



Electronic Equipment Insurance
UIN IRDAN102RP0015V01100001

Electronic Equipment insurance is a type of engineering insurance that individuals or corporate entities can opt for, to cover losses or damages caused to their insured electronic assets. Insured property can be various types of equipment viz. Computers, Servers, Printers, Audio/ Visual machines, Medical or biomedical equipment like X-ray machine, path lab, ultrasound devices.

What are the key benefits of Electronic Equipment Insurance (EEI) Policy?

1. Electronic devices are highly vulnerable and vulnerable to power fluctuations causing physical or software damages; an EEI policy covers this possibility with both hardware and software coverage under its policies.
2. An Electronic Equipment Insurance policy protects electronic equipment against physical damage or data loss.
3. Basis for claim settlement: For Partial Loss: Indemnity on Reinstatement Value Basis – New for Old without deduction towards depreciation. For Total loss: Cost of replacing the damaged equipment less depreciation.

What are the unique features of this policy?

1. **Section I—Equipment**: This Is an All-risk policy that covers the insured equipment against sudden and unforeseen physical damage from any cause other than those specifically excluded. For instance, the policy covers the insured equipment against Fire, breakdown, natural calamities like lightning, explosion, cyclone, earthquake, flood, landslide, rock slide, etc.
2. Following additional coverages can be opted for on payment of additional premium: -

Section II - External Data Media:

- Coverage for the cost of the damaged external data media
- Coverage for the cost of restoration of data stored, subject to the backup system being available

Section III - Increased Cost of Working (ICOW):

- Additional costs incurred to ensure continued data processing on substitute equipment if such costs arise as a consequence of an indemnifiable loss or damage to property insured under the Material Damage Section of this Policy
 - Cover is subject to a Time Excess
3. Named exclusions
 4. Standard cover across all types of customer segments



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What is the basis of the Policy Cover?

The Policy covers Insured items only after the successful completion of their performance/ acceptance test whether they are

- At work
- At rest
- Being dismantled for purpose of cleaning/overhauling or in the course of these operations or when being shifted within the SPECIFIED premises or during subsequent erection.
- The Policy is on an All-Risk basis subject to specified exclusions.

Sum Insured

Section I: Equipment

The sum insured or value of the policy should be equivalent to the New Replacement cost of the insured property including Freight, Erection cost, Customs Duty, if any and erection costs.

Section II: External data media (if opted)

The Sum Insured shall be the amount required for restoring the insured external data media by replacing lost or damaged data media by new material and lost information.

Section III: Increased cost of working (if opted)

Sum Insured should represent the hiring charges per hour for substitute equipment to ensure continued data processing for the period of indemnity specified, including personnel and transportation charges.

What are the major Exclusions under this Policy?

- War, Invasion, Act of a foreign Enemy, Hostilities or War Like operations
- Nuclear Reaction, Nuclear radiation or Radioactive contamination.
- Willful act or willful negligence of the Insured or his representative.
- Cessation of work whether total or partial.
- Cost Incurred in movement of machinery outside territorial limits of India
- Derangement of the Insured property not accompanied by damage
- Loss or damage to the property covered falling under the maintenance Agreement.
- Loss or damage directly occasioned by pressure wave caused by aircraft.
- Terrorism.
- Excess stated in the Policy Schedule
- Loss or damage caused by any faults or defects existing at inception
- Loss or damage as a consequence of wear and tear or gradual deterioration.
- Costs incurred in connection with the maintenance of the insured items,
- Loss or damage for which the manufacturer is responsible by law or under contract;
- Loss of damage to rented or hired equipment for which the owner is responsible



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- Consequential loss or liability
- Loss or damage to bulbs, valves, tubes, ribbons, fuses, seals, belts etc.
- Aesthetic defects, such as scratches on painted polished or enameled surfaces.

What is the claims procedure?

- Claim can be intimated by the insured at any of our offices or call us at 1860 258 0000 / 1860 425 0000.
- The company will assign a surveyor to assess the damaged site for the loss evaluation.
- **Documents to establish cause, extent, and loss adjustment as per policy terms will be required to be submitted. In General, the following documents are required**
 - Claim form,
 - Fire Brigade Report / FIR,
 - Proof in support of the Cause of Loss, like OEM report (RCA),
 - List of Items Covered / Asset Register,
 - Quotation to establish the cost of replacement,
 - Repair / Reinstatement Invoices with Payment proof,
 - CKYC documents PAN, ROC certificate, Aadhaar, and GST Registration Certificate
 - Any other document: There may be specific requirements depending upon the merits of each case.

Turn Around Time for claims settlement:

- 15 working days from the date of receipt of the survey report or last document/ clarification from the Insured / Surveyor, whichever is later.

Deductibles (Excess)

- a) Equipment with value up to Rs. 1 lac - 5 % of claim amount subject to a minimum of Rs.1,000/-
- b) Equipment with value more than Rs. 1 lac - 5 % of claim amount subject to a minimum of Rs. 2,500/-