

ADVANCE LOSS OF PROFIT INSURANCE POLICY WORDINGS

In consideration of the Insured having paid to **Generali Central Insurance Company Limited** (hereinafter referred to as the **Insurer**) the premium shown in the Schedule to this Policy, the Insurer shall indemnify the Insured as in the Schedule of this Policy - in respect of the loss of gross profit actually sustained due to the reduction in turnover and the increased cost of working as defined in this Policy, if at any time during the period of insurance stated in the Schedule to this Policy any or all the insured items suffer loss or damage covered under the underlying Section 1 of Erection All Risk (EAR) / Contractors All Risk (CAR) Material Damage Policy number mentioned on the Schedule, unless specifically excluded in this Policy, thereby causing an interference in the construction/erection work and/or testing schedule resulting in a delay of commencement of and/or interference with the insured business, hereinafter referred to as the **"Delay"**.

The amount payable as indemnity hereunder shall be:

- in respect of loss of gross profit: the sum obtained by applying the rate of gross profit to the amount by which the actual turnover during the indemnity period falls short of the turnover which would have been achieved had the Delay not occurred;
- in respect of increased cost of working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, without such expenditure, would have taken place during the indemnity period, but not exceeding the sum obtained by applying the rate of gross profit to the amount of the reduction in turnover thereby avoided.

If the annual sum insured hereunder is less than the sum obtained by applying the rate of gross profit to the annual turnover, the amount payable shall be reduced proportionately.

I. DEFINITIONS

All capitalized terms will have meanings assigned to it under this Policy unless defined hereinbelow. All terms used here refer to the terms used under the Schedule to this Policy or any endorsements hereof.

1. Period of Insurance

The period of insurance shall be the period stated in the Schedule to this Policy, terminating on the date specified in the Schedule or on any earlier date when the EAR/CAR Material Damage cover of Section 1 ceases.

2. Scheduled Date of Commencement of the Insured Business

The provisional date stated in the Schedule to this Policy or any revised date upon which the business would have commenced had the Delay not occurred.

3. Indemnity Period

The period during which the results of the business are affected in consequence of the Delay, beginning on the Scheduled Date of Commencement of the Insured Business and not exceeding the maximum indemnity period stated in the Schedule to this Policy.

4. Time Excess

The period stated in the Schedule to this Policy for which the Insurer is not liable. The corresponding amount shall be calculated by multiplying the average daily value of loss sustained during the indemnity period by the number of days agreed upon as the time excess.

5. Turnover

The amount of money (less discounts allowed) paid or payable to the Insured for goods, products or services sold, delivered or rendered in the course of the insured business conducted at the premises.

6. Annual Turnover

The turnover which, had the delay not occurred, would have been achieved during the 12 months after the Scheduled Date of Commencement of the Insured Business.

7. Annual Gross Profit

The amount by which the value of the annual turnover and the value of the closing stock exceeds the value of the opening stock and the amount of the specified working expenses. The value of the opening and closing stocks shall be calculated in accordance with the Insured's normal accounting methods, due provisions being made for depreciation.

Specified working expenses shall be any costs incurred for the acquisition of goods, raw materials or auxiliaries as well as for supplies (unless required for the upkeep of operations) and any costs for packaging, carriage, freight, intermediate storage, turnover tax, purchase tax, licence fees and royalties for inventors, etc., insofar as such costs are dependent on turnover.

8. Rate of Gross Profit

The rate which, had the Delay not occurred, would have been earned on the turnover during the indemnity period.

9. Insured

The entity named in the Schedule who has concluded this Policy with the Insurer.

10. Schedule:

Schedule means the document which specifies, inter alia, the premium amount, details of the Insured and the Policy, Policy Period, Time Excess, limit of indemnity/sum insured, additional conditions if any and is attached to and forming part of this Policy.

II. SPECIAL EXCLUSIONS

The Insurer shall not be liable for

1. Loss of gross profit and/or increased cost of working due to any Delay caused by or resulting from –
 - 1.1. Loss or damage covered under Section 1 of EAR/CAR Material Damage Policy by way of endorsement, unless it has been specifically agreed in writing;
 - 1.2. Earthquake, volcanic eruption, tsunami, unless it has been specifically agreed in writing;
 - 1.3. Loss of or damage to surrounding property, construction machinery, plant and equipment;
 - 1.4. Loss of or damage to operating media or feedstock, shortage, destruction, deterioration of or damage to any materials necessary for the Insured business;
 - 1.5. Any restrictions imposed by a public authority;
 - 1.6. Non-availability of funds;
 - 1.7. Alterations, additions, improvements, rectification of defects or faults or elimination of any deficiencies carried out after the occurrence;
 - 1.8. Loss or damage to items taken over or taken into use by the Insured or for which cover under the Section 1 of underlying EAR/CAR Material Damage Policy has ceased;
 - 1.9. Repair of any items which do not form part of the project description/details referred to in the Schedule hereto, even if such repair is in consequence of loss of or damage to an item which forms part of the project description/details referred to in the Schedule hereto.
2. Claims/ circumstances made prior to the inception of the Policy or arising out of, based upon or attributable to any circumstance that, as of the inception of the Policy, may reasonably have been expected by Insured to give rise to a claim.
3. Any loss due to fines or damages for breach of contract, for late or non-completion of orders, or for any penalties of whatever nature;
4. Loss of business due to causes such as suspension, lapse or cancellation of a lease, licence or order, etc. which occurs after the date of actual commencement of the business;
5. Loss of or damage to erection work of a prototype nature, unless specifically agreed by endorsement.
6. Any loss resulting from damage occasioned by or happening through or in consequence, directly or indirectly, of any of the following occurrences, namely:-
 - a) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war.

- b) mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.
- c) confiscation, nationalization, commandeering, requisition or destruction by or under the order of any government de jure or de facto or by any public or local authority.
- d) the acts of any person or persons acting on behalf of or in connection with any organization with activities directed towards the overthrowing or influencing of any government de jure or de facto by force or violence.

In any action suit or other proceeding where the Insurer alleges that by reason of the provisions of this condition, any loss or damage is not covered by this Policy, the burden of proving that it is covered shall be upon the Insured.

7. Any loss, damage or Delay directly or indirectly caused by, arising from, or contributed to or aggravated by:
- a) ionizing radiations or radioactive contamination from any nuclear fuel or nuclear waste or from the combustion of nuclear fuel.
 - b) the radioactive, toxic, explosive or otherwise hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
 - c) any weapon of war employing atomic or nuclear fission or fusion or any other similar reaction or radioactive force or matter.

In any action suit or other proceeding where the Insurer alleges that by reason of the provisions of this condition any loss or damage is not covered by this Policy, the burden of proving that it is covered shall be upon the Insured.

8. Terrorism Damage Exclusion Warranty

This Policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion, an act of terrorism means an act or series of acts, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), or unlawful associations, recognized under Unlawful Activities (Prevention) Amendment Act, 2008 or any other related and applicable national or state legislation formulated to combat unlawful and terrorist activities in the nation for the time being in force, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear for such purposes.

This exclusion also includes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to the above

III. PROVISIONS

Memo 1 - Extension of Period

Any extension of the period of insurance under Section 1 of the underlying EAR/CAR Material Damage Policy shall not automatically lead to an extension of the period of insurance stated in the Schedule to this Policy.

Any extension of the Period of Insurance under this Policy shall be requested in writing as early as possible by the Insured, stating the circumstances leading to the need for extension, and shall have effect for this Policy only if specifically agreed upon in writing.

Any alteration of the Scheduled Date of Commencement of the Insured Business shall be reported and shall have effect for this Policy only if specifically agreed upon in writing.

Memo 2 - Basis of Loss Settlement

In calculating the rate of gross profit and annual turnover, the following points shall in particular be taken into consideration:

- a) the results of the insured business for the 12-month period after commencement of commercial operations,
- b) variations and special circumstances which would have affected the insured business had the Delay not occurred,
- c) variations and special circumstances affecting the insured business after commencement, so that the final figures represent as closely as may be reasonably practicable the results which the insured business would have obtained after the Scheduled Date of Commencement of the commercial operations had the Delay not occurred.

Memo 3 -Return of Premium

If the Insured declares (certified by the Insured's auditors) that the gross profit earned during the accounting period of twelve months following the commencement of the insured business or the date on which but for the delay the business would have commenced was less than the sum insured thereon, a pro rata return of premium, not exceeding one third of the premium paid, shall be made in respect of the difference. If any loss or damage has occurred giving rise to a claim under this Policy, such return shall be made in respect only of so much of said difference as is not due to such damage.

IV. SPECIAL CONDITIONS

1. The Insured shall present the Insurer with updated progress reports at intervals stated in the Schedule to this Policy.
2. The Insured is required to take all steps within its power to minimize the Delay.
3. In the event of any material change in the original risk such as
 - a. Changes of the envisaged progress programme, testing procedure, etc.
 - b. Alteration, modification or addition to any item of machinery or work, etc.
 - c. Departure from prescribed construction or operation conditions, changes in the Insured's interest (such as discontinuation or liquidation of the Business or its being placed in

receivership) taking place, the Policy shall be void unless its continuance be agreed by memorandum signed by the Insurer.

4. In the event of any occurrence which might cause a Delay and give rise to a claim under this Policy:
 - a) the Insured shall immediately notify the Insurer by telephone or email or facsimile and send them written confirmation thereof within forty-eight hours of the occurrence;
 - b) the Insured shall do and concur in doing and permit to be done all such things as may be reasonably practicable to minimize or establish the extent of any interference with the erection work and/or testing schedule so as to avoid or diminish any delay resulting therefrom.
 - c) the Insurer and every person authorized by the Insurer shall, without prejudice to any Insured by this Policy, have access to the erection site where such loss or damage has occurred for the purpose of direct negotiation with the responsible contractor or subcontractor in order to establish the possible cause and extent of the loss or damage, its effect on the insured items, to examine the possibilities for minimizing any delay to the Scheduled Date of Commencement of the Insured Business, and if necessary to make any reasonable recommendations for the avoidance or minimization of such delay.

This condition shall be evidence of the leave and licence of the Insured to the Insurer so to do. If the Insured or anyone acting on his behalf hinders or obstructs the Insurer during any of the above- mentioned acts or does not comply with such recommendations of the Insurer, all benefits under this Policy shall be forfeited.

5. In the event of a claim being made under this Policy, the Insured shall at his own expense deliver to the Insurers not later than thirty days after the delay or within such further periods as the Insurer may allow, in writing a written statement setting forth particulars of his claim. Further, the Insured shall at his own expense produce and furnish to the Insurer such books of account and other business books, e.g., invoices, balance sheets and other documents, proofs, information, explanations or other evidence as may reasonably be required by the Insurer for the purpose of investigating or verifying the claim, together with -if required -a statutory declaration of the truth of the claim and of any matters connected therewith.
6. The indemnity shall be payable one month after final determination of its amount. Notwithstanding the above, the Insured may, one month after the Insurer has been duly notified of the loss and have acknowledged their liability, claim as advance payment(s) the minimum amount(s) payable under the prevailing circumstances under this Policy.

The Insurer shall be entitled to postpone payment:

- a) If there are doubts as to the Insured's right to receive payment, until the necessary proof is furnished to the satisfaction of the Insurer;
- b) If, as a result of any loss or damage or any delay to the Scheduled Date of Commencement of the Insured Business, police or criminal investigations have been initiated against the Insured, until the completion of such investigations. The Insurers

shall not be liable to pay interest on indemnity moneys withheld other than interest for default.

