

BUSINESS SURAKSHA – CLASSIK POLICY

HDFC Chubb General Insurance Company Limited

Regd. Office: Ramon House, H.T. Parekh Marg,
169 Backbay Reclamation, Mumbai 400 020
Corporate Office: 5th Floor, Express Towers,
Nariman Point, Mumbai – 400 021.



Whereas the Insured named in the Schedule and carrying on the business as described in the Schedule of this policy has applied to HDFC Chubb General Insurance Company Limited (hereinafter called "the Company") by a written proposal and declaration which shall be the basis of this contract and be deemed to be incorporated herein for the insurance hereinafter contained and has paid the premium for the sections stated in the Schedule.

The Company hereby agrees subject to the terms and conditions contained herein or endorsed or otherwise expressed hereon that if the Insured shall sustain LOSS of or DAMAGE to property or incur liability **at any time during the period of insurance** stated herein or any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the Company to provide coverage to the Insured during the period of this policy or for the renewal thereof the Company will pay to the Insured the value at the time of happening of such loss of the property so lost or the amount of such damage or the amount of liability incurred as the case may be and in respect of which coverage is provided under this policy but not exceeding in any one period of insurance in respect of each of the several items/sections specified herein the sum set opposite thereof respectively.

SECTION I – FIRE & ALLIED PERILS

THE COMPANY AGREES that if 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, 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

1) Fire

Excluding destruction or damage caused to the Property insured by

- a) i) Its own fermentation, natural heating or spontaneous combustion.
- ii) Its undergoing any heating or drying process.
- b) burning of Property insured by order of any Public Authority.

2) Lightning

3) Explosion/Implosion

Excluding loss, destruction of or damage

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

4) Aircraft Damage

Loss, Destruction or damage caused by aircraft, other aerial or space devices and articles dropped therefrom excluding loss, destruction or damage caused by pressure waves.

5) Riot, Strike and 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 resulting from the unlawful occupation by any person of such building or plant or unit or machinery or prevention of access to the same.
 - d) burglary, housebreaking, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any malicious act.
- 6) Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Flood and Inundation
Loss, destruction or damage directly caused by storm, cyclone, typhoon, tempest, hurricane, tornado, flood or inundation excluding those resulting from earthquake, volcanic eruption or other convulsions of nature. Wherever earthquake cover is given as an "add on cover" the words "excluding those resulting from earthquake volcanic eruption or other convulsions of nature" shall stand deleted.
- 7) 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 Property insured or
 - b) the Insured's employees while acting in the course of their employment.
- 8) Subsidence and Landslide including Rock slide
Loss, destruction or damage directly caused by subsidence of part of the site on which the Insured property stands or land slide/rock slide excluding:
- a) the normal cracking, settlement or bedding down of 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.
- 9) Bursting and/or Overflowing of Water Tanks, Apparatus and Pipes
- 10) Missile Testing operations
- 11) Leakage from Automatic Sprinkler Installations
Excluding loss, destruction or damage caused by
- a) repairs or alterations to the buildings or premises in which the Property insured is situated
 - b) repairs, removal or extension of the Sprinkler Installation
 - c) defects in construction known to the Insured.



12) 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 hereby or such other sum or sums as may be substituted thereof by memorandum hereon or attached hereto signed by or on behalf of the Company.

Exclusions under Section 1

- 1) This section 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 (Storm, Tempest, Flood, Inundation) subsidence, landslide and rock slide covered under this section
 - b) The first Rs.10,000 of each and every loss arising out of other perils in respect of which the Insured is indemnified by this section
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) Ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - b) the radio active toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof
- 4) Loss, destruction or damage caused to the Property insured 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. 10000/-, manuscripts, plans, drawings, securities, obligations or documents of any kind, stamps, coins or paper money, cheques, books of accounts or other business books, computer systems records, explosives unless otherwise expressly stated in the section.
- 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 (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 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.

SPECIAL CONDITIONS APPLICABLE TO SECTION I

- 1) All insurances under this section shall cease on expiry of seven days from the date of fall or displacement of any -building in which the Property insured is situated 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 section or would be covered if such building, range of buildings or structure were insured under this section.

Notwithstanding the above, the Company 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.

- 2) If the Company at its option, reinstates or replaces the Property insured which is damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or joins with any other Company or Insurer(s) in so doing, the Company shall 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 insured as it was at the time of the occurrence of such loss or damage nor more than the Sum Insured by the Company thereon. If the Company so elects to reinstate or replace any Property insured which is damaged or destroyed, the Insured shall at his own expense furnish the Company with such plans, specifications, measurements, quantities and such other particulars as the Company may require, and no acts done, or caused to be done, by the Company with a view to



reinstatement or replacement shall be deemed an election by the Company to reinstate or replace.

If in any case the Company shall be unable to reinstate or repair the Property Insured which is damaged or destroyed, because of any municipal or other regulations in force affecting the alignment of streets or the construction of buildings or otherwise, the Company shall, in every such case, only be liable to pay such sum as would be requisite to reinstate or repair such Property Insured if the same could lawfully be reinstated to its former condition.

- 3) At all times during the period of insurance of this policy the insurance cover will be maintained to the full extent of the respective Sum Insured in consideration of which upon the settlement of any loss under this policy, pro-rata premium for the unexpired period from the date of such loss to the expiry of period of insurance for the amount of such loss shall be payable by the Insured to the Company.

