

**Annexure 1**

**Add on cover Under Shop Package Policy**

**1. EXPENSES TO AVERT IMMINENT LOSS CLAUSE**

**UIN: IRDAN123CP0075V01201819/A0006V01201819**

In case of loss or damage, or imminent loss or damage to the Property insured hereunder due to a cause indemnifiable under the policy, it shall be lawful and necessary for the insured, his or their factors, servants and assigns, to incur labour and travel for safeguard and recovery of the Property covered hereunder and part thereof without prejudice to this insurance, nor shall such acts of the insured or insurers in recovering saving and preserving Property insured in case of loss or damage be considered a waiver or acceptance of abandonment; the expenses so incurred shall be borne by the insured and the insurers proportionately to the extent of their respective interest, according to the rate and quantity of the loss amount indemnifiable hereunder by the insurers or which would have been indemnifiable hereunder by the insurers but for the actions of the insured.

In the case of imminent loss or damage the insured shall take such action as they consider prudent to prevent or reduce loss of or damage to the property insured and shall inform the insurers as soon as practicable hereafter.

The liability of the insurers under this Endorsement shall not increase the Limit of Liability stated in the Policy and shall be subject to the Deductibles applicable in accordance with the General Conditions specified in the Policy.

Limit Applicable: 1% of the policy sum Insured subject to the maximum of Rs.10 lacs

All other terms and conditions remain unchanged.

**2. MINOR WORKS CLAUSE**

**UIN: IRDAN123CP0075V01201819/A0007V01201819**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, this policy is extended to include minor alterations and/ or construction and/ or reconstruction and/ or additions and/ or maintenance and/ or modifications and/ or work carried out on any of the property insured under this policy against insured perils. This extension shall be applicable only to policies with RIV clause.

Notwithstanding other terms and conditions herein, this extension to the policy shall only pay in excess of more specific insurance if any, arranged in respect of minor works. This extension does not pay any loss or damage to property which, at the time of the happening of such loss or damage, is insured by any project insurance policy or policies.

It is further agreed & declared that loss of earnings, loss by delay, loss of market or any other consequential or indirect loss whatsoever, shall not be payable under this extension or even under the corresponding Business Interruption policy if any, taken by the insured.

This extension further excludes:

- a. Loss or damage due to faulty design, defective material & bad workmanship
- b. Loss or damage arising out of testing, trial run etc.

Limit of Liability: 10% of Total Sum Insured under the policy no. \_\_\_\_\_ (other than stocks) in aggregate

All other terms and conditions remain unchanged.

**3. BUILDING FACADE CLAUSE**

**UIN: IRDAN123CP0075V01201819/A0014V01201718**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, this policy is extended to include

- ❖ Glass that constitutes or is part of the building facade.

All other terms and conditions remain unchanged.

Sum Insured Limit: As declared by Insured

#### 4. ACCIDENTAL DAMAGE EXTENSION

UIN: IRDAN123CP0075V01201819/A0018V01201718

The policy is extended to cover, by granting of this extension, accidental, physical, loss or damage or destruction to Buildings, Stock or Other Contents whilst at Insured location, excluding:

