

## FG TERRORISM AND SABOTAGE INSURANCE PROSPECTUS

*This document is only a summary of the feature of the policy. Actual benefit available are as mentioned in the policy, and are subject to its terms, conditions and exclusions.*

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## **FG TERRORISM AND SABOTAGE INSURANCE PROSPECTUS**

### **Introduction**

This Policy is designed to cover Property Damage, Business Interruption & Third Party Liability of Insured against the below mentioned perils as opted

- Terrorism
- Sabotage
- Strike, Riot, Malicious Damage
- Civil Commotion
- Insurrection, Revolution and Rebellion
- Mutiny and/or Coup d'état
- War and/or Civil War

### **Scope of Cover**

#### **Section I- Property Damage Coverage**

If the Insured has opted for this Section and paid premium, subject to the Definitions, Terms, Conditions, Exclusions, Warranties, Extensions, Limits and Deductible hereinafter contained, this Policy insures the property described in the Policy Schedule, against direct physical loss or physical damage occurring during the Policy Period and caused by an Insured Event(s) stated in the Policy Schedule.

#### **Section II-Business Interruption Coverage**

If the Insured has opted for this cover and paid premium, subject to the Definitions, Terms, Conditions, Exclusions, Warranties, Extensions, Limits and Deductible hereinafter contained, this Policy insures Business Interruption loss as provided in the Business Interruption Coverage, directly resulting from physical loss or damage occurring during the Policy Period by an Insured Event to Property Insured by this Policy

#### **Section III-Third Party Liability**

If the Insured has opted for this cover and paid premium, subject to the Definitions, Terms, Conditions, Exclusions, Warranties, Extensions, Limits and Deductible hereinafter contained, Insurers agree to indemnify the Insured in respect of their operations for their Ultimate Net Loss, by reason of liability imposed upon the Insured by law, for monetary damages in respect of:

1. Claims first made against the Insured during the Policy Period;
- Or

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2. Claims, or circumstances likely to give rise to a claim insured hereunder, which are reported in writing to Insurers as soon as reasonably possible and in no event later than 90 days after the expiry of this Policy, unless specifically agreed otherwise and mentioned in Policy Schedule.

Provided always that such Claims arise out of an Occurrence as defined herein that takes place during the Policy Period, for:

- ☐ Bodily Injury
- ☐ and/or Property Damage
- ☐ and/or Defence Expenses

Resulting solely and directly from an Act (or Acts) of an Insured Event(s), as defined herein. This is a Claims Made and Reported Policy which applies only to claims first made against the insured during the Policy Period.

#### Who can buy the policy?

Clients who need only Terrorism and Sabotage or wider cover. The client can opt the perils as required. Our client can be any one from with single asset exposure to multinational companies with global exposure, including:

- Fortune 500
- Real estate
- Offices and banks
- Power and utilities
- Chemical and pharmaceutical
- Energy - oil and gas
- Construction and mining
- Hospitality
- Transport

#### Product Features

This policy is designed in three different sections and applicable extensions thereunder.

Section	Description
I	<b>Property Damage Coverage</b>
Extensions Applicable	1. Accounts Receivable 2. Brands And Labels Clause 3. Consequential Reduction In Value 4. Data, Programs Or Software 5. Debris Removal 6. Decontamination Costs 7. Expediting Costs 8. Fine Arts 9. Lawns, Plants, Trees And Shrubs 10. Loss Control

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	<ul style="list-style-type: none"> <li>11. Public Authorities/Increased Cost Of Construction</li> <li>12. Seepage and/or Pollution and/or Contamination Clean-Up</li> <li>13. Temporary Removal Of Property</li> <li>14. Third Party Vehicles Clause</li> <li>15. Valuable Papers And Records</li> <li>16. Errors And Omissions</li> <li>17. Demolition And Increased Cost Of Construction</li> <li>18. Loss Minimisation Clause</li> <li>19. Margin Clause</li> <li>20. Cessation of Work Clause</li> <li>21. Loss Of Drawing</li> <li>22. Fire Fighting Expenses</li> <li>23. Inland Transits, Offsite Storage And Temporary Removal</li> <li>24. Existing Property</li> <li>25. Fuels And Consumables</li> <li>26. Claim Preparation Clause</li> </ul>
<b>II</b>	<b>Business Interruption Coverage</b>
Extensions applicable	<ul style="list-style-type: none"> <li>1. Contingent Business Interruption</li> <li>2. Denial Of Access By Order Of Civil Or Military Authority</li> <li>3. Interdependency Clause</li> <li>4. Ingress/Egress</li> <li>5. Loss Of Attraction</li> </ul>
Extensions Applicable For Section I And Section II	<ul style="list-style-type: none"> <li>1. Brand Rehabilitation</li> <li>2. Changes In Values And Automatic Additions</li> <li>3. Experts Fees</li> <li>4. Off Premises Storage For Property Under Construction</li> <li>5. Service Interruption</li> <li>6. Transit</li> <li>7. Unspecified Third-Party Locations</li> <li>8. Coinsurance Deficiency And Currency Devaluation</li> </ul>
<b>III</b>	<b>Third Party Liability</b>

Any other extensions, endorsements, optional covers quoted by the re-insurer.

Client is free to choose insurance cover for any required perils under opted Sections and extensions applicable there under.

