

CONTRACTORS ALL RISK INSURANCE -RETAIL
PROSPECTUS

INTRODUCTION

Universal Sampo General Insurance Company introduces the Contractors All Risks (CAR) Insurance that offers comprehensive coverage for all types of civil construction risks. The coverage for physical loss or damage to property is on an "All Risks" basis, i.e., the policy insures against damage to property in the course of construction by all sudden, accidental and unforeseen causes other than specified excluded perils and subject to the terms and conditions of the policy on Replacement/Repair Value Basis

WHO CAN TAKE THIS POLICY?

CAR policy can be taken by Principal, Contractor or sub-contractor, either individually or jointly.

SCOPE OF COVER

Contractor's All Risks (CAR) policy covers civil construction such as residential buildings, commercial buildings, factory sheds, Warehouses, Pipelines, dams, reservoirs, etc.

There are two sections under the policy:

Section I: Material Damage

Under this section coverage is provided against loss or damage to property by any peril other than those specifically excluded in the policy.

Section II: Third Party Liability

In this section coverage is provided for-

- Legal liability for any accidental loss or damage caused to a third-party property
- Liability for fatal or non-fatal injury to any person other than the insured's own employee

COVERAGE	EXCLUSIONS
<p>The Company hereby agrees with the Insured (subject to the exclusions and conditions contained herein or endorsed hereon) that if, at any time during the period of insurance stated in the said Schedule, or during any further period of extension thereof the property (except packing materials of any kind) or any part thereof described in the said Schedule be lost, damaged or destroyed by any cause, other than those specifically excluded hereunder, in a manner necessitating replacement or repair the Company will pay or make good all such loss or</p>	<p>The Company, shall not, however, be liable for –</p> <ul style="list-style-type: none"> a) the first amount of the loss arising out of each and every occurrence shown as Excess in the Schedule; b) loss discovered only at the time of taking an inventory; c) normal wear and tear, gradual deterioration due to atmospheric conditions or lack of use or obsolescence or otherwise, rust, scratching of painted or polished surfaces or breakage of glass;

damage up to an amount not exceeding in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in the whole the total sum insured hereby.

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

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

1. PROVISIONS APPLYING TO SECTION – I

Memo 1 - SUM INSURED –

It is a requirement of this Insurance that the sum of insurance stated in the schedule shall not be less than the completely erected value of the property inclusive of freights, custom duty, erection cost and the insured undertakes to increase or decrease the amount of insurance in the event of any material fluctuation in the level of wages or prices. Provided always that such increase or decrease shall take effect only after the same has been recorded on the policy by the Company.

If in the event of the occurrence of a loss, or damage it is found that the Sum insured representing the completely erected value of the property and/or of particular item involved is less than the amount required to be insured, then the amount recoverable by the insured under this policy shall be reduced in such proportion as the Sum Insured bears to amount required to be insured.

Memo 2 - PREMIUM ADJUSTMENT –

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

Memo 3 - REINSTATEMENT OF SUM INSURED –

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

Memo 4 - BASIS OF LOSS SETTLEMENT –

In the event of any loss or damage the basis of any settlement under this Policy shall be -

- a) in the case of damage which can be repaired the cost of repairs necessary to restore the property to their condition immediately before the occurrence of the damage less salvage, or

- b) in the case of a total loss - the actual value of the property immediately before the occurrence of the loss less salvage; however, only to the extent the cost claimed has to be borne by the Insured and to the extent they are included in the Sum Insured and provided always that the provisions and conditions have been complied with.

All damages, which can be repaired, shall be repaired, but if the cost of repairing any damage equals or exceeds the value of the property immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (b) above.

The cost of any provisional repairs will be borne by the Company if such repairs constitute part of the final repairs and do not increase the total repair expenses.

The cost of any alterations, additions and/or improvements shall not be recoverable under this Policy.

Memo 5 - EXTENSION OF COVER –

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

Memo 6 - CONSTRUCTION PLANT AND MACHINERY –

Loss of or damage to Construction Plant and Machinery excludes loss or damage directly caused by its own explosion or its own mechanical or electrical breakdown or derangement.

Memo 7 - SURROUNDING PROPERTY –

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

Memo 8 - MAJOR PERILS/AOG Perils –

The major peril/Acts of God claims shall mean claims arising out of –

- a) Earthquake - Fire & Shock
- b) Landslide/Rockslide/Subsidence
- c) Flood/Inundation
- d) Storm/Tempest/Hurricane/Typhoon/Cyclone/Lightning or other atmospheric disturbances.
- e) Collapse
- f) Water damage for 'wet' risks i.e. contract involving works in rivers, canals, lakes or sea.

Memo 9 - REINSTATEMENT OF THE INDEMNITY LIMIT -

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

Memo 10. THIRD PARTY LIABILITY -

Third party liability (TPL) cover cannot be granted during extended maintenance.

2. SECTION II - THIRD PARTY LIABILITY

COVERAGE	EXCLUSIONS
<p>The company will indemnify the insured against -</p> <ul style="list-style-type: none"> a) legal liability for accidental loss or damage caused to property of other persons including property held in trust by or under custody of the Insured for which he is responsible excluding any such property used in connection with construction thereon. b) legal liability (liability under contract excepted) for fatal or non-fatal injury to any persons other than the Insured's own employees or workmen or employees of the owner of the works or premises or other firms connected with any other construction work thereon, or members of the 	<p>The Company will not indemnify the Insured in respect of -</p> <ol style="list-style-type: none"> 1. The Excess stated in the Schedule to be borne by the Insured in any one occurrence related to property damage. 2. Expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under Section I of this Policy; 3. Liability consequent upon -

<p>Insured's family or of any of the aforesaid; directly consequent upon or solely due to the construction of any property described in the Schedule.</p> <p>Provided that the total liability of the Company during the period of Insurance under this cause shall not exceed the limits of Indemnity set opposite thereto in the Schedule.</p> <p>In respect of a claim for compensation to which the indemnity provided herein applies, the Company will, in addition, indemnify the Insured against -</p> <p>a) all costs and expenses of litigation recovered by any claimant from the Insured,</p> <p>b) all costs and expenses incurred with the written consent of the Company.</p> <p>The exclusion contained in paragraphs (d), (f) & (g) in Section I of this Policy shall apply also to this Section.</p>	<p>a) bodily injury to or illness of employees or workmen of the Contractor(s) or the Principal(s) or any other firm connected with the project which or part of which is insured under Section I, or members of their families;</p> <p>b) Loss of or damage to property belonging to or held in care custody or control of the Contractor(s), the Principal(s) or any other firm connected with the project which or part of which is insured under Section - I, or an employee or workman of one of the aforesaid;</p> <p>c) any accident caused by vehicles licensed for general road use or by waterborne vessels or aircraft;</p> <p>d) any agreement by the Insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.</p>
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3. CONDITIONS APPLYING TO SECTION II

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

POLICY PERIOD

The cover commences, only from the time of commencement of work or after the unloading of the specified property from any conveyance at the specified site whichever is earlier and expires on the date specified in the Policy Schedule or when parts of the insured contract work taken over or put into service by the Principal prior to the expiry date specified in the policy whichever is earlier.

