

# STANDARD FIRE AND SPECIAL PERILS POLICY (RETAIL) Prospectus

## PROSPECTUS

Fire insurance policy covers all immovable and movable property located at a particular premise such as buildings, plant and machinery, furniture, fixtures, fittings and other contents, stocks and stock in process along with goods held in trust or on commission.

### What does this Policy cover?

This Policy covers loss or damage to the insured assets resulting from:

- Fire.
- Lightning.
- Explosion/ Implosion.
- Aircraft Damage.
- Riot, Strike, Malicious Damage.
- Storm, Typhoon, Hurricane, Tornado, Flood and Inundation.
- Impact damage.
- Subsidence and landslide including Rock slide.
- Bursting and overflowing of water tanks, apparatus and Pipes.
- Missile testing operations.
- Leakage from Automatic Sprinkler Installation.
- Bush Fire.
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**NB:** Policy also covers (a) up to 3% of claim amount towards Architects, Surveyors and Consulting Engineering Fees and (b) 1% of claim amount towards Debris removal expenses arising out of an insured event.

### Major Optional Extensions:

- Architects, Surveyors and Consulting Engineers Fees (in excess of 3% of claim amount)
- Debris Removal (in excess of 1% of claim amount)
- Deterioration of stock in cold storage due to power failures following damage due to an insured peril.
- Deterioration of stocks in cold storage premises due to change in temperature arising out of loss or damage to the cold storage machinery (ies) in the Insured's premises due to operation of insured peril.

- Forest Fire.
- Impact damage due to insured's own vehicles, Fork lifts, Cranes, Stackers and the like.
- Spontaneous Combustion.
- Omission to insure addition alterations and extensions.
- Earthquake (Fire & Shock)
- Spoilage Material Damage Cover.
- Leakage And Contamination Cover.
- Temporary Removal of Stocks.
- (a) Loss of Rent (b) Additional Expenses of Rent for an Alternative Accommodation.
- Start up Expenses.
- Terrorism damage.
- Escalation

**Other Salient Features:**

- Discounts for favorable claims experience
- Discounts for opting higher Voluntary excess
- Incentives for Fire Protection Systems
- Discount/loading based on physical features, safety systems and procedures.

**Type of Policies:**

- **Valued policies** : Valued Policy (ies) can be issued only for properties whose Market Value cannot be ascertained e.g. Curios, Works of Art, Manuscripts, Obsolete machinery and the like subject to the valuation certificate being submitted.
- **Floater Policies** : Floater Policy(ies) can be issued for stocks at various locations under one Sum Insured .  
Note: - Unspecified location shall not be allowed.
- **Declaration Policies** : To take care of frequent fluctuations in stocks/stock values, Declaration Policy (ies) can be granted.
- **Floater Declaration Policies**: Floater Declaration Policy (ies) can be issued subject to a minimum sum insured of Rs 2 Crores and compliance with the Rules for Floater and Declaration Policies respectively except that the minimum retention shall be 80% of the annual premium

**Major Exclusions :**

Loss or damage resulting from:



- Fire due to own fermentation, natural heating or spontaneous combustion of the stocks or by their undergoing any heating or drying process
- Burning by order of any Public Authority
- Explosion of boilers or steam generating vessels & 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, house breaking, theft, larceny arising out of riot, strike, malicious damage
- Impact damages by rail/road vehicle/animal belonging to the insured or employee or any occupier of the premises
- Normal cracking, settlement, bedding down, up heaving of land/structures, coastal or river erosion, defective design, workmanship or use of defective materials
- Forest fire
- War or war like situations.
- Pollution or contamination except due to insured peril.

In addition the following losses are excluded:

- Loss or damage to electrical machine/apparatus, which is the source of fire
- Architects, Surveyors & Consulting Engineer's fees exceeding 3% and debris removal expenses exceeding 1% of claim amount unless insured specifically
- Policy Excess
- Any consequential losses

**Basis of Settlement :** Reinstatement Value / Market Value / Agreed value depending upon the type of policy and assets covered.

Building plant & machinery will be on reinstatement value if insured on reinstatement value.

Stocks will be on Market value.

**Documents required for settlement of claims:**

1. Duly completed Claim form.
2. Copy of FIR
3. Estimate of loss / repairs
4. Invoice/ Bills/Receipts
5. FR
6. Any other details/documents called for a specific loss.

**Salvage :**



Salvage is the amount that is assessed which the damaged asset will fetch in the open market. This amount is deducted from the claim amount.

**Cancellation :**

This policy may be terminated by Insured at any time by giving Insurer notice in writing. If Insured cancels the policy, Insurer will

a) Refund the proportionate premium for unexpired policy period, if the term of the policy is up to one year and there is no claim(s) made during the policy period.

b) Refund the premium for the unexpired policy period, if the term of the policy is more than one year and the risk coverage for such policy years has not commenced.

Insurer can cancel this policy during the policy period by giving notice of minimum 7 days to Insured only on the grounds of established fraud committed by Insured.

**Grievance Redressal:**

Magma General Insurance Limited shall abide by Insurance Regulatory and Development Authority (Protection of Policyholder's Interests) Regulations 2002. Under this regulation and with an objective to provide a forum to personal lines policyholders for resolution of claims related complaints, Insurance ombudsman has been constituted under the aegis of Governing Body of the Insurance Council.

The details furnished above constitute only major terms and conditions. For details, please refer to our Policy document

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