ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED

Regd. Office: *ICICI Lombard House, 414, Veer Savarkar Marg, Near Siddhivinayak Temple, Prabhadevi, Mumbai 400 025*

PROSPECTUS FOR BUSINESS SHIELD - SME POLICY

ICICI Lombard brings you a package policy that is designed specifically for you. The innovative endeavor brings to you the flexibility for designing the policy as per your needs by allowing you to choose the covers that you may require to protect your property and manpower all with the convenience of a single policy.

The various covers that are offered by the product are outlined below alongwith the Main Extensions and Exclusions. For complete terms and conditions of the cover, please refer to the policy wordings available on request.

Covers are subject to a compulsory deductible (also referred to as 'Excess' which is broadly defined as the part of the loss that is to be borne by the Insured). The excess/ deductible may vary from cover to cover. It is advised that you contact your Insurance Advisor or the representative of the Company for more details.

Covers forming part of the Package

The Coverage under the policy has been divided under following sections. Section 1 ICICI Bharat Laghu Udyam Suraksha is mandatory and at least one another sections is required to opt for this package policy.

Section 1: ICICI Bharat Laghu Udyam Suraksha

Introduction

This prospectus gives basic information about the **ICICI Bharat Laghu Udyam Suraksha** Policy that You can purchase from Us, i.e. the ICICI Lombard General Insurance Company Limited. The **ICICI Bharat Laghu Udyam Suraksha** Policy provides insurance cover for physical loss or damage to or destruction of Insured Property relating to Your business.

This policy is for enterprises where the total value at risk across all insurable asset classes at one location exceeds ₹ 5 Crore (Rupees Five Crore) but does not exceed ₹50 Crore (Rupees Fifty Crore) at the policy commencement date.

Important Dos and Don'ts

1.	**When You fill up the Proposal Form**	• **Read the instructions in the proposal form carefully before 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 is given below in this**

		Prospectus under the heading 'Sum Insured'. It is also explained in the Proposal Form. • **Make sure You have opted for the correct policy based on the total Sum Insured.** • **Fill up the proposal form completely and answer all the questions truthfully.**
2.	**During the Policy Period**	• **Make full disclosure in the proposal and related documents about 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 premises or 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. **Standard 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 such property.	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 the building or reinstated /replaced such property.	Reinstatement /Replacement Value (i.e amount at which the Insured Property can be reinstated or replaced by a similar property, without deducting depreciation)
Stock is completely destroyed (Total Loss)		a) For raw material: Landed Cost at Your Premises, b) For stock in process: Input Cost of the stock at the time of damage, c) For finished stock: the Manufacturing Cost of the finished stock or the Contract Price of goods
Any Building, Plant and Machinery, Furniture, Fixture and Fittings is completely destroyed (Total Loss)	You have not rebuilt the building or reinstated other property.	Market Value (Reinstatement Value less Depreciation)

i. You must commence the repairs, reinstatement or reconstruction within a reasonable time after the 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. **In-built Covers:** Under the Standard Cover, We also pay the following:

	In-built Cover	**Details**
1	**Additions, alterations or extensions**	Property that You erect, acquire or add during the Policy Period is covered upto 15% of the Sum Insured for that item (excluding stocks).
2	**Temporary removal of stocks**	Loss tostocks temporarily removed to other premises for fabrication, processing or finishing upto 10% of value.

3	**Cover for Specific Contents**	Cover for Money upto ₹50,000 (Fifty Thousand Rupees) during the policy period, cover for documents such as deeds, manuscripts, business books, plans, drawings, securities etc. upto ₹50,000 (Rupees Fifty Thousand) during the policy period, cover for computer programmes, information and data upto ₹ 5 Lakh (Rupees Five Lakh) during the policy period and cover for personal effects of employees, Directors and visitors upto ₹15,000 (Rupees Fifteen Thousand) per person for a maximum of 20 persons during the policy
4	**Start-Up Expenses**	Start-up cost incurred by You in respect of insured risk consequent upon a loss or damage due to insured events upto ₹ 5 Lakhs (Rupees Five Lakh).
5.	**Professional fees**	Reasonable fees of architects, surveyors and consulting engineers upto 5% of the claim amount.
6.	**Costs for Removal of debris**	Reasonable expenses for removal of debris upto 2 % of the claim amount.
7.	**Costs compelled by Municipal Regulations**	Additional cost of reconstruction of property incurred solely for complying with municipal regulations.

