

PLANT ALL RISK INSURANCE POLICY

WHEREAS the Insured by a Proposal and Declaration which shall be the basis of this contract and is deemed to be incorporated herein has applied to the Insurer (hereinafter called “the Company”) for the Insurance hereinafter contained and has paid or agreed to pay the Premium as consideration for such Insurance in respect of loss or damage occurring during the Period of Insurance.

NOW THIS POLICY WITNESSES that subject to the Terms, Exclusions and Conditions contained herein or endorsed hereon if any property described in the Schedule shall suffer accidental loss or damage from any cause in a manner necessitating repair or replacement then the Company will pay or make good all such loss or damage up to an amount not exceeding in respect of each of the items specified in the Schedule the sum set opposite thereto and not exceeding in all the total sum expressed in the said Schedule as insured hereby.

EXCLUSIONS

The Company shall not be liable in respect of :

1. The first amount of each and every claim (herein described as the Excess) as specified in the Schedule except that if more than one item is lost or damaged in any one item is lost or damaged in any one occurrence the Insured shall not be called upon to bear more than the highest single Excess applicable to such items.
2. Loss or damage due to electrical or mechanical breakdown, failure, breakage or derangement but this exclusion shall be limited to the part or parts of the plant, machinery and equipment immediately affected and shall not extend to other property insured under this Policy or to other separate parts of the plant, machinery, equipment lost or damaged in consequence thereof.
3. Loss or damage due to freezing of coolant or other fluid, defective lubrication or lack of oil or coolant.
4. Loss or damage due to or arising from wear and tear, gradual deterioration, rust or other atmospheric action, acidic attack or otherwise scratching of painted and polished surfaces.
5. Loss or damage to replaceable parts and attachments 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, jointing and packing materials and other parts regularly replaced, fuel, lubricant or coolant.
6. Loss or damage arising from the explosion of any boiler or pressure vessel subject to internal steam or fluid pressure or of any internal combustion engine but this exclusion shall be limited to the boiler, pressure vessel or engine immediately affected and shall not extent to other property insured under this Policy lost or damaged in consequence thereof.
7. Loss or damage to vehicles licensed for general road use or waterborne vessels or craft and/or plant mounted thereon.

8. Loss or damage caused by or resulting from total or partial immersion in tidal waters.
9. Loss or damage whilst in transit other than by road or crossing inland waterway.
10. Loss or damage due to faults or defects known or which ought to have been known to the Insured or to any director, manager or responsible employee of the Insured and not disclosed to the Company.
11. Loss or damage caused by or arising out of the willful act or willful neglect of the Insured or of any hirer or of any director, manager or responsible employee of the Insured or of any hirer.
12. Loss or damage discovered on the occasion of a routine inventory or servicing or not traceable to a specific event.
13. Loss or damage occurring whilst any item of machinery or plant is undergoing test of any kind or is being used in any manner or for any purpose other than that form which it was designed; tandem &/or multiple lifting.
14. Loss or damage whilst being used underground.
15. Loss of use or depreciation or consequential loss of any kind whatsoever.
16. Any consequence whether directly or indirectly, proximately or remotely occasioned by contributed to by or traceable to or arising in connection with:
 - i. War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war;
 - ii. Mutiny, riot, strike, military or popular rising, insurrection, rebellion, revolution, military or usurped power;
 - iii. Any act of any person acting on behalf of or in connection with any organization with activities directed towards the overthrow by force of the Government de jure or de facto or to the influencing of it by terrorism or violence. All acts of terrorism and/or sabotage are excluded.
 - iv. Martial law or state of siege or any events or causes which determine the proclamation or maintenance of martial law or stage of siege;
 - v. Confiscation, nationalization or acquisition or destruction of or damage to property by or under the order of the Government de jure or de facto or any Public, Municipal or Local Authority of the Country or area in which the property is situated.

(hereinafter for the purposes of this exclusion called the “Occurrences”.)

Any consequence, happening or arising during the existence of abnormal conditions (whether physical or otherwise) whether directly or indirectly, proximately or remotely occasioned by or contributed to by or traceable to or arising in connection with any of the said Occurrences shall be deemed to be consequences for which the Company shall not be liable under this Policy except to the extent that the Insured shall prove that such consequences happened independently of the existence of such abnormal conditions.

In any action, suit or other proceeding where the Company alleges that by reason of this Exclusion any consequence is not covered by the Policy, the burden of proving that such consequence is covered shall be upon the Insured.

17. Any accident or any loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. Solely for the purpose of this exclusion, combustion shall include any self-sustaining process of nuclear fission.
18. Any accidental loss, destruction or damage directly or indirectly caused by or contributed to by or arising from nuclear weapons material.

CONDITIONS

1. This Policy and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of the Policy or of the Schedule shall bear such meaning wherever it may appear.
2. This Policy shall be voidable in the event of misrepresentation, mis-description or non-disclosure in any material particular.
3. The basis of indemnity under this Policy shall be as follows:
 - (a) If an insured item can be repaired – the Company will pay all expenses necessarily incurred to restore the damaged machinery to its working condition immediately before the occurrence of the damage including the cost of dismantling and re-erection as well as ordinary freight and customs duties if any. If the repairs are executed at the Insured's own workshop, the Company will pay the cost of materials and wages plus a reasonable percentage of the productive wages to cover the overhead charges. No deduction shall be made for depreciation of replaced parts, but the value of any salvage shall be deducted. Unless specially agreed, extra charges for express delivery, overtime or work on public holidays shall not be payable. The cost of any alterations, additions, improvements or overhauls shall not be recoverable under the Policy. The cost of provisional repairs will be borne by the Insured unless they constitute a part of the final repairs.
 - (b) If an insured item is totally destroyed – the Company will pay the actual value of the item immediately before the occurrence of the loss including the cost of dismantling the damaged property and the cost of delivering by ordinary freight and erecting a replacement item but less the value of any salvage. Such actual value to be calculated deducting proper depreciation from the replacement value of the item.

If the cost of repair equals or exceeds the actual value of the property insured immediately before the occurrence of the loss, the damaged item shall be considered a total loss.
 - (c) The Company may at their option repair, reinstate or replace any property lost or damaged or pay the corresponding amount.

4. The Sum Insured shall be equal to the cost of replacing the insured property by new property of the same type and capacity including freight, erection costs and customs duties.

If the Sum Insured is found to be less than the amount required to be insured, the indemnity shall be reduced in such proportion as the Sum Insured bears to the amount required to be insured.

5. The Insured shall take all reasonable measures to maintain the insured property in good working order and to ensure that no item is regularly or intentionally overloaded. The Insured shall comply with all statutory requirements concerning the use and inspection of the insured property.
6. The Insured shall afford reasonable facilities for the Company's representatives to inspect and examine any property insured hereunder and shall provide them with all details and information.
7. In the event of an occurrence which might give rise to a claim under the Policy, the Insured shall:
 - (a) Immediately notify the Company or its representative by telephone, telegram or fax if practicable as well as in writing.
 - (b) Take all precautions to minimize the extent of the loss or damage.
 - (c) Protect and preserve the damaged or defective property for inspection by the Company.
 - (d) Furnish all such information and documentary evidence which the Company may reasonably require.

If the Insured shall fail to give the Company or its representatives the notice required by section (a) above within 48 hours of the receipt of knowledge or intimation of the occurrence the Company will be under no liability in respect of such occurrence.

8. The liability of the Company in respect of any damaged item or property for which indemnity would be provided shall cease if the said item continues operating without having been repaired to the satisfaction of the Company.
9. After having notified a claim to the Company, the Insured may carry out repair of any minor damage, but if the cost of repair will exceed 5% of the insured value, a representative of the Company shall have the opportunity of inspecting the damage before any repairs are effected. If inspection does not take place within 14 days from the date of notification of the claim, the Insured is entitled to proceed with the repairs or replacement. Nothing herein shall prevent the Insured from taking such measures as are absolutely necessary for the execution of repairs.

10. If the claim be in any respect fraudulent or if any false declaration be made or used in support of the claim or if any fraudulent means or devices are used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy or if the claim be made and rejected and no action or suit be commenced within 12 months of such rejection or within 12 months of an award by a court of arbitration, all benefit under the Policy shall be forfeited.
11. In the event of :
 - (a) Material change in the risk or departure from ordinary working conditions;
 - (b) Stoppage of work occasioned by any cause for a period exceeding one calendar month

this policy shall be void unless its continuance be admitted be admitted by Endorsement signed by and on behalf of the Company.

12. If at the time a claim arises under this Policy, there is any other insurance covering the same loss or damage, the Company shall not be liable to pay or contribute more than their rateable proportion of such loss or damage.
13. The Insured shall at the expense of the Company do or permit to be done all such things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights or remedies or obtaining relief or indemnity from any 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 their indemnification by the Company.
14. The Company may at any time by giving seven days notice in writing to the Insured at his last known address cancel this Policy as from the expiration of such seven days provided that the Company shall in that event return to the Insured a proportionate part of the premium for the unexpired time of the Policy.
15. If any difference shall arise as to the amount to be paid under the Policy (liability being otherwise admitted) such difference shall be referred to the decision of an Arbitrator to be appointed in writing by the parties in difference or if they cannot agree upon a single Arbitrator to the decision of two Arbitrators one to be appointed in writing by each of the parties within one calendar month after having been required in writing so to do by either of the parties or in case the Arbitrators do not agree of an Umpire to be appointed in writing by the Arbitrators before entering upon the reference. The Umpire shall sit with the Arbitrators and preside at their meetings. The making of an award shall be a condition precedent to any right of action against the Insurers.
16. All the Terms, Exclusions and Conditions contained herein or endorsed hereon are incorporated in and form part of this Policy and are deemed to be conditions precedent to any liability on the part of the Company so far as they relate to anything to be done or complied with by the Insured.