

Kotak Mahindra General Insurance Company Ltd. (Formerly Kotak Mahindra General Insurance Ltd.)
Registered Office: 27 BKC, C 27, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051. Maharashtra, India.

Kotak Machinery Breakdown Insurance Additional Covers/Endorsements Wordings

1. ESCALATION CLAUSE

Attached to and forming part of the Policy No. _____

In consideration of the payment of an additional premium amounting to 50% of the premium produced by applying the specified percentage to the first or the annual premium as appropriate on the undernoted item(s) the Sum(s) Insured thereby shall, during the period of Insurance, be increased each day by an amount representing 1/365th of the specified percentage increase per annum.

Item Number	Specified Percentage Increase per annum

Unless specifically agreed to the contrary the provisions of the Clause shall only apply to the sums Insured in force at the commencement of each period of insurance.

At each Renewal Date the Insured shall notify the Insurers:-

- (i) the Sums to be Insured under each item above, but in the absence of such instructions the Sums Insured by the above items shall be those stated on the Policy (as amended by any endorsement effective prior to the aforesaid renewal date) to which shall be added the increases which have accrued under this Clause during the period of Insurance upto that renewal date, and
- (ii) the specified percentage increase(s) required for the forthcoming period of Insurance, but in the absence of instructions to the contrary prior to the renewal date the existing percentage increase shall apply for the period of insurance from renewal.

All the conditions of the Policy in so far as they may be hereby expressly varied shall apply as if they had been incorporated herein.
 UIN No. IRDAN152A0060V01201718

2. EXPRESS FREIGHT

Attached to and forming part of the Policy No. _____

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, this insurance shall be extended to cover extra charges for express freight (excluding air freight).

Provided always that such extra charges are incurred in connection with any loss of or damage to the Insured items recoverable under the Policy.

If the sum(s) insured of the demand item(s) is/are less than the amount(s) required to be Insured the amount payable under this endorsement for such extra charges shall be reduced in the same proportion.

Extra Premium Rs. _____

UIN No. IRDAN152A0061V01201718

3. AIR FREIGHT

Attached to and forming part of the Policy No. _____

It is hereby declared and agreed that the Policy shall also indemnify towards Air Freight incurred by the Insured in connection with the indemnifiable loss under the Policy.

In consideration there of an additional premium of Rs. ___ is charged hereby

Limit of indemnity shall be Rs. _____ during currency of the Policy.

Each and every claim shall be subject to a minimum Excess of 5 % of the admissible Air Freight incurred over and above the excess as applicable under the Policy.

Subject otherwise to terms, conditions and exceptions of the Policy.

UIN No. IRDAN152A0062V01201718

4. OWNERS SURROUNDING PROPERTY

Attached to and forming part of the Policy No. _____

In consideration of Insured having paid extra premium amounting to Rs. ____ it is hereby agreed and declared, subject to otherwise terms and conditions of the Policy, that this insurance by within Policy is extended to cover loss or damage to property located at or adjacent to the site and belonging to or held in care, custody, control of the principal(s) or the contractor(s) if occurring directly due to damage of items mentioned in the schedule while at rest or in use for construction or erection during period of Policy.

The Company will pay to the Insured the value of the damaged property at the time of accident or at its option reinstate or replace such damaged property or any part thereof provided that -

The liability of the Company shall in no case exceed Rs. ____ for any one accident or series of accidents arising out of any one event and in the whole the total indemnity of Rs. ____ during the currency of the Policy.

The Insured shall bear the same excess as mentioned in the schedule of the Policy.

In respect of loss or damage resulting to underground piping tunneling or underground cables and other underground facilities, the indemnity will be restricted to actual repair cost, provided prior to commencement of work, Insured ascertains with the relevant authorities about the exact locations or positions of such cables, pipes or other underground facilities. Cracks that neither impair the stability of the structure nor safety of its users are not covered.

