

INDUSTRIAL ALL RISK INSURANCE POLICY

PROSPECTUS

Universal Sampo General Insurance Company introduces the IAR policy which is a true "All Risks Policy" for operational risks. It is more competitive as compared to the present named perils operational policies which have a limited scope of cover. In an "All Risks" cover all fortuitous mishaps are insured barring a few named exclusions.

Benefits

- Umbrella Cover
- Economical Rate of Premium
- Option for Higher than standard deductible in return of liberal discounts in premium rate.
- Grey Area claims eliminated altogether
- Insulation against all possible aspects of risk exposure which may have been overlooked inadvertently.
- Covers eventualities which cannot be taken care of by any of the present operational policies

Eligibility

Industrial Units - Both manufacturing as well as Storage Units. (Excluding Petroleum Refineries, Petrochemical and Fertiliser Plants)

Overall Sum Insured of Rs. 50 crores and above in one or more locations in India.

Scope of Cover

The IAR policy is a true "All Risks" operational policy as compared to the present named perils operational policies which have a limited scope of cover. In an "All Risks" cover all fortuitous mishaps are insured barring a few named exclusions. The possible perils insured against are as follows:

A) Material Damager Section

1) Fire & Allied Perils

- Fire
- Lightning
- Riot, Strike, Malicious Damager
- Terrorism
- Explosion/ Implosion
- Impact Damage
- Aircraft Damage
- Storm, Typhoon, Hurricane, Tornado, Flood and Inundation.
- Impact damage.
- Subsidence and landslide including Rock slide.
- Bursting and overflowing of water tanks, apparatus and Pipes.
- Missile testing operations.
- Leakage from Automatic Sprinkler Installation.
- Bush Fire.

- Earthquake, Fire & Shock
- Leakage and Contamination
- Spoilage Material damage following operation of Insured Peril
- Subterranean Fire
- Spontaneous Combustion
- Forest Fire
- Deterioration of Stock following FOES
- Sprinkler Leakage

2. Theft & Burglary (other than Larceny)

3. Transit Risk inside insured premises

4. Boiler & Pressure plant insurance

- Explosion/implosion due to its own working
- Explosion due to Smelt water reaction for waste heat boiler
- Flue Gas Explosion

5. Machinery Insurance

- Mechanical & Electrical Breakdown

B) Business interruption Section

1. Loss of profit following fire and allied perils

Loss of profit following claims under machinery insurance, boiler& pressure plant insurance or Electronic Equipment Insurance (Optional)

Optional Extensions

Add On Covers

1. Delay indemnity clause
2. Lay off and retrenchment compensation
3. Malicious damage including acts caused by own employees
4. Tenants's fire legal liability
5. Dewatering and removal of slush/foreign objects
6. Hindrance of access/ingress/egress clause/ port blockage
7. Unrepaired damage
8. Cover for refractory materials and or refractory materials in heat recovery steam generators and boilers (mbd)
9. Coinsurance deficiency
10. Deferred payments
11. Damage to building (occasioned by theft)
12. Exploratory costs

13. Repeat tests
14. Tenants' improvements
15. Start-up / shut-down cost
16. Crisis management
17. Professional accountants
18. All other contents clause
19. Extra expenses
20. Destruction costs cover/undamaged property cover
21. Unpacking expense clause
22. Loss of rent due to damage of tank, godowns, gas holders, bullets etc
23. Undamaged stock and loss on re-sale
24. Capital equipment for floater coverage
25. Damage to leased buildings and equipment
26. Broad water damage
27. Accidental discharge of gas flooding systems
28. Delay in repair clause
29. Fees, contributions and imposts
30. Auditor's clause
31. Extension to cover loss due to accidental failure of public electricity/gas/water supply
32. Extension to cover suppliers' premises
33. Extension to cover customers' premises
34. Inhibition cost
35. Pig retrieval
36. Repair of minor damages
37. Landscaping
38. Condominium broad coverage
39. Buildings & fitouts in course of construction and machinery in course of installation
40. De3 limited defective conditions exclusion
41. Delay in opening clause ((applicable for assets which were covered for the transit portion under marine policies with universal sompo general insurance company limited)
42. Contingent expenses
43. Research and development
44. Uninsured standing charges clause
45. Electrical apparatus clause/electrical installation clause
46. Accidental leakage & spillage
47. Additional extra cost of reinstatement
48. Appraisalment
49. Cost of re-erection
50. Fusion damage
51. Property under construction, erection & installation
52. Property at contractors' and subcontractors' premises clause
53. Salvage
54. 100% payroll cover
55. Additional costs
56. 20% plus provisional clause
57. Automatic cover for unspecified locations