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 are given in Column B.

	Column A	**Column B**
	We cover physical loss or damage, or destruction caused to the Insured Property by	**We do not cover** for loss or damage, or destruction caused to the Insured Property by
1.	Fire, including due to its own fermentation, or natural heating, or spontaneous combustion.	caused by a. its undergoing any heating or drying process, or b. burning of Insured Property by order of any Public Authority.

2.	Explosion or Implosion	a. caused to boilers, economizers or other vessels, machinery or apparatus in which steam is generated, or their contents, resulting from their own explosion or implosion, or b. caused by centrifugal forces.
3.	Lightning	-
4.	Earthquake, volcanic eruption, or other convulsions of nature	-
5.	Storm, Cyclone, Typhoon, Tempest, Hurricane, Tornado, Tsunami, Flood and Inundation	-
6.	Subsidence of the land on which Your Premises stand, Landslide, Rockslide	caused by a. 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, or e. demolition, construction, structural alterations or repair of any property, or ground works or excavations.
7.	Bush fire, Forest fire, Jungle fire	
8.	Impact damage of any kind, i.e., damage caused by impact of, or collision caused by, any external physical object (e.g. vehicle, falling trees, aircraft, wall etc.),	a. caused by pressure waves caused by aircraft or other aerial or space devices travelling at sonic or supersonic speeds. b. caused by vehicle, animal or aircraft belonging to or owned by Insured or their employee while acting in course of employment
9.	Missile testing operations	-

10.	Riot, Strikes, Malicious Damages,	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. temporary or permanent dispossession, confiscation, commandeering, requisition or destruction by order of the government or any lawful authority, or c. temporary or permanent dispossession of any Building by unlawful occupation by any person.
11.	Acts of terrorism (Coverage as per Terrorism Clause attached)	Exclusions as per Terrorism Clause attached.
12.	Bursting or overflowing of water tanks, apparatus and pipes,	-
13.	Leakage from automatic sprinkler installations.	a. repairs or alterations in the Building in which Your Business is located, b. repairs, removal or extension of any sprinkler installation, or c. defects in the construction known to You.
14.	Theft within 7 days from the occurrence of, and proximately caused by, any of the above Insured Events	if it is a. of any article or thing outside Your Premises, or of any article or thing attached from the outside of the outer walls or the roof of Your Premises, unless securely mounted.

Example

1. ***Your insured building catches fire. All its doors are opened for fighting the fire. A person takes advantage of the situation and carries away Insured electronic equipment. Since this theft follows a fire within 7 days of the occurrence of the fire, We will pay for Your loss upto the limits of the applicable Sum Insured for that equipment.***
2. ***During riots, a rioter breaks a window of Your shop and takes away articles of value ₹ 95,000. It costs ₹ 20,000 to repair the window. Here the loss is due to theft which occurred within 7 days of occurrence of the riots, which is an insured event. It arose at a time when You were not in a position to protect Your property. We will pay ₹ 95,000 for the loss of articles, and ₹ 20,000 for repairs of the window, but not more than the Sum Insured.***

Standard Add-on covers

You can purchase standard Add-on covers under **ICICI Bharat Laghu Udyam Suraksha** Policy. You must apply for these covers, and pay additional premium.

1. **Declaration policy for Stocks**

You can opt for Declaration Policy to take care of frequent fluctuations in stocks/ stocks value subject to certain conditions. Read the Clause and understand these conditions.

2. **Floater cover**

You can opt for Floater cover under the Policy for physical loss or damage to Stocks at more than one location subject to certain conditions. Read the Clause and understand the conditions.

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 Bharat Laghu Udyam Suraksha** 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:
    i. Basement (if any), all fixtures and fittings permanently attached to the floor, walls or roof like electrical wiring, antennas etc.
    ii. The following 'additional structures' located on Your Premises and used for Your Business, that are shown in the Policy Schedule:
        a. garage, out-houses, security sheds, towers, verandah or porch, tanks, compound walls, retaining walls, fences and gates, internal roads,
        b. lifts, hoists,
        c. 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
        d. water, gas and sewage pipeline within the premises
    iii. 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
    i. machines under repair,
    ii. machines taken on hire or lease, or any system of purchase of goods,
    iii. foundation, bedding or setting of the machines, or

iv. accessories of machines.