UIN No. IRDAN152A0063V01201718

5. THIRD PARTY LIABILITY

Attached to and forming part of the Policy No. _____

In consideration of the payment of the additional premium of Rs. ____ it is hereby agreed and declared that notwithstanding anything to the contrary stated in this Policy, the Company will indemnify the Insured -

- a) against legal liability for the accidental loss or damage caused to the property of other persons.
- b) against legal liability (liability under contract excepted) for fatal or non-fatal injury to any persons other than the Insured or his own employees or employee of the owner of the works/site/premises location or employees of the other firms/connected with any other work site/premises/location or members of the family of the Insured or any of the aforesaid.

UIN No. IRDAN152A0064V01201718

EXCLUSIONS UNDER THE TPL EXTENSION

The Company will not indemnify the Insured, under this extension in respect of -

- a) The first amount of Policy excess of each claim for any one occurrence related to property damage.
- b) Expenditure incurred in doing or redoing or making good or repairing or replacing anything covered or coverable under the Policy.
- c) Liability consequent upon -
 - i) bodily injury to or illness of employees/workmen/members of the families of the Insured or of the owners of the works/site/premises/location or of any other firm/contractors connected with any other work at the works/site/premises/location.
 - ii) loss of or damage to property belonging to or held in trust by or under custody of the owner of the works/site/premises/location of any other firms/contractors or an employee/workmen/family members of any of the aforesaid.
 - iii) any accident caused by vehicles licensed for general road use or by waterborne vessels or by aircraft.
 - iv) any agreement by the Insured to pay any sum by way of indemnity or otherwise unless such liability would have attached also in the absence of such agreement.

CONDITIONS APPLYING TO TPL EXTENSION

- a) No admission, offer, promise, payment of indemnity shall be made or given by or on behalf of the Insured without written consent of the company who shall be entitled, if any so desire, to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute for their own benefit in the name of the Insured any claim for indemnity or damage or otherwise and shall have full discretion in the conduct of any proceeding or in the settlement of any claim and the Insured shall give all such information and assistance as the Company may require.
- b) The Company may, so far as any accident is concerned, pay to the Insured the limit of indemnity for any one accident/for any one period, after deducting therefrom in such case of any sum/s already paid as compensation in respect thereof or any lesser sum for which the claim or claims arising from such accident can be settled and the Company shall thereafter be under no further liability in respect of such accident under this section.

6. ADDITIONAL CUSTOMS DUTY

In consideration of the Insured having paid an additional premium of Rs. ____ it is hereby declared and agreed that the Insured shall also be indemnified during the currency of the Policy, towards the additional Customs Duty, amount of Rs. ____ which may be incurred by the Insured over and above the Customs Duty amount taken into account in arriving at the Sum Insured of the affected items.

Each and every claim payable under the extension shall be subject to an Excess of 5 % of the admissible Additional Customs Duty incurred and will be in addition to the Excess amount applicable for the affected item under the Policy.

The Indemnity for such Additional Customs Duty will stand reduced after occurrence of the claim unless reinstated by payment of an additional premium prescribed by the Company.

Subject otherwise to the terms, conditions and exceptions of the Policy.

Note- For computation of indemnity under the Additional Customs Duty extension, exchange rate applicable on date of occurrence of loss shall be considered.

UIN No. IRDAN152A0065V01201718

7. FLOATER CLAUSE

"In consideration of the 'Floater Extra' charged over and above the policy rate the Sum Insured (S.I.) in aggregate under the policy is available for any one, more, or all locations as specified in respect of movable property.

At all times during the currency of this policy the insured should have a good internal audit and accounting procedure under which the total amount at risk and the locations can be established at any particular time if required.

The changes in the address of locations specifically declared at inception should be communicated"

UIN No. IRDAN152A0066V01201718

8. WAIVER OF BETTERMENT

In the event of total physical damage of the insured machinery/equipment necessitating replacement, which may become obsolete at the time of such replacement, the Indemnity shall be the cost of reinstatement of the damaged machinery with the follow up model of the same type, provided that, such cost of replacement does not exceed the sum insured set against the said item.

It is further agreed & declared that, this extension shall not be enforceable if the insured is unable or unwilling to reinstate the property. However, if the cost of replacement with the follow up model exceeds the sum insured set against the said item, the company's liability would not exceed the sum insured.

