

**Business Suraksha Plus**

**(Essential)**

**India Provisions**

In respect of any insured property located in India:

Any reference of the clauses which are replaced hereinunder in India Provisions in any other section/ clause of policy shall be read in conjunction with the replaced clause

**A. Property Excluded Revision**

Exclusion under Section B “Property Excluded” is amended as below :-

- a) Exclusion no 3 is deleted and replaced with
  - 3. Bridges and tunnels intended for use by motor vehicles licensed for public purpose.
- b) Exclusion no 7 is deleted and replaced with
  - 7. Vehicles registered under Motor Vehicle act and used for public road or vehicle which are owned by directors, officers or employees of the Insured.

**B. Nuclear Exclusion Revision**

Group I Item 1 under Exclusions clause in the All Risk Coverage section is replaced with the following:

- 1. This Policy excludes loss or damage directly or indirectly caused by or resulting from any of the following regardless of any other cause or event, whether or not insured under this Policy, contributing concurrently or in any other sequence to the loss:
  - a) nuclear reaction or nuclear radioactive contamination.

**C. Arbitration**

The provision ‘B Appraisal’ in the ‘Loss Adjustment and Settlement’ section is entirely replaced with the following:

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.

**D. Settlement Of Claims**

The provision ‘J Settlement of Claims’ in the ‘Loss Adjustment and Settlement section’ is replaced with the following

The amount of loss for which the Company may be liable will be paid within 30 days after:

- A. proof of loss as described in this Policy is received by the Company; and

- B. when a resolution of the amount of loss is made either by:
- 1) written agreement between the Insured and the Company; or
  - 2) an award passed as per the Arbitration clause of this section, which has attained finality.

**E. Observance of Terms and Conditions**

The provision Observance of Terms and Conditions is added to the General Conditions section:

The due observance and fulfillment of the terms, conditions and endorsement of this Policy in so far as they relate to anything to be done or complied with by the Insured, shall be a condition precedent to any liability on the Company's part to make any payment under this Policy.

**F. Terrorism Revision**

For any insured property located in India, the definition of **terrorism** is declared null and void and it is agreed that any event defined as terrorism by the Indian Market Terrorism Risk Insurance Pool shall be considered an act of **terrorism** within the terms of this Policy. Coverage provided by the Terrorism Damage Cover Endorsement – Material Damage and Loss of Profit Endorsement, if applicable, is excluded from coverage under this Policy.

**Annexure A**

**ARBITRATION AGREEMENT ENDORSEMENT**

In accordance with the "Arbitration Clause" of the Policy and the Insured having represented to the Insurer to provide for Arbitration Agreement under the Policy for the resolution of any and all of the disputes under the Policy, the Insured and the Insurer hereby mutually agreed to enter into a Separate Arbitration Agreement in accordance with the provisions of the Arbitration and Conciliation Act, 1996 (A&C Act), as amended from time to time, as under –

- a) That, this Arbitration Agreement shall be annexed to the Policy as and by way of an Endorsement. For all the purposes, "Arbitration Agreement Endorsement" shall be considered and/or treated and/or read as Separate Arbitration Agreement.
- b) That this Arbitration Agreement shall come into force from the date mentioned on the Endorsement of the Policy.
- c) That Any and all disputes or differences which may arise under, out of, in connection with or in relation to the Policy, or to its existence, validity or termination, or to the determination of the amount or any amount payable under this Policy, shall be referred to a sole arbitrator to be appointed by mutual consent of the parties to the dispute within Thirty (30) days of any party giving notice of arbitration to the other(s).