3. **Stock of goods or merchandise**. It may be:

   i. finished goods, semi-finished goods, stock in process, stock invoiced and ready for dispatch,

   ii. raw materials, packing materials,

   iii. stock accepted for job work for which You are responsible,

   iv. stock held in trust for which You are responsible,

   v. stock in Open in the Insured Premises.

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

   i. furniture and fixtures, office equipment, telephone equipment, electronic equipment, computers etc,

   ii. canteen and kitchen equipment, gym and permanent sports equipment etc.

Who can purchase this Policy?

1. You can purchase the **ICICI Bharat Laghu Udyam Suraksha** 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 the **ICICI Bharat Laghu Udyam Suraksha** 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 other system of purchase,

   iv. You have accepted stock for job work for which You are responsible.

3. You **are eligible to** purchase the **ICICI Bharat Laghu Udyam Suraksha** Policy

   i. If You carry on any business of manufacturing or production of goods, or of providing or rendering services, and

   ii. if You own or are legally responsible for Your business, and

   iii. if the value of all Your insurable assets at one location is more than ₹ 5 Crore (Rupees

Five Crore) but not more than ₹ 50 Crore (Rupees Fifty Crore) at the policy Commencement Date. These include buildings, plant and machinery, stock, and all other assets, even if You have not taken insurance cover for all of them. Insurable Assets include all assets which You own, or hold as tenant or occupant, or hold in trust or on commission, or are legally responsible for.

4. If the value of all Insurable Assets either exceeds ₹ 50 Crore or reduces below ₹ 5 Crore during the policy period, this policy shall, on expiry, be replaced by the applicable policy.

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. **Basis of sum insured:**
    i. For Building, Plant and Machinery, Furniture, Fixture and Fittings and any other contents: Reinstatement Value
    ii. For Stocks:
        a. For raw material: Landed Cost at Your Premises.
        b. For stock in process: Input Cost of the stock at the time of damage,
        c. 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.
        d. **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 contract is 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.
    iii. 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.
3. **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.

Example

1. ***If You repair Your air-conditioning tower insured for ₹ 45 lakhs that is damaged in a fire, and We pay Your claim of ₹ 25 lakhs You can pay proportionate premium for ₹ 25 lakhs for unexpired period in order to take benefit of full cover.***
2. ***If the tower is destroyed, and We pay Your claim of ₹ 45 lakhs, the new tower that You install will not be covered under this Policy unless the premium is paid to Us for it.***
3. ***If Your building insured for ₹ 20 Crore is severely damaged and We pay You ₹ 20 Crore under the ICICI Bharat Laghu Udyam Suraksha Policy for its repair and reinstatement, You will not be covered under this Policy for the new building that You construct, unless the premium is paid to Us for it.***

Underinsurance

Underinsurance waiver upto 15%: This is a special feature of the **ICICI Bharat Laghu Udyam Suraksha** policy, where We waive underinsurance up to 15%.

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, including additions, alterations, erections and new acquisitions, is more than the Sum Insured, except to the extent waived i.e 15%, 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 85% of the value of Insurable Assets You will be responsible for the difference and the You will bear a proportionate share of the loss.

Examples (These examples only demonstrate the effect of underinsurance. Final claim payable may vary due to application of Excess and other policy terms)

1. ***You have taken insurance for a Sum Insured of ₹ 50 Crore which was the value at risk at the insurance commencement date. The value at risk of insurable items at the time of loss is found as ₹ 57Crore. There is a loss of ₹ 10 Crore. Underinsurance works out to 12.28%. Since it is less that 15%, We will consider the full claim of ₹ 10 Crore for payment.***
2. ***Your factory has stored stock of finished goods. Its manufacturing cost is ₹ 25 Crore. This includes some stock that is older than 6 months. Your ICICI Bharat Laghu Udyam Suraksha policy covers stock of finished goods for ₹ 30 Crore. Due to change in raw material price, the manufacturing cost of same amount of stock on the date of loss is ₹ 32.5 Crore. The stock of finished goods with manufacturing cost ₹ 10 Crore is burnt in fire. Since underinsurance works out to less than 15%, We will consider the full claim of ₹ 10 Crore for payment.***

