

SME PACKAGE INSURANCE POLICY

Preamble:

Whereas the **Insured** described in the Schedule hereto has applied to **SBI General Insurance Company Limited** (hereinafter called 'the Company') by a proposal and declaration which is declared to be the basis of this contract and which is deemed to be incorporated herein and has paid the premium stated in the Schedule hereto as consideration for the indemnity hereinafter contained for the Period of Insurance stated in the Schedule hereto.

Operative Clause:

The Company hereby agrees, subject to the terms, conditions and exclusions herein contained or endorsed or otherwise expressed hereon, to indemnify the Insured to the extent and in the manner specified herein, against any loss/damage to the property insured due to operation of any of the insured perils as hereinafter mentioned during the Period of Insurance Provided that the liability of the Company shall in no case exceed in respect of each item the sum expressed in the Schedule hereto to be insured thereon or in the whole the total Sum Insured hereby.

Section I - Standard Fire and Special Perils (Compulsory)

What is Covered:

The Company will indemnify the Insured in respect of loss or damage to the building wherein the business of the Insured is carried on and / or contents therein as specified in the Schedule, due to

1. Fire

Excluding loss, destruction of or damage caused to the property insured by

- A. its own fermentation, natural heating or spontaneous combustion
- B. its undergoing any heating or drying process
- C. Burning of property insured by order of any Public Authority.

2. Lightning

3. Explosion/Implosion

Excluding loss, destruction of or damage

- A. to boilers (other than domestic boilers), economisers or other vessels, machinery or apparatus (in which steam is generated) or their contents resulting from their own explosion/implosion
- B. caused by centrifugal forces.

4. Aircraft Damage

Loss, destruction of or damage caused by aircraft, other aerial or space devices and articles dropped therefrom excluding those caused by pressure waves.

5. Riot, Strike and Malicious Damage

Loss of or visible physical damage or destruction by external violent means directly caused to the property insured but excluding those 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. 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, larceny or any such attempt or any omission of any kind of 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, Flood and Inundation (STFI)

Loss, destruction or damage directly caused by storm, cyclone, typhoon, tempest, hurricane, tornado, flood or inundation, volcanic eruption or other convulsions of nature.

7. Impact Damage

Loss or visible physical damage or destruction caused to the property insured due to impact by any rail/ road vehicle or animal by direct contact not belonging to or owned by

- A. the Insured or any occupier of the property insured or
- B. Insured's employees while acting in the course of their employment.

8. Subsidence and Landslide including Rockslide

Loss, destruction or damage directly caused by subsidence of part of the site on which the property stands or land slide/rock slide excluding:

- A. the 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
- E. demolition, construction, structural alterations or repair of any property, ground works or excavations.

9. Bursting and/or overflowing of Water Tanks, Apparatus and Pipes

10. Missile testing operations

11. Leakage from Automatic Sprinkler Installations

Excluding loss, destruction or damage caused by

- A. defects in construction known to the Insured
- B. repairs or alterations to the property insured
- C. repairs, removal or extension of the sprinkler installation.

12. Bush Fire

Excluding loss, destruction or damage caused by Forest Fire.

Provided that the liability of the Company shall in no case exceed in respect of each item the sum insured expressed in the Schedule to be insured thereon or in the whole the total Sum Insured hereby or such other sum or sums as may be substituted therefor by memorandum hereon or attached hereto signed by or on behalf of the Company.

Exclusions: This Section of the Policy does not cover the following unless specially mentioned in the Schedule:-

1. The first 5% of each and every claim subject to a minimum of Rs.10, 000/- in respect of each and every loss arising out of "Act of God" perils such as earthquake, lightning, STFI, subsidence, landslide and rock slide covered under the Policy.

2. The first Rs.10,000 for each and every loss arising out of other perils in respect of which the Insured is indemnified by this Policy.

The excess stated in 1 and 2 above shall apply per event.