UIN No. IRDAN152A0067V01201718

9. OMISSION TO INSURE ADDITIONS, ALTERATIONS

In consideration of the payment of additional premium, the insurance by this policy extends to cover Portable Equipments as defined in the schedule hereof, which the Insured may acquire or for which they may become responsible:-

- (i) The liability under this Extension shall not exceed in respect of portable equipments - 5% of the Sum Insured by items of the Schedule.
- (ii) The Insured shall notify the Company of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the date of inception.

- (iii) Following the advice of any additional insurance as aforesaid, cover by this extension shall be fully reinstated.
- (iv) No liability shall attach to the insurers in respect of any Building, machinery, Plant or other contents while such property is otherwise insured.

Note 1: All new additions to the portable equipments by the Insured not specifically insured/included during the currency of the policy should be declared at the end of the year and suitable additional premium paid on pro rata basis from the date of purchase, subject to adjustment against the advance premium collected.

If the insured fails to declare the values of such additions within 30 days after the expiry of the policy, there shall be no refund of the advance premium collected

UIN No. IRDAN152A0068V01201718

10. NON VITIATION CLAUSE/ MULTIPLE INSURED CLAUSE

- (i) It is noted and agreed that, if the Insured described in the Annexure comprises more than one insured party each operating as a separate and distinct entity, then (save as provided in this Clause) cover hereunder shall apply in the same manner and to the same extent as if individual policies have been issued to each such insured party provided that, the total liability of the Insurers to all of the insured parties collectively shall not exceed the sums insured and limits of indemnity including any inner limits set by memorandum or endorsement stated in the policy.
- (ii) It is understood and agreed that, any payment or payments by Insurers to any one or more such insured parties shall reduce Insurer's Liability to the extent of that payment, to all such parties arising from any one event giving rise to a claim under this policy and in the aggregate.
- (iii) It is further understood that, the insured parties will at all times preserve the various contractual rights and agreements entered into by the insured parties and the contractual remedies of such parties in the event of loss or damage.
- (iv) It is further understood and agreed that, the Insurers shall be entitled to avoid liability to or (as may be appropriate) claim damages from any one of the insured parties in circumstances of fraud, material misrepresentation, material non-disclosure, etc. resulting in a breach of any warranty or condition of this policy each a referred to in this clause as a Vitiating Act.
- (v) It is however agreed that (save as provided in this Clause), a Vitiating Act committed by one insured party shall not prejudice the right to indemnity of any other insured party who has an insurable interest and who has not committed a Vitiating Act.
- (vi) Insurers hereby agree to waive all rights of subrogation which they may have or acquire against any insured party except where the rights of subrogation or recourse are acquired in consequence of or otherwise following a Vitiating Act in which circumstances, the Insurers may enforce such rights notwithstanding the continuing or former status of the vitiating party as an Insured.
- (vii) In the event of any Vitiating Act committed by any one or more insured parties Insured, the Lenders shall not be entitled to any indemnity under this policy for more than their pro rata share of interest as against the entire asset value under charge for each and every claim for, or arising out of each and every event of loss or damage in respect of which Insurers are otherwise no longer liable to indemnify any other one or more insured parties by reason a Vitiating Act or Acts.

11. OMISSION TO INSURE/ INADVERTENT OMISSION

In consideration of the payment of additional premium, this policy extends to cover equipments as defined in the schedule hereof which the insured may acquire or for which they may become responsible or any inadvertent omissions.

- i) The liability under this extension shall not to exceed 5% of the sum insured for equipments mentioned in the Schedule.
- ii) The insured shall notify the Company of each additional insurance as soon as it shall come to their knowledge and shall pay the appropriate additional premium thereon from the date of inception.
- iii) Following the advice of additional insurance as aforesaid, cover by this extension shall be fully reinstated.
- iv) No liability shall attach to the company in respect of any equipment while such equipment is otherwise insured. All new additions to the equipments by the insured not specifically insured/included during the currency of the policy should be declared at the end of the year and suitable additional premium paid on pro-rata basis from the date of acquisition of additions or may be suitably adjusted.

