

## **CONSEQUENTIAL LOSS (FIRE) INSURANCE POLICY** **POLICY WORDING**

In consideration of the Insured named in the Schedule hereto having paid to the FUTURE GENERALI INDIA INSURANCE COMPANY LIMITED (hereinafter called the Company), the Premium mentioned in the Schedule, the Company agrees (subject to the special conditions and exclusions contained herein or endorsed or otherwise expressed hereon and also to the conditions and exclusions contained in the Fire Policy covering the interest of the Insured in the property at the Premises.

That if any building or other property or any part thereof used by the Insured at the Premises for the purpose of the Business, be destroyed or damaged by the perils covered under the Fire Policy, (destruction or damage so caused being hereinafter termed as Damage) and the Business carried on by the Insured at the Premises be in consequence thereof interrupted or interfered with, then the Company will pay to the Insured in respect of each item in the Schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provisions contained herein.

Provided that

1. Such Damage is caused at any time after payment of the Premium during the Period of Insurance named in the Schedule or of any subsequent period in respect of which the Insured shall have paid and the Company shall have accepted the premium required for the renewal of the Policy.
2. At the time of the happening of the damage there shall be in force a Fire Policy covering the interest of the insured in the property at the Premises against such damage and that payment shall have been made or liability admitted thereunder. However, this proviso shall not apply where payment is not made under Fire Policy, solely due to operation of a proviso in the Fire Policy excluding liability for losses below a specified amount.
3. The liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon or in the whole the Total Sum Insured hereby or such other sum or sums as may hereafter be substituted therefore by memorandum duly signed by or on behalf of the Company.

### **CONDITIONS**

1. The insurance by this Policy shall cease if:
  - a. the Business be wound up or carried on by a Liquidator or Receiver or permanently discontinued or
  - b. the Insured's interest ceases otherwise than by death

or

- c. any alteration be made either in the Business or in the Premises or property therein whereby the risk of damage is increased, at any time after the commencement of this insurance, unless its continuance be admitted by memorandum signed by or on behalf of the Company.
  
2. Notice shall be given to the Company of alteration in existing blocks, addition of new blocks and/ or premises and/ or deletion of existing blocks and/ or premises during the currency of the Policy to enable the Company to determine whether the basis rate of the Policy undergoes a change as a result of such inclusions/ exclusions and to effect necessary adjustments in the Premium under this Policy.
  
3. On the happening of any Damage in consequence of which of claim is or may be made under this Policy, the Insured shall
  - a. forthwith give notice thereof to the Company,
  
  - b. with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss,
  
  - c. not later than thirty days after the expiry of the Period of Indemnity or within such further time as the Company may in writing allow, at his own expense deliver to the Company in writing a statement setting forth particulars of his claim together with details of all other insurances (if any) covering the Damage or any part of it or consequential loss of any kind resulting therefrom,
  
  - d. at his own expense produce or procure and give to the Company such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information explanation and other evidence as may reasonably be required by or on behalf of the Company for the purpose of investigating or verifying the claim together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith.

No claim under this Policy shall be payable unless the terms of this Condition have been complied with and in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the Company forthwith.

4. In no case whatsoever shall the Company be liable in respect of any claim under this Policy after the expiration of:
  - a. One year from the end of the Period of Indemnity or if later,
  - b. Three months from the date on which payment shall have been made or liability admitted by the Company covering the Damage giving rise to the said claim, unless the claim is the subject of pending action or Arbitration.
  
5. This Policy and the Schedule annexed (which forms an integral part of this Policy) shall be read together as one contract, and words and expressions to which specific meanings have been attached in any part of this Policy or of the Schedule shall bear such specific meanings wherever they may appear.
  
6. This insurance does not cover any loss resulting from damages occasioned by or 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 proportion of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power.
  - c. In any action suit or other proceeding where the Company alleges that by reason of the provisions of this Condition any loss or damage is not covered by this Insurance, the burden of proving that such loss or damage is covered shall be upon the Insured.

