

CONTRACTOR'S PLANT & MACHINERY INSURANCE POLICY PROSPECTUS



YOUR POLICY SUMMARY



CONTRACTOR'S PLANT & MACHINERY INSURANCE POLICY - COMMERCIAL PROSPECTUS

Contractor's Plant and Machinery Insurance Policy is an annual policy designed to cover contractor's construction equipment like cranes, excavators, fork lift trucks, loaders etc., against unforeseen and sudden physical damage by any cause other than the ones specifically excluded. The cover is operative while the insured Property is at work or at rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the premises, or during subsequent re-erection, but, in any case, only after successful commissioning.



SCOPE OF COVER

Subject to the terms, exceptions, exclusions, provisions and conditions contained herein or endorsed hereon, the Company will, at its own option, by payment or reinstatement or repair, indemnify the Insured against unforeseen and sudden physical damage, by any cause not hereinafter excluded, to any Insured Property specified in the attached Schedule(s) whilst at the location mentioned therein, necessitating its immediate repair or replacement. This Policy shall apply to the insured items, whether they are at work or at rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the premises, or during subsequent re-erection, but in any case only after successful commissioning. The liability of the Company for any one item of the insured property shall not exceed, in the aggregate, in any one period of insurance, the sum insured set against such item in the attached Schedule(s). However, the sum insured under such item can be reinstated after occurrence of a claim for balance period.

The Policy Schedule will necessarily include a list of all items of Contractor's Plant, Machinery and Equipment, indicating separate value against each item. Any additions or deletions in these items during the policy period of 12 months can be done on short period basis.



NUMBER OF LOCATIONS IN A POLICY

The Policy may also include more than one locations (projects sites) with separate list of Contractors Plant, Machinery & Equipment at each location (project site). The Policy may also be taken with the Floater Clause. Any addition or deletion, hereto, of different locations or any items of CPM equipment may be done on short period basis.



EXTENSIONS/ADD ON COVERS

Upon payment of additional premium, the policy may be extended. The major optional extensions available are:

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| 1. Escalation Clause | 2. Owner's surrounding property |
| 3. Express Freight | 4. Air Freight |
| 5. Clearance and Removal of Debris | 6. Additional Custom Duty |
| 7. Third Party Liability | 8. Earthquake (Fire and Shock) |
| 9. Terrorism Damage Cover Endorsement | 10. Dismantling of CPM equipment and shifting to a new location |



EXCEPTIONS

- a) the Excess stated in the Schedule to be borne by the Insured in any one occurrence; if more than one item is lost or damaged in one occurrence, the insured shall not, however, be called upon to bear more than the highest single Excess applicable to such items;
- b) loss or damage due to electrical or Mechanical breakdown, failure, breakage or derangement, freezing of coolant or other fluid, defective lubrication or lack of oil or coolant, but if as a consequence of such breakdown or derangement an accident occurs causing external damage, such consequential damage will be indemnifiable;
- c) loss of or damage to replaceable parts and attachment such as bits, drills, knives or other cutting edges, saw blades dies, moulds, patterns, pulverizing and crushing surfaces, screens and sieves, ropes, belts, chains, elevator and conveyor bands, batteries, tyres, connecting wires and cables, flexible pipes, joining and packing material regularly replaced;
- d) loss or damage due to explosion of any boiler or pressure vessel subject to internal steam or fluid pressure or of any internal combustion engine;
- e) loss of or damage to vehicles designed and licensed for general road use unless these vehicles are exclusively used on construction site;
- f) loss of or damage to Hull and machinery of waterborne vessels or crafts, however this exclusion shall not apply to Contractors Plant and