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#### **Premium**

As quoted by the re-insurer

#### **Deductible**

As mentioned on Policy Schedule.

#### **Policy Period**

As mentioned on Policy Schedule.

#### **Major Exclusions**

##### **Exclusion Applicable To Section I – Property Damage Coverage**

- nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.
- loss arising from war (whether before or after the outbreak of hostilities) between any two of the following: China, France, The Russian Federation, The United Kingdom and The United States of America
- seizure or legal or illegal occupation unless physical loss or damage is caused directly by an Insured Event.
- confiscation, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority which deprives the Insured of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade
- from or in consequence of the discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment, except as covered within Property Damage Extension Seepage and/or Pollution and/or Contamination Clean up.
- chemical or biological release or exposure of any kind
- attacks by electronic means including computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon. This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.
- cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications of any type or service not on the Insured's premises, except as otherwise provided by this Policy.
- loss or increased cost as a result of threat or hoax.
- burglary, house-breaking, looting, theft or larceny or caused by any person taking part therein. However, this exclusion shall not apply to physical loss or damage to insured property caused by looting which results directly from an Insured Event

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- loss of use, delay or loss of markets, loss of income, increased cost of working or any other consequential loss

#### **Exclusion Applicable To Section II – Business Interruption Coverage**

- increase in loss resulting from interference at the insured premises, by strikers or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation, unless there has been direct physical loss or physical damage to an Insured Location by an Insured Strike, Riot or Civil Commotion Event as defined within this Policy and specifically covered.
- increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured interruption of business, and then Insurers shall be liable for only such loss as affects the Insured's profits during, and limited to, the Indemnity Period covered under this Policy.
- loss of market or any other consequential loss except as specifically insured herein.

#### **Exclusions Specifically Applicable to Section III – Third Party Liability**

- nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.
- loss arising from war (whether before or after the outbreak of hostilities) between any two of the following:  
China, France, The Russian Federation, The United Kingdom and The United States of America
- seizure or legal or illegal occupation unless physical loss or damage is caused directly by an Insured Event.
- confiscation, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority which deprives the Insured of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.
- from or in consequence of the discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.
- chemical or biological release or exposure of any kind.
- attacks by electronic means including computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon. This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.
- cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications of any type or service not on the Insured's premises.
- Threat or hoax.
- burglary, house-breaking, looting, theft or larceny or caused by any person taking part therein

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- Loss of use, delay or loss of markets, failure to supply goods or services, failure to perform however caused or arising, loss of income, increased cost of working or any other consequential loss.
- Bodily Injury to employees or contract workers of the Insured, arising out discrimination or humiliation, or arising under any workers' compensation, unemployment compensation or disability laws, statutes, or regulation.
- Property
  - a) Owned, leased, rented or occupied by the Insured;
  - b) In the care, custody or control of the Insured.
- Fines, penalties, punitive damages, exemplary damages, sanctions, or any additional damages resulting from the multiplication of compensatory damages.
- Mental injury, anguish, or shock, where no Bodily Injury has occurred to the claimant.
- Criminal, dishonest, fraudulent or malicious conduct by the Insured.
- Goods or products designed, manufactured, constructed, altered, repaired, serviced, treated, sold, supplied or distributed by the Insured.
- Any claims or circumstances disclosed on the application for this insurance. Nothing contained in the above exclusions shall extend this Policy to cover any liability which would not have been covered had these exclusions not been incorporated herein.

### **Details of the Extensions**

#### **Extensions applicable to Section I - Property Damage Coverage**

##### **1. Accounts Receivable**

This Policy covers any shortage in the collection of accounts receivable, resulting from insured physical loss or damage to accounts receivable records, including accounts receivable records stored as electronic data, while anywhere within this Policy's Territorial Limits, including while in transit. Insurers will be liable for the interest charges on any loan to offset impaired collections pending repayment of such sum uncollectible as the result of such loss or damage. Unearned interest and service charges on deferred payment accounts and normal credit losses on bad debts will be deducted in determining the recovery.

- (i) In the event of loss to accounts receivable records, the Insured will use all reasonable efforts, including legal action, if necessary, to effect collection of outstanding accounts receivable.
- (ii) The Insured agrees to use any suitable property or service:
  - a) owned or controlled by the Insured; or
  - b) obtainable from other sources, in reducing the loss under this Additional Coverage.
- (iii) This Policy covers any other necessary and reasonable costs incurred to reduce the loss, to the extent the losses are reduced.
- (iv) If it is possible to reconstruct accounts receivable records so that no shortage is sustained, Insurers will be liable only for the reasonable and necessary cost incurred for material and time required to re establish or reconstruct such records, and not for any costs covered by any other Policy.
- (v) **ACCOUNTS RECEIVABLE Exclusions:** The following exclusions are in addition to the Specific and General

Exclusions applicable to this section:

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This Additional Coverage does not insure against shortage resulting from:

a) bookkeeping, accounting or billing errors or omissions; or

b)

(i) alteration, falsification, manipulation; or

(ii) concealment, destruction or disposal,

of accounts receivable records committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property; but only to the extent of such wrongful giving, taking, obtaining or withholding.

(vi) All amounts recovered by the Insured on outstanding accounts receivable on the date of loss will belong and be paid to Insurers up to the amount of loss paid by Insurers. All recoveries exceeding the amount paid will belong to the Insured.