7. At all times during the Period of Insurance of this Policy, the insurance cover will be maintained to the full extent of the respective sum insured in consideration of which, upon the settlement of any loss under this Policy, pro-rata premium for the unexpired period from the date of such loss to the expiry of Period of Insurance for the amount of such loss shall be payable by Insured to the Company.

The additional premium referred above shall be deducted from the net claim amount payable under the Policy. This continuous cover to the full extent will be available notwithstanding any previous loss for which the Company may have paid hereunder and irrespective of the fact whether the additional premium as mentioned above has been actually paid or not following such loss. The intention of this Condition is to ensure continuity of the cover to the Insured subject only to the right of the Company for deduction from the claim amount when settled of pro-rata premium to be calculated from the date of loss till expiry of the Policy.

Notwithstanding what is stated above, the Sum Insured shall stand reduced by the amount of loss in case the Insured, immediately on occurrence of the loss, exercises his option not to reinstate the Sum Insured as above.

**SPECIFICATION A**

**Insurance on Gross Profit on Turnover Basis**

<b>Item No.</b>	<b>Sum Insured</b>
1. <b>Net Profit</b>	<b>Rs. -----</b>
2. <b>Standing Charges</b>	<b>Rs. -----</b>
<b>Total Sum Insured (Gross Profit)</b>	<b>Rs. -----</b>

The insurance under Item No. 1 is limited to loss of Gross Profit due to (a) Reduction in Turnover and (b) Increase in Cost of Working and the amount payable as indemnity thereunder shall be: -

- a) **IN RESPECT OF REDUCTION IN TURNOVER:** the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover.

b) IN RESPECT OF INCREASE IN COST OF WORKING: the addition expenditure

(subject to the provisions of Memo 2) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided,

Less any sum saved during the Indemnity Period in respect of such of the Insured Standing Charges as may cease or be reduced in consequence of the Damage,

Provided that if the Sum Insured by this Item be less than the sum produced by applying the Rate of Gross Profit to the Annual Turnover, the amount payable shall be proportionately reduced.

**Departmental Clause:**

“If the Business be conducted in departments, the independent trading results of which are ascertainable, the provision of Clause (a) and (b) of Item 1 shall apply separately to each department affected by the Damage except that if the Sum Insured by the said item be less than the aggregate of the sum produced by applying the Rate of Gross Profit for each department of the Business (whether affected by the Damage or not), to the relative Annual Turnover thereof, the amount payable shall be proportionately reduced.”

**Definitions**

**GROSS PROFIT** – The sum produced by adding to the Net Profit the amount of the Insured Standing charges, or if there be no Net Profit the amount of the Insured Standing Charges less such a proportion of any net trading loss as the amount of the Insured Standing Charges bears to all the Standing Charges of the Business.

**NET PROFIT** – The net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the Business of the Insured at all premises after due provision has been made for all Standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

**INSURED STANDING CHARGES** – Per listing of Charges stated in the Schedule to the Policy

**TURNOVER** – The money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the Business at the premises.

**INDEMNITY PERIOD** – the period beginning with the occurrence of the Damage and ending not later than \_\_\_\_\_ months thereafter during which the results of the Business shall be affected in consequence of the Damage.

<p><b>RATE OF GROSS PROFIT</b> – the Rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the damage.</p> <p><b>ANNUAL TURNOVER</b> – the Turnover during the twelve months immediately before the date of the Damage.</p> <p><b>STANDARD TURNOVER</b> – the Turnover during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period</p>	<p>to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the business either before or after the Damage or which would have affected the Business had the Damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.</p>
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**Memo 1.** If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the Business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

**Memo 2.** If any Standing Charges of the Business be not insured by this Policy then in computing the amount recoverable hereunder as Increase in Cost of Working that proportion only of the additional expenditure shall be brought into account which the sum of the Net Profit and the Insured Standing Charges bears to the sum of the Net Profit and all the Standing Charges.