If the actual construction period is shorter than the period indicated in the Schedule, no refund of premium is allowed unless specifically agreed.

If the work of construction included in the insurance is incomplete within the time specified in the Schedule, the Insurer may extend the period of insurance on the Insured's paying additional premium as prescribed by the Insurer.

Note: Sum insured The Sum Insured for the insurance should not be less than the full value of the contract works on completion of the construction. Basically, insurance should be for the contract price.

SUM INSURED

The Sum Insured for the insurance should not be less than the full value of the contract works on completion of the construction. Basically, insurance should be for the contract price.

ADD-ON COVERS

Base cover can be extended on payment of additional premium:

1. INLAND TRANSIT

This Section will indemnify the Insured, up to the Sum Insured specified in the Schedule, in respect of insured Loss, while Insured Property is being transported on any vehicle (including loading and unloading) to the Project Site or to temporary offsite facilities, provided that:

- (a) said Insured Property is owned, or is in the custody, care or control of the Insured; and
- (b) the transits insurance hereunder shall only indemnify the Insured to the extent that the Loss is not recoverable under any other insurance; and
- (c) such transits take place within the Territorial Limits. Such cover does not apply during marine or air transit but shall include transits by roll-on roll-off ferry when a bill of lading is not issued. Limit of liability and deductible as specified in the Schedule.

UIN: IRDAN134RP0021V01202223/A0042V01202223

2. EMPLOYEES' PERSONAL EFFECTS AND TOOLS

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, the Policy is extended to include loss or damage to personal effects and tools of the employees, project manager engaged in this contract. The liability of the Company shall not exceed the limit of indemnity as mentioned below (after application of the amount specified in deductible below in respect of any one employee Company shall not be liable for:-

- I. the deductible/ franchise as mentioned in schedule of all costs and each event
- II. loss or damage which occurs other than at the site of the project or working area or in transit thereto or therefrom.
- III. loss of or damage to motor vehicles, precious metals, precious stones or articles made there from or money.

UIN: IRDAN134RP0021V01202223/A0043V01202223

3. SOUND/UNDAMAGED PROPERTY DESTRUCTION

It is hereby understood and agreed that subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the additional premium, in the event of total or partial damage or destruction to the property insured hereunder the destruction of undamaged property forming part of the contract works necessary for the replacement and reinstatement of the damaged property is covered so long as there is no change to original design.

UIN: IRDAN134RP0021V01202223/A0044V01202223

4. LEASED EQUIPMENT RENTAL COSTS

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 declared and agreed the Company shall cover the Insured for their necessary continuing rental charges on leased equipment damaged by an Insured event. Company will pay the actual rental charges which are the responsibility of the Insured as stipulated in the rental contract or lease agreement. The cover provided by this endorsement shall not exceed the sub limit stated in the Schedule.

Coverage under this extension will start on the date of loss and will end on the date the Property is actually repaired, rebuilt or replaced with due diligence.

UIN: IRDAN134RP0021V01202223/A0045V01202223

5. COVER FOR EXTERNAL DEBRIS

It is hereby understood and agreed that otherwise subject to the terms, exclusions, provisions and conditions contained herein the Policy or endorsed thereon, and subject to the Insured having paid the additional premium this Policy extends to cover costs and expenses necessarily incurred by the Insured with the consent of the Company in demolishing or removing external debris accumulated within the territorial limits of the Policy, by any sudden event that could not reasonably be ascertained by the Insured or if ascertained the insured could not have prevented the damage by reasonable amount of care/measures upto an amount not exceeding 75% of the claim amount subject to a maximum limit of indemnity per any one occurrence and in the aggregate stated in the Schedule.

UIN: IRDAN134RP0021V01202223/A0046V01202223

6. INCOMPATIBILITY OF UNDAMAGED MACHINERY

It is hereby understood and agreed that subject otherwise to the terms, exclusions, provisions and conditions contained herein the Policy or endorsed thereon and subject to the Insured having paid the additional premium the Insurance under Section I is extended to cover the cost of

1. modification of an equipment already erected and/or to be erected under project as per insured contract(s) provisions or
2. the replacement restoration or recompilation of an equipment already erected and/or to be erected under project as per insured contract(s) provisions whichever is the lesser cost to achieve compatibility in the event that the indemnifiable loss of or damage to any equipment under Section I has resulted in undamaged equipment being unavoidably incompatible with replacement equipment.

Provided that the liability of the Company shall not exceed the Limit of Liability under Section I stated in the Schedule for each individual item replaced restored recompiled or modified or limit of indemnity whichever is less.

UIN: IRDAN134RP0021V01202223/A0047V01202223

7. ERRORS & OMISSIONS TO INSURE

It is hereby understood and agreed, subject otherwise 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, that the Insured shall not be prejudiced in any manner by any unintentional and/or inadvertent:

1. Delay and/or omission and/or Failure to advise inclusion of assets or details which but for such delay or omission or failure would have been covered by this policy; and/or
2. Inaccuracy and/or error in description; and/or
3. Failure to notify material changes as required; and/or
4. Error in the name

It is hereby understood and agreed that the Insured shall take all reasonable steps to rectify such omission or failure or inaccuracy or error as the case may be, on becoming aware thereof.

UIN: IRDAN134RP0021V01202223/A0048V01202223

8. CLAIM PREPARATION COST

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 understood and agreed that costs and expenses necessarily and reasonably incurred by the Insured following loss or damage to the Property Insured to extract and compile information required by the Company from the Insured's own records for the purpose of preparing a claim under the Policy but excluding legal, investigation and research fees/expenses incurred for the purpose of contesting any issue over the Company's liability under the Policy.

Provided always that no amount shall be recoverable under this clause if subsequent to the incurrence of any expenses, the Company shall deny liability for any claim in respect of which the expenses had been incurred (with or without consent of the Company).

Limit of liability is as specified in Schedule.

UIN: IRDAN134RP0021V01202223/A0049V01202223

9. SALVAGE DISPOSAL COVERAGE

It is hereby declared and agreed that notwithstanding anything contained herein to the contrary that this policy is extended to cover the additional cost incurred for disposal of salvage goods as per Govt./environment rules and regulations subsequent to claim arising out of an insured peril subject to limit specified in the policy schedule.

UIN: IRDAN134RP0021V01202223/A0050V01202223

10. TEMPORARY STRUCTURES AND PLANT & EQUIPMENT - TEMPORARY WORKS INCLUDING ROADS, CAMPS FOR WORKERS, MATERIAL STORAGE PLACE, BUILDINGS / SHEDS / SITE OFFICES / SUPPORT STRUCTURES, PORTACABINS

The insurance by this Policy extends to include loss as insured resulting from interruption of or interference with the business in consequence of damage as insurable by a Contractors All Risks Policy (should such have been effected) insuring Temporary Structures, /works such as roads, camps for workers, material storage place, Buildings / sheds / site offices / support structures, portacabins, Plant and Equipment including electrical cables and pipes being the property of the Insured or being utilised for the continued operation of the business by or on behalf of the Insured

provided that damage takes place to such property whilst contained on or in the immediate proximity to the property or premises of the Insured.