- d) That in the event that the parties are unable to agree upon the sole arbitrator, the dispute or differences shall be referred to the decision of three (3) arbitrators of whom one (1) shall be appointed in writing by each of the parties within a period of thirty (30) days after the failure to appoint a sole arbitrator and the third (who shall serve as chairman) shall be appointed by the nominated arbitrators in accordance with the provisions of the A&C Act, as amended from time to time. In case either party shall refuse or fail to appoint an arbitrator within the aforesaid thirty (30) days after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole arbitrator who shall thereafter be empowered to conduct the arbitration and determine the disputes or differences referred to him as if he had been appointed a sole arbitrator with the consent of both parties.
- e) That the arbitration shall be governed by Indian Law, the language of Arbitration shall be English and the seat of arbitration shall be as mentioned in the policy schedule. The Arbitration process shall be in accordance with the provisions of the A&C Act, as amended from time to time.
- f) That the parties undertake to share and pay the arbitration expense equally that shall be notified subsequent to the filing of the claim before the Arbitrator as an advance payment (if any). Each party also undertakes to pay its share of the total expenses determined within the Arbitral Award.
- g) That this Arbitration Agreement shall be coterminous with the Insurance policy and accordingly, this Agreement shall be deemed terminated in case the Insurance Policy expires or stands cancelled and/or terminated, whichever is earlier.
- h) That the address for service of notice and communication shall be as provided in the Policy. Any communication with the Arbitrator shall be copied contemporaneously to the other party at the address for service nominated in this Agreement.
- i) That each party to this Agreement shall notify others in writing of any changes in the address or communication details pursuant to entering this Agreement. If the Party fails to update the changes in writing, any notices or correspondence to the address mentioned above will be treated as valid and binding. Email and documents in electronic form are preferred unless otherwise directed. The written notice must specify the claims asserted against the other party. Notice of any claim sought to be arbitrated must be served within the limitation period under the applicable law.
- j) That the failure of any party hereto to enforce any provision of this Agreement shall in no way be construed to be a waiver of such provisions or to affect the validity of this Agreement or any part thereof or the right of either party to enforce each and every provision in accordance with its terms.

#### Annexure B

#### **Sabotage and Terrorism Damage Cover Endorsement – Material Damage and Loss of Profit**

#### **INSURING CLAUSE**

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment by the Insured to the Company of additional premium as stated in the Schedule, it is hereby agreed and declared that notwithstanding anything stated in the 'Terrorism Risk Exclusion' of this Policy to the contrary, this Policy is extended to cover :-

(i) Physical loss or physical damage occurring during the period of this Policy caused by an act of sabotage and/or terrorism to the location/s mentioned in the schedule, subject to the exclusions, limits and excess hereinafter contained,

For the purpose of this cover, an act of sabotage and/or terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 1967 (as amended from time to time) or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

For the purpose of this cover, an act of sabotage means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

(ii) loss, damage, cost or expense directly caused by, resulting from or in connection with any action taken in suppressing, controlling, preventing or minimizing the consequences of an act of sabotage and/or terrorism by the duly empowered government or Military Authority.

Provided that If the Insured is eligible for indemnity under any government compensation plan or other similar scheme in respect of the damage described above, this Policy shall be excess of any recovery due from such plan or scheme.

For the purpose of the aforesaid inclusion clause, "Military Authority" shall mean armed forces, para military forces, police or any other authority constituted by the government for maintaining law and order.

(iii) Loss resulting from necessary interruption of business caused by direct physical loss or damage in respect of which liability has been admitted by the Company under (i) and/or (ii) above. In the event of such direct physical loss or damage, this Policy shall be liable for the actual loss sustained by the insured resulting directly from such necessary interruption of business, but not exceeding the loss of gross profits, as defined in the Policy, less charges and expenses which are not necessary during the interruption of business, for such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the property as has been destroyed or damaged, commencing with the date of such direct physical loss or damage and not limited by the expiration of this Policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent necessary to resume operations of the Insured with the same operational capability as existed immediately before the loss.

**LOSSES EXCLUDED****(A)For Materials Damage**

This cover shall not indemnify loss of or damage to property caused by any or all of the following:-

1. loss by seizure or legal or illegal occupation;
2. loss or damage caused by:
  - (i) voluntary abandonment or vacation,
  - (ii) confiscation, commandeering, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority, which deprives the Insured of the use or value of its property;
3. loss or damage arising from acts of contraband or illegal transportation or illegal trade;
4. loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment;
5. loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind;
6. loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind;
7. any fine, levy, duty, interest or penalty or cost or compensation/damages and/or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person;
8. loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorized instructions or code or the use of any electromagnetic weapon.

This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile;

9. loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion;
10. loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating there construction, repair or demolition of any property insured here under;
11. any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working;
12. loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service;
13. loss or increased cost as a result of threat or hoax;
14. loss or damage caused by or arising out of burglary, house - breaking, looting, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any action taken in respect of an act of sabotage and/or terrorism;
15. loss or damage caused by mysterious disappearance or unexplained loss;

16. loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
17. total or partial cessation of work or the retardation or interruption or cessation of any processor operations or omissions of any kind
18. Any loss due to fines or damages for breach of contractor penalties of whatever nature;
19. Any infidelity, fraudulent, dishonest or criminal act by any director, officer or trustee of the Insured whether acting alone or in collusion with others;
20. Any debt, insolvency or commercial failure, whether to provide bond or security or otherwise, or any other financial cause of any party or person whatsoever.
21. loss or damage caused by Civil Commotion, Insurrection, Revolution or Rebellion, Mutiny and/or Coup d'Etat and Civil War except as may be insured specifically under any Political Violence Extension to this cover;
22. Third party liability howsoever arising except as may be insured specifically under any Third-Party Liability Extension to this cover.

