

MACHINERY BREAKDOWN INSURANCE POLICY - RETAIL

POLICY WORDING

WHEREAS the Insured named in the schedule hereto by a proposal and declaration, which shall be the basis of this contract and is deemed to be incorporated herein has applied to the UNIVERSAL SOMPO GENERAL INSURANCE CO. LTD. (hereinafter called the company) for the Insurance hereinafter contained and has paid the premium as consideration for such Insurance in respect of accident or damage occurring during the period of Insurance stated in the schedule or during any subsequent period for which the Insured pays and the Company may accept the premium for the renewal of the Policy.

NOW THIS POLICY OF INSURANCE WITNESSETH that subject to the terms, exceptions, exclusions, provisions and conditions contained herein or endorsed hereon, the company will at its own option by payment or reinstatement or repair indemnify the Insured against unforeseen and sudden physical damage by any-cause not hereinafter excluded to any insured property specified in the attached schedule (s) whilst in the premises therein mentioned necessitating its immediate repair or replacement. This Policy shall apply to the insured items after successful completion of their performance/acceptance tests, whether they are at work or at rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the premises, or during subsequent re-erection. The liability of the Company for any one item of the Insured property shall not exceed in the aggregate in any one period of Insurance the Sum Insured set against such item in the attached schedule(s), unless the Sum Insured under such item is reinstated after occurrence of a claim for balance period.

1.1 GENERAL EXCEPTIONS

THE COMPANY SHALL NOT BE LIABLE UNDER THIS POLICY IN RESPECT OF:

1. Loss, damage and/or liability caused by or arising from or in consequence, directly or indirectly of fire including extinguishments of a fire or clearance of debris and dismantling necessitated thereby smoke, soot, aggressive substance, lightning explosion of any kind (other than bursting or disruption of turbines, compressors, cylinders of steam engines, hydraulic cylinders or flywheels or other apparatus subject to centrifugal force, internal pressure) theft, collapse of building, subsidence, landslide, rockslide, water which escapes from water containing apparatus, flood, inundation, storm, tempest, earthquake, volcanic eruption or other Acts of God, impact of land borne or water borne or airborne

craft or aerial devices and/or articles dropped there from. Any loss or damage by fire within the electrical appliances and installation insured by this Policy arising from or occasioned by overrunning, excessive pressure, short circuiting, arcing, self heating or leakage of electricity from whatever cause (lightning included) is covered; provided that this extension shall apply only to the particular electrical machine; apparatus fixtures fittings or portions of the electrical installation so affected and not to other machines apparatus fixtures fittings or portions of the electrical equipment which may be destroyed or damaged by fire so set up.

2. Loss, damage and/or liability caused by or arising from or in consequence, directly of:
 - a) War, invasion, Act of foreign enemy, Hostilities or war like operations (Whether war be declared or not). Civil war, rebellion, revolution, Insurrection, Mutiny, Riot, Strike, Lockout and Malicious Damage, Civil Commotion, Military or Usurped Power, Martial Law, Conspiracy, Confiscation, Commandeering by 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.
3. Accident Loss/damage and/or liability resulting from overload experiments or tests requiring imposition of abnormal conditions.
4. Gradually developing flaws, defects, cracks or partial fractures in any part not necessitating immediate stoppage, although at some future time repair or renewal of the parts affected may be necessary.
5. Deterioration of or wearing away or wearing out of any machine caused by or naturally resulting from normal use or exposure.
6. Loss, damage and/ or liability caused by or arising out of the willful act or willful neglect or gross negligence of the insured or his responsible representatives.
7. Liability assumed by the insured by agreement unless such liability would have attached to the insured notwithstanding such agreement.

8. Loss, damage and/or liability due to faults or defects existing in at the time of commencement of this insurance and known to the Insured or his responsible representatives but not disclosed to the Company.
9. Loss of use of the Insured's plant or property or any other consequential loss incurred by the Insured.
10. Loss, damage and /or liability due to explosion in chemical recovery, Boilers, other than pressure explosion for eg. Smelt, chemical, ignition, Explosion etc.

1.2 SPECIAL EXCLUSIONS

The Company shall not be liable for: -

1. The Excess, as stated in the Schedule, to be first borne by the insured out of each and every claim; where more than one item is damaged in one and the same occurrence, the insured shall not, however, be called upon to bear more than the highest Excess applicable to any one such item;
2. Loss of or damage to belts, ropes, chains, rubber tyres, dies, moulds, blades, cutters, knives or exchangeable tools, engraved or impression cylinders or rolls; objects made of glass, porcelain, ceramics, all operating media (e.g. lubricating oil, fuel, catalyst, refrigerant, dowtherm) felts, endless conveyor belts or wires; sieves, fabrics, heat resisting and anti- corrosive lining and parts of similar nature, packing material, parts not made of metal (except insulating material) and non-metallic lining or coating of metal parts."
3. Loss or damage for which the manufacturer or supplier or repairer of the property is responsible either by law or under contract; In any action, suit or other proceeding where the Company alleges that by reason of the exceptions or exclusions 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.

