

CONTRACTORS' PLANT & MACHINERY INSURANCE POLICY

PROSPECTUS

INTRODUCTION

The Contractors' Plant & Machinery Insurance policy covers insured items against unforeseen and sudden physical damage by causes not excluded in the policy and covers all insured properties as specified in the schedule. The cover attaches when the properties are at the specified locations as mentioned in the policy. Such a loss or damage must necessitate immediate repair or replacement of the properties either by reimbursement of loss or replacement or reinstatement or by repair.

Similarly, such replacement or repair is applicable in cases of mobile machines" or equipment, plant & machinery is also seen in operational units.

It is here that a Contractor Plant & Machinery insurance come in as a need for the Contractor or Principal/ Owner.

WHAT DOES THIS POLICY COVER?

This applies to all risks located in territory of India.

Contractor's Plant and Machinery Policy can be issued covering equipment on "Anywhere in India basis" with following stipulations with the floater cover.

The Insurance of all types of Contractor's Plant Machinery and Equipment's (including those governed by the Motor Vehicles Act or ratable under Motor Tariff) engaged for work at any specified location in India, shall be subject to these General Regulations.

In respect of Machinery/equipment's, whether registered with RTO or not, but engaged at the Project site, the Insured, has an option either to select the Motor/Non-Motor Policy under Motor Tariff or Contractor's Plant and Machinery Policy in the Engineering Department.

OPTIONAL EXTENSIONS

Premium Bearing

1. Escalation clause
2. Express freight (air freight excluded), holiday and overtime rates of wages
3. Air freight
4. Owner's surrounding property
5. Third party liability
6. Additional customs duty
7. Transit risk
8. Floater risk
9. Dismantling & shifting
10. Immediate repair clause
11. Obsolete parts clause
12. Waiver of betterment
13. Professional fee
14. Parts undamaged clause/destruction of sound property
15. Depreciation waiver
16. Claims investigation/preparation cost
17. Loss minimization expenses
18. Additional towing charges
19. Coverage's for electrical & mechanical breakdown
20. Terrorism Cover if opted
21. Removal of Debris

ENDORSEMENT & CLAUSES

1. Insurance Of All Types Of Cranes
2. For All Types Of Imported Machinery

3. Co-Insurance Clause
4. On Account Payment
5. Agreed Bank Clause
6. Non-Vitiation Clause
7. Loss Payee Clause
8. Leased Equipments
9. Automatic Reinstatement Of Sum Insured
10. 72 Hours Clause
11. Multiple Insured Clause
12. Dg Set Endorsement (Applicable In Case Dg Set Is Covered Under **Contractor's Plant and Machinery Policy With Machinery Break Down Extension**)

EXCLUSION

- a) The Excess stated in the Schedule to be borne by the Insured in any one occurrence; if more than one item is lost or damaged in one occurrence, the insured shall not, however, be called upon to bear more than the highest single excess applicable to such items;
- b) loss 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 will be indemnifiable.
- c) loss of or damage to replaceable parts and attachment such as bits, drills, knives or other cutting edges, saw blades dies, moulds, patterns, pulverizing and crushing surfaces, screens and sieves, ropes, belts, chains, elevator and conveyor bands, batteries, tyres, connecting wires and cables, flexible pipes, joining and packing material regularly replaced;
- d) loss or damage due to explosion of any boiler or pressure vessel subject to internal steam or fluid pressure or of any internal combustion engine;
- e) loss of or damage to vehicles designed and licensed for general road use unless these vehicles are exclusively used on construction site;

- f) loss of or damage to Hull and machinery of waterborne vessels or crafts, however this exclusion shall not apply to Contractors Plant and machinery mounted on water borne vessels or crafts for the purpose of use for the contract work.
- g) loss or damage due to total or partial immersion in tidal waters;
- h) loss or damage whilst in transit, from one location to another location. (Public Liability will not be payable while Contractors Plant & Machineries are on Public Roads).
- i) loss or damage as a direct consequence of the continual influence of operation (e.g. wear and tear, corrosion, rust, deterioration due to lack of use and normal atmospheric conditions);
- j) loss or damage occurring whilst any insured item is under- going a test of any kind or is being used in any manner or for any purpose other than that for which it was designed;
- k) loss of or damage to plant and/or machinery working underground.