**(B)For Loss of Profit**

This cover shall not indemnify :-

1. increase in loss resulting from interference at the insured premises, by terrorists or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;
2. increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured interruption of business, and then the Company shall be liable for only such loss as affects the Insured's earnings during, and limited to, the period of indemnity covered under this Policy;
3. increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
4. the Insured's lack of sufficient capital for timely restoration or replacement of property lost destroyed or damaged;
5. loss resulting from:
  - a) deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software;
  - b) other erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software unless caused by damage to the machine or apparatus in which the records are mounted;
6. loss resulting from alterations, additions, improvements, rectification of defects or faults or elimination of any deficiencies carried out after the physical loss;
7. loss of market or any other consequential loss.
8. loss as a result of physical or mental or bodily injury to any person.

9. loss arising from Contingent Business Interruption Extension of Business Interruption/Loss of Profit Section under this policy, comprising of Customers and Suppliers premises, Prevention of Access and Public Utilities.

### **LIMIT OF INDEMNITY**

The limit of indemnity under this cover shall not exceed the Total Sum Insured for Material Damage and Loss of Profits given in the Policy Schedule or INR20,000,000,000 per compound/location whichever is lower.

In respect of several locations being covered under a single policy on a floater basis, the maximum aggregate loss suffered for Material Damage and Loss of Profits from all the locations mentioned in the Policy schedule shall not exceed Total Sum Insured as mentioned in the Policy Schedule or Rs. 20,000,000,000/-whichever is lower.

In respect of several insurance policies within the same compound/location with one or different insurers, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 20,000,000,000 for Material Damage and Loss of Profits. If the actual aggregate loss suffered at one compound/location is more than INR 20,000,000,000 for Material damage and Loss of Profits, the amounts payable towards individual policies shall be reduced in proportion to the sum insured of the policies.

### **EXCESS**

#### **A. For material damage\***

Shops & Residential Risks: 1% of the claim amount for each and every claim subject to Minimum of INR 10,000 and Maximum of INR 500,000

Non-Industrial Risks: 1% of the claim amount for each and every claim subject to Minimum of INR 25,000 and Maximum of INR 1,000,000

Industrial Risks : 5% of the claim amount for each and every claim subject to Minimum of INR 100,000 and Maximum of INR 25,00,000

\*Whichever is applicable.

#### **B. For Loss of Profit**

In anyone occurrence of loss or damage, the Company shall not be liable for the amount obtained by multiplying seven(7) days standard turnover with rate of gross profit.

### **ADD ON COVERS**

It is further declared and agreed that the limit of indemnity including the claim on add on cover(s) shall not exceed total sum insured plus separate sublimit opted for add on cover(s) or INR 20,000,000,000 whichever is lower. In respect of several insurance policies within the same compound /location, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 20,000,000,000.

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### **MID TERM COVER**

In case the coverage under this endorsement is granted during the currency of the policy, no claims will be payable for loss or damage to property caused by an act of sabotage and/or terrorism occurring during the first 15(fifteen) days from the date of granting such cover. There should be no known or recorded/reported losses from ground up including threats/hoaxes from date of inception of policy to the date of granting such cover.

**SANCTION,LIMITATION AND EXCLUSION CLAUSE**

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the

European Union, United Kingdom or United States of America.

**CANCELLATION CLAUSE**

Notwithstanding the cancellation provisions relating to the basic insurance policy on which this endorsement is issued, there shall be no refund of premium allowed for cancellation of the Sabotage and/or Terrorism risk insurance during the period of insurance except where such cancellation is done along with the cancellation of the basic insurance.

Where a policy is cancelled and rewritten mid-term purely for the purpose of coinciding with the accounting year of the insured, pro-rate refund of the cancelled policy premium will be allowed.

If the cancellation is for any other purpose, refund of premium will only be allowed after charging short term scale rates.

Note: The definitions, terms and conditions of the Policy save as modified or endorsed here in shall apply.