The additional premium referred above shall be deducted from the net claim amount payable under the section. This continuous cover to the full extent will be available notwithstanding any previous loss for which the Company may have paid hereunder and irrespective of the fact whether the additional premium as mentioned above has been actually paid or not following such loss. The intention of this condition is to ensure continuity of the cover to the Insured subject only to the right of the Company for deduction from the claim amount, when settled, of pro-rata premium to be calculated from the date of loss till expiry of the policy.

Notwithstanding what is stated above, the Sum Insured shall stand reduced by the amount of loss in case the Insured immediately on occurrence of the loss exercises his option not to reinstate the Sum Insured as above.



SECTION II - BURGLARY/HOUSE BREAKING

The Company will indemnify the Insured to the extent of the intrinsic value of -

- a. any loss of or damage to property belonging to the Insured or held in trust or on commission for which he is responsible or any part thereof whilst contained in the premises described in the Schedule hereto due to burglary or house-breaking (theft following upon an actual forcible and violent entry of and/or exit from the premises) or hold-up;
- b. damage caused to the premises resulting from burglary and/or housebreaking or any attempt thereat, any time during the period of insurance up to 5% of the Sum Insured for all contents.

Provided always that the liability of the Company shall in no case exceed the Sum Insured stated against each item or total Sum Insured stated in the Schedule.

EXCLUSIONS UNDER SECTION II

The Company shall not be liable in respect of -

- 1) a) Gold, silver or articles made of precious metals, watches or jewellery or precious stones or models or coins or curios, sculptures, manuscripts, rare books, plans, medals, moulds, designs, deeds, bonds, bills of exchange, bank, treasury or promissory notes, cheque, money, securities, stamps, collection of stamps, business books or papers, motor vehicle unless specifically insured.
b) Any goods lying outside such portion of the Premises insured as is enclosed, unless specifically insured.
1. Loss or damage where any inmate or member of the Insured's household or his business staff or any other person lawfully in the premises in the business is concerned in the actual theft or damage to any of the articles or premises or where such loss or damage has been expedited or in any way assisted or brought about by any such person or persons.
2. Loss or damage which is recoverable under any other section of this policy.
3. Loss of property abstracted from a safe following the use of the key to the said safe or any duplicate thereof belonging to the Insured, unless such key has been obtained by assault or violence or any threat thereof.

Loss or damage if the premises shall have been left uninhabited by day and night for seven or more consecutive days and nights unless, in every case, the consent of the Company to the continuance of the insurance thereon is obtained and signified on the policy

SUM INSURED - BASIS OF VALUATION

Sum Insured must represent market value of the property insured which means current replacement value of the item as new at the time of loss or damage less due allowance for betterment, wear & tear and obsolescence.

SPECIAL CONDITION UNDER THIS SECTION

Maintenance of books and keys: The Insured shall keep a daily record of the amount of cash contained in the safe or strong room and such record shall be deposited in a secure place other than the safe or strong room and produced as evidence in support of a claim under this policy. The keys of the safe or strong room shall not be left on the premises out of business hours, unless the premises are occupied by the Insured or any other permanent employee of the Insured in which case such keys if left on the premises shall be deposited in a secure place not in the vicinity of the safe or strong room.

GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS

The Company shall not be liable to indemnify under any section of this policy any direct or indirect loss/damage or liability or expenses howsoever caused on account of the following unless specifically provided in any of the sections:

- 1) Liability arising out of violation of any Rules and Regulation of the Govt. or Statutory authorities.
- 2) Loss or damage directly or indirectly, proximately or remotely occasioned by or which arises out of or in connection with war, invasion, act of foreign enemy, hostilities or civil war, rebellion, revolution, insurrection, warlike operation (whether war be declared or not), usurped power or civil commotion or loss or pillage in connection therein or confiscation or detention by the order of any Government or public authority.
- 3) loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and /or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political, religious, ideological or similar purpose including the intention to influence any government and/or to put the public, or any section of the public in fear. (A uniform definition of terrorism is used throughout this document)

In any action, suit or other proceedings where the Company alleges that by reason of provisions hereof, any loss or damage is not covered by this insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

- 4) Loss or damage arising due to delay/improper packaging.
- 5) Any loss or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss and any legal liability of whatsoever nature directly or indirectly, caused by or contributed to by, or arising from ionizing radiation or contamination by radioactivity from any source whatsoever.
- 6) Any accident, loss, destruction, damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.
- 7) Liability arising due to martial law or state of seize or any of the event or cause which determines the proclamation or maintenance of martial law or state of seize
- 8) Loss or damage wear and tear, depreciation, gradual deterioration/ development of flaws, atmospheric or climatic condition.
- 9) Loss or damage caused by or arising out of willful act/gross negligence of the insured.
- 10) Loss of or damage to any Property insured under this Policy in the event of non-cooperation, misrepresentation, misdescription or non-disclosure in any material particular or if a claim be



fraudulent or any fraudulent means or devices be used by the Insured or any one acting on his behalf to obtain any benefit under this Policy.

CONDITIONS APPLICABLE TO ALL SECTIONS

The Policy and Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or the Schedule shall bear such specific meaning wherever it may appear.

