

## **ERECTION ALL RISK INSURANCE(RETAIL)**

### **PROSPECTUS**

Universal Sampo General Insurance Company introduces Erection All Risks (EAR) insurance which offers protection to principal and contractors and also to manufacturers and suppliers erecting machinery and plant etc. against financial loss due to any sudden fortuitous and unforeseen causes resulting in loss or damage to the property insured at the project site whilst being stored, erected, tested and commissioned.

#### **Policy For Whom**

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

#### **Basis of Sum insured**

Completely erected value of the property inclusive of freights, custom duty and erection costs.

#### **Scope of Cover**

Erection All Risks (EAR) policy covers all risks in respect of projects of erection, testing and commissioning subject to exclusions and term and conditions.

### **SECTION 1 – MATERIAL DAMAGE**

<b>COVERAGE</b>	<b>EXCLUSIONS</b>
<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 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 -</p> <p>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</p>	<p>The Company, shall not, however, be liable for -</p> <ol style="list-style-type: none"> <li>the first amount of the loss, arising out of each and every occurrence, shown as Excess in the Schedule;</li> <li>loss discovered only at the time of taking an inventory;</li> <li>normal wear and tear, gradual deterioration due to atmospheric conditions or otherwise, rust, scratching of painted or polished surfaces or breakage of glass;</li> <li>loss or damage due to faulty design, defective material or casting, bad workmanship other than faults in erection.</li> </ol> <p>This exclusion shall be limited to the items immediately affected and shall not be deemed to exclude loss or damage to other insured items resulting from such excluded perils;</p> <ol style="list-style-type: none"> <li>the cost necessary for rectification or correction of any error during erection unless resulting in physical loss or damage;</li> <li>loss of or damage to files, drawings, accounts, bills, currency, stamps, deeds, evidence of debt, notes, securities cheques, packing materials of any kind</li> </ol>

exceeding in all the sum (if any) set opposite thereto in the Schedule.	g) any damage or penalties on account of the Insured's non- fulfillment of the terms of delivery or completion under his Contract of Erection or of any obligations assumed thereunder including consequential loss of any kind or description or for any aesthetic defects or operational deficiencies.
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## 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, customs 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 items involved is less than the amount required to be insured the amount recoverable by the Insured under the Policy shall be reduced in such proportion as the Sum Insured bears to the amount required to be insured.

### Memo 2. PREMIUM ADJUSTMENT –

The sum insured under the Policy representing the completely erected value of the plant machinery/project shall be adjustable at completion of erection on the basis of the actual values to be declared by the insured in respect of freight and handling charges, customs dues and costs of erection and the 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 prime cost of Plant and Equipment shall not be the subject matter of premium adjustment.

### Memo 3. 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 items 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 items immediately before the occurrence of the loss less salvage;

However, only to the extent the costs 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 items 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.

**Prospectus – Erection All Risk Insurance( Retail)**

**Product UIN: IRDAN134RP0020V01202223**

Extension of Cover – Any extra charges incurred for overtime, work on holidays, express freight (including air freight), are not covered by this insurance, unless agreed upon at an additional premium.

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 of 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. 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 5 - SURROUNDING PROPERTY -**

Loss 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 erection, construction or testing 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, Item 3 for Principal's specified surrounding property. This cover does not apply to construction/erection machinery, plants and equipment.

#### **Memo 6 – MAJOR PERILS/ACTS OF GOD CLAIMS -**

The Major Perils/Acts of God Claims shall mean the 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.

