

# FIRE INSURANCE POLICY

As the Insured named in the Schedule hereto by proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to People's Insurance PLC (hereinafter called the Company) for the Insurance hereinafter contained.

In consideration of the Insured paying to the Company the premium mentioned in the Schedule, the Company agrees, subject to the Conditions contained herein or endorsed or otherwise expressed hereon, which Conditions shall so far as the nature of them respectively will permit be deemed to be Conditions precedent to the right of the Insured to recover hereunder, that if after payment of the premium the property insured described in the Schedule, or any part of such property, be destroyed or damaged by

## Fire or lightning

At any time before 4 o'clock in the afternoon of the last day of the Period of Insurance named in the Schedule, or of any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the renewal of this Policy, the Company will pay to the Insured the value of the property at the time of the happening of its destruction or the amount of such damage, or at its option to reinstate or replace such property or any part thereof.

Provided that the liability of the Company shall in no case exceed in respect of each item the sum expressed in the Schedule to be Insured thereon and in the whole the Total Sum Insured hereby, or such other sum or sums as may be substituted therefore by endorsement hereon or attached hereto, signed by or on behalf of the Company.

This Policy and Schedule(s) annexed (which form an integral part of this Policy) 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 Schedule(s) shall bear the same meaning wherever they may appear.

## CONDITIONS

### 1. Misdescription

If there be any material misdescription of any of the property hereby Insured, or of any building or place in which such property is contained, or any misrepresentation as to any material fact to be known for estimating the risk or any omission to state such fact the Company shall not be liable upon this Policy so far as it relates to property affected by any such misdescription, misrepresentation or omission.

### 2. Receipts

No payment in respect of any premium shall be deemed to be payment to the Company unless a printed form of Receipt for the same signed by an official of the Company shall have been given to the Insured.

### 3. Other Insurances

The Insured shall give notice to the Company of any Insurance or Insurances already effected, or which may subsequently be effected, covering any of the property hereby Insured, and unless such notice be given and the particulars of such Insurance or Insurances be stated in or endorsed on this Policy by or on behalf of the Company before the occurrence of any loss or damage, all benefits under this Policy shall be forfeited.

### 4. Fallen Buildings

All Insurance under this Policy:

- (i) on any building or part of any building
  - (ii) on any Property contained in any building
  - (iii) on rent or other subject matter of Insurance in respect of or in connection with any building or any property contained in any building.
- Shall cease immediately upon any fall or displacement

- (a) of such building or of any part thereof
- (b) of the whole or any part of any range of buildings or of any structure of which such building forms part

Provided that such fall or displacement is of the whole or a substantial or important part of such building or impairs the usefulness of such building or any part thereof, or leaves such building or any part thereof or any property contained therein subject to increased risk of fire or is otherwise material, and provided that such fall or displacement is not caused by fire or loss or damage by which is covered by this Policy or would be covered if such building, range of buildings or structure were Insured under this Policy.

In any action, suit or other proceeding, the burden of proving that any fall or displacement is caused by fire as aforesaid shall be upon the Insured.

## 5. Risks not covered

- (i) This Insurance does not cover:
  - (a) loss by theft during or after the occurrence of a fire
  - (b) loss or damage to property occasioned by its own fermentation, natural heating or spontaneous combustion except as may be provided in accordance with 7(f) mentioned below or by its undergoing any heating or drying process:
  - (c) loss or damage occasioned by or through or in consequence of:
    - (1) the burning of property by order of any public authority,
    - (2) Subterranean Fire.
- (ii) This Insurance does not cover:
  - loss, damage, contamination, cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any of the following regardless of any other cause or event contributing currently or in any other consequence to the loss:
  - (a) ionizing radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear installation, reactor or other nuclear assembly or nuclear fuel
  - (b) the radioactive, toxic explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
  - (c) any weapon of war employing atomic or nuclear fission and / or fusion or other like reaction or radioactive force or matter.

## 6.1 Occurrences not covered

This Insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely

- (a) earthquake, volcanic eruption or other convulsion of nature,
- (b) typhoon, hurricane, tornado, cyclone, storm, tempest or other atmospheric disturbance,
- (c) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war.
- (d) mutiny, civil commotion, tribal rising, military rising, insurrection, strike, riot, rebellion, revolution, military or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege, permanent or temporary dispossession resulting from confiscation or detention, requisition or willful destruction by any lawfully constituted authority.
- (e) any act of terrorism

An act of terrorism means an act, 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 organization(s) or government(s), committed for political, religious, ideological, or ethnic purposes or reasons including the intention to influence any government and / or to put the public, or any section of the public, in fear.

This Insurance also excludes loss, damage, cost or expense of whatsoever nature, directly or indirectly caused by resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way

relating to (c,d ) and /or ( e) above.

Any loss, damage or destruction happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be loss, damage or destruction which is not covered by this Insurance, except to the extent that the Insured shall prove that such loss, damage or destruction happened independently of the existence of such abnormal conditions.

In any action, suit or other proceedings where the Company alleges that by reason of the provisions of this Condition any loss or damage is not covered by this Insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

## **6.2. Liability not covered**

This Insurance does not cover any liability for:

Loss or destruction or damage caused by pollution or contamination except (unless otherwise excluded) destruction or damage to the property Insured caused by;

- (i) pollution or contamination which itself results from a contingency hereby Insured against.
- (ii) any contingency hereby Insured against which itself results from pollution or contamination.

## **7. Risks not covered unless expressly included**

Unless otherwise expressly included

- (a) goods held in trust or on commission
- (b) bullion or unset precious stones,
- (c) any curio or work of art for an amount exceeding Rs. 5000/-,
- (d) manuscripts, plans, drawings, designs, patterns, models or moulds,
- (e) securities, obligations or documents of any kind, stamps, coins or paper money, cheques, books of account or other business books, computer systems,
- (f) coal, against loss or damage occasioned by its own spontaneous combustion
- (g) explosives
- (h) any loss or damage occasioned by or through or in consequence of explosion, but loss or damage by explosion of gas used for illuminating or domestic purposes in a building in which gas is not generated and which does not form part of any gas works, will be deemed to be loss by Fire within the meaning of this Policy
- (i) any loss or damage occasioned by or through or in consequence of the burning, whether accidental or otherwise, of forests, bush, pampas, patnas or jungle and the clearing of lands by Fire.
- (j) Electrical Exclusion Clause (Applicable to electrical machines, appliances, installations etc, if Insured under this Policy).