2 PROVISIONS

2.1 SUM INSURED:

It is a requirement of this Insurance that the Sum Insured shall be equal to the cost of replacement of the insured property by new property of the same kind and same capacity which shall mean its replacement cost including freight and customs duties, if any, and erection costs.

2.2 BASIS OF INDEMNITY:

a) In cases where damage to an insured item can be repaired, the Company will pay expense necessarily incurred to restore the damaged machine to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues if any to the extent such expenses have been included in the Sum Insured. If the repairs are executed at a workshop owned by the Insured the Company will pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced except for

- 1) Wear and tear parts and
- 2) Parts for which manufacturers have specified a fixed life for use and the like but the value of any salvage will be taken into account. If the cost of repairs as detailed herein above equals or exceeds the actual value of the machinery insured immediately before the occurrence of the damage the settlement shall be made on the basis provided for in (b) below.

b) In cases where an insured item is destroyed the Company will pay the actual value of the item immediately before the occurrence of the loss including costs for ordinary freight erection and customs duties if any provided such expenses have been included in the sum insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the item. The Company will also pay any normal charges for the dismantling of the machinery destroyed but the salvage will be taken into account. Any extra charges incurred for overtime, night-work, work on public holidays, express freight, are covered by this insurance only if especially agreed to in writing.

In the event of the maker's drawings patterns and core boxes necessary for the execution of a repair not being available the Company shall not be liable for the cost of making any such drawings patterns and core boxes. The cost of any alterations, improvements or overhauls shall not be recoverable under this Policy. 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.

If the Sum Insured is less than the amount required to be insured as per Provision 1 herein above, the Company

will pay only in such proportion as the Sum Insured bears to the amount required to be insured. Every item if more than one shall be subject to this condition separately.

The company will make payments only after being satisfied, with the necessary bills and documents that the repairs have been affected or replacement have taken place, as the case may be. The company may, however, not insist for the bills and the documents in case of total loss where the insured is unable to replace the damaged equipments for the reasons beyond their control. In such case claims can be settled on indemnity Basis.

2.3 INSPECTION OF TURBINES AND TURBO-GENERATORS

All Mechanical and Electrical parts of any steam turbine, gas turbine, water turbine or generator up to 30,000 KW shall be inspected and overhauled thoroughly under the supervision of Maker's representatives or any competent agency in the field, in a completely opened up state at least every 2 yrs: for turbine and generators exceeding 30,000Kw such inspection and overhaul shall take place after 32,000 hours of operation or every four years.

The cost of inspection and overhauling shall be borne by the Insured and a copy of the Report issued by the Maker's representative or competent agency on such inspection and overhauling shall be furnished to the Company immediately after the work has been carried out.

The Insured shall arrange for these regular inspections in such a way as to enable the company's representative to be present at the inspection at their own expenses. The Company shall be notified at least seven days in advance of the commencement of any overhauling necessary according to expert opinion.

If the insured fails to comply with the requirements of this condition, the Company shall be free from all liability for loss or damage caused by any circumstances, whatsoever. The insured may apply for an extension of the period between any two regular inspections, and such extension shall be considered if in the opinion of the Company, the risk is not aggravated thereby.

2.4 CONDITIONS:

- a. This Policy and the attached Schedule(s) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of the attached Schedule (s) shall bear the same meaning wherever they may appear.

- b. If a claim is in any respect fraudulent or if any false declaration is made or used in support thereof or if any fraudulent means or devices are used by the insured or any one acting on his behalf to obtain any benefit under this Policy or if a claim is made and rejected and no action, or suit is commenced within three months after such rejection or in case of arbitration taking place as provided herein within three months after the arbitrator or arbitrators or umpire have made their awards, all benefit under this Policy shall be forfeited.
- c. 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 for indemnity or damage or otherwise and shall have full discretion in the conduct of any proceeding or in the settlement of any claim and the Insured shall give such information and assistance as the Company may require.
- d. The due observance and fulfillment of the terms, provisions and conditions of and endorsement on 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 said proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.