- 1) The Insured shall take all reasonable steps to safeguard the Property insured against any loss or damage. The Insured shall exercise reasonable care that only competent employees are employed and shall take all reasonable steps to prevent all accidents and shall comply with all statutory or other regulations.
- 2) The Company shall have free access to inspect any Property insured and the books of accounts of the Insured. If at any time any event shall occur materially affecting the risks insured hereunder the Insured shall give notice in writing to the Company immediately,
- 3) In the event of any occurrence which may give rise to a claim for indemnity under the Policy the Insured shall give notice thereof to the Company in writing. Every letter, claim, summons and legal process pertaining to the coverage offered under this Policy and the Property insured covered hereunder shall be notified or forwarded to the Company immediately.
Notice shall also be given to the Company immediately after the Insured shall have knowledge of any impending prosecution, inquest or enquiry in connection with any such occurrence as aforesaid. In case of claim or generally, the Company may be contacted at the following address:

HDFC Chubb General Insurance Co. Ltd.
5th Floor, Express Towers
Nariman Point, Mumbai 400 021
- 4) The Insured shall not admit any liability or make payment of or negotiate any sum without the consent in writing of the Company. The Company shall be entitled if it so desires to take over and conduct in the name of the Insured the defense or settlement of any claim or to prosecute in the name of the Insured at its own expense and for its own benefit any claim in the name of Insured for its own benefit in pursuance of any remedies to which the Company shall be or would become entitled or subrogated upon its indemnifying the Insured and shall have full discretion in the conduct of any proceedings and in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.
- 5) The Company may after admission of liability pay to the Insured/third party the maximum indemnity amount on receiving the documentary evidence and thereafter the Company shall not be under further liability in respect of such occurrence except for the payment of costs and expenses of litigation incurred prior to the date of payment.
- 6) In the event of a claim, if there exists any other policy in favour of the Insured for the same subject matter of insurance, the Company shall not pay more than its rateable proportion of such claim.
- 7) The Policy may be cancelled at any time by giving 15 days notice by means of registered letter from the Company to the Insured's last known address and in such event the Company



will refund prorata premium for the unexpired period of the Policy. The Policy may also be cancelled by the Insured by giving 15 days notice in writing to the Company in which event the Company shall cancel the Policy and refund the premium at short period scale subject to 'No Claim' under the Policy during the period of insurance.

SHORT PERIOD SCALE

PERIOD OF RISK	PREMIUM TO BE RETAINED
Upto to one month	25% of annual premium
Upto to three months	30% of annual premium
Upto to six months	75% of annual premium
Exceeding six months	100%

- 8) If any dispute or difference shall arise as to the quantum to be paid under the Policy (liability being otherwise admitted) such difference shall independently of all other questions be referred to the decision of an arbitrator to be appointed in writing by the parties to or if they cannot agree upon a single arbitrator within 30 days of any party invoking arbitration the same shall be referred to the panel of three arbitrators, comprising of two arbitrators, one to be appointed by each of the parties to the dispute/difference and the third arbitrator to be appointed by such two arbitrators and arbitration shall be conducted under in accordance with the provisions of the Arbitration and Conciliation Act, 1996 (with amendments, modifications and statutory re-enactments, if any, being applicable)

It is clearly agreed and understood that no difference or dispute shall be referable to arbitration as herein before provided, if the Company has disputed or not accepted liability under or in respect of this policy.

It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that award by such arbitrator/arbitrators of the amount of the loss or damage shall be first obtained.

It is also further expressly agreed and declared that if the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within 12 calendar months from the date of such disclaimer have been made the subject matter of a suit in the court of law, then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

- 9) The Company shall not be liable to make any payment under this Policy in respect of any claim if such claim shall be in any manner fraudulent or supported by any statement or device whether by the Insured or by any person on behalf of the Insured if the insurance have been continued in consequence of any material mis-statement or non-disclosure of any material information by or on behalf of the Insured.
- 10) It is also hereby further expressly agreed and declared that if the Company shall disclaim liability to the Insured for any claim hereunder and such claim shall not within 12 calendar months from the date of such 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.
- 11) No claim shall be payable under this Policy unless the cause of action arises in India and the liability to pay claim established against the Insured in any Indian court. It is further agreed and understood that only Indian Law shall be applicable to any such action however, in case



the liability is otherwise clear on the basis of evidence produced by the Insured, the Company may entertain the claim without reference to a court of law.

- 12) The Company shall be entitled in the name of the Insured to have absolute conduct and control of all or any proceedings that it considers necessary for the purpose of tracing and recovering any Property insured lost or of securing reimbursement in respect of Property insured lost and the Insured shall at the Company's expense furnish all such assistance as may reasonably be required by the Company in connection with such proceedings and in the event of any or all of the Property insured being recovered, it shall be imperative upon the Insured to refund to the Company such a proportion of the sum allowed by way of compensation as the amount recovered bears to the total amount of Property insured lost.

- 13) The Proposer understands that if a proposal has been completed for this insurance, then the statements and all particulars provided in such proposal, and any attachments thereto, are material to the insurance company's decision to provide this insurance. The applicant further understands that the insurance company will, in its sole discretion, issue this Policy in reliance upon the truth of such statements and particulars.

THIS POLICY SHALL BE VOIDABLE AT THE OPTION OF THE COMPANY IN THE EVENT OF MIS-REPRESENTATION, MIS-DESCRIPTION OR NON-DISCLOSURE OF ANY MATERIAL PARTICULAR BY THE INSURED. ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO FRAUD THE INSURANCE COMPANY OR OTHER PERSONS, FILES A PROPOSAL FOR INSURANCE CONTAINING ANY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT WHICH WILL RENDER THE POLICY VOIDABLE AT THE INSURANCE COMPANY'S SOLE DISCRETION AND RESULT IN A DENIAL OF INSURANCE BENEFITS.

