



# HIMALAYAN GENERAL INSURANCE CO. LTD.

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## MECHINERY BREAKDOWN PROPOSAL FORM

Proposer's Name in full: \_\_\_\_\_

Correspondence Address: \_\_\_\_\_

Situation of Plant/Machinery: \_\_\_\_\_

Item No.	Description & Type Engines-BHP & speed Electrical machines-KW or KV Others-size, max.load, motor size	Makers Name Country of origin Year of Make	Replacement Value (as new)	Excess

Please indicate optional extensions of cover required:-

- A. Explosion damage to boilers and other pressure vessels
- B. Flue gas explosion
- C. Labour and overtime costs
- D. Damage to foundations
- E. Damage to Insured's surrounding property

1. Is the plant already insured or has it been previously insured by you for the risks proposed? If so, with what Company? \_\_\_\_\_
2. Has any Company or underwriter for the plant proposed:-  
a) declined to insure? \_\_\_\_\_  
b) cancelled or refused to renew? If so give details. \_\_\_\_\_
3. Are you aware of any defect in the plant? \_\_\_\_\_
4. Give details of any major accidents or repairs in the last 5 years. \_\_\_\_\_
5. What arrangements are made for and who carries out the regular maintenance and inspection of the plant? \_\_\_\_\_
6. Date of last overhaul or maintenance service. \_\_\_\_\_
7. Nearest centre for repairs. \_\_\_\_\_
8. Number of hours per year the plant is operated. \_\_\_\_\_
9. Do you wish the Policy to be issued in ENGLISH ( ) NEPALI ( ) EITHER ( )

### DECLARATION

I/We hereby warrant that the answers stated above are true and that I/we have withheld no information which might influence acceptance of this proposal and that the warranty hereby given shall be the basis of the contract between me/us and Company. I/We undertake to exercise all reasonable and ordinary precautions for the safety to the plant proposed for insurance and I/we agree to accept the terms and conditions of the Company's Policy.

Date:

Signature:

## DESCRIPTION OF POLICY COVER

The Company's Machinery Breakdown Policy is applicable to all types of Engineering Plant and Machinery whether Mechanical or Electrical, driving or driven and including Boiler, Pressure Vessels or Containers and Lifting Appliances. The Policy is designed to indemnify the Insured against loss or damage encountered in the working of Plant and Machinery which in spite of the care and maintenance expended by the user may well involve the user in heavy costs for repair or replacement consequent upon an insured accident.

### BASIC COVER

Breakdown means any sudden and unforeseen loss or damage such as that arising from:-

1. careless, incompetent or negligent acts of employees or third parties.
2. structural defects, material defects or defects of design or assembly.
3. fortuitous working accidents such as vibration, maladjustment, loosening of parts, abnormal stresses, fatigue, centrifugal force, excessive speed, defective or accidental lack of lubrication, seizure, water hammer or local overheating ( except in the case of boilers or similar plant when followed by explosion), failure of or faults in protection devices.
4. falling, impact, collision or similar occurrences, obstruction or the entry of foreign bodies.
5. frost or drifting ice.
6. the effect of current following failure of insulation, short circuits. open circuits or arcing or the effect of static electricity.

The cover applies whilst the plant is:

- a) working or at rest
- b) being dismantled, moved or re-erected for the purpose of cleaning, inspection, repair or installation in another position within the Situation

### EXCEPTIONS

1. Loss or damage arising from:
  - a) fire, lightning, explosion, aircraft, theft, flood, subsidence, collapse of buildings or escape of water from water-containing, convulsions of nature or atmospheric disturbances.
  - b) testing, intentional overloading or experiments involving the imposition of abnormal conditions.
  - c) war, riot and civil commotion and radioactive contamination risks.
2. Normal wear and tear, deterioration, corrosion, rust, boiler scale, slowly developing flaws or defects or scratching of painted or polished surfaces.
3. Wilful negligence of the Insured.
4. Loss of use or other consequential losses.
5. Loss of or damage to foundations, masonry, exchangeable or replaceable parts or attachments.

### OPTIONAL EXTENSIONS OF COVER

- A. Explosion damage to boilers, pressure vessels or other plant subject to steam or fluid pressure.
- B. Flue gas explosion damage to boilers or economisers.
- C. Labour and overtime costs.
- D. Damage to foundations and masonry.
- E. Damage to Insured's surrounding property (other than plant insured).,

The sum insured for each item should be equal to its replacement value as new, i.e. the purchase price value of a similar new item including transport, erection and customs duty (if any).

The cover is subject to the user maintaining the Plant and Machinery in good working order and observing all the makers/suppliers conditions relating to condition operation and inspection.