2.5. OBLIGATIONS OF THE INSURED :

- a) The Insured shall take all reasonable steps to maintain the insured property in efficient working order and to ensure that no item is habitually or intentionally over loaded. The Insured shall fully observe the manufacturers instructions for operating, inspection and overhaul, as well as government, statutory municipal and all other binding regulations in force concerning the operation and maintenance of the insured plant and machinery.
- b) The Company's Officials shall at all reasonable times have the right to inspect and examine any property insured hereunder and the Insured shall provide the Officials of the Company with all details and information necessary for the assessment of the risk. The Company shall provide the Insured with a copy of the inspecting Official's report; which shall however be treated as strictly confidential both by the Insured and the Company.
- c) **In the event of any;**
 - i) Material change in the original risk
 - ii) Alteration, modification or addition to an insured item
 - iii) Departure from prescribed operating conditions, whereby the risk of loss or damage increases
 - iv) Changes in the Insured's interest (such as discontinuation or liquidation of the business or being placed in receivership) taking place, the Policy shall be void unless its continuance be agreed by

endorsement signed by the Company

2.6. DUTIES FOLLOWING AN ACCIDENT:

- a) In the event of any occurrence which might give rise to a claim under this Policy the Insured shall; Immediately notify the Company by telephone or telegram as well as in writing giving an indication as to the nature and extent of loss or damage;
- b) Take all reasonable steps within his power to minimize the extent of the loss or damage;
- c) Preserve the damaged or defective parts and make them available for inspection by an official or surveyor of the Company.
- d) Furnish all such information and documentary evidence as the Company may require.

The Company shall not be liable for any loss or damage of which no notice and completed claim form have been received by the Company within Fourteen days of its occurrence.

Upon notification of a claim being given to the Company the Insured may proceed with the repair of any minor damage not exceeding Rs.2, 500/- provided that the carrying out of such repair is without prejudice to any question of liability of the Company and that any damaged part requiring replacement is kept for inspection by the Company, but in all other cases representative of the Company shall have the opportunity of inspecting the damage before any alterations, repairs or replacement are effected. Nothing contained herein shall prevent the Insured from taking such steps as are absolutely necessary to maintain the operation of the plant.

The liability of the Company under this Policy in respect of any item of property sustaining damage, for which indemnity is provided, shall cease if the said item is kept in operation without being repaired to the satisfaction of the Company.

2.7. OTHER INSURANCE:

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

2.8. POSITION AFTER A CLAIM:

- a) The Insured shall not be entitled to abandon any property whether taken possession of by the

Company or not.

- b) As from the day of the loss the Sum Insured for the remainder of the period of Insurance is reduced by the amount of the compensation. To prevent under insurance during the remainder of the current period of insurance the amount insured must be reinstated. The premium will be calculated pro-rata from the day repaired item is again put to work. For subsequent period of insurance the original indemnity and premium are again in force unless circumstances justify an alteration

2.9. TRANSFER OF INTEREST:

The Insurance granted by this Policy shall cease to attach to any items described in the Schedule the interest in which shall pass from the Insured otherwise than by will or operation of law. Unless the consent of the Company for the continuance of the Insurance shall be obtained and signified by endorsement hereon.

2.10. TERMINATION OF INSURANCE:

This insurance may be terminated at any time at the request of the insured, in which case the Company will retain the premium calculated at the customary short period rate for the time the Policy has been in force. This insurance may also at any time be terminated at the option of the Company by 15 days notice to that effect being given to the insured, in which case the Company shall be liable to repay on demand a ratable proportion of the premium for the unexpired term from the date of the cancellation.

2.11. RECOURSE:

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 enforcing any right 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 of 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.

2.12. ARBITRATION:

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

CLAUSES WORDINGS

1. CARDING MACHINES IN TEXTILE INDUSTRY –

It is hereby declared and agreed that notwithstanding anything stated in the policy to the contrary, any loss or damage to card fillets, Needles and Magnetic tapes of Knitting Machines is excluded under the policy.

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

2. FURNACE ENDORSEMENT –

a) INDUCTION FURNACE -

The Induction Furnace should be covered subject to the following endorsement, which should be compulsorily used in case of all Induction Furnaces -

‘It is hereby declared and agreed that the damage to the refractory lining due to any cause is specifically excluded’.

b) ELECTRICAL FURNACES -

i) It is hereby declared and agreed that any damage to crucibles and refractory linings due to any cause is excluded under the policy.

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

ii) It is hereby declared and agreed that any damage to induction coils/heating element of electric furnace will be subject to 25 % depreciation per year or part thereof subject to a maximum depreciation of 75 %.

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

iii) Warranted that the refractory linings are examined each time the furnace is recharged and linings renewed, if any defects are apparent. Further, the linings are, in any event, replaced periodically in accordance with the Maker's recommendations.

3. DG SET ENDORSEMENT

It is hereby declared that any loss or damage payable under the policy to the cylinder head, liner and piston of the Diesel/oil engines insured here will be indemnified subject to –

- a. 15 % depreciation per annum be made applicable to the Turbo-charger subject to a maximum of 75 %.
- b. Turbo-charger cannot be insured in isolation.

4. REDUCTION GEAR BOX –

It is hereby declared and agreed that all claims pertaining to reduction Gear Box will be subject to depreciation at the rate of 15 % per year or part thereof subject to a maximum depreciation of 75 %.

