

Standard Fire and Special Perils Insurance (Commercial) - Prospectus

INTRODUCTION

1. BASIC OF PRODUCT

All types of manufacturing / non-manufacturing industries are looking to cover their assets, utilities, storages against accidental mishaps. To cater to this need, we have proposed Standard Fire and Special Perils Insurance (Commercial) for covering various assets of industrial/ manufacturing/ non-manufacturing sector.

Standard Fire and Special Perils Policy offers protection to building (including plinth and foundation), plant and machinery, stocks, furniture, fixtures and fittings and other contents from financial loss as a result of named fire and allied perils.

The premium on this policy depends on the type of occupancy, covers opted, claims experience, installation of fire protection equipment, deductible opted under the policy etc. This policy is subject to a compulsory deductible and will depend upon the sum insured.

2. FUNDAMENTALS OF UNDERWRITING

a. Scope of cover

The policy covers buildings as well as contents such as furniture/ fixtures/fittings, Plant and Machinery, Electrical fittings and stock against fire and allied perils.

What are the contingencies covered?

1. Fire
2. Lightning
3. Explosion/Implosion
4. Aircraft Damage
5. Riot, Strike, Malicious Damage
6. Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Flood and Inundation
7. Impact Damage
8. Subsidence and Landslide including Rock slide
9. Bursting and/or overflowing of Water Tanks, Apparatus and Pipes
10. Missile Testing operations
11. Leakage from Automatic Sprinkler Installations
12. Bush Fire

In addition to the standard contingencies covered, we have multiple clauses, extensions which are optional and client can opt as per the convenience prior to inception of policy.

GENERAL EXCLUSIONS

1. This Policy does not cover (not applicable to policies covering dwellings) Excess/ Deductible mentioned in the schedule. The Excess shall apply per event per insured.
2. Loss, destruction or damage caused by war, invasion, act of foreign enemy hostilities or war like operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, rebellion, revolution, insurrection or military or usurped power.
3. Loss, destruction or damage directly or indirectly caused to the property insured by
 - a) ionising 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 curios or works of art for an amount exceeding Rs. 10,000/-, goods 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.
6. Loss, destruction or damage to the stocks in Cold Storage premises caused by change of temperature.
7. Loss, destruction or damage to any electrical machine, apparatus, fixture, or fitting 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 or fitting so affected and not to other machines, apparatus, fixtures or fittings which may be destroyed or damaged by fire so set up.
8. Expenses necessarily incurred on
 - a) Architects, Surveyors and Consulting Engineer's Fees and
 - b) 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 operation caused by 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 due to 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 60 days.

ADDITIONAL CLAUSES

There are multiple Clauses which can be opted. However, few are mentioned for reference. For more details, refer to policy wording

- Public Authority/Civil Authority/Local Authority Clause
- Minor Works
- Capital Additions
- Accidental Damage
- Fire Fighting Expenses
- Work of Art
- 72 Hours Clause
- Leakage and Contamination

MID-TERM REVISION IN SUM INSURED shall be allowed as follows:

- (1) Increase in sum insured - On pro-rata basis.
- (2) Decrease in sum insured - On pro-rata basis / short period basis.

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CANCELLATION

The Insured can cancel the policy at any time during the policy term, by informing the Company. The Company can cancel the policy only on the grounds of established fraud, by giving minimum notice of 7 days to the Insured. The Company shall refund proportion premium for unexpired policy period subject to no claim(s) made during the policy period.

RENEWAL

The Company shall be under no obligation to renew the policy on expiry of the period for which premium has been paid. The Company reserves the right to offer revised rates, terms and conditions at renewal based on claim experience and a fresh assessment of the risk. This policy may be renewed only by mutual consent and subject to payment in advance of the total premium at the rate in force at the time of renewal. The Company, however, shall not be bound to give notice that the policy is due for renewal or to accept any renewal premium. Unless renewed as herein provided, this policy shall automatically terminate at the expiry of the period for which premium has already been paid.

"For more complete description of coverage / extent thereof and exclusions please refer the policy wordings".

CLAIM INTIMATION

In the event of loss of an insured event the insurance company must be informed through anyone of below means immediately-

1. Relationship officer / channel partner
2. Contact us - 022 6158 2020/ 022 6234 6234
3. E-mail at care@hdfcergo.com
4. Our contact details are as follows:

HDFC ERGO General Insurance Co. Ltd.
Corporate Claims Department
6th Floor, Leela Business Park,
Andheri Kurla Road, Andheri (E), Mumbai - 400059

While Intimation of claim, Insured has to provide relevant information which includes Policy details and Loss details (viz. Loss Location, Contact Details, Details of Loss / Accident)

Based on the details provided Claim will be registered and Claim No. will be provided to the Insured.

After registration, Claims officer will appoint the Surveyor within 24 hrs.