#### 2. Brands And Labels Clause

If branded or labelled property insured by this Policy is physically damaged and Insurers elect to take all or any part of that property, the Insured may at the Insurers' expense: • stamp "salvage" on the property or its containers; or

• remove or obliterate the brands or labels,

if doing so will not damage the property. In either event, the Insured must relabel such property or its containers to be in compliance with any applicable law.

#### 3. Consequential Reduction In Value

This Policy covers the reduction in value of insured merchandise that is a part of pairs, sets, or components, directly resulting from physical loss or damage insured by this Policy to other insured parts of pairs, sets or components of such merchandise. If settlement is based on a constructive total loss, the Insured will surrender the undamaged parts of such merchandise to Insurers.

#### 4. Data, Programs Or Software

This Policy covers insured Physical Loss or Damage to Electronic Data, Programs or Software, while anywhere within this Policy's TERRITORIAL LIMIT, including while in transit.

(i) This Additional Coverage also covers the cost of the reasonable and necessary actions taken for the temporary repair of insured Physical Loss or Damage to Electronic Data, Programs or Software and to expedite the permanent repair or replacement of such damaged property, provided such actions are taken due to actual insured Physical Loss Or Damage To Electronic Data, Programs Or Software.

(ii) Costs recoverable under this Additional Coverage are excluded from coverage elsewhere in this Policy.

(iii) This Additional Coverage excludes loss or damage to data, programs or software when they are stock in process, finished goods manufactured by the Insured, raw materials, supplies or other merchandise not manufactured by the Insured.

(iv) This Additional Coverage does not insure:

a) errors or omissions in processing or copying; all unless physical damage not excluded by this Policy results, in which event, only that resulting damage is insured.

b) loss or damage to data, programs or software from errors or omissions in programming or machine instructions; all unless physical damage not excluded by this Policy results, in which event, only that resulting damage is insured.



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c) deterioration, inherent vice, vermin or wear and tear; all unless physical damage not excluded by this Policy results, in which event, only that resulting damage is insured.

d) Physical Loss or Damage caused by the malicious introduction of machine code or instruction.

For the purpose of this extension, Physical Loss Or Damage To Electronic Data, Programs Or Software shall mean the destruction, distortion or corruption of electronic data, programs or software.

#### 5. Debris Removal

This Policy includes expenses incurred in the removal from the Insured Location of debris of insured property directly destroyed or damaged by an Insured Event. The cost of removal of debris shall not be considered in determination of the valuation of the property insured.

#### 6. Decontamination Costs

If insured property is contaminated as a direct result of physical damage by an Insured Event and there is in force at the time of the loss any law or ordinance regulating contamination, including but not limited to the presence of pollution or hazardous material, then this Policy covers, as a direct result of enforcement of such law or ordinance, the increased cost of decontamination and/or removal of such contaminated insured property in a manner to satisfy such law or ordinance. This Additional Coverage applies only to that part of insured property so contaminated as a direct result of insured physical damage. The Insurers are not liable for the costs required for removing contaminated uninsured property nor the contaminant therein or thereon, whether or not the contamination results from an Insured Event.

#### 7. Expediting Costs

This Policy covers the reasonable and necessary costs incurred to pay for the temporary repair of insured damage to insured property and to expedite the permanent repair or replacement of such damaged property.

This Additional Coverage does not cover costs:

- (i) recoverable elsewhere in this Policy; or
- (ii) of permanent repair or replacement of damaged property.

#### 8. Fine Arts

This Policy covers insured physical loss or damage to Fine Arts articles while anywhere within this Policy's Situation of Property Insured, including while in transit, whilst within a Country with covered Property herein.

(i) This Additional Coverage excludes loss or damage if the Fine Arts cannot be replaced with other of like kind and quality, unless it is specifically declared to the Insurers.

(ii) Fine Arts Exclusion:

In addition to the Specific and General Exclusions applicable to this section, as respects Fine Arts, this Policy does not insure against loss or damage from any repairing, restoration or retouching process.

(iii) The term Fine Arts wherever used in this Policy means paintings; etchings; pictures; tapestries; rare or art glass; art glass windows; valuable rugs; statuary; sculptures; antique furniture; antique jewellery; bric-a-brac; porcelains; and similar property of rarity, historical value, or artistic merit excluding automobiles, coins, stamps, furs, jewellery, precious stones, precious metals, watercraft, aircraft, money, securities, unless specifically agreed and mentioned in the Policy Schedule.

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#### 9. Lawns, Plants, Trees And Shrubs

Where Landscaped gardens, have not been declared as part of the Property values mentioned in the Policy Schedule, this Policy will cover lawns, Plants, Shrubs or Outdoor trees at an Insured Location damaged or destroyed by an Insured Event, including the expense incurred in replacing with the same. Removing of the debris shall be included within the Debris Removal clause herein.

#### 10. Loss Control

Notwithstanding any provision to the contrary within this Policy, it is understood and agreed that this Policy includes cover against physical loss or physical damage to insured property directly caused by the actions of the government of the state (or its Military Authority) where the insured property is located, in suppressing, controlling or minimizing the consequences of an Insured Event, as insured by this Policy. Insurers will only provide this cover if such damage is directly caused by the actions of the government of the state (or its Military Authority) where the insured property is located, and such damage takes place during the Occurrence of an Insured Event.