UIN: IRDAN134RP0021V01202223/A0051V01202223

11. CONTRACTUAL LIABILITY COVER

In consideration of payment of an additional premium, it is agreed and understood that otherwise subject to the terms, exclusion, provisions and conditions contained in the policy or endorsed thereon, Subject to Limit as specified in the Policy Schedule, this policy covers legal liability for injury to persons and loss of or damage to property imposed under any contract or agreement necessarily and reasonably entered into, provided that such liability would have been implied by law.

UIN: IRDAN134RP0021V01202223/A0052V01202223

12. CIVIL AUTHORITY CLAUSE

This Policy covers any loss, damage, expense or liability arising as a result of any act or order of any governmental body or agency; and or any increase caused by any act or order of any governmental body or agency in any loss, damage, expense or liability caused by any event hereby insured against. The liability of the Insurers shall not exceed ___% of the Contract Value, as specified in the Policy Schedule.

UIN: IRDAN134RP0021V01202223/A0053V01202223

13. COVER OF MANUFACTURERS' RISK

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and Insured having paid the premium, Item "e" under "Special Exclusion to Section I" shall be replaced by the following wording: "The Policy excludes the costs necessary to replace, repair or rectify any component, part or individual item of the Property Insured which is defective in design, plan, specification, materials, or workmanship, but this exclusion shall not apply to other parts or items of the Property Insured unintentionally damaged as a consequence of such defect." This endorsement does, however, not apply to parts and items of civil engineering sections.

UIN: IRDAN134RP0021V01202223/A0054V01202223

14. COVER FOR INCREASED CUSTOMS DUTY

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, this insurance shall be extended to cover at the Insured exchange rate increased Customs Duty percentage payable on the replacement supplies over and above the Custom Duty taken into account while arriving at the sum insured of the affected item. Provided always that such additional duty is incurred in connection with any loss or damage to the insured items recoverable under the policy and provided further that the amount payable hereunder shall not exceed specified amount as in schedule in the aggregate. Each and every claim payable under this extension shall be subject to an excess of __%, as mentioned in the Policy Schedule, of the Additional Customs Duty incurred over and above the excess normally applicable.

UIN: IRDAN134RP0021V01202223/A0055V01202223

15. LOSS DUE TO BREAKAGE OF GLASS

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, and Insured having paid the agreed extra premium, this Policy extends to cover loss due to breakage of glass and exclusion c of Section I - Material Damage Section stands altered to "Normal wear and tear, gradual deterioration due to atmospheric conditions or lack of use or obsolescence or otherwise, rust, scratching of painted or polished surfaces".

UIN: IRDAN134RP0021V01202223/A0056V01202223

16. COVER OF EXTRA CHARGES FOR OVERTIME, NIGHT WORK, AND WORK ON PUBLIC HOLIDAYS, EXPRESS FREIGHT EXCLUDING AIR FREIGHT

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and the Insured having paid the agreed premium the Insurer shall indemnify the insured, extra charges for Overtime, Night Work, and Work on Public Holidays and Express freight (Excluding Air Freight). Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under the Policy. If the sum(s) insured of the damaged item(s) is/are less than the amount(s) required to be insured, the amount payable under this Endorsement for such extra charges shall be reduced in the same proportion. Provided always that the amount payable shall not exceed the _____% of loss amount or limit selected in the Policy Schedule whichever is lower and as the case may be, per any one occurrence.

UIN: IRDAN134RP0021V01202223/A0057V01202223

17. DESIGN IMPROVEMENT EXCLUSION DE-5

In consideration of the payment of an additional premium by the insured, notwithstanding anything contained herein to the contrary, it is herein agreed that the Exclusion I. d under Section I is replaced with exclusion(s) below:

This policy excludes:

- a. The cost necessary to replace, repair or rectify any Property Insured which is defective in design, plan, specification materials or workmanship.
- b. Loss or damage to the Property Insured caused to enable replacement, repair or rectification of such defective property. But should damage to the Property Insured (other than damage as defined in (b) above) result from such a defect this exclusion shall be limited to the costs of additional work resulting from improvement to the original design plan specification materials or workmanship.

For the purpose of the policy and not merely this Exclusion the Property Insured shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design plan specification materials or workmanship in the Property Insured or any part thereof. Subject otherwise to terms, conditions, excess and exceptions of the policy.

UIN: IRDAN134RP0021V01202223/A0058V01202223

18. LOSS OR DAMAGE DUE TO STRIKE, RIOT AND CIVIL COMMOTION (SRCC)

Covers loss or damage due to strike, riot and civil commotion.

UIN: IRDAN134RP0021V01202223/A0059V01202223

19. LEG 2/96 MODEL "CONSEQUENCES "DEFECTS WORDING

The Company shall not be liable in respect of:

All costs rendered necessary by defects of material workmanship design plan specification and should damage occur to any portion of the Insured Property containing any of the said defects the cost of replacement or rectification which is hereby excluded is that cost which would have been incurred if replacement or rectification of the Insured Property had been put in hand immediately prior to the said damage.

For the purpose of this policy and not merely this exclusion it is understood and agreed that any portion of the Insured Property shall not be regarded as damaged solely by virtue of the existence of any defect of material workmanship design plan or specification.

UIN: IRDAN134RP0021V01202223/A0060V01202223

20. LEG 3/06 MODEL 'IMPROVEMENTS' DEFECTS EXCLUSION

The Company shall not be liable for:

All costs rendered necessary by defects of material workmanship design plan or specification and should damage (which for the purposes of this exclusion shall include any patent detrimental change in physical condition of the Insured Property) occur to any portion of the property insured containing any of the said defects the cost of replacement or rectification which is hereby excluded is that cost incurred to improve the original material workmanship design plan or specification.

For the purpose of the Policy and not merely this exclusion it is understood that any portion of the property insured shall not be regarded as damaged solely by virtue of the existence of any defect of material workmanship design plan or specification.

UIN: IRDAN134RP0021V01202223/A0061V01202223

21. LEG 3/96 MODEL 'IMPROVEMENTS' DEFECTS EXCLUSION

The Company shall not be liable in respect of:

All costs rendered necessary by defects of material workmanship design plan or specification and should damage occur to any portion of the property insured (Contract Works) containing any of the said defects the cost of replacement or rectification which is hereby excluded is that cost incurred to improve the original material workmanship design plan or specification.

For the purpose of this Policy and not merely this exclusion it is understood and agreed that any portion of the Insured Property shall not be regarded as damaged solely by virtue of the existence of any defect of material workmanship design plan or specification.

UIN: IRDAN134RP0021V01202223/A0062V01202223

22. LIMITED MAINTENANCE VISITS COVER

In consideration of the payment of an additional premium by the insured (which is included in the Total Premium set forth in the schedule), it is hereby declared and agreed that the indemnity provided by this policy is extended to include maintenance cover for the period of ____ months to be reckoned from the date of completion of Testing, provided the policy period has been extended till completion of Testing. However, during the Maintenance Period this Insurance shall cover solely loss of or damage to the contract works caused by the insured contractor(s) in the course of the operations carried out for the purpose of complying with the obligations under the maintenance provisions of the contract.