3. ***Your shop has ICICI Bharat Laghu Udyam Suraksha Policy. You have insured the structure for ₹ 30 Crore and stock for ₹ 10 Crore. The actual value of structure is ₹ 32 Crore and of stock is ₹ 16 Crore. Stock of ₹ 50 Lakh is burnt in a fire. The total insured property has underinsurance of 16.67% that We cannot waive. We could consider Your claim for payment of ₹ 41.67 Lakh only (83.33% of ₹50 Lakh).***

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. i. Excess of 5 % of each claim, subject to a minimum of ₹ 10,000 (Rupees Ten Thousand). This means that We will deduct 5 % of each claim, subject to a minimum of ₹ 10,000 (Rupees Ten Thousand) for each and every loss suffered by You under the terms of this policy.

   ii. For terrorism risk the Excess shall be as per the Clause attached with this policy.

2. Your deliberate, wilful or intentional act or omission, or of anyone on Your behalf, or with Your connivance.
3. Loss, damage or destruction to any electrical/electronic machine, apparatus, fixture, or fitting by over-running, excessive pressure, short circuiting, arcing, self-heating or leakage of electricity from whatever cause (lightning included). This exclusion applies only to the particular machine so lost, damaged or destroyed. However, any ensuing loss or damage to other insured property due to operation of an insured peril is covered.
4. Loss, destruction or damage to the stocks in cold storage premises caused by change of temperature.
5. 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 Insured Event.
6. Your Premises or any Insured Building remaining continuously unoccupied for a period of more than 30 days unless You have obtained prior written approval from Us and and such approval is recorded as an endorsement on the Policy.
7. War, invasion, act of foreign enemy hostilities or war-like operations (whether war is declared or not), civil war, mutiny, civil commotion amounting to a popular rising, military rising, rebellion, revolution, insurrection or military or usurped power.
8. Ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from combustion of nuclear fuel, or the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component that is part of it.
9. Pollution or contamination, unless
   i. the pollution or contamination itself has resulted from an Insured Event, in which case only physical damage to the Insured Property is covered, or
   ii. an Insured Event itself results from pollution or contamination.

10. Loss, destruction or damage to bullion or unset precious stones, any curios or works of art unless such amount is declared separately and recorded in the Policy Schedule.
11. Loss of any Insured Property which is missing or has been mislaid, or its disappearance cannot be linked to any single identifiable Insured Event.
12. Loss or damage to any Insured Property removed from Your Premises to any other place, except
    i. Machinery and equipment temporarily removed for repairs, cleaning, renovation or other similar purposes for a period not exceeding 60 days,
    ii. Stock covered under in-built Cover 'Temporary removal of stocks'.
13. Any reduction in market value of any Insured Property after its repair or reinstatement.
14. Loss or damage to any Insured Property or any claim which is covered by a marine policy in force at the time of loss or damage, except in excess of the limits of that policy.
15. Any consequential or indirect loss or damage of any description, i.e. losses or extra costs (financial or non-financial) that follow or are a consequence of an Insured Event, like, loss by delay, loss of income or wages or earnings, or of market, or of time, medical expenses, or any costs not covered by this Policy.
16. Costs, fees or expenses for preparing any claim.

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.

Note: Insurer to mention how the premium would be calculated.

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	Policy Premium – (Pro-Rata + 10%)

Note: Insurers to mention the details.

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 You have decided not to restore the Sum Insured.

ii. Change of ownership of insured property

iii. Sale of Insured Property

Details of additional covers (add-ons) offered with the policy

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Note: Insurer to mention details, as applicable.