This includes; reasonable and necessary:

- a) fire department firefighting charges imposed as a result of responding to a fire in, on, or exposing the insured property.
- b) costs incurred of restoring and recharging fire protection systems following an insured loss.
- c) costs incurred for the water used for fighting a fire in, on or exposing the insured property.

If the Insured is eligible for compensation or indemnity under any government compensation plan or other similar scheme in respect of the damage described above, this Policy shall be excess of any payment due from such plan or scheme.

“Military Authority” shall mean a military or security authority operating on behalf of a state recognised by the United Nations.

#### 11. Public Authorities/Increased Cost Of Construction

This Policy includes, within the Sum Insured, the increased construction cost of damaged or destroyed property (including the additional loss sustained in demolishing any undamaged portion of the buildings,

or structures) that may be incurred solely by reason of the necessity to comply with any law or ordinance which regulates the use of, and/or the building materials permitted to be used at, the site where the insured damage occurred.

PROVIDED always that such laws or ordinances shall predate the occurrence of the loss or damage and

(a) the work of reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Insurers not being thereby increased) must be carried out within 36 (thirty six) months of the date of damage or within such further period as

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the Insurers may allow, otherwise no payment beyond the amount which would have been payable under the Policy if this clause had not been incorporated herein shall be made.

(b) where any property is damaged or destroyed in part only the liability of the Insurers shall not exceed the sum representing the cost, which the Insurers could have been called upon to pay for reinstatement if such property had been wholly destroyed.

#### 12. Seepage and/or Pollution and/or Contamination Clean-Up

Limited Seepage and/or Pollution and/or Contamination Resulting From Loss, Damage Or Destruction, As Insured By This Policy, Caused By An Insured Event, As Defined By The Policy. Notwithstanding Losses Excluded under Exclusion Applicable To Section I – Property Damage Coverage “e” and “f” herein, this Policy is amended as set forth below. All other terms and conditions of this Policy remain unchanged and continue to apply with full force and effect. Nothing contained in this Extension shall override any radioactive contamination exclusion, or except as set forth herein, the Seepage and/or Pollution and/or Contamination Exclusion Clause contained in this Policy. The inclusion of this Extension shall in no event increase the limit of liability of Insurers under this Policy.

If,

A. an Insured Event is the sole, immediate and direct cause of physical loss, damage or destruction, as insured by this Policy, to property insured by this Policy against such Insured Event (hereinafter in this Extension referred to as “Original Damage”) and

B. the Original Damage is the sole, immediate and direct cause of seepage onto, and/or pollution and/or contamination of property (derived from pollutants and/or contaminants owned by, or in the care, custody or control of the Insured including seepage and/or pollution and/or contamination involving chemical and/or biological and/or mineral agents) which is:

(i) located at the same premises as the Original Damage; and

(ii) insured by this Policy and

C. said property is damaged thereby (hereinafter in this Extension referred to as “Resulting Damage”); then this Policy, subject to the following additional terms and limitations, also insures:

1. the Resulting Damage; and

2. the reasonable and necessary expense incurred by the Insured for debris removal and/or clean-up which is (hereinafter in this Extension referred to as “Resulting Loss”);

(i) limited to the same premises as the Original Damage; and

(ii) made necessary solely by the Resulting Damage;

but which shall in no event include any expense of clean-up or removal of water, soil or air, except for:

(i) the reasonable and necessary cost for the clean-up, removal and disposal of contaminants or pollutants from uninsured property consisting of land or water at an Insured Location if the release, discharge or dispersal of contaminants or pollutants is a direct result of physical loss, damage or destruction, as insured by this Policy, to insured property.

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(ii) the costs incurred following an Insured Event by reason of legal provisions or upon the order of public authorities for the purpose of restoring the land at an Insured Location to a condition as before the occurrence of the Insured Event.

PROVIDED ALWAYS THAT this Policy only insures the Resulting Loss where:

(a) Insurers have agreed to pay for the Original Damage or, but for the operation of a deductible or underlying amount, would have agreed to pay for the Original Damage; and

(b) within one year of the commencement of the Insured Event which caused the Original Damage, the Insured became aware and advised Insurers of the amount of:

(i) the Resulting Loss; and

(ii) any other interest to be claimed under this Policy as a result of the Resulting Damage, whether loss, damage or destruction, as insured by this Policy, business interruption, extra expense or otherwise.

#### 13. Temporary Removal Of Property

1. When insured property is removed from an Insured Location for the purpose of being repaired or serviced or in order to avoid threatened physical loss or damage of the type insured by this Policy, this Policy covers such property:

a) while at the location to which such property has been moved; and

b) for physical loss or damage as provided at the Insured Location from which such property was removed.

2. This Additional Coverage does not apply to property:

a) insured, in whole or in part, elsewhere in this Policy.

b) insured, in whole or in part, by any other insurance Policy.

c) removed for normal storage, processing or preparation for sale or delivery.

d) Outside of a Country named within the Territorial Limits for an Insured location.

#### 14. Third Party Vehicles Clause

This Policy is extended to cover third parties vehicles and/or client's vehicles and/or guests vehicles in the parking lot or under the insured's custody, control or responsibility within the Insured locations premises.