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

5. PATTERNS AND CORE-BOXES –

It is hereby declared and agreed that in the event of an accident, for which the Insurer is liable under the Policy, involving the replacement of a casting for which no patterns are available, the Insured shall bear the cost of making patterns and core boxes, the Insurer's liability being for the making of the casting itself.

6. EXPELLERS/EXPELLERS GEARS –

- a) Expellers - It is hereby declared and agreed that any damage to the following parts of Oil Expellers viz., ball bearing, roller bearing, thrust bearing and bush bearing of all types are specifically excluded from the scope of cover.

Subject otherwise to the terms and conditions of the policy.

7. Expeller Gears –

It is hereby declared and agreed that all claims pertaining to Gears will be subject to depreciation at the rate of 15 % for every year or part thereof subject to a maximum depreciation of 75 %.

Subject otherwise to the terms and conditions of the policy.

8. PLASTIC EXTRUDERS/INJECTION MOULDING MACHINES –

It is hereby understood and agreed that the Insurance by this policy does not cover any loss or damage to the dies, moulds and heating elements used on the Plastic Extruder/Injection Moulding Machines.

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

9. ALTERNATE WORKING –

Warranted by the Insured that except when the load is being transferred from one machine to another the No. ____ etc. insured under this policy shall only work alternately with No. ____ etc. Insured under this policy.

The plant may be turned over periodically for maintenance purpose only.

If the plant is to be used otherwise than as above the Insured shall forthwith notify the Insurer and pay such additional premium as may be required by the Insurer failing which the Insurer's liability thereon shall cease.

10. STAND-BY MACHINERY –

Warranted by the Insured that any item of machinery marked 'STANDBY' in the Schedule of machinery shall not be worked at the same time as the machine to which it is standby except for the period when the load is being transferred from one to the other.

Provided that the standby machine may be turned over periodically for maintenance purpose.

Provided always that if the standby machine shall be used otherwise than as above the Insured shall forthwith notify the insurer and pay such additional premium as may be required by the Insurer failing

which the Insurer's liability thereon shall cease.

11. BAKERIES –

It is hereby declared and agreed that any damage to whisks, dough hook and beaters of dough mixers are specifically excluded from the scope of cover.

12. GAS WORKS PLANTS –

It is hereby declared and agreed that any damage to underground piping is specifically excluded from the scope of cover.

13. FOR ALL TYPES OF IMPORTED MACHINERY –

The indemnity provided by the policy does not extend to include cost incurred/time involved in the movement of machinery and/or any other property insured hereunder and/or personnel outside the territorial limits of India other than the cost of delivery or replacements for machinery lost or damaged.

14. (A) GLASS AND GRAPHITE EQUIPMENTS –

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon indemnity granted by this policy in respect of equipment/apparatus made out of Glass/Graphite described under item No(s) _____ of the Schedule is restricted to cover losses due to accidental damage or external impact and not any loss or damage arising out of wear and tear, general usage and/or cracking of the insured item due to continuous working and/or fatigue.

15. (B) GLASS LINED VESSELS-

It is hereby declared and agreed that the indemnity granted by this policy in respect of glass lined production plant described in the Schedule is restricted to cover losses due to accidental damage or external impact and not any loss or damage arising out of wear and tear, general usage and/or

cracking of the glass lining due to continuous working and/or fatigue subject otherwise to the terms, exceptions, conditions and limitations of the Policy.

Provided, however, that depreciation at the rate of 10% for every year of operation shall be deducted in respect of all claims arising out of perils covered in form of this endorsement subject to maximum depreciation of 75% in addition to other terms and conditions

16. INSURANCE OF ROPES IN LIFTS, CRANES AND ROPEWAYS –

It is understood and agreed that insurance by this policy shall include sudden and unforeseen damage to rope resulting in their actual and complete severance. It shall not include breakage or abrasion of wire or strand of ropes/slings although replacement is necessitated thereby.

Provided that the amount indemnifiable in respect of items thus affected is depreciated at an annual rate to be determined at the time of loss, this rate being not less than 15 % per annum subject to a maximum of 75 %.

17. WIND TURBINES ENDORSEMENT –

Notwithstanding anything to the contrary stated in the policy, this policy covers accidental loss/damage to the blades of the Wind Mills whether metallic or non-metallic.

18. REFRACTORY MATERIALS IN BOILERS –

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the Insurer shall indemnify the Insured for loss of or damage to refractory materials in item(s) _____ Nos. _____ contained in the schedule of the policy, caused by an indemnifiable accident to the above named items subject to depreciation of the amount indemnifiable in respect of the items thus affected, at the time of loss. This rate being not less than 20 % per annum but not more than 80 % in total.