IF A CLAIM IS IN ANY RESPECT FRAUDULENT, OR IF ANY FRAUDULENT OR FALSE PLAN, SPECIFICATION, ESTIMATE, DEED, BOOK, ACCOUNT ENTRY, VOUCHER, INVOICE OR OTHER DOCUMENT, PROOF OR EXPLANATION IS PRODUCED, OR ANY FRAUDULENT MEANS OR DEVICES ARE USED BY THE INSURED, POLICYHOLDER, BENEFICIARY, CLAIMANT OR BY ANYONE ACTING ON THEIR BEHALF TO OBTAIN ANY BENEFIT UNDER THIS POLICY, OR IF ANY FALSE STATUTORY DECLARATION IS MADE OR USED IN SUPPORT THEREOF, OR IF LOSS IS OCCASIONED BY OR THROUGH THE PROCUREMENT OR WITH THE KNOWLEDGE OR CONNIVANCE OF THE INSURED, POLICYHOLDER, BENEFICIARY, CLAIMANT OR OTHER PERSON, THEN ALL BENEFITS UNDER THIS POLICY ARE FORFEITED.

- 14) The Company shall be entitled to take over and conduct in the name of Insured the defense or settlement of any claim in the name of Insured for its own benefit in pursuance of any remedies to which the Company shall be or would become entitled or subrogated upon its indemnifying the Insured. The Company shall have full discretion in conduct of any proceedings and in settlement of any claim and the Insured shall give all such assistance and information as the Company may require.
- 15) The claim will be paid for the occurrences specified in each Section within the Policy period only.
- 16) Average
If the property hereby insured shall at the time of any loss or damage be collectively of greater value than the Sum Insured thereon then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly. Every item if more than one of the Policy shall be separately subject to this Condition.



- 17) Cover under this policy shall cease to attach:
- a) If the Insured shall cause or suffer any material alteration to be made in the premises or anything to be done whereby the risk is increased;
 - b) to any property the interest of the Insured in which shall pass from the Insured otherwise than by will or operation of law;
- unless, in every case, the consent of the Company to the continuance of the insurance thereon is obtained and signified on the policy.
- 18) The Company shall not be bound to accept renewal of this policy or give notice that such is due.
- 19) Any person who has a grievance against the Company, may himself or through his legal heirs make a complaint in writing to the Insurance Ombudsman in accordance with the procedure contained in The Redressal of Public Grievance Rules, 1998 (Ombudsman Rules). Proviso to Rule 16(2) of the Ombudsman Rules however, limits compensation that may be awarded by the Ombudsman, to the lower of compensation necessary to cover the loss suffered by the insured as a direct consequence of the insured peril or Rs. 20 lakhs Rupees Twenty Lakhs Only) inclusive of ex-gratia and other expenses. A copy of the said Rules shall be made available by the Company upon prior written request by the Insured.



STATUTORY NOTICE: INSURANCE IS THE SUBJECT MATTER OF THE SOLICITATION

REINSTATEMENT VALUE CLAUSE FOR PORTABLE ITEMS

Notwithstanding any thing contrary to what is stated in Section VII of this policy it is hereby declared and agreed that in the event of the property insured under this section and stated within the Policy being destroyed or damaged, the basis upon which the amount payable under (each of the said items of) the Policy is to be calculated shall be cost of replacing or reinstating on the same site or any other site with property of the same kind or type but not superior to or more extensive than the insured property when new as on date of the loss, subject to the following Special Provisions and subject also to the terms and conditions of the Policy except in so far as the same may be varied hereby.

Special Provisions

1. Until expenditure has been incurred by the Insured in replacing or reinstating the property destroyed or damaged the Company shall not be liable for any payment in excess of the amount which would have been payable under the Policy if this memorandum had not been incorporated therein.
2. If at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property covered had been destroyed, exceeds the Sum Insured thereon or at the commencement of any destruction or damage to such property by any of the perils insured against by the Policy, then the Insured shall be considered as being his own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of the Policy (if more than one) to which this memorandum applies shall be separately subject to the foregoing provision.
3. This Memorandum shall be without force or effect if
 - a) the Insured fails to intimate to the Company within 60 days from the date of destruction or damage or such further time as the Company may in writing allow his intention to replace or reinstate the property destroyed or damaged.
 - b) the Insured is unable or unwilling to replace or reinstate the property destroyed or damaged on the same or another site.



Omission to insure additions or extensions

The insurance by this Policy extends to cover Portable Equipments as defined in the Schedule hereof which the Insured may acquire or for which they may become responsible:-

- i) The liability under this Extension shall not exceed in respect of Portable equipment 5% of the Sum Insured by items of the Schedule
- ii) The Insured shall notify the Company of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the date of inception.
- iii) Following the advice of any additional insurance as aforesaid, cover by this extension shall be fully reinstated.
- iv) No liability shall attach to the Company in respect of any portable item while such property is otherwise insured.

All new additions to the portable equipments by the Insured not specifically insured/included during the currency of the Policy should be declared at the end of the year and suitable additional premium paid on pro rata basis from the date of acquisition of additions may be suitably adjusted.

If the Insured fails to declare the values of such additions within 30 days after expiry of the Policy, there shall be no refund of the advance premium collected.



AGREED BANK CLAUSE

It is hereby declared and agreed:-

- a. That upon any monies becoming payable under this policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.
- b. That the receipts of the Bank shall be complete discharge of the Company thereof and shall be binding on all the parties insured hereunder.

N.B.: The Bank shall mean named in the policy.

- c. That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the Insured or any of them in any manner arising under or in connection with this policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.
- d. That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company and the Insured or any of them arising under or in connection with this policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.
- e. That this insurance so far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of condition 3 of the Policy except where a breach of the condition has been committed by the Bank or its duly authorised agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to upon or any building hereby insured or any building in which the goods insured under the policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alternations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to Company necessary additional premium from the time when such increase of risks first took place and
- f. It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this policy and shall claim that as to the mortgagor or owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent o such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have one such mortgagor or owner or any other party or parties insured hereunder or from any securities or funds available.