3. 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.
4. Loss, destruction or damage to bullion or unset precious stones, any curios or works of art, 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.
5. Loss, destruction or damage to the stocks in Cold Storage premises caused by change of temperature.
6. Loss, destruction or damage to any electrical machines, apparatus, fixtures, or fittings 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 electrical machine, apparatus, fixture or fitting so affected and not to other machines, apparatus, fixtures or fittings which may be destroyed or damaged by fire so set up.
7. Expenses necessarily incurred on (i) Architects, Surveyors and Consulting Engineer's Fees and (ii) 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.
8. 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.
9. Loss by theft during or after the occurrence of any insured peril except as provided under Riot, Strike and Malicious Damage cover.
10. Any loss or damage occasioned by or through or in consequence, directly or indirectly, due to volcanic eruption or other convulsions of nature.
11. 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.
12. This insurance does not cover any loss or damage to property which, at the time of the happening of such loss or damage, is insured by or would, but for the existence of this Policy, be insured by any marine policy or policies except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected.

**Section II - Burglary Insurance
(Optional)**

What is covered

The Company will indemnify the Insured against

1. Loss or damage to the property described in the Schedule by Burglary or Housebreaking (theft following upon an actual forcible and violent entry of or exit from the premises by the person or persons committing such theft) or Hold-up;
2. Any damage to the premises described in the Schedule hereto following upon or occasioned by an actual forcible and violent entry of or exit from the premises or any attempt thereat by the person or persons committing or attempting to commit such theft;

Company will (subject to the terms exceptions and conditions contained herein or endorsed hereon) pay or make good to the Insured such loss to the extent of the intrinsic value of the property so lost or such damage to the property so sustained.

Provided that the liability of the Company shall in no case exceed in respect of each item the sum expressed in the Schedule hereto to be insured thereon or in the whole the total Sum Insured hereby.

Exclusions

This Section of the Policy does not cover the following unless specially mentioned in the Schedule:-

1. The first 5% of each and every claim subject to minimum of Rs.5, 000/- in respect of each and every loss arising out of Burglary. This will apply per event.
2. Loss or damage by fire or explosion however caused (covered under Fire and Special Perils Section)
3. Loss or damage where any inmate or member of the Insured's household or of his business staff or any other person lawfully in the premises is concerned in the actual theft of or damage to any of the articles or premises or where such loss or damage has been expedited or in any way assisted or brought about by any such person or persons.
4. Loss or damage occasioned by loot, sack, spillage or pilferage.
5. Unexplained losses, shortages due to error or omissions, losses discovered when making an inventory or a periodic stock taking or loss resulting from the Insured's voluntarily parting with title or possession of any property or induced to do so by deception.
6. Loss or damage which either in origin or extent or directly or indirectly proximately or remotely, occasioned by or contributed to by or which either in origin or extent directly or indirectly, proximately or remotely, arise out of or in connection with earthquake, volcanic eruption, typhoon hurricane, tornado, cyclone, or other convulsion of nature or atmosphere disturbance.

In any action, suit or other proceedings, where the Company alleges that by reason of of this exclusion any loss or damage is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

7. Theft or Burglary caused by use of the duplicate or original key, unless the key is obtained by force.

Special Conditions

It is a condition precedent to liability under this Section of the Policy that:-

1. Adequate protection to the doors, windows and all other such openings in the premises are properly maintained during the currency of the Policy.
2. Any keys for the premises and or intruder alarm systems or safes and /or strong rooms and /or any other secured area or device in which insured property is kept are removed from the premises whenever the premises are closed for business or left unattended.
3. The Insured maintains the secrecy of codes for the Intruder Alarm Installation to authorised persons and no details of the same are left on premises.

1. 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.
2. Permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
3. Loss, destruction or damage, directly or indirectly, caused to the property insured by
 - A. ionizing, radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - B. radioactive toxic, explosives or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
4. Loss or damage as a direct consequence of the continual influence of operation (e.g. wear and tear, cavitations, erosion, corrosion) or of gradual deterioration due to atmospheric conditions.
5. Loss, damage and/or liability caused by or arising out of the wilful act or wilful neglect or gross negligence of the Insured or his representatives.
6. Loss of earnings, loss by delay, loss of market or other consequential or indirect loss or damage of any kind or description whatsoever.
7. **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 of any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

General Conditions
Applicable to both Sections of the Policy

1. The Insured shall take all reasonable steps to safeguard the property insured against accident, loss or damage. The Insured shall maintain all records and books of accounts reasonably required in an accurate manner.