The Company shall not be liable for loss of or damage to any electrical machine, apparatus, fixture or fitting, domestic appliances (including electric fans, washing machines, refrigerators, radios, TV sets) and the like) or to any portion of the electrical installation, 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, fitting or portion of the electrical installation so affected and not to other machines, apparatus, fixtures, fittings or portions of the electrical installation which may be destroyed or damaged by Fire so set up.

## **8. Alterations and removals**

Under any of the following circumstances the Insurance ceases to attach as regards the property affected unless the Insured, before the occurrence of any loss or damage, obtains the sanction of the Company signified by endorsement upon the Policy, by or on behalf of the Company:

- (a) if the trade or manufacture carried on be altered, or if the nature of the occupation of or other circumstances affecting the building insured or containing the insured property be changed in such a way as to increase

- the risk of loss or damage by Fire or other insured peril,
- (b) if the building insured or containing the Insured property becomes unoccupied and so remains for a period of more than 30 days
  - (c) if the property Insured be removed to any building or place other than that in which it is herein stated to be insured.
  - (d) if the interest in the property insured passes from the insured otherwise than by will or operation of law.
  - (e) if a notice to quit by any order by the local authorities for the requisition or acquisition of the land on which the Insured's property is situated has been issued.

## **9. Marine Clause**

This Insurance does not cover any loss or damage to property which, at the time of the happening of such loss or damage, is Insured by or would, but for the existence of this Policy, be Insured by any Marine Policy or policies, except in respect of any excess beyond the amount which would have been payable under the Marine Policy or Policies had this Insurance not been effected.

## **10. Cancellation of the Insurance**

This Insurance may be terminated at any time at the request of the Insured, in which case the Company will retain 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 on notice to that effect being given to the Insured, in which case the Company shall liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.

## **11. Claims**

On the happening of any loss or damage or destruction the Insured shall

- (i) forthwith give notice thereof to the Company, and shall within 15 days after the loss or damage, or such further time as the Company may in writing allow, deliver to the Company:
  - (a) a claim in writing for the loss or damage, containing as particular an account as may be reasonably practicable of all the several articles or items of property damaged or destroyed and of the amount of the loss or damage thereto respectively, having regard to their value at the time of the loss or damage, not including profit of any kind,
  - (b) particulars of all other Insurances, if any
- (ii) give immediate notice to the police and take all practical steps to discover and punish the guilty person or persons and to trace and recover the lost or damaged property insured if the loss or damage arises from theft or any attempted theft or any other cause for which a criminal action could be brought.

The Insured shall also at all times, at his own expense produce procure and give to the Company all such further particulars, plans, specifications, books, vouchers, invoices, duplicates or copies thereof, documents, proofs and information with respect to the claim and the origin and cause of the loss or damage and the circumstances under which the loss or damage occurred, and any matter touching the liability or the amount of the liability of the Company as may be reasonably required by or on behalf of the Company, together, if requested, with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

No claim under this Policy shall be payable unless the terms of this Condition have been complied with.

## **12. Expenses incurred in extinguishing Fire**

The Insurance under this Policy extends to include:-

- (a) wages of the Insured's employees other than full - time members of a Works Fire Brigade.
- (b) the cost of replacement of the fighting appliances and destruction of or damage to materials (including employees' clothing and personal effects) unless otherwise specifically Insured.
- (c) fire brigade charges provided always that the liability of the Company in respect of such wages, costs and charges shall be limited to those necessarily and reasonably incurred in extinguishing Fires at or adjoining

the situation of the property Insured by this Policy or immediately threatening to involve such property.

### **13. Rights of Company regarding salvage**

On the happening of any loss or damage to any of the property insured by this Policy the Company may:

- (a) enter and take and keep possession of the building or premises where the loss or damage has happened
- (b) take possession of or require to be delivered to it any property of the Insured in the building on the premises at the time of the loss or damage
- (c) keep possession of any such property and examine, sort, arrange, remove or otherwise deal with the same
- (d) sell any such property or dispose of the same for account of whom it may concern;

The powers conferred by this Condition shall be exercisable by the Company at any time until notice in writing is given by the Insured that he makes no claim under the Policy, or if any claim is made, until such claim is finally determined or withdrawn, and the Company shall not by any act done in the exercise or purported exercise of their powers hereunder incur any liability to the Insured or diminish their right to rely upon any of the Conditions of this Policy in answer to any claim.

If the Insured or any person acting on his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the Company in the exercise of its powers hereunder, all benefits under this Policy shall be forfeited.

The Insured shall not in any case be entitled to abandon any property to the Company whether taken possession of by the Company or not.

### **14. Forfeiture**

If the claim be in any respect fraudulent, or if any false declaration be made or used in support thereof, or if any fraudulent means or devices are used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy, or if the loss or damage be occasioned by the willful act or with the connivance of the Insured, or if the claim be made and rejected and an action or suit be not commenced within three months after such rejection or in case of arbitration taking place in pursuance of Condition 21 mentioned below of this Policy within three months after the arbitrator or arbitrators or umpires shall have made their award, all benefits under this Policy shall be forfeited.

### **15. Option to Reinstate**

The Company may at their option reinstate or replace the property damaged or destroyed or any part thereof, instead of paying the amount of the loss or damage, or may join with any other Insurers in so doing, but the Company shall not be bound to reinstate exactly or completely but only as circumstances permit and in reasonably sufficient manner, and in no case shall the Company be bound to expend more in reinstatement than it would have cost to reinstate such property as it was at the time of the occurrence of such loss or damage, or more than the Sum Insured by the Company thereon.

If the Company so elect to reinstate or replace any property the Insured shall, at his own expense, furnish the Company with such plans, specifications, measurements, quantities, and such other particulars as the Company may require, and no acts done or caused to be done by the Company with a view to reinstatement or replacement shall be deemed an election by the Company to reinstate or re-place.

In any case the Company shall be unable to reinstate or repair the property hereby insured because of any municipal or other regulation in force affecting the alignment of streets, the construction of buildings or otherwise, the Company shall in every such case, only be liable to pay such sum as would be requisite to reinstate or repair such property if the same could lawfully be reinstated to its former condition.