First Loss Endorsement

Notwithstanding anything herein contained to the contrary, it is hereby declared and agreed that this policy is issued on a First Loss Basis in respect of the insured stocks for the amount specified in the Schedule.

It is further declared and agreed that if the event of the total value of stocks at the time of loss be greater than the total value declared for purposes of this insurance and incorporated in the Schedule, the Insured shall be considered as being his own insurer, for the difference, and shall bear a rateable share of the loss accordingly.

Every item, if more than one, under or in terms of the endorsement, shall be separately subject to this condition.

Subject otherwise to the terms and conditions of the policy.



BURGLARY FLOATER CLAUSE

"In consideration of payment of additional premium the Sum Insured in aggregate under the policy is available for any one, more, or all locations as specified in respect of the property insured.

If the property of all locations hereby insured against be collectively of greater value than the aggregate sum insured over all locations thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

At all times during the currency of this policy the insured should have a good internal audit and accounting procedure under which the total amount at risk and the locations can be established at any particular time if required.

Any change in the address of locations specifically declared at inception shall be communicated and proper recording of such changes shall have to be recorded in the Policy.



RIOT & STRIKE DAMAGE CLAUSE

It is hereby declared and agreed, subject to the terms, conditions and exclusions contained or endorsed or otherwise expressed in the Policy, that the Policy is extended to indemnify the Insured to the extent of intrinsic value of any loss of or visible physical damage by Burglary to the property insured directly caused by :

1. The act of any person taking part together with others in any disturbance of the public peace (whether in connection with a strike or lock-out or not) not being an occurrence mentioned in exclusion c & d.
2. The action of any lawfully constituted authority in suppressing or attempting to suppress any such disturbance or in minimizing the consequences of any such disturbance.
3. The willful act of any striker or locked-out worker done in furtherance of strike or in resistance to a lock-out resulting in visible physical damage by external violent means.
4. The action of any lawfully constituted authority in preventing or attempting to prevent any such act or in minimizing the consequences of any such act.

This insurance however does not cover :

- a) Loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever.
- b) Loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation or omissions of any kind.
- c) Loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
- d) Loss or damage occasioned by permanent or temporary dispossession of any building or plant or unit or machinery resulting from the unlawful occupation by any person of such building or plant or unit or machinery or prevention of access to the same.

PROVIDED nevertheless that the Company is not relieved under (c) or (d) above of any liability to the Insured in respect of physical damage to the property insured occurring before dispossession or during temporary dispossession.



THEFT EXTENSION CLAUSE

It is hereby declared and agreed that the Policy is extended to indemnify the Insured to the extent of intrinsic value of any loss of or damage due to Theft of property or any part thereof whilst contained in the premises described in the Schedule of the Policy excluding theft committed by or with the connivance of the Employees or hires or agents or representatives or custodians responsible for the insured property or by members of the household of the Insured.

The Company shall in no event be liable for any loss or damage where such loss or damage is:

- discovered during any process of stock taking or inventory reconciliation
- due to non-return of the insured property by the agent/custodian/hirer or any other third party to whom the insured property was given in custody by the Insured or his representative.
- following removal of the insured property from location it is stated as situated
- during or after the occurrence of any fire, riot, strike, earthquake or other convulsion of nature affecting the location where the insured property is situated.
- is in excess of the stated limit of indemnity for each and every loss and nor in excess of the stated aggregate limit of indemnity.

In view of the above, an additional premium as agreed is hereby charged to the Insured.

All other terms, conditions and exclusions of the Policy remain the same.

DESIGNATION OF PROPERTY CLAUSE

For the purpose of determining, where necessary, the item under which any property is insured, the Company agrees to accept the designation under which the property has been entered in the Insured's books

SECTION : ELECTONIC EQUIPMENT INSURANCE

ENDORSEMENT WORDINGS

EEI-001 ENDORSEMENT FOR EXCLUSION OF DAMAGE CAUSED BY FIRE AND ALLIED PERILS -

Notwithstanding the conditions, provisions and other endorsements of this policy, it is hereby agreed and understood that the Company shall not be liable to indemnify the insured in respect of any loss, damage or liability directly or indirectly caused by or resulting from -

- i) Fire (including losses arising out of fire fighting and rescue work).
- ii) Lightning.
- iii) Explosion/implosion.
- iv) Riot, Strike and Malicious Damage.
- v) An act of terrorism committed by a person or persons acting on behalf of or in connection with any organization and/or the action of any lawfully constituted authority in suppressing or attempting to suppress any such act of terrorism or in minimizing consequences thereof.
- vi) Impact by any rail/road vehicle or animals.
- vii) Aircraft and other aerial and/or space devices and/or articles dropped there from.
- viii) Storm, cyclone, typhoon, tempest, hurricane, tornado, flood and inundation.
- ix) Subsidence and Land Slide including Rockslide.
- x) Earthquake, Fire and Shock.

EEI -002 MEDICAL EQUIPMENT USING X-RAYS TUBES

- a) Cover of X- rays valves and tubes
- b) Special condition concerning Computer Technographs
- c) Warranty for lightning and over - voltage protection Devices
- d) Warranty concerning Air- conditioning Plant.

COVER OF VALVES AND TUBES:

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, this insurance shall be extended to include loss of or damage to valves and tubes. Indemnification shall be limited to the actual value of such items (of 1- 7) immediately prior to the occurrence of the loss or damage, including ordinary freight, erection costs and custom duties and dues, if any.