- A. loss or damage to:
  - ❖ Buildings, Stock or Other Contents In respect of which a Sum Insured is Not shown in the Schedule
  - ❖ any property excluded by this Section
  - ❖ Loss or damage covered elsewhere under the policy, to which this extension is attached
  - ❖ Loss or damage due to impact damage caused by rail/road vehicle or animal as covered under the policy
  - ❖ Loss or damage due to impact damage caused by insured's own rail/road vehicles, forklift, cranes, stackers and the like or article there from, belonging to or owned by the insured or any occupier of the premises or their employees while acting in the course of their employment
  - ❖ any property whilst in transit other than during incidental movement of such property within insured premises
  - ❖ machinery, electronic data processing equipment or electronic control equipment occasioned by or happening through any mechanical, electrical, electro-mechanical, electronic or hydraulic malfunction, failure or derangement, breakdown or nonoperation of any kind
  - ❖ glass other than forming part of Stock
  - ❖ property undergoing reconstruction, construction, demolition, repair or maintenance
- B. loss or damage caused by:
  - ❖ an Event listed in this Extension
  - ❖ a cause or occurrence otherwise excluded anywhere in this Extension
  - ❖ unloading or delivery to, or loading prior to dispatch from, the insured location
- C. theft, attempted theft or unexplained inventory shortages
- D. claims arising out of:
  - ❖ latent defect
  - ❖ any manufacturing, processing, packaging or assembly process
  - ❖ normal settling, seeping or shrinkage in Buildings or foundations, walls, pavements, driveways or other structural improvements
  - ❖ corruption, amendment, erasure or interference with computer software.
- E. damage caused directly or indirect
  - ❖ shrinkage, expansion, inherent vice, mould, mildew, dampness or dryness of the atmosphere
  - ❖ moths, vermin, termites or other insects
  - ❖ mechanical derangement and mechanical, structural or electrical breakdown
  - ❖ faulty materials or faulty workmanship
- F. the cost of recreating computer records or programs

All other terms Conditions and Exclusion of the policy remain unchanged

Sum insured upto: Any One Accident to Any one Year — Rs.10 / Rs.50 lacs

Deductible: As per Standard Fire and Special peril Policy deductible.

#### 5. CIVIL AUTHORITY

UIN: IRDAN123CP0075V01201819/A0095V01202021

**Coverage:** Subject to the insured having paid the agreed extra premium, this policy of insurance insures against loss or increased cost occasioned by any civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder following an indemnifiable loss.

It also covers the risk of damage or destruction by civil authority during a conflagration and for the purpose of retarding the same provided that neither such conflagration nor such damage or destruction is caused or contributed to by war, invasion, revolution, rebellion, insurrection or warlike operations as more fully described in policy elsewhere.

**Sum Insured:** Up to 10% of the sum insured under the policy for **SECTION I – Material Damage.**

**6. CLEARANCE OF DRAINS**

**UIN:** IRDAN123CP0075V01201819/A0096V01202021

**Coverage:** Subject to the insured having paid the agreed extra premium, the cover provided by this policy is extended to include expenses necessarily and reasonably incurred in clearing, cleaning and/or repairing drains, gutters, sewers and the like blocked or damaged as a result of the action of any of the perils insured by this policy.

**Sum Insured:** 10% of Building sum insured.

**Excess:** 10% of the limit selected.

**7. COST OF REWRITING RECORDS CLAUSE**

**UIN:** IRDAN123CP0075V01201819/A0097V01202021

**Coverage:** On payment of additional premium the proposed add-on product indemnifies the insured against the cost, charges and expenses incurred in replacement or restoring documents which may have been destroyed, damaged or mislaid but only for the value of the material and not for their value to the insured.

**Condition:** It is understood that the said documents may consist of deeds, views, agreements, maps, plans, records, books, letters, certificates and the like, but bearer bonds, coupons, bank currency notes or other negotiable instruments shall be deemed to be excluded from this insurance.

**Sum Insured:** To be selected by the insured before inception of cover.

**8. DAMAGE BY GOVERNMENT AUTHORITIES**

**UIN:** IRDAN123CP0075V01201819/A0098V01202021

**Coverage:** Subject to the insured having paid the agreed extra premium, this policy of insurance covers physical loss of or damage to the property insured or expenses incurred by the insured directly caused by any act or order of any governmental authority acting under the powers vested in them to prevent or mitigate the pollution hazard or threat thereof, resulting directly from damage to the property insured, provided such act of governmental authority has not resulted from lack of due diligence by the insured to prevent or mitigate such hazard or threat.

**Sum Insured:** Up to 10% of the sum insured under the policy for **SECTION I – Material Damage**.

**9. DE-CONTAMINATION CLAUSE**

**UIN:** IRDAN123CP0075V01201819/A0099V01202021

**Coverage:** Subject to the insured having paid the agreed extra premium, this policy is extended to cover when the insured property is contaminated as a direct result of physical damage insured by this policy and there is in force at the time of the loss any law or ordinance regulating contamination, including but not limited to the presence of pollution or hazardous material, then this policy covers, as a direct result of enforcement of such law or ordinance, the increased cost of decontamination and/or removal of such contaminated insured property in a manner to satisfy such law or ordinance. This additional coverage applies only to that part of insured property so contaminated as a direct result of insured physical damage.