### **16. Subrogation of rights**

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 reasonably required by the Company for the purpose of enforcing any rights and remedies, or

of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon their paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

### **17. Average**

If the property hereby insured shall, at the breaking out of any Fire or at the time of the occurrence of any other Insured loss or damage, be collectively of greater value than the Sum Insured thereon, then the Insured shall be considered as being his own Insurer for the difference and shall bear a ratable proportion of the loss or damage accordingly. Every item, if more than one, of the Policy shall be separately subject to this Condition. Where the property is a private dwelling house and/ or its contents this Condition of Average will not apply provided the Sum Insured is at least 75% of the value of the property Insured.

### **18. Contribution**

If at the time of any loss or damage happening to any property hereby insured there be any other subsisting Insurance or Insurances, whether effected by the Insured or by any other person or persons, covering the same property, the Company shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.

### **19. Reinstatement of the Sum Insured**

In the event of a loss, the Insurance hereunder shall be maintained in force for the full Sum Insured and the Insured shall be liable to pay an additional premium at the rate stated on the Policy, calculated on the amount of loss on a pro rate basis from the date of such loss to the expiry of the current period of Insurance.

### **20. Warranties**

Every warranty to which the property insured or any item thereof is or may be made subject, shall from the time the warranty attaches, apply and continue to be in force during the whole currency of this Policy, and non-compliance with any such Warranty, whether it increases the risk or not, shall be a bar to any claim in respect of such property or item, provided that whenever this Policy is renewed a claim in respect of destruction or damage occurring during the renewed period shall not be barred by reason of a warranty not having been complied with at any time before the commencement of such period.

### **21. Arbitration**

If any difference arises as to the amount of any loss or damage such difference shall independently of all other questions be referred to the decision of an arbitrator, to be appointed in writing by the parties within two calendar months after having been required so to do in writing by the other party. In case either party shall refuse or fail to appoint an arbitrator within two calendar months after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole arbitrator, and in case of disagreement between the arbitrators, the difference shall be referred to the decision of an umpire who shall have been appointed by them in writing before entering on the reference, and who shall sit with the arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the arbitrator, arbitrators or umpire respectively and in the event of the death of an arbitrator or umpire, another shall in each case be appointed in his stead by the party or arbitrators (as the case may be) by whom the arbitrator or umpire so dying was appointed. The costs of the reference and of the award shall be at the discretion of the arbitrator arbitrators or umpire making the award. It is hereby expressly stipulated and declared that it shall be a Condition precedent to any right or action or suit upon this Policy that the award by such arbitrator, arbitrators or umpire of the amount of the loss or damage if disputed shall be first obtained.

### **22. Time limit for Company's Liability**

In no case whatever shall the Company be liable for any loss or damage after the expiration of twelve months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration.

### **23. Written Notice**

Every notice and other communications to the Company required by these Conditions must be written or printed.

## **24. Due Observance**

The due observance and fulfillment of the terms provisions and Conditions of this Policy insofar as they relate to anything to be done or complied with by the Insured shall be a condition precedent to any liability of the Company to make any payment under this Policy.

## **25. Premium Payment Warranty**

25.1. Notwithstanding anything herein contained but subject to clause 25.2 and 25.3 hereof, it is hereby agreed and declared that the full premium due and payable in respect of this Insurance is required to be settled to the Company on or before the premium due date specified in the Schedule of this Policy, Renewal Certificate, Endorsement or Cover Note (Which shall be a date not exceeding Sixty (60) days from the date of Inception of the Policy) and in the absence of any such premium due date, the full settlement of the premium is required to be made or effected on or before the expiry of the Sixtieth (60) day from the date of inception of this Policy, Renewal Certificate, Endorsement or Cover Note (hereinafter referred to as the “due date”) For the purpose of this warranty the “due date” shall be recognized from the date of inception or commencement of the coverage.

25.2. It is also declared and agreed that the settlement of the full premium on or before the due date shall operate as a Condition precedent to the Company’s liability or an obligation to settle claim under this Policy, Renewal Certificate, Endorsement, or Cover Note.

In the event of any claim arises between date of commencement of this Insurance and the “due date” for the settlement of premium, the Company may defer any decision on liability or postpone the settlement of any such claim until full settlement of the premium is effected on or before the “due date”.

25.3 It is also declared and agreed that where the full premium payable hereunder remains outstanding as at the closure of business of the Insurer on the “due date” then the cover under this Insurance and any obligations assumed or imputed under this Insurance shall stand to be cancelled, ceased and revoked immediately, However, such cancellation will not prejudice the rights of the Company to invoke any legal defence or to recover the full or any part of the defaulted premium attributable to the expired period of the Insurance.

## **26. Property Damage Clarification**

Property damage covered under this policy shall mean physical damage to the substance of property. Physical damage to the substance of property shall not include damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by deletion, a corruption or a deformation of the original structure.

Consequently, the following are excluded from this agreement:-

- (a) Loss or damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss of or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered.
- (b) Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.

## **EXTENSIONS, CLAUSES AND WARRANTIES**

THE FOLLOWING EXTENSIONS, CLAUSES AND WARRANTIES APPLY TO THIS POLICY, ONLY WHEN SPECIFICALLY MENTIONED IN THE SCHEDULE, AND ARE SUBJECT OTHERWISE TO THE TERMS, EXCEPTIONS, AND CONDITIONS OF THE POLICY.

### **EXTENSIONS**

#### **F 01. RIOT AND STRIKE**

It is hereby declared and agreed that notwithstanding anything contained in the within written policy to the contrary the insurance under this policy shall extend to cover Riot and Strike damage which for the purpose of this Endorsement shall mean (subject always to the Special Conditions hereinafter contained)

Loss of or damage to the property insured directly caused by

1. the act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in Condition 6 of the Special Conditions hereof;
2. the action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of any such disturbance;
3. the willful act of any striker or locked-out worker done in furtherance of a strike or in resistance to a lockout;
4. the action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

#### **Special Conditions**

For the purpose of this endorsement but not otherwise these shall be substituted for the respective numbered conditions of the policy.

#### **Condition 5**

- (i) This insurance does not cover:
  - (a) loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever;
  - (b) loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
  - (c) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
  - (d) Loss or damage occasioned by permanent or temporary dispossession of any building resulting from the unlawful occupation by any person of such building;
  - (e) loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by nuclear weapons material;

provided nevertheless that the Company is not relieved under

(c) or (d) above of any liability to the Insured in respect of physical damage to the property insured occurring before dispossession or during temporary dispossession.

- (ii) This insurance does not cover loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this Condition 5 (ii) only combustion shall include any self-sustaining process of nuclear fission.

