

Standard Fire and Special Perils Insurance Policy

Presenting the Standard Fire and Special Perils Insurance Policy

The Standard Fire and Special Perils Insurance Policy offers your business comprehensive coverage and provides financial support to help it recover from unexpected losses caused by fire and allied perils.

Key features

- A uniquely designed plan that covers all the properties which are commonly exposed to the risk of fire and allied perils
- A range of add-on covers, including earthquake and terrorism coverage
- Multiple options for covering stocks, comprising floater policy, declaration policy and floater declaration policy

What does this policy cover?

The Standard Fire and Special Perils Insurance Policy covers the following perils:

- Fire
- Lightning
- Explosion/implosion
- Aircraft damage
- Riot, strike, malicious damage
- Storm, typhoon, hurricane, tornado, flood and inundation
- Impact damage
- Subsidence and landslide, including rockslide
- Bursting and overflowing of water tanks, apparatus and pipes
- Missile-testing operations
- Leakage from automatic sprinkler installation
- Bush fire

What additional covers does this policy offer?

In order to make the coverage more comprehensive, you have the option to select the following add-on covers on payment of extra premium.

- Architects', surveyors' and consulting engineers' fees in excess of 3% of claim amount
- Debris removal in excess of 1% of claim amount
- Deterioration of stocks in cold storage
- Forest fire
- Impact damage due to insured's own rail/road vehicles

- Spontaneous combustion
- Omission to insure additions, alterations or extensions
- Earthquake (fire and shock)
- Spoilage material damage
- Leakage and contamination

What does this policy not cover?

The general exclusions are broadly classified as:

- Fire due to own fermentation, natural heating or spontaneous combustion of stocks
- Burning by order of any public authority
- Explosion of boilers or steam generating vessels and machinery subject to centrifugal force by its own explosion or implosion
- Pressure waves generated by aircraft
- Total or partial cessation of work/retarding/interruption of any process or operations arising out of riot, strike, malicious damage
- Burglary, housebreaking, theft, larceny in any malicious act
- Impact damage by rail/road vehicle or animal belonging to the insured or employee or any occupier of the premises
- Normal cracking, settlement, bedding down, upheaval of land/structures, coastal or river erosion, defective design, workmanship or use of defective materials
- Destruction or damage caused by forest fire
- Excess amount
- Loss or damage caused by war or warlike situations
- Loss or damage by pollution or contamination except due to insured peril
- Loss or damage to electrical machine/apparatus which is the source of fire
- Architects', surveyors' and consulting engineers' fees exceeding 3% and debris removal expenses exceeding 1% of claim amount
- Any consequential losses

This is not an exhaustive list. For a detailed list of exclusions, please read our policy terms and conditions.

What is the Policy Tenure?

The Policy is normally issued for a period of one year. However, policies for “Dwellings” can be issued for a period exceeding one year with attractive long term discounts on the premium.

What are the other Policy Options?

The Standard Fire and Special Perils Policy can be availed with following variations to suit business requirements:

- **Floater Policy:** This policy can be issued for Stocks at various locations under single Sum Insured.
- **Declaration Policy:** To take care of frequent fluctuations in stocks/ stock values, declaration policy can be availed subject to certain norms.
- **Floater Declaration Policy:** This policy has the features of both floater and the declaration policies.

What is the basis of arriving at the Sum Insured?

In case of fixed assets like Building, Plant & Machinery and Furniture, Fixtures & Fittings the basis of sum insured can be either on Market Value or Reinstatement basis. Reinstatement Value operates on 'New' for 'Old' basis and gives better indemnity in the event of a claim compared to Market Value basis of insurance. In Reinstatement Value basis, the sum insured should represent the new value of the asset as on the date of reinstatement. Stocks can be insured on Market Value basis only.

What is the Premium Payable?

The premium payable depends on the following factors –

- Nature of Risk & Occupancy
- Past Claims History
- Availability of Fire Extinguishing Appliances
- Physical Features of Risk