

Residual Value Insurance

POLICY WORDING

It is hereby agreed and declared that notwithstanding anything to the contrary contained in the Policy the Company hereby agrees to offer Residual Value of the Insured Vehicle at the end of Policy Period subject to terms, conditions, limitations and exclusions specified in the Policy Schedule/Certificate of Insurance.

I. Scope of Cover

In consideration of the payment of premium as specified in the Policy Schedule/Certificate of Insurance, it is hereby agreed and declared that the Company shall provide the difference between the guaranteed value which is a fixed pre-determined % of ex-showroom price or invoice value whichever is lower on the date of purchase of Vehicle(as specified in the Policy Schedule) and the actual market value of the Vehicle at the time of sale of the Vehicle.

Provided,

- The differential incurs due to financial, or performance risk tied to market conditions, demand-supply dynamics, and economic cycles at time of resale of Vehicle.

II. Specific Conditions

- The Cover is applicable for the first owner as recorded in registration certificate of the Insured Vehicle.
- This Policy is offered only to Brand New vehicles unless otherwise agreed by Us.
- The Vehicle must be covered under valid and continuous Motor Insurance Package Policy.
- This Policy can be purchased at the time of inception of Motor Insurance Package Policy or within Window Period as defined under this Policy. At any given time, this Policy shall not be issued, added or attached during the subsistence of such Motor Insurance Package Policy.
- This cover will be applicable only if vehicle is insured with Us for the entire opted Policy/Certificate Period without any break in the insurance.
- The Residual Value Insurance will be offered as per the slab mentioned in Policy Schedule / Certificate of Insurance only if the vehicle's usage and condition is as per the agreed terms and conditions mentioned in the Policy Schedule / Certificate of Insurance which includes the agreed maximum vehicle running limits in kilometre mentioned in the Policy Schedule / Certificate of Insurance.
- Market Value of the Insured Vehicle shall be arrived by an authorized Valuation/Inspection agent of the Company.
- This cover can be claimed once during the Policy Period/Certificate Period as per percentage specified in the Policy Schedule/Certificate of Insurance.
- We reserve the right to, at its sole discretion to:
 - Undertake the sale or disposal of the vehicle directly or
 - Appoint a third party for the same, in lieu of authorizing the insured.
- The Cover is applicable only when there is sale of Insured Vehicle at the end of xx months specified in the Policy Schedule/Certificate of Insurance and intimation of claim under the Policy should be given to Us before 30 days from Policy/Certificate End date.
- To claim under this Cover, Insured should not sell the vehicle without prior consent of Us.

- At the time of claim, the Insured Vehicle must be in actual condition as specified by Manufacturer (e.g. no technical modification, no change in colour or other specification, no cutting / welding on the chassis / frame) and neither the Insured nor any of its affiliates have taken any action that could reasonably be foreseen to have a material adverse impact upon resale value of Insured Vehicle.
- The Insured has to maintain and service the vehicle strictly in accordance with the OEM/Manufacturer recommended maintenance schedule as specified in the owner's manual or any official updates provided by the OEM/Manufacturer.
- Repairs or replacements of Insured Vehicle must be carried out at authorized service centers using OEM/Manufacturer approved parts and processes.
- The battery for electric or hybrid vehicles must be maintained in accordance with the manufacturer's guidelines, including regular charging, avoidance of overcharging or deep discharge cycles and conducting any scheduled inspections or maintenance as required.
- In case of Electric or Hybrid Vehicle, the Vehicle Battery must be Company factory fitted only.
- For EV vehicles, the charger should be original and in proper working condition at the time of claim under this Policy.
- Any Portable Charger equipment which is given as additional attachment in Electric Vehicles also needs to be in proper working condition, if found missing, damaged, non-functional or otherwise not in usable condition the claim amount payable under this policy shall be reduced by Rs 5,000
- If the covered vehicle is financed, the Policy Period must not extend beyond the term of the finance contract and entire loan should be closed before raising claim in this policy (NOC certificate from financier is prerequisite document).
- If a claim is reported and later, insured opts to continue with the vehicle then in such case, cost of valuation / expenses incurred by the Us shall be borne by the Insured.
- At the time of claim, all the documents related to Insured Vehicle should be verified in original with no pending litigation.
- If at the time of any claim, in case there is more than one Insurance Policy issued to the insured covering the Insured/same vehicle, the Insurer will not apply Contribution clause.
- If Discount in lieu of Warranty is provided under this Policy in that case OEM Warranty or Extended Warranty or OEM EV Battery Warranty should be active at the time of claim under the Policy otherwise x% of deduction (as specified in the Policy Schedule/Certificate of Insurance) shall be applicable on claim amount
- If Discount in lieu of Service history provided, Then Vehicle should always be serviced at authorized OEM Service centre, in absence of same x% of claim amount as specified in Policy Schedule shall be deducted.
- Any deductible as specified in the Policy Schedule/Certificate of Insurance.