#### **Condition 6**

This insurance does not cover any loss or damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:

- (a) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war;
- (b) mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military, or usurped power, martial law or state of siege or any of the events or causes which determine the proclamation or maintenance of martial law or state of siege;



- (c) any act of terrorism which means an act, 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 organization(s) or Government(s), committed for political religious, ideological or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public in fear;

further any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, or resulting from any action taken in controlling, preventing, suppressing action during any engagement between Government forces and any group as defined above on land, sea, or air shall be regarded as falling within the definition of Terrorism above.

In any action, suit or other proceedings, where the Company alleges that by reason of the provisions of this Condition any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

### **Condition 7**

Unless otherwise expressly stated in the Policy this insurance does not cover:

- (a) goods held in trust or on commission;
- (b) bullion or unset precious stones;
- (c) any curios or work of art for an amount exceeding Rs.500/-;
- (d) manuscripts, plans, drawings, designs, patterns, models or moulds;
- (e) securities, obligations or documents of any kind, stamps, coins or paper; money, cheques, books of account or other business books and computer systems records;
- (f) explosives.

### **Condition 10**

This insurance may at any time be terminated by the Company on notice to that effect being given to the Insured, in which case the Company shall be liable to repay a ratable proportion of the premium for the unexpired term from the date of cancellation. If the insurance be terminated at the request of the Insured the Company shall not be liable to repay the premium or any part thereof.

### **Condition 17**

If the property hereby insured shall at the breaking out of any fire or at the time of the occurrence of any other insured loss or damage be collectively of greater value than the sum insured thereon, then the insured shall be considered as being his own insurer for the difference and shall bear a ratable proportion of the loss or damage accordingly. Every item if more than one of the Policy shall be separately subject to this condition provided that the sum insured is within the limit of cover provided by the Fund.

Where the property is a private dwelling house and/or its contents this Condition of Average will not apply provided the sum insured is at least 75% of the value of the property insured

### **Provided that it is hereby expressly agreed and declared that:**

1. all the Conditions of this policy shall apply in all respects to the insurance granted by this extension save in so far as the same are expressly varied by the above Special Conditions and any reference to fire in the Conditions of the Policy shall be deemed to include the perils hereby insured against;
2. the Special Conditions herein shall apply only to the insurance granted by this extension and the conditions of the policy shall apply in all respects to the Insurance granted by the policy as if this endorsement had not been made thereon;
3. the amount recoverable under this extension in respect of loss/damage to any property of the same insured in the same location under all policies (if more than one policy has been obtained on the same risk and interest) shall

not exceed limit specified in the schedule or the sum insured which ever is less anyone loss/occurrence. For this purpose an “occurrence” shall mean all losses attributable directly or indirectly to one cause or to one of a series of similar causes;

4. the cover granted by this endorsement is subject to an excess of 10% in respect of each and every loss/occurrence, but maximum Rs.100,000/- for private dwellings only;
5. upon the occurrence of an event giving rise to a claim hereunder, the limit of cover provided shall stand reduced by the amount of the claim paid or payable and shall be reinstated by the Insured by payment of an additional premium calculated at 100% pro-rata only to the amount reinstated.

It is further declared and agreed that this extension is subject to the following exclusions:

#### **A. INSTITUTE RADIOACTIVE CONTAMINATION,CHEMICAL, BIOLOGICAL, BIOCHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE**

This clause shall be paramount and shall override anything contained in this insurance inconsistent herewith

1. in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

- 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific, or other similar peaceful purposes
- 1.5 any chemical, biological, bio chemical, or electromagnetic weapon;

#### **B INSTITUTE CYBER ATTACK EXCLUSION CLAUSE**

- 1.1 subject only to clause 1.2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system
- 1.2 where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme of any other electronic system in the launch and / or guidance system and/or firing mechanism of any weapon or missile.

#### **Subrogation of Rights**

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 reasonably required by the Company for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated, upon its paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

This extension is granted for and on behalf of the National Insurance Trust Fund and any liabilities whatsoever under this specific extension shall devolve solely upon the said fund. If any action, suit or proceeding where it is alleged that any loss or damage is not covered by this Endorsement, the burden of proving that such loss or damage is covered shall be upon the insured

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

## **F 02. MALICIOUS DAMAGE**

The insurance under the said Riot and Strike Endorsement shall extend to include MALICIOUS DAMAGE which for the purpose of this extension shall mean:

Loss of or damage to the property insured directly caused by the malicious act of any person (whether or not such act is committed in the course of a disturbance of the public peace) not being an act amounting to or committed in connection with an occurrence mentioned in Special Condition 6 of the said Riot and Strike Endorsement.

But the Company shall not be liable under this extension for (1) any loss or damage by fire or explosion (2) any loss or damage arising of or in the course of burglary, house breaking, theft or larceny or any attempt thereat or caused by any person taking part therein and (3) the deductible mentioned in the schedule in respect of each and every loss.

Provided always that all the conditions and provisions of the said Riot and Strike Endorsement shall apply to this extension as if they had been incorporated herein.

## **F 03. TERRORISM ENDORSEMENT (EXTENSION OF RIOT & STRIKE ENDORSMENT)**

In consideration of a payment of an additional premium it is hereby declared and agreed that the cover provided by the SRCC Endorsement attached to the Policy:

- a) is extended to include loss or damage other than Consequential Losses of any kind directly relating to or caused by any act of terrorism which means an act, 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 organization(s) or Government(s), committed for political religious, ideological or ethnic purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public in fear

further any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, or resulting from any action taken in controlling, preventing, suppressing action during any engagement between Government forces and any group as defined above on land, sea, or air shall be regarded as falling within the definition of Terrorism above

- b) the amount recoverable under this extension in respect of loss/damage to any property of the same insured in the same location under all policies (if more than one policy has been obtained on the same risk and interest) shall not exceed the limit specified in the schedule or the sum insured which ever is less anyone loss/occurrence. For this purpose an "occurrence" shall mean all losses attributable directly or indirectly to one cause or to one of a series of similar causes;
- c) is subject to an excess of 10% in respect of each and every loss/occurrence. However, the excess applicable in respect of Fire Insurance Policies or combined Fire and Theft insurance policies covering private dwellings only shall be 10% or Rs. 100,000/- whichever is lower.

Notwithstanding what is stated to the contrary in the Policy if the Terrorism extension to the Policy is being cancelled by the Insurer a pro-rata refund will be allowed to the Insured. However, no return of premium shall be granted if this cover is cancelled at the request of the Insured.