UIN: IRDAN134RP0021V01202223/A0064V01202223

23. AIR FREIGHT

The Endorsement wording for covering the Air Freight will be as under 'It is hereby declared and agreed that the policy shall also indemnify towards Air Freight incurred by the Insured in connection with the indemnifiable loss under the Policy. In consideration thereof an additional premium of Rs. _____ is charged hereby. Limit of indemnity shall be Rs. _____ during currency of the Policy. Each and every claim shall be subject to a minimum Excess of 5 % of the admissible Air Freight incurred over and above the excess as applicable under the Policy. Subject otherwise to terms, conditions and exceptions of the policy'.

UIN: IRDAN134RP0021V01202223/A0065V01202223

24. COVER FOR INSURED CONTRACT WORKS TAKEN OVER OR PUT INTO SERVICE

The cover is extended to include loss or damage to property insured or portions of property insured which has/have been taken into use or operation. The cover ceases on expiry of the policy or on termination of construction/erection including testing period of the entire project whichever is earlier.

UIN: IRDAN134RP0021V01202223/A0066V01202223

25. EXISTING PROPERTY OR PROPERTY BELONGING TO OR HELD IN CARE, CUSTODY OR CONTROL BY THE INSURED

The policy is extended to cover loss of or damage to the existing property or property belonging to or held in care, custody or control by the Insured caused by or arising out of the construction or erection of the items insured under Section 1- Material Damage.

UIN: IRDAN134RP0021V01202223/A0067V01202223

26. VIBRATION, REMOVAL OR WEAKENING OF SUPPORT

The policy is extended to cover liability consequent upon loss or damage caused by vibration or by the removal or weakening of support.

The Insurer shall not indemnify the Insured in respect of liability for:

- 26.1** Any loss or damage that is foreseeable having regard to the nature of the construction work or the manner of its execution.
 - 26.2** Any superficial damage which neither impairs the stability of the property, land or buildings nor endangers their users, and
 - 26.3** Any costs of loss prevention or minimization measures which become necessary during the Period of Insurance
- The endorsement is subject otherwise to the terms and conditions under the policy.

UIN: IRDAN134RP0021V01202223/A0068V01202223

27. ADDITIONAL COST OF COMPLETION

The policy is extended to cover additional amount by which the cost of completing any part of the project un-commenced or incomplete at the date of the loss/damage exceeds the cost that would otherwise have been incurred had the loss/damages not occurred.

UIN: IRDAN134RP0021V01202223/A0069V01202223

28. AUTOMATIC REINSTATEMENT

The clause allows restoration of the original sum insured following loss or damage insured hereunder so long as the aggregate of the claims paid and/or payable does not exceed the chosen sum insured limit under this add-on.

UIN: IRDAN134RP0021V01202223/A0070V01202223

29. ADDITIONAL CUSTOMS DUTY

This insurance shall be extended to cover at the Insured exchange rate increased Customs Duty percentage payable on the replacement supplies over and above the Custom Duty taken into account while arriving at the sum insured of the affected item.

UIN: IRDAN134RP0021V01202223/A0071V01202223

30. BRANDS AND TRADEMARKS

In the event of loss or damage by an insured peril to property bearing a brand or trademark, 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.

UIN: IRDAN134RP0021V01202223/A0072V01202223

31. DELIBERATE DAMAGE CLAUSE

This insurance covers accidental physical loss of or damage to the Property Insured and / or other expenses incurred by The Insured, directly caused by any act or order of any governmental authority acting under the powers vested in them as a result of peril insured hereunder resulting directly from damage to the Property Insured for which the Insurer is liable under this Policy of Insurance, provided such act of governmental authority, has not resulted from want of due diligence by the Insured, to prevent or mitigate such hazard or threat.

UIN: IRDAN134RP0021V01202223/A0073V01202223

32. TEMPORARY REMOVAL

This policy covers the insured property whilst stored in any other premises in India outside the Insured location, and whilst temporarily removed for cleaning, renovation, repair, storage or other similar purposes and whilst in transit thereto and therefrom by road, rail or air.

UIN: IRDAN134RP0021V01202223/A0074V01202223

33. TEMPORARY REPAIR

This clause pays for the temporary repairs of the property following admissible loss so as to minimize the ultimate loss.

UIN: IRDAN134RP0021V01202223/A0075V01202223

34. INVOLUNTARY BETTERMENT

Consequent to a loss, in the event that the insured opts for repair/replacement with new property which is better than the kind and quality of the insured damaged property, owing either to technological advancement or regulatory/statutory requirement at the time of repair/replacement, the policy is extended to pay for the same. The clause further extends to include the replacement of property that is not damaged insofar as the replacement is reasonably necessary to ensure compatibility with the repair/replacement of the insured damaged property.

The cover is subject otherwise to the terms and conditions of the policy.

UIN: IRDAN134RP0021V01202223/A0076V01202223

35. CESSATION OF WORK

The policy is extended to cover loss or damage by a cause not otherwise excluded, happening during the cessation of work provided that the period of cessation does not extend beyond 24 weeks and subject to immediate intimation to the insurer.

UIN: IRDAN134RP0021V01202223/A0077V01202223

36. COVER FOR TESTING OF MACHINERY AND INSTALLATIONS

The period of cover shall be extended to include a test operation or a test loading but not beyond the time limit opted for under this clause from the date of commencement of the test. If, however, a part of a plant or one of several machines is tested and/or put into operation or taken over, the cover for that particular part of the plant or machine(s) and any liability resulting therefrom ceases whereas the cover shall continue for the remaining parts.

For the machinery and installations undergoing a test, the following exclusion shall apply:

- Loss or damage due to faulty design
- Defective material or casting,

- Bad workmanship other than faults in erection.

UIN: IRDAN134RP0021V01202223/A0078V01202223

37. WAIVER OF SUBROGATION

It is understood and agreed that this insurance shall not be invalidated should the insured waive, with insurers' agreement, prior to loss or damage affected thereby, any or all rights and recovery against any party for loss or damage to the property described herein, provided however, that the insurers' rights of recourse against any manufacturers and suppliers be maintained in force. It is specifically agreed to automatically waive rights of recourse against contractors of the insured (and /or their subcontractors) during the policy period but only in respect of the normal maintenance activities of the insured. Normal maintenance shall be deemed to include work during normal shutdowns and the startup from normal shutdowns.

UIN: IRDAN134RP0021V01202223/A0079V01202223

38. VALUABLE DOCUMENTS

The cover will indemnify the insured in respect of costs necessarily and reasonably incurred in rewriting or redrawing Plans or Specifications of the contract works insured.

UIN: IRDAN134RP0021V01202223/A0080V01202223

39. AUTOMATIC INCREASE CLAUSE

It is declared and agreed that if during the period of insurance the value of the contract for plant and machinery shall be in excess of the total estimated contract price, the sum insured shall be increased automatically by the amount of such excess value up-to the selected limit of

UIN: IRDAN134RP0021V01202223/A0081V01202223

40. OWNERS SURROUNDING PROPERTY

This extends to cover loss of or damage to property located on or adjacent to the Project Site and belonging to or held in care, custody or control of the Principal(s) or the Contractor(s) shall only be covered if occurring directly due to the erection, construction or testing of the items insured under Section I and happening during the period of covers. This cover does not apply to Construction/ Erection Machinery, Plant and Equipment, Temporary Buildings and Temporary site installations.