### **SECTION II - THIRD PARTY LIABILITY**

<b>COVERAGE</b>	<b>EXCLUSIONS</b>
<p>The Company will indemnify the Insured against -</p> <ol style="list-style-type: none"> <li>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 erection thereon;</li> <li>b) Legal liability (liability under contract excepted) for fatal or non-fatal injury to any person other than the Insured's own employees or workman or employees of the owner of the works or premises or other firms connected with any other erection work thereon, or members of the Insured's family</li> </ol>	<p>The Company will not indemnify the Insured in respect of -</p> <ol style="list-style-type: none"> <li>1. The Excess stated in the Schedule to be borne by the Insured in any one occurrence related to property damage</li> <li>2. Expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under Section I of this Policy;</li> <li>3. Liability consequent upon - <ol style="list-style-type: none"> <li>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</li> </ol> </li> </ol>

<p>or of any of the aforesaid; directly consequent upon or solely due to the erection of any property described in the Schedule.</p> <p>Provided that the total liability of the Company during the period of Insurance under this clause 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 cost and expenses of litigation recovered by any claimant from the Insured, <b>and</b></p> <p>b) all costs and expenses incurred with the written consent of the Company.</p> <p>The exclusion contained in paragraphs (d), (f) &amp; (g) in Section I of this Policy shall apply to this Section also.</p>	<p>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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## CONDITIONS APPLYING TO SECTION II

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 proceedings or in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.

The Company may, so far as any accident is concerned, pay to the Insured the limit of indemnity for any one accident, any one 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.

## Eligible Discounts

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

- Contractor experience
- Proposed Fire protection System
- Surrounding Occupancy Exposure
- Risk Terrain
- Safety Standards

- Claims experience

## Extensions/Add-on Covers

### 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: IRDAN134CP0010V01202122/A0141V01202122**

### 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: IRDAN134CP0010V01202122/A0142V01202122**

### 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: IRDAN134CP0010V01202122/A0143V01202122**

#### **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: IRDAN134CP0010V01202122/A0144V01202122**

#### **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: IRDAN134CP0010V01202122/A0145V01202122**

#### **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: IRDAN134CP0010V01202122/A0128V01202122**

## **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: IRDAN134CP0010V01202122/A0129V01202122**

## **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: IRDAN134CP0010V01202122/A0130V01202122**

## **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: IRDAN134CP0010V01202122/A0131V01202122**

#### **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: IRDAN134CP0010V01202122/A0132V01202122**

#### **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: IRDAN134CP0010V01202122/A0133V01202122**

#### **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: IRDAN134CP0010V01202122/A0134V01202122**

#### **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 "....." 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: IRDAN134CP0010V01202122/A0135V01202122**

#### **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: IRDAN134CP0010V01202122/A0136V01202122**

#### **15. 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: IRDAN134CP0010V01202122/A0138V01202122**

#### **16. LIMITED DEFECTIVE CONDITION EXCLUSION DE-3**

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 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 lost or damaged to enable the replacement repair or rectification of Property Insured excluded by (a) above.

Exclusion (a) 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 materials or workmanship in the Property Insured or any part thereof.

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

**UIN: IRDAN134CP0010V01202122/A0137V01202122**

## **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: IRDAN134CP0010V01202122/A0139V01202122**

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

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

**UIN: IRDAN134CP0010V01202122/A0140V01202122**

#### **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: IRDAN134CP0010V01202122/A0158V01202122**

#### **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: IRDAN134CP0010V01202122/A0162V01202122**

#### **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: IRDAN134CP0010V01202122/A0146V01202122**

## **22. LIMITED MAINTENANCE VISITS COVER**

In consideration of the payment of 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 mentioned in policy schedule to be reckoned from the date of completion or handing over provided the policy period has been extended till completion or handing over. However, during 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: IRDAN134CP0010V01202122/A0147V01202122**

## **23. AIR FREIGHT**

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 agreed additional premium is charged hereby. Limit of indemnity, during the policy period, shall be as mentioned in the Policy Schedule against this Add-On Cover. Each and every claim payable under this Add-On Cover shall be subject to a minimum Excess of \_\_\_%, as mentioned in the Policy Schedule, of the Air freight incurred over and above the excess as applicable under the policy. The Indemnity for such Air Freight will stand reduced after occurrence of the claim unless reinstated by the payment of an additional premium prescribed by the company. Subject otherwise to terms, conditions and exceptions of the policy.

