

**STANDARD FIRE AND SPECIAL PERILS POLICY:**  
**ADD ON COVERS**  
*ENDORSEMENT WORDINGS*

**1. WAIVER OF IMPROVEMENT/ BETTERMENT COST FOR REPLACEMENT OF SPECIFICALLY IDENTIFIED MACHINERY**

**Endorsement wordings:**

Provided that the reinstatement value clause is endorsed on the policy in consideration of the payment of additional premium it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the amount recoverable under this policy, in the event of total physical damage of specifically named insured machinery/ equipment identified as .....necessitating replacement, which may become obsolete at the time of such replacement, shall be the cost of reinstatement of the damaged machinery with the follow up model of the same type provided that such cost of replacement does not exceed the sum insured set against the said item.

It is further agreed & declared that this extension shall not be enforceable if the insured is unable or unwilling to reinstate the property. However, if the cost of replacement with the follow up model exceeds the sum insured set against the said item, the company's liability would not exceed the sum insured.

**Rates Applicable:** 10 % of the policy rate to be charged on the specifically identified machinery (ies). The cost of spares of the specifically identified machinery (ies) also needs to be included in the Sum Insured for this add on cover.

## **2. EXPEDITING EXPENSES COVER**

### **Endorsement wordings:**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, in the event of loss / damage to building, plant or machinery for which the Insurers are liable, the indemnity provided by this policy shall be extended to include:

- a) Additional cost incurred for procurement of any part / equipment by express freight (air freight excluded)
- b) Labour/ overtime costs incurred in the execution of authorized repairs necessary to expedite the repairs including Sunday work, holiday and night work

**Limit of indemnity:** 5 % of the claim amount

Subject otherwise to the terms, exceptions, conditions and limitations of this Policy.

**Rates Applicable:** 5 % loading on basic rate to be charged on total S.I. of building, plant and machinery (other than stocks)

## **3. LEAKAGE AND OVERFLOWING OF STORAGE TANK (OTHER THAN WATER STORAGE TANKS) EXTENSION**

### **Endorsement wordings:**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, this policy extends to indemnify the loss of stock covered under the policy caused by accidental leakage and/ or overflowing from storage tank(s) (other than water storage tanks). It is further declared & agreed that losses arising out of or due to corrosion or valve passing shall not be payable under this extension.

**Excess:** 5% of claim subject to a minimum of Rs. 50,000

**Rates Applicable:** Policy Rate on Sum Insured of stocks in specified tanks

#### **4. SHUTDOWN / STARTUP EXPENSES COVER**

**Endorsement wordings:**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, this policy extends to cover shut down and start up costs necessarily and reasonably incurred by the insured consequent upon a loss or damage covered by this policy.

**Rates Applicable :** Policy Rate on specified Sum Insured

## **5. MINOR WORKS COVERAGE EXTENSION**

### **Endorsement wordings:**

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

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

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

This extension further excludes:

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

However, the corresponding BI policy shall pay consequential loss arising out of a material damage to existing property insured under the policy by a peril not excluded under the policy.

Limit of Liability: 10% of Total Sum Insured (other than stocks) in aggregate

**Rates Applicable:** 5% of policy rate on Total Sum Insured (other than stocks)

## 6. PARTIAL WAIVER OF UNDERINSURANCE CLAUSE

### **Endorsement wordings:**

In consideration of the payment of additional premium, it is hereby agreed and declared that notwithstanding anything to the contrary in this policy or in any of its conditions, underinsurance on each item of the schedule will be ignored if it does not exceed 15% there at. However, full underinsurance would be applicable if S.I falls below 85% of property value at the time of loss.

**Rates Applicable::** 5% of policy rate on Total Sum Insured

## 7. SEASONAL ENHANCEMENT OF STOCKS COVER

### **Endorsement wordings:**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the Sum Insured of Stocks insured under the policy would be enhanced by 50 % of their initial Sum Insured for a period of two months namely \_\_\_\_\_ during the policy period. ( Insured has a choice to select two months in succession or in a staggered way.)

**Rates Applicable:** 20 % loading on basic rate.

**8. LOSS OF RENT DUE TO DAMAGE TO BUILDING AND CONTENTS INCLUDING MACHINERY FOR DWELLINGS, OFFICES & OTHER SIMPLE RISKS**

**Endorsement wordings:**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, this extension shall indemnify the insured against loss of actual monthly rent for the un-occupied period due to operation of insured perils on the building and/or contents including machinery that results in rendering the insured premises unfit for occupation up to a maximum limit of period selected by insured in the schedule subject to a maximum of \_\_\_\_\_ months. ( max. 36 months)

If the sum produced by applying the actual monthly rent to the maximum reinstatement period is more than the Sum Insured hereby declared, the liability of the Company shall be proportionately reduced.

This extension shall not provide any indemnity in case the reinstatement of property is delayed or prevented by Government regulations & authority, unjustifiable delays & also due to insured's financial limitations .

