



**Standard Fire Special Peril Policy (Commercial) – Add ons**

**1) Involuntary Betterment Clause**

**(UIN: IRDAN134CP0010V01201819/A0055V01201920)**

Notwithstanding condition of reinstatement, in the event that new property insured of like kind and quality is not obtainable property insured which is as similar as possible to that which has sustained damage and which is capable of performing the same function shall be deemed to be new property insured for like kind and quality and in no event shall this be considered as a betterment to the insured.

In the event of replacement with new property insured the insurer will pay the cost of purchasing and installing technologically current property insured which is necessitated by incompatibility between

- (1) New property insured installed to replace property insured which has sustained damage  
And
- (2) Existing property insured which has not incurred damage at the same or an interdependent location

Provided always that

- a) Damage was directly caused to the property insured
- b) The insurer shall be liable only for the amount sufficient to enable the insured to resume operations in substantially the same manner as before the damage
- c) The insurer shall be liable for only the difference between
  - i. The highest sales value of the existing property insured which has not incurred damage at the same or interdependent location and
  - ii. The installed cost of the technologically current property insured
- d) The liability of the insurer shall not exceed the inner limit of liability stated in the specification.

\*\*\*\*\*