UIN: IRDAN134RP0021V01202223/A0082V01202223

41. REMOVAL OF DEBRIS

This policy extended to cover costs and expenses necessarily incurred by the Insured, with the consent of the Insurers in demolishing or removing debris of portions of the property insured by Section I and destroyed or damaged by any peril hereby insured.

UIN: IRDAN134RP0021V01202223/A0216V01202223

42. COVER FOR OFFSITE STORAGE

The cover is extended to include loss of or damage to property insured whilst in off-site storage within the territorial limits. As such this storage is not confined to any one specific place or the project site defined in the policy.
UIN: IRDAN134RP0021V01202223/A0217V01202223

43. THIRD PARTY LIABILITY COVER WITH OR WITHOUT CROSS LIABILITY EXTENSION WITHIN GEOGRAPHICAL LIMITS OF INDIA

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 Third Party Liability cover of the Policy shall apply to the insured parties named in the Schedule as if a separate policy had been issued to each party, provided that the Insurers shall not indemnify the Insured under this Endorsement in respect of liability for

- i. Loss of or damage to items insured or insurable under Section I of the Policy, even if not recoverable due to excess or any limit.
- ii. Fatal or non-fatal injury or illness of employees or workmen who are or could have been insured under Workmen's Compensation and/or Employers Liability Insurance.

The Insurers total liability in respect of the Insured parties shall not however exceed in the aggregate for any one accident or series of accidents arising out of one event the limit of indemnity stated in the schedule.

UIN: IRDAN134RP0021V01202223/A0218V01202223

44. ESCALATION COSTS

Subject otherwise to the terms and conditions of the policy, this clause will allow automatic regular increase in the Sum Insured throughout the period of the policy in return for an additional premium to be paid in advance. It is also hereby declared and agreed that in the event of a claim the Insured would be considered as fully insured up to the Sum Insured inclusive of percentage increase as per selected escalation and underinsurance would apply only in the event of the cost of replacement / reconstruction of the affected equipment/property exceeding the original value as insured inclusive of selected percentage towards escalation.

UIN: IRDAN134RP0021V01202223/A0219V01202223

45. EXTENDED MAINTENANCE COVER

Subject otherwise to the terms and conditions of the policy, loss of or damage to contract works during maintenance period will be covered as below-

- Caused by the insured contractor(s) in the course of the operations carried out for the purpose of complying with the obligations under the maintenance provisions of the contract.

Occurring during the maintenance period provided such loss or damage was caused on the site during the erection period before the certificate of completion for the lost or damage section was issued.

UIN: IRDAN134RP0021V01202223/A0220V01202223

46. CONSTRUCTION MACHINERIES, PLANT AND EQUIPMENT EXTENSION

This Policy shall be extended to include loss of or damage to the construction machinery mentioned in the attached list of machines, excluding however:

- i. Loss of or damage due to electrical or mechanical breakdown, failure, breakage or derangement, freezing of coolant or other fluid, defective lubrication or lack of oil or coolant, but if as a consequence of such breakdown or derangement an accident occurs causing external damage, such consequential damage shall be indemnifiable
- ii. Loss of or damage to vehicles licensed for general road use or waterborne vessels or aircraft.

UIN: IRDAN134RP0021V01202223/A0221V01202223

47. EXPEDITING COST INCLUDING AIR FREIGHT AND EXPRESS FREIGHT

The Insurer shall indemnify the insured, extra charges for Overtime, Night Work, Work on Public Holidays and Express freight (including Air Freight), provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under the Policy.

If the sum(s) insured of the damaged item(s) is/are less than the amount(s) required to be insured, the amount payable under this Endorsement for such extra charges shall be reduced in the same proportion.

UIN: IRDAN134RP0021V01202223/A0222V01202223

48. DESIGN DEFECT LIABILITY AS PER MUNICH RE WORDINGS (DE 4)

This policy excludes loss of or damage to and the cost necessary to replace repair or rectify

- i. Any component or individual item of the property insured which is defective in design, plan, specification, materials or workmanship
- ii. Property insured lost or damaged to enable the replacement, repair or rectification of property insured excluded by (i) above

Exclusion (i) above shall not apply to other parts or items of property insured which are free from defect but are damaged in consequence thereof.

For the purpose of the Policy and not merely this Exclusion, the property insured shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design plan material specification or workmanship in the property insured or any part thereof.

UIN: IRDAN134RP0021V01202223/A0223V01202223

49. DESIGN DEFECT LIABILITY AS PER MUNICH RE WORDINGS (DE 3)

This policy excludes loss of or damage to and the cost necessary to replace repair or rectify

- i. Property Insured which is in a defective conditions due to defect in design plan specification materials or workmanship of such Property Insured or any part thereof
- ii. Property Insured lost or damaged to enable the replacement repair rectification of Property Insured excluded by (i) above

Exclusion (i) above shall not apply to other Property Insured which is free of the defective condition but is damaged in consequence thereof.

For the purpose of the Policy and not merely this Exclusion the Property Insured shall not be regarded as lost or damaged solely by virtue of the existence of any defect in design plan specification material or workmanship in the Property Insured or any part thereof.

UIN: IRDAN134RP0021V01202223/A0224V01202223

50. CONTINUITY OF COVER DURING OPERATIONAL PHASE FOR UNIT/PLANT TESTED BUT AWAITING INTEGRAL TESTING

Indemnity provided by this policy is extended to cover the equipment/plants/buildings, which have been completed and awaiting handing over, for a period of months as specified in the Schedule, from the date of successful completion. However, this endorsement will be only during the Period of Insurance. This cover is subject to the following conditions:

- i. These plants/equipment / buildings should be part of the total Sum insured of the project.

Excess applicable for this extension would be the applicable excess for AOG perils/ Major perils / Collapse
UIN: IRDAN134RP0021V01202223/A0225V01202223

CLAUSES

1. PAIR AND SET CLAUSE

It is hereby declared and agreed that In the event of Damage by an insured peril against any article or articles of Property Insured which are a part of a pair or set, the amount of Damage to such article or articles shall be, at the Insured's option:

I. the reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article or articles, but in no event shall such loss or damage be construed to mean total loss of the pair or set; or

II. the full value of the pair or set provided that the Insured surrenders the remaining articles of the pair or set to the Company.

The cover provided by this endorsement shall not exceed the Sub Limit stated in the Schedule for this item.

2. NO CONTROL CLAUSE

This Policy shall not be affected by failure of the Insured to comply with any provisions of this Policy (including the warranties or Conditions endorsed hereon) in any portion of the premises over which the Insured has no control.

3. CO-INSURANCE CLAUSE

1. It is hereby declared and agreed that insurers named hereunder severally agree and accept the following for the proportion set against its name:

1.1. In event of any claim being admissible by the insurer towards the liability, to pay or make good to the insured the value of the property at the time of the happening of its loss or destruction or the amount of such damage thereto as provided for under the policy and/or

1.2. To indemnify the insured against liability at law or damage to any property or injuries to persons as provided for under the policy

2. Coinsurance Schedule: As specified in the schedule

3. Conditions forming part of this clause

It is hereby agreed and understood that:

3.1. The Insured in exercise of his option has after having understood the implications, selected the above-named lead Insurer and the named Co-insurers

3.2. The duties of insured would devolve upon the authorized intermediary licensed by IRDA (referred to as authorised representative here after) where the insured appoints such authorized intermediary to transact on his behalf with the insurer/s.