**Memo 3.** If the Insured declares, at the latest twelve months after the expiry of any Period of Insurance, that the Gross Profit earned (or a proportionately increased multiple thereof

here the maximum Indemnity Period exceeds 12 months) during the accounting period of 12 months most nearly concurrent with any Period of Insurance, as certified by the Insured's Auditors, was less than the Sum Insured thereon, a pro-rata return of Premium not exceeding 50% of the Premium paid on such Sum Insured for such Period of Insurance shall be made in respect of the difference. Where, however, the declaration is not received by the Company within twelve months after the expiry of the Period of Insurance, no refund shall be admissible.

If any Damage has occurred giving rise to a claim under this Policy, such return shall be made in respect only of said difference as is not due to the Damage.

**Specification B – Insurance on Gross Profit On Output Basis**

<b>Item No.</b>	<b>Sum Insured</b>
<b>1. On gross profit</b>	<b>Rs.....</b>

The insurance under Item No. 1 is limited to loss of Gross Profit due to (a) Reduction in output and (b) increase in cost of working and the amount payable as indemnity thereunder shall be: -

- a) IN RESPECT OF REDUCTION IN OUTPUT: the sum produced by applying the rate of gross profit to the amount by which the Output during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Output,
  
- b) IN RESPECT OF INCREASE IN COST OF WORKING: the additional expenditure (subject to the provisions of Memo 2) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Output which but for that expenditure would have taken place during the Indemnity period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided,

Less any sum saved during the Indemnity Period in respect of such of the Insured Standing Charges as may cease or be reduced in consequence of the Damage,

Provided that if the Sum Insured by this Item be less than the sum produced by applying the Rate of Gross Profit to \* the Annual Output, the amount payable shall be proportionately reduced.

\* Insert the appropriate multiple if the indemnity period exceeds 12 months.

### **Departmental Clause:**

If the business be conducted in departments, the independent trading results of which are ascertainable, the provision of Clauses (a) and (b) of Item 1 shall apply separately to each department affected by the damage except that if the Sum Insured by the said item be less than the aggregate of the sum produced by applying the rate of gross profit for each department of the business (whether affected by the damage or not) to the relative Annual Output thereof, the amount payable shall be proportionately reduced.

### **Definitions**

**GROSS PROFIT** – The sum produced by adding to the Net Profit the amount of the insured Standing Charges, or if there be no Net Profit the amount of the Insured Standing Charges less such a proportion of any net trading loss as the amount of the Insured Standing Charges bears to all Standing Charges of the business.

**NET PROFIT** – the net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all Standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

**INSURED STANDING CHARGES** – (appropriate list to be inserted).

**OUTPUT** – the quantity of + produced at the premises measured in units of+ +

**INDEMNITY PERIOD** – the period beginning with the occurrence of the damage and ending not later than Months thereafter during which the results of the business shall be affected in consequence of the damage.

+        Insert description of commodity produced by the Insured.

++       Insert unit of weight used.

<p>RATE OF GROSS PROFIT – the rate of Gross Profit per unit earned on the output during the financial year immediately before the date of the damage</p>	<p>To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred so that the figures thus adjusted shall represent as nearly as practicable the results which, but for the damage, would have been obtained during the relative period after the damage.</p>
<p>ANNUAL OUTPUT – the output during the twelve months immediately before the date of damage</p>	
<p>STANDARD OUTPUT – the output during that Period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period</p>	

Memo 1. If during the Indemnity Period goods shall be produced elsewhere than at the premises for the benefit of the business either by the Insured or by others on the insured's behalf the quantity so produced shall be brought into account in arriving at the Output during the Indemnity Period.