19. DEPRECIATION ADJUSTMENT FOR COMPONENTS ALONG THE HOT GAS PATH OF GAS TURBINES –

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the following shall apply to this Insurance -

In the event of an indemnifiable accident occurring to a component or components in the hot gas path, which have a life expectancy appreciably shorter than that of the gas turbine, the amount indemnifiable in respect of the items thus affected shall be depreciated. The amount payable shall be calculated by taking the expired life (EL) in equivalent working hours of the Component at the time of occurrence, and the normal life expectancy (NLE) in hours of the Component according to the latest specification issued by the manufacturer and then applying them in the relationship $(1 - EL/NLE)$ to the total replacement costs of the Component.

Should the normal life expectancy for any component or components indicated by the manufacturer be found to be in conflict with the operational and/or claims experience, an agreement on more realistic component life expectancies shall be reached between the Insured and the Insurer and shall supercede such advices of the manufacturer.

20. OVERHAUL OF PLATEN PRESSES –

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the following shall apply to this Insurance in respect of item(s) No(s) contained in the specification of the policy.

The Insured shall arrange at his own expense an overhaul (the Insured shall inform the Insurer of such an overhaul in good time so that the Insurers' representatives may be present during the overhaul at the Insurers' expense) of all highly stressed parts of platen presses as well as an inspection by an expert in non-destructive testing and shall supply the insurers with reports on this overhaul and inspection. The expert shall determine the date of the next overhaul. Such overhauls/inspections shall take place at intervals of at least 12 months.

These provisions shall apply regardless of the commencement date of the insurance cover.

The Insured may apply for an extension of the period between overhauls. Such extension shall be granted if in the opinion of the Insurers the risk is not aggravated thereby.

If the Insured fails to comply with the requirements of this Endorsement, the Insurers shall be free from all liability for loss or damage caused by any circumstance which could have been detected had an overhaul taken place.

21. OVERHAUL OF ELECTRIC MOTORS (ABOVE 750 KW FOR MOTORS WITH 2 POLES AND ABOVE 1,000 KW FOR MOTORS WITH 4 AND MORE POLES) –

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, the following shall apply to this Insurance in respect of item(s) No(s) contained in the specification of the policy.

The Insured shall arrange at his own expense an overhaul (the Insured shall inform the Insurer of such an overhaul in good time so that the Insurers' representatives may be present during the overhaul at the Insurers' expense) in a completely opened-up state after 8,000 hours of operation or after 500 start-ups or at least after two years following the last overhaul.

New electric motors shall be overhauled after 2,000 hours or at least after one year of operation. The insured shall supply the Insurers with reports on this overhaul. These provisions shall apply regardless of the commencement date of the insurance cover.

The Insured may apply for an extension of the period between overhauls. Such extension shall be granted if in the opinion of the Insurers the risk is not aggravated thereby.

If the Insured fails to comply with the requirements of this Endorsement, the Insurers shall be free from all liability for loss or damage caused by any circumstance, which could have been detected, had an overhaul taken place.

22. COINSURANCE 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 Co-insurance Schedule:

SN	Name of the Insurer	Share (%)
	(Lead Insurer)	
	(Co-insurer)	
	(Co-insurer)	
	(Co-insurer)	
	(Co-insurer)	

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 vide sr. Nos. of the co-Insurance schedule as in point no. 2 under the policy.
- 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 co-insurance 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 co-insurance 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 co-insurance 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 co-insurance 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 3.1 above and listed in the co-insurance 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 any 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 co-insurer/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 co-insurance clause.

In witness, whereof, this policy has been signed by Universal Sampo General Insurance Company (Lead Insurer) for itself and as authorized agents for other participating insurers named herein

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

23. INNOCENT NON DISCLOSURE / BREACH OF POLICY CONDITIONS

The Insurer will not avoid this Insurance on account of non disclosure, misdescription or misrepresentation of facts or breach of policy conditions where the same have been proved to be innocent and free of any fraudulent conduct or intent to deceive.

It is understood that any deliberate act omission statement misstatement or breach of policy conditions on the part of any individual Insured which may vitiate any claim or render the insurance void shall have such effect only as to the respective rights and respective interest of that particular Insured and shall not prejudice the respective rights and respective interests of any other Insured under this Policy.

24. ON ACCOUNT PAYMENT CLAUSE

It is hereby declared and agreed that progress payment on account of any loss recoverable under this Policy will be made to the Insured at such stages as may be mutually agreed upon if desired by the Insured and on production of an interim report and recommended payment on account amount by the loss adjuster (if appointed) that such payments are deducted from the final agreed claim settlement figures.

Subject otherwise to the terms, exceptions and conditions of the Policy.

25. FREE AUTOMATIC REINSTATEMENT OF SUM INSURED

It is understood & agreed that in the event of a claim, clause 2.8 b of the policy – (POSITION AFTER A CLAIM) stands amended to read as under –

b) As from the day of the loss the Sum Insured for the remainder of the period of Insurance is reduced by the amount of the compensation. To prevent under insurance during the remainder of the current period of insurance the amount insured must be reinstated. The premium will be calculated pro-rata from the day repaired item is again put to work. For subsequent period of insurance the original indemnity and premium are again in force unless circumstances justify an alteration. This provision is waived for claims up to 10% of the Sum Insured against each item, for which no additional reinstatement premium will be charged. However, if the amount of claim is more than the limit of 10% as aforesaid, then full additional reinstatement premium will be applicable, and will be deducted from the assessed claim amount. Subject otherwise to the terms and conditions of the policy.