3.3. It shall be the responsibility of the insured or his authorised representative licensed by IRDA to decide on the panel of co-insurers and their respective shares of the risk herein as set out in coinsurance share under paragraph 2 above and communicate the same to all such participating co-insurers, prior to assumption of risk.

3.4. The lead Insurer shall finalise the terms and conditions applicable to the risk in the form of an underwriting slip with a unique code to be handed over to the Insured/Authorised intermediary

3.5. It shall be the responsibility of the insured or his authorized representative to ensure that all insurers listed in the coinsurance schedule under paragraph 2 above, are fully aware of the terms and conditions of this policy and shall secure their unqualified acceptance of such terms and conditions prior to issuance of cover and inclusion of names of insurers in this coinsurance arrangement.

3.6. During the currency of the policy, if there are any material changes in risk or as changes in original terms and conditions such as variation in Sum Insured, changes in premium charged, extension of policy period, etc., the same shall be communicated by the insured or his authorised representative giving sufficient advance notice of 7 days to the leader as well as all other participating co-insurers listed in the coinsurance schedule under paragraph 2 above

and procure confirmation thereon. The endorsement to this effect shall be executed by the lead insurer under advice to all other participating co-insurers.

3.7. The liability of the insurers shall in no case exceed in respect of each item of the sum expressed in the set schedule to be insured thereon or in the all, the total sum insured hereby or sums as may be substituted thereof by endorsement.

3.8. In the event of any of the insurers, chosen by the Insured as per paragraph above and listed in the coinsurance schedule, withdrawing from participation in this Policy at any time during its currency after giving due notice of 14 days, the insured shall arrange for an alternative insurer to take up the full share of risk vacated by

the existing insurer. In the event of insured failing to do so, the insured shall be considered as his own insurer for such share of risk or part there of which is not taken up by such alternative co-insurer.

3.9. In the event of a claim under this policy, the insured shall give notice of its occurrence to the Lead Insurer with a copy to all the insurers as listed in clause 2 above.

3.10. Upon receipt of such notification of claim, all claim related activities including appointment of surveyors, etc shall be done by the lead insurer who shall decide the admissibility as well as quantum of the claim and the co-insurers shall abide by the same.

3.11. In the event of claim being value of more than 5 crores the lead insurer can immediately demand and the following co-insurer shall pay the cash call of their proportionate share of loss.

3.12. In all other cases, where the Lead Insurer pays 100% of the assessed loss, the following coinsurer/s shall remit their share of the loss to the Lead Insurers within a maximum period of 21 days from the date on which the Lead Insurer makes the demand. Lead Insurer's declaration that the Claim and the amount there of was in accordance with terms and

conditions of the Policy issued shall be considered sufficient by the co-insurers for the purpose of remitting their share of the loss to the Lead Insurer.

3.13. The co-insurers forming part of this agreement shall be entitled to demand and obtain from the Lead insurer/Intermediaries copies of all policies, endorsements or other claim related documents relevant to this coinsurance clause.

4. AGREED BANK CLAUSE

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 therefore 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 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 hazard 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

5. EVENT CLAUSE

In the event of a claim under this policy, all occurrences related to the same cause shall be treated as one and the same event. The time of any event shall be the time at which such event commenced. Where the event comprises more than one occurrence, the time of the event shall be taken as the time of commencement of the first of such occurrences. All events, whose time is prior to the expiry falls after the expiry or cancellation or termination of this policy shall be covered under this Add-On Cover.

6. LOSS PAYEE CLAUSE

In the event of claims being made under the policy, a form of discharge signed by an authorised representative of Insured shall be accepted as a valid discharge on behalf of all other parties interested in the insurance by the policy. An amount agreed in settlement of such claims shall be payable solely in favor of or to the order of Insured who agree to hold the insurer harmless in respect of such payment.

7. OUTRIGHT DEFECT EXCLUSION DE-1

Notwithstanding anything contained herein to the contrary, it is herein agreed that the Exclusion I. d under Section I is replaced with exclusion(s) below: This policy excludes loss of or damage to the Property Insured due to defective design, plan, specification materials or workmanship.

8. EXTENDED DEFECTIVE CONDITION EXCLUSION DE-2

It is herein agreed that the Exclusion I. d under Section I is replaced with exclusion(s) below:

This policy excludes loss of or damage to and the cost necessary to replace, repair or rectify:

a. Property Insured which is in a defective condition due to a defect in design, plan, specification

materials or workmanship of such Property Insured or any part thereof.

b. Property Insured which relies for its support or stability on (a) above

c. Property Insured lost or damage to enable the replacement repair or rectification of Property Insured excluded by (a) and (b) above.

Exclusion (a) and (b) above shall not apply to other Property Insured which is free of the defective condition but is damaged in consequence thereof.

For the purpose of the Policy and not merely this Exclusion the Property Insured shall not be regarded as lost or damage solely by virtue of the existence of any defect in design plan specification materials or workmanship in the Property Insured or any part thereof.

Subject otherwise to terms, conditions, excess and exceptions of the policy.

9. 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.

10. DRILLING WORK FOR WATER WELLS

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the cover for well drilling work shall be restricted to loss or damage due to or resulting from the following named perils:

- earthquake, volcanism, tsunami
- storm, cyclone, flood, inundation, landslide blow-out and/or cratering
- fire/explosion
- artesian waterflow
- mud loss, which cannot be overcome by known practices

- collapse of hole including collapse of casing due to abnormal pressure or heaving shales, which cannot be overcome by known practices

The indemnity shall be calculated on the basis of the costs (including material) spent for drilling the well up to the very moment when the first phenomena of the above perils are apparent and the well has to be abandoned due to a hazard insured against, and the Insured shall bear a deductible of ___% of the loss amount, minimum INR___ for any one occurrence, as stated in the Policy Schedule.

Special Exclusions:

The Insurers shall not be liable for

- loss of or damage to drilling rig and drilling equipment (for which the drilling contractor may conclude a special insurance),
- costs of fishing operations of all kinds,
- costs of reconditioning and workover operations to restore well conditions including all stimulation work (acidizing, fracturing, etc.).

11. COFFERDAMS

Notwithstanding anything contained herein to the contrary, it is hereby agreed that the following Exclusion is added to Exclusions applicable to Section 1 of the Policy.

Insurers will not indemnify the Insured in respect of any Loss to Insured Property arising directly or indirectly from the overtopping of a cofferdam caused by a flood with a return period of less than 20 years.

12. DECLARATION CLAUSE

Multiple projects covered under an annual CAR Policy on declaration basis.

13. ON ACCOUNT PAYMENT CLAUSE

In the event of admissible loss or damage, payment "on account" will be made by the Insurer on request if the liability of the Insurer has been established in a preliminary loss report and accepted by the insurer.

14. NON-VITIATION CLAUSE

It is understood and agreed that any act, omission, statement or mis-statement on the part of any named 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.

15. MULTIPLE INSURED

It is understood and agreed that if the insured comprises more than one party each operating as a separate and distinct entity, this policy of insurance shall apply as if a separate policy had been issued to each of these parties. 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 collectively constitute the insured.