**UIN: IRDAN134CP0010V01202122/A0148V01202122**

## **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 after expiry of testing period 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: IRDAN134CP0010V01202122/A0149V01202122**

## **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: IRDAN134CP0010V01202122/A0150V01202122**

## **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: IRDAN134CP0010V01202122/A0151V01202122**

## **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: IRDAN134CP0010V01202122/A0152V01202122**

## **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: IRDAN134CP0010V01202122/A0153V01202122**

## **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: IRDAN134CP0010V01202122/A0154V01202122**

### 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: IRDAN134CP0010V01202122/A0155V01202122**

### 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: IRDAN134CP0010V01202122/A0156V01202122**

### 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: IRDAN134CP0010V01202122/A0157V01202122**

### 33. TEMPORARY REPAIR

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

**UIN: IRDAN134CP0010V01202122/A0159V01202122**

### 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: IRDAN134CP0010V01202122/A0160V01202122**

### **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: IRDAN134CP0010V01202122/A0161V01202122**

### **36. 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: IRDAN134CP0010V01202122/A0165V01202122**

### **37. 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: IRDAN134CP0010V01202122/A0166V01202122**

### **38. 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: IRDAN134CP0010V01202122/A0167V01202122**

### **39. 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: IRDAN134CP0010V01202122/A0168V01202122**

#### **40. 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: IRDAN134CP0010V01202122/A0169V01202122**

#### **41. COVER FOR OFF-SITE 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: IRDAN134CP0010V01202122/A0163V01202122**

#### **42. 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 insurer's 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: IRDAN134CP0010V01202122/A0164V01202122**

#### **43. 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: IRDAN134CP0010V01202122/A0170V01202122**

#### **44. 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 damaged section was issued.

**UIN: IRDAN134CP0010V01202122/A0171V01202122**

#### **45. 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

Loss of or damage to vehicles licensed for general road use or waterborne vessels or aircraft.

**UIN: IRDAN134CP0010V01202122/A0172V01202122**

#### **46. 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: IRDAN134CP0010V01202122/A0173V01202122**

#### **47. DESIGN DEFECT LIABILITY AS PER MUNICH RE WORDINGS (DE4)**

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: IRDAN134CP0010V01202122/A0174V01202122**

#### **48. 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: IRDAN134CP0010V01202122/A0175V01202122**

Provision also exists for extending the policy period and testing period during the currency of the policy.

### **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. 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.

## **11. DECLARATION CLAUSE**

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

## **12. 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.

### **13. 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.

### **14. 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.

### **15. POLICY EXTENSION ON PRO-RATA BASIS**

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

### **16. INNOCENT NON-DISCLOSURE / BREACH OF POLICY CONDITIONS**

Subject otherwise to the terms and conditions of the Policy it is hereby declared 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.

### **17. 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.

### **18. 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.

## **19. 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.

## **20. 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.

## **21. 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.

## **22. 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.

## **23. 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.

#### **24. 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 By-laws of any Municipal or Local authority provided that:

1. The amount recoverable under this extension shall not include:
  - a) The cost incurred in complying with any of the aforesaid Regulations or 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 of 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 By-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.

#### **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 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. 72 HOURS CLAUSE**

It is understood and 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.

## **27. 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.

## **28. 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.

## **29. 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 –

### **ENGG/END-101: CIVIL ENGINEERING WORKS -**

It is hereby declared and agreed, subject to the exceptions contained herein, or endorsed hereon, that this Policy is extended to cover the risks of loss or damage to property brought on to the Site of Erection for the performance of the erection contract, details of which are stated as under --

- a) All permanent Civil Engineering Works such as buildings, foundations earthwork including materials for the constructions thereon,
- b) All temporary works such as buildings, sheds

PROVIDED that the following exclusions shall apply -

- i) loss or damage directly caused by defective workmanship material, or design or wear and tear,
- ii) loss or damage directly caused by mechanical breakdown or derangement,
- iii) loss or damage directly caused by deterioration due to lack of use or obsolescence,

- iv) any loss of property either by disappearance or by shortage if such disappearance or shortage alone is revealed during and after an inventory is made,
- v) Cessation of work whether total or partial,
- vi) loss, destruction or damage of accounts, bills, currency stamps, deeds, evidence of debt, money, notes or securities.

