ICICI Lombard Fire and Allied Perils Insurance Policy

PROSPECTUS

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ICICI Lombard General Insurance Company Limited
UIN: IRDAN115RPPR0009V01202425

Prospectus

Introduction

This prospectus gives basic information about the **ICICI Lombard Fire and Allied Perils Insurance Policy** that You can purchase from Us, i.e. the ICICI Lombard General Insurance Company Limited. This Policy provides insurance cover for physical loss or damage to or destructionof Insured Property relating to Your business.

Important Dos and Don'ts

1.	**When You fill up the Proposal Form**	• Read the instructions in the proposal form carefullybefore filling up the details. • Understand the basis for arriving at the Sum Insured for Building, Plant and Machinery, Furniture, Fixtures, Fittings, Stocks and other Contents before filling up the details. This isgiven below in this Prospectus under the heading 'Sum Insured'. It is also explained in the Proposal Form. • Fill up the proposal form completely and answer all thequestions truthfully.
2.	**During the Policy Period**	• Make full disclosure in the proposal and related documentsabout Yourself and all the Insurable Assets. • Remember, the information You give Us is the basis of Our contract with You. • You must inform Us of any changes in the business premisesor if it remains unoccupied for more than 30 days. • Do not allow unauthorised persons to occupy Your premises. • Ensure that all security procedures are in force.
3.	**When You have a Claim**	• Give notice of loss to Us, as required. • Inform the respective authorities, as required. • Make true and full disclosures in Your claim form. • Give all documents supporting the claim. • Give full cooperation for inspection and investigation of claim.

The Insurance Cover

In this Prospectus, You will find information about the following insurance covers:

1. **Base Cover:** We cover physical loss or damage, or destruction caused to the building and structures, plant and machinery, stock and other assets relating to Your business. These are the Insured Properties.

   If any Insured Property is lost, damaged or destroyed, We provide cover as follows-

Your loss	**Condition**	**We pay, but not more than the Sum Insured**
Any Insured Property is damaged.(Partial Loss)	You have repaired suchproperty.	Cost of repairs
If any Insured Stock is damaged.(Partial Loss)		Extent of the loss of such Partial Loss
Any Building or Plant and Machinery or Furniture, Fixture, Fittings is completely destroyed.(Total Loss)	You have rebuilt thebuilding or reinstated /replaced such property.	ii) Reinstatement /Replacement Value (i.e amount at which the Insured Property canbe reinstated or replaced by a similar property, without deducting depreciation)
Stock is completely destroyed (Total Loss)		a) For raw material: Landed Cost atYour Premises, b) For stock in process: Input Cost ofthe stock at the time of damage, c) For finished stock: The ManufacturingCost of the finished stock or the Contract Price of goods sold but not delivered.
Any Building, Plant and Machinery,Furniture, Fixture and Fittings is completely destroyed (Total Loss)	You have not rebuilt thebuilding or reinstated other property.	If Limit of Insurance is - Full Sum Insured Basis then Market Value (Reinstatement Value lessDepreciation) - First loss limit First Loss Limit or actual loss whichever is lesser

i. You must commence the repairs, reinstatement or reconstruction within a reasonable time afterthe date of damage or destruction. You must complete the repairs or reinstatement within 12 months from the date of damage of destruction or within such time as We may allow.

ii. In all cases, We will not pay more than the relevant Sum Insured.

iii. We will pay only to the extent required to bring the Property to a condition substantially the same as, but not superior, better or more extensive than its condition if it were new on the

date it is damaged or destroyed.

iv. You can reconstruct the new building on the same site, or another site. If You reconstruct the new building on another site, We will not pay You more than what We would pay to reconstruct on the same site.

2. Other Expenses and Items Covered:

	In-built Cover	Details
1	**Architects, surveyors and consulting engineer's fees (upto 3% of the claim amount)**	Reasonable fees of architects, surveyors and consulting engineers upto 3% of the adjusted loss.
2	**Removal of debris clause (upto 1% of the claim amount)**	Reasonable expenses for removal of debris upto 1 % of the claim amount.
3.	**Temporary removal of stocks**	10% of Stock Sum Insured subject to maximum of INR 25,00,000
4.	**Omission to Insure additions, alterations or extensions**	5% of the sum insured mentioned in the schedule, subject to a maximum of INR 10,00,000.