16. POLICY EXTENSION ON PRO-RATA BASIS

This clause allows the extension of the policy on pro rata basis on the same terms.

17. INNOCENT NON-DISCLOSURE/BREACH OF POLICY CONDITIONS

Subject otherwise to the terms and conditions of the Policy it is understood and agreed that the insurer will not avoid liability on account of non-disclosure, mis-description or misrepresentation of facts or breach of policy conditions where they have been proved to be innocent and free of any or intent to deceive or defraud the insurer.

18. FREE ISSUE OF MATERIAL

This clause covers loss or damage to Free Issue Materials supplied by the Principal provided the value of Free Issue Materials is specifically declared.

19. SERIAL LOSSES

Serial losses [not exceeding five incidents during the entire policy period] of the same type caused to structures, parts of structures, machines or equipment shall be indemnified according to the following scale subject otherwise to the terms and conditions of the policy:

- i. 100% of the first 2 losses
- ii. 80% of the 3rd loss
- iii. 60% of the 4th loss
- iv. 50% of the 5th loss

For the purposes of this cover, serial losses shall mean losses due to a fault, defect, error or omission in design, plan, specification, material or workmanship which is attributable to a common originating cause or a common originating set of circumstances.

20. INTERMITTENT TESTING

In the event of the testing being intermittent and not continuous, the Testing Period cover shall be reckoned in terms of actual days of testing logged (with 24 logged hours constituting a day) and any period during which testing is suspended shall be deemed as erection period. The aggregate period of all intermittent testing shall not exceed the testing period selected under the policy.

21. PRIMARY AND NON-CONTRIBUTORY CLAUSE

The cover provided under this policy is a primary cover and shall respond without seeking contribution from other insurances that are also primary.

22. 50:50 CLAUSE

In respect of the subject matter Insured hereunder consigned from outside India, it is hereby agreed and understood, subject otherwise to the terms and conditions contained in the policy, that:

- i. The Insured shall inspect each item of the subject matter insured upon arrival at the contract site for possible damage sustained during transit.
- ii. In the case of packed items which are to be left in their packaging until a later date, the packaging is to be visually inspected for signs of possible damage and where such damage is visible, the items are to be unpacked and inspected and any damages discovered are to be reported to the marine insurers.
- iii. Where the packaging of an item shows no visible signs of damage to such item having been sustained during transit, any subsequent damage discovered upon unpacking will be dealt with by the Marine Insurers or the EAR Insurers according to whether it can be clearly established that such damage was caused before or after arrival at the contract site.

Where it is not possible to clearly establish whether the damage to an item was caused before or after arrival at the contract site, the cost of such damage shall be shared equally between the Marine Insurers and the EAR Insurers provided such a clause is included in the Marine Policy also.

23. DESIGNATION OF PROPERTY

For the purpose of determining where necessary the designation of any property Insured, the Insurer shall accept the designation under which such property has been entered in the Insured's books.

24. SPECIAL CONDITIONS CONCERNING THE CONSTRUCTION AND/OR ERECTION TIME SCHEDULE

It is hereby agreed and understood that subject otherwise to the terms and conditions of the policy, the following shall apply to this insurance:

The construction and/or erection time schedule together with any other statements made in writing by the insured for the purpose of obtaining cover under the Policy as well as technical information forwarded to the Insurers is deemed to be incorporated herein.

The Insurers shall not indemnify the insured in respect of loss or damage caused by or arising out of or aggravated by deviations from the construction and/or erection time schedule exceeding weeks unless the insurers had agreed in writing to such a deviation before the loss occurred.

25. NOMINATED LOSS ADJUSTERS CLAUSE

It is hereby agreed and understood that subject otherwise to the terms and conditions of the policy, in the event of an occurrence that is likely to give rise to a claim, the insured can appoint one of the listed firms of Surveyors and Prospectus – Contractors All Risk Insurance (Retail)
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Loss Adjusters as per the requirement of Sec. 64 UM of Insurance Act 1938 and as shared by the insurer with the insured to conduct loss or damage surveys and adjustment of claims.

26. PUBLIC AUTHORITIES CLAUSE

It is hereby understood and agreed, subject otherwise to the terms, conditions and exclusions of the Policy and endorsed hereon, 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 Byelaws 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 By-laws,
 - 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 or By-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 By-laws.
2. The work of reinstatement must be commenced and carried out with reasonable dispatch and in case must be completed within twelve months after the destructions 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.

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.

27. 72 HOURS CLAUSE

It is agreed that any loss of or damage to the Insured Property arising during any one period of seventy two (72) consecutive hours, caused by insured peril shall be deemed as a single event and therefore shall constitute one occurrence with regard to the Excesses provided for herein. For the purpose of the foregoing, the commencement of any such seventy two (72) hours period shall be decided at the discretion of the Insured provided there shall be no overlapping in any two or more such seventy two (72) hours periods in the event of damage occurring over a more extended period of time.

28. PROFESSIONAL FEES CLAUSE

The policy will extend to cover the fees charges by Architects, Surveyors and Consulting Engineers or other Professional Fees necessarily incurred in the reinstatement of the Insured Property consequent upon loss or damage but not for preparing any claim.

29. LOSS MINIMIZATION EXPENSES

It is understood and agreed that this insurance extends to cover the costs and expenses reasonably incurred by the insured in reducing, mitigating or otherwise alleviating physical loss, destruction or damage to Property insured during and after the occurrence of an insured event.

30. WAIVER OF CONTRIBUTION

It is agreed that the condition of Contribution under the Policy stands deleted. However the Insurer retains the right to recover a rateable proportion of the loss where other policies exist providing cover to the affected property.

ENDORSEMENTS

Following endorsements shall be attached to the policies whenever applicable -

1. PIPELINE CONSTRUCTION -

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

- a) Excavated material shall be deposited at least one meter away from the trench.
- b) The length of trenches totally or partially opened at any one time shall never exceed in respect of any one work face ___ meters all work faces' combined total _____ meters.
- c) Pipe shall be secured against heaving or floating up by covering them sufficiently and as soon as practicable.
- d) The open ends of pipes shall be provisionally sealed at the end of each working day or in the event of immediate danger of flooding, otherwise expenses for clearing and cleaning of mud-filled pipeline sections shall not be indemnified.
- e) Loss or damage arising from pressure testing producing tensions exceeding the yield point guaranteed by the manufacturer shall not be covered.
- f) Loss of testing media shall not be covered.
- g) Cost incurred in searching for leaks are indemnified -
 - up to but not exceeding the limit per event of _____
 - up to an aggregate limit for the policy period of _____
 however only if the leaks are a consequence of an insured event.
- h) The Insurer is not liable for any claims due to pollution from any cause whatsoever.

2. EXCLUSION OF LOSS OF STABILISING FLUID -

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

3. ROAD CONSTRUCTION --

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

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

4. PILING CONSTRUCTION -

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

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

5. ABANDONMENT OF SHAFTS -

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

6. CROPS, FORESTS, CULTIVATED AREAS -

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

7. EXISTING UNDERGROUND CABLES -

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

The Insurers shall not be liable under the Policy to indemnify loss or damage to existing underground cables or pipes of any kind (electric cables, telephone cables, water and gas pipes, sewers and other pipelines, etc.) unless prior to the commencement of works -

- the Insured had requested and obtained from the public authorities or the owners of such an underground system the exact position of all cables or pipes.
- the Insured had traced their existence and indicated location.