Making a claim

1. If You suffer a loss **because** of an Insured Event, You must make a claim for Your financial loss 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 guided by 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 any property,

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

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

vii. assist Us and Our representatives in collecting evidence and details about Your loss, give Us all information, books of accounts, and other documents,

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

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

Section 2: Consequential Loss (Fire)

Scope of Cover

The Section broadly covers loss of Net Profit on account of interruption of business, consequent upon Material Damage to property due to Fire or any other insured peril under the Standard Fire and Special Perils cover. It also covers standing charges which continue to be incurred during the period of interruption and the increase in cost of working necessarily and reasonably incurred to maintain the business as far as possible at its normal level, so that loss under net profit and standing charges is avoided or minimized.

Sum Insured

Annual Gross Profit / Gross Profit for the Indemnity Period whichever is higher

Main Extensions

- ✓ Suppliers' Premises
- ✓ Customers' premises
- ✓ Public utilities (Water / Electricity / Gas)
- ✓ Cost of Auditors fees required to submit claim on Insurer
- ✓ Spoilage Consequential Loss
- ✓ Insured property stored at other situations

Main Exclusions

The section does not cover the deductible (as applicable) of each and every claim. The section does not cover loss of profits which is not consequent upon property damage due to an insured peril, loss due to material damage to property, difference between value of stock at the time of fire and the value at the time of subsequent replacement, deterioration of undamaged stock after fire, cost of preparing fire and loss of profits claim, third party claims and loss of goodwill.

Section 3: Burglary

Scope of Cover

The section broadly covers loss and/or damage by Burglary, Housebreaking (Theft following upon actual, forcible and violent entry of and/or exit from the premises) including hold-up risk and damage caused to premises while attempting the same.

Sum Insured

Reinstatement Value of the assets covered under the scope of Policy. Stocks to be covered on Market Value Basis.

Main Extension(s)

- ✓ Theft
- ✓ Riots, Strikes and Malicious Damage

Main Exclusions

The section does not cover loss and/or damage arising out of War, Riot, Strike, Civil Commotion, Terrorism and by use of keys to safe unless the keys are procured by force.

Section 4: Money Insurance

Scope of cover

The section broadly covers loss of money in transit by the insured or insured's authorized employee(s) occasioned by robbery, theft or any other fortuitous cause. The section also covers loss by burglary or house breaking, robbery or Hold Up whilst money is retained at the Insured's premises in safe(s) or strong room.

Sum Insured

Sum Insured for Cash in Transit should be Annual Estimated Cash Transit. Sum Insured for Cash in Safe should be the maximum amount that can be/ are retained by the Insured at Insured premises in Safe(s) or Strong rooms.

Main Extension

- ✓ Riot, Strike and Malicious Damage

Main exclusions

The section does not cover losses and /or damages due to floods, cyclones, earthquakes and other convulsions of nature, war and war like operations, civil commotion, riots and strikes and terrorist activities, shortage due to error, omission, by use of keys to safe(s) or strong room (unless such keys are obtained by force or threat), whilst being carried under contract of affreightment, theft from unattended vehicle and consequential loss.
The section does not cover the deductible (as applicable) of each and every claim.

Section 5: Fidelity Guarantee

Scope of Cover

This section broadly covers pecuniary loss in respect of monies or stocks belonging to the Insured or held in trust by him (in the course of his business), sustained by reason of any act of fraud, forgery, theft or dishonesty committed on or after the date of commencement of this policy and during uninterrupted service with the Insured and discovered during the continuance of this policy or within twelve calendar months of the expiration thereof and in the case of death, dismissal or retirement of the Employee within twelve calendar months of such death, dismissal or retirement, whichever of these events shall first happen.

This cover is suitable for employees occupying positions of trust such as cashier and storekeeper.

Sum Insured

Specified Sum Insured

Main Exclusions

The section does not cover the deductible (as applicable) of each and every claim. This section does not cover loss, on account of change in any circumstances and conditions of the said employment without the consent of the Company and loss arising outside India.

Section 6: Plate Glass

Scope of Cover

The section covers a sum as compensation for any loss or damage to glass, which is plain and of ordinary glazing quality and/or glass with embossing, silvering, lettering, bending/curving or ornamental work, due to breakage by any accidental, external and visible means.

Sum Insured

Specified Sum Insured

Main Exclusions

The section does not cover the deductible (as applicable) of each and every claim. The section does not cover the losses due to Pre-existing cracks or other imperfections, losses arising due to acts of terrorism, damage to framework, disfiguration/ scratching or any damage other than fracture extending through the thickness of glass, consequential loss or legal liability of any kind, cost of lettering or painting unless specifically agreed by the Company in writing.

