

BURGLARY & HOUSEBREAKING INSURANCE POLICY (Business Premises)

Preamble

WHEREAS the Insured described in the Schedule hereto (hereinafter called the “Insured”) by a proposal and declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to _____ General Insurance Company Ltd. (hereinafter called the “Company”) for the insurance hereinafter contained and has paid the premium stated in the said Schedule as consideration for such insurance during the period stated in the said Schedule or during any further period for which the Company may accept payment for the renewal or extension of this policy.

Operative Clause

The Company hereby agrees subject to terms, conditions and exclusions herein contained or endorsed or otherwise expressed hereon to indemnify the Insured to the extent of intrinsic value of:

- (a) Any loss of or damage to property or any part thereof whilst contained in the premises described in the schedule hereto due to Burglary and/ or House breaking.
- (b) Damage caused to the premises/locks to be made good by the Insured resulting from burglary and / or house-breaking or any attempt there at any time during the period of insurance.

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.

Basis of Valuation for Sum Insured:

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

EXCLUSIONS

The Company shall not be liable in respect of :

- a) Gold or Silver articles, watches or jewelry 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, cheques, money, securities, stamps, collection of stamps, business books or papers, unless specifically insured.
- b) Loss or damage where any inmate or member of the Insured’s household or of 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 have been expedited or any way assisted or brought about by any such person or persons. (This exclusion will stand deleted if Fidelity Guarantee Cover is proposed along with the Burglary Cover)

c) Loss or damage which is recoverable under Fire or Plate Glass Insurance policy, or any other policy.

d) (i) Loss or damage directly or indirectly, proximately or remotely occasioned by or which arises out of or in connection with Riot and Strike, Civil Commotion, Earthquake, Flood, Storm, Cyclone or other convulsions of nature or atmospheric disturbances.

(ii) Loss or damage whether direct or indirect arising from war, warlike operations and of foreign enemy hostilities (whether war be declared or not), civil war, revolution, insurrection, civil commotion, military or usurped power, seizure, capture, confiscation, arrests, restraints and detainment by order of any governments or any other authority.

e) (i) Any loss or damage to any property whatsoever or any loss or expense whatsoever resulting or arising there from or any Consequential Loss and any Legal Liability of whatsoever nature directly or indirectly caused by or contributed to or arising from ionizing radiation or contamination by radioactivity from any source whatsoever.

(ii) Any accident, loss, destruction, damage or Legal Liability directly or indirectly caused by or contributed to by or arising from Nuclear weapons material.

f) Consequential Loss or Legal Liability of any kind.

g) This policy shall cease to attach

(i) If the premises shall have been left uninhabited by day and night for seven or more consecutive days and nights while the premises are left uninhabited.

(ii) 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.

(iii) 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 each case, the consent of the Company to the continuance of the Insurance thereon is obtained and signified on the policy.

h) Loss or damage due to Terrorism and Sabotage activities.

In any action, suit or other proceedings where the Company alleges that by reason of the above Provisions 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.

SPECIAL CONDITIONS:

1. Reinstatement of Sum Insured;

Immediately upon the happening of any loss or damage as described in the policy, the Total Sum Insured and the Sum Insured upon the various descriptions of property which have been lost or damaged, shall be reduced by the amount of loss or damage and such, reduced sums Insured shall be the limit of the Company's liability in respect of any further loss or damage occurring during the current period of Insurance unless the Company consents, upon payment of additional premium to reinstate the full Sum Insured.

Add-on Covers:

THEFT

Covers any loss of or damage to the property belonging to the Business of the Insured due to theft, the Company shall indemnify the amount of loss suffered. However, theft does not include larceny.

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.

PURCHASE PROTECTION EXTENSION

Covers any loss of or damage to any new items, belonging to the Business of the Insured within the insured premises specified in the Schedule, purchased during the currency of the policy period by operation of a peril insured under coverage Section Burglary of the Policy for 90 consecutive days from the date of purchase or till the policy expiry date whichever is earlier.