If the insured fails to declare the values of such additions within 30 days after expiry of the policy, there shall be no refund of the advance premium collected.

Limit: 5% of the Sum Insured as mentioned in schedule
UIN No. IRDAN152A0069V01201718

12. PROFESSIONAL FEE

In consideration of the payment of additional premium, the policy is extended to include any amount in respect of Architects, Surveyors and Consulting Engineers reimbursable fees or other professional fees necessarily incurred by the Insured in the reinstatement of the Insured property consequent upon its loss, destruction or damage but not for preparing any claim.

The claim under this head is payable subject to prior approval only, from the Insurer.

Limit: Up to per event and in aggregate as agreed and specified in Schedule

UIN No. IRDAN152A0070V01201718

13. CLAIMS PREPARATION COST

In consideration of the payment of additional premium, it is hereby agreed and declared that, notwithstanding anything to the contrary in this policy or in any of its conditions, the insurance by this Policy extends to include costs reasonably incurred by the Insured in producing and certifying any particulars or details in support of any claim as may be required by the Company in terms of the conditions of the Policy.

The claim under this head is payable only subject to prior approval only, from the Insurer.

Limit: Up to per event and in aggregate as agreed and specified in Schedule

UIN No. IRDAN152A0071V01201718

14. COVER FOR MOBILE AND PORTABLE EQUIPMENT OUTSIDE THE PREMISES

It is agreed and understood that, otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, and subject to the Insured having paid the agreed extra premium this insurance shall be extended to cover loss or damage to the mobile and/or portable equipment as specified in the Policy schedule or Item(s) No(s) ----- of the Policy Schedule, whilst stationary or in transit anywhere within the territorial limits specified in the Policy.

The insurers shall not be liable under this Endorsement for

- loss or damage occurring whilst the above items are unattended unless locked inside a building or vehicle
- loss or damage from any cause whatsoever whilst the above items are installed or carried in or on aircraft or aerial devices or waterborne vessels or craft.

(NOTE: Underwriter has discretion to delete the word 'While in Transit')

Deductible: As specified in the Policy Schedule

UIN No. IRDAN152A0072V01201718

15. PARTS UNDAMAGED CLAUSE

The policy stands extended to include replacement of undamaged parts also in the machinery subject to condition that, a) Such replacement of undamaged part is necessary to avoid the recurrence of the damage as may be certified by Surveyor b) Prior approval from the insurer is taken for such replacement c) By such replacement of undamaged part, there is no technical improvement in performance, capacity or output.

This is payable only if there is an admissible claim under the main Policy

The claim subject to limit of overall Sum Insured of the machinery /equipment.

UIN No. IRDAN152A0073V01201718

16. CLAIMS INVESTIGATION COST

The Policy stands extended to cover the expenses related to investigating and identifying of the cause or exact location of loss or damage. This is payable only if prior approval of the insurer is taken before incurring the expense. Maximum amount payable under this

head is as mentioned in the Policy schedule and subject to deductible /excess as mentioned therein.

This is payable only if there is an admissible claim under the Policy
UIN No. IRDAN152A0074V01201718

17. CARDING MACHINES IN TEXTILE INDUSTRY

It is hereby declared and agreed that notwithstanding anything stated in the Policy to the contrary, any loss or damage to card fillets, Needles and Magnetic tapes of Knitting Machines is excluded under the Policy.

Subject otherwise to the terms, conditions and exceptions of the Policy.

18. FURNACE ENDORSEMENT

a) INDUCTION FURNACE

The Induction Furnace should be covered subject to the following endorsement, which should be compulsorily used in case of all Induction Furnaces -

'It is hereby declared and agreed that the damage to the refractory lining due to any cause is specifically excluded'.

b) ELECTRICAL FURNACES

i) It is hereby declared and agreed that any damage to crucibles and refractory linings due to any cause is excluded under the Policy.

Subject otherwise to the terms, conditions and exceptions of the Policy.

ii) It is hereby declared and agreed that any damage to induction coils / heating element of electric furnace will be subject to 25% depreciation per year or part thereof subject to a maximum depreciation of 75 %.