**Exclusion:**

The company is not liable for the costs required for removing contaminated uninsured property nor the contaminant therein or thereon, whether or not the contamination results from an insured event.

**Sum Insured:** Selected SI not exceeding 10% of the stock sum insured.

**10. DEFENCE COST**

**UIN:** IRDAN123CP0075V01201819/A0100V01202021

**Coverage:** On payment of additional premium the proposed add-on product indemnifies the insured against the costs and fees to defend any claim/suit against the insured and/or its directors, officers and/or employees alleging physical loss or damage of the property of others in the care, custody or control of the insured to the extent of the insured's liability, subject to the sum insured limit, even if such claim or suit is groundless, false or fraudulent; but the Company may without prejudice make such investigation, negotiation or settlement of any such claim or suit as it deems expedient.

**Sum Insured:** At the option of the insured.

**Excess:** 5% of the sum insured subject to the minimum of ₹25000.

#### 11. DEFERRED PAYMENTS

UIN: IRDAN123CP0075V01201819/A0101V01202021

**Coverage:** This policy covers insured physical loss or damage to personal property of the type insured sold by the insured under a conditional sale or trust agreement or any instalment or deferred payment plan and such property has been delivered to the buyer.

**Conditions:**

- a) Coverage is limited to the unpaid balance for such property.
- b) In the event of loss of property sold under deferred payment plans, the insured will use all reasonable efforts, including legal action if necessary, to effect collection of outstanding amounts due or to regain possession of the property.
- c) There is no liability under this policy for loss:
  - i. Pertaining to products recalled including, but not limited to the costs to recall, test or to advertise such recall by the insured.
  - ii. From theft or conversion by the buyer of the property after the buyer has taken possession of such property.
  - iii. To the extent the buyer continues payments.
  - iv. Not within the territory of this policy.

**Sum Insured:** At the option of the insured.

#### 12. ELECTRICAL APPLIANCE CLAUSE

UIN: IRDAN123CP0075V01201819/A0102V01202021

**Coverage:** Loss, destruction or damage to any electrical machine, apparatus, fixture, or fitting arising from or occasioned by over-running, excessive pressure, short circuiting, arcing, self-heating or leakage of electricity from whatever cause (lightning included) provided that this exclusion shall apply only to the particular electrical machine, apparatus, fixture or fitting so affected and not to other machines, apparatus, fixtures or fittings which may be destroyed or damaged by fire so set up. This exclusion stands removed and brought back at the option of the insured to the extent of sum insured chosen.

**Sum Insured:** At the option of the insured.

#### 13. EMPLOYEES PERSONAL PROPERTY EFFECT

UIN: IRDAN123CP0075V01201819/A0103V01202021

**Coverage:** On payment of additional premium the proposed add-on product indemnifies the insured against loss of or damage to personal property of employees for which the insured is responsible, whilst at the premises of the insured, or damage to personal property of employees for which the insured is responsible while at the site or right-of-way. **Condition:** The insurer shall not be responsible for more than ₹250000 per employee and ₹ 2500000 in aggregate per occurrence

**Sum Insured:** To be selected by the insured before inception of cover.

**Deductible:** This endorsement is subject to a special deductible (regardless of the main deductible applicable to any other property insured lost or damaged by the same insured event or occurrence) of ₹12500 per employee and ₹250000 per occurrence.

#### 14. EXPEDITING EXPENSES/INCREASED COST OF WORKING

UIN: IRDAN123CP0075V01201819/A0104V01202021

**Coverage:** Subject to the insured having paid the agreed extra premium, this policy of insurance is extended to indemnify the insured up to the limit of indemnity specified in the schedule in respect of reasonable extra cost for overtime, night work, work on public holidays, express freight, air freight reasonably and necessarily incurred to rectify loss of or damage to property insured following an indemnifiable loss under the policy.