The indemnity shall in any case be restricted to the repair costs of such cables or pipes. Any consequential damage shall be excluded from the policy cover.

8. CONTRACT WORKS TIME SCHEDULE -

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

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

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

9. TEMPORARY ACCESS ROADS -

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

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

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

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

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

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

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

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

12. SPECIAL CONDITIONS CONCERNING REMOVAL OF DEBRIS FROM LANDSLIDES -

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

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

13. TERRORISM DAMAGE COVERS ENDORSEMENT

It is hereby declared and agreed that in consideration of the payment of the additional premium of Rs._____, the 'Terrorism Damage Exclusion Warranty' attached to and forming part of the within mentioned policy, stands deleted. The expression /s "terrorism and / or act of terrorism shall have the same meaning /s as contained in terrorism Damage Exclusion warranty.

EXCLUSIONS

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

a) War, Invasion, Act of foreign enemy, hostilities or War like operations (whether war be declared or not) Civil War, rebellion, revolution, insurrection, mutiny, Civil commotion, Military or usurped power, martial law, conspiracy, confiscation, commandeering a group of malicious persons or persons acting on behalf of or in connection with any political organisation, requisition or destruction or damage by order of any Government de jure or defacto or by any Public, Municipal or Local Authority;

b) Nuclear reaction, Nuclear radiation or Radioactive contamination;

c) Willful act or willful negligence of the Insured or of his responsible representative;

d) Cessation of work whether total or partial.

In any action, suit or other proceedings where the Company, allege that by reason of the provisions of Exclusion (a) above any loss, destruction, damage or liability is not covered by this insurance, the burden of proving that such loss, destruction, damage or liability is covered shall be upon the Insured.

e) Terrorism Damage Exclusion Warranty:

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

For the purpose of this warranty an act of terrorism means an act, 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) committed for political, religious, ideological or similar purpose including the intention to influence any government and/or to put the public, or any section of the public in fear.

The warranty also excludes loss, damage, cost or expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or to in any way relating to action taken in respect of an act of terrorism.

If the Company alleges that by reason of this exclusion, any loss, damage, cost or expenses is not covered by this insurance the burden of proving the contrary shall be upon the insured.”

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Exclusions specific to the policy, which can be covered on payment of additional premium

Exclusions specific to the policy, which can be covered on payment of additional premium

1. Exclusion - Cessation of work whether total or partial can be covered by opting for the add-on cover named “CESSATION OF WORK”
2. Exclusion Terrorism Damage Exclusion Warranty **can be covered** by opting for the add-on cover named
3. **TERRORISM DAMAGE COVERS ENDORSEMENT**

GENERAL CONDITIONS

1. The due observance and fulfillment of the terms of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statement and answers in the questionnaire and proposal made by the Insured shall be a condition precedent to any liability of the company.

2. The Schedule and the Section(s) shall be deemed to be incorporated in and form part of this Policy and expression ‘this Policy’ wherever used in this contract shall be read as including the Schedule and the Section(s). Any word or

expression to which a specific meaning has been attached in any part of this Policy or of the Schedule or of the Section(s) shall bear such meaning wherever it may appear.

3. The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Company to prevent loss, damage or liability and comply with statutory requirements and manufacturers' recommendations.

4. a) Representatives of the Company shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Company with all details and information necessary for the assessment of the risk.

b) The Insured shall immediately notify the Company by Telegram and in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require and the scope of cover and/or premium shall, if necessary, be adjusted accordingly. No material alteration shall be made or admitted by the Insured whereby the risk is increased unless the continuance of the Insurance be confirmed in writing by the Company.

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

6. The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy. Arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996. (This clause does not apply to policies bought by individuals)

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

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

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.

9. The Insured can cancel the policy at any time during the term, by informing the Company. In case the Insured cancels the policy, he/she is not required to give reasons for cancellation

In such case of cancellation, the Company will refund proportional premium for unexpired policy period and there is no claim(s) made during the policy period

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

PREMIUM

The premium is charged on the basis of:

- Scope of cover
- Construction location
- Sum insured
- Period of cover
- Add-ons
- Any other relevant factor for the proposed risk.

For detailed understanding regarding the product refer to Policy Wordings of the Contractor's All Risk Policy.

CLAIMS PROCEDURE

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

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: 1800-22-4030/1800-200-4030. Alternatively you can notify your claim by sending mail to <contactclaims@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.
- e) 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.

1. Insured shall do all possible loss minimization activity to reduce further loss or aggravation of loss.
2. Insured shall not dispose / throwing away /selling / destroying any of damaged item/salvage before inspection of loss by insurer/surveyor been appointed.
3. Insured shall furnish all necessary documents/photographs/videos and proof / evidence in relevant to their claim to surveyor / insurance company to establish their loss.
4. Insured shall not offer promise or assurance to any third party for their loss arising out of this incident.
5. 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.
6. Based on the final surveyor report, claim preferred by insured would be processed and concluded for settlement.
7. Post notification of a claim, Insured would be followed 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 responded 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)

1. Claim Form - Duly filled and signed by insured
2. 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.
3. Estimate of loss.

4. Proof of ownership on the assets been insured. (Purchase invoice / bill or contract of right over the assets been held / used). This may not required, if the same was submitted during inception of this policy or respective item was identified and specified in the policy.

5. Service engineer's report / quotation/ observation/ recommendation.

6. Police final report. (Not required for claim estimated up to ₹50,000/-).

7. Asset register as on date of loss (For building, Stock, Plant and Machinery, Furniture Fixture and Fittings)

8. 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)**

1. The Surveyor shall be appointed within 24 hours from the intimation.
2. The surveyor to share the Letter of requirement within 02 days from the date of his visit to the loss premises.
3. 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.
4. The Insurance Company to obtain survey report within 15 days from the date of appointment.
5. Post receipt of survey report insurance company to conclude the case within 07 days of receipt of survey report.

• **Escalation Matrix**

Level 1 - contactclaims@universalsompo.com

Level 2 - grievance@universalsompo.com

Level 3 - gro@universalsompo.com

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

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

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

Salvage: The amount that is assessed which the damaged asset will fetch in the open market. The amount is deducted from the claim amount.

Any other details/documents called for a specific loss

Eligible Discounts

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

1. Contractor experience
2. Material Storage/Distance of Storage from construction Site
3. Proposed Fire protection System
4. Surrounding Occupancy Exposure
5. Construction technique
6. Risk Terrain
7. NAT CAT Exposure
8. Site Patrolling / Security Services

9. Clients Experience in Similar Projects
10. Safety Standards
11. Volume Discount
12. Claims experience

Contact Details

- **Website:** www.universalsompo.com
- **Toll Free Numbers:** 1800-22-4030, 1800-200-4030
- **E-mail :** contactus@universalsompo.com

Courier: Unit No. 601 & 602, 6th Floor, Reliable Tech Park, Thane- Belapur Road, Airoli, Navi Mumbai, Maharashtra - 400708

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.