1. Actual values of

1.1 Stationary anode X-ray tubes in single- tank setup and rotating anode X- ray tubes without exposure counters for diagnostic equipment.

1.2 Surface and close- range radio- therapy X- ray tubes and valves

1.3 Video amplifier tubes

Age (months)	Actual value in % of new replacement value
Less than 18	100

Less than 20	90
Less than 23	80
Less than 26	70
Less than 30	60
Less than 34	50
Less than 40	40
Less than 46	30
Less than 52	20
Less than 60	10
More than 60	0

2. Actual values of valves for diagnostic equipment:

Age (months)	Actual value in % of new replacement value
Less than 33	100
Less than 36	90
Less than 39	80
Less than 42	70
Less than 45	60
less than 48	50
Less than 51	40
Less than 54	30
Less than 57	20
Less than 60	10
More than 60	0

1. Actual value of rotating anode X- ray tubes with lead- sealed exposure counters for diagnostic equipment:

Number of exposures	Actual value in % of new replacement value
Less than 10,000	100
Less than 12,000	90
Less than 14,000	80
Less than 16,000	70
Less than 19,000	60
Less than 22,000	50
Less than 26,000	40
Less than 30,000	30
Less than 35,000	20
Less than 40,000	10
More than 40,000	0

4. Actual values of deep therapy X-ray tubes and valves

Period of Operation (hours or age 9months) whichever results in the lower actual value)		Actual value in % of new replacement value
Period of operation (hours)	Age (months)	
Less than 400	Less than 18	100
Less than 500	Less than 20	90
Less than 600	Less than 23	80
Less than 700	Less than 26	70
Less than 800	Less than 30	60
Less than 900	Less than 34	50
Less than 1000	Less than 40	40
Less than 1100	Less than 46	30
Less than 1200	Less than 52	20
Less than 1300	Less than 60	10
More than 1300	More than 60	0

5. Actual value of X-rays tubes and valves for the material testing equipments

Period of Operation (hours) or age 9months) whichever results in the lower actual value)		Actual value in % of new replacement value
Period of operation (hours)	Age (months)	
Less than 300	Less than 6	100
Less than 380	Less than 8	90
Less than 460	Less than 10	80
Less than 540	Less than 12	70
Less than 620	Less than 14	60
Less than 700	Less than 16	50
Less than 780	Less than 18	40
Less than 860	Less than 20	30
Less than 860	Less than 20	20

6. Actual values of picture and pick-up tubes for TV equipment
After 12 months' use, the actual values of picture and pick-up tubes shall be reduced by 3% per month down to a minimum of 20% of the new replacement values.
7. Actual values of other types of tubes and valves.
For other types of tubes and valves the actual values on the date of an occurrence shall be determined on the basis of data furnished by the supplier.

Special conditions concerning Compute Tomographs

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall not be liable for any damage consisting in the failure of individual construction elements or components, unless it can be proved that such damage has been caused by an external event acting on the system or by a fire generated within the system.

In contrast to the indemnity scales of Endorsement on "Cover for valves and tubes" incorporated in medical equipment, the following scales shall apply to the tubes indicated below built into computer tomographs:

a) X-ray tubes

With high-voltage time meter (stationary-anode tubes): (Operating hours up to)	With exposure counter (rotating anode tubes): (No. of exposures upto)	Indemnity: (%)
400	10,000	100
440	11,000	90
480	12,000	80
520	13,000	70
600	15,000	60
720	18,000	50
840	21,000	40
960	24,000	30
1,080	27,000	20
1,200	30,000	10

Tubes for voltage stabilization and regulations

Period of use (Months)	Indemnity %
36	100
39	90
41	80
44	70
47	60
49	50
52	40
55	30
37	20
60	10

WARRANTY**Warranty for Lightning and over voltage Protection Devices**

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall only indemnify the Insured in respect of loss of or damage to electronic equipment or data media or increased cost of working as a result of lightning or over voltage if the electronic equipment is fitted with lightning and over voltage protection devices and alarm system and these have been installed and maintained in accordance with the recommendations of the manufacturers of the electronic equipment and the lightning and over voltage protection devices

This means that the lightning and over voltage protection devices and alarm system

- are regularly serviced by qualified personnel of the manufacturer or supplier,
- are kept under supervision by trained personnel,
- are provided with an automatic switch-off device complying with the latest requirement for electronic equipment and the manufacture's recommendations.

Warranty Concerning Air-Conditioning Plant

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurers shall not indemnify the Insured in respect of any loss or damage in regard to electronic equipment, data media and increased cost of working due to the failure of the air-conditioning plant, if this air-conditioning plant is not covered against material damage and has been equipped, installed or maintained in accordance with the recommendations of the manufacturers of the electronic equipment and air-conditioning plant.

This means that the insured air-conditioning plant

- and the alarm and the switch-off devices are maintained by qualified personnel of the manufacturer or supplier at least every six months;
- is equipped with independent sensors to monitor temperature and humidity, to detect smoke and a release visual and acoustical alarm;
- is kept under supervision by trained personnel who are able to take all loss prevention measures necessary in the event of an alarm;
- is provided with an automatic emergency switch-off device complying with the requirements stipulated by the manufacturers of the electronic equipment.



EEI - 003 ESCALATION CLAUSE -

In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the undernoted item(s) the Sum(s) Insured thereby shall, during the period of Insurance, be increased each day by an amount representing 1/365th of the specified percentage increase per annum.