#### 15. Valuable Papers And Records

This Policy covers insured physical loss or damage to Valuable Papers and Records while anywhere within this Policy's Territorial Limits, including while in transit.

This Additional Coverage excludes loss or damage to:

a) property described below, if such property cannot be replaced with other of like kind and quality, unless specifically declared to Insurers.

b) currency, money or securities.

c) property held as samples or for sale or for delivery after sale.

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For the purpose of this extension Valuable Papers and Records shall mean Written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, all of which must be of value to the Insured.

#### 16. Errors And Omissions

If physical loss or damage is not payable under this Policy solely due to an error or unintentional omission:

I. in the description of where insured property is physically located;

II. to include any Location:

a) owned, leased or rented by the Insured on the effective date of this Policy; or

b) purchased, leased or rented by the Insured during the term of this Policy; or this Policy covers such physical loss or damage, to the extent it would have provided coverage had such error or unintentional omission not been made. Insurers rights remain to charge an additional premium and/or apply additional terms from the date of such error or unintentional omission, which could reasonably have been demanded had such error or unintentional omission not occurred It is a condition of this Additional Coverage that any error or unintentional omission be reported by the Insured to Insurers when discovered and corrected.

#### 17. Demolition And Increased Cost Of Construction

This Contract covers the reasonable and necessary costs incurred, described in Item 3 below, to satisfy the minimum requirements of the enforcement of any law or ordinance regulating the demolition, construction, repair, replacement or use of buildings or structures at an Insured Location, provided:

1. a. Such law or ordinance is in force on the date of physical loss or damage insured under this Contract; and

b. Its enforcement is a direct result of such physical loss or damage insured under this Contract; and

c. Provided such property is repaired or replaced within two years from date of loss.

This Additional Coverage does not cover any loss due to any law or ordinance with which the Insured should have complied before the loss.

2. This Additional Coverage, as respects the property insured in Item 1 above, covers:

a. The cost to repair or rebuild the physically damaged portion of such property with materials and in a manner to satisfy such law or ordinance; and

b. The cost:

(i) to demolish the physically undamaged portion of such property insured; and

(ii) to rebuild it with materials and in a manner to satisfy such law or ordinance; to the extent that such costs result when the total demolition of the physically damaged insured property is required to satisfy such law or ordinance.

3. This Additional Coverage excludes any costs incurred as a direct or indirect result of enforcement of any laws or ordinances regulating any form of contamination including but not limited to the presence of pollution or hazardous material.

4. The Insurers maximum liability for this Additional Coverage is included within the Sum Insured and Insurers liability will not exceed the actual cost incurred in demolishing the physically undamaged portion of the property insured in Item 1 above plus the lesser of:

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- a. The reasonable and necessary cost incurred, excluding the cost of land, in rebuilding on another site; or
- b. The cost of rebuilding on the same site.

#### 18. Loss Minimisation Clause

The indemnity under this Contract of Insurance extends to include expenditure incurred by or on behalf of the Insured as a result of emergency action taken to prevent or minimise physical loss or damage to the Property Insured or Injury to third parties or their property provided that where such expenditure is not approved in advance by Insurers the liability of Insurers under this Memorandum shall not exceed the amount of saving of the Insurers achieved

#### 19. Margin Clause

It is understood and agreed that this insurance is automatically extended to accept up to a \_\_\_\_% fluctuation in the insurable values declared to Underwriters at inception of this insurance. The fluctuations are to be declared to Underwriters on a quarterly basis and reduced premiums or additional premiums will be applied accordingly. Any increase or decrease in values exceeding \_\_\_\_% of the values declared to Underwriters at inception will attract additional or returned premiums to be agreed by Insurers.

#### 20. Cessation of Work Clause

Notwithstanding anything contained herein to the contrary, it is hereby agreed and declared that should the work insured or any part thereof be entirely stopped by any cause whatsoever and the Insured give notice thereof, the cover under the Policy shall continue without interruption, provided that the Insured shall take reasonable precautions to protect the Work from physical loss or damage during the period of cessation. The period covered by this Policy shall be prolonged without additional premium for a similar period, up to a maximum period as mentioned in schedule, with any further extension of this period to be agreed by the Insurer/s

#### 21. Loss Of Drawing

The Insurers shall indemnify the Insured for extra costs and expenses incurred by the Insured in rewriting or reproducing plans, drawings, computer records, or other contract documents or valuable papers, (but not for the cost of the information contained therein) arising out of physical loss or damage by an insured peril, and occurring at the Situation. The indemnity provided by this Memorandum shall not exceed the Sub Limit stated in the Risk Details for this item.

#### 22. Fire Fighting Expenses

The Insurers agree to pay for fire-fighting expenses, necessarily and reasonably incurred by the Insured, to minimize the extent of any physical loss or damage to the Property Insured indemnifiable hereunder, including the cost of materials expended, costs incurred in refilling fire extinguishing appliances and replacing used sprinkler heads, wages of personnel specifically engaged for such tasks, and all fire-fighting costs claimed against the Insured by a public authority or public fire brigade.



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The indemnity provided by this Memorandum shall not exceed the Sub Limit stated in the Risk Details for this item.