The sum insured for such purposes will be limited to a maximum of 25% of the sum insured opted in the policy schedule;

Further, if the insured chooses to inform the Company in writing within 90 days of date of purchase and pays the Company appropriate additional premium due for insuring the purchased item and/or stock under coverage then such purchased items and/ or stock shall be held covered for remaining period of the policy (i.e., balance period after the expiry of the 90 days from the date of purchase) as well as the sum insured under this section will be restored till the expiry of the policy period.

Conditions applicable to Purchase Protection Extension:

1 a) The insured must take all reasonable steps to protect and maintain all the items insured under the policy and protect them against any loss or damage.

b) In the event of a claim, the insured shall submit conclusive proof of purchase in respect of the new items claimed to be lost or damage covered under Burglary.

The liability of the Company shall not exceed- the actual net amount paid by the insured as per the sale receipt, credit invoice or the sum insured under this extension, whichever is less,

c) Where the purchased item is part of a pair or set, the Company shall be indemnify no more than the value of the particular part lost, damaged or destroyed regardless of any special value that the item may have by way of being part of such pair or set.

d) If the Sum Insured is less than the amount required to be insured as per provision –titled “Sum Insured” herein above, the Company will pay only in such proportion as the Sum Insured bears to the amount required to be insured. Every item if more than one shall be subject to this condition separately.

2. All sums which may from time to time be paid by way of indemnity under this coverage section in any one Period of Insurance shall be deducted from the Limit of Indemnity so that in case of any subsequent event giving rise to a claim occurring during the same period the total amount payable during that period by the Company shall not in any case exceed the sum insured under this coverage section.

3. For any liability to become payable under Purchase Protection Extension, the liability must have been admitted by the Company and covered under Burglary Section of the within mentioned Policy.

Exclusions:

The Company shall not be liable in respect of any loss or damage to/ by:

1. Being the first amount shown in the Schedule as the Excess or Deductible as per either the coverage under Burglary section respectively as the case may be for in respect of each and every claim.

2. Computer software or intangible items

3. Animal and/ or plant life

4. Consumable or perishable items (including but not limited to food, drugs, fuel or oil.

5. Any motorized vehicle and/or their integral parts and installed accessories.

6. Second hand items including antiques.

7. Normal wear and tear or damage arising from inherent defect in the purchased item

8. Disappearance of the purchased items in circumstances, which cannot be explained by the insured to the Company's reasonable satisfaction.

9. Confiscation by authorities

10. Fraud or abuse or deceit.

11. Consequential loss or damage or punitive damage.
12. Any event that is intentionally caused by insured
13. Goods whilst being transported under a freight agreement or by postal or courier service.
14. Goods being left unattended in a public place or unlocked car or in an unattended car overnight.
15. Terms, conditions and Exclusions as mentioned under Burglary Section.

3) FIDELITY GUARANTEE EXTENSION

The Company will indemnify the Insured against any direct pecuniary loss sustained by any reason of any act of fraud/ dishonesty committed by any Employee of the Insured on or after the date of commencement of this policy and during continuous service with the Insured and discovered during the continuance of this Policy or within one calendar months of the expiration thereof and in the case of death, dismissal or retirement of the Employee within the period the afore stated events shall first happen

Provided Always That:

- i. The liability of the Company shall not exceed
 - a) in respect of any Employee of the Insured the amount of guarantee stated against his name or against the relevant category of Employee in the Schedule.
 - b) in respect of all claims under this Policy the total amount of guarantee
- ii. If this Policy shall be continued in force for more than one period of indemnity or if any liability shall exist on the part of the Company under this Policy and also under any other policy in respect of fraud or dishonesty of the Employee, the liability of the Company hereunder shall not be accumulated or increased thereby but the aggregate liability of the Company during any number of periods of indemnity and for any number of acts of fraud or dishonesty committed by the Employee shall not exceed the amount of guarantee hereunder or the amount of guarantee under any other such policy as aforesaid whichever is greater.
- iii. The Company shall not be liable to pay more than one claim in respect of the acts of any one of the Employees.

iv. The loss shall have occurred in connection with occupation and duties of the Employee

Exceptions

1. The Company shall not be liable in respect of losses arising elsewhere than in the Territorial Limits stated in the Schedule.
2. The Company shall not be liable for losses not sustained within a retroactive period not exceeding one year from the date of discovery of any such loss (es). It is understood that

in such retroactive period the insurance was continuously in force and the Company will not be liable to pay any claim in respect of loss sustained prior to the inception of the original policy. It is further understood that losses which become payable under this clause shall be subject to the terms, conditions, exceptions of the policy in force as on the date of discovery.