The due observance and fulfillment 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 to make any payment under this Policy.

Coverage under this Policy shall be voidable in the event of mis-representation, mis-description or non-disclosure of any material particular.

2. Every notice and other communication to the Company required under this Policy must be written or printed.

On the happening of any loss or damage the Insured shall forthwith give notice thereof to the Company and shall within 15 days after the loss or damage, or such further time as the Company may in writing allow in that behalf, deliver to the Company

- A. Claim in writing for the loss or damage containing in particular an account as may be reasonably practicable of all the several articles or items or property damaged or destroyed, and of the amount of the loss or damage thereto respectively, having regard to their value at the time of the loss or damage not including profit of any kind.
- B. Particulars of all other insurances, if any.

The Insured shall also at all times at his own expense produce, procure and give to the Company all such further particulars, plans, specification books, vouchers, invoices, duplicates or copies thereof, documents, investigation reports (internal/external), proofs and information with respect to the claim and the origin and cause of the loss and the circumstances under which the loss or damage occurred, and any matter touching the liability or the amount of the liability of the Company as may be reasonably required by or on behalf of the Company together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

No claim under this Policy shall be payable unless the terms of this condition have been complied with.

3. Under any of the following circumstances the insurance ceases to attach as regards the property effected unless the Insured, before the occurrence of any loss or damage, obtains the sanction of the Company signified by endorsement upon the Policy by or on behalf of the Company:-
 - A. If the trade or manufacture carried on be altered, or if the nature of the occupation of or other circumstances affecting the building insured or containing the insured property be changed in such a way as to increase the risk of loss or damage by insured perils.
 - B. If the building insured or containing the insured property becomes unoccupied and remains so for a period of more than 7 or more consecutive days and nights.
 - C. To any property insured which shall be removed from the premises in which it is herein stated to be safe so far as is expressly provided for in the Policy or these conditions.
 - D. If the interest in the property passes from the Insured otherwise than by will or operation of law.

4. On the happening of loss or damage to any of the property insured by this Policy, the Company may
- A. enter and take and keep possession of the building or premises where the loss or damage has happened
 - B. take possession of or require to be delivered to it any property of the Insured in the building or on the premises at the time of the loss or damage
 - C. keep possession of any such property and examine, sort, arrange, remove or otherwise deal with the same
 - D. sell any such property or dispose of the same for account of whom it may concern.

The powers conferred by this condition shall be exercisable by the Company at any time until notice in writing is given by the Insured that he makes no claim under the Policy, or if any claim is made, until such claim is finally determined or withdrawn, and the Company shall not by any act done in the exercise or purported exercise of its powers hereunder, incur any liability to the Insured or diminish its rights to rely upon any of the conditions of this Policy in answer to any claim.

If the Insured or any person on his behalf shall not comply with the requirements of the Company or shall hinder or obstruct the Company, in the exercise of its powers hereunder, all benefits under this Policy shall be forfeited.

The Insured shall not in any case be entitled to abandon any property to the Company whether taken possession of by the Company or not.

5. Basis of indemnity:

- A. The indemnity in respect of building and contents, other than stock and stock-in-trade, shall be on the basis of reinstatement value or market value, as opted by the Insured. In respect of stock and stock-in-trade, it shall be on market value.
- B. In the event of property insured being damaged by any of the specified perils, the Company shall pay for the amount of damage or loss or at its option replace or repair the damaged property.

If the Company at its option, reinstates or replaces the property damaged or destroyed, or any part thereof, instead of paying the amount of the loss or damage, or join with any other company or Insurer(s) in so doing, 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 nor more than the Sum Insured by the Company thereon.