**Rates Applicable:** Policy rate on selected Sum Insured

**9. LOSS OF RENT DUE TO DAMAGE OF TANKS/ GODOWNS/ GAS HOLDERS/ BULLETS ETC.**

**Endorsement wordings:**

In consideration of additional premium this extension shall indemnify the insured against loss of actual monthly rent for the un-occupied period due to operation of insured perils on the insured tanks/ godowns/ gas holders/ bullets etc. that results in rendering the insured property unfit for use/ intended purpose up to a maximum limit of period selected by insured in the schedule subject to a maximum period of 24 months.

If the sum produced by applying the actual monthly rent to the maximum reinstatement period is more than the Sum Insured hereby declared, the liability of the Company shall be proportionately reduced.

This extension shall not provide any indemnity in case the reinstatement of property is delayed or prevented by Government regulations & authority, unjustifiable delays & also due to insured's financial limitations.

**Rates Applicable:** Policy rate on selected Sum Insured.

## 10. SPOILAGE MATERIAL DAMAGE COVER

### **Endorsement wordings:**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the insurance under Item No..... of this policy shall extend to cover loss or damage by Spoilage resulting from the retardation or interruption or cessation of any process or operation caused by any of the perils covered under this Policy, provided that liability for destruction of or damage to the property insured described in the schedule to this policy, or any part of such property, is first admitted by the Company. Provided always that all the conditions (except in so far as they may be hereby expressly varied) shall apply as if they had been incorporated herein and that any reference therein to the loss or damage caused by insured perils shall be deemed to apply also to loss or damage caused by Spoilage which peril this insurance extends to include by virtue of this Endorsement.

### **Special Conditions**

For the purpose of this Endorsement but not otherwise, the following special conditions shall apply:

**Average:** If the property hereby insured against spoilage shall, at the time of occurrence of any loss or damage, be collectively of greater value than the sum insured on machinery, containers, equipment and/ or stocks in the specified blocks, then the Insured shall be considered as being his own insurer for the difference and shall bear ratable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to this condition.

Provided that it is hereby further expressly agreed and declared that the liability of the Company shall in no case under this endorsement and the Policy exceed the sum insured by Item Numbers \_\_\_\_\_ of this Policy.

### **Rates Applicable:**

- (a) 5 times the policy rate for stocks in specified blocks
- (b) 2.5 times the policy rate for machinery, containers and equipments in specified blocks

## **11. LEAKAGE AND CONTAMINATION COVER**

### **Endorsement wordings:**

#### **(A) WHERE LEAKAGE AND CONTAMINATION COVER IS GRANTED:**

**In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions and also subject to terms, conditions and exclusions hereinafter contained, extend to include the physical loss of oil/chemical by leakage from its container by accidental means and all accidental contaminations by contact with foreign matter.”**

Provided always that this policy does not cover:

- a) Loss by Contamination through Improper Handling or Controls by Insured's own Employees;
- b) Loss resulting from loss of use, loss of earnings, delay or loss of markets or other consequential or indirect loss or damage of any kind or description whatsoever;
- c) Loss resulting from any kind of infidelity or dishonesty on the part of the Insured or any of their employees, inventory shortage, mysterious disappearance or unexplained loss;
- d) Loss by burglary or theft or any attempt thereat;
- e) Loss resulting from processing or faulty workmanship;
- f) Loss resulting from shrinkage, evaporation, loss of weight unless caused by a peril not otherwise excluded;
- g) Any legal and/or contractual liability arising from any cause whatsoever
- h) Consequential Loss of any nature

#### **(B) WHERE LEAKAGE COVER ALONE IS GRANTED:**

**In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions and also subject to terms, conditions and exclusions hereinafter contained, extend to include the physical loss of oil/chemical by leakage from its container by accidental means.**

Provided always that this policy does not cover:

- a) Loss resulting from loss of use, loss of earnings, delay or loss of markets or other consequential or indirect loss or damage of any kind or description whatsoever;
- b) Loss resulting from any kind of infidelity or dishonesty on the part of the Insured or any of their employees, inventory shortage, mysterious disappearance or unexplained loss;
- c) Loss by burglary or theft or any attempt thereat;
- d) Loss resulting from processing or faulty workmanship;
- e) Loss resulting from shrinkage, evaporation, loss of weight unless caused by a peril not
- f) otherwise excluded;
- g) Any legal and/ or contractual liability arising from any cause whatsoever
- h) Consequential Loss of any nature.

**Rates Applicable:**

- (a) Where the tanks are within the Insured's own premises:
  - Rs. 5%o on the specified Sum Insured for leakage cover only
  - Rs. 10%o on the specified Sum Insured for leakage and contamination cover only
- (b) Where the tanks are located elsewhere:
  - Rs. 6%o on the specified Sum Insured for leakage cover only
  - Rs. 12%o on the specified Sum Insured for leakage and contamination cover only

## **12.MOLTEN METAL SPILLAGE DAMAGE EXTENSION**

### **Endorsement wordings:**

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, this policy is extended to cover damage due to molten metal spillage subject to the following conditions:

- i) No reported claim due to molten metal spillage during the 2 years period prior to the policy period at inception
- j) LOP cover to be limited to 50% of respective loss limit opted for material damage
- k) loss or damage to the spilled metal to be excluded

### **Rates Applicable:**

- (a) Material Damage: Rs. 0.65%o on specified Sum Insured
- (b) Loss of Profit: Rs. 0.65%o on specified Sum Insured