

MACHINERY BREAKDOWN INSURANCE POLICY

PROSPECTUS

A. Coverage

The Machinery Breakdown policy covers insured items against unforeseen and sudden physical damage by any-cause unless specifically excluded to any insured property specified in the attached schedule whilst in the premises therein mentioned necessitating its immediate repair or replacement either by payment or reinstatement or repair.

In cases where damage to an insured item can be repaired, we will pay expense necessarily incurred to restore the damaged machine to its former state of serviceability

In cases where an insured item is destroyed, we 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.

Our liability for any insured item of the Insured property shall not exceed the Sum Insured against the item in the aggregate in any one period of Insurance.

Optional Extensions :

Add On Coverages

1. Escalation clause
2. Express freight
3. Air freight
4. Owners surrounding property
5. Third party liability
6. Additional customs duty
7. Immediate repair cost
8. Obsolete parts clause
9. Waiver of betterment

10. Floater clause
11. Professional fees
12. Claims preparation & investigation costs
13. Mobile and portable equipment outside the premises
14. Parts undamaged clause/destruction of sound property
15. Loss minimization expenses
16. Depreciation waiver clause
17. Omission to insure additions & alterations
18. Undamaged foundations clause

Clauses

1. Carding machines in textile industry
2. Furnace endorsement
3. Dg set endorsement
4. Reduction gear box
5. Patterns and core-boxes
6. Expellers/expellers gears
7. Plastic extruders/injection moulding machines
8. Alternate working
9. Stand-by machinery
10. Bakeries
11. Gas works plants
12. For all types of imported machinery
13. Glass and graphite equipments
14. Glass lined vessels
15. Insurance of ropes in lifts, cranes and ropeways

16. Wind turbines endorsement
17. Refractory materials in boilers
18. Depreciation adjustment for componets along the hot gas path of gas turbines
19. Overhaul of platen presses
20. Overhaul of electric motors (above 750 kw for motors with 2 poles and above 1,000 kw for motors with 4 and more poles)
21. Coinsurance clause
22. Innocent non disclosure / breach of policy conditions
23. On account payment clause
24. Free automatic reinstatement of sum insured
25. Several insureds/mutiple insured
26. Non vitiation clause
27. Loss payee clause
28. Leased equipments clause
29. Agreed bank clause
30. Unrepaired damages clause
31. Control of damaged property
32. Additional insured
33. Assets register clause

B. Sum Insured

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.

D. Policy Tenure

Policy will be issued for a period of 1 year, or for a short period, at the option of the insured. No long term policies will be issued.

E. General Exclusions

WE SHALL NOT BE LIABLE UNDER THIS POLICY IN RESPECT OF:

1. Losses caused by

1. fire including extinguishments of a fire or clearance of debris and dismantling necessitated due to 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). 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. theft,

3. collapse of building, subsidence, landslide, rockslide,

4. water which escapes from water containing apparatus, flood, inundation, storm, tempest, earthquake, volcanic eruption or other Acts of God,

5. impact of land borne or water borne or airborne craft or aerial devices and/or articles dropped there from.

2. Losses caused by:

1. War, invasion, Act of foreign enemy, Hostilities or war like operations (Whether war be declared or not). Civil war, rebellion, revolution, Insurrection, Mutiny,

2. 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,

3. Requisition, or Destruction or Damage by order of any Government de jure or de facto or by any Public, Municipal or Local Authority.

4. Nuclear reaction, nuclear radiation or radioactive contamination.
3. Accident Loss/damage resulting from
 1. overload experiments or
 2. 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 caused by
 1. willful act or
 2. willful neglect or
 3. gross negligence of the insured or his responsible representatives.
7. Liability assumed by the insured by agreement unless such liability would have attached despite the agreement.
8. Loss, damage due to pre-existing faults or defects 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 due to explosion in chemical recovery, Boilers, other than pressure explosion

Special Exclusions

In addition to the General Exclusions, We shall also not be liable for: -

1. The Excess, as stated in the Schedule,
 - a) to be first borne by the insured out of each and every claim;

b) where more than one item is damaged in one and the same occurrence, the insured shall bear the highest Excess applicable to any one such item. These excesses will not be totaled up.

2. Loss of or damage to

- a) belts, ropes, chains, rubber tyres, dies, moulds, blades, cutters, knives or exchangeable tools, engraved or impression cylinders or rolls;
- b) objects made of glass, porcelain, ceramics,
- c) all operating media (e.g. lubricating oil, fuel, catalyst, refrigerant, dowtherm) felts, endless conveyor belts or wires;
- d) sieves, fabrics, heat resisting and anti- corrosive lining and parts of similar nature, packing material,
- e) 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,

The onus of proof that the said loss or damage is covered under the insurance shall be upon the insured.

G. Claims procedure

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

- a) Immediately notify us giving an indication as to the nature and extent of loss or damage;
- b) Take all reasonable steps within your powers to minimize the extent of the loss or damage;
- c) Preserve the damaged or defective parts and make them available for inspection by our official or surveyor.
- d) Furnish all such information and documentary evidence as we may require.

Upon notification of a claim being given to us, 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 our liability under the policy and that any damaged part requiring replacement is kept for our inspection, but in all other cases our representative shall have the opportunity of inspecting the damage before any alterations, repairs or replacement are effected.

Claims 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
4. Incident Description & Machinery Log sheets
5. Quotation of a similar new machine on date of loss or damage.
6. 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@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.