III. Specific Exclusions

- If the Insured Vehicle has run more than xx KMs in xx months as specified in the Policy Schedule/Certificate of Insurance.

- Failure or inability to obtain unencumbered actual or constructive possession of the Insured Vehicle for any reason.
- Sale of Insured Vehicle or use of any purpose other than originally intended and agreed.
- Any claim if the Insured Vehicle is used for any other purpose except for that specified on the Registration Certificate.
- Any modification to the Insured Vehicle which is not in accordance with the manufacturer's instructions or use of any accessory which has not been approved by the manufacturer.
- Any expenses incurred on routine maintenance or service or inspection of the Insured Vehicle.
- Any consequential loss of any kind and/or legal or contractual liability of any kind by or on behalf of Insured, other than the terms & conditions of the OEM/manufacture's warranty.
- Any loss or reduction in the actual market value of the Insured Vehicle directly or indirectly due to any product recall campaign and/or any manufacturing defect.
- Transfer of ownership of the vehicle during the Policy Period
- Any loss in market value of the Insured Vehicle resulting directly from war, invasion, acts of foreign enemies, civil war, rebellion, revolution, insurrection, acts of terrorism, including the use of threat of force or violence for political religious and/or ideological purposes, nuclear risks, including radiation, contamination or any nuclear or radioactive incidents arising from any source.
- Any claim arising due to any fraudulent act committed by the Insured.
- Any loss or damage to the Insured Vehicle that is covered under Motor Insurance Package Policy.
- In case Own Damage claim under Motor Insurance Package Policy exceeds xx time or xx then the claim amount under this Policy shall not exceed x% Ex-showroom price/Invoice price (whichever is lower) of Insured vehicle.
- Any interferences made to the speedometer/odometer/hour meter, or if there was a change to the corresponding mileage which was not indicated or reported to Us.
- Any loss in market value of the Insured Vehicle due to Damage / Destruction caused through cyber risks, loss, erasure, corruption or alter a computer virus) or loss of use, reduction in functionality, cost and Expense of whatsoever concurrently or in any other sequence to the loss.
- In case the Vehicle covered under this Policy is returned back by Insured to dealership due to OEM technical fault, mechanical fault, software or manufacturing defect, the coverage under this Policy shall immediately lapse.
- Any Registration, Government charges, challan, road tax etc paid by the Insured at time of vehicle registered shall be excluded.
- Any change in government regulations impacting benefits under the Agreement.
- Any loss in market value due to repairs/Body repair of the Insured Vehicle not being carried out at authorized workshops of OEM/Manufacturer or due to usage of parts not authorized by the OEM/Manufacturer.
- In case of EV or Hybrid vehicle, if battery installed in the covered vehicle is replaced due to any reason, no claim under this Policy shall be accepted.
- Battery failure due to manufacturing defect, applicable to Hybrid/Electric Vehicle.
- Any battery claims related to loss or damage due to ageing, depreciation, wear, and tear, improper charging, unauthorized chargers or voltage fluctuation, applicable to Hybrid/Electric Vehicle.
- Battery charging is not carried as per the guidelines of OEM, applicable to Hybrid/Electric Vehicle.
- We will not be liable to pay any claim under this Policy in case of default on repayment of any kind of loan taken on the Insured vehicle.
- If any Subsidy availed by Insured under Government scheme at the time of purchase of vehicle will be deducted from final claim amount made under this Policy.
- Damages caused by services performed by service personnel of the unauthorized repairers/workshops.
- Losses arising due to total loss, constructive total loss or theft of the covered Vehicle during the Policy/Certificate Period.
- Any loss arising due to Vehicle model and/or vehicle variant goes obsolete in the market, unless otherwise agreed by Us.
- Any loss arising due to new Technological Advancement in the covered Vehicle model and/or vehicle variant.
- The covered Vehicle shouldn't be involved in any criminal activity, hit & run case or in any police case including any history of accidental vehicle damage due to the person driving without a valid driving license or driving under the influence of drugs or alcohol.
- In case of EV, any cost related to battery owned by the Third Party and provided to the Insured on lease, subscription or on rental basis shall be excluded. Any battery supplied under such arrangements shall not be considered for the purpose of assessment of Residual Value or claims settlement under this Policy.

