

Portable Electronic Equipment Insurance Policy

- Policy Wordings

Preamble

WHEREAS the Insured designated in the Schedule to this Policy having by a proposal and declaration together with any statement, report or other document which shall be the basis of this contract and shall be deemed to be incorporated herein, has applied to Bharti AXA General Insurance Company Limited (hereinafter called "the Company") for the insurance hereinafter set forth and paid appropriate premium for the period as specified in the Schedule.

Operative Clause

NOW THIS POLICY OF INSURANCE WITNESSETH that subject to and in consideration of the Insured having paid or agreed to pay in such manner and within such time as may be prescribed under the provisions of the Insurance Act, 1938 and the rules made thereunder, the premium stated in the Schedule as consideration for such insurance during the period stated in the Schedule or during any further period for which the Company may accept payment for the renewal or extension of this Policy, and subject to the terms, exclusions, conditions and provisions contained herein or endorsed hereon, the Company will indemnify the Insured in the manner and to the extent hereinafter provided; The Company hereby agrees with the Insured that if the property/properties or any part thereof entered in the Schedule suffer any physical loss or damage from any cause, other than those specifically excluded necessitating repair or replacement, the Company will indemnify the Insured in respect of such loss or damage as hereinafter provided by repair or replacement at Company's option or payment, up to an amount not exceeding in any one year of insurance in respect of each of the properties specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum expressed in the Schedule as insured hereby.

Sum Insured

It is a requirement of this insurance that the Sum Insured shall be equal to the cost of replacement of the insured property by new property of the same kind and same capacity, which shall mean its replacement cost including freight, dues and customs duties, and assembling costs, if any.

The Sum Insured of the property insured shall include the value of system software.

Basis of Indemnity

a) In cases where an insured property is repaired, the Company will pay expenses necessarily incurred to restore the damaged property to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues if any, to the extent such expenses have been included in the Sum Insured. If the repairs are executed at a workshop owned by the Insured, the Company will pay the actual cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced, except those with limited life, but the value of any salvage will be taken into account. If the cost of repairs as detailed hereinabove equals or exceeds the actual value of the property insured immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (b) below.

b) In cases where an insured property is destroyed, the Company will pay the actual value of the property immediately before the occurrence of the loss, including costs for ordinary freight, erection and customs duties if any, provided such expenses have been included in the Sum Insured. Such actual value to be calculated by deducting proper depreciation from the replacement value of the property. The Company will also pay any normal charges for the dismantling of the property destroyed, but the salvage will be taken into account.

Extra charges incurred for overtime, night work, work on public holidays, express freight are covered by this insurance only if specifically agreed to in writing. Cost of any alterations, improvements or overhauls shall not be recoverable under this Policy.

Cost of any provisional repairs will be borne by the Company if such repairs constitute part of the final repairs, and do not increase the total repair expenses.

c) In cases where the insured property is subject to total loss and has become obsolete, all costs necessary to replace lost or damaged insured property with a follow-up model (similar type) of similar structure/configuration (of similar quality) i.e. low, average or high capacity will be reimbursed.

If the Sum Insured is less than the amount required to be insured as per provisions hereinabove, the Company will pay only in such proportion as the Sum Insured bears to the amount required to be insured. Every property if more than one shall be subject to this condition separately.

The Company will make payments only after being satisfied, by production of the necessary bills and documents, that the repairs have been effected or replacement has taken place, as the case may be. The Company will settle the claim in case of total loss where the Insured is unable to replace the damaged property for reasons beyond their control on indemnity basis.

Special Exclusions

PROVIDED ALWAYS THAT the Company shall not, however, be liable for –

a) The Excess stated in the Schedule to be borne by the Insured in any one occurrence. If, however, more than one property is lost or damaged in any one occurrence then the Insured shall not be called upon to bear more than the highest single excess applicable to such properties.

- b) Loss or damage caused by any defects existing at the time of commencement of the present insurance within the knowledge of the Insured, or his representatives, whether such defects were known to the Company or not.
- c) Loss or damage as a direct consequence of wear and tear or of gradual deterioration due to atmospheric conditions.
- d) Any costs incurred in connection with the elimination of functional failures unless such failures were caused by an indemnifiable loss of or damage to the insured properties.
- e) Any costs incurred in connection with the maintenance of the insured properties, such exclusion also applying to parts exchanged in the course of such maintenance operations.
- f) Loss or damage for which the manufacturer or supplier of the insured properties is responsible either by law or under contract.
- g) Loss of or damage to rented or hired property for which the owner is responsible either by law or under lease and/ or maintenance agreement.
- h) Consequential loss or liability of any kind or description.
- i) Loss of or damage to bulbs, ribbons, fuses, seals, belts, wires, chains, rubber belts, exchangeable parts, engraved cylinders, objects made of glass, porcelain or ceramics, sieves of fabrics, or any operating media (e.g. lubricating oil, fuel, chemicals).
- j) Aesthetic defects, such as scratches on painted polished or enamelled surfaces.

In respect of the parts mentioned under (i) and (j) above, the Company shall be liable to provide compensation in the event such parts are affected by an indemnifiable loss of or damage to the insured properties.

General Exclusions

The Company will not indemnify the Insured in respect of loss, damage or liability directly caused by or arising out of or aggravated by -

- a) War, invasion, act of foreign enemy, hostilities or war like operations (whether war be declared or not) civil war, rebellion, revolution, insurrection, mutiny, civil commotion, confiscation, commandeering a group of malicious persons or persons acting on behalf of or in connection with any political organisation, requisition or destruction or damage by order of any Government or by any public, municipal or local authority
- b) Nuclear reaction, nuclear radiation or radioactive contamination.
- c) Wilful act or wilful negligence of the Insured or his representative.
- d) Loss of or damage to the property covered under this Policy falling under the terms of the maintenance agreement.
- e) Loss, destruction or damage directly occasioned by pressure wave caused by aircraft and other aerial devices travelling at sonic or supersonic speeds.
- f) Loss of or damage to any property insured under this Policy due to any misfeasance, malfeasance or nonfeasance or breach of trust in relation thereto by the Insured.
- g) Terrorism Damage Exclusion Warranty:

Notwithstanding any provision to the contrary within this insurance it is agreed that this insurance excludes 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 endorsement an act of terrorism means an act, including but not limited to the use of force of 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.

The warranty also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to action taken in respect of any act of terrorism.

If the Company alleges that by reason of this exclusion, any loss, damage, cost or expenses is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

Special Condition

Reinstatement of Sum Insured:

Immediately upon the happening of any loss or damage, 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.

General Conditions

1. **Notice:** Every notice and communication to the Company required by this Policy shall be in writing and be addressed to the office of the Company through which this insurance is effected.
2. The Schedule shall be deemed to be incorporated in and form part of this Policy and the expression "this Policy" wherever used in this contract shall be read as including the Schedule. Any word or expression, to which a specific meaning has been attached in any part of this Policy or of the Schedule, shall bear such meaning wherever it may appear.
3. **Duty of Disclosure:** This Policy shall be void and all premium paid hereon shall be forfeited to the Company in the event of misrepresentation, misdescription or nondisclosure of any material fact.
4. **Reasonable Care:** The Insured shall take all reasonable care to safeguard the property insured against accident, loss or damage. The Insured shall at his own expense take all reasonable precautions and comply with all reasonable recommendations of the Company to prevent loss, damage or liability and comply with statutory requirements and manufacturers recommendations.
5.
 - a) Representatives of the Company shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Company with all details and information necessary for the assessment of the risk.
 - b) The Insured shall immediately notify the Company by telegram and in writing of any material change in the risk and cause at his own expense such additional precautions, to be taken as circumstances may require to ensure safe operation of the insured properties and the scope of cover and / or premium shall, if necessary, be adjusted accordingly. No material alteration shall be made or admitted by the Insured whereby the risk is increased unless the continuance of the insurance be confirmed in writing by the Company.



6. **Claims Procedure** : Upon the happening of any event giving rise or likely to give rise to a claim under this Policy the Insured shall –
- give immediate notice thereof in writing to the nearest office with a copy to the Policy issuing office of the Company;
 - lodge a complaint with the Police for offence(s) against property insured, if any, committed;
 - take all steps within his power to minimise the extent of loss or damage;
 - preserve the parts affected and make them available for inspection by a representative or Surveyor of the Company;
 - deliver to the Company a detailed statement in writing regarding the loss or damage with an estimate of the intrinsic value of the property lost or the amount of damage caused to the property, as the case may be, within 14 days from the date of discovery of an event causing loss or damage to the property insured;
 - tender to the Company all reasonable information, assistance and proof in connection with any claim.
7. **Indemnity** : The Company may at its option reinstate, replace or repair the property 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.
8. **Contribution** : If at the time of happening of any loss or damage covered by this Policy there be any other insurance of any nature whatsoever covering the same loss, damage or liability, whether effected by the Insured or not, then the Company shall not be liable to pay or contribute more than its rateable proportion of any loss or damage.
9. **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, deeds 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, deeds and things shall be or become necessary or required before or after the Insured's indemnification by the Company.
10. **Fraud** : If any claim under this Policy is in any respect fraudulent or if any false declaration is made or used in support thereof 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.
11. **Cancellation** : The Company may at any time, cancel this Policy, by giving 7 days notice in writing by Registered A/D. to the Insured at his last known address, in which case, the Company shall, on demand, return to the Insured a proportion of the last premium corresponding to the unexpired period of insurance, from the date of cancellation.

Period on risk	Rate of premium to be charged
Up to 1 month	25 % of annual rate
Up to 3 months	50 % of annual rate
Up to 6 months	75 % of annual rate
Up to 9 months	85 % of annual rate
Beyond 9 months	Full annual rate

The Insured may also give 7 days notice in writing, to the Company, for the cancellation of this Policy, in which case Company shall retain premium for the period this Policy has been in force at the Company's short period scales (Table given herebelow), provided no claim has occurred up to the date of cancellation of this Policy.

12. **Arbitration**: If any dispute or difference shall arise as to the quantum to be paid under this 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 thereto 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 and understood that no dispute or difference 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. The Company agrees and undertakes to indemnify the Insured against any loss of or damage to property or any part thereof suffered by the Insured not exceeding the Sum Insured stated against each property or total Sum Insured stated in the Schedule, as the case may be, under this Policy provided the Company is bound and liable to indemnify the Insured in accordance with the terms and conditions of this Policy only and only if the Insured makes a demand or claim on the Company in writing within 12 (twelve) months of the occurrence of any event giving rise to a claim hereunder.

13. **Observance of Terms and Conditions**: The due observance and fulfilment of the terms, conditions and endorsement of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the proposal shall be a condition precedent to any liability of the Company.

Insurance is the subject matter of the solicitation.