26. SEVERAL INSUREDS/MUTIPLE INSURED

It is hereby declared and agreed that rights and indemnity of various parties against breach of condition by any of the parties is protected by this clause.

27. 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.

28. LOSS PAYEE CLAUSE

It is agreed and declared that the company will pay the loss as assessed by the company or surveyors, directly to the parties as requested by insured in writing.
Subject otherwise to the terms & conditions of the policy.

29. LEASED EQUIPMENTS CLAUSE

At the request of the insured, it is hereby agreed that this insurance extends to cover the equipments

leased to the insured &/ or which the insured holds under trust or commission, and the insured is responsible for the safety & well being of the items provided under contract or law. Provided the items are so identified in the schedule. Subject otherwise to the terms, conditions & exceptions of the policy.

30. AGREED BANK CLAUSE

It is hereby declared and agreed:-

1. 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.

2. That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder.

The Bank shall mean the first named Financial Institution/ Bank named in the Policy.

3. 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.

4. 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.

5. 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 this insurance shall not be invalidated by any act or omission on the part of 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 hazards 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

6. 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.

31. UNREPAIRED DAMAGES CLAUSE

In the event of insured deciding not to replace or repair the damaged item covered under the policy and decides to continue with the damaged item after incurring necessary expenditure for safe working of the damaged item, the company, at its option, shall indemnify amount expended in making the item safe plus the reasonable repair cost which would have been incurred by the Insured had the Insured repaired the damage item or reasonable amount equivalent to reduced life of damaged item.

32. CONTROL OF DAMAGED PROPERTY

This Policy gives control of physically damaged property consisting of as specified in schedule as follows:

- 1) The Insured will have full rights to the possession and control of damaged property in the event of Insured physical damage to such property provided proper testing is done to show which property is physically damaged.
- 2) The Insured using reasonable judgment will decide if the physically damaged property can be reprocessed or sold.
- 3) Property so judged by the Insured to be unfit for reprocessing or selling will not be sold or disposed of except by the Insured, or with the Insured's consent.
- 4) Any salvage proceeds received will go to the:
 - a. Company at the time of loss settlement; or
 - b. Insured if received prior to loss settlement and such proceeds will the amount of loss accordingly.Subject otherwise to the terms, exceptions and conditions of the Policy.

33. ADDITIONAL INSURED

It is understood and agreed that any individual, firm, corporation and/or its joint ventures, for whom or with whom The Insured may be operating is hereby named as additional Insured in The Schedule when required by contract, or as required. It is further understood and agreed that in the event there is any violation of the terms and conditions of this insurance by one Insured, it shall not affect the rights of other Insured; including interest of mortgagees and notice of assignment in respect thereof.

34. ASSETS REGISTER CLAUSE

It is hereby declared & agreed that the policy covers all the equipments as per the asset register of the insured, subject to condition that any subsequent addition to the asset register must be declared and added during the course of policy with additional premium as applicable. In the event of a claim, the Asset register shall form part of verification of the item damaged.

If the property hereby insured shall at the time of any loss or damage be collectively of greater value (as reckoned from the Assets Register at the time of claim) than the Sum Insured under the policy, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss.

NOTICES AND CLAIMS

Any notice, direction or instruction given under this Policy shall be in writing and delivered by hand, post, or facsimile to:

Address: Unit No. 601 & 602, 6th Floor, Reliable Tech Park, Cloud City Campus; Gut No-31, Mouje Elthan, Thane- Belapur Road, Airoli, Navi Mumbai- 400708

Toll Free Number: 1800-22-4030 (For MTNL/BSNL Users) or 1800-200-4030

Helpline Number: 022-27639800 or 022-39133700 (Local Charges Apply)

Email: contactus@universalsompo.com

Note: Please include Your Policy number for any communication with us.