Definitions

1. The term "Insured" wherever appearing in this section means any person, partnership firm or any body of persons whether incorporated or not with whom the employee who is included in the schedule attached hereto has a contract of service.
2. The term "Employee" wherever appearing in this policy means any person (other than a person whose employment is of a casual nature and who is employed otherwise than for the purpose of the Insured's trade or business) who has entered into a contract of employment with the Insured, and such contract of employment is expressed or implied in writing.

Special Conditions

1. On the discovery of any act of default or circumstances which may give rise to a claim, the Insured shall:
 - a. forthwith give written notice to the Issuing Office of the Company .
 - b. immediately take all steps to prevent further loss;
 - c. supply at the request and at its own cost to the Company all such proof, information and other evidence (verified by statutory declaration if so required) relating to the claim as the Company may require.
2. If the Insured is or shall hereafter be guaranteed by any other person, society or company or hold other security or insurance against such loss as is hereby guaranteed, the Company shall only be liable to bear the loss rateable with such person, society or company or securities or insurance.
3. Any money of the Employee in the hands of Insured and any money which but for the Employee's dishonesty would have been due to the Employee from the Insured shall be deducted from the amount otherwise payable under this Policy. Any money recovered after the settlement of any claim shall be the property of the Company, not exceeding however the amount paid by the Company.
4. The Insured shall if and when required by the Company but at the expenses of the Company use all diligence in prosecuting any of the Employee(s) to conviction for any act which such Employee shall have committed and in consequence of which a claim has been made under such Policy and shall at the Company's expense give all information and

assistance to enable the Company to sue for and obtain reimbursement from any such Employee by reason of whose acts or defaults a claim has been made or money which the Company shall have become liable to pay in respect thereof.

5. Unless the Company be advised by the Insured and the Company's written approval be obtained the Company shall not be liable hereunder in the event of any change in the nature of the business of the Insured or in the duties and condition of service of the Employee or if remuneration of the Employee be reduced or its basis altered or if the precautions stated by the Insured with regard to accounting be not duly followed or if the Insured shall continue to entrust the Employee with money or goods after having knowledge of any material fact bearing on the honesty of the Employee.

6. If any part of the premium or renewal is based on estimates furnished by the Insured, the Insured shall keep an accurate record containing all relevant particulars and shall allow the Company to inspect such record. The Insured shall within one month after the expiry of each period of insurance furnish such information as the Company may require. The premium or renewal premium shall thereupon be adjusted and the difference paid or allowed to the Insured

7. If required by the Company, the agent or representative of the Company shall in case of any loss to the Insured be permitted at all reasonable times to examine into the circumstances of such loss and the Insured shall on being required to do so by the Company produce all books of accounts, receipts, documents relating to or containing entries relating to the loss in his possession and furnish copies of or extracts from such of them as may be required by the Company so far as they relate to such claims and will in any way assist the Company to ascertain the correctness thereof or the liability of the Company under this Policy.

8. The Company shall be entitled at its own expense and for its own benefit in the name of the Insured to prosecute all claims and exercise all right or action available to the Insured against the Employee in respect of any act insured against in connection with which it may have made payment under this policy and the Insured shall give to the Company all such information and assistance as may be reasonably required for maintaining such claims or rights.

9. For the purpose of identifying Employee in all cases of change of residence or occupation or change of name due notice thereof in writing shall be given by the Insured to the Company.

Compulsory Excess:

0.25% of claim amount subject to a minimum of Rs. 1000/-

Voluntary Excess:

Additional 10% discount for opting voluntary excess of at least 4 times the Compulsory Excess.

General Conditions:

1. **NOTICE:** Every notice and communication to the Company required by this Policy shall be in writing to the office of the Company through which this insurance is affected.
2. **DUTY OF DISCLOSURE:** This Policy should be void and all premiums paid hereon shall be forfeited to the Company in the event of misrepresentation, mis-description or non-disclosure of any material fact.
3. **REASONABLE CARE:** The Insured shall take all reasonable steps to safeguard the property insured against accident, loss or damage.
4. **CLAIMS PROCEDURE:** Upon the happening of any event giving rise or likely to give rise to a claim under this Policy:
 - (a) The insured shall give immediate notice thereof in writing to the nearest office with a copy to the Policy issuing office of the Company as well as lodge forth with a complaint with the Police.
 - (b) The insured shall deliver to the Company, within 14 days of the date on which the event shall have come to his knowledge, a detailed statement in writing, of the loss or damage, with an estimate of the intrinsic value of the property lost and the amount of damage sustained.
 - (c) The Insured shall tender to the Company all reasonable information, assistance and proofs in connection with any claim hereunder.
5. **INDEMNITY:** The Company may at its option reinstate, replace or repair the property or premises lost or damaged or any part thereof instead of paying the amount of loss or damage or may join with any other insurer in so doing, but 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 as it was at the time of the occurrence of such loss or damage not more than the sum insured thereon.
6. **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 ratable

proportion of the loss or damage accordingly. Every item, if more than one, in the Policy, shall be separately subject to this condition.

When the Sum Insured is on a First Loss basis:

If in respect of property insured at the commencement of any Damage by an insured peril, it is found that actual value of the selected percentage of the total property at risk exceeds the value (Sum Insured) declared to the Company, then the Company's liability is restricted to the same proportion of the Damage as the value (Sum Insured) declared to the Company bears to the actual value of the selected percentage of the total value at risk.

7. CONTRIBUTION: If at the time of the happening of any loss or damage covered by this Policy there shall be existing any other insurance of any nature whatsoever covering the same property, whether effected by the Insured or not, then the Company shall not be liable to pay or contribute more than its ratable proportion of any loss or damage.

8. SUBROGATION: The Insured and any claimant under this Policy shall at the expense of the Company do or concur in doing or permit to be done all such acts and things that may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon the Company paying for or making good any loss or damage under this Policy whether such acts and things shall be or become necessary or required before or after the Insured's indemnification by the Company.

9. FRAUD: If any claim under this Policy shall be in any respect fraudulent or if any fraudulent means or device are used by the Insured or any one acting on the insured's behalf to obtain any benefit under this Policy, all benefits and rights under the Policy shall be forfeited.

10. CANCELLATION: The Company may at any time, cancel this Policy, by giving 15 days notices in writing by Regd. A/D. to the Insured at his last known address in which case, the Company shall return to the insured the then last paid premium less a pro-rata part thereof for the portion of the current insurance period which shall have expired. The Insured may also give 15 days' notice in writing, to the Company, for the cancellation of this policy, in which case the Company shall retain the premium for the period this Policy has been in force at the Company's short period scales.

Policy Period Required % of Annual Rate

Not exceeding 1 week 12.5 % of Annual Rate

Not exceeding 1 month 25 % of Annual Rate
Not exceeding 2 months 37.5 % of Annual Rate
Not exceeding 3 months 50 % of Annual Rate
Not exceeding 4 months 62.5 % of Annual Rate
Not exceeding 6 months 75 % of Annual Rate
Not exceeding 8 months 87.5 % of Annual Rate
Exceeding 8 months Full Annual Rate

ARBITRATION AND DISCLAIMER: 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 a sole 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 a 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 and in accordance with the provisions of the Arbitration and Conciliation Act, 1996. It is clearly agreed & understood that no difference or dispute shall be referable to arbitration as hereinbefore 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 arbitrators or umpire of the amount of the loss or damage shall be first obtained."

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 twelve 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.