IV. Definitions

The terms defined below and at other junctures in this document shall have the meanings ascribed to them wherever they appear and where appropriate.

1. **Accident** shall mean any sudden, unforeseen and involuntary event caused by external, visible and violent means causing any structural damage to the Insured Vehicle.
2. **Base Policy/Motor Insurance Package Policy/** shall mean a policy having both Own Damage and Third Party cover.
3. **Certificate of Insurance** means the certificate issued to the Policyholder/ Insured in line with the terms and conditions as agreed upon in the Master Policy attached to and forming part of this insurance contract mentioning details including but not limited to, Vehicle details, details of the Insured Persons, coverage, sections and benefits applicable, the Residual Value %, the Policy Period, premium paid (including duties, taxes and levies thereon).
4. **Electric Vehicle** is a vehicle that uses one or more electric motors for propulsion, it can be powered by a collector system with electricity from extra vehicular sources, or it can be powered autonomously by a battery. Sometimes charged by solar panels, or by converting fuel to electricity using fuel cells or a generator. Electric Vehicle means, either Battery Electric Vehicle or Hybrid Electric Vehicle.
5. **Group** means any association of persons who assemble with a commonality of purpose or for engaging in a common economic activity, like employees of a Company. Non-Employer-Employee Groups, like employee welfare associations, holder of credit card

issued by a specific Company, customer of a particular business(not limited to OEM/Dealer) where insurance is offered as an add-on benefit, borrowers of a bank, professional associations or societies. However, an association of persons coming together with the main purpose of availing an insurance cover will not qualify to be a Group for the purpose of this Policy. There shall be a clearly evident relationship as specified by the Authority from time to time between the members of the Group and the Master Policyholder.

6. **Hybrid Electric Vehicle** is powered by an internal combustion by one or more electric motors, which uses energy stored in the batteries. A hybrid electric vehicle cannot be plugged in to charge the battery. Instead, the battery is charged through regenerative break-in and by the internal combustion engine.
7. **Insured/You/Your** shall mean a person/organization/entity to whom the Policy is issued by Us.
8. **Insurer/We/Our/Us/Company** means SBI General Insurance Company Limited.
9. **Insured Vehicle** shall mean the vehicle insured by Us under this Policy.
10. **Period of Insurance/Policy Period** shall mean the duration between the Commencement date and Expiry date of this Policy as specified in the Policy Schedule/Certificate of Insurance issued to the Insured.
11. **Residual value** shall mean a fixed value of the Insured Vehicle as specified in the Policy Schedule. This fixed value would be the difference between a predetermined % of ex-showroom price or Invoice value (whichever is lower) on the date of purchase and the market price at the time of sale of the Insured Vehicle as specified on the Policy Schedule/Certificate of Insurance. Market Value of the Insured Vehicle shall be arrived by an authorized Valuation/Inspection agent of the Company.
12. **Window Period** is the maximum number of consecutive Days from the original Purchase Date of the Vehicle proposed to be insured, within which this Policy can be purchased. The Window Period is as stated in the Master Policy Schedule.

commenced, premium will be refunded entirely.

The Cancellation refund is explained in the illustration below.

Claim Year	Policy Year-1	Policy Year-2	Policy Year-3
1	1st year Premium retained	2nd and 3rd Year Premium refunded	
2	1st and 2nd year Premium Retained		3rd Year premium refunded
3	No Refund		

3. Subrogation

The Insured and any claimant under this Policy shall at the expense of the Company do or concur in doing or permit to be done all such acts and things that may be necessary or reasonably required by the Company for the purpose of enforcing any civil or criminal rights and remedies or obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated upon the Company paying for or making good any loss or damage under this Policy whether such acts and things shall be or become necessary or required before or after the Insured's indemnification by the Company.

4. Fraud

If the Insured or any claimant under this Policy shall make or advance any claim knowing the same to be false or fraudulent as regards amount or otherwise, this Policy shall be void and all claims or payments hereunder shall be forfeited.

5. Due Observance

The due observance and fulfilment of the terms, conditions and endorsement of this Policy in so far as they relate to anything to be done or complied with by the Insured and the truth of the statements and answers in the said proposal shall be conditions precedent to any liability of the Company to make any payment under this Policy.

6. Reasonable Care

The Insured shall take all reasonable steps to safeguard the Insured Vehicle and shall maintain the vehicle as per OEM standards.

7. Right to Inspect

The Company / Administrator shall have at all times free and full access to examine the vehicle or any part thereof or any driver or employee of the insured.