- machinery mounted on water borne vessels or crafts for the purpose of use for the contract work;
 - g) loss or damage due to total or partial immersion in tidal waters;
 - h) loss or damage whilst in transit, from one location to another location. (Public Liability will not be payable while Contractors Plant & Machineries are on Public Roads);
 - i) loss or damage as a direct consequence of the continual influence of operation (e.g. wear and tear, corrosion, rust, deterioration due to lack of use and normal atmospheric conditions);
 - j) loss or damage occurring whilst any insured item is under- going a test of any kind or is being used in any manner or for any purpose other than that for which it was designed;
 - k) loss of or damage to plant and/or machinery working underground;
- Note- This does not apply to Machineries used in Tunneling works;
- l) War, Invasion, act of foreign enemy, hostilities or war like operation (whether war be declared or not), Civil War, Rebellion Revolution Insurrection, Mutiny, Civil Commotion, Military or usurped power, martial law, conspiracy, confiscation, commandeering a group of malicious person or persons acting on behalf of or in connection with any political organisation, requisition or destruction or damage by order of any government de jure or de facto or by any public, Municipal or Local Authority;
 - m) loss or damage directly or indirectly caused by, or arising out of, or aggravated by nuclear reaction, nuclear radiation or radioactive contamination;
 - n) loss or damage due to any faults or defects existing at the time of commencement of this policy within the knowledge of the insured or his representatives, whether such faults or defects were known to the Company or not;
 - o) loss or damage directly or indirectly caused by, or arising out of or aggravated by the willful act or willful negligence of the insured or his representatives;
 - p) loss or damage for which the supplier or manufacturer is responsible either by law or under contract;
 - q) consequential loss or liability of any kind or description;
 - r) loss or damage discovered only at the time of taking an inventory or during routine servicing;
 - s) Terrorism Damage Exclusion Warranty.

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.

For the purpose of this exclusion, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

This exclusion also includes loss, damage, cost or expenses 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.

In any action, suit or other proceeding where the company allege that by reason of the provisions of exclusions (m) to (q) above any loss, destruction or damage is not covered by this policy, the onus of proving that such loss, destruction or damage is covered shall be upon the insured.



PERIOD OF COVER

The Period of Insurance is of 12 months. However, the Policy can also be availed on a short period basis, in which case, the premium charged shall be on the basis of short period scale, as is mentioned below:

Policy Period Required	% of Annual Premium
Not exceeding 1 week	10 % of Annual Premium
Not exceeding 1 month	25 % of Annual Premium
Not exceeding 2 months	35 % of Annual Premium
Not exceeding 3 months	50 % of Annual Premium
Not exceeding 4 months	60 % of Annual Premium
Not exceeding 6 months	75 % of Annual Premium
Not exceeding 8 months	85 % of Annual Premium
Exceeding 8 months	Full Annual Premium



DEDUCTIBLES

The Policy is subject to a compulsory excess, which shall be specified in the Policy Schedule.



BASIS OF SUM INSURED

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, customs duties, if any, and erection costs.



CANCELLATION

This insurance may be terminated, at any time, at the request of the Insured, in which case, the Company will retain the premium calculated at the customary short period rate for the time the policy has been in force.

This insurance may also at any time be terminated at the option of the Company, by sending fifteen days' written notice by recorded delivery to the insured at insured's last known address as per the Company records, on the grounds of misrepresentation, fraud, non-disclosure of material facts, non-cooperation or any other reason not stated herein. In the event of cancellation of this Policy on grounds of misrepresentation, fraud, non-disclosure of material facts or non-cooperation, the policy shall stand cancelled ab-initio and there will be no refund of premium.

And in the event the policy is cancelled by the company on grounds, other than misrepresentation, fraud, non-disclosure of material facts or non-cooperation, the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.



CLAIM INTIMATION

In the event of loss or damage to the insured property owing to an accident arising out of an external peril, the Company must be informed immediately by:

1. Calling Toll Free at 1800 12000.
2. Mailing to support@edelweissinsurance.com

Prohibition of Rebates (Section 41 of the Insurance Act, 1938, as amended)

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 whole or part of the commission payable or any rebate of 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 prospectus or tables of the insurer.
2. Any person making default in complying with the provisions of this section shall be liable for penalty which may extend to Rupees Ten Lakhs.

DISCLAIMER: The abovementioned information is only a summary of the product features. The complete terms and conditions can be found in the policy wording. It is advised that the policy wording be read completely for a full description of the terms and conditions of coverage and the exclusions relating thereto.

INSURANCE IS THE SUBJECT MATTER OF SOLICITATION.