THE NEW INDIA ASSURANCE COMPANY LIMITED
Head Office : New India Assurance Bldg.
87, M.G. Road, Fort, Mumbai – 400 001
CIN No: L66000MH1919GOI000526 / IRDAI Regn. No.190

New India Bharat Laghu Udyam Suraksha Policy
UIN : IRDAN190RP0012V02202021

Agreed Bank Clause

If You have mortgaged, hypothecated or created any security over any Insured Property in favour of a Bank, and the Bank has an interest in the Policy, the name of such Bank will also be shown in the Policy Schedule under the title 'Agreed Bank Clause'. If You choose to add the name of such Bank at any time during the Policy Period this will be shown as an Endorsement. In this Clause, the word 'Bank' includes any financial institution.

Under this Clause, You agree as follows:

i. We shall pay to the Bank the entire amount that We are liable to pay under this Policy. Such Bank will receive it for its own demand, and as agent for any other person interested in the amount.

ii. When We pay the amount to the Bank, Our liability under this Policy will be discharged, and will be binding on all of You and all persons named as the insured.

iii. Any notice or communication We make to the Bank under the provisions of this Policy shall be sufficient notice or communication to You.

iv. Any settlement or compromise that We make with the Bank will be binding on You and all persons named as the insured. However, such settlement or compromise will not affect the rights of the Bank to recover any amount from You or any other person.

v. If You make any change in the use of the Insured Property or Your Premises or sell or transfer the Insured Property, such actions will not prejudice the interest of the Bank under the Policy and this Clause, unless the condition has been broken by the Bank or its employees.

vi. If You commit any act or omission that will increase the risk, the insurance cover will not be invalidated. However, the Bank shall notify Us of any change or ownership, or alterations and increase in risks as soon they become known to the Bank, and shall pay additional premium from the time of such change.

vii. When We pay the amount to the Bank, We will become legally and automatically subrogated to all rights of the Bank to the extent of such payment. This will not impair or prejudice the rights of the Bank to recover any amount from You or any other person.

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