Memo 2. If any Standing Charges of the business be not insured by this Policy then in computing the amount recoverable hereunder as Increase in Cost of Working that proportion only of the additional expenditure shall be brought into account which the sum of the Net Profit and the Insured Standing Charges bears to the sum of the Net Profit and all the Standing Charges.

Memo 3. If the Insured declares, at the latest twelve months after the expiry of any Period of Insurance, that the Gross Profit earned (or a proportionately increased multiple thereof where the maximum Indemnity Period exceeds 12 months) during the accounting period of 12 months most nearly concurrent with any period of Insurance, as certified by the Insured's Auditors, was less than the Sum Insured thereon, pro-rata return of premium not exceeding 50% of the premium paid on such Sum Insured for such period of Insurance shall be made in respect of the difference.

Where, however, the declaration is not received by the Company within twelve months after the expiry of the period of insurance, no refund shall be admissible.

If any damage has occurred giving rise to a claim under this policy, such return shall be made in respect only of said difference as is not due to the damage.

**Specification C – "Difference" Basis**

<b>Item No.</b>	<b>Sum Insured</b>
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<b>1. On gross profit</b>	<b>Rs.</b>
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The insurance under Item No. 1 is limited to loss of Gross Profit due to (a) Reduction in Turnover and (b) increase in Cost of Working and the amount payable as indemnity thereunder shall be: -

a) IN RESPECT OF REDUCTION IN TURNOVER: the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover,

b) IN RESPECT OF INCREASE IN COST OF WORKING: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity period in consequence of the Damage but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided,

Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business payable out of Gross Profit as may cease or be reduced in consequence of the Damage,

Provided that if the Sum Insured by this Item be less than the sum produced by applying the Rate of Gross Profit to \* the Annual Turnover, the amount payable shall be proportionately reduced.

\* Insert the appropriate multiple if the Indemnity Period exceeds 12 months.

**Departmental Clause:**

If the business be conducted in departments, the independent trading results of which are ascertainable, the provision of Clauses (a) and (b) of Item I shall apply separately to each department affected by the damage except that if the Sum Insured by the said item be less than the aggregate of the sum produced by applying the rate of gross profit for each department of the business (whether affected by the damage or not) to the relative Annual Turnover thereof, the amount payable shall be proportionately reduced.

**Definitions**

**GROSS PROFIT** – the amount by which

- 1) The sum of the Turnover and the amount of the Closing Stock shall exceed.
- 2) The sum of the amount of the Opening Stock and the amount of the Specified Working Expenses.

Note (i) The amount of the Opening and Closing stocks shall be arrived at in accordance with Insured's normal accountancy methods, due provisions being made for depreciation.

Specified Working Expenses: -

1. All Purchases (less discounts received);
2. % of the Annual Wage Roll (including Holiday and Insurance contributions);
3. Power;
4. Consumable Stores;
5. Carriage;
6. Packing Materials;
7. Bad Debts;
8. Discounts allowed;
9. Any other expenses to be specified.

Note (ii) The words and expressions used in this definition shall have the meaning usually attached to them in the books and accounts of the Insured.

**TURNOVER** – the money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the business at the premises.

**INDEMNITY PERIOD** – The period beginning with the occurrence of the damage and ending not later than – months thereafter during which the results of the business shall be affected in consequence of the damage.

<p>RATE OF GROSS PROFIT – the rate of Gross Profit earned on the turnover during the financial year immediately before the date of the damage.</p>	<p>To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relative period after the damage.</p>
<p>ANNUAL TURNOVER – the Turnover during the twelve months immediately before the date of the damage</p>	
<p>STANDARD TURNOVER – the Turnover during the period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period.</p>	

Memo 1: If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

Memo 2: If the Insured declares, at the latest twelve months after the expiry of any period of insurance, that the Gross Profit earned (or a proportionately increased multiple thereof where the maximum Indemnity Period exceeds 12 months) during the accounting period of 12 months most nearly concurrent with any period of insurance, as certified by the Insured's Auditors, was less than the Sum Insured thereon, a pro-rata return of premium not exceeding 50% of the premium paid on such Sum Insured for such period of insurance shall be made in respect of the difference. Where, however, the declaration is not received by the Company within twelve months after the expiry of the period of insurance, no refund shall be admissible.