If the Company so elects to reinstate or replace any property the Insured shall at his own expense furnish the Company with such plans, specifications, measurements, quantities and other particulars as the Company may require, and no acts done, or caused to be done, by the Company with a view to reinstatement or replacement shall be deemed an election by the Company to reinstate or replace.

If in any case the Company shall be unable to reinstate or repair the property hereby insured, because of any municipal or other regulations in force affecting the alignment of streets or the construction of buildings or otherwise, the Company shall, in every such case, only be liable to pay such sum as would be requisite to reinstate or repair such property if the same could lawfully be reinstated to its former condition.

6. If the property hereby insured shall at the commencement of any destruction of or damage to the property by any peril hereby insured against be collectively of greater value than the Sum Insured

thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a ratable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to this condition.

7. If at the time of any loss or damage happening to any property hereby insured there be any other subsisting insurance or insurances, whether effected by the Insured or by any other person or persons covering the same property, this Company shall not be liable to pay or contribute more than its ratable proportion of such loss or damage.
8. The Insured shall at the expense of the Company do and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated, upon its paying for or making good any loss or damage under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.
9. At all times during the period of insurance of this Policy the insurance cover will be maintained to the full extent of the respective sum insured in consideration of which upon the settlement of any loss under this Policy, pro-rata premium for the unexpired period from the date of such loss to the expiry of period of insurance for the amount of such loss shall be payable by the Insured to the Company. The additional premium referred above shall be deducted from the net claim amount payable under the Policy.

This continuous cover to the full extent will be available notwithstanding any previous loss for which the Company may have paid hereunder and irrespective of the fact whether the additional premium as mentioned above has been actually paid or not following such loss. The intention of this condition is to ensure continuity of the cover to the Insured subject only to the right of the Company for deduction from the claim amount, when settled, of pro-rata premium to be calculated from the date of loss till expiry of the Policy.

Notwithstanding what is stated above, the Sum Insured shall stand reduced by the amount of loss in case the insured immediately on occurrence of the loss exercises his option not to reinstate the Sum Insured as above.

10. If any dispute or difference shall arise as to the quantum to be paid under this Policy (liability being otherwise admitted) such dispute/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 the 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 hereinbefore provided, if the Company has disputed or not accepted liability under or in respect of this Policy.

It is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such arbitrator/ arbitrators of the amount of the loss or damage shall be first obtained.

11. In no case whatsoever shall the Company be liable for any loss or damage after the expiry of 12 months from the happening of the loss or damage unless the claim is the subject of pending action or arbitration; it being expressly agreed and declared that if the Company shall disclaim liability for any claim hereunder and such claim shall not within 12 calendar months from the date of the disclaimer have been made the subject matter of a suit in a court of law then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

12. This insurance may be terminated at any time at the request of the Insured, in which case the Company will retain the premium at the short period rate as per the Table given here below, for the time the Policy has been in force.

Table of Short Period Scales	
Period of Risk(Not exceeding)	Premium to be retained (%of the Annual Rate).
15 days	10%
1 Month	15%
2 Months	30%
3 Months	40%
4 Months	50%
5 Months	60%
6 Months	70%
7 Months	75%
8 Months	80%
9 Months	85%
Exceeding 9 Months	Full Annual Premium.

This insurance may also at any time be terminated at the option of the Company, on 15 days' notice to that effect being given to the Insured, in which case the Company shall be liable to repay on demand a ratable proportion of the premium for the unexpired term from the date of the cancellation. Such cancellation will be on grounds of mis-representation, fraud, non-disclosure of material facts or non-cooperation of the Insured.

Grievances:

The Grievance Redressal Cell of the SBI General looks into complaints from Insured. The Insured may approach the person nominated as 'Grievance Redressal Officer' with the details of his grievance. Name, address, e-mail ID and contact number of the Grievance Redressal Officer appears on our website.

Further, the Insured may approach the nearest Insurance Ombudsman for redressal of the grievance.