In the event of any loss/losses arising out of the same occurrence affecting more than one policy, the apportionment of the loss amongst the respective policies shall be at the sole discretion of the National Insurance Trust Fund subject however to the limits and deductibles specified in this Endorsement.

Upon the occurrence of an event giving rise to a claim hereunder, the limit of

cover provided shall stand reduced by the amount of the claim paid or payable and shall be reinstated by the Insured by payment of an additional premium calculated at 100% pro-rata only to the amount reinstated.

It is further declared and agreed that this extension is subject to the following exclusions :

#### **A. INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIOCHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE**

this clause shall be paramount and shall override anything contained in this insurance inconsistent herewith

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from
  - 1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
  - 1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
  - 1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
  - 1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific, or other similar peaceful purposes
  - 1.5 any chemical, biological, bio chemical, or electromagnetic weapon;

#### **B. INSTITUTE CYBER ATTACK EXCLUSION CLAUSE**

- 1.1 subject only to clause 1.2 below, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system
- 1.2 where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause 1.1 shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme of any other electronic system in the launch and / or guidance system and/or firing mechanism of any weapon or missile.

This extension is granted for and on behalf of the National Insurance Trust Fund and any liabilities whatsoever under this specific extension shall devolve solely upon the said fund. If any action, suit or proceeding where it is alleged that any loss or damage is not covered by this Endorsement, the burden of proving that such loss or damage is covered shall be upon the Insured.

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

#### **F 04. EXPLOSION**

The insurance under the policy shall, subject to the Special Conditions hereinafter contained, extend to include

Destruction or Damage (by fire or otherwise) of or to the property insured directly caused by Explosion.

PROVIDED ALWAYS that all the Conditions of the policy (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein.

### **SPECIAL CONDITIONS**

1. The Company shall not be liable for destruction or damage by Explosion (other than destruction or damage by fire resulting from Explosion) occasioned by the bursting of a Boiler (not being a boiler used for domestic purposes only) Economiser or other vessel, machine or apparatus in which internal pressure is due to steam only and belonging to or under the control of the insured nor for the damage or destruction of vessels, machinery or apparatus or their contents resulting from the explosion thereof.

### **F 05. IMPACT**

The insurance under this Policy shall extend to include destruction or damage (other than by Fire) of or, to the property Insured directly caused by: IMPACT with any of the property insured under this Policy by any road vehicle or animal not belonging to, or under the control of the Insured, or any member of his family or any person in or upon the insured's service This insurance is subject to the deductible stated in the schedule in respect of each and every occurrence of loss/damage arising due to impact.

### **F 06. AIRCRAFT DAMAGE ( MATERIAL DAMAGE)**

In consideration of the payment of an additional premium it is hereby agreed and declared that notwithstanding anything in the within written policy contained to the contrary, the insurance under the policy shall, subject to the special conditions hereinafter contained, extend to include: Destruction or damage (by fire or otherwise) of or to the property insured directly caused by AIRCRAFT and other aerial devices or articles dropped there from.

PROVIDED ALWAYS that all the conditions of the policy (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated therein.

### **SPECIAL CONDITIONS**

1. The liability of the Company shall in no case under this endorsement and the Policy exceed the sum insured by each item of the policy.
2. This insurance does not cover: any loss or damage caused by any aircraft for which permission to land has been given by the insured

### **F 07. STORM AND TEMPEST- CYCLONE TYPHOON, HURRICANE, TORNADO**

Notwithstanding anything contained to the contrary in Condition 6.1(b) of this policy, it is hereby declared and agreed that in consideration of the payment by the insured to the Company of an additional premium, the insurance under the within Policy is extended to cover loss or damage directly caused by STORM AND TEMPEST- CYCLONE, TYPHOON, HURRICANE, TORNADO.

PROVIDED ALWAYS that all the conditions of the Policy shall apply (except in so far as they may be expressly so varied) and that any reference herein to loss or damage by fire shall be deemed to apply also to loss or damage directly caused by STORM AND TEMPEST- CYCLONE, TYPHOON, HURRICANE, TORNADO.

The insurance by this extension shall not cover:

1. Loss or damage to boundary fence and/or walls, neon signs, signboards advertising towers, glass/green houses, canopies, gates etc.,
2. Loss or damage to property in the open or in transit, other than building structures and plant designed to exist or operate in the open.
3. Loss or damage caused by rain whether driven by wind or not unless the building insured or containing the property insured shall first sustain an actual damage to roof or wall by direct force of a STORM AND TEMPEST - CYCLONE, TYPHOON, HURRICANE, TORNADO. The Company shall then be liable for such loss or damage to the building or insured property therein as may be caused by rain entering the buildings through openings in the roof or walls made by such a direct action of a STORM AND TEMPEST- CYCLONE, TYPHOON, HURRICANE, TORNADO.

4. Loss or damage caused directly or indirectly by landslides, subsidence, inundation from the sea whether or not incidental to STORM AND TEMPEST-CYCLONE, TYPHOON, HURRICANE, TORNADO.
5. The escape of water from the normal confines of any natural or artificial water course, or lake or reservoir or canal or dam.
6. Loss or damage by flood caused by overflowing, bursting or leakage of water tanks, pipes or apparatus.
7. Consequential loss or damage of any kind or description whatsoever.
8. The deductible stated in the Schedule in respect of each and every loss.

### **Special Conditions**

1. The insured shall take all reasonable precautions for the safety of the property and it is warranted that all buildings insured under this Policy and/or containing the property insured under this Policy are in a good and substantial state of repair and shall be so maintained.
2. The liability of the insurers shall in no case under this extension and the Policy exceed the sum insured by each item of the Policy.

### **F 08. FLOOD**

In consideration of the payment of an additional premium, it is hereby agreed and declared that the insurance under the said "STORM AND TEMPEST - CYCLONE, TYPHOON, HURRICANE, TORNADO" Endorsement shall extend to include:

Loss or damage to property insured (including loss or damage by fire) directly caused by flood which for the purpose hereof shall mean the escape of water from the normal confines of any natural or artificial water course or lake or reservoir or canal or dam (but excluding destruction or damage by bursting or over-flowing of water tanks, apparatus or pipes).

Provided always that all the CONDITIONS AND PROVISIONS of the said "STORM AND TEMPEST - CYCLONE, TYPHOON, HURRICANE, TORNADO" Endorsement shall apply to this extension as if they had been incorporated therein.

### **F 09. BURSTING AND OVERFLOWING OF WATERTANKS, APPARATUS OR PIPES**

It is hereby declared and agreed that notwithstanding anything in the within Policy contained to the contrary, the insurance under the Policy shall subject to the Special Conditions hereinafter contained extend to include destruction or damage (other than by fire) of or to the property insured directly caused by Bursting or overflowing of Water Tanks, Apparatus or Pipes but excluding:

- i. Destruction or damage caused whilst the building is untenanted.
- ii. The deductible mentioned in the Schedule in respect of each and every loss or damage.
- iii. Destruction or damage by discharge or leaking from any automatic sprinkler installation in the premises.

PROVIDED ALWAYS that all the conditions of the policy (except in so far as they may be hereby varied) shall apply as if they had been incorporated herein.

### **SPECIAL CONDITIONS**

1. The liability of the Company shall in no case under this endorsement exceed the sum insured by each item of the policy.
2. This insurance does not cover loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever except loss of rent when such loss is included in the cover under the policy.
3. The insured shall use all reasonable diligence and care to keep the premises in a proper state of repair and if any defect herein be discovered shall cause such defect to be made good as soon as possible and shall in the meantime cause such additional precautions to be taken for the prevention of loss or damage as the circumstances may require and the Company shall not be liable for any loss or damage caused by a defect which the insured has failed to remedy after having received notice of such defect either from the Company or any person or public body.

### **F 10. EARTHQUAKE AND VOLCANIC ERUPTION**

In consideration of the payment of an additional premium, the Company

agrees notwithstanding anything stated in the printed conditions of this Policy to the contrary that this insurance covers loss or damage to the property insured occasioned by or through or in consequence of earthquake, and volcanic eruption.

#### **F 11. SPRINKLER LEAKAGE**

In consideration of the payment of an additional premium the Company agrees notwithstanding anything stated in the printed conditions of this policy to contrary that this policy extends to include destruction or damage caused by accidental leakage or accidental discharge of water from the automatic sprinkler installations, provided that the leakage is not a result of the following causes:-

- (a) heat caused by fire
- (b) repairs or alterations to the buildings or premises
- (c) the sprinkler Installation being repaired, removed or extended
- (d) the order of any authority
- (e) explosion, the blowing-up of buildings or blasting

#### **F 12. SPONTANEOUS COMBUSTION**

In consideration of the payment of an additional premium the Company agrees notwithstanding anything stated in the printed conditions of this Policy to the contrary that this insurance covers loss or damage to the property insured caused by its own Spontaneous Combustion.

#### **F 13. ELECTRICAL FIRE AND LIGHTNING DAMAGE TO ELECTRICAL APPLIANCES & INSTALLATIONS**

In consideration of the payment of an additional premium, the Company agrees notwithstanding Condition 7(j) of the policy loss or damage by fire to the electrical appliances and installation insured by the within Policy arising from or occasioned by over-running excessive pressure, short circuiting, arcing, self heating or leakage of electricity, from whatever cause (lightning included) is covered subject to the terms and conditions of this policy. But it is expressly understood that no liability exists under this policy for loss or damage to any electrical machine, apparatus, fixture or fitting or to any portion of the electrical installation, unless caused by fire or lightning.

### **CLAUSES**

#### **F 14. MORTGAGE CLAUSE**

It is hereby agreed that in the event of loss or damage, the Company will pay the Mortgagees or Assignees named in the Schedule to the extent of their interest and that this insurance in so far as concerns the interest therein of the Mortgagees or said Assignees, only shall not be invalidated by act or negligence of the Mortgagees or Owner of the Property insured, nor by anything where by the risk is increased being done to, upon or in any building hereby insured or containing the property hereby insured without the knowledge of the Mortgagees or said Assignees provided always that the Mortgagees or said Assignees shall notify the company of any change of ownership or alteration or increase of hazard not permitted by this insurance as soon as any such change, alteration or increase shall come to their knowledge and on demand shall pay to the Company the appropriate additional premium from the time when such increase of risk first took place.

And it is further agreed that whenever the Company shall pay the Mortgagees or said Assignees any sum for loss or damage under this Policy, and shall claim that as to the Mortgagor or Owner no liability therefore existed the Company shall at once be legally subrogated to all the rights of the Mortgagees or said Assignees to the extent of such payment, and the Mortgagees or said Assignees shall do and execute all such further or other acts, deeds, transfers, assignments, instruments, and things as may be necessary or be reasonably required by the Company for the purpose of better effecting such subrogation but such subrogation shall not impair the right of the Mortgagees or said Assignees to recover the full amount of their claim.

Provided that as between the Company and the Mortgagor or Owner of the Property insured nothing contained in this Clause shall in any way constitute or be deemed to constitute any waiver of or prejudice or affect any

rights which the Company may have against the Mortgagor or Owner of the property insured, or lessen any obligation which may be imposed on the Mortgagor or Owner of the property insured either by or under this Policy or by law, and such rights and obligations shall as between the Company and the Mortgagor or Owner of the property insured remain in full force and effect.

The Company reserve the right to cancel this Policy at any time as provided by the terms here of, but in such case this Policy shall continue in force for the benefit only of the Mortgagees or said Assignees for ten days after notice to the Mortgagees or said Assignees of such cancellation, and shall then cease and the Company shall have the right on like notice to cancel this agreement.

#### **F 15. BANK CLAUSE**

It is hereby agreed and declared that.

1. 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 interest of other parties insured hereunder shall be received by the Bank as Agents for such other parties.
2. The receipts of the Bank shall be a complete discharge of the Company therefore and shall be binding on all parties insured hereunder.
3. If and whenever any notice shall 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 matter 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. Any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and 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 the right of the Bank to recover full amount of any claim it may have on other parties insured hereunder, and
5. 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 the operation of Clause 8 of the Conditions endorsed on the Policy except where a breach of such Clause 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 where by the risk is increased or by anything being done to upon or in any building hereby insured or any building in which the property insured under the Policy are stored or kept, without the knowledge of the Bank, provided always that the Bank shall notify the Company of any change of ownership or alteration or increase of hazard not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company the necessary additional premium from the time when such increase of risk first took place. And 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 payment but not so as to impair the right to of the Bank to recover the full amount of any claim it may have on such mortgagor/owner or any other party or parties insured hereunder or from any securities or funds available, -

#### **F 16. STOCK DECLARATION**

1. In consideration of the premium by this policy being provisional in that it is calculated on 75% of the sum insured hereby and is subject to adjustment on expiry of each period of insurance;  
The insured agrees to declare to the Company in writing the value of the insured's stocks (other than retail) less any amount insured by policies other than declaration policies on the following basis namely the highest value at risk during the month and to make such declaration within thirty days of the last day of that month, such declaration to be signed by the insured or by a responsible person authorised to sign on his behalf.



If any other policies on a declaration basis cover the stocks hereby insured the declarations shall be made so as to apportion to each policy a share of the value of the stocks insured under such declaration policies, pro rata to the respective amount named in the policies. In the event of declaration not being made within the thirty days mentioned above then the insured shall be deemed to have declared the sum insured hereby as the value at risk.

On the expiry of each period of insurance the premium shall be calculated at the agreed rate of as stated in the specification on the average sum insured, namely, the total of the values declared or deemed to have been declared divided by the number of declarations due to have been made. If the resultant premium be greater than the provisional premium the insured shall pay the difference, if it be less, the difference shall be repaid to the insured but such repayment shall not exceed 20% of the provisional premium.

2. The basis of value for declaration shall be market value and any loss hereunder shall be settled on the basis of the market value immediately anterior to the loss.
3. If at the time of any loss, there be any other subsisting insurance or insurances on other than a declaration basis, whether effected by the insured or by any other person or persons covering the stocks hereby insured, this Policy shall apply only to the excess of the value of such stocks at the time of the loss over the sum insured by such other insurance or insurances, and the Company shall not be liable to pay or contribute more than that proportion of such loss which such excess (or, if there be other declaration insurances covering the same stocks, a rateable proportion of such excess) but not exceeding the sum insured hereby, bears to the total value of the stocks.
4. If after the occurrence of a loss it is found that the amount of the last declaration previous to the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the insured shall be reduced in such proportion as the amount of the said last declaration bears to the amount that ought to have been declared.
5. Notwithstanding the occurrence of a loss it is understood that the sum insured will be maintained at all time during the currency of the policy and the Insured therefore undertakes to pay extra premium on the amount of any loss pro rata from the date such loss to the expiry of the period of insurance, the premium, being calculated at the rate applicable to the stocks destroyed and such extra premium shall not be taken into account in, and shall be distinct from the final adjustment of premium.
6. In the event of this policy being cancelled by the Insured during its currency (whether stocks exist or not) the premium to be retained by the Company shall be the appropriate short period premium calculated on the average amount insured up to the date of cancelment or 80% of the provisional premium whichever is the greater: but if the policy is cancelled by the insured after a loss has occurred the premium to be retained by the Company shall be the pro rata proportion of the premium calculated on the average amount insured up to the date of cancelment plus the pro rata proportion of the premium from the date of loss to the expiry of the period of insurance on the amount of the loss paid, or 80% of the provisional premium whichever is the greater.
7. The maximum liability of the Company shall not exceed the sum insured hereby and premium shall not be receivable on values in excess thereof. The sum insured may, however, be increased by prior agreement with the Company in which event the new sum insured and the date from which it is effective will be recorded on the policy by endorsement.
8. If the stocks hereby insured shall at the time of loss be collectively of greater value than the sum insured thereon, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, on

stocks (other than retail) shall be separately subject to this condition.

9. It is warranted that every other policy on a declaration basis covering the stocks insured hereby shall be identical in wording with this Policy.
10. This insurance is subject in all respects to the printed conditions of the policy except in so far as they may be varied by these special conditions

#### **F 17. REINSTATEMENT CLAUSE**

It is hereby declared and agreed that in the event of the property insured (buildings, machinery, fittings, equipment, furniture and tools but not to stock-in-trade, foodstuffs, packing materials, merchandise and the like) under the within Policy being destroyed or damaged, the basis upon which the amount payable under each of the said items of the Policy is to be calculated, shall be the cost of replacing or reinstating on the same site property of the same kind or type, but not superior to or more extensive than the insured property when new, subject to the following Special Provisions and subject also to the terms and conditions of the policy except in so far as the same may be varied hereby.

#### **SPECIAL - PROVISIONS**

1. The work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirement of the insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch and in any case must be completed within 12 months after the destruction or damage, or within such further time as the Company may (during the said 12 months) in writing allow; otherwise no payment beyond the amount which would have been payable under the Policy if this memorandum had not been incorporated therein shall be made.
2. Until expenditure had been incurred by the insured in replacing or reinstating the property destroyed or damaged, the Company shall not be liable for any payment in excess of the amount which would have been payable under the Policy, if this memorandum had not been incorporated therein.
3. If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement, if the whole of the property covered had been destroyed exceeds the sum insured thereon at the breaking out of any fire or at the commencement of any destruction of or damage to such property by any other peril insured against by this Policy, then the Insured shall be considered as being his own Insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the Policy (if more than one) to which this Memorandum applies shall be separately subject to the foregoing provision.
4. This Memorandum shall be without force or effect, if :
  - a. The Insured fails to intimate to the Company within six months from the date of destruction or damage or such further time as the Company may in writing-allow, his intention to replace or reinstate the property destroyed or damaged;
  - b. The Insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.

#### **F 18. REMOVAL OF DEBRIS CLAUSE**

Except where more specifically insured, it is agreed and declared that cover for building and contents (other than stock) insured by this Policy extended to include costs and expenses necessarily incurred by the Insured with the consent of the Company in :

- a. removing debris
- b. dismantling or demolishing and
- c. shoring up or propping

of the portion or portions of the aforesaid property destroyed or damaged by fire or by any other peril insured hereby.

The liability of the Company under this clause and the Schedule in respect of any item shall in no case exceed the sum insured thereby.

**F 19. BUILDING IN COURSE OF CONSTRUCTION CLAUSE.**

The liability of the Company in no case exceed the value at the time of the loss of that part of the building already erected and materials on site, and subject to excess Rs. 500/- in respect of each and every loss.

**F 20. LOSS OF RENT CLAUSE**

In consideration of the payment of an additional premium it is agreed and declared that in case of loss incurred hereby the Company will be liable for the payment of rent for such portion of the time as the said building or buildings are actually untenable following damage by any of the perils hereby insured, and for such time only as may reasonably be spent in reinstatement, but in no case exceeding twelve (12) months.