**Sum Insured:** 5% of the claim amount or limit selected whichever is less

#### 15. FIRE EXTINGUISHING EXPENSES

UIN: IRDAN123CP0075V01201819/A0105V01202021

**Coverage:** Subject to the insured having paid the agreed extra premium, this policy is extended to cover:

- a) Refilling fire extinguishing appliances
- b) Recharging CO2 flooding systems
- c) Replacing used sprinkler head following a fire

- d) Cost of watchman/attendant services at the scene of fire, provided that, this extension is applicable only when there is an admissible claim under the policy and such expenses which are reasonably and necessarily incurred should be supported by bills and documents.

**Sum Insured:** 5% of the claim amount or limit selected whichever is less.

#### 16. INVOLUNTARY BETTERMENT

**UIN:** IRDAN123CP0075V01201819/A0106V01202021

**Coverage:** On the payment of additional premium, in the event that the property insured sustains damage and cannot be replaced by a new property of the same kind and quality, this add-on provides cover for the value of the difference between the new property (of different kind and quality) and the old property before damage (as when new).

**Sum Insured:** The sub-limit specified in the schedule.

**All other terms and conditions with regard to the damaged property remain the same.**

#### 17. LEAK SEARCH/FINDING COST

**UIN:** IRDAN123CP0075V01201819/A0107V01202021

**Coverage:** On payment of additional premium the proposed add-on product covers the cost and expenses necessarily and reasonably incurred in locating and obtaining access to any part/parts of the insured property, in order to locate and repair leaks or other damages subject to a limit mentioned in the schedule for each and every occurrence.

**Sum Insured:** At the option of the insured.

**Deductible:** 5% of the sum insured subject to the minimum of ₹25000.

#### 18. LOSS MINIMISATION EXPENSES

**UIN:** IRDAN123CP0075V01201819/A0108V01202021

**Coverage:** Subject to the insured having paid the agreed extra premium, this policy of insurance is extended to indemnify the insured in respect of expenses for loss minimisation necessarily incurred by the insured to prevent any aggravation of an insured loss or damage including moving/shifting of property insured, if this contributes to loss minimisation following an indemnifiable loss under the policy.

**Sum insured:** 5% of the claim amount or limit selected whichever is less.

#### 19. MODIFICATION COSTS AND EXPENSES FOR INCOMPATIBILITY OF EQUIPMENT

**UIN:** IRDAN123CP0075V01201819/A0109V01202021

**Coverage:** On payment of additional premium the proposed add-on product covers the cost or expense of

- a) Modification of equipment including computer and ancillary equipment (the equipment being damaged or not) or
- b) The replacement, restoration or recompilation of computer records in the event of the incompatibility between replacement equipment and the existing equipment and/or computer records.

The basis of settlement shall be whichever is lesser of the two amounts under a) and b) to achieve compatibility between the computer records and the existing/replacement equipment.

**Sum Insured:** At the option of the insured.

**Deductible:** 5% of the sum insured subject to the minimum of ₹25000.

#### 20. MOULD AND FUNGI

**UIN:** IRDAN123CP0075V01201819/A0110V01202021

**Coverage:** On payment of additional premium the proposed add-on product insures damage to property insured, by mould, mildew, fungus or spores when directly caused by damage to property insured during the period of insurance by one of the following listed perils:

Fire, Lightning, explosion, aircraft or other aerial devices or articles dropped there from, riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons, earthquake, storm, flood, escape of water from any tank apparatus or pipe, impact by any road vehicle or animal.

**Exclusions:**

- a) The said property must be insured for damage by the listed peril as detailed above.

- b) This policy does not insure any damage by mould, mildew, fungus or spores first reported to the insurer after the period mentioned in the Schedule.
- c) This policy does not insure any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of or relating to mould, mildew, fungus or spores of any type, nature or description except as set forth under **Coverage**.