### 23. Inland Transits, Offsite Storage And Temporary Removal

"Except to the extent such property is insured by an ocean marine cargo insurance, this Insurance extends to include physical loss or damage to the Property Insured:

- i) in the course of inland transit to and from the Situation as stated in the Risk Details, including loading and unloading within the Situation as stated in the Risk Details,
- ii) in offsite storage within the Situation as stated in the Risk Details
- iii) whilst temporarily removed from the Situation as stated in the Risk Details, and thereafter in the course of transit to the Situation as stated in the Risk Details.

The indemnity provided by this Memorandum shall not exceed the Sub Limits stated in the Risk Details for this item."

### 24. Existing Property

The Insurers shall indemnify the Insured for physical loss or damage to:

- i) Principals existing property
- ii) Any other property deemed to be in the care, custody or control of the Insured (i) or (ii) including property whilst being worked upon: on or adjacent to the Project Site provided that:
  - a) the physical loss or damage to such property arises as a direct result of the execution of the Project at the Project Site,
  - b) the Insurers shall not be liable under this Memorandum for:
    - i) the cost of rectifying physical loss or damage which existed prior to the commencement date of the Project
    - ii) physical loss or damage which can be reasonably foreseen to be inevitable having regard to the nature of the Project or the manner of its execution,
    - iii) the Insured's Deductible for this Memorandum as defined in the Risk Details.

The indemnity provided by this Memorandum shall not exceed the Sub-Limit stated in the Risk Details for this Memorandum

### 25. Fuels And Consumables

The Insurers shall indemnify the insured for physical loss or damage to fuels, lubricants and other consumables which are on the Project Site during the Period of Insurance (excluding the Maintenance Period) for the purpose of testing, commissioning or operation of the Project. The Insured shall include the value of such property in the declaration to be made in accordance with General Condition of this Contract of Insurance.

### 26. Claim Preparation Clause

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This Contract extends to include costs and expenses necessarily incurred by the Principal in the preparation of claims for submission to the Insurers including (but not limited to) clerical labour costs and consultants' fees, but excluding fees of loss adjusters and legal advisers appointed by the Insured.

The indemnity provided by this Memorandum shall not exceed the Sub Limits stated in the Risk Details for this item.

#### **Extensions Applicable To Section II – Business Interruption Coverage**

##### **1. Contingent Business Interruption**

This Policy covers the actual loss sustained by the Insured, as insured by this Policy, during the Indemnity Period resulting from or caused by loss or damage by an Insured Event to property of the type insured by this Policy that directly or indirectly prevents a supplier (including suppliers of any tier) of goods and/or services to the Insured from rendering their goods and/or services, or property that prevents customers (including customers of any tier) of goods and/or services from the Insured from accepting the Insured's goods and/or services.

##### **2. Denial Of Access By Order Of Civil Or Military Authority**

The Insured will be indemnified for the actual loss sustained by the Insured, as insured by this Policy during Period of time, not exceeding the number of days indicated in the Policy Schedule at the insured's Location when, directly as a result of physical loss or physical damage to real or personal property of a type not otherwise excluded located within three (3) Km, unless specifically agreed otherwise and mentioned in Policy Schedule, of the Insured's Location, ingress to or egress from such Insured location is specifically prohibited by order of civil or military authority.

In any case, coverage hereunder shall be limited to the amount of days as indicated in the Policy Schedule and shall not commence until the Insured has suffered Loss of Production consequent upon such Occurrence for the number of days stated in the Policy Schedule of Policy Schedule as the Waiting Period.

##### **3. Interdependency Clause**

Business Interruption coverage is extended to include loss resulting to an Insured Location from interruption of or interference with the business of any company forming part of the Insured's group of companies insured herein as a result of direct physical loss or physical damage by an Insured Event at the premises of any other group company.

##### **4. Ingress/Egress**

This Policy is extended to cover the actual loss sustained by the Insured as insured by this Policy during the period of time, not to exceed the Sub-limit indicated in the Policy Schedule, including the number of days, when, as a result of an Insured Event within three (3) Km, unless specifically agreed otherwise and mentioned in Policy

Schedule, from the Insured Location, ingress to, egress from, or access to real or personal property is prevented or impaired.



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#### 5. Loss Of Attraction

This Policy covers the actual loss sustained, by the Insured, as insured by this Policy resulting from interruption of or interference with the Business caused by physical loss or physical damage by an Insured Event, to Attraction Property(ies) located within 1 km, unless specifically agreed otherwise and mentioned in Policy Schedule, of the Insured's Location, which attracts business to the Insured Location.

Attraction Property is limited to:

- Transportation hubs
- Iconic or historic buildings open to the public
- National monuments
- Stadia, sports and entertainment venues
- Shopping malls
- Theme parks, stadium
- Religious centres or major places of worship
- Office complexes with buildings of over 10 stories, unless specifically agreed otherwise and mentioned in Policy Schedule
- Hotels with more than 150 beds Coverage under this extension, unless specifically agreed otherwise and mentioned in Policy Schedule;

1) excludes loss resulting from interruption of or interference with the Business that is covered under the separate Denial of Access including civil or military order, Ingress / Egress or Service Interruption extensions included in this Policy.

2) is limited to an Attraction Property within the Territorial limits, as stated in the Policy Schedule.

The Maximum Indemnity Period under this Extension is 60 days, unless specifically agreed otherwise and mentioned in Policy Schedule.

