



### **ADD ON CLAUSES - PROPERTY INSURANCE**

#### **MR/SFSP – 31: Account receivable clause**

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 policy extends to cover the shortage in collection of accounts receivable resulting from insured physical loss or damage including accounts receivable records stored as electronic data or reconstruction cost of such records whichever is lower.

#### **MR/SFSP – 32: Additional Custom Duty/Import tax cost**

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 policy extends to indemnify the insured for the additional, extra custom duty/taxes upto 50% of Sum Insured incurred in replacing/importing equipment in a event of claim

#### **MR/SFSP – 33: Additional Insured**

It is understood and agreed that any individual, firm, corporation and/or its joint ventures, for whom or with whom The Insured may be operating is hereby named as additional Insured in The Schedule when required by contract, or as required. It is further understood and agreed that in the event there is any violation of the terms and conditions of this insurance by one Insured, it shall not affect the rights of other Insured; including interest of mortgagees and notice of assignment in respect thereof.

#### **MR/SFSP – 34: Capital addition**

It is hereby agreed and declared, subject otherwise to the terms, conditions and exceptions hereon, the policy extends to cover loss or damage to any buildings, machinery and other equipment acquired or operated by or held in the care, custody or control of the insured after the inception of this policy of insurance and not included in the schedule however any increase in the new replacement value as a result of such capital additions shall not exceed the limit specified in the policy schedule. This additional insurance cover is also subject to the insuring party advising the insurer within three months of the particulars of any such capital additions and the payment of any additional premium the insurer may require.

#### **MR/SFSP – 35: Claim Preparation Costs**

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 by this Policy extends to include costs reasonably incurred by the Insured in producing and certifying any particulars or details in support of any claim as may be required by the Company in terms of the conditions of the Policy.

#### **MR/SFSP – 36: Contracting Purchaser's interest**

It is hereby agreed and declared that company will Indemnify the insured If at the time of the Damage the Insured have contracted to sell their interest in any Building insured by this Section and the purchase has not been but shall afterwards be completed, the purchasers on completion of the purchase (if and so far as the property is not otherwise insured against such Damage by them or on their behalf) shall be entitled to benefit under this Section without prejudice to the rights and liabilities of the Insured or the Insurer until completion..

**MR/SFSP – 37: Cost of Re writing records clause**

It is hereby agreed and declared that company will indemnify the insured cost, charges and expenses incurred in replacing and/or restoring documents but only for the value of the material and not for their value to the insured which may have been destroyed, lost or mislaid. The documents may be deeds, books, plans agreements, maps, plans, record, certificates and likes but not bonds, currency notes, coupons and other negotiable instruments

**MR/SFSP – 38: De Contamination and cost of clean up**

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 policy extends to cover the cost of decontamination and/or clean up cost of insured property contaminated including but not limited to presence of pollution or hazardous materials in compliance with the regulatory requirement/s as a result of physical damage to the insured property due to insured perils. This coverage is applicable to only that part of insured property contaminated as a direct result of insured physical damage. Company is not liable for the costs involved in removal of neither contaminated uninsured property nor the contaminant therein, whether or not the contaminant results from an insured event

**MR/SFSP – 39: Deferred Payment clause**

It is hereby agreed and declared that insurer will cover loss or physical damage to personal property of the type insured sold by insured under conditional sale or trust agreement or installment or deferred payments scheme to the buyer, indemnity is limited to the unpaid balance payment after the buyer stops payments. Following such event the insured is expected to use all reasonable efforts including legal action if required to collect collection due or regain possession of property. This extension is not applicable to product recall or any loss related to advertising of such recall by insured

**MR/SFSP – 40: Employee personal property cover**

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 policy extends to cover the loss and/or damage of employee's personal property at the insured premises for which insured is responsible provided that the insurer would not be responsible to pay more than what limit per employee per event set by the insured. Loss not payable if the damaged property is specifically insured in some other policy

**MR/SFSP – 41: Expense for loss minimization**

This Policy includes expenses for loss minimization necessarily incurred by The Insured to prevent any aggravation of an Insured Loss following a loss or damage at any Insured's Premises specified in The Schedule, including moving / shifting of property if this contributes to loss minimization, subject to a limit per loss as per schedule.

**MR/SFSP – 42: Inhibition Cost**

It is hereby agreed and declared that insurer will indemnify the loss or damage to undamaged property of insured damaged in order to extinguish or inhibit the spread of fire or other catastrophe insured herein up to a limit of 10% of the Sum Insured.

**MR/SFSP – 43: Loss of Rent due to damage of tank, godowns, gas holders, bullets etc**

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 12 months. However the company's liability will be reduced if the sum total of actual monthly rent to the maximum reinstatement period chosen exceeds the sum insured declared. 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.