8. Substitution

This policy does not permit any substitution of insured vehicle.

9. Governing Law

The construction, interpretation and meaning of the provisions of this Policy shall be determined in accordance with Indian law.

10. Territorial Limits

This Policy provides covers within India and the Company's liability to make any payment shall be to make payment within India and in Indian Rupees only.

11. Premium and Rates

Premium charges of each Policy shall be determined in accordance to the Insurer's rates and rules effective and applicable as at the time issuing the Policy of Insurance.

V. General Terms and Conditions

1. Claim Settlement

The Company will settle the claim under this Policy within 7 days from the intimation of claim or receipt of the Surveyor/Valuation report and necessary documents ie. Registration Certification, Service maintenance records, Residual Value Insurance policy copy, Comprehensive Motor Policy, Claim form and any other supporting document, if required.

As the case may be In the event that, where company has failed to receive the report of surveyor within the stipulated time of 15 days, in such case, the claim shall be settled within 22 days from the date of intimation of claim. in compliance with section 64UM of Insurance Act, 1938.

2. Cancellation

The policy may be cancelled at any time by the insured for any reason by informing the Company. The Company may cancel the policy by sending seven days' notice by recorded delivery to the insured at insured's last known address on grounds of established fraud without any refund. Company shall refund proportionate premium for unexpired policy year in which cancellation happens, provided there is no claim(s) made during the policy period when cancellation initiated by insured. For the remaining full policy years where the risk coverage has not

12. Grievance Redressal Procedure

Stage 1

If you wish to register your grievances directly with us, you may write to us at head.customer@sbigeneral.in or gro@sbigeneral.in or call our toll free number- 1800 102 1111. After examining the matter, final response would be conveyed within a period of 14 days from the date of receipt of your complaint. In our initial acknowledgement of receipt letter, we will provide the name and title of the person who is handling your Grievance. This person will have the authority necessary to investigate and resolve the Grievance.

Details of our Grievance Redressal Officer is mentioned on our website at <https://www.sbigeneral.in/grievance-redressal>

Note: The Company shall endeavour to maintain the regulatory TAT of 14 days in resolving your grievances.

Alternatively, you may Register your grievance with the regulator through Bima Bharosa which is a grievance redressal platform provided by the Insurance Regulatory and Development Authority of India (IRDAI). You may access the Bima Bharosa Portal using the following link: <https://bimabharosa.irdai.gov.in/Home/Home>

Stage 2

Escalation to Insurance Ombudsman

If you feel that the response to your Grievance was unsatisfactory, or if you believe your concerns have not been adequately addressed by the company, you may escalate the matter to the Insurance Ombudsman.

Submit your Grievance online:

<https://www.cioins.co.in/Ombudsman>

List of Ombudsman offices with contact details are attached as an Annexure-1. For updated status, Please refer to website www.irdai.gov.in

ANNEXURE I

The list of Insurance Ombudsman offices along with their area of jurisdiction is attached herewith. Ombudsman and Addresses of Ombudsmen Centres.

Areas of Jurisdiction	Office of the Insurance Ombudsman
Gujarat, Dadra & Nagar Haveli, Daman and Diu	Office of the Insurance Ombudsman Jeevan Prakash Building, 6th floor, Tilak Marg, Relief Road, Ahmedabad - 380 001. Tel. Nos: 079 - 25501201/02/05/06 Email: bimalokpal.ahmedabad@ecoi.co.in
Karnataka	Jeevan Soudha Building, PID No. 57-27-N-19 Ground Floor, 19/19, 24th Main Road, JP Nagar, 1st Phase, Bengaluru - 560 078. Tel.: 080 - 26652048 / 26652049 Email: bimalokpal.bengaluru@ecoi.co.in