#### **Extensions Applicable For Section I – Property Damage Coverage And Section II – Business Interruption Coverage**

##### 1. Brand Rehabilitation

Following an Insured Event, should Brand Rehabilitation not be covered elsewhere within the Policy, the Insurers will pay advertising costs and/or cost of public relations consultancy company by the Insurers, necessarily and reasonably incurred by the Insured for up to a maximum amount of consecutive days stated in the Policy Schedule, for the sole purpose of avoiding or diminishing a reduction in turnover or resuming or maintaining normal business.

##### 2. Changes In Values And Automatic Additions

Automatic coverage shall apply at no additional premium to any:

## **FG TERRORISM AND SABOTAGE INSURANCE**

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- (a) increases in insured values at existing Insured Locations following a revaluation of insured property at such locations and/or due to any construction and/or renovation work at such locations;
- (b) additional property and/or interest of the type already insured by this Policy which may be acquired or otherwise become at the risk of the Insured during the Policy Period. Coverage applies from the date of rental, lease or purchase;
- (c) unintentional error in the valuation of the insured property; PROVIDED always that:
  - 1. the total increase in insured values during the Period in respect of (a), (b) and (c) above does not exceed 15% of the total declared values at inception; and
  - 2. any unintentional error in the valuation of the insured property must be reported by the Insured to Insurers when discovered and corrected; and
  - 3. any increase in value provided by this clause shall not be in addition to the Incorrect Declaration Penalty clause. Should the Total Insurable Values decrease, no return premium shall be due payable by the insurers, unless the reduction in Total Insurable values at the time of binding is greater than 15%.

#### 3. Experts Fees

This Policy includes, within the Sum Insured, the necessary and reasonable fees of architects, surveyors, consulting engineers and other professional experts which are incurred in reinstating or repairing the insured property following damage insured under this Policy.

#### 4. Off Premises Storage For Property Under Construction

This Policy covers insured physical loss or damage to property of the type insured that is under contract to be used in a construction project at an Insured Location.

Coverage attaches at the time such property is delivered to the Insured or their contractor (with respect to the property under construction) by the manufacturer or supplier and such property is located at a storage site within this Policy's TERRITORIAL LIMITS but away from the Insured Location.

This coverage includes necessary expendable materials and supplies to be utilized in the construction project but does not include any property owned or rented by the contractor.

#### 5. Service Interruption

The Insurers will be liable for loss or damage, as described below, when the specified services are for a period in excess of as stated in the Policy Schedule:

- A. The physical loss or damage to property insured by this Policy; and
- B. The actual loss sustained by the Insured during the Period of Service Interruption, Should this Policy cover Business Interruption coverage ;

At an Insured location directly resulting from the lack of incoming electricity, fuel, water, gas, steam, telecommunications (excluding satellites) or refrigerant service or from lack of sewerage service by reason of accidental occurrence to the facilities of the utility suppliers which immediately prevents in whole or in part the delivery of the specified service to an Insured Location.

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The Insured will immediately notify the suppliers of services of any interruption of such services. The Insurers will not be liable if the interruption of services is caused directly by the failure of the Insured to comply with the terms and conditions of any contracts the Insured has for the supply of such specified services.

In determining loss under coverage:

B. The Period of Service Interruption means the period of time:

1. starting with the time when an interruption of specified service to an Insured Location occurs; and 2. ending when with due diligence and dispatch the service could be wholly restored and the location receiving the service could or would have resumed normal operations following the restoration of service under the same or equivalent physical and operating conditions as provided by Section II – Business Interruption coverage of the Policy.

The period of Service Interruption is limited to only those hours during which the Insured would have or could have used service(s) if it had been available.

The period of Interruption does not:

1. Include the interruption of operations caused by any reason other than interruption of the specified service.
2. Include the interruption of operations caused by any remediation, change, correction, repair or assessment of any date or time recognition problem, including the Year 2000, in any electronic data processing equipment or media. However, the Period of Interruption does include the interruption of operations caused by the repair of accidental physical loss or damage not excluded by this Policy to the facilities of the utility supplier.

“Electronic data processing equipment or media” as used herein means any computer, computer system or component, hardware, network, microprocessor, microchip, integrated circuit or similar devices or components in the computer or non-computer equipment, operating systems, data, programs or other software stored on electronic, electro-mechanical, electro-magnetic data processing or production equipment, whether the property of the insured or not.

#### 6. Transit

1) This Policy covers the following Personal Property, except as excluded by this Policy, while in transit within the Situation of the Property Insured of this Policy, or whilst within a country which has Property Insured herein of this Policy:

- a) owned by the Insured.
- b) shipped to customers under free on board, cost and freight or similar terms. The Insured’s contingent interest in such shipments is admitted.
- c) of others in the actual or constructive custody of the Insured to the extent of the Insured’s interest or legal liability.
- d) of others sold by the Insured, that the Insured has agreed prior to the loss to insure during course of delivery.

2) This Additional Coverage excludes:

- a) samples in the custody of salespeople or selling agents.