7. The Insurers shall have free access to inspect the books of accounts of the Insured.
8. Contribution: If at any time of the happening of any loss or damage covered by this Policy there shall be subsisting any other insurance of any nature whatsoever covering the same, whether effected by the Insured or not, then the Insurer shall not be liable to pay or contribute more than its rateable proportion of such loss or damage.
9. Subrogation: The Insurer shall be entitled to be subrogated into the position of the Insured vis-à-vis any third party claim that may arise against the Insured, in respect of covered losses. The Insured and any claimant under this Policy shall at the expense of the Insurer do or concur in doing and permit to be done all such acts and things that may be necessary or reasonably required by the Insurer for the purpose of enforcing any right and remedies or obtaining relief or indemnity from other parties to which the Insurer shall be or would become entitled or subrogated upon the Insurer 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 Insurer.
10. Fraud: If any claim under this Policy shall be in any respect fraudulent or if any fraudulent means or devices are used by the Insured to obtain any benefit under this Policy, all benefits and rights under the Policy shall be forfeited.
11. Cancellation Clause
The Insurer may at any time cancel the Policy on grounds of mis-representation, non-disclosure of material facts, fraud, non-cooperation by the Insured or if any adverse development in risk is noticed by the Insurer, by sending thirty days' notice in writing to the Insured at his last known address in which case the Insurer shall return to the Insured a proportion/ pro-rata portion of the premium corresponding to the unexpired period of insurance provided that no claim has been paid under the policy.

The policy may also be cancelled by the Insured at any time by giving thirty days' notice in writing to the Insurer and in such event the Insurer shall allow refund of premium at Insurer's short period premium calculation, provided no claim has occurred up to the date of cancellation.
12. Arbitration
The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy. Arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996."
13. Law and Jurisdiction
This insurance shall be governed by and construed in accordance with the laws of India and the courts of India shall have exclusive jurisdiction to adjudicate any dispute.

14. SANCTION LIMITATION AND EXCLUSION CLAUSE (LMA 3100)

No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

15. DISCLOSURE TO INFORMATION NORM

The Policy has been issued on the basis of the information provided in respect of the Insured in the proposal form, personal statement and any other details submitted in relation to the proposal form/personal statement. The Policy shall be void and all premium paid hereon shall be forfeited to us, in the event of misrepresentation, mis-description or non-disclosure of any material fact. If at the time of issuance of the Policy, any fact in the material information provided to the Insurer in the proposal form or otherwise either by the Insured or by anyone acting on behalf of the Insured is found to be incorrect, incomplete, suppressed or not disclosed, wilfully or otherwise, the Policy shall be void, and no benefit will be payable thereunder.

16. OBSERVANCE OF TERMS AND CONDITIONS:

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 proposal shall be a condition precedent to Insurers liability to make any indemnity payment under this Policy.

17. STATUTORY COMPLIANCE

Insured shall comply with all statutory and other regulations.

18. ALTERATIONS IN THE POLICY

This Policy constitutes the complete contract of insurance. No change or alteration will be effective or valid unless approved in writing which will be evidenced by a written endorsement, signed and stamped by Insurer.

19. ASSIGNMENT

This Policy and any rights or obligations of the Insured under or in respect of it cannot be assigned without Insurers prior written consent.

20. NOTICES & COMMUNICATIONS:

Any notice or communication in relation to this Policy will be in writing and if it is to:

- i) Insured, then it will be sent to you at your address specified in the Schedule.
- ii) Insurer, it will be delivered to our address specified in the Schedule or this Policy. No insurance agents, insurance intermediaries or other person or entity is authorized to receive any notice or communication on Insurer's behalf.

Redressal of Grievance

In case of any grievance the insured person may contact the company through

Website: <https://generalicentralinsurance.com> Toll Free: 1800-220-233 / 1860-500-3333 / 022-67837800 Email: gcicare@generalicentral.com

Courier: Grievance Redressal Cell, **Generali Central Insurance Company Limited**

Lodha I –Think Techno Campus, B Wing –2nd Floor, Pokhran Road –2, Off Eastern Express Highway Behind TCS, Thane West – 400607

Insured person may also approach the grievance cell at any of the company's branches with the details of grievance.

If Insured person is not satisfied with the redressal of grievance through one of the above methods, insured person may contact the grievance officer at GCIGRO@generalicentral.com or call at: 7900197777

For updated details of grievance officer, kindly refer the link generalicentralinsurance.com/customer-service/grievance-redressal

If Insured person is not satisfied with the redressal of grievance through above methods, the insured person may also approach the office of Insurance Ombudsman of the respective area/region for redressal of grievance as per Insurance Ombudsman Rules 2017. Kindly refer the annexure on Grievance Redressal Procedures.

