reference to the total Sum Insured/Indemnity limits under the Policy including the additions, alterations or extensions covered under the Omission to Insure clause.

28. Incidental Costs: UIN: IRDAN134RP0035V01202021/A0055V01202627

In consideration of payment of additional premium, it is hereby agreed and declared that if a loss, destruction or damage is payable under the base policy then We will also pay the incidental Cost

associated with the insured property up to the fixed percentage of admissible claim amount under the policy, as specified in the Policy Schedule. For the purpose of this Add-On cover while calculating the amount payable under this Cover, We will consider the admissible claim amount under the base policy after all applicable deductions and/or before applying policy excess, if any.

29. Additional Custom Duty: UIN: IRDAN134RP0035V01202021/A0056V01202627

In consideration of the Insured having paid the additional premium, it is hereby declared and agreed that the Insured shall also be indemnified during the currency of the Policy, towards the additional Customs Duty amount stated (in respect of this endorsement) in the Schedule which may be incurred by the Insured over and above the Customs Duty amount taken into account in arriving at the sum insured of the affected items. The limit of liability will stand reduced by such Additional Customs Duty after occurrence of the claim unless reinstated by payment of an additional premium prescribed by the Company. Limit of Liability/Sum Insured- Up to 50% of Total Sum insured or 5 Crores, whichever is less (excluding Stock). Deductible: 5% of the admissible custom duty incurred in addition to the excess amount applicable for the affected item under the policy.

30. Immediate Repair: UIN: IRDAN134RP0035V01202021/A0057V01202627

It is agreed and declared that in case of loss the Insured, if they so elect, may immediately begin repair or reconstructions but such work at all times be open to supervision by the company and in case of dispute as to the cost of repairs 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, the damaged item to be preserved for inspection by the surveyor. Limit of Liability/Sum Insured – Up to 25% of Total Sum insured (excluding Stock).

You can select any of the following additional covers (add-ons) whereby you would be eligible for discount

31. Storm, tempest, flood & inundation Deletion clause:

UIN: IRDAN134RP0035V01202021/A0001V01202324

On selection of STFI deletion clause, this policy will exclude any loss or damage to insured's contents or premises caused by Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Tsunami, Flood and Inundation.

An additional discount on premium will be given to the policyholder on selection of this clause based on the ratings as per policy schedule.

32. Earthquake deletion clause: UIN: IRDAN134RP0035V01202021/A0002V01202324

On selection of Earthquake Deletion Clause, this policy will exclude any loss or damage to insured's contents or premises caused by earthquake, volcanic eruption, or other convulsions of nature.

An additional discount will be given to the policyholder on selection of this clause based on the ratings as per policy schedule.

33. Terrorism Deletion clause: UIN: IRDAN134RP0035V01202021/A0003V01202324

On selection of Terrorism deletion clause, this policy will exclude any loss or damage to insured's contents or premises caused by Acts of Terrorism.

An additional discount on premium will be given to the policyholder on selection of this clause based on the ratings as per policy schedule

Note: Any add on cover being triggered as a result of STFI, earthquake, terrorism would not be payable if STFI deletion clause, earthquake deletion clause or terrorism deletion clause is selected.

Note: All the add-ons will trigger basis admissibility of claim under Fire & allied perils.

All add-on covers and endorsements attached to this Policy shall, unless expressly stated otherwise, be governed by and read in conjunction with the terms, conditions, exclusions, and provisions of this Policy.

Endorsement Wordings: -

1. Agreed Bank Clause

If You have mortgaged, hypothecated or created any security over Your insured property or any of its Contents in favour of a Bank, and the Bank has an interest in the Policy, the name of such Bank will also be shown in the Policy Schedule under the title 'Agreed Bank Clause'. If You choose to add the name of such Bank at any time during the Policy Period, this will be shown as an Endorsement.

Under this Clause You agree as follows:

We shall pay to the Bank the entire amount that We are liable to pay under this Policy. Such Bank will receive it for its own demand, and as agent for any other person interested in the amount.

