

**Zurich Kotak General Insurance Company (India) Limited.**  
(Formerly known as Kotak Mahindra General Insurance Company Limited)

**Registered Office:** 401, 4th Floor, Silver Metropolis, Jai Coach Compound, Off Western Express Highway, Goregaon (East), Mumbai- 400063. Maharashtra, India.

**ZK - 24-25/v1**

## All Risks Secure Clauses / Endorsements / Extensions

### **AGREED BANK CLAUSE (AR: 01)**

**Attached to and forming part of the Policy No.** \_\_\_\_\_

All policies in which a Bank/Financial Institution has interest shall be issued in the name of Bank/Financial Institution and owner or mortgagor and shall contain a suitable clause to protect their interest. A specimen copy of the Clause is given hereunder.

"It is hereby declared and agreed:

- 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.
- That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder.

N.B: The Bank shall mean the first named Financial Institution/ Bank named in the policy.

- 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.
- 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.
- 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 except where a breach of the condition has been committed by the Bank or its duly authorized 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 alterations 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 the Company necessary additional premium from the time when such increase of risks first took place and
- 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 of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagor or Owner or any other party or parties insured hereunder or from any securities or funds available.

N.B: In cases where the name of any Central Government or State Government owned and / or sponsored Industrial Financing or Rehabilitation Financing Corporations and/or Unit Trust of India or General Insurance Corporation of India and/or its subsidiaries or LIC of India/ any Financial Institution is included in the title of the Fire Policy as mortgagees, the above Agreed Bank Clause may be incorporated in the Policy substituting the name of such institution in place of the word 'Bank' in the said clause.

### **DESIGNATION OF PROPERTY CLAUSE (AR: 02)**

**Attached to and forming part of the Policy No.** \_\_\_\_\_

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

### **FIRST LOSS BASIS CLAUSE (AR: 03)**

**Attached to and forming part of the Policy No.** \_\_\_\_\_

The Sum insured is on the First Loss Basis in proportion of \_\_\_% of 100% Sum Insured, amounting to a value as stated in the Schedule. It is further declared and agreed that in the event of the total value of items at risk at the time of loss being greater than the total value declared for purpose of this cover and incorporated in the Schedule, insured shall be considered as being their own insurer, for the difference, and shall bear a rateable share of the loss accordingly.

Subject otherwise to the coverage, terms and conditions and the claims procedure as incorporated in the Policy and endorsed hereon.

**UIN: IRDAN152RP0001V02201819/A0002V01201819**

**IRDAN152CP0001V02201920/A0153V01201920**

### **NEW FOR OLD BASIS CLAUSE (AR: 04)**

**Attached to and forming part of the Policy No.** \_\_\_\_\_

In the event of a loss the company shall indemnify the Insured for Replacement Value of the insured items by a new item of the same kind and same capacity without any allowance for wear and tear and/or depreciation provided the age of the damaged insured item does not exceed 5 Years.

In case the age of the damaged item exceeds 5 years the settlement shall be on the Replacement Value of the insured items as new at the time of damage less due allowance for betterment, wear and tear and or depreciation or the value which can be realized from the market for such insured item immediately before occurrence of damage whichever is lower.

### **MECHANICAL OR ELECTRICAL DERANGEMENT/BREAKDOWN (AR: 04)**

**Attached to and forming part of the Policy No.** \_\_\_\_\_

It is hereby declared and agreed that in consideration of payment of additional premium specified in the Schedule, the Mechanical or Electrical derangement/breakdown Exclusion Warranty of forming part of the mentioned policy stands deleted.

**UIN: IRDAN152RP0001V02201819/A0005V01201819**

**IRDAN152CP0001V02201920/A0156V01201920**

### **GEOGRAPHICAL SCOPE - WORLDWIDE (AR: 05)**

**Attached to and forming part of the Policy No.** \_\_\_\_\_

It is hereby declared and agreed that in consideration of payment of additional premium specified in the Schedule, policy is extended to provide worldwide coverage.

**UIN: IRDAN152RP0001V02201819/A0003V01201819**

**IRDAN152CP0001V02201920/A0154V01201920**

### **TERRORISM DAMAGE COVER ENDORSEMENT (AR: 06A)**

**Attached to and forming part of the Policy No.** \_\_\_\_\_

It is hereby declared and agreed that in consideration of payment of additional premium specified in the Schedule, the Terrorism Damage Exclusion Warranty forming part of the within mentioned policy stands deleted. The expression/s "terrorism and/or act of terrorism" shall have the same meaning/s as contained in Terrorism Damage Exclusion Warranty.