Subject otherwise to the terms, conditions and exceptions of the Policy.

iii) Warranted that the refractory linings are examined each time the furnace is recharged and linings renewed, if any defects are apparent. Further, the linings are, in any event, replaced periodically in accordance with the Maker's recommendations.

19. DG SET ENDORSEMENT for 'LOSS MINIMISATION'

'It hereby declared that any loss or damage payable under the Policy to the cylinder head, liner and piston of the Diesel/oil engines Insured here will be indemnified subject to -

(i) 15 % depreciation per annum be made applicable to the Turbo-charger subject to a maximum of 75 %.

(ii) For claims on Diesel Generator Sets necessitating replacement of crankshaft, 20 % of the cost of crankshaft replacement will be borne by the Insured in addition to the Excess stipulated in the Tariff.

(iii) Turbo - charger cannot be Insured in isolation.

20. REDUCTION GEAR BOX

It is hereby declared and agreed that all claims pertaining to reduction Gear Box will be subject to depreciation at the rate of 15 % per year or part thereof subject to a maximum depreciation of 75 %.

Subject otherwise to the terms, conditions and exceptions of the Policy.

21. PATTERNS AND CORE-BOXES

It is hereby declared and agreed that in the event of an accident, for which the Insurer is liable under the Policy, involving the replacement of a casting for which no patterns are available, the Insured shall bear the cost of making patterns and core boxes, the Insurer's liability being for the making of the casting itself.

22. EXPELLERS / EXPELLERS GEARS

a) Expellers - It is hereby declared and agreed that any damage to the following parts of Oil Expellers viz., ball bearing, roller bearing, thrust bearing and bush bearing of all types are specifically excluded from the scope of cover.

Subject otherwise to the terms and conditions of the Policy.

b) Expeller Gears - It is hereby declared and agreed that all claims pertaining to Gears will be subject to depreciation at the rate of 15% for every year or part thereof subject to a maximum depreciation of 75 %.

Subject otherwise to the terms and conditions of the Policy.

23. PLASTIC EXTRUDERS / INJECTION MOULDING MACHINES

It is hereby understood and agreed that the Insurance by this Policy does not cover any loss or damage to the dies, moulds and heating elements used on the Plastic Extruder/Injection Moulding Machines.

Subject otherwise to the terms, conditions and exceptions of the Policy.

24. ALTERNATE WORKING

Warranted by the Insured that except when the load is being transferred from one machine to another the No. ____etc. Insured under this Policy shall only work alternately with No. ____etc. Insured under this Policy.

The plant may be turned over periodically for maintenance purpose only.

If the plant is to be used otherwise than as above the Insured shall forthwith notify the Insurer and pay such additional premium as may be required by the Insurer failing which the Insurer's liability thereon shall cease.

25. STAND-BY MACHINERY

Warranted by the Insured that any item of machinery marked 'STANDBY' in the Schedule of machinery shall not be worked at the same time as the machine to which it is standby except for the period when the load is being transferred from one to the other. Provided that the standby machine may be turned over periodically for maintenance purpose.

Provided always that if the standby machine shall be used otherwise than as above the Insured shall forthwith notify the insurer and pay such additional premium as may be required by the Insurer failing which the Insurer's liability thereon shall cease.

26. BAKERIES

It is hereby declared and agreed that any damage to whisks, dough hook and beaters of dough mixers are specifically excluded from the scope of cover.

27. GAS WORKS PLANTS

It is hereby declared and agreed that any damage to underground piping is specifically excluded from the scope of cover.

28. GLASS AND GRAPHITE EQUIPMENTS

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon indemnity granted by this Policy in respect of equipment/apparatus made out of Glass/Graphite described under item No(s) _____ of the Schedule is restricted to cover losses due to accidental damage or external impact and not any loss or damage arising out of wear and tear, general usage and/or cracking of the Insured item due to continuous working and/or fatigue.