- i. When We pay the amount to the Bank, Our liability under this Policy will be discharged, and will be binding on all of You and all persons named as the insured.
- ii. Any notice or communication We make to the Bank under the provisions of this Policy shall be sufficient notice or communication to You.
- iii. Any settlement or compromise that We make with the Bank will be binding on You and all persons named as the insured. However, such settlement or compromise will not affect the rights of the Bank to recover any amount from You or any other person.
- iv. If You make any change in the use of Your Home or sell or transfer the Insured Property, such actions will not prejudice the interest of the Bank under the Policy and this clause, unless the condition has been broken by the Bank or its employees.
- v. If You commit any act or omission that will increase the risk, the insurance cover will not be invalidated. However, the Bank shall notify Us of any change or ownership, or alterations and increase in risks as soon they become known to the Bank and shall pay additional premium from the time of such change.
- vi. When We pay the amount to the Bank, We will become legally and automatically subrogated to all rights of the Bank to the extent of such payment. This will not impair or prejudice the rights of the Bank to recover any amount from You or any other person.

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

2. Terrorism Damage Cover Endorsement (Material Damage only)

INSURING CLAUSE

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment by the Insured to the Company of additional premium as stated in the

Schedule, it is hereby agreed and declared that notwithstanding anything stated in the "Terrorism Risk Exclusion" of this Policy to the contrary, this Policy is extended to cover physical loss or physical damage occurring during the period of this Policy caused by an act of terrorism 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) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

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

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

For the purpose of the aforesaid inclusion clause, "Military Authority" shall mean armed forces, 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, riots or civil commotion;
10. loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder;
11. any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working;
12. loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service;
13. loss or increased cost as a result of threat or hoax;
14. loss or damage caused by or arising out of burglary, house - breaking, looting, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any action taken in respect of an act of terrorism;
15. loss or damage caused by mysterious disappearance or unexplained loss;
16. loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
17. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.

LIMIT OF INDEMNITY

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

In respect of 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*

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 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 terrorism occurring during the first 15 (fifteen) days from the date of granting such cover.

SANCTION, LIMITATION AND EXCLUSION CLAUSE

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

CANCELLATION CLAUSE

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

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

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

Claims Procedure

The claim would be admissible as per the coverages and the exclusions mentioned in the policy wordings

1. Claim Intimation

In the event of any circumstances likely to give rise to a claim insured must follow the following.

- a. Reporting and Lodging of complaint with the local police immediately for the loss due to Terrorism /Burglary / Theft / involvement of any third party / injury or casualty/ malicious act.
- b. Take all reasonable steps within the insured's power to recover / minimize the extent of the loss or damage.
- c. Intimate us as soon as reasonably possible. Notice of claim and registration shall be done at our Toll-Free Number: 1800-22-4030 or 1800-200-4030, alternatively you can notify your claim by sending mail to <contactus@universalsompo.com>.
- d. While notifying your claim, please share your
 - 1) policy number under which you prefer to lodge your claim,
 - 2) date of loss,
 - 3) place of loss,
 - 4) cause of loss
 - 5) estimate of your loss.
 - 6) Details of contact person with mobile no. and e- mail ID.
- e. Preserve the damaged or defective parts / items / assets and make them available for inspection by an official of the insurance company or surveyor /investigator appointed.
- f. Furnish all such information / proofs and documentary evidence as the surveyor / insurance company may require processing your claim.

Followed by notification of a claim, insured is expected to follow the following procedures.

- a. Insured shall do all possible loss minimization activity to reduce further loss or aggravation of loss.
- b. Insured shall not dispose / throwing away /selling / destroying any of damaged item/salvage before inspection of loss by insurer/surveyor been appointed.
- c. Insured shall furnish all necessary documents/photographs/videos and proof / evidence in relevant to their claim to surveyor / insurance company to establish their loss.
- d. Insured shall not offer promise or assurance to any third party for their loss arising out of this incident.
- e. After receipt of all necessary claim documents, re-instatement bills and payment proofs, claim working with surveyor observation would be shared to insured by surveyor / insurance company for their understanding and concurrence.
- f. Based on the final surveyor report, claim preferred by insured would be processed and concluded for settlement.

Post notification of a claim, Insured would be followed up for the basic settlement documents or clarification on the discrepancy observed on the basic settlement documents. In spite of our best effort, if insured fails to respond for the basic details within the defined time limit, the claim preferred by insured would be repudiated as " Loss was not established.