**F 21. ARCHITECTS, SURVEYORS AND CONSULTING ENGINEERS FEES CLAUSE**

Except where more specifically insured the sum insured for building insured by this Policy includes an amount in respect of Architects, Surveyors and Consulting Engineers fees necessarily incurred in the reinstatement of the buildings insured consequent upon their destruction or damage but not for preparing any claim. It being understood that the amount payable for such fee shall not exceed those authorised under the scale of the respective professional institutions and provided that the liability for such destruction or damage and fees shall not exceed in the aggregate the Sum Insured for buildings.

**F .22. CAPITAL ADDITIONS CLAUSE**

This insurance hereby extends to cover alterations additions and improvements (but not appreciation in value in excess of the sums insured) to property (excluding stock) specified herein for an amount not exceeding 10% of the Sum Insured thereby, it being understood that the Insured undertake to advise the Insurers each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

**F 23. IDENTIFICATION CLAUSE**

Property described in the schedule is the property so situated and answering to the said description, in which the insured is interested.

**WARRANTIES**

**F 24. NO RETAIL TRADE**

Warranted that during the currency of this Policy no retail trade be carried on in the within described premises.

**F 25. NO SMOKING**

Warranted no smoking be permitted in the building, and notices to this effect written in Sinhala, Tamil and English in letters not less than 5 centimetres high, to be exhibited at all entrances to the building.

**F 26.HAZARDOUS GOODS**

It is hereby agreed that a small quantity of Hazardous Goods (Subject to such limitation or prohibition as may be imposed by Warranty or otherwise herein or by Official Regulations) may be stored in the building described, but it is nevertheless warranted by the insured that during the currency of this Policy the value of such permitted Hazardous Goods shall not exceed 1 % of the value of all goods stored therein

**F 27. MANUFACTURE AND DEPOSIT OF MERCHANDISE**

Warranted that during the currency of this Policy no portion of the premises herein described be used for the manufacture or deposit of merchandise.

**F 28.STACKING**

Goods should be stored in such a manner so as to permit easy access to fire fighters and that a space of one metre should be allowed between the top of the stacks and ceiling/roof and a clear space between the walls and the stacks.

### **F 29. TRADEWASTE**

- (a). Warranted that all cutting and other trade waste be collected and bagged daily and removed from the premises at least once a week.
- (b) Oily and greasy cleaning clothes be kept in closed metal containers.

### **F 30. MAINTENANCE OF STOCK RECORD WARRANTY**

Warranted that during the currency of this Policy proper records of stock (all purchases and sales) is maintained at all times and a copy of which is kept in a secured place out side the business premises

### **F 31. PALLET WARRANTY**

Warranted that during the currency of this policy, the insured undertake to store the insured stock on wooden pallets that are at least 15 centimetres (or as stated in the policy Schedule) above the ground level

### **F 32. POWER SURGE PROTECTOR WARRANTY**

It is warranted that, during the period of this policy that the insured should install a reliable power surge protector to the power supply of the Insured machines

### **F 33. SILENT RISK WARRANTY**

Warranted that no fabricating and/or processing and/or manufacturing activity whatsoever shall be carried on within the building to which this insurance applies or to any building communicating therewith

### **F 34. HOT WORK (INDUSTRIAL)**

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 only indemnify the insured for loss or damage directly or indirectly caused by or resulting from fire explosion, provided always that,

A "permit to work" system is implemented for all contractors engaged in "Hot work" of any kind such as but not limited to,  
-grinding, cutting or welding operations,  
-use of blow lamps and torches,  
-application of hot bitumen,-use of high-wattage flood lights  
or any other heat producing operation "Hot work" is carried out only in the presence of at least one worker equipped with suitable fire extinguishers and trained in fire-fighting.

The hot stub-ends of welding rods and any slag should be disposed of in a safe manner ensuring that they do not come into contact with combustible material i.e. by depositing in a metal bin containing sand.

The area of any "Hot work" is examined one hour after the work has finished.

"Hot work" should never be carried out in an atmosphere containing flammable vapours or combustible material or dust. Non-combustible blankets or screens must be used to protect the combustible material in a situation where such combustible material, which are situated within 10 meters from the area where "Hot work" is carried out, cannot be removed.

### **F 35. HOT WORK**

Warranted no processors involving welding, grinding, blow lamps or similar hot work shall be carried out within the premises. However, if it is necessary to carry out such work for construction, maintenance purpose prior written authority of the Company should be taken.

### **F 36. SAW DUST**

It is warranted that, all saw dust, wood shavings and other refuse be swept up and removed from the building(s) daily and be deposited not less than 30 meters from any building insured herein.

## **Complaints Procedure**

We are committed to serve you with passion and willing to receive your feedback. If you are not satisfied with our services, you can lodge a complaint by below methods;

- ☑ By telephone - Customer Care Officer - 011 2126136
  - ☑ By email - [pilassist@peoplesinsurance.lk](mailto:pilassist@peoplesinsurance.lk)
  - ☑ By WhatsApp - 0716230048
  - ☑ By fax - 011 2126109
  - ☑ By post - Customer Care Officer, People's Insurance PLC,  
No. 07, Havelock Road, Colombo 05
  - ☑ Via online - Complaint Submission Form is available on our website  
[www.peoplesinsurance.lk](http://www.peoplesinsurance.lk)
  - ☑ Please click on the "Complaints" tab
- 
- ☑ By visiting Below information to be provided when lodging a complaint;
  - ☑ Complaint in brief
  - ☑ Your name and contact details
  - ☑ References: Policy No. / Vehicle No. / Claim No.
  - ☑ Any supporting documents
- The Trilingual Complaints Handling Procedure can be downloaded from our website - [www.peoplesinsurance.lk](http://www.peoplesinsurance.lk)
- ☑ Please click on the "Complaints" tab

## **Dispute Resolution**

If you are not satisfied with the resolution given by us for a complaint lodged, you have the option to use following Alternative Dispute Resolution (ADR) mechanisms.

I. Address your concerns to:

**Insurance Ombudsman of Sri Lanka**  
**No. 143A, Vajira Road, Colombo 05**  
**[info@insuranceombudsman.lk](mailto:info@insuranceombudsman.lk)**  
**011 2505542 / 011 250 5041**

II. Arbitration

As per the Arbitration Clause in the Policy Wording

III. Address your concerns to: Director Investigations

**Insurance Regulatory Commission of Sri Lanka**  
**Level 11, East Tower,**  
**World Trade Centre**  
**Colombo 01**  
**011 2396184-9 / 011 2335167**  
**[investigation@ircsl.gov.lk](mailto:investigation@ircsl.gov.lk) / [info@ircsl.gov.lk](mailto:info@ircsl.gov.lk)**