The exclusions of loss or damage caused by (i), (ii) and (iii) above shall be limited to the machine structure or work immediately affected and shall not extend to other work or the property lost or damaged in consequence of the defect, wear & tear, breakdown, derangement or deterioration, subject to the Condition that:-

The Insured shall take all reasonable precautions in the selection of labour and to maintain in efficient condition all tools and equipments used in connection with performance of this erection contract.

Provided that all the conditions of this Policy shall apply in all respects to the Insurance granted by this extension save in so far as the same are expressly varied hereby and any reference to loss or damage in the conditions of the Policy shall be deemed to include the perils hereby insured against.

#### **ENGG/END-102: Endorsements for Fire/Explosion claims and Fire Fighting -**

- I)** Applicable for all risks including hydrocarbon-processing risks. [Complying with only **minimum Requirements** of i.e. 11A I (I to XII)].

Attached to and forming part of the Policy Number \_\_\_\_\_

Notwithstanding the conditions, provisions and other endorsements of the Policy, it is agreed and understood that the company shall indemnify the Insured in respect of any loss or damage caused by Fire/Explosion only if the following requirements are fulfilled.

- i) One portable fire extinguisher of Soda Acid or water type for every 300 sq. m of storage/erection site area or small bore hose reels as per Section 4 of F.P. Manual shall be provided. The location of fire extinguishers shall be conspicuously marked by clearly visible signs. Checking and maintenances at regular intervals shall be recorded.
- ii) Trained fire fighting squad shall be maintained for the site.
- iii) Watch and Ward facility shall be provided round the clock at the site.
- iv) One fire engine of 400 GPM x 100 PSI shall always be stationed at site.

**Note** - Not applicable to policy with Sum Insured up to Rs.50 Crores.

- v) Materials and equipments stored in buildings (sheds) or in open area shall be divided into sub-units with the value, which shall not exceed 10 % of the sum insured or Rs. 50 Crores whichever is less. Wherever value of single equipment stored exceeds this limit, its value, shall be taken as the limit. The sub-units in open area shall be separated from each other by a distance of at least 15 meters.

In case of storage buildings, firewalls of 9" thickness carried up to roof shall be erected without any wall openings between the sub-units.

- vi) Packing materials, scaffolding etc. combustible materials and liquids and explosive substances should be stored at a 30 M safe distance from other buildings, plants and stores.
- vii) Utmost attention should be paid to good house keeping such as -
  - Orderly storage;

- Periodic removal of combustible packing material, either by burning on site at a safe distance of 100 M away or removal from the site;
- **Clean - up of site atleast once a week.**

viii) Open flame work (welding, cutting etc.) requires utmost caution. All combustible materials lying about must be removed or covered.

ix) Grass and/or any other vegetation in and around the site are regularly removed.

x) 'No smoking' rules must be enforced in areas exposed to fire (stores etc.) and in the vicinity of hazardous operations.

xi) Living quarters should be well separated (100 M away) from construction site.

It is further agreed and understood that the company shall not be liable for 10 % of the claim amount subject to a minimum of Rs. \_\_\_\_ (which corresponds to the deductible for claims during the testing period) for each and every claim on account of Fire/Explosion.

**II) Applicable for all risks including hydrocarbon-processing risks (wherever discount for fire fighting facilities are granted) -**

Notwithstanding the conditions, provisions and other endorsements of this Policy, it is agreed and understood that the company shall indemnify the Insured in respect of any loss or damage caused by Fire/Explosion only if the following requirements are fulfilled.

- One portable fire extinguisher of Soda Acid or water type for every 300 sq. m storage/erection site area or small bore hose reels as per Section 4 of F.P. Manual shall be provided. The location of fire extinguishers shall be conspicuously marked by clearly visible signs. Checking and maintenance at regular intervals shall be recorded.
- One fire engine or two trailer pumps of 400 GPM x 100 PSI shall be provided for every 10,000 sq. m of largest storage site with maximum of two fire engines or 4 trailer pumps. In case of Trailer pumps vehicular arrangements shall be available for towing them.
- Static water tanks of atleast 10,000 gallons capacity shall be provided, which shall be so placed that no part of storage/erection site lies beyond 100 M of atleast 2 tanks (50 M in case of storeyed structures).