Basic documents to be submitted by insured for claim settlement (To be submitted by insured after reporting of loss)

- a. Claim Form - Duly filled and signed by insured
- b. Copy of FIR (First Information Report) - for the loss estimated above ₹50,000/- caused under theft, burglary or by malicious act or by third party.
- c. Estimate of loss.
- d. Proof of ownership on the assets being insured. (Purchase invoice / bill or contract of right over the assets been held / used). This may not be required, if the same was submitted during inception of this policy or respective item was identified and specified in the policy.
- e. Service engineer's / builder's report / quotation/ observation/ recommendation.
- f. Police final report. (Not required for claim estimated up to ₹50,000/-).
- g. Assets register as on date of loss (For building, Stock, Plant and Machinery, Furniture Fixture and Fittings)
- h. Re-instatement bills and payment proofs. (In case of re-instatement)

Turn Around Time (TAT) for claims settlement (excluding policies issued on the property/ building on reinstatement basis)

- a. The Surveyor shall be appointed within 24 hours from the intimation.
- b. The surveyor to share the Letter of requirement within 02 days from the date of his visit to the loss premises.
- c. The Surveyor shall share its reminders emails/letter after 05 days from the date of last mail in case the documents has not been submitted.
- d. The Insurance Company to obtain survey report within 15 days from the date of appointment.
- e. Post receipt of survey report insurance company to conclude the case within 07 days of receipt of survey report.

Escalation Matrix

Level 1 - contactus@universalsompo.com

Level 2 - grievance@universalsompo.com

Level 3 - gro@universalsompo.com

GRIEVANCES

If You have a grievance about any matter relating to the Policy, or Our decision on any matter, or the claim, You can address Your grievance as follows:

Resolving Issue:

Write to:

Customer Service Universal Sampo General Insurance Co. Ltd.

Unit No. 601 & 602, 6th Floor, Reliable Tech Park,

Thane-Belapur Road, Airoli, Navi Mumbai,

Maharashtra – 400708

Email: grievance@universalsampo.com

For More details, visit – www.universalsampo.com

Visit Branch Grievance Redressal Officer (GRO) - Walk into any of our nearest branches and request to meet the GRO.

Grievance Redressal Officer

In case, the customer is not satisfied with the decision/resolution of the above office or have not received any response, he/she may write or email/mail to:

Customer Service

Universal Sampo General Insurance Co. Ltd.

Unit No. 601 & 602, 6th Floor, Reliable Tech Park,

Thane-Belapur Road, Airoli, Navi Mumbai,

Maharashtra – 400708

Email ID: GRO@universalsampo.com

Bima Bharosa

In the event Customer is not satisfied with the resolution provided by the Company it can file its complaint at Bima Bharosa portal at <https://bimabharosa.irdai.gov.in/>

Insurance Ombudsman

The customer can approach the Insurance Ombudsman depending on the nature of grievance and financial implication, if any.

The updated contact details of the Insurance Ombudsman offices can be referred by clicking on the Insurance ombudsman official site: <https://www.cioins.co.in/Ombudsman>.

Information about Insurance Ombudsmen, their jurisdiction and powers are available on the website of the Insurance Regulatory and Development Authority of India (IRDAI) at www.irdai.gov.in, or of the General Insurance Council at <https://www.gicouncil.in/>, the Consumer Education Website of the IRDAI at <http://www.policyholder.gov.in>, or from any of Offices of the Company.

The details furnished above do not constitute the entire terms and conditions. For more details, please refer to our Policy document.

About Our Company

Name of the company: Universal Sampo General Insurance Company Limited

Contact Details: -

- Website: www.universalsampo.com
- Toll Free Numbers: 1800-22-4030, 1800-200-4030
- E-mail: contactus@universalsampo.com
- Courier: Unit No 601/602, A Wing, 6th Floor, Reliable Tech Park, Thane – Belapur road, Airoli, Navi Mumbai - 400708
- Registered and Corporate Office: 8th Floor & 9th Floor (South Side), Commerz International Business Park, Oberoi Garden City, Off Western Express Highway, Goregaon East, Mumbai 400063

INSURANCE ACT 1938 SECTION 41- Prohibition of Rebates

No person shall allow or offer to allow either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer.

Any person making default in complying with the provisions of this section shall be punishable with fine which may extend to ten lakhs rupees.

Disclaimer: In the event of any question relating to interpretation of the insurance coverage, the policy document will prevail.