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- b) property insured under import or export ocean marine insurance.
- c) waterborne shipments, unless:
  - i. by inland water; or
  - ii. by roll-on/roll-off ferries operating between European ports; or
  - iii. by coastal shipments.
- d) airborne shipments unless by regularly scheduled passenger airlines or air freight carriers.
- e) property of others, including the Insured's legal liability for it, hauled on vehicles owned, leased or operated by the Insured when acting as a common or contract carrier, unless the Insured business activity includes hauling others personal property, as advised and mentioned in the Policy Schedule.
- f) any transporting vehicle, unless values for the transporting vehicles are on file with the Insurers and agreed to be covered by Insurers as indicated in the Policy Schedule, Transportation Sublimit Section.
- g) property shipped between continents, except by land or air between Europe and Asia.

#### **3) Coverage Attachment and Duration:**

- a) This Additional Coverage covers from the time the property leaves the original point of shipment for transit. It then covers continuously in the due course of transit:
  - i. within the continent in which the shipment commences until the property arrives at the destination within such continent; or
  - ii. between Europe and Asia, for land or air shipments only, from when the shipment commences until the property arrives at the destination.
- b) However, coverage on export shipments not insured under ocean cargo policies ends when the property is loaded on board overseas vessels or aircraft. Coverage on import shipments not insured under ocean cargo policies begins after discharge from overseas vessels or aircraft.

#### **4) This Additional Coverage:**

- a) covers general average and salvage charges on shipments covered while waterborne.
- b) insures physical loss or damage caused by or resulting from:
  - i. unintentional acceptance of fraudulent bills of lading, shipping or messenger receipts.
  - ii. improper parties having gained possession of property through fraud or deceit.

#### **5) Additional General Provisions:**

- a) This Additional Coverage will not inure directly or indirectly to the benefit of any carrier or bailee.
- b) The Insured has permission, without prejudicing this Policy, to accept:
  - i. ordinary bills of lading used by carriers;
  - ii. released bills of lading;
  - iii. undervalued bills of lading; and
  - iv. shipping or messenger receipts.
- c) The Insured may waive subrogation against railroads under side track agreements.

## FG TERRORISM AND SABOTAGE INSURANCE

### PROSPECTUS

Except as otherwise stated, the Insured will not enter into any special agreement with carriers releasing them from their common law or statutory liability.

#### 7. Unspecified Third-Party Locations

Insurers will provide coverage for the Insured's property that is covered herein whilst the covered property is at unspecified third-party locations.

A third-party location as used herein shall be defined as a location at which the Insured has property of the type insured hereunder which has not been reported to the Insurers, which is not covered within the Temporary Removal of Property clause within Property Damage Section of the Policy. Upon report to the Insurers of said location, this Policy's Sum Insured Limit shall apply.

#### 8. Coinsurance Deficiency And Currency Devaluation

Coverage under this provision is limited to Insured Locations outside of the Insured's domiciled country, as determined by the Mailing address stated within the Risk Details.

This Contract covers the deficiency in the amount of loss payable under the Insured's locally written admitted policy(ies), if any, solely as the result of:

- 1) the application of a coinsurance (or average) clause; or
  - 2) official government devaluation of the currency in which the local policy is written,
- for physical loss or damage by an Insured Event of the type insured under such local policy(ies) to property of the type insured under this Policy and not otherwise excluded by this Contract. The Insured agrees to adjust the Contract values as a result of such devaluation within 30 days after the date of the currency's devaluation.

There is no liability under the terms of this coverage if the Insured is unable to recover any loss under such local policy(ies), if such inability is the result of intentional under-insurance by the Insured.

#### **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 **FG Terrorism And Sabotage Insurance** Policy document. You must read the policy document to know the insurance cover fully. You can get a copy of the **FG Terrorism and Sabotage Insurance** from Our branch or from Our website <https://general.futuregenerali.in>. For legal interpretation, the policy document will hold.

#### **Grievance**

If You have any grievance about any matter relating to the policy, or Our decision on any matter, or Our decision about Your claim, You can pursue Your grievance with

1. Our Grievance Redressal Officer
2. The Consumer Affairs Department of IRDAI—You can register Your grievance on IRDAI's Integrated Grievance Management System (IGMS),
3. The Insurance Ombudsman, depending on the nature of grievance and the financial implication, if any, or
4. The Consumer Protection Forum or the Court.

## **FG TERRORISM AND SABOTAGE INSURANCE PROSPECTUS**

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### **About Our Company**

Future Generali India Insurance Company Limited is a joint venture between Future Group – the game changers in Retail Trade in India and Generali – a 190 years old global insurance group featuring among the world's 60 largest companies.

The company was incorporated in September 2007 with the objective of providing retail, commercial, personal and rural insurance solutions to individuals and corporates to help them manage and mitigate risks.

Future Generali India has been serving the customers by leveraging upon its global Insurance expertise in diverse classes of products of Generali Group and the Indian retail game changers Future Group

Having firmly established its credentials in this segment and effectively leveraging on the skill set of both its JV partners, Future Generali India has evolved to become a Total Insurance Solutions Company.

\*As per Fortune Global 500 Ranking (2017)

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Website: [www.futuregenerali.in](http://www.futuregenerali.in). (IRDAI Regn. No.: 132)

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### **INSURANCE ACT 1938 SECTION 41- Prohibition of Rebates**

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 a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer.

ANY PERSON MAKING DEFAULT IN COMPLYING WITH THE PROVISIONS OF THIS SECTION SHALL BE PUNISHABLE WITH FINE WHICH MAY EXTEND TO TEN LAKHS RUPEES.