Grievance may also be lodged at IRDAI Bima Bharosa (an Integrated Grievance Management System) - <https://bimabharosa.irdai.gov.in/>

STATUTORY NOTICE: “INSURANCE IS THE SUBJECT MATTER OF THE SOLICITATION”

Generali Central Insurance Company Limited (Formerly known as Future Generali India Insurance Company Limited) | Registered Office: Unit No. 801 & 802, 8th Floor, Tower C, Embassy 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400083 | **IRDAI Regn. No.:** 132 | **CIN:** U66030MH2006PLC165287 | **Website:** <https://generalicentralinsurance.com> | **Email ID:** gcicare@generalicentral.com | **Toll-free Phone:** 1800 220 233 / 1860 500 3333/ 022 6783 7800

GRIEVANCE REDRESSAL PROCEDURE

Dear Customer,

At Generali Central Insurance, we continuously strive for service excellence to give you exceptional customer experience. This helps us build trust and long-term relationship with you.

We request you to read the policy document including the terms and conditions carefully. This will help you understand your plan and drive maximum benefits. We want to ensure the plan is working for you and welcome your feedback.

What is a grievance?

"Complaint" or "Grievance" means written expression (includes communication in the form of electronic mail or voice based electronic scripts), of dissatisfaction by a complainant with respect to solicitation or sale or purchase of an insurance policy or related services by insurer and /or by distribution channel.

"Complainant" means a policyholder or prospect or any beneficiary of an insurance policy who has led a complaint or grievance against an insurer or a distribution channel.

We are always here for your help. You may use any of the following channels to reach us-

Helpline	Website	Email	Branch GRO	Complaint Form
Call us on 1800 220 233/ 1860 500 3333/ 022-67837800 Senior citizens can avail priority support by choosing the senior citizen option from the helpline menu.	Click here to know more	Write to us at GCIcare@generalicentral.com Senior citizens can avail priority support by writing to care.assure@generalicentral.com	Click here to know your nearest branch.	Click here to raise complaint.

By when will my grievance be resolved?

- ▶ You will receive grievance acknowledgement from us immediately for your complaint.
- ▶ Final resolution will be shared with you within 2 weeks of receiving your complaint.
- ▶ Your complaint will be considered as closed if we do not receive any reply from you within 8 weeks from the date of receipt of response.

How do I escalate my complaint if I don't receive a response on time?

- ▶ You may write to our Grievance Redressal Officer at **GCI GRO@generalicentral.com**
- ▶ You may send a physical letter to our Grievance Redressal Cell, Head Office at the below address:

GENERALI CENTRAL INSURANCE COMPANY LIMITED (Formerly known as Future Generali India Insurance Company Limited)

Lodha I – Think Techno Campus, B Wing – 2nd Floor, Pokhran Road – 2, Off Eastern Express Highway Behind TCS, Thane West – 400607

What if I am not able to register my grievance?

You can comfortably raise a grievance via any of the above-mentioned avenues. If you face any challenge, you may write to the provided email IDs for help.

If you still face any challenge, you may use any of the below options to raise a complaint with the Insurance Regulatory and Development Authority of India (IRDAI).

- ▶ Call on toll-free number: **155255**
- ▶ **Click here** to register complaint online

Is there any special provision for senior citizen to raise grievance?

We understand our customers and their needs. Thus, have a separate channel to address the grievances of senior citizens. The concerns will be addressed to the senior citizen's channel (**care.assure@generalicentral.com**) as complaints for faster attention or speedy disposal of grievance, if any.

Insurance Ombudsman:

If you are still dissatisfied with the grievance redressal, you may approach the Office of the Insurance Ombudsman located in your vicinity, provided the same is under their purview. The guidelines for taking up a complaint with the Insurance Ombudsman, are available on the website a (**<https://www.cioins.co.in/About>**) of the Insurance Ombudsman. **Click here** to access the list of insurance Ombudsman offices.

You can also lodge an online complaint through the website of the Council for Insurance Ombudsmen (CIO): **<https://www.cioins.co.in/>**