29. GLASS LINED VESSELS

It is hereby declared and agreed that the indemnity granted by this Policy in respect of glass lined production plant described in the Schedule is restricted to cover losses due to accidental damage or external impact and not any loss or damage arising out of wear and tear, general usage and/or cracking of the glass lining due to continuous working and/or fatigue subject otherwise to the terms, exceptions, conditions and limitations of the Policy.

Provided, however, that depreciation at the rate of 10% for every year of operation shall be deducted in respect of all claims arising out of perils covered in form of this endorsement subject to maximum depreciation of 75% in addition to other terms and conditions

30. INSURANCE OF ROPES IN LIFTS, CRANES AND ROPEWAYS

It is understood and agreed that insurance by this Policy shall include sudden and unforeseen damage to rope resulting in their actual and complete severance. It shall not include breakage or abrasion of wire or strand of ropes/slings although replacement is necessitated thereby.

Provided that the amount indemnifiable in respect of items thus affected is depreciated at an annual rate to be determined at the time of loss, this rate being not less than 15 % per annum subject to a maximum of 75 %.

31. WIND MILLS ENDORSEMENT

Notwithstanding anything to the contrary stated in the Policy, this Policy covers accidental loss/damage to the blades of the Wind Mills whether metallic or non-metallic.

32. REFRACTORY MATERIALS IN BOILERS

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the Insurer shall indemnify the Insured for loss of or damage to refractory materials in item(s) _____ Nos. _____ contained in the schedule of the Policy, caused by an indemnifiable accident to the above named items subject to depreciation of the amount indemnifiable in respect of the items thus affected, at the time of loss. This rate being not less than 20 % per annum but not more than 80 % in total.

33. DEPRECIATION ADJUSTMENT FOR COMPONENTS ALONG THE HOT GAS PATH OF GAS TURBINES

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the following shall apply to this Insurance -

In the event of an indemnifiable accident occurring to a component or components in the hot gas path, which have a life expectancy appreciably shorter than that of the gas turbine, the amount indemnifiable in respect of the items thus affected shall be depreciated. The amount payable shall be calculated by taking the expired life (EL) in equivalent working hours of the Component at the time of occurrence, and the normal life expectancy (NLE) in hours of the Component according to the latest specification issued by the manufacturer and then applying them in the relationship (1-EL/NLE) to the total replacement costs of the Component.

Should the normal life expectancy for any component or components indicated by the manufacturer be found to be in conflict with the operational and/or claims experience, an agreement on more realistic component life expectancies shall be reached between the Insured and the Insurer and shall supercede such advices of the manufacturer.

34. OVERHAUL OF PLATEN PRESSES

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the following shall apply to this Insurance in respect of item(s) No(s) contained in the specification of the Policy.

The Insured shall arrange at his own expense an overhaul (the Insured shall inform the Insurer of such an overhaul in good time so that the Insurers' representatives may be present during the overhaul at the Insurers' expense) of all highly stressed parts of platen presses as well as an inspection by an expert in non-destructive testing and shall supply the insurers with reports on this overhaul and inspection. The expert shall determine the date of the next overhaul. Such overhauls / inspections shall take place at intervals of at least 12 months.

These provisions shall apply regardless of the commencement date of the insurance cover.

The Insured may apply for an extension of the period between overhauls. Such extension shall be granted if in the opinion of the Insurers the risk is not aggravated thereby.

If the Insured fails to comply with the requirements of this Endorsement, the Insurers shall be free from all liability for loss or damage caused by any circumstance which could have been detected had an overhaul taken place

35. OVERHAUL OF ELECTRIC MOTORS (ABOVE 750 KW FOR MOTORS WITH 2 POLES AND ABOVE 1,000 KW FOR MOTORS WITH 4 AND MORE POLES)

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the following shall apply to this Insurance in respect of item(s) No(s) contained in the specification of the Policy.

The Insured shall arrange at his own expense an overhaul (the Insured shall inform the Insurer of such an overhaul in good time so that the Insurers' representatives may be present during the overhaul at the Insurers' expense) in a completely opened-up state after 8,000 hours of operation or after 500 start-ups or at least after two years following the last overhaul.