Item Number	Specified Percentage Increase per annum

Unless specifically agreed to the contrary the provisions of the Clause shall only apply to the sums insured in force at the commencement of each period of insurance.

At each Renewal Date the Insured shall notify the Insurers:-

(i) the Sums to be Insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the policy (as amended by any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of Insurance upto that renewal date, and

(ii) the specified percentage increase(s) required for the forthcoming period of Insurance, but in the absence of instructions to the contrary prior to the renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.

EEI - 004 EXPRESS FREIGHT -

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the insured having paid the agreed extra premium, this insurance shall be extended to cover extra charges for express freight (excluding air freight).

Provided always that such extra charges are incurred in connection with any loss of or damage to the insured items recoverable under the policy.



If the sum(s) insured of the demand item(s) is/are less than the amount(s) required to be insured the amount payable under this endorsement for such extra charges shall be reduced in the same proportion.

EEI - 005 AIR FREIGHT

In consideration of insured having paid extra premium as specified in the schedule attached it is hereby declared and agreed that the Policy shall also indemnify towards Air Freight incurred by the Insured in connection with the indemnifiable loss under the Policy.

Limit of indemnity shall be as per the schedule during currency of the Policy.

Each and every claim shall be subject to a minimum Excess of 5 % of the admissible Air Freight incurred over and above the excess as applicable under the policy.

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

EEI-006 OWNERS SURROUNDING PROPERTY -

In consideration of insured having paid extra premium as specified in the schedule attached it is hereby agreed and declared, subject to otherwise terms and conditions of the Policy, that this insurance by within policy is extended to cover loss or damage to property located at or adjacent to the site and belonging to or held in care, custody, control of the principal(s) or the contractor(s) if occurring directly due to damage of items mentioned in the schedule while at rest or in use for construction or erection during period of policy.

The Company will pay to the insured the value of the damaged property at the time of accident or at its option reinstate or replace such damaged property or any part thereof provided that -

The liability of the Company shall in no case exceed the limit of liability mentioned in the schedule for any one accident or series of accidents arising out of any one event and in the whole the total indemnity during the currency of the Policy.

The insured shall bare the same excess as mentioned in the schedule of the policy.

In respect of loss or damage resulting to underground piping tunneling or underground cables and other underground facilities, the indemnity will be restricted to actual repair cost, provided prior to commencement of work, insured ascertains with the relevant authorities about the exact locations or positions of such cables, pipes or other underground facilities. Cracks that neither impair the stability of the structure nor safety of its users are not covered.



EEL- 007 ADDITIONAL CUSTOMS DUTY -

In consideration of the Insured having paid an additional premium as per the schedule it is hereby declared and agreed that the Insured shall also be indemnified during the currency of the policy, towards the additional Customs Duty, amount as specified in the schedule which may be incurred by the Insured over and above the Customs Duty amount taken into account in arriving at the Sum Insured of the affected items.

Each and every claim payable under the extension shall be subject to an Excess of 5 % of the admissible Additional Customs Duty incurred and will be in addition to the Excess amount applicable for the affected item under the Policy.

The Indemnity for such Additional Customs Duty will stand reduced after occurrence of the claim unless reinstated by payment of an additional premium prescribed by the Company.

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

Note- For computation of indemnity under the Additional Customs duty extension, exchange rate applicable on date of occurrence of loss shall be considered.

EEL- 008 SOFTWARE ENDORSEMENT.

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Company shall only indemnify the Insured in respect of loss of or damage to Value of "System Software" which are integral to the hardware and of off-the shelf type and shall exclude any loss of or damage to "Application Software" or "Proprietary Software" which are of external type.



EXTENDED COVER FOR PAST EMPLOYEES

The indemnity provided by this insurance extends to include any claim as Insured which may arise after any employee has terminated their services to the Insured or whose services have been terminated by the Insured and for which loss (as insured) may be directly associated with such employee and provided that the period of time for the determination of such loss shall be within 12 (twelve) months after the termination of service to the Insured by such employee.



ACCOUNTANTS & AUDITORS

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Company for the purpose of investigating or verifying any claim may be produced and certified by the Insured's Auditors or professional Accountants and their certificate shall be prima facie evidence of the particulars and details to which it relates.



ALTERATION OF SYSTEMS

It is a condition precedent to the Company's liability that the precautions and checks for securing the accuracy of accounts and stock records may be changed by the Insured provided such alternative method or system for securing accuracy of accounts and stock control has been approved by the Insured's financial director or a senior person acting in similar capacity or by the Insured's appointed Auditors and Accountants.



AUTOMATIC REINSTATEMENT

Notwithstanding the occurrence of a loss this insurance will remain in force for the full amount insured against each item of the Schedule to the Policy (where applicable) or as may be adjusted by endorsement thereto; the Insured agreeing to pay additional premium on the amount of such loss pro rata from the date of damage to the expiry or renewal of the period of insurance.



CLAIMS PREPARATION COSTS & AUDIT FEES (including computer system certification)

The insurance by this Policy extends to include the costs 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.

Should it be required to conduct an independent audit together with the certification of computer systems and records following the intervention of such by the person or persons responsible for the loss then the insurance by the provision of this clause shall provide an indemnity to the Insured for such cost provided that such cost shall not exceed ten percent (10%) of the claim paid or payable by the Company.



COSTS OF RECOVERY FOLLOWING SUBROGATION TO THE COMPANY (by the Company)

In the event of the Insured subrogating their rights to the Company following the payment of a claim as determined by the provisions of the Policy and upon the Company proceeding against the person or persons responsible for the loss as paid by the Company; then the Company agrees to proceed in the full amount of the Insured's loss even if such loss shall be in excess of the amount of the indemnity paid by the Company and upon the recovery of such amount the Company will make payment to the Insured of the difference between the amount recovered and the amount which the Company paid to the Insured as indemnity for the loss; less the pro rata amount of the cost of such recovery by the Company as the amount paid by the Company to the Insured in settlement of the claim bears to the total amount recovered by the Company after due consideration for the recovery of legal costs and expenses.



COSTS OF RECOVERY (by the Insured for loss in excess of the Sum Insured)

In the event of the Insured proceeding against the person or persons responsible for a loss in excess of the indemnity made by the Company or the sum insured; then the Insured by written agreement of the Company may proceed for the recovery of the difference in the amount of loss or sum insured and the indemnity made by the Company; at the expense of the Company provided such expenditure is limited to ten percent (10%) of the amount of the claim paid to the Insured by the Company as indemnity for such loss.

Provided that in the event of the Insured being successful in the recovery or partial recovery of such amount then the Company shall indemnify the Insured for such additional cost as the additional costs of recovery shall bear to the indemnity made by the Company for the loss as such bears to the total amount of recovery within the 10% limitation as determined herein. (explanation: the additional costs for recovery divided by the total amount of indemnity made by the Company multiplied by the additional amount of recovery made by the Insured).



COST OF RECTIFYING ACCOUNTING & COMPUTER RECORDS & PROGRAMMES

Following upon any event for which the Company have agreed to make payment of a claim in terms of the provisions of the Policy the insurance by the provisions of this clause extends to indemnify the Insured for the cost of rectifying accounting and computer records following upon the falsification or manipulation of data or accounting entries; provided the Company's indemnity is limited to fifteen percent (15%) of the claim paid by the Company in the first instance.



CREDIT / DEBIT CARD (fraudulent use of)

The insurance by this Policy extends to indemnify the Insured in the event of any permanent employee of the Insured fraudulently making use of any credit or petrol card

Provided that:-

- (i) upon the loss or mislocation of such card by the person or persons authorised to make use of such card the credit facility granted by the use of such card shall be cancelled immediately
- (ii) the Company's liability shall be limited to the amount by which the Insured has been defrauded which corresponds to a thirty (30) day time period commencing with the date on which the card was first fraudulently utilised
- (iii) the Insured shall bear twenty percent (20%) of each and every loss as insured by the provisions of this clause

The limit of indemnity by the provision of this clause is ten percent (10%) of the sum insured as shown in the Schedule to the Policy or as endorsed thereon within any period of insurance.



DISCRETION IN REPORTING TO POLICE (period of grace and successful recovery)

In the event of the discovery by the Insured of any insured loss in terms of the Policy for which the Insured intends claiming indemnity from the Company the Insured; notwithstanding anything contained to the contrary in the Policy conditions or any other clause to this Policy and with the consent of the Company; may refrain from reporting such matter to the police or any other authority as may be required by the law to which the territorial requirements of this insurance are applicable; however upon the insistence of the Company to have such matter reported to the police or any other authority then in order to qualify a potential claim the Insured shall comply with such requirement immediately.

In the event of the Company making allowance for the discretion of the Insured in reporting a potential claim to the police (or similar authority) the Company may make payment of a claim subject to the successful establishment of their subrogation rights and attachment and sale of the property of the guilty persons or persons in the recovery (or part recovery) of the loss.



SUBROGATION WAIVER (contracting parties)

The insurance by this Policy shall not be prejudiced in the event of the Insured signing any agreement with any contracting party which conducts a permanent service in the interests of the Insured whereby the subrogation rights of the Company is limited or invalidated as a result of the Insured signing such an agreement; however the Company subrogation rights shall remain in effect insofar as the Company may proceed against the person or persons in the employment of such contracting parties being responsible for any loss as insured and for which the Company have indemnified the Insured in the total amount of the loss or otherwise.



UNIDENTIFIABLE EMPLOYEES (loss as a result of)

In the event of a loss as insured by this Policy and consequent upon the requirements giving rise to the definition of 'loss' it being found that the identification of an employee or employees for such loss are not identifiable then subject to the following provisions the Company shall indemnify the Insured for the resulting loss:-

- (a) the Insured shall give adequate proof which shall be confirmed by their auditors or any other auditor appointed by the Company that the loss as insured could not have been caused by anyone other than a person or persons in the Insured's permanent employment or such person or persons who may have left their employment within three (3) months prior to the identification of the loss
- (b) the Insured shall immediately upon the detection of such loss change any accounting or administrative procedure relative to such loss in order to prevent further loss or possibility of loss following the events of similar occurrence
- (c) irrespective of any clause or provision of cover to the insurance by this Policy the Insured shall notify the Police authorities of the respective area of jurisdiction to which this insurance is applicable; of the loss being the subject matter of the claim.
- (d) In the possible event of the detection of such employee or employees and whether at the time of detection they shall be employed by the Insured or not; the Insured shall immediately prosecute such employee or employees irrespective of their position of employment or past employment and shall notify the Company of their identity and locality (if possible)

Should the Company have made payment of a claim as Insured in terms of the provisions of this clause and should the Insured not have complied with the aforesaid conditions which are a condition precedent and subsequent to the payment of a claim then the Company shall upon demand on the Insured be entitled to repayment of the amount paid to the Insured inclusive of interest on such amount for the time period for which the Insured had use of the money paid by the Company at an interest rate equivalent to the overdraft rate afforded to the Company by their bank at such time.