Madhya Pradesh, Chhattisgarh	Janak Vihar Complex, 2nd Floor, 6, Malviya Nagar, Opp. Airtel Office, Near New Market, Bhopal - 462 003. Tel.: 0755 - 2769201 / 2769202 Fax: 0755 - 2769203 Email: bimalokpal.bhopal@ecoi.co.in
Odisha	62, Forest park, Bhubneshwar - 751 009. Tel.: 0674 - 2596461 / 2596455 Fax: 0674 - 2596429 Email: bimalokpal.bhubaneswar@ecoi.co.in
Punjab, Haryana (excluding Gurugram, Faridabad, Sonapat and Bahadurgarh), Himachal Pradesh, Union Territories of Jammu & Kashmir, Ladakh & Chandigarh	S.C.O. No. 101, 102 & 103, 2nd Floor, Batra Building, Sector 17 - D, Chandigarh - 160 017. Tel.: 0172 - 2706196 / 2706468 Fax: 0172 - 2708274 Email: bimalokpal.chandigarh@ecoi.co.in
Tamil Nadu, Puducherry Town and Karaikal (which are part of Puducherry).	Fatima Akhtar Court, 4th Floor, 453, Anna Salai, Teynampet, CHENNAI - 600 018. Tel.: 044 - 24333668 / 24335284 Fax: 044 - 24333664 Email: bimalokpal.chennai@ecoi.co.in
Delhi & following Districts of Haryana - Gurugram, Faridabad, Sonapat & Bahadurgarh.	2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi - 110 002. Tel.: 011 - 23232481/23213504 Email: bimalokpal.delhi@ecoi.co.in
Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura	Jeevan Nivesh, 5th Floor, Nr. Panbazar over bridge, S.S. Road, Guwahati - 781001(ASSAM). Tel.: 0361 - 2632204 / 2602205 Email: bimalokpal.guwahati@ecoi.co.in
Andhra Pradesh, Telangana, Yanam and part of Union Territory of Puducherry.	6-2-46, 1st floor, "Moin Court", Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004. Tel.: 040 - 67504123 / 23312122 Fax: 040 - 23376599 Email: bimalokpal.hyderabad@ecoi.co.in
Rajasthan	Jeevan Nidhi - II Bldg., Gr. Floor, Bhawani Singh Marg, Jaipur - 302 005. Tel.: 0141 - 2740363 Email: Bimalokpal.jaipur@ecoi.co.in
Kerala, Lakshadweep, Mahe-a part of Union Territory of Puducherry.	Shri P.K.Vijayakumar, 2nd Floor, CC 27/2603, Pulinat Bldg., Opp. Cochin Shipyard, M.G. Road, ERNAKULAM-682 015. Tel: 0484-2358759/2359338 Fax: 0484-2359336 Email: bimalokpal.ernakulam@gbic.co.in

West Bengal, Sikkim, Andaman & Nicobar Islands.	Hindustan Bldg. Annexe, 4th Floor, 4, C.R. Avenue, KOLKATA - 700 072. Tel.: 033 - 22124339 / 22124340 Fax : 033 - 22124341 Email: bimalokpal.kolkata@ecoi.co.in
Districts of Uttar Pradesh: Lalitpur, Jhansi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhadra, Fatehpur, Pratapgarh, Jaunpur, Varanasi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich, Barabanki, Raebareilly, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarnagar, Sultanpur, Maharajgang, Santkabirnagar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathnagar.	6th Floor, Jeevan Bhawan, Phase-II, Nawal Kishore Road, Hazratganj, Lucknow - 226 001. Tel.: 0522 - 2231330 / 2231331 Fax: 0522 - 2231310 Email: bimalokpal.lucknow@ecoi.co.in
Goa, Mumbai Metropolitan Region (excluding Navi Mumbai & Thane).	3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.: 022 - 26106552 / 26106960 Fax: 022 - 26106052 Email: bimalokpal.mumbai@ecoi.co.in
State of Uttarakhand and the following Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshahr, Etah, Kannauj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautam Buddha nagar, Ghaziabad, Hardoi, Shahjahanpur, Hapur, Shamli, Rampur, Kashganj, Sambhal, Amroha, Hathras, Kanshiramnagar, Saharanpur.	Bhagwan Sahai Palace 4th Floor, Main Road, Naya Bans, Sector 15, Distt: Gautam Buddha Nagar, U.P-201301. Tel.: 0120-2514250 / 2514252 / 2514253 Email- bimalokpal.noida@ecoi.co.in
Bihar, Jharkhand	1st Floor, Kalpana Arcade Building,, Bazar Samiti Road, Bahadurpur, Patna 800 006. Tel.: 0612-2680952 Email- bimalokpal.patna@ecoi.co.in

Maharashtra, Areas of Navi Mumbai and Thane (excluding Mumbai Metropolitan Region).	Smt. Ramma Bhasin, Secretary General, Shri Y.R. Raigar, Secretary 3rd Floor, Jeevan Seva Annexe, S.V. Road, Santacruz(W), MUMBAI - 400054 Tel : 022-26106889/6671 Fax : 022-26106949 Email- inscoun@gbic.co.in
The updated details of Insurance Ombudsman are available on IRDA website: www.irdai.gov.in , on the website of General Insurance Council: www.gicouncil.in , our website www.sbigeneral.inss	

Source:- CIO (cioins.co.in)