**MR/SFSP – 44: Manmade Earth Movement**

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 policy extends to cover losses and/or damages initiated due to manmade earth movements mainly resultant from heavy underground operations including blasting and tunneling work

**MR/SFSP – 45: Master Key Coverage**

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; policy extends to cover cost of replacement of lock and key when the master key is lost or stolen

**MR/SFSP – 46: Minor work coverage extension**

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 policy extends 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.

However 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. 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.

Exclusions under this cover: Loss or damage due to Faulty design, defective materials and bad workmanship and loss or damage due to testing, trail runs.

**MR/SFSP – 47: Modification cost/Incompatibility expenses**

Extension to cover the cost or expenses for modification of (A) damaged or undamaged equipments including but not limited to computers and ancillary equipments and/or (B) the cost of replacement/restoration and recompilation of computer records to mitigate the incompatibility between the replaced equipment and undamaged equipment and/or computer records. Insurer will indemnify the cost to achieve compatibility between the above two situation whichever is lesser subject to limit as mentioned in schedule

**MR/SFSP – 48: Non-vitiation clause**

If the Insured described in the schedule comprises more than one insured party, each operating as a separate and distinct entity then the cover hereunder shall apply in the same manner and to the same extent as if individual policies had been issued to each insured party provided that the total liability of the insurer to all of the insured parties collectively shall not exceed the sums insured and limits of indemnity including any inner limits set by memorandum or endorsements stated in the policy. The insurer shall be entitled to avoid liability to or (as may be appropriate) claim damages from any of the insured parties in circumstances of fraud, misrepresentation, non-disclosure or breach of any warranty or condition of this policy each referred to in this clause as a Vitiating Act.

**MR/SFSP – 49: Overflowing and leakage from storage tanks(other than water storage)**

In lieu of additional premium his 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). However losses arising out of or due to corrosion or valve passing shall not be payable under this extension.

**MR/SFSP – 50: Pair and Set clause/consequential reduction in value**

In the event of insured loss or damage to personal property, this policy shall insure the resulting reduction in value of the remaining undamaged components or parts of products customarily sold as individual units or sold as pairs, sets, lots or in ranges.  
At the Insured's option, the Insured may collect the full value of the pair or set provided the Insured tenders the remaining article or articles of the pair or set to the Insurer.

**MR/SFSP – 51: Property Testing & Commissioning Clause**

Policy is extended to include erected property/equipment commissioned during the policy period. The Insured shall give intimation on any such additions well in advance so that Inspection and Certification by an Independent Agency can be arranged by the Insurer as to completion of the take over/hand over protocol of the subject plant/equipment. Subject to satisfactory certification, the subject plant/equipment shall be included in the Operational Insurance without waiting for 100% Performance Testing. However this exclusion doesn't apply to on-going maintenance/schedule turnaround or minor revamp works.

**MR/SFSP – 52: Seasonal Enhancement of Stock cover**

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 policy extends to cover enhancement of stock sum insured up to 50% for the specified 3 months decided by insured at inception (selection will be 3 months in succession or in staggering way)

**MR/SFSP – 53: Shut Down-Start Up clause**

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 policy extends to cover actual shut down and start up costs for power and other utilities namely water, electricity, steam, gas and necessarily as well as fuels and combustibles to re establish the plant it was at the time of the damage subject to limit specified. Start up cost due to normal and/or emergency shut down not recoverable

**MR/SFSP – 54: Tenant's Improvement**

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 policy extends to cover additional cost incurred by insured to make good the loss or damage of leasehold improvement by modification and/or alterations up to limit of 10% of reinstatement value.

**MR/SFSP – 55: Theft in damaged property**

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 policy extends to cover the damages or loss occasioned by theft in damaged property due to insured peril upto 1% of Sum Insured with upper limit of ` 1 crore provided the same is not covered in any other specific policy. The insured requires to notify the insurer in writing within 7 days of such damage.

**MR/SFSP – 56: Un Occupancy Clause**

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 of this policy will not be prejudiced in event of insured premises remaining un occupied for a period of more than 30 Days provided that insured or their agent inform the same in writing to the insurer in due course.

**MR/SFSP – 57: Un Repaired damages**

In the event of insured deciding not to replace or repair the damaged item covered under the policy and decides to continue with the damaged item after incurring necessary expenditure for safe working of the damaged item. The insurer shall indemnify amount expended in making the item safe plus the reasonable repair cost which would have been incurred by the Insured had the Insured repaired the damage item or reasonable amount equivalent to reduced life of damaged item.



**MR/SFSP – 58: Waiver of improvement/Betterment clause for replacement of selected machinery**

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.