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:

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

In case of any grievance the insured person may contact the company through:

Website: www.universalsompo.com

Toll free: 1 - 800 - 224030 (For MTNL/BSNL Users) or 1 - 800 – 2004030

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

Insured person may also approach the grievance cell at any of the company's branches with the details of grievance

If Insured person is not satisfied with the redressal of grievance through one of the above methods, insured person may contact the grievance officer at grievance@universalsompo.com

For updated details of grievance officer, kindly refer the link www.universalsompo.com

Grievance may also be lodged at IRDAI Integrated Grievance Management System - <https://igms.irda.gov.in/>

1. Consumer Affairs Department of IRDAI

- a.) In case it is not resolved within 15 days or if You are unhappy with the resolution You can approach the Grievance Redressal Cell of the Consumer Affairs Department of IRDAI by calling Toll Free Number **155255 (or) 1800 4254 732** or sending an e-mail to complaints@irdai.gov.in. You can also make use of IRDAI's online portal - Integrated Grievance Management System (IGMS) by registering Your complaint at igms.irda.gov.in.
- b.) You can send a letter to IRDAI with Your complaint on a Complaint Registration Form available [by clicking here](#). You must fill and send the Complaint Registration Form along with any documents by post or courier to General Manager, Insurance Regulatory and Development Authority of India (IRDAI), Consumer Affairs Department - Grievance Redressal Cell, Sy.No.115/1, Financial District, Nanakramguda, Gachibowli, Hyderabad- 500032.
- c.) You can visit the portal <http://www.policyholder.gov.in> for more details.

2. 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, or of the General Insurance Council at www.generalinsurancecouncil.org.in, the Consumer Education Website of the IRDAI at <http://www.policyholder.gov.in>, or from any of Our Offices.

IRDAI Integrated Grievance Management System – <https://igms.irda.gov.in/>

The contact details of the Insurance Ombudsman offices are as below-

Office Details	Jurisdiction of Office (Union Territory, District)
AHMEDABAD - Shri Kuldip Singh Office of the Insurance Ombudsman, Jeevan Prakash Building, 6th floor, Tilak Marg, Relief Road, Ahmedabad – 380 001. Tel.: 079 - 25501201/02/05/06 Email: bimalokpal.ahmedabad@cioins.co.in	Gujarat, Dadra & Nagar Haveli, Daman and Diu.
BENGALURU - Office of the Insurance Ombudsman, Jeevan Soudha Building, PID No. 57-27-N-19 Ground Floor, 19/19, 24th Main Road, JP Nagar, 1st Phase, Bengaluru – 560 078. Tel.: 080 - 26652048 / 26652049 Email: bimalokpal.bengaluru@cioins.co.in	Karnataka.
BHOPAL - Office of the Insurance Ombudsman, Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar, Opp. Airtel Office, Near New Market, Bhopal – 462 003. Tel.: 0755 - 2769201 / 2769202 Fax: 0755 - 2769203 Email: bimalokpal.bhopal@cioins.co.in	Madhya Pradesh Chattisgarh.
BHUBANESHWAR - Shri Suresh Chandra Panda Office of the Insurance Ombudsman, 62, Forest park, Bhubneshwar – 751 009. Tel.: 0674 - 2596461 /2596455 Fax: 0674 - 2596429	Orissa.

Email: bimalokpal.bhubaneswar@cioins.co.in

CHANDIGARH -

Office of the Insurance Ombudsman,

S.C.O. No. 101, 102 & 103, 2nd Floor,

Batra Building, Sector 17 – D,

Chandigarh – 160 017.

Tel.: 0172 - 2706196 / 2706468

Fax: 0172 - 2708274

Email: bimalokpal.chandigarh@cioins.co.in

Punjab,
Haryana(excluding Gurugram,
Faridabad, Sonapat and
Bahadurgarh)

Himachal Pradesh, Union
Territories of Jammu & Kashmir,

Ladakh & Chandigarh.

CHENNAI -

Office of the Insurance Ombudsman,

Fatima Akhtar Court, 4th Floor, 453,

Anna Salai, Teynampet,

CHENNAI – 600 018.

Tel.: 044 - 24333668 / 24335284

Fax: 044 - 24333664

Email: bimalokpal.chennai@cioins.co.in

Tamil Nadu,
Tamil Nadu
PuducherryTown and
Karaikal (which are part of
Puducherry).

DELHI - Shri Sudhir Krishna

Office of the Insurance Ombudsman,

2/2 A, Universal Insurance Building,

Asaf Ali Road,

New Delhi – 110 002.

Tel.: 011 - 23232481 / 23213504

Email: bimalokpal.delhi@cioins.co.in

Delhi &

Following Districts of Haryana -
Gurugram, Faridabad, Sonapat
& Bahadurgarh.

GUWAHATI -

Office of the Insurance Ombudsman,

Jeevan Nivesh, 5th Floor,

Nr. Panbazar over bridge, S.S. Road,

Guwahati – 781001(ASSAM).

Tel.: 0361 - 2632204 / 2602205

Email: bimalokpal.guwahati@cioins.co.in

Assam,
Meghalaya,
Manipur,
Mizoram,
Arunachal Pradesh,
Nagaland and Tripura.

HYDERABAD -

Office of the Insurance Ombudsman,

6-2-46, 1st floor, "Moin Court",

Lane Opp. Saleem Function Palace,

A. C. Guards, Lakdi-Ka-Pool,

Hyderabad - 500 004.

Andhra Pradesh,
Telangana,
Yanam and
part of Union Territory of
Puducherry.