Which unexpected events are covered?

We pay for the physical loss, damage or destruction caused to Insured Property by the following unforeseen events occurring during Policy Period.

The events covered are given in the Column A and those not covered in respect of these events aregiven in Column B.

Sl. No.	Column A	Column B
	We cover visible physical loss or damage, or destruction caused to the Property Insured by	**We do not cover loss or damage, or destruction caused to the Insured Property by**
1.	**Fire means combustion which is accidental accompanied by visible flame** (However, in respect of (a.), (b.) and (c.) mentioned in Column B, ensuing damage by spread of fire to other property insured is covered.)	a) its own fermentation, natural heating, or spontaneous combustion. b) Your property undergoing any heating or drying process. c) Burning of your property insured by order of any Public Authority.
2.	**Lightning**	-
3.	**Explosion/ Implosion**	a) 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) Damage caused by centrifugal forces.

4.	**Aircraft, other aerial or space devices and articles dropped therefrom**	Pressure waves from aircraft, other aerial or space devices.
5.	**Riot, Strike and Malicious Damage** (By external violent means directly caused to the property insured)	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, looting, larceny, or any such attempts or omission of any kind by 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, Hailstorm, Flood, and Inundation** (We cover loss or damage directly caused by these events.)	those resulting from earthquake, Volcanic eruptions, or other convulsions of nature. (Wherever earthquake coverage is given as an add on cover the words "excluding those resulting from earthquake, Volcanic eruptions, or other convulsions of nature" shall stand deleted.
7.	**Bursting and/or overflowing of Water Tanks, Apparatus, and pipes** Due to build-up of internal pressure beyond their capacity or breaking point and overflowing is the escape of water from the top of an overfilled container, water tanks, apparatus or pipes.	-
8.	**Impact Damage caused due to impact by any rail or road vehicle or animal.**	a) impact by any rail or road vehicle or animal (including rodents) owned by you, b) any occupier of the premises insured, or your employees while acting in the course of their employment.
9.	**Subsidence of any part of the site on which the property stands and Landslide including Rock Slide**	a) the normal cracking, settlement or bedding down of new structures. b) the settlement or movement of filled and/or made-up ground. c) Coastal or river erosion. d) defective design , workmanship or use of defective material e) demolition, construction, structural alterations, repairs of any property, or groundworks or excavations.
10.	**Leakage from Automatic Sprinkler Installations**	a) damage during repairs or alterations to buildings or premises.

		b) damage during repairs, removal, or extension of the sprinkler system. c) damage due to defects in construction known to the Insured.
11.	**Missile Testing Operations**	-
12.	**Bush fire** **(by fire emanating from bushes)**	forest fire (or fires propagating from forested land)

Add-on covers

You can purchase Add-on covers under **ICICI Lombard Fire and Allied Perils Insurance Policy.**

You must apply for these covers, and pay additional premium.

a) Earthquake (fire and shock)
b) Escalation
c) Impact Damage due to Insureds own Rail/Road Vehicles, Fork lifts, Cranes, Stackers and the like and articles dropped therefrom
d) Omission to Insure additions, alterations or extensions (in excess of 5% of the sum insured mentioned in the schedule, subject to a maximum of INR 10,00,000)
e) Architects, Surveyors and Consulting Engineers Fees (in excess of 3% claim amount)
f) Removal of Debris (in excess of 1% claim amount)
g) Spontaneous Combustion
h) Cleaning Up and Other Costs
i) Temporary Removal of Stocks (in excess of 10% of Stock Sum Insured subject to maximum of INR 25,00,000)
j) Capital Additions
k) Fire Extinguishing Expenses
l) Expediting Expenses
m) Minor Works
n) Spoilage Material Cover
o) Leakage and Contamination Cover
   i) Leakage Cover Only
   ii) Leakage and Contamination Cover
p) Loss of Rent
q) Additional Expenses of Rent for an Alternate Accommodation
r) Start- up and Shutdown expenses
s) Personal Effects
t) Forest Fire
u) Pair and Set Clause
v) Claims Preparation Cost

Clauses

We also provide following clauses under **ICICI Lombard Fire and Allied Perils Insurance Policy** as opted by you in the Proposal Form.

a) Contract Price Clause

b) Designation of Property Clause
c) Local Authority Clause
d) Risk Assessment and Mitigation Services Subscription Assistance Clause
e) Floater Clause
f) Declaration Clause
g) Floater Declaration Clause
h) Voluntary Deductible Clause
i) Agreed Bank Clause
j) 72 hours Clause
k) On Account Payment Clause

Which property can be covered under this policy?

This policy covers the following properties in Your premises, that is, the place You carry on Your business. The properties must be located in Your premises, except some properties that You declare, and the Policy covers in special situations. The **ICICI Lombard Fire and Allied Perils Insurance Policy** covers the following properties.

1. **Any building or structure** in Your premises where You carry on Your business. It may be a shed, flat, house, unit of a building. It may be made of any material. It includes:
   a) Basement (if any), all fixtures and fittings permanently attached to the floor, walls orroof like electrical wiring, antennas etc.
   b) The following 'additional structures' located on Your Premises and used for Your Business, that are shown in the Policy Schedule:
      i) garage, out-houses, security sheds, towers, verandah or porch, tanks, compoundwalls, retaining walls, fences and gates, internal roads,
      ii) lifts, hoists,
      iii) solar panels, wind turbines and air conditioning systems, central heating systems, security systems and cameras, electrical installations, fire alarm, fire sprinkler systems, power lines, power installations, or
      iv) water, gas and sewage pipeline within the premises
   c) any other structure shown in the Policy Schedule.

2. **Plant and Machinery**, that is, all equipment, machinery, pipes and cables, spares, computers, servers and preloaded licensed system software, located within any structure or in the open area of Your premises. It includes
   a) machines under repair,
   b) machines taken on hire or lease, or any system of purchase of goods,
   c) foundation, bedding or setting of the machines, or
   d) accessories of machines.

3. **Stock of goods or merchandise**. It may be:
   a) finished goods, semi-finished goods, stock in process, stock invoiced and ready fordispatch,
   b) raw materials, packing materials,
   c) stock accepted for job work for which You are responsible,
   d) stock held in trust for which You are responsible,
   e) stock in Open in the Insured Premises.

4. **All other assets**, that is, all other tangible property located in Your premises and used for

Yourbusiness. It includes

a) Furniture and fixtures, office equipment, telephone equipment, electronic equipment, computers etc,

b) canteen and kitchen equipment, gym and permanent sports equipment etc.

Who can purchase this Policy?

1. You can purchase ICICI Lombard Fire and Allied Perils Insurance Policy for the **building or structure** if
   i. You own it, or occupy under a lease,
   ii. You occupy it as purchaser under an agreement of sale or lease,
   iii. You are an occupier authorised under any law,
   iv. Your property is occupied by a tenant, a licensee or Your employee, or
   v. You are a tenant under an agreement in writing and are liable to repair it.

2. You can purchase ICICI Lombard Fire and Allied Perils Insurance Policy for **plant and machinery,stock or other property** if
   i. You own it, or use it under a lease in writing,
   ii. You hold it in trust or on commission or are responsible for it,
   iii. You have taken plant and machinery or other contents on hire or lease, or any othersystem of purchase,
   iv. You have accepted stock for job work for which You are responsible.

3. You **are eligible to** purchase ICICI Lombard Fire and Allied Perils Insurance Policy.
   i. If You carry on any business of manufacturing or production of goods, or of providingor rendering services, and
   ii. if You own or are legally responsible for Your business

Sum Insured

1. **The maximum claim amount:** The maximum amount We pay under this Policy is the Total Sum Insured. The maximum amount We pay under this Policy for any cover, or any item, or category or group of items, is the Sum Insured for that cover or item, category or group. The Sum Insured for each cover is as per Policy Schedule.

2. **Limit of Insurance**
   a) Full Sum Insured Basis
   b) First Loss Limit

3. **Basis of sum insured:**

a) Building, Plant and Machinery, Furniture, Fixture and Fittings and any other contents:

1. If Basis of Sum Insured is on Full Sum Insured one of the below can be opted by the Insured:

i) Market Value Basis
ii) Reinstatement Value Basis
iii) Agreed Value Basis

2. If Basis of Sum Insured is on First Loss one of the below can be opted by the Insured:

i) Market Value
ii) Reinstatement Value

b) Stocks:

i. For raw material: Landed Cost at Your Premises.

ii. For stock in process: Input Cost of the stock at the time of damage,

iii. For finished stock: The Manufacturing Cost of the Finished Stock or the **Contract Price** of goods sold but not delivered and more precisely defined below.
Contract Price is in respect only of goods sold but not delivered, for which You are responsible and with regard to which under the conditions of the sale, the sale contractis cancelled by reason of any damage insured under this Policy either wholly or to the extent of the damage. The Company's liability shall be based on the Contract Price.

iv. Bullion or unset precious stones, any curios or works of art or obsolete machinery and the like are to be covered on Agreed Value basis subject to the valuation certificate being submitted and found acceptable by Us.

c) Restoration of Sum Insured:

If We have paid any loss on Your claim, it reduces the Sum Insured. When We pay You the full Sum Insured for any cover or any item covered, the Policy ends to that extent. If You pay proportionate premium for the unexpired policy period, We will restore the policy to the full original amount of Sum Insured during the Policy Period. This ensures full cover during the period of the policy. However, in case You, immediately on occurrence of loss, exercise Your option not to restore the Sum Insured, the Sum Insured shall stand reduced by the amount of loss.
Restoration of Sum Insured is not applicable for First Loss Basis of Sum Insured, unless specifically agreed by us.

Underinsurance

The Sum Insured for each item of Insured Property must be sufficient to pay for Reinstatement/Replacement of that Property on the date of loss. If the Reinstatement/Replacement Value of the Insured Property, in totality is more than the Sum Insured, it amounts to underinsurance and will reduce proportionate to the difference, the amount that We will pay for Your claim. Every item of Insured Property is subject to this condition separately.

If at the time of the damage the Sum Insured applying to the relevant Buildings, Plant and Machinery, Furniture, Fixture, Fittings, Stocks and other Contents is less than total value of Insurable Assets You will be responsible for the difference and the You will bear a proportionate share of the loss.

Condition of Average will not be applicable where the policy is issued on Agreed Value.

Exclusions, that is, what We do not pay

We do not cover losses or expenses, or any loss, damage to, or destruction of the Insured Property, directly or indirectly as a result of or if caused by or arising from events, stated below:

1. Your Policy does not cover the Excess applicable, as mentioned in the policy schedule. The Excess shall apply per event per insured.

2. Loss, destruction or damage caused by war, invasion, act of foreign enemy hostilities or war like operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, rebellion, revolution, insurrection or military or usurped power.

3. Loss, destruction or damage directly or indirectly caused to the property insured by ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel the radioactive toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

4. Loss, destruction or damage caused to the insured property by pollution or contamination excluding:

a) pollution or contamination which itself results from a peril hereby insured against.

b) any peril hereby insured against which itself results from pollution or contamination

5. Loss, destruction or damage to bullion or unset precious stones, any curios or works of art for an amount exceeding INR 10,000/-, 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 policy.

6. Loss, destruction or damage to the stocks in Cold Storage premises caused by change of temperature.

7. Loss, destruction or damage to machine, equipment, 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 machine, equipment, apparatus, fixture or fitting so affected. However, damages by fire so set up to any other insured property would be covered.

8. Expenses necessarily incurred on (a) Architects, Surveyors and Consulting Engineer's Fees and (b) Debris Removal by the Insured following a loss, destruction or damage to the Property insured by an insured peril in excess of 3% and 1% of the claim amount respectively as mentioned under Section F Special Conditions.

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 damage.

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.

14. Terrorism Damage: This Policy 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.

This exclusion also includes 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 the above.

15. Loss, destruction or damage to Land, Livestock, Bloodstock, Agricultural risks, Growing crops or Trees

Premium

The premium is the amount You pay Us for this insurance. The Policy Schedule shows the amount of premium for the Policy Period and all other taxes and levies. Your policy will commence on payment of premium in full.