**OR**

Alternatively a temporary hydrant system with atleast 4" dia hydrant shall be laid which shall always be pressurised to 1.0 KSC from where Fire Engines/Trailer pumps can draw their supply from a double hydrant (DH). Each DH may be taken as equivalent to a static water tank described above. Pumping capacity of the general water supply shall not be less than the aggregate pumping capacity of trailer pumps and/or fire engine. Storage of general water supply shall be in excess of 1,00,000 liters.

- 36 hoses, 15 M long and 18 nozzles shall be provided to ensure that all parts of the contract works can be reached with water.
- Trained fighting squad consisting of atleast 8 persons per shift shall be maintained at the site.
- Plans giving detailed proposal shall be submitted for prior approval of the committee. The risk shall be inspected by TAC Engineers before sanctioning of above discount.
- Watch and Ward facility shall be provided round the clock at the site.

viii) Materials and equipments stored in buildings (sheds) in open area shall be divided into sub-units with the value, which shall not exceed 10% of the sum insured or Rs. 50 Crores whichever is less. Wherever value of a single equipment stored exceeds this limit, its value, shall be taken as the limit. The sub-units in open area shall be separated from each other by a distance of atleast 15 metres.

In case of storage buildings, firewalls of 9" thickness carried upto roof shall be erected without any wall openings between the sub-units.

ix) Packing materials, scaffolding etc. combustible materials and liquids and explosive substances should be stored at a 30 M safe distance from other buildings, plants and stores.

x) Utmost attention should be paid to good house keeping such as -

- Orderly storage;
- Periodic removal of combustible packing material, either by burning on site at a safe distance of 100 M away or removal from the site;
- Clean - up of site atleast once a week.

xi) Open flame work (welding, cutting etc.) requires utmost caution. All combustible materials lying around must be removed or covered.

xii) Grass and/or any other vegetation in and around the site are regularly removed.

xiii) 'No smoking' rules must be enforced in areas exposed to fire (stores etc.) and in the vicinity of hazardous operations.

xiv) Living quarters should be well separated (100 M away) from construction site.

It is further agreed and understood that the company shall not be liable for 5 % of the claim amount subject to a minimum of Rs. \_\_\_\_\_ (which corresponds to the deductible for claims during testing period) for each and every claim on account of Fire/Explosion.

#### **ENGG/END-107: ENDORSEMENT FOR TEST RUN DEFINITION IN RESPECT OF THERMAL POWER STATION:**

'Notwithstanding anything stated herein to the contrary it is hereby declared and agreed that entire Power Station machinery insured hereunder are deemed to have commenced their first test operation or test loading from the date of synchronisation of the Turbo Generator set with the grid system/bus bar provided the date of synchronisation is within 72 hours from the date of introduction of steam into turbine and shall continue till the Turbo Generator Set is operated at full load for a continuous period of 72 hours or until expiry of testing period granted under the policy whichever is earlier. If, however, the date of synchronisation exceeds 72 hours from the date of introduction of steam of the first trial operation, test loading is deemed to have commenced from the date of introduction of steam into the turbine of the Turbo Generator set.

If the trial operation/test loading is not completed within the time specified hereunder the Company may extend the period of testing on receipt of additional premium at agreed rates but in no case the total test period available under the policy shall exceed 6 months'.

#### **ENGG/END-108: ENDORSEMENT FOR TEST RUN DEFINITION FOR GAS TURBINES IN RESPECT OF COMBINED CYCLE POWER PLANT –**

Notwithstanding anything stated herein to the contrary, it is hereby declared and agreed that the Gas turbine insured hereunder is deemed to have commenced its first operation or test loading when the fuel is introduced in the combustion chamber of the Gas turbine unit.