58. Claim preparations costs
59. Non-invalidation
60. Inadvertent omission
61. Capital additions
62. New acquisitions / merger and acquisition
63. Automatic cover for new location
64. Minor works
65. Preparation of lost records/valuable papers and records clause /cost of re-writing records clause
66. Expediting expenses
67. Deliberate damage
68. Additional customs duty clause
69. Trace and access
70. Leak search & finding cost
71. Catalysts and consumable interests in process
72. Sprinkler up-gradation cost
73. Vehicle load clause
74. Cost of clearing drains clause
75. Property not on the insured premises/offsite premises
76. Pair and set clause
77. Property testing & commissioning clause
78. Property in transit
79. Margin clause
80. Temporary removal (excluding stocks)
81. Water damage clause
82. Smoke damage
83. Accidental damage cover clause
84. Archives
85. Involuntary betterment clause
86. Customers goods clause
87. Exhibition, exposition, fair or trade show
88. Fine art /works of art
89. Vessel impact to jetty
90. Change in temperature or humidity and accidental interruption of or interference with power, heat, air conditioning or refrigeration
91. Machinery or equipment start-up option
92. Off premises storage for property under construction
93. Demurrage charges
94. Additional rent data processing and ancillary equipment
95. Public relations expenses
96. Spare parts
97. Fines, penalties and damages
98. Public liability
99. Obsolete parts
100. Damages to underground services
101. Temporary repairs

102. Temporary structures, plant and equipment
103. Sue and labour charges
104. Service interruption property damage
105. Un-occupancy clause
106. Errors, omission and mis-description clause
107. Contract work
108. Brand or trademarks
109. Civil authority clause/demolition and increased cost of construction/building ordinance
110. Property in course of construction
111. Consequential reduction in value
112. Statutory duties
113. Additional increased cost of working
114. Impounded water
115. Protection and preservation of property business interruption
116. Additional carrying or lifting equipment hiring charges:
117. Accounts receivable
118. Lawns, plants, shrubs or trees
119. Master key coverage
120. Metered water
121. Molten metal spillage cover
122. Soft costs
123. Automatic reinstatement of sum insured following loss
124. Personal effects clause/property of employees and visitors
125. Tax treatment of profits
126. Group interdependency
127. Mould and fungi cover
128. Waiver of under insurance
129. Industries, seepage, pollution and contamination clause/decontamination and cost of clean up
130. Royalty
131. Waiver of subrogation

Clauses

1. Appraisal clause
2. Outage clause
3. Bankruptcy clause
4. Workmen allowed/workmen's clause
5. Heating and power clause
6. Automatic reinstatement of sum insured following a loss
7. Outbuilding clause
8. Aggravation clause
9. Overhauls
10. Undamaged foundations/assets
11. Recoveries

12. Currency devaluation
13. No control clause
14. Automatic extension clause / tacit renewal
15. Currency conversion
16. Currency clause
17. Tenants/ tenants and concessionaires clause
18. Contracting purchasers' interest
19. Joint excess loss committee information technology hazards clause
20. Loss of keys/changing locks
21. Accumulated stock clause
22. Fraud and forfeiture clause
23. Undamaged ancillary and / peripheral equipment clause
24. Power banking clause
25. Dissimilar property
26. Interruption by civil authority extension
27. Machinery and plant undamaged parts
28. New business clause
29. Alternative basis clause
30. Master key coverage
31. Special warranties regarding coal stocks
32. Spare rotor warranty
33. 50 : 50 clause (applicable for assets which were covered for the transit portion under marine policies of universal sompo and other marine policies carrying 50 :50 clause)
34. Public authority
35. Local authorities clause
36. Innocent non disclosure / breach of policy conditions
37. Alternative trading clause
38. Coinsurance clause
39. Aggravation clause
40. Agreed bank clause
41. Contract price
42. Cancellation clause
43. Declaration clause
44. Goods held in trust
45. Boiler & machinery clause
46. Divisible control
47. Immediate repairs
48. Loss Minimization Expenses/Protection and Preservation of Property Clause/Inhibition Cost
49. Control of Damage Property
50. Departmental Clause
51. Primary and Non Contributory Cover
52. Expiration Clause
53. On Account payments Clause
54. Additional interests Clause
55. Hire Purchase or Lease Agreements / Interest of Other Parties - Clause
56. OEM Parts Clause