Changes and Cancellation

1. **Changes during Policy Period.**

   You can choose to make changes to the covers of this Policy, for example, take additional cover, or increase or reduce any Sum Insured. You must make a proposal or request for any change. It will be effective only after We have accepted Your proposal, and You have paid the additional premium where applicable.

2. **You can cancel the Policy.**

   Cancellation at any time: You can cancel the policy at any time during the policy period by giving notice to Us in writing. If You cancel the Policy, We will refund premium as follows

Time for which Policy in force	Refund of premium
Period for which policy is in force	a) We shall refund proportion premium for unexpired policy period, if the term of the policy is upto one year and there is no claim(s) made during the policy period. b) We shall refund premium for the unexpired policy period, in respect of policy with the term more than one year and the risk coverage for such policy years has not commenced.

3. We can cancel the policy.

We will not cancel the Policy during the policy period except on the grounds of mis-representation, non-disclosure of material facts, fraud or non-co-operation of the insured.

4. Policy ends automatically:

i. If insured property is lost, destroyed or stolen, or its cost of repair is more than the Sum Insured, and We have paid You the entire Sum Insured for that property and Youhave decided not to restore the Sum Insured.

ii. Change of ownership of insured property

iii. Sale of Insured Property

Making a claim

1. If You suffer a loss **because** of an Insured Event, You must make a claim for Your financialloss at Your cost.
2. When You suffer loss or damage to any Insured Property, You must

   i. give notice to Us immediately along with details of the event and Your loss,

   ii. report to police, fire authorities or other appropriate legal Authorities or as guidedby Us,

   iii. take all reasonable steps to prevent further damage to Insured Property,

   iv. You must not sell, give away or dispose of any damaged items of anyproperty,

   v. You must not carry out repairs unless such repairs are urgent and You cannotcontact Us,

   vi. preserve and collect evidence, take and preserve photographs,

   vii. assist Us and Our representatives in collecting evidence and details about Yourloss, give Us all information, books of

accounts, and other documents,

viii. submit claim form at the earliest opportunity but within 30 days from date Youfirst notice the loss or damage,

ix. prove that the Insured Event has happened, and the extent of Your loss.

This Prospectus

This prospectus gives information only. This is not an insurance contract. Each insurance cover is subject to terms and conditions, which You can read in the **ICICI Lombard Fire and Allied Perils Insurance Policy document**. You must read the policy document to know the insurance cover fully. You can get a copy of the **ICICI Lombard Fire and Allied Perils Insurance Policy** from Our branch or from Our website www.icicilombard.com. For legal interpretation, the policy document will hold.

Grievances

For resolution of any query or grievance, Insured may contact the respective branch office of the Company or may call toll free no.1800-2666 or may approach us at the sub section "Grievance Redressal" on our website www.icicilombard.com (Customer Support section). However, if the resolution provided by us is not satisfactory you may approach Insurance Regulatory and Development Authority of India (IRDAI) through the Bima Bharosa Portal - https://bimabharosa.irdai.gov.in/ or IRDAI Grievance Call Centre (IGCC) at their toll free no. 1800 4254 732 / 155255.
You may also approach Insurance Ombudsman, subject to vested jurisdiction, for the redressal of grievance. Details of Insurance Ombudsman offices are available at IRDAI website: www.irdai.gov.in, or on the Company's website at www.icicilombard.com.

About Our Company

At ICICI Lombard, customer satisfaction is our motto. Stretching ourselves and going beyond the ordinary for the satisfaction and smiles of our customers is something that is deeply embedded in our DNA. Be it an untoward incident due to the unpredictability of nature or losses suffered due to accidents or medical challenges, we remain committed to be at your side and serve you always.

STATUTORY WARNING PROHIBITION OF REBATES
(Under Section 41 of Insurance Act, 1938)

(1)No person shall allow or offer to allow, either directly or indirectly, as an inducement to any person to [take out or renew or continue] an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking

out or renewing [or continuing] a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer:

[Provided that acceptance by an insurance agent of commission in connection with a policy of any class of insurance business taken out by himself in relation to risks associated with his own life, health or property shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by the insurer.]

(2) Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.

Disclaimer: In the event of any question relating to interpretation of the insurance coverage, the policy document will prevail.