

FG ADVANCE LOSS OF PROFIT INSURANCE

PROSPECTUS CUM SALES LITERATURE

The Advance loss of profits (ALOP) policy can be provided in conjunction with Erection All Risk or Contractors All Risk Insurance (EAR / CAR) policy. The full terms, conditions, warranties and additional covers would depend on the options exercised by the proposers and the terms as agreed, offered by Reinsurer. The terms, conditions, warranties under the policy will be same as the one's provided by the reinsurers. The perils covered under the policy are same as covered under underlying Section 1- Material Damage (CAR/EAR) policy.

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.

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 commercial operations had the delay not occurred.

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 –

Public Future Generali India Insurance Company Limited

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Future Generali India Insurance Company Limited

Corporate & Registered Office:- 801 and 802, 8th Floor, Tower C, Embassy 24X7 Park, L.B.S. Marg, Vikhroli - West, Mumbai, Maharashtra - 400083

Care Lines:- 1800-220-233 / 1860-500-3333 / 022-67837800 Email:- fgcare@futuregenerali.in Website:- www.futuregenerali.in

IRDA Regn. No. 132 , CIN - U66030MH2006PLC165287

- 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:

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- 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

Extensions: The Coverage can be extended up to a limit chosen by the insured on the following, on payment of additional premium:

1. Supplier's Extension
2. Public Utilities Extension
3. Prevention of Access
4. Additional Increased Cost of Working
5. Other Perils Extension (as applicable)
 - STFI Perils Cover
 - Earthquake Cover
 - Sabotage and Terrorism Damage Cover Endorsement - Material Damage and Advanced Loss Of Profit
 - Political Violence Insurance Extension - Property Damage And Advance Loss Of Profit

Additional Exclusions/Endorsements

- Cyber Loss Limited Exclusion Clause (LMA 5410)

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- Communicable Disease Exclusion Endorsement Clause

Any other Extensions, Endorsements, Additional/Optional Covers, quoted/agreed by the re-insurer.

Cancellation/Termination

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.

Disclaimer

The details furnished above are only a summary of product features and do not describe the entire terms, conditions and exclusions on the Policy. For further details or clarifications on the Policy contact Future Generali India Insurance officials or your insurance advisor. We shall be pleased to furnish further details.

Grievances

If You have any grievance about any matter relating to the policy, or Our decision on any matter, or Our decision about Your claim, You can pursue Your grievance with Our Grievance Redressal Officer

The Consumer Affairs Department of the Insurance Regulatory and Development Authority of India (IRDAI)—You can lodge Your grievance in the Integrated Grievance Management System (IGMS), The Insurance Ombudsman, depending on the nature of the grievance and the financial implications, if any, or The Consumer Protection Forum or the Court.

About Our Company

Future Generali India Insurance is a joint venture between the Future Group – the game changers in Retail Trade in India and Generali - an 190 year old global insurance group featuring among the world's 70 largest companies*. Future Generali has been aptly benefitting from the Indian expertise and network of Future Group and the global insurance insight in diverse product classes of Generali Group. Our competitive edge, extensive range of general insurance products, wide network, claim servicing capabilities and the ability to provide all possible general insurance solutions under one roof, makes us the most preferred partner for our customers.

*As per Fortune Global 500 Ranking (2020)

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SECTION 41 OF INSURANCE ACT, 1938 – Prohibition of Rebates

No person shall allow or offer to allow either directly or indirectly as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a policy accept any rebate except such rebate as may be allowed in accordance with the published prospectuses or tables of the Insurer.

Any person making default in complying with the provisions of this section shall be liable for a penalty which may extend to ten lakh rupees.