### **TERRORISM DAMAGE COVER ENDORSEMENT (MATERIAL DAMAGE ONLY) (AR: 06B)**

**Attached to and forming part of the Policy No.** \_\_\_\_\_

### **INSURANCE CLAUSE**

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment by the Insured to the Company of additional premium as stated in the Schedule, it is hereby agreed and declared that notwithstanding anything stated in the "Terrorism Risk Exclusion" of this Policy to the contrary, this Policy is extended to cover physical loss or physical damage occurring during the period of this Policy caused by an act of terrorism, subject to the exclusions, limits and excess described hereinafter.

For the purpose of this cover, an act of terrorism means an act or series of acts, 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 organization (s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

This cover also includes loss, damage, cost or expense directly caused by, resulting from or in connection with any action taken in suppressing, controlling, preventing or minimizing the consequences of an act of terrorism by the duly empowered government or Military Authority.

Provided that if the Insured is eligible for indemnity under any government

compensation plan or other similar scheme in respect of the damage described above, this Policy shall be excess of any recovery due from such plan or scheme.

For the purpose of the aforesaid inclusion clause, "Military Authority" shall mean armed forces, paramilitary forces, police or any other authority constituted by the government for maintaining law and order.

#### LOSSES EXCLUDED

This cover shall not indemnify loss of or damage to property caused by any or all of the following:

1. loss by seizure or legal or illegal occupation;
2. loss or damage caused by:
  - i) voluntary abandonment or vacation,
  - ii) confiscation, commandeering, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority, which deprives the Insured of the use or value of its property;
3. loss or damage arising from acts of contraband or illegal transportation or illegal trade;
4. loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment;
5. loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind;
6. loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind;
7. any fine, levy, duty, interest or penalty or cost or compensation/damages and /or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person;
8. loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon. This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and /or guidance system and /or firing mechanism of any weapon or missile;
9. loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion;
10. loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder;
11. any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working;
12. loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service;
13. loss or increased cost as a result of threat or hoax;
14. loss or damage caused by or arising out of burglary, house - breaking, looting, 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 action taken in respect of an act of terrorism;
15. loss or damage caused by mysterious disappearance or unexplained loss;
16. loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
17. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.

#### LIMIT OF INDEMNITY

The limit of indemnity under this cover shall not exceed the Total Sum Insured given in the Policy Schedule or ₹20,000,000,000 whichever is lower. In respect of several insurance policies within the same compound/location and/or arising out of a single event with one or different insurers, the maximum aggregate loss payable per compound/location and/or arising out of a single event by any one

or all insurers shall be ₹20,000,000,000. If the actual aggregate loss suffered at one compound/location and/or arising out of a single event is more than ₹20,000,000,000 the amounts payable towards individual policies shall be reduced in proportion to the sum insured of the policies.

#### Definition of Single event

Physical loss or physical damage arising during a period of 72 consecutive hours out of an act of terrorism" would be considered as single event.

#### EXCESS"

**Shops a Residential Risks:** 1% of the claim amount for each and every claim subject to Minimum of ₹10,000 and Maximum of ₹500,000

**Non-Industrial Risks:** 1% of the claim amount for each and every claim subject to Minimum of ₹25,000 and Maximum of ₹1,000,000

**Industrial Risks:** 5% of the claim amount for each and every claim subject to Minimum of ₹100,000 and Maximum of ₹25,000,000

\*whichever is applicable

#### ADD ON COVER

It is further declared and agreed that the limit of indemnity including the claim on add on cover(s) shall not exceed total sum insured plus separate sublimit opted for add on cover(s) or ₹20,000,000,000 whichever is lower.

In respect of several insurance policies within the same compound/ location or affected in the single event, the maximum aggregate loss payable per compound / location and or arising out of single event by any one or all insurers shall be ₹20,000,000,000.

#### MID TERM COVER

In case the coverage under this endorsement is granted during the currency of the policy, no claims will be payable for loss or damage to property caused by an act of terrorism occurring during the first 15 (fifteen) days from the date of granting such cover.

#### SANCTION, LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

#### CANCELLATION CLAUSE

Notwithstanding the cancellation provisions relating to the basic insurance policy on which this endorsement is issued, there shall be no refund of premium allowed for cancellation of the Terrorism risk insurance during the period of insurance except where such cancellation is done along with the cancellation of the basic insurance. Where a policy is cancelled and rewritten mid-term purely for the purpose of coinciding with the accounting year of the insured, pro-rate refund of the cancelled policy premium will be allowed.

If the cancellation is for any other purpose, refund of premium will only be allowed after charging short term scale rates.

Note: The definitions, terms and conditions of main Policy save as modified or endorsed herein shall apply.

**UIN: IRDAN152RP0001V02201819/A0004V01201819**

**IRDAN152CP0001V02201920/A0155V01201920**