**Sum Insured:** At the option of the insured.

**Deductible:** 5% of the sum insured subject to the minimum of ₹25000.

## 21. NEW LOCATION COVER

**UIN:** IRDAN123CP0075V01201819/A0111V01202021

**Coverage:** On payment of additional premium the proposed add-on product provides cover for property at a new location required by the insured, other than those in operation or acquired prior to the effective date of this coverage, up to the limit specified in the Schedule, on content of the location involved for a period up to 15 days from the date of acquisition. It is understood that the insured shall declare within 15 days from the date of acquisition the value of property at any such location acquired and will pay the appropriate additional premium from the date of acquisition on pro rata basis at the basic rate.

**Sum Insured:** Up to the limit specified in the schedule.

## 22. OMISSION TO INSURE, ADDITIONS, ALTERATIONS OR EXTENSIONS

**UIN:** IRDAN123CP0075V01201819/A0112V01202021

**Coverage:** The insurance by this policy extends to cover buildings and/or machinery, plant and other contents which the insured may erect or acquire or for which they may become responsible:

- a) At the within described premises
- b) For use as factories

**Conditions:**

- a) The liability under this extension shall not exceed in respect of (a) above, up to 10% of the sum insured by each item, in respect of (b) above, up to 10% of the sum insured.
- b) The insured shall notify the insurer of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the date of inception.
- c) Following the advice of any additional insurance as aforesaid, cover by this extension shall be fully reinstated.
- d) No liability shall attach to the insurers in respect of any building, machinery, plant or 'other contents' while such property is otherwise insured.
- e) All new additions to buildings and/or machinery and plant not specifically insured/included during the currency of the policy should be declared at the end of the year and suitable additional premium paid on pro rata basis from the date of completion of the construction /erection of additions may be suitably adjusted.
- f) If the insured fails to declare the values of such additions within 30 days after the expiry of the policy, there shall be no refund of the advance premium collected.

*'Other Contents' in the above clause shall mean 'Furniture and Fittings' and does not include 'Stocks'*

**Sum Insured:** 10% of the policy sum insured.

## 23. POLLUTANT CLEAN UP AND REMOVAL

**UIN:** IRDAN123CP0075V01201819/A0113V01202021

**Coverage:** On payment of additional premium the proposed add-on product, in the event of direct physical loss or damage to the property insured hereunder arising directly from seepage and/or pollution and/or contamination covers costs and expenses necessarily and reasonably incurred by the insured for:

- a) Removing debris of the property insured hereunder destroyed or damaged from the location of the loss; and/or
- b) Cleaning up, at the location of the loss, made necessary as a result of such direct physical loss or damage; and/or
- c) Cleaning up and removing pollutants from land and water confined within insured's premises.

**Conditions:**

- a) This policy does not insure against the costs of decontamination or removal of water, soil or any other substance not covered by this policy on or under such premises.
- b) The insured shall give notice to the Company of intent to claim for cost of removal of debris or cost of clean-up **NO LATER THAN 12 MONTHS AFTER THE DATE OF SUCH PHYSICAL LOSS OR DAMAGE.**



- c) The Company's liability shall not exceed the limit stated in the Schedule.
- d) Nothing in this Endorsement shall override any radioactive contamination exclusion clause in this Policy to which this Endorsement is attached.

**Sum Insured:** At the option of the insured.

**Deductible:** 5% of the sum insured subject to the minimum of ₹25000.

#### 24. PROPERTY IN COURSE OF CONSTRUCTION/ERECTION

**UIN:** IRDAN123CP0075V01201819/A0114V01202021

**Coverage:** Subject to the insured having paid the agreed extra premium, the policy shall automatically include minor alterations and/or construction and/or re-construction and/or additions and/or maintenance and/or testing and commissioning and/or modifications and/or work carried out on any of the property insured under this policy.

**Sum Insured:** Up to 10% of the SI under **SECTION I – 'Material Damage'**.

**Excess:** Twice the policy excess.

#### 25. PROPERTY OUTSIDE/AWAY FROM THE PREMISES

**UIN:** IRDAN123CP0075V01201819/A0115V01202021

**Coverage:** On payment of additional premium the Company indemnifies the loss incurred in respect of assets hereinafter mentioned. The insured may keep anywhere (without restrictions as to construction of the premises concerned) part of the property (including goods) in the open, but machinery and equipment away from the premises is subject to a sub-limit per location per event as shown in the Schedule. Cover is extended to include stocks outside plant premises in tanks/pipelines or for conversion, stock in depot whether owned or leased.