## **ENGG/END-109: HYDROCARBON ENDORSEMENT FOR TESTING & COMMISSIONING**

### **Article 1 -**

It is warranted that the insured shall give previous notice in writing to the Company of the date of the initial start - up operation for testing of plant.

Commencing date of the initial start-up operation referred to in the preceding paragraph shall mean the date of the first introduction of feed stock or initially filled mixture of oil or Hydrocarbon for cleaning or purging or Naphtha Fuel for burning into the plant, whichever date is earlier. However the operation carried out for cleaning and purging in each individual unit will be considered a part of erection work provided such cleaning and purging work does not exceed a period of two weeks in each unit. It is however understood and agreed that during any operation whatever cleaning, purging, testing or commissioning, where hydrocarbons or Hydrogen are involved the deductible excess shall be 5 % of claim amount subject to minimum of Rs. 5,00,000/-.

### **Article 2 -**

As from the introduction of hydrocarbon/feedstock into the plant, the company shall not be liable for the loss or damage to -

- a) Catalysts unless specifically covered by separate endorsement;
- b) Reforming units due to overheating or cracking of any tubes.

**Note-** Any consequential damage to the neighboring items of plant or machinery indirectly due to cracking or overheating of tubes in reforming units is however identifiable under the policy.

- c) The insured plant due to overheating or cracking following an exothermic reaction.
- d) The insured plant due to non-observation of prescribed techniques or cutting out of safety devices and/or any liability resulting there from.

The Insurers shall only indemnify the Insured for loss or damage resulting directly or indirectly from fire and/or explosion if adequate fire fighting facilities for the insured plant are installed and rendered serviceable immediately after the completion of the rough structure of the building and before any machinery is stored and/or installed therein. All machinery and equipments shall be stored in such a manner that the value of items stored per storing unit shall not exceed Rs \_\_\_\_ and that such individual storing unit shall be at least \_\_\_\_\_ feet apart separated by fireproof walls.

Should the value per storage unit exceed Rs. \_\_\_\_ then in the event of a claim, the liability of the Company shall be in the same proportion as Rs \_\_\_\_ bears to the total value of items stored in the concerned individual storage unit as defined above.

Following **article** is to be included after excluding 2(a) above, in case the Insured desires **cover for catalyst** during testing period -

### **Article 3 -**

Catalyst valued at Rs. \_\_\_\_ are specifically covered during Hot Testing Period for any loss or damage caused by an indemnifiable loss or damage to the insured plant and/or equipment.

Each and every claim shall be subject to an excess/deductible franchise of 5 % of the value of catalysts in the system subject to a minimum of Rs.2, 50,000/- which is the Hot Testing period Excess/Deductible Franchise.

#### **ENGG/END-110: ENDORSEMENT CONCERNING STORAGE -**

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 only indemnify the Insured for loss of or damage to the Insured items during storage up to a value per storage unit not exceeding the equivalent of Rs.\_\_\_\_.

The individual storage units shall be either at least 50 m apart or separated by fireproof walls.

#### **ENGG/END-111: ENDORSEMENT REGARDING SAFETY MEASURES -**

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 only indemnify the Insured for loss, damage or liability directly or indirectly caused by flood and inundation if adequate safety measures have been taken during planning and execution of the project.

Adequate safety measures in this context shall mean that the average monthly rainfall, flood and inundation hazard as known from statistics of the competent meteorological offices for the respective month and location has been taken into account.

#### **ENGG/END-112: ENDORSEMENT REGARDING DAMAGE TO CROPS, FORESTS ETC.**

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 not indemnify the Insured for loss, damage or liability directly or indirectly caused to crops, forests and/or any cultures during the execution of the contract works.

#### **ENGG/END-114: WARRANTY CONCERNING UNDERGROUND CABLES AND PIPES -**

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 only indemnify the Insured in respect of loss of or damage to existing underground cables and/or pipes or other underground facilities if, prior to the commencement of works, the Insured has enquired with the relevant authorities about the exact position of such cables, pipes or other underground facilities.

