

# STANDARD FIRE AND SPECIAL PERILS POLICY

## Policy Wordings

In consideration of the Insured named in the Schedule hereto having paid to the BAJAJ ALLIANZ GENERAL INSURANCE COMPANY LIMITED (herein called the Company) the full premium mentioned in the said schedule THE COMPANY AGREES, (subject to the Conditions and Exclusions contained herein or endorsed or otherwise expressed hereon) that if after payment of the premium the Property insured described in the said Schedule or any part of such property be destroyed or damaged by any of the perils specified hereunder during the period of insurance named in the said 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 the policy, the Company shall 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 reinstate or replace such property or any part thereof.

I. FIRE

Excluding destruction or damage caused to the property by

- a. Its own fermentation, natural heating or spontaneous combustion.
- b. Its undergoing any heating or drying process.

II. LIGHTNING

III. EXPLOSION/IMPLOSION

Excluding loss, destruction, of or damage

- a. To boilers (other than domestic boilers), economizers or other vessels, machinery (in which steam is generated) or other contents resulting from their own implosion.
- b. Caused by centrifugal forces.

IV. AIRCRAFT DAMAGE

Loss, destruction, or damage caused by Aircraft, other aerial or space devices and articles dropped therefrom excluding those caused by pressure waves.

V. RIOT, STRIKE, MALICIOUS DAMAGE

Loss of or visible physical damage or destruction by external violent means directly caused to the property insured but excluding those caused by

- a. Total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.
- b. Permanent or temporary dispossession resulting from confiscation, commandeering, requisition or destruction by order of the Government or any lawfully constituted Authority.
- c. Permanent or temporary dispossession of any building or plant or unit or machinery or prevention of access to same.

- d. Burglary, housebreaking, theft, larceny or any such attempt or any omission of any kind or any person (whether or not such act is committed in the course of a disturbance of public peace) in any malicious act. If the Company alleges that this loss/damage is not caused by any malicious act, the burden of proving to the contrary shall be upon the insured.
- VI. STORM, CYCLONE, TEMPEST, HURRICANE, TORNADO, FLOOD, AND INUNDATION  
Loss, destruction or damage directly caused by storm, cyclone, typhoon, tempest, hurricane, flood and inundation excluding those resulting from earthquake, volcanic eruption or other convulsions of nature.
- VII. IMPACT DAMAGE  
Loss of or visible physical damage or destruction caused to the property insured due to impact by any Rail Road, vehicle or animal by direct contact not belonging to or owned by:
  - a. The Insured or any occupier of the premises or
  - b. The employees while acting in the course of their employment.
- VIII. SUBSIDENCE AND LANDSLIDE INCLUDING ROCKSLIDE  
Loss, destruction or damage directly caused by Subsidence of or part of the site on which the property stands or Landslide/Rock slide excluding:
  - a. The normal cracking, the new settlement or bedding down of the new structures
  - b. The settlement or movement of made up ground
  - c. Coastal or river erosion
  - d. Defective design or workmanship or use of defective materials
  - e. Demolition, construction, structural alterations or repair of any property or groundworks or excavations.
- IX. BURSTING AND/OR OVERFLOWING OF WATER TANKS, APPARATUS AND PIPES
- X. MISSILE TESTING OPERATIONS
- XI. LEAKAGE FROM AUTOMATIC SPRINKLER INSTALLATIONS  
Excluding loss, destruction or damage caused by
  - a. Repairs or alterations to the buildings or premises
  - b. Repairs, Removal or Extension of the Sprinkler Installation
  - c. Defects in construction known to the Insured.
- XII. BUSH FIRE  
Excluding loss, destruction or damage caused by Forest Fire.  
PROVIDED that the liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon or in the whole the total Sum Insured or such other sum or sums as may be substituted therefor by memorandum hereon or attached by ... on behalf of the Company.

(A) GENERAL EXCLUSIONS

- 1. This Policy does not cover (not applicable to policies covering dwellings)
  - a. The first 5% of each and every claim subject to a minimum of Rs 10,000 in respect of each and every loss arising out of "Act of God Perils" such as lightning, STFI, Subsidence, and Rock slide covered under the policy.
  - b. The first Rs 10,000 for each and every loss arising out of other perils in respect of which the insured is indemnified by this policy.

The excess shall apply per event per insured.

2. Loss, destruction or damage caused by war, invasion,, act of foreign enemy hostilities or warlike operations (whether war be declared or not), mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, rebellion, insurrection or military usurped power.
3. Loss, destruction or damaged directly or indirectly caused to the property insured by
  - a. Ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
  - b. The radioactive toxic, explosives or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
4. Loss, destruction or damage caused to the insured property by pollution or contamination excluding
  - a. Pollution or contamination which itself results from a peril hereby insured against.
  - b. Any peril hereby insured against which itself results from pollution or contamination.
5. Loss, destruction or damage to bullion or unset precious stones, any curious or works of art for an amount exceeding Rs 10000.
6. Loss, destruction or damage to the stock in Cold Storage premises caused by change of temperature.
7. Loss, destruction or damage to any electrical machine, apparatus, fixture of fitting arising from or occasioned by overrunning, excessive pressure, short circuiting , arcing, self-heating or leakage of electricity from whatever cause(lightning included) provided that this exclusion will apply only to the particular electrical machine, apparatus,, fixture or fittings which may be destroyed or damaged by fire to set up good held in trust or on commission, manuscripts, plans, drawings, securities, obligations, or documents of any kind, stamps, coins or paper money, cheques, books of accounts or other business books, computer system records, explosives unless otherwise expressly stated in the policy.
8. Expenses necessarily incurred on
  - i. Architects, Surveyors and Consulting Engineer's Fees and
  - ii. Debris Removal by the insured following a loss, destruction or damage to the Property insured by an insured peril in excess of 3% and 1% of the claim amount respectively.
9. Loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever.
10. Loss or damage by spoilage resulting from the retardation or interruption or cessation of any process or operations caused by the operation of any of the perils covered.
11. Loss by theft during or after the occurrence of any insured peril except as provided under riot, strike, malicious and terrorism damage cover.
12. Any loss or damage occasioned by or through or in consequence directly or indirectly by earthquake, volcanic eruption or other convulsions of nature.
13. Loss or damage to property insured if removed to any building or place other than in which it is herein stated to be insured, except machinery and equipment temporarily removed for repairs, cleaning, renovation or other similar purposes for a period not exceeding a period of 60 days.

## **(B) GENERAL CONDITION**

1. This policy shall be voidable in the event of mis-representation, mis-description or non-disclosure of any material particular.
2. All insurance under this policy shall cease on expiry of seven days from the date of fall or displacement of any building or part thereof or of the whole or any part of any range of buildings or of any structure of which such building forms part.  
PROVIDED such a fall or displacement is not caused by insured perils, loss or damage which is covered by this policy or would be covered if such building, range of buildings or structure were insured under this policy. Notwithstanding the above, the Company shall subject to an express notice being given as soon as possible but not later than seven days of any such fall or displacement may agree to continue the insurance subject to revised rates, terms and conditions as may be decided by it and confirmed in writing to this effect.
3. 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 as to increase the risk of loss or damage by Insured Perils.
  - b. If the building insured or containing the insured property becomes unoccupied and so remains for a period of more than 30 days (not applicable for dwellings)
  - c. If the interest in the property passes from the insured otherwise than by will or operation of law.
4. 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 had this insurance not been effected.
5. This insurance may be terminated at any time at the request of the Insured, in which case the Company will retain the premium at 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 15<sup>th</sup> days' notice to that effect being given to the Insured, in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation, fraud, non-disclosure or material facts or non-cooperation of the Insured.
6.
  1. On the happening of any loss or damage the Insured shall 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 in that behalf deliver to the Company.
    - a. A claim in writing from the loss or damage obtaining as particular account as may be reasonably practicable of all the several articles or items or 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 any profit of any kind.
    - b. Particulars of all other insurances, if any The Insured shall also at all times at his expense produce, procure and give to the Company all such further particulars, plans specification books, vouchers, invoices, duplicate or copies thereof, documents investigation reports Internal/external, proofs and information with respect to the claim and the origin and

cause of the loss and 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 with a declaration on oath or in other legal form of the truth of the claim and 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.

- c. In cases where a surveyor has to be appointed for assessing a loss/claim, it shall do so immediately, in any case within 72 hours of the receipt of intimation of loss from the insured the Company/surveyor shall within 7 days of the claim intimation, inform the insured/claimant of the essential documents and other requirements that the claimant should submit in support of the claim.
  - d. The surveyor shall submit his final report to the Company within 30 days of his appointment. In case of claims in respect of commercial and large risks the surveyor shall submit the final report to the Company within 90 days of his appointment.
  - e. On receipt of all required information/documents that are relevant and necessary for the claim, the Company shall within a period of 30 days after a settlement of the claim to the Insured/claimant.
  - f. If the Company, for any reasons, decided to reject a claim under this policy, it shall do so within a period of 30 days from the receipt of last relevant and necessary document.
  - g. In the event the claim is not settled within 30 days as stipulated above, the insurer shall be liable to pay interest at a rate, which is 2% above the bank rate from the date of receipt of last relevant and necessary document from the insured/claimant by insurer till the date of actual payment.
- II. In no case whatsoever shall the Company be liable for any loss or damage after the expiry of 12 months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration, kit being expressly agreed and declared that if the Company shall disclaim liability for any claim hereunder and such claim shall not within 12 calendar months from the date of disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.
7. On the happening of 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 or on the premises at the time of the loss or damage.
  - c. 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 is finally determined or withdrawn, and the Company shall not by any act done in the exercise or purported exercise of its powers hereunder, in cur any liability to the Insured or diminish its rights to rely upon any of the conditions of this policy in answer to any claim.

If the insured or any person 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.

8. 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 any one acting on his behalf to obtain any benefit under the policy or if any loss or damage be occasioned by the willful act, or with the connivance of the Insured, all benefits under this policy shall be forfeited.
9. If the Company at its option, reinstate or replace the property damaged or destroyed, or any part hereof, instead of paying the amount of loss or damage, or join with any other Company or Insurer(s) in so doing, the Company 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