Section 7: Boiler and Pressure Plant

Scope of Cover

The section broadly covers boilers and other pressure vessels, both fired and unfired against losses due to explosion or collapse.

Sum Insured

The boiler and pressure plants are covered for their present day new replacement value with a view to avoid under-insurance

Main Extensions

- ✓ Surrounding property of the Insured
- ✓ Legal liability for third party bodily injury and property damage
- ✓ Express Freight
- ✓ Air Freight

- ✓ Additional Customs Duty

Main Exclusions

The section does not cover the deductible (as applicable) of each and every claim. The section does not cover loss and/or damage arising from Fire and Allied perils, War and Nuclear perils, loss arising out of overload experiments, gradual wear and tear of parts, failure of individual tubes, loss due to chemical reactions, willful acts or gross negligence, loss which is manufacturer's or repairer's responsibility and consequential loss from explosion or collapse.

Section 8: Electronic Equipment

Scope of Cover

This section is suitable for electronic equipment like computers, industrial electronic machines and sophisticated medical equipment. It encompasses perils like Fire, Burglary, Acts of God (AOG) and Accidents.

The section broadly covers material damage to electronic equipment (which can include systems software) due to sudden and unforeseen events, cost of external data media. Cost of reconstruction of data and increased cost of working can also be covered.

Sum Insured

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, if any and erection costs.

Main Extensions

- ✓ Surrounding property of the Insured
- ✓ Legal liability for third party bodily injury and property damage
- ✓ Express Freight
- ✓ Air Freight
- ✓ Additional Customs Duty

Main Exclusions

The section does not cover the deductible (as applicable) of each and every claim. The section does not cover losses/ damages due to wear & tear, war, willful act or gross negligence or willful negligence, aesthetic defects and consequential loss.

Section 9: All Risks

Scope of cover

This section broadly covers the property of the Insured against any loss, destruction or damage, by fire, riot and strike, theft, accident, any of which arising from any fortuitous cause any time during the period of this Insurance and anywhere within the geographical limit stated.

Sum Insured

Property can be insured on depreciated cost (market value) or replacement cost basis. In order to get full protection, insurance on reinstatement (replacement) basis is recommended.

Main Extensions

- ✓ Electrical and mechanical breakdown on payment of additional premium.

Main Exclusions

The section does not cover the deductible (as applicable) of each and every claim.

This section does not cover loss or damage arising from war and warlike operations, civil commotion, wear & tear, electrical breakdown, breakage of glass, theft from unattended vehicles, detention or confiscation by customs or other authorities and consequential loss, loss or damage whilst goods are being carried under a contract of affreightment, losses due to Acts of Terrorism are also excluded unless included specifically.

Section 10: Machinery Breakdown

Scope of Cover

The section broadly covers loss due to all kinds of accidental, electrical and mechanical breakdowns due to internal and external causes. Cover is granted during the time the machinery is in operation or rest or in the process of dismantling, overhaul or during subsequent re-erection at the same premises.

Sum Insured

It is the 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 and customs duties, if any, and erection costs.

Main Extensions

- ✓ Air Freight
- ✓ Express Freight (excluding Air Freight) Overtime & Holiday Wages
- ✓ Insured's own Surrounding Property
- ✓ Third Party Liability
- ✓ Additional Custom Duty

Main Exclusions

The section does not cover loss and/or damage from Fire and allied perils, Theft, overloading experiments, willful acts or gross negligence, gradually developing flaws and deterioration from normal use. The section does not cover the deductible (as applicable) of each and every claim. The section does not cover the deductible (as applicable) of each and every claim.

Section 11: Public Liability Insurance (under PLI Act, 1991)

Scope of Cover

The Insurance Policy broadly covers the Owner's statutory liability on no-fault principle for death or injury to any person or damage to property resulting from an accident while handling any hazardous substance. It is a mandatory cover defined under Environment (Protection) Act 1986 to be taken by owners, users or transporters of hazardous substances.

Sum Insured

AOA Rs. 5 crore, AOY Rs. 15 crore

Main Exclusions

The Company shall not be liable:

(i) For any wilful or intentional non-compliance of any statutory requirements;
(ii) In respect of fines, penalties, punitive and /or exemplary damages;
(iii) Under any law or legislation except in so far as provided for in Section 8 (1) & 8 (2) of the Act;
(iv) In respect of damage to property owned, leased or hired or under hire purchase or on loan to the Insured or otherwise in the Insured Owner's control, care or custody;
(v) For any liability directly or indirectly occasioned by, happening through or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, rebellion, revolution, insurrection or military or usurped power;
(vi) For any liability directly or indirectly caused by or contributed to by:
  (a) Ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.
  (b) The radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
(vii) For matter outside the scope of Public Liability Insurance Act, 1991.
(viii) In respect of losses/liability arising outside India.

<u>Section 12: Public Liability (Industrial Risks)</u>

Scope of Cover

This cover is provided for Industrial risks. It broadly covers Legal Liability of the Insured towards damages to Third Party in respect of accidental death or bodily injury or disease and loss or damage to property arising out of such accidents. It also covers legal costs and expenses incurred with prior consent of the Insurer and within the limit of the indemnity.

Sum Insured

Depending on exposure, Proposer has to fix two limits of indemnity under the section.

- Any One Accident (AOA) – any one claim or series of claims arising out from one originating cause
- Any One Year (AOY) – Total amount of Company's liability during the Policy period

AOA and AOY can be in the ratio of 1:1, 1:2, 1:3 or 1:4.

Companies total liability to pay compensation, claimant's costs, fees and expenses and defence cost shall not exceed the limit of indemnity mentioned in the policy schedule.

Main Exclusions

(i) War & terrorism
(ii) Nuclear radiations
(iii) Wilful non-compliance of any statutory requirements
(iv) Fines, penalties, punitive and /or exemplary damages
(v) Bodily injury to insured or Damage to insured's property
(vi) Damages in respect of losses/liability arising outside India
(vii) Pure Contractual liabilities
(viii) Loss of goodwill
(ix) Liability for persons under contract of employment
(x) Pollution risks howsoever caused unless specifically covered.
(xi) Product liability
(xii) AOG, Earthquake liability unless specifically covered

The section does not cover the deductible (as applicable) of each and every claim.

Main Extensions

- ✓ Industrial Seepage, Pollution and Contamination Extension
- ✓ Carriage of effluents outside the premises
- ✓ Transportation liability
- ✓ Technical collaborators cover
- ✓ Act of God (except earthquake)

Section 12: Public Liability (Non- Industrial Risks)

Scope of Cover

This cover is provided for Non- Industrial risks. It broadly covers Legal Liability of the Insured towards damages to Third Party in respect of accidental death or bodily injury or disease and loss or damage to property arising out of such accidents. It also covers legal costs and expenses incurred with prior consent of the Insurer and within the limit of the indemnity.

Sum Insured

Depending on exposure, Proposer has to fix two limits of indemnity under the section:

- Any One Accident (AOA) – any one claim or series of claims arising out from one originating cause
- Any One Year (AOY) – Total amount of Company's liability during the Policy period

AOA and AOY can be in the ratio of 1:1, 1:2, 1:3 or 1:4.

Companies total liability to pay compensation, claimant's costs, fees and expenses and defence cost shall not exceed the limit of indemnity mentioned in the policy schedule.

Main Exclusions

- ✓ War & terrorism
- ✓ Nuclear radiation
- ✓ Wilful non-compliance of any statutory requirements
- ✓ Fines, penalties, punitive and /or exemplary damages
- ✓ Damage to insured's property
- ✓ Damages in respect of losses/liability arising outside India
- ✓ Loss of goodwill
- ✓ Liability for persons under contract of employment
- ✓ Pollution & Environmental damage
- ✓ Product liability
- ✓ Earthquake liability
- ✓ Contractual liability

The section does not cover the deductible (as applicable) of each and every claim.