The indemnity shall in any case be restricted to the repair costs of such cables, pipes or other underground facilities, any consequential damage being excluded from the cover.

### **ENGG/END-115: SPECIAL CONDITIONS FOR OPEN TRENCHES DURING LAYING OF PIPELINES DUCTS AND CABLES -**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the Insurers will indemnify the Insured for any loss or damage due to storm, rainfall, flood, inundation such as sanding, silting up, mudding up, erosion, collapse and floating up of pipes, ducts or cables, sustained by completely or partly excavated open trenches and/or items laid therein, upto a maximum length of \_\_\_\_ kM open trench only one loss event.

The Insured shall make sure that plugging facilities are available near the pipe ends for emergency purposes and that pipe ends exposed to flooding are plugged before any interruption during idle work periods such as nights and holidays.

### **ENGG/END-116: COVER OF LEAK SEARCH COSTS WHEN LAYING PIPELINES -**

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 also for the following items under this policy-

- a) Leak search costs following hydrostatic test (including the cost of leasing special apparatus, cost of operation and transport of such apparatus).
- b) Earthwork on a trench not damaged itself, search earthwork becoming necessary in the search for and repair of leaks, e.g. excavation, uncovering of the pipeline, backfilling.

Provided that -

the leak has been caused by an identifiable event or is attributable to faulty execution on the site, and 100 % of the welding seams have been X-rayed and any deficiencies discovered thereby have been removed properly.

Indemnity shall be

limited in the aggregate }

per testing section }

during one policy period }

Costs caused by faulty repair of welding seams shall be excluded from the cover.

### **TERRORISM DAMAGE COVERAGE ENDORSEMENT Circular: Engg/Gen /24/16/17/2002-14 Dated: 11<sup>th</sup> March, 2002**

It is hereby declared and agreed that in consideration of payment of additional premium of Rs. \_\_\_\_\_, the terrorism damage Exclusions 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 meanings/ as contained in terrorism damage exclusions warranty.

## General Exclusion

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 de facto or by any public, municipal or local authority.
- b) Nuclear reaction, nuclear radiation or radioactive contamination.
- c) Wilful act or wilful negligence of the Insured or of his responsible representative
- d) Cessation of work whether total or partial.

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 organisation(s) or government(s) committed for political, religious, ideological or similar purpose including the intention to influence any government and/or to put the public, or any section of the public in fear.

The warranty also excludes loss, damage, cost or 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

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 - Expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under Section I of this Policy can be covered by opting for the add-on cover named "TEMPORARY REPAIR"

### 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 statements 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 the 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.
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 anyone 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 benefit 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.
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

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

### **Claims Procedure**

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

#### **Claim Intimation**

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

- a) Reporting and Lodging of complaint with the local police immediately for the loss due to Terrorism /Burglary / Theft / involvement of any third party / injury or casualty/ malicious act.
- b) Take all reasonable steps within the insured's power to recover / minimize the extent of the loss or damage.
- c) Intimate us as soon as reasonably possible. Notice of claim and registration shall be done at our Toll Free Number: 1800-22-4030 /or 1800-200-4030. Alternatively you can notify your claim by sending mail to <contactclaims@universalsampo.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) Preserve the damaged or defective parts / items / assets and make them available for inspection by an official of the insurance company or surveyor /investigator appointed.
- f) Furnish all such information / proofs and documentary evidence as the surveyor / insurance company may require processing your claim.

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

- a) Insured shall do all possible loss minimization activity to reduce further loss or aggravation of loss.
- b) Insured shall not dispose / throwing away /selling / destroying any of damaged item/salvage before inspection of loss by insurer/surveyor been appointed.
- c) Insured shall furnish all necessary documents/photographs/videos and proof / evidence in relevant to their claim to surveyor / insurance company to establish their loss.
- d) Insured shall not offer promise or assurance to any third party for their loss arising out of this incident.

e) After receipt of all necessary claim documents, re-instatement bills and payment proofs, claim working with surveyor observation would be shared to insured by surveyor / insurance company for their understanding and concurrence.

f) Based on the final surveyor report, claim preferred by insured would be processed and concluded for settlement.