In general, primarily, the following basic documentations are required for taking the claim forward:

- Claim Intimation letter by the insured with respect to the claim or made against them by the third party or circumstances which would give rise to the claim (against the insured) as per the policy.
- Detailed description of the acts in chronological order which has resulted in the loss (details of the quantum of loss to be mentioned and the basis at which it is arrived) giving rise to a claim.
- First Information Report /charge sheet filed by the police.
- Internal Investigation report, if any, from the Insured giving an Insight into the loss.
- Any other documents which would be construed as material information to the case.

OUR CLAIM PROCESS:

- An acknowledgement with respect to the claim intimation is given to the insured, once we are in receipt of any claim intimation from the insured.
- Based on the information submitted in the claim intimation letter, if required, we may procure more information from the insured depending on the facts mentioned therein. Upto the satisfaction of the Company.
- Surveyor / Investigator may be appointed if required

The documents generally required for processing of claims are:

1. Policy/Underwriting documents.
2. Survey Report with Photographs wherever applicable
3. Claim Form, duly completed.
4. Log book / Asset register / Capitalized item list
5. Repair / Replacement invoices with receipt
6. All Applicable valid Certificates
7. Production / Generation / Revenue data
8. Duly certified financial account statements
9. Any other relevant documents required based on type of loss

Apart from above Standard documents some other documents may be called for based on the nature of claim. Any other document as may be necessary and appropriately applicable for the claims preferred under the different sections of the policy.

Surveyor shall within 7 days of the claim intimation, inform the insured / claimant of the essential documents. Surveyor shall, submit his final report to the Company within 30 days of final submission of documents by insured. On receipt of the final survey report or the additional survey report, Insurer within a period of 30 days offer a settlement of the claim to the insured/claimant.

GRIEVANCE REDRESSAL PROCEDURE

If You have a grievance that You wish Us to redress, You may contact Us with the details of Your grievance through:

- **Call Centre** - 022 6158 2020/ 022 6234 6234
- **Emails** - grievance@hdfcergo.com
- **Contact Details for Senior Citizens:** 022 6242 6226
- **Email ID** - seniorcitizen@hdfcergo.com
- Designated Grievance Officer in each branch
- **Company Website** - www.hdfcergo.com
- **Courier** - Any of Our Branch office or corporate office

You may also approach the Complaint & Grievance (C&G) Redressal Cell at any of Our branches with the details of Your grievance during Our working hours from Monday to Friday.

If You are not satisfied with Our redressal of Your grievance through one of the above methods, You may contact Our Head of Customer Service at:

The Complaint & Grievance Redressal Cell,
HDFC ERGO General Insurance Company Limited
D-301, 3rd Floor, Eastern Business District (Magnet Mall)
LBS Marg, Bhandup (West), Mumbai - 400078,

In case You are not satisfied with the response / resolution given / offered by the C&G cell, then You can write to the Chief Grievance Officer of the Company at the following address:

To the Chief Grievance Officer
HDFC ERGO General Insurance Company Limited
D-301, 3rd Floor, Eastern Business District (Magnet Mall),
LBS Marg, Bhandup (West), Mumbai - 400078,
e-mail: cgo@hdfcergo.com

Grievance may also be lodged at IRDAI Integrated Grievance Management system- <https://bimabharosa.irdai.gov.in>

You may also approach the nearest Insurance Ombudsman for resolution of Your grievance. The contact details of Ombudsman offices are mentioned below if Your grievance pertains to:

- Insurance claim that has been rejected or dispute of a claim on legal construction of the policy
- Delay in settlement of claim
- Dispute with regard to premium
- Non-receipt of Your insurance document

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You may also refer Our website www.hdfcergo.com <https://www.hdfcergo.com/customer-voice/grievances> for detailed grievance redressal procedure.

DISCLAIMER: THE ABOVE INFORMATION IS FOR DESCRIPTIVE PURPOSE ONLY. PLEASE REFER YOUR POLICY DOCUMENT OR OUR WEBSITE WW.HDFCERGO.COM FOR THE ACTUAL TERMS AND CONDITIONS. INSURED'S ARE ADVISED TO READ THE POLICY DOCUMENT COMPLETELY FOR A FULL DESCRIPTION OF THE TERMS AND CONDITIONS OF COVERAGE AND THE EXCLUSIONS RELATING THERETO.

PROHIBITION OF REBATES

Section 41 of the Insurance Act 1938 as amended

No person shall allow or offer to allow, either directly or indirectly as an inducement to any person to take out or renew or continue an insurance in respect of any kind or risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate, except such rebate as may be allowed in accordance with the prospectus or tables of the Insurer. Any person making default in complying with the provisions of this section shall be punishable with fine, which may extend to Rs. Ten lakh rupees.

INSURANCE IS THE SUBJECT MATTER OF THE SOLICITATION