**Sum Insured:** Quantum limit and time limit for the cover is to be selected by the insured before inception of cover.

#### 26. START UP EXPENSES (NON-INDUSTRIAL RISK)

**UIN:** IRDAN123CP0075V01201819/A0116V01202021

**Coverage:** Subject to the insured having paid the agreed extra premium, this policy of insurance is extended to cover loss sustained due to specified start-up costs reasonably and necessarily incurred towards temporary power or fuel up to the time to restart the operations in a normal start-up procedure but does not cover expenses beyond the moment the operations commences in the insured location and subject to the sum insured specified in the schedule following the operation of an insured peril under the policy of insurance.

**Sum Insured:** 10% of the policy sum insured.

#### 27. TEMPORARY REPAIR COST

**UIN:** IRDAN123CP0075V01201819/A0117V01202021

**Coverage:** On payment of additional premium the proposed add-on product covers the reasonable and necessary costs incurred to pay for the temporary repair of the damaged insured property and to expedite the permanent repair or replacement of such damaged property.

**Exclusions:**

This additional coverage does not cover costs:

- a) Recoverable elsewhere in this policy;
- b) Of permanent repair or replacement of damaged property;
- c) Leak search cost.

**Sum Insured:** At the option of the insured.

**Deductible:** 5% of the sum insured subject to the minimum of ₹25000.

#### 28. UNDECLARED PROPERTY OF OTHERS

**UIN:** IRDAN123CP0075V01201819/A0118V01202021

**Coverage:** On payment of additional premium the proposed add-on product covers the property of others which the insured is responsible for or has agreed to insure or is required to insure but did not declare such property under the insured's books or records or other business document. This extension is applied to the said property at any location within India.

**Sum Insured:** At the option of the insured.

**Deductible:** 5% of the sum insured subject to the minimum of ₹25000.

#### 29. VALUABLE PAPERS AND RECORDS

UIN: IRDAN123CP0075V01201819/A0119V01202021

**Coverage:** On payment of additional premium the proposed add-on product covers any valuable papers and records and in case of loss of or damage to the property insured, the basis of valuation and settlement of any claim shall be valued at the cost to reproduce the property as of the date of reproduction including the cost of gathering and/or assembling information.

**Sum Insured:** At the option of the insured.

**Deductible:** 5% of the sum insured subject to the minimum of ₹25000.

#### 30. WAIVER OF SUBROGATION CLAUSE

UIN: IRDAN123CP0075V01201819/A0120V01202021

**Coverage:** The insurer hereby agrees to waive rights of subrogation against the insured and the respective directors, officers, agents, representatives and employees of the insured except when such rights may be acquired in consequence of any fraud, fraudulent misrepresentation, non-disclosure or breach of condition or warranty by the insured and the insurer having already made full settlement and payment of any claim hereunder.

**Exclusion:** This extension is not applicable for subrogation rights against any third parties other than mentioned above.

**Sum Insured:** Policy sum insured.

#### 31. WORKMEN ALLOWED

UIN: IRDAN123CP0075V01201819/A0121V01202021

**Coverage:** It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon, workmen are allowed to work in the buildings for the purposes of effecting any repairs, minor additions and alterations or decorations without prejudice to this insurance.

**Sum Insured:** Not applicable.

#### 32. WORKS OF ARTS

UIN: IRDAN123CP0075V01201819/A0122V01202021

**Coverage:** Subject to the insured having paid the agreed extra premium, this policy of insurance is extended to indemnify the insured the agreed value in respect of loss of or damage to works of art displayed at the insured premises as specified in the Schedule for the purposes of decoration following the operation of an insured peril.

**Sum Insured:** As per the agreed value between the insured and the insurer.

**Condition:** Partial losses shall be subject to depreciation.