



**DHFL GENERAL INSURANCE LIMITED**

**STANDARD FIRE & SPECIAL PERILS POLICY (Commercial)**

**(MATERIAL DAMAGE)**

**'ADD ON' COVER'**

**Leakage and Contamination Cover**

(UIN NO: IRDAN155A0050V01201718)

**(A) Where leakage and contamination cover is granted**

In consideration of the payment of an additional premium of Rs..... it is hereby agreed and declared that the Insurance under this Policy shall, subject to terms, conditions and exclusions of this Policy and also subject to terms, conditions and exclusions hereinafter contained, extend to include the physical loss of oil/chemical by leakage from its container by accidental means and all accidental contaminations by contact with foreign matter.

PROVIDED always that this Policy does not cover:

- a) Loss by Contamination through Improper Handling or Controls by Insured's own Employees;
- b) Loss resulting from loss of use, loss of earnings, delay or loss of markets or other consequential or indirect loss or damage of any kind or description whatsoever;
- c) Loss resulting from any kind of infidelity or dishonesty on the part of the Insured or any of their employees, inventory shortage, mysterious disappearance or unexplained loss;
- d) Loss by burglary or theft or any attempt thereat;
- e) Loss resulting from processing or faulty workmanship;
  
- f) Loss resulting from shrinkage, evaporation, loss of weight unless caused by a peril not otherwise excluded;
- g) Any legal and/or contractual liability arising from any cause whatsoever; and
- h) Consequential Loss of any nature.

**SPECIAL CONDITIONS:**

- i) The cover under this endorsement shall attach only on or after the receipt of the insured subject matter in land tanks as described in the Policy and subject to lodgement with the company by Insured of a certificate obtained by them at their own expense from a competent approved and independent agency/surveyor as to the purity and quality of the subject matter herein insured.
  
- ii) Before the commencement of pumping and/or decanting operations, the Insured shall arrange at their own expense sampling and quality / purity certification by competent, approved and independent agency / surveyor for such distinct lot, batch or tank load ex-ocean vessel of insured subject matter and shall pump/decant only such material as is pure and without contaminants.

- iii) The insured shall at their own expense arrange inspection and certification from competent approved and independent agency/surveyor as to the cleanliness and fitness of the pipe lines, pumping equipment and the receiving land tanks to carry and/or receive the insured subject matter, prior to the commencement of pumping, decanting, receiving and/or storage operations. Such certification as mentioned above should, inter alia, confirm that the pumping, carrying and storage equipment facilities and tanks are free from impurities, contaminants and/or residue or left-overs from previous use of equipment, facilities or storage tanks. As concerning the receiving land tanks an initial certificate of fitness to receive and store the insured material shall be deemed to satisfy the above condition in so far as such tanks are concerned. However, a fresh certification as mentioned above would be required in the event of the said tanks being empty and fresh stocks are subsequently pumped/decanted in during the currency of this insurance.
- iv) In case of loss to property insured hereunder, the basis of adjustment shall be the market value at the time and place of loss.
- v) It is understood and agreed that all loss or damage to property occurring during any one period of seventy-two consecutive hours during the currency of this Policy directly caused by earthquake shock shall be deemed to have been caused by single earthquake and therefore to constitute one loss for the purpose of this Policy, the Insured shall select a time from which any such period shall commence but no two such selected periods shall overlap.
- vi) All salvage recoveries and payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustment shall be made by the parties hereto.
- vii) If any breach of a clause or condition in this contract or Policy of insurance shall occur prior to a loss under this Policy, such breach shall not void the Policy nor avail the company to avoid the liability unless such breach shall exist at the time of such a loss under this contract or Policy, it being understood that such breach of a clause or condition is applicable only to the specific property to which the condition or clause has reference and in respect of which such breach occurred.
- viii) Each claim for loss or damage shall be adjusted separately and each claim is subject to an excess of 1% on each tank with a minimum of Rs. 60,000/- each loss.
- ix) If the property hereby insured shall at the time of the operation of a peril insured hereunder, be collectively of greater value than the Sum Insured thereof, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to this condition.

**(B) Where leakage cover alone is granted:**

“In consideration of the payment of an additional premium of Rs..... it is hereby agreed and declared that the Insurance under this Policy shall, subject to terms, conditions and exclusions of this Policy and also subject to terms, conditions and exclusions hereinafter contained, extend to include the physical loss of oil/chemical by leakage from its container by accidental means.

PROVIDED always that this Policy does not cover:



- a) loss resulting from loss of use, loss of earnings, delay or loss of markets or other consequential or indirect loss or damage of any kind or description whatsoever;
- b) loss resulting from any kind of infidelity or dishonesty on the part of the Insured or any of their employees, inventory shortage, mysterious disappearance or unexplained loss;
- c) loss by burglary or theft or any attempt thereof;
- d) loss resulting from processing or faulty workmanship;
- e) loss resulting from shrinkage, evaporation, loss of weight unless caused by a peril not otherwise excluded;
- f) any legal and/or contractual liability arising from any cause whatsoever; and
- g) Consequential Loss of any nature.

**SPECIAL CONDITIONS:**

- i. In case of loss to property insured hereunder, the basis of adjustment shall be the market value at the time and place of loss.
- ii. It is understood and agreed that all loss or damage to property occurring during any one period of seventy-two consecutive hours during the currency of this Policy directly caused by earthquake shock shall be deemed to have been caused by single earthquake and therefore to constitute one loss for the purpose of this Policy, the Insured shall select a time from which any such period shall commence but no two such selected periods shall overlap.
- iii. All salvage recoveries and payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustment shall be made by the parties hereto.
- iv. If any breach of a clause or condition in this contract or Policy of insurance shall occur prior to a loss under this Policy, such breach shall not void the Policy nor avail the company to avoid the liability unless such breach shall exist at the time of such a loss under this contract or Policy, it being understood that such breach of a clause or condition is applicable only to the specific property to which the condition or clause has reference and in respect of which such breach occurred.
- v. Each claim for loss or damage shall be adjusted separately and each claim is subject to an excess of 1% on each tank with a minimum of Rs. 60,000/- each loss.
- vi. If the property hereby insured shall at the time of the operation of a peril insured hereunder, be collectively of greater value than the Sum Insured thereof, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, of the Policy shall be separately subject to this condition.