Main Extensions

- ✓ Lift & Elevator liability
- ✓ Food & Beverages liability
- ✓ Valuables under proper care control & custody of the insured
- ✓ Health club, swimming pool, beauty parlour, Gymnasium & indoor games
- ✓ Sudden & accidental pollution
- ✓ Multiple premises can be covered under single policy
- ✓ Act of God (except earthquake)

Section 13: Directors and Officers Liability

Scope of Cover

Generally, the Policy provides protection for various potential risks that directors and officers are exposed to in the form of any actual or alleged breach of trust, breach of fiduciary duty, misrepresentation, neglect, investigations by regulatory or other bodies, allegation by any employee for unfair treatment, or harassment at workplace, etc. The cover also applies to directors and officers when they sit on the board of other companies at the request of the insured companies.

The Policy covers the directors and officers of the company and all its subsidiaries, including global subsidiaries and responds to laws and regulations around the world.

Specifically, the following covers are available under the Policy:

Insured Person

The Policy will pay the Loss of an Insured Person for a Wrongful Act except to the extent that the Insured Person has been indemnified by the Company for the Loss.

Company Reimbursement

The Policy will reimburse the Loss of the Company for a Wrongful Act to the extent that the Company has indemnified an Insured Person.

Company Securities Cover

The Policy will pay for the Loss of the Company arising from a Wrongful Act.

Sum Insured

Specific Sum Insured

Extensions

Additional Limit For Non-Executive Director
Cover for New Subsidiaries
Discovery Period for Retired Insured Persons
Supplementary Costs

Main Exclusions

- ✓ Bodily injury or property damage claims
- ✓ Pollution
- ✓ Crime, Fraud and Personal conduct

Section 14: Group Personal Accident

Scope of Cover

The section compensates the Insured in case of Accidental Death, Loss of limbs and eyes, Permanent Total Disablement and Permanent Partial Disablement.

Main Extension

Medical expenses following an accident.

Main Exclusions

The section does not cover losses arising out of suicide, self-injury, venereal diseases, war and nuclear perils and pregnancy.

Section 15: Employer's Liability (Workmen's Compensation)

Scope of Cover

The section, provides for two forms of insurance viz,

Table 'A' - Indemnity against legal liability to all employees (whether or not coming within the definition of the term Workmen) under the W.C.Act 1923 and subsequent amendment to the said Act prior to the inception of the cover, the Fatal Accidents Act, 1855 and at Common Law."

Table 'B' - Indemnity against legal liability under the Fatal Accidents Act, 1855 and Common Law. (Table 'B' policies may not be issued to cover employees who fall within the definition of "Workmen" under the Workmen's Compensation Act, 1923 as amended).

Main Extensions

- ✓ Medical Expenses
- ✓ Occupational Diseases

Main Exclusions

The section does not cover losses arising out of war and allied perils, nuclear activities and contractual liabilities.

Section 16: Cyber Liability

Scope of Cover

Following Covers are solely for the Claims which are first made against the Insured, by a Third Party, during the Policy Period (or the Extended Reporting Period, if applicable) and then reported to Insurer.

1. Security and Privacy Breach Liability
2. Multimedia Activity

Sum Insured

Specified Sum Insured

Main Extensions

- ✓ Extended Reporting Period
- ✓ New Subsidiary
- ✓ First Party Costs
- ✓ Business Interruption Loss

Main Exclusions

- ✓ Anti –trust
- ✓ Bodily Injury/ Property Damage
- ✓ Insolvency
- ✓ Employers Liability
- ✓ Contractual Liability
- ✓ Prior Acts
- ✓ Criminal, Dishonest and Fraudulent Acts
- ✓ Intellectual Property
- ✓ Unlawful gathering of Private Information
- ✓ Infrastructure
- ✓ Mislabelling
- ✓ Prior and Pending Litigation
- ✓ Licensing Fees
- ✓ Pollution
- ✓ Trading Losses
- ✓ War/ Terrorism

- ✓ Government Entity or Public Authority
- ✓ Other Exclusions
- ✓ Government Entity or Public Authority

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 **Business Shield – SME** Policy document. You must read the policy document to know the insurance cover fully. You can get a copy of the **Business Shield – SME** 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

ICICI Lombard GIC Ltd. is one of the leading private sector general insurance companies in India with a Gross Written Premium (GWP) of Rs135.92 billion for the year ended March 31, 2020. The company issued over 26.2 million policies and settled over 1.86 million claims as on March 31, 2020.

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.