If any damage has occurred giving rise to a claim under this Policy, such return shall be made in respect only of said difference as is not due to the damage.

**Specification I – Revenue Basis**

Specification referred to in Policy No. As per Schedule issued by the Company in the name of and forming an integral part of that policy.

<b>Item No.</b>	<b>Sum Insured</b>
<b>1. on Gross Profit</b>	<b>Rs. _____</b>

The Insurance under Item 1 is limited to (a) loss of Gross Revenue and (b) Increase in Cost of Working and the amount payable as indemnity thereunder shall be: -

- a) IN RESPECT OF LOSS OF GROSS REVENUE: the amount by which the Gross Revenue earned during the Indemnity Period shall, in consequence of the damage, fall short of the Standard Gross revenue.
- b) IN RESPECT OF INCREASE IN COST OF WORKING: the additional expenditure

(subject to the provisions of Memo 2) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross revenue which but for that expenditure would have taken place during the indemnity period in consequence of the damage but not exceeding the amount of the reduction in gross revenue thereby avoided.

Less any sum saved during the Indemnity Period in respect of such of the working expenses and standing charges of the business as may cease or be reduced in consequence of the damages.

Provided that if the Sum Insured by this Item be less than \* the Annual Gross Revenue, the amount payable under this shall be proportionately reduced.

**Definitions**

**Gross Revenue:**

The money paid or payable to the insured for \* in course of the business at the premises.

**Indemnity Period:**

The period beginning with the occurrence of the damage and ending not later than \* Months thereafter during which the results of the business shall be affected in consequence of the damage.

<p>STANDARD GROSS REVENUE – the Gross Revenue during the period in the twelve months immediately before the date of the damage which corresponds with the Indemnity Period</p>	<p>To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but</p>
<p>ANNUAL GROSS REVENUE – the Gross Revenue earned during the Period in the twelve months immediately before the</p>	
<p>date of the damage.</p>	<p>for the damage would have been obtained during the relative period after the damage.</p>

\* here is inserted the appropriate multiple if the Indemnity period exceeds 12 months.

\*\* here is inserted an agreed description such as “work done and services rendered” or “entertainment provided” and, if necessary, a qualifying exclusion such as “excluding the cost of drink and food supplied.”

Memo 1. if during the Indemnity Period work shall be done or services rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such work of services shall be brought into account in arriving at the Gross Revenue during the Indemnity Period.

Memo 2. In the event of \* the Gross Revenue earned during the accounting period of twelve months most nearly concurrent with any period of insurance as certified by the Insured’s Auditors being less than the Sum Insured thereon, a pro-rata return of premium not exceeding 50 percent of the premium paid on such sum insured for such period of insurance will be made in respect of the difference provided the Insured’s declarations is received within twelve months of the expiry of the policy. If any damage shall have occurred, giving rise to a claim under the policy, such return shall be made in respect only of so much of the said difference as is not due to such damage.

Note:

The words „Gross Revenue“, wherever they occur, may be altered to Revenue, Gross Income, Commission, Gross Fees, Royalties or similar term to suit the nature of the income of an insured’s business.

\* Here is inserted the appropriate multiple if the Indemnity Period exceeds 12 months.

#### **Specification D(i) – Wages**

##### **(i) Dual Basis**

The Insurance under item is limited to loss in respect of “Wages” and the amount payable as indemnity thereunder shall be

- a) In Respect of Reduction in Turnover
  - (i) During the portion of the Indemnity Period beginning with the occurrence of the damage and ending not later than      weeks thereafter the sum produced by applying the Rate of Wages to the Shortage in Turnover/ Output during the said portion in the Indemnity Period.

Less any saving during the said portion of the Indemnity Period through reduction in consequence of the damage in the amount of Wages paid

- (ii) During the remaining portion of the Indemnity Period the sum produced by applying the Rate of Wages to the Shortage in Turnover/ Output during the said remaining portion of the Indemnity Period.

Less any saving during the said remaining portion of the Indemnity Period through reduction in consequence of the damage in the amount of Wages paid but not exceeding the sum produced by applying Percent of the Rate of Wages to the Shortage in Turnover/ Output during the said remaining portion of the Indemnity Period, increased by such amount as is deducted for saving under the terms of Clause (i) (OPTION TO CONSOLIDATE – at the option of the insured, the number of weeks referred to in clause (a) (i) above may be increased to x provided that the amount arrived at under the provisions of clause (a) (ii) shall not exceed such amount as is deducted under clause (a) (i) for savings effected during the said increased number of weeks.

(x - here insert the equivalent numbers of weeks ascertained from the conversion table provided in Section II – Rule 3 A)

- b) In Respect of Increase in Cost of Working so much of the additional expenditure described in Clause (b) of Item 1 as exceeds the amount payable thereunder but not more than the additional amount which would have been payable in respect of Reduction in Turnover/ Output under the Provisions of Clause (a) (i) and (ii) of this item had such expenditure not been incurred.

Provided that if the sum insured by this item be less than the sum produced by applying the Rate of Wages to (insert the appropriate multiple if the Indemnity Period exceeds 12 months. E.g. where the indemnity period is eighteen months insert one and a half times) the Annual Turnover/ output, the Amount payable under this shall be proportionately reduced.

### **Definitions**

**WAGES** – Total Wages of all employees other than those whose wages are insured as standing charge.

Note: - The above definition may be altered to suit the requirements of individual clients.

**RATE OF WAGES** – The Rate of Wages to Turnover/ Output during the financial year immediately before the date of the damage to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the damage.

SHORTAGE IN TURNOVER/ OUTPUT – The amount by which the Turnover/ Output during a period shall in consequence of the damage fall short of the part of the Standard Turnover/ Output which relates to that period.

#### **Specification D (ii) – Wages**

##### **(ii) Pro Rata Basis**

The insurance under Item No. on weeks Wages on sum insured

Rs. is limited to the loss incurred by the Insured by the payment of Wages for a period beginning with the occurrence of the damage and ending not later than weeks thereafter.

The amount payable as indemnity under this item shall be the actual amount which the Insured shall pay as Wages for such period to employees whose services cannot in consequence of the damage be utilized by the Insured at all and an equitable part + (based upon shortage of production) of the Wages paid for such period to employees whose service cannot in consequence of the damage be utilized by the Insured to the full;

Provided that if the sum insured by this item shall be less than the aggregate amount of the Wages that would have been paid during the Weeks immediately following the damage, had the damage not occurred, the amount payable shall be proportionately reduced.

For the purpose of this item the term Wages shall mean \* . It is permissible to omit the words in brackets or to substitute for „production“ some other index of activity.

\*Here insert a precise definition of the scope to which the insurance of Wages (which may, if desired, expressly include Bonuses, Holiday Pay and the like) is to apply **Specification E – Lay-off and/ or retrenchment Compensation with or without Notice**

#### **Wages Liability**

The Insurance under Item No. 3 is limited to the amount which the Insured shall become legally liable to pay and shall pay to employees as\* under the provisions of the Industrial Disputes Act, 1947 and all subsequent amendments thereto.

Provided that the amount payable as indemnity under this item shall not exceed the amount which would otherwise have been payable as Wages to the said employees during the period of indemnity, had no damage occurred.

Provided also that if the sum insured by this policy shall be less than the aggregate amount of \* to the said employees the amount payable shall be proportionately reduced.

“For the purpose of this item „Employee“ shall mean „Workman“ as defined under the Industrial Disputes Act, 1947 and subsequent amendments thereto but excluding those employees whose remuneration is insured as a standing charge under Item 1 of the Policy.

\* Insert here the appropriate cover opted by the insured, viz.

- I. Lay-off and/ or Retrenchment Compensation, or
- II. Lay-off and/ or Retrenchment Compensation with or without Notice Wages Liability; or
- III. Lay-off Compensation, or
- IV. Retrenchment Compensation, or
- V. Retrenchment Compensation with or without notice Wages Liability.

As the case may be.

#### **Specification F – Additional Cover Clauses**

##### **Auditors’ Clause.**

##### **(Modifying the Co.’s liability under condition 3)**

The Insurance under item no. is limited to the reasonable charges payable by the Insured to their Auditors for producing and certifying any particulars or details contained in the Insured’s books of Policy Wordings- Consequential Loss (Fire) of Profit

account or other business books or documents or such other proofs, information or evidence as may be required by the Company under the terms of condition 3 of this policy. Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Company under Condition 3 of this policy for the purpose of investigating or verifying any claim hereunder may be produced and certified by the Insured's Auditors, and their certificate shall be prima facie evidence of the particulars and details to which such certificates relate.

**Specification G – New Business Clause**

For the purpose of any claim arising from damage occurring before the completion of the first year's trading of the business at the premises the terms "Rate of Gross Profit," "Annual Output/ Turnover and "Standard Output/ Turnover" shall bear the following meaning and not as within stated: -

<p><b>RATE OF GROSS PROFIT –</b> The rate of Gross Profit earned on the Output/ Turnover during the period between the date of the commencement of the business and the date of the damage</p>	<p>To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable, the results which, but for the damage, would have been obtained during the relative period after the damage.</p>
<p><b>ANNUAL OUTPUT/ TURNOVER –</b> The proportional equivalent for a period of twelve months or the Output/ Turnover realized during the period between the commencement of the business and the date of the damage.</p>	
<p><b>STANDARD OUTPUT/ TURNOVER –</b> The proportional equivalent for a period equal to the Indemnity Period of the Output/ Turnover realized during the period between the commencement of the business and the date of the damage</p>	

**Specification H – Solicitors' and Professional Mens' Fees**

**Specification for Professional Mens' Policy**

Specification referred to in Policy No. \_\_\_\_\_ issued by the \_\_\_\_\_ Insurance Company Limited in the name of \_\_\_\_\_ and forming an integral part of that policy.

Item No.		Sum Insured
1.	On Gross Profit	Rs. As per Schedule
2.	On Additional Expenditure	Rs. As per Schedule
3.	On Legal, Clerical and other charges	Rs. As per Schedule

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Rs. As per Schedule  
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The Insurance under Item 1 is limited to **loss of Gross Fees** and **Increase in Cost of Working** and the amount payable as indemnity thereunder shall be: -

- a) **IN RESPECT OF LOSS OF GROSS FEES:** the amount by which Gross Fees earned during the indemnity period shall, in consequence of the damage, fall short of the Standard Gross Fees.
  
- b) **IN RESPECT OF INCREASE IN COST OF WORKING:**

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Gross Fees which, but for that expenditure, would have taken place during the Indemnity period in consequence of the damage, but not exceeding the reduction in Gross Fees thereby avoided,

Less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business as may cease or be reduced in consequence of the damage.

Provided that if the Sum Insured by this Item be less than \* the Gross Fees, the amount payable shall be proportionately reduced.

THE INSURANCE UNDER ITEM 2 is limited to such further additional expenditure beyond that recoverable under Item 1(b) as the Insured shall necessarily and reasonably incur during the Indemnity Period in consequence of the damage in connection with the fitting up of temporary offices, increased Rent, Rates, Taxes, Lighting, Heating and Insurance thereof, removal costