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| **http://40.115.36.231/CIP_logo2(3)(1).jpg**  **IMPORTANT**    This Policy is incomplete without the Schedule bearing the same policy number as above and all endorsements.  This Policy and its Conditions should be examined, and if incorrect returned at once for alteration.  Every change affecting the risks insured by this policy must be immediately advised to the Company. Failure to do this might result in the insurance ceasing to be of effect.  The policy is not transferable from the insured to any other person until the Company's written consent has been obtained. | |
| **MACHINERY BREAKDOWN POLICY** | |
| **POLICY NO** | **{POLICYNO}** |
| **INSURED** | **{INSUREDNAME}** |
| **NAICOM UID:** | {NAICOMUID} |
| In the event of any loss or damage notice should be given **IMMEDIATELY**to:      **Cornerstone Insurance Plc**  Block D Plot 21, Water Corporation Drive, Oniru Extension, P.O.BOX 75370  (off Ligali Ayorinde Street)  Victoria Island, Lagos.            Followed by such further steps as are required by the Conditions of this policy. | |
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| **Whereas the Insured** named in the Schedule hereto has made to | | |
| **CORNERSTONE INSURANCE PLC** | | |
| [hereinafter called "the Insurers"] a written proposal by completing a questionnaire which, together with any other statements made in writing by the Insured for the purpose of this Policy, is deemed to be incorporated herein, | | |
| **Now this Policy of Insurance witnesses** that, subject to the Insured having paid to the insurers the premium mentioned in the Schedule and subject to the terms, exclusions, provisions and conditions contained herein or endorsed hereon. | | |
| **The Insurers hereby agree** with the Insured that if at any time during the period of insurance stated in the Schedule or during any subsequent period for which the insured pays and the Insurers may accept the premium for the renewal of this Policy, the items [or any part thereof] entered in the Schedule, whilst on the premises mentioned therein, suffer any unforeseen and sudden physical loss or damage from causes such as defects in casting and material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short-circuit, storm, or from any other cause not specifically excluded hereinafter, in a manner necessitating repair or replacement | | |
| The Insurers will indemnify the insured in respect of such loss or damage, as hereinafter provided, by payment in cash, replacement or repair [at the Insurers' option] up to an amount not exceeding in any one year of insurance in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum expressed in the Schedule as insured hereby. | | |
| The Policy shall apply to the insured items after successful completion of their performance acceptance tests whether they are at work or at rest or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the premises, or during subsequent re-erection. | | |
| **EXCLUSIONS** | | |
| The Insurer shall not be liable for | | |
| 1. | the deductible stated in the Schedule to be borne by the Insured in any one occurrence; if more than one item is lost or damaged in one occurrence, the Insured shall not, however, be   called upon to bear more than the highest single deductible applicable to such items; | |
| 2. | loss of or damage to exchangeable tools, e.g. dies, moulds engraved cylinders, parts which by their use and/or nature suffer a high rate of wear or depreciation. e.g. refractory linings, crushing hammers, objects made of glass, belts, ropes, wires, rubber tyres, operating media, e.g. lubricants, fuels, catalysts; | |
| 3 | loss or damage due to fire, direct lightning, chemical explosion [except fuel, gas explosions in boilers], extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped there from, theft, burglary or attempts thereat, collapse of buildings, flood, inundation earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes; | |
| 4. | loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract; | |
| 5. | loss or damage caused by any faults or defects existing at the time of commencement of this policy within the knowledge of the Insured or his representatives, whether such faults or defects were known to the Insurers or not; | |
| 6. | loss or damage arising out of the wilful act or gross negligence of the Insured or his  representatives; | |
| 7. | any consequence of war, invasion, act of foreign enemy, hostilities [whether war be declared or not] civil war, rebellion, revolution, insurrection, mutiny, riot, strike, lock-out, civil commotion, military or usurped power, acts of a group of malicious persons or persons acting on behalf of or in connection with any political organization, conspiracy, confiscation, commandeering, requisition or destruction of or damage to property by order of any government de jure or de facto or by any public authority; | |
| 8. | any consequence of nuclear reaction, nuclear radiation or radioactive contamination; | |
| 9. | loss or damage as a direct consequence of the continual influence of operation [e.g. wear and tear, cavitations, erosion, rust, boiler scale]; | |
| 10. | loss or damage as a direct consequence of the continual influence of operation [e.g. wear and tear, cavitations, erosion, rust, boiler scale]; | |
| **PROVISIONS** | | |
| **Memo 1** | | Sum Insured |
|  | It shall be a requirement of this policy that the sum insured is equal to the cost of replacement of the insured machinery by new machinery of the same kind and capacity, which means its cost of replacement including, e.g. freight, dues and customs duties, if any, and cost of erection. If the sum insured is less than the amount required to be insured, the Insurer shall pay only in such proportion as the sum insured bears to the amount required to be insured. Every item if more than one shall be subject to this condition separately. | |
| **Memo 2** | | -Basis of Indemnity |
|  | [a] | In cases where damage to an insured item can be repaired - the Insurers shall pay expenses necessarily incurred to restore the damaged machine to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues, if any to the extent such expenses have been included in the sum insured.  If the repairs are executed at a workshop owned by the insured, the insurers shall pay the cost of materials and wages incurred for the purposes of the repairs plus a reasonable percentage to cover overhead charges.    No deduction shall be made for depreciation in respect of parts replaced, but the value of any salvage shall be taken into account.  If the cost of repairs as detailed here in above equals or exceeds the actual value of the machinery insured immediately before the occurrence of the damage, the item shall be regarded as destroyed and settlement shall be made on the basis provided for in b] below. |
|  | [b] | In cases where an insured item is destroyed - the insurers shall pay the actual value of the item immediately before the occurrence of the loss, including charges for ordinary freight, cost of erection and customs duties, if any provided such expenses have been included in the sum insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the item. The insurers shall also pay any normal charges for the dismounting of the machinery destroyed, but the salvage shall be taken into account.    Any extra charges incurred for overtime, night work, work on public holidays, and express freight shall be covered by this policy only if especially agreed in writing. The cost of any alterations additions, improvements or overhauls shall not be recoverable under this policy.    The cost of any provisional repairs shall be borne by the Insurers if such repairs constitute part of the final repairs and do not increase the total cost of repair. The Insurers shall make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be. |
| **CONDITIONS** | | |
| 1. | The due observance and fulfilment of the terms of this policy, in so far as they relate to anything to be done or complied with by the insured, and the truth of the statements and answers in the questionnaire and proposal made by the Insured shall be a condition precedent to any liability of the insurers. | |
| 2. | The schedule shall be deemed to be incorporated in and form part of this policy and the expression "this Policy" wherever used in this contract, shall be read as including the Schedule.  Any word or expression to which a specific meaning has been attached in any part of this policy or of the schedule shall bear such meaning wherever it may appear. | |
| 3. | The Insured shall at his own expenses take all reasonable precautions and comply with all reasonable recommendations of the Insurers to prevent loss or damage and comply with statutory requirements and manufacturers' recommendations. | |
| 4. | [a] | Representatives of the Insurers shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the insurer with all details and information necessary for the assessment of the risk. |
|  | [b] | The Insured shall immediately notify the insurers by telegram and in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require to ensure safe operation of the insured items, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.  No material alteration shall be made or admitted by the Insured whereby the risk is increased, unless the continuance of the Insurance is confirmed in writing by the insurers. |
| 5. | In the event of any occurrence which might give rise to a claim under this policy.  The Insured shall: | |
|  | [a] | immediately notify the Insurers by telephone or telegram as well as in writing, giving an indication as to the nature and extent of the loss or damage; |
|  | [b] | take all reasonable steps within his power to minimize the extent of the loss or damage; |
|  | [c] | take all reasonable steps within his power to minimize the extent of the loss or damage; |
|  | [d] | furnish all such information and documentary evidence as the insurer may require. The Insurers shall on no account be liable for loss or damage of which no notice has been received by the Insurers within 14 days of its occurrences. Upon notification being given to the insurers under this condition, the insured may carry out repairs of any minor damage or replace items which have sustained any minor damage; in all other cases a representative of the insurers shall have the opportunity of inspecting the loss or damage before any repairs or alteration are effected.  If a representative of the Insurer does not carry out the inspection within a period of time which could be considered adequate under the circumstances, the Insured shall be entitled to proceed with the repairs or replacement.    The liability of the Insurer under this policy in respect of any insured item shall cease if said item is kept in operation after a claim without being repaired to the satisfaction of the Insurers, or if temporary repairs are carried out without the insurer consent. |
| 6. | The Insured shall at the expense of the Insurers do and concur in doing  and   permit  to  be done all such acts and things as may be necessary or required by the Insurers in the interest of any rights or remedies, or of obtaining relief or indemnity from parties [other than those insured under this policy] to which the insurers are or would become entitled or which is or would be subrogated to them upon their paying for or making good any loss or damage under this policy, whether such acts and things are or become necessary or required before or after the Insured's indemnification by the Insurers. | |
| 7. | If any difference shall arise as to the amount to be paid under this policy [liability being otherwise admitted] such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provision in that behalf for the time being in force. Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the company. | |
| 8. | The Insurers shall be entitled to withhold indemnification. | |
|  | [a] | if there are doubts regarding the insured's right to receive the indemnity, pending receipts by the insurer of the necessary proof: |
|  | [b] | If in connection with the claim an examination by the police or an inquiry under criminal law has been instituted against the Insured, pending completion of such examination or inquiry |
| 9. | [a] | If the proposal or declaration of the Insured is untrue in any material respect, or if any claim made is fraudulent or substantially exaggerated, or if any false declaration or statement is made in support thereof, then this policy shall be void and the Insurers shall not be liable to make any payment hereunder. |
|  | [b] | In the event of the Insurers disclaiming liability in respect of any claim and if an action or suit is not commenced within three months after such disclaimer or [in the case of arbitration taking place in pursuance of Conditions 7 of this Policy] within three months after the arbitrators or umpire have made their award, all benefit under this policy in respect of such claim shall be forfeited. |
| 10. | If at the time any claim arises under this policy there is any other insurance covering the same loss or damage, the insurer shall not be liable to pay or contribute more than their rateable proportion of any claim for such loss or damage. | |
| 11. | This Policy may be terminated at the request of the Insured at any time.  In which case the Insurers will retain the customary short-period rate for the time this policy has been in force. This policy may equally be terminated at the option of the Insurers by seven days' notice to     that effect being given to the Insured, in which case the Insurers will be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of cancellation less any reasonable inspection charges the Insurers may have incurred. | |
| 12. | The Insurers shall not be liable to pay interest other than interest for default. | |

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|  | **SCHEDULE** |  |
| **POLICY NO** | {POLICYNO} | |
| **INSURED** | {INSUREDNAME} | |
| **ADDRESS** | {INSADDRESS} | |
| **BUSINESS** | {Occupation} | |
| **LOCATION OF RISK** | {RiskLocation} | |
| **SUM INSURED** | {SumInsured} | |
| **PERIOD OF INSURANCE** | FROM:{StartDate} | |
|  | TO:      {EndDate} | |
|  | BOTH DATES INCLUSIVE | |
| **FIRST PREMIUM** | =N={BasicPremium} | |
| **ANNUAL PREMIUM** | =N={BasicPremium} | |
| **POLICY EXCESS** | {Excess} | |
| **RENEWAL DATE** | {EndDate},ANNUALLY | |
| **AGENCY** | {AGENT} | |
| **EXAMINED** | {SubmitBy} | |

**{Signature}**

**FOR: CORNERSTONE INSURANCE PLC**

**SPECIFICATION ATTACHING TO AND FORMING PART OF POLICY NO. {POLICYNO} IN THE NAME OF{INSUREDNAME}  
{ListTable}**

**MEMORANDA ATTACHING TO AND FORMING PART OF  POLICY NO. {POLICYNO} IN THE NAME OF{INSUREDNAME}  
{ListTable2}**

**COMPLAINTS PROCEDURE**

We always aim to meet and exceed your expectation as our well-cherished customer. However, if you are not satisfied with our service, you may lodge your complaints to us in writing through your Broker/Agent or directly {if there is no Broker/Agent} to:

The Group Head, Customer Experience Group,

Customer Services Department

CORNERSTONE INSURANCE PLC

Block D Plot 21, Water Corporation Drive,

Oniru Extension, P.O.BOX 75370

(off Ligali Ayorinde Street)

Victoria Island, Lagos.

Contact Customer Service on:

* Telephone No: 0700 Cornerstone (0700 26763778663)
* Email: [enquiries@Cornerstone.com.ng](mailto:enquiries@Cornerstone.com.ng)

**Information to be provided with the complaint**

Name, address, contact details, and description of the complaint.

**How complaints are handled.**

* Once a complaint is received, the Customer Services Team shall acknowledge receipt of the complaint within 2 days.
* All complaints will be resolved within 3 working days.
* For exceptional cases where a complaint takes a longer time to be resolved, the Customer Services Team will keep the complainant informed of the status on a regular basis.
* In the event of an inability to resolve the complaints, the Complaint Co-Ordinator will ensure compliance with the Arbitration clause spelled out in the policy document.

**The following other options are available for the client/complainant in case the resolution is not satisfactory:**

Arbitration Committee of the Nigerian Insurers Association [NIA] at no extra cost to you.

Address: No 42, Saka Tinubu Street, Victoria Island, Lagos.

Telephone Number: 08029908531

E-mail - [info@nigeriainsurers.org](mailto:info@nigeriainsurers.org)

The Complaint Bureau of the National Commission

Address: Plot 1239, Ladoke Akintola Boulevard

Garki II, PMB 457 Garki

Abuja, Nigeria

Telephone Number: +**234 (09) 875-6021**

E-mail: [contact@naicom.gov.ng](mailto:contact@naicom.gov.ng).

Where the above processes fail to produce the desired result, customers have the right to the competent court of Jurisdiction as the final arbiter.

Thank you for choosing Cornerstone Insurance Plc as your preferred Insurance Company.