Tel.: 040 - 23312122
 Fax: 040 - 23376599
 Email: bimalokpal.hyderabad@cioins.co.in

JAIPUR -

Office of the Insurance Ombudsman,
 Jeevan Nidhi – II Bldg., Gr. Floor,
 Bhawani Singh Marg,
 Jaipur - 302 005.
 Tel.: 0141 - 2740363
 Email: bimalokpal.jaipur@cioins.co.in

Rajasthan.

ERNAKULAM - Ms. Poonam Bodra

Office of the Insurance Ombudsman,
 2nd Floor, Pulinat Bldg.,
 Opp. Cochin Shipyard, M. G. Road,
 Ernakulam - 682 015.
 Tel.: 0484 - 2358759 / 2359338
 Fax: 0484 - 2359336
 Email: bimalokpal.ernakulam@cioins.co.in

Kerala,
 Lakshadweep,
 Mahe-a part of Union Territory
 of Puducherry.

KOLKATA - Shri P. K. Rath

Office of the Insurance Ombudsman,
 Hindustan Bldg. Annexe, 4th Floor,
 4, C.R. Avenue,
 KOLKATA - 700 072.
 Tel.: 033 - 22124339 / 22124340
 Fax : 033 - 22124341
 Email: bimalokpal.kolkata@cioins.co.in

West Bengal,
 Sikkim,
 Andaman & Nicobar Islands.

LUCKNOW -Shri Justice Anil Kumar Srivastava

Districts of Uttar Pradesh :

Office of the Insurance Ombudsman,
6th Floor, Jeevan Bhawan, Phase-II,
Nawal Kishore Road, Hazratganj,
Lucknow - 226 001.
Tel.: 0522 - 2231330 / 2231331
Fax: 0522 - 2231310
Email: bimalokpal.lucknow@cioins.co.in

Lalitpur, Jhansi, Mahoba,
Hamirpur, Banda, Chitrakoot,
Allahabad, Mirzapur,
Sonbhadra, Fatehpur,
Pratapgarh, Jaunpur, Varanasi,
Gazipur, Jalaun, Kanpur,
Lucknow, Unnao, Sitapur,
Lakhimpur, Bahraich, Barabanki,
Raebareli, Sravasti, Gonda,
Faizabad, Amethi, Kaushambi,
Balrampur, Basti,
Ambedkarnagar, Sultanpur,
Maharajgang, Santkabirnagar,
Azamgarh, Kushinagar,
Gorkhpur, Deoria, Mau,
Ghazipur, Chandauli, Ballia,
Sidharathnagar.

MUMBAI -

Office of the Insurance Ombudsman,
3rd Floor, Jeevan Seva Annexe,

S. V. Road, Santacruz (W),

Mumbai - 400 054.

Tel.: 69038821/23/24/25/26/27/28/28/29/30/31

Fax: 022 - 26106052

Email: bimalokpal.mumbai@cioins.co.in

Goa,
Mumbai Metropolitan Region
excluding Navi Mumbai &
Thane.

NOIDA - Shri Chandra Shekhar Prasad

State of Uttaranchal and the
following Districts of Uttar
Pradesh:

Office of the Insurance Ombudsman,
Bhagwan Sahai Palace
4th Floor, Main Road,
Naya Bans, Sector 15,
Distt: Gautam Buddh Nagar,
U.P-201301.
Tel.: 0120-2514252 / 2514253
Email: bimalokpal.noida@cioins.co.in

Agra, Aligarh, Bagpat, Bareilly,
Bijnor, Budaun, Bulandshehar,
Etah, Kanooj, Mainpuri, Mathura,
Meerut, Moradabad,
Muzaffarnagar, Oraiyya,
Pilibhit, Etawah, Farrukhabad,
Firozbad, Gautambodhanagar,
Ghaziabad, Hardoi,
Shahjahanpur, Hapur, Shamli,
Rampur, Kashganj, Sambhal,
Amroha, Hathras,
Kanshiramnagar, Saharanpur.

PATNA - Shri N. K. Singh

Office of the Insurance Ombudsman,
2nd Floor, Lalit Bhawan,
Bailey Road,
Patna 800 001.
Tel.: 0612-2547068
[Email: bimalokpal.patna@cioins.co.in](mailto:bimalokpal.patna@cioins.co.in)

Bihar,
Jharkhand.

PUNE - Shri Vinay Sah

Office of the Insurance Ombudsman,

Jeevan Darshan Bldg., 3rd Floor,

C.T.S. No.s. 195 to 198,
N.C. Kelkar Road, Narayan Peth,
Pune – 411 030.
Tel.: 020-41312555
[Email: bimalokpal.pune@cioins.co.in](mailto:bimalokpal.pune@cioins.co.in)

Maharashtra,
Area of Navi Mumbai and Thane
excluding Mumbai Metropolitan
Region.