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

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 the specific item as per policy/electronic assets covered as per policy /electronic equipment used / been operated at locations at the time of loss)

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](mailto:contactclaims@universalsompo.com)

Level 2 - [grievance@universalsompo.com](mailto:grievance@universalsompo.com)

Level 3 - [gro@universalsompo.com](mailto: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 detection.

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. 7,500/-. 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

## Grievances

If You have a grievance about any matter relating to the Policy, or Our decision on any matter, or the claim, You can

address Your grievance as follows:

➤ **Step 1**

**a. Contact Us**

1-800-224030/1-800-2004030

**b. E-mail Address:** [Contactus@universalsompo.com](mailto:Contactus@universalsompo.com)

**c. Write to us Customer Service Universal Sampo General Insurance Company Limited**

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

**d. Senior Citizen Number:** 1800 267 4030

➤ **Step 2**

If the resolution you received, does not meet your expectations, you can directly write to our Grievance Id. After examining the matter, the final response would be conveyed within two weeks from the date of receipt of your complaint on this email id.

Email Us- [grievance@universalsompo.com](mailto:grievance@universalsompo.com)

Drop in Your concern

Grievance Cell: Universal Sampo General Insurance Co. Ltd, Unit No. 601 & 602, 6th Floor, Reliable Tech Park, Thane- Belapur Road, Airoli, Navi Mumbai, Maharashtra - 400708

Visit Branch Grievance Redressal Officer (GRO)

Walk into any of our nearest branches and request to meet the GRO

- We will acknowledge receipt of your concern immediately
- Within 2 weeks of receiving your grievance, we will respond to you with the best solution.
- We shall regard the complaint as closed if we do not receive a reply within 8 weeks from the date of our response

➤ **Step 3:**

In case, You are not satisfied with the decision/resolution of the above office or have not received any response within 15 working days, You may write or email to:

Chief Grievance Redressal Officer

**Universal Sampo General Insurance Company Limited**

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

Email : [gro@universalsompo.com](mailto:gro@universalsompo.com)

For updated details of grievance officer, kindly refer the link <https://www.universalsompo.com/resource-grievance-redressal>

➤ **Step 4.**

**Bima Bharosa Portal link :** <https://bimabharosa.irdai.gov.in/>

**Insurance Ombudsman**

You can approach the Insurance Ombudsman depending on the nature of grievance and financial implication, if any. Information about Insurance Ombudsmen, their jurisdiction and powers is available on the website of the Insurance Regulatory and Development Authority of India (IRDAI) at [www.irdai.gov.in](http://www.irdai.gov.in), or of the General Insurance Council at <https://www.gicouncil.in/>, the Consumer Education Website of the IRDAI at <http://www.policyholder.gov.in>, or from any of Our Offices.

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

**Note:** Grievance may also be lodged at IRDAI <https://bimabharosa.irdai.gov.in/>

**Contact Details**

- **Website:** [www.universalsompo.com](http://www.universalsompo.com)
- **Toll Free Numbers:** 1800-22-4030, 1800-200-4030
- **E-mail :** [contactus@universalsompo.com](mailto:contactus@universalsompo.com)

- **Courier:** Unit No. 601 & 602, 6th Floor, Reliable Tech Park, Thane- Belapur Road, Airoli, Navi Mumbai, Maharashtra - 400708
- **Registered and Corporate Office:** Universal Sampo General Insurance Company Ltd. 8th Floor & 9th Floor (South Side), Commerz International Business Park, Oberoi Garden City, Off Western Express Highway, Goregaon East, Mumbai 400063.

**INSURANCE ACT 1938 SECTION 41- Prohibition of Rebates**

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

ANY PERSON MAKING DEFAULT IN COMPLYING WITH THE PROVISIONS OF THIS SECTION SHALL BE PUNISHABLE WITH FINE WHICH MAY EXTEND TO TEN LAKHS RUPEES.

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