New electric motors shall be overhauled after 2,000 hours or at least after one year of operation. The Insured shall supply the Insurers with reports on this overhaul. These provisions shall apply regardless of the commencement date of the insurance cover.

The Insured may apply for an extension of the period between overhauls. Such extension shall be granted if in the opinion of the Insurers the risk is not aggravated thereby.

If the Insured fails to comply with the requirements of this Endorsement, the Insurers shall be free from all liability for loss or damage caused by any circumstance, which could have been detected, had an overhaul taken place.

36. THE VALVE OSCILLATOR/TRIODE TUBE OSCILLATOR OF THE "RADIO FREQUENCY DRYER" SHALL BE SUBJECT TO DEPRECIATION ENDORSEMENT AS PER THE WORDING GIVEN BELOW

"It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the Policy or endorsed thereon, the indemnification for loss or damage to Valve Oscillator and/or Triode Tube Oscillator shall be limited to the actual value of such items immediately prior to the occurrence of the loss or damage, including ordinary freight, erection costs and custom duties and dues if any. Actual value of Valve Oscillator/Triode Tube Oscillator shall be as under":

Age (months)	Actual value in % of new replacement value
< 18	100
< 20	90
< 23	80
< 26	70
< 30	60
< 34	50
< 40	40
< 46	30
< 52	20
< 60	10
> 60	0

37. AGREED BANK CLAUSE

All policies in which a Bank/Financial Institution has interest shall be issued in the name of Bank/Financial Institution and owner or mortgagor and shall contain a suitable clause to protect their interest. A specimen copy of the Clause is given hereunder.

"It is hereby declared and agreed

1.1 That upon any monies becoming payable under this policy the same shall be paid by the Company to the Bank and such part of any monies so paid as may relate to the interests of other parties insured hereunder shall be received by the Bank as Agents for such other parties.

1.2 That the receipts of the Bank shall be complete discharge of the Company therefore and shall be binding on all the parties insured hereunder

N.B: The Bank shall mean the first named Financial Institution/ Bank named in the policy.

1.3 That if and whenever any notice shall be required to be given or other communication shall be required to be made by the Company to the insured or any of them in any manner arising under or in connection with this policy such notice or other communication shall be deemed to have been sufficiently given or made if given or made to the Bank.

1.4 That any adjustment, settlement, compromise or reference to arbitration in connection with any dispute between the Company the insured or any of them arising under or in connection with this policy if made by the Bank shall be valid and binding on all parties insured hereunder but not so as to impair rights of the Bank to recover the full amount of any claim it may have on other parties insured hereunder.

1.5 That this insurance so far only as it relates to the interest of the Bank therein shall not cease to attach to any of the insured property by reason of operation of condition 5 (c) of the Policy except where a breach of the condition has been committed by the Bank or its duly authorized agents or servants and this insurance shall not be invalidated by any act or omission on the part of any other party insured hereunder whereby the risk is increased or by anything being done to upon or any building hereby insured or any building in which the goods insured under the policy are stored without the knowledge of the Bank provided always that the Bank shall notify the Company of any change of ownership or alterations or increase of hazards not permitted by this insurance as soon as the same shall come to its knowledge and shall on demand pay to the Company necessary additional premium from the time when such increase of risks first took place and

1.6 It is further agreed that whenever the Company shall pay the Bank any sum in respect of loss or damage under this policy and shall claim that as to the Mortgagor or owner no liability therefore existed, the Company shall become legally subrogated to all the rights of the Bank to the extent of such payments but not so as to impair the right of the Bank to recover the full amount of any claim it may have on such Mortgagor or Owner or any other party or parties insured hereunder or from any securities or funds available.

N.B: In cases where the name of any Central Government or State Government owned and / or sponsored Industrial Financing or Rehabilitation Financing Corporations and /or Unit Trust of India or General Insurance Corporation of India and/or its subsidiaries or LIC of India/ any Financial Institution is included in the title of the Fire Policy as mortgagees, the above Agreed Bank Clause may be incorporated in the Policy substituting the name of such institution in place of the word 'Bank' in the said clause.