List of Ombudsman offices with contact details are attached for ready reference. For updated status, Please refer to website www.irdaindia.org.

Offices	Areas of Jurisdiction	Addresses of the Ombudsman Offices
Ahmedabad	Gujarat and Union Territories of Dadra & Nagar Haveli and Daman and Diu.	2nd Floor, Shree Jayshree Ambica Chambers,
		Nr. C U Shah College, 5, Navyug Colony, Ashram Road,
		AHMEDABAD-380014 Tel: 27546150, Fax: 079-27546142
		Email: insombalhd@rdiffmail.com
Bhopal	Madhya Pradesh and Chattisgarh.	1st Floor, 117, Zone II (Above D M Motors Pvt. Ltd.), Maharana Pratap Nagar, BHOPAL-462 011 Tel: 2578100, 2578102, 2578103, Fax: 0755-2578103 Email: insombmp@satyam.net.in
Bhubaneswar	Orissa.	62, Forst Park, BHUBANESWAR-751 009. Tel: 2535220 Fax: 0674-2531607 Email: susantamishra@yahoo.com , ioobbsr@vsnl.net
Chandigarh	Punjab, Haryana, Himachal Pradesh, Jammu & Kashmir and Union territory of Chandigarh.	S.C.O No.101,102 & 103, 2nd Floor, Batra Building, Sector 17 D, CHANDIGARH-160 017 Tel: 2706196 EPBX:0172-2706468 Fax: 0172-2708274
Chennai	Tamil Nadu and Union Territories - Pondicherry Town and Karaikal (which are part of Union Territory of Pondicherry).	Fatima Akhtar Court , 4th Floor, 453 (Old 312) Anna Salai, Teynampet, CHENNAI-600 018 Tel: 24333678, 24333668, 24335284 Fax: 044-24333664 Email: insombud@md4.vsnl.net.in
Delhi	States of Delhi and Rajasthan.	2/2 A, Universal Insurance Bldg, Asaf Ali Road, NEW DELHI-110 002 Tel: 23239611, Fax: 011-23230858 Email: insombudsmandel@netcracker.com
Hyderabad	Andhra Pradesh, Karnataka and Union Territory of Yanam - a part of the Union Territory of Pondicherry.	6-2-46, Yeturu Towers, Lane Opp. Saleem Function Palace, A C Guards, Lakdi-Ka-Pool, HYDERABAD-500 004 Tel: 55574325, Fax:040-23376599 Email: insombud@hd2.vsnl.net.in
Kochi	Kerela and Union Territory of (a) Lakshadweep (b) Mahe-a part of Union Territory of Pondicherry.	2nd Floor, CC 27/2603 Pulinat Bldg, Opp. Cochin Shipyards, M G Road, ERNAKULAM-682 015 Tel: 2373334, 2350959, Fax:0484-2373336 Email: insuranceombudsmankochi@hclinfinet.com
Kolkata	West Bengal, Bihar, Sikkim, Jharkhand and Union Territories of Andaman and Nicobar Islands.	North British Building 29, N S Road, 3rd Floor, KOLKATTA-700 001 Tel: 22212666, 22212669, Fax:033-22212668
Lucknow	Uttar Pradesh and Uttaranchal.	Jeevan Bhavan, Phase 2, 6th floor, Nawal Kishore Road, Hazaratganj, LUCKNOW-226001 Tel: 0522-2201188, 2231330, 2231331 Fax:0522-2231310 E-mail: ioblko@sancharnet.in
Mumbai	Maharashtra and Goa.	3rd Floor, Jeevan Seva Annexe (above MTNL), S V Road, Santacruz (W), Mumbai-400 054 Tel: 26106889, EPBX:022-26106889 Fax:022-26106052, 26106980 Email: ombudsman.i@hclinfinet.com
Guwahati	Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura.	Aquarius Bhaskar Nagar, R G Baruah Road, GUWAHATI 781 021 Tel: 2413525 EPBX:0361-2415430 Fax: 0361-2414051

INSURANCE IS THE SUBJECT MATTER OF THE SOLICITATION