Note- This does not apply to Machineries used in Tunneling works.

- l) War, Invasion, act of foreign enemy, hostilities or war like operation (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 person 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.
- m) loss or damage directly or indirectly caused by, or arising out of, or aggravated by nuclear reaction, nuclear radiation or radioactive contamination.
- n) loss or damage due to any faults or defects existing at the time of commencement of this policy within the knowledge of the insured or his representatives, whether such faults or defects were known to the Company or not;
- o) loss or damage directly or indirectly caused by or arising out of or aggravated by the willful act or willful negligence of the insured or his representatives.
- p) loss or damage for which the supplier or manufacturer is responsible either by law or under contract;
- q) consequential loss or liability of any kind or description;
- r) loss or damage discovered only at the time of taking an inventory or during routine servicing.

In any action, suit or other proceeding where the company allege that by reason of the provisions of exclusions (m) to (q) above any loss, destruction or damage is not covered by this policy, the onus of proving that such loss, destruction or damage is covered shall be upon the insured.

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

In case the Terrorism cover is opted, the Terrorism damage Exclusion warranty shall not apply and have to be deleted.

NB: Terrorism Damage Coverage Endorsement

It is hereby declared and agreed that in consideration of payment of additional premium of

Rs._____, the ‘Terrorism Damage Exclusion Warranty attached to and forming part of the within mentioned policy, stands deleted. The expression/s “terrorism and/or act of terrorism” shall have the same meaning/s as contained in Terrorism Damage Exclusion Warranty.

CLAIMS PROCEDURE

In case of any Occurrence that may give rise to a claim under your policy, you must:

- a) inform us of this as soon as you can and in any event within 30 days of becoming aware of any such loss or damage. We may, at our sole discretion, condone the delay in notification of claim on merits based on the reason for delay furnished by You to Us in writing.
- b) provide such written documents and information as we may require and, if asked, include verification of particulars on oath; and
- c) take all steps within your power to minimise the extent of loss, damage or liability.
- d) preserve any property affected and make it available for us or our representatives; and
- e) inform the Police if the loss or damage has been caused by any act purporting to be an offence under the applicable laws; and forward to us every letter, writ, summons and process in relation to your claim as soon as you receive it; and
- f) advise us in writing as soon as you receive notice of any prosecution or inquest that involves you and is relevant to your claim and provide any assistance that we may reasonably require.

B) Documentation

The documents normally required to be submitted in the event of a claim are :

1. Duly completed Claim form
2. Estimate of loss
3. Invoice/ Bills/Receipts

Any other details/documents called for a specific loss

Grievance

If You have any grievance about any matter relating to the policy, or Our decision on any matter, or Our decision about Your claim, You can pursue Your grievance with

1. Our Grievance Redressal Officer

You can send Your grievance in writing by post or email to Our Grievance Redressal Officer at the following address:

Grievance cell,

Universal Sampo General Insurance Co.Ltd, Unit No. 601 & 602, 6th Floor, Reliable Tech Park, Cloud City Campus;
Gut no 31, Mouje Elthan, Thane Belapur Road, Airoli, Navi Mumbai – 400708

If you have a grievance that you wish us to redress, you may contact us with the details of your grievance through:

- Emails – grievance@universalsompo.com

- Designated Grievance Officer in each branch.
 - Company Website – www.universalsompo.com
2. The Consumer Affairs Department of IRDAI—You can register Your grievance on IRDAI’s Integrated Grievance Management System (IGMS),
 3. The Insurance Ombudsman, depending on the nature of grievance and the financial implication, if any, or
 4. The Consumer Protection Forum or the Honble Court.
 5. You can find more details about Insurance Ombudsmen at <https://www.cioins.co.in/Ombudsman>

Contact Details

- **Website:** www.universalsompo.com
- **Toll Free Numbers:** 1800-22-4030, 1800-200-4030
- **Landline Numbers:** (022)-39635200 (Chargeable)
- **E-mail:** contactus@universalsompo.com
- **Courier:** Universal Sampo General Insurance Co. Ltd, Unit No- 601 & 602 A Wing, 6th Floor, Reliable Tech Park, Cloud City Campus; Thane- Belapur Road, Airoli- 400708

INSURANCE ACT 1938 SECTION 41- Prohibition of Rebates

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

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

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