57. Non - Vitiation Clause
58. Green Clause
59. Fire Fighting Expenses Clause
60. Properties under Consignment, Care, Custody and Control - Clause
61. Notice of loss Clause
62. Loss Payee Clause
63. Dewatering expenses Clause
64. Waiver of Contribution Clause
65. Internal Decoration Fixtures and Fittings
66. Minimum Demand Charges
67. Interdependency Cover

Exclusions

The intangible but more correct way of viewing such a policy is through its exclusions. In effect, save the few listed exclusions all accidental or damages are covered.

Material Damage Section

A) Excluded causes

- Faulty or defective design or workmanship
- Inherent vice, latent defect
- Gradual deterioration, wear and tear
- Interruption of water supply, gas, electricity or fuel systems
- Failure of effluent disposal systems
- Collapse or cracking of building
- Corrosion, rust, fungus, shrinkage, pollution
- Action of light, vermin, insects
- Larceny
- Acts of fraud and dishonesty
- Inventory losses
- Coastal and river erosion
- Wilful act or wilful negligence
- Cessation of work
- War, invasion, mutiny, civil commotion
- Permanent or temporary dispossession resulting from requisition by lawful authority
- Destruction by order of public authority
- Nuclear weapons material, ionising radiations

B) Excluded property

- Money, cheques and other valuable documents unless specifically mentioned in the policy.
- Goods held in trust or on commission unless specifically mentioned in the policy
- Vehicles licensed for road use
- Property in transit other than that within the insured
- Property in course of demolition, construction or erection

- Land (including top soil) back fill, drainage or culverts, roads, runways, railway lines, reservoir, canals, tunnels, bridges, piers unless specially covered
- Livestock, growing crops or trees
- Property damaged as a result of its undergoing any process
- Property undergoing alteration, repair, testing, or servicing if damage thereto directly attributable to the operations of work performed thereon

However, if a damage ensue from any of these reason such ensuring damage is covered subject to policy conditions.

Interruption Insurance Section

The policy does not cover loss resulting from interruption of or interference with the business directly or indirectly from-

- Any restriction or reconstruction or operation imposed by any public authority
- Lack of sufficient capital to ensure timely restriction of normalcy
- Suspension, lapse or cancellation of a lease license or order
- Damage to boilers, economisers, turbines or other vessels where pressure is used resulting from their explosion implosion
- Damage to electronic equipment, computers
- Mechanical breakdown or derangement of machinery

These exclusions are to be deleted in case MLOP cover is opted for.

Favorable Features

1. Better coverage

- Transit risk cover with compound available
- Cover provided for equipments and machinery send for repairs outside the premises for a limit of 60 days
- No deduction on account of depreciation from claim amount for damage , whether total or partial
- 15% underinsurance has been allowed without affecting claim amount.
- LOP due to burglary and other accidental damage cover
- Standard time excess under MLOP reduced

2. Administrative control

- The cover is in widest form
- Single policy document

Risk located in various places can be covered under a single policy

SUM INSURED

Material Damage Section

- Building, plant, machinery and other fixed assets - at Reinstatement value basis
- Stock and other Current assets - at Market Value

Business Interruption Section

- Turnover less variable Charges

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

Grievances

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@universalsampo.com
 - Designated Grievance Officer in each branch.
 - Company Website – www.universalsampo.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 Court.

5. You can find more details about Insurance Ombudsmen at www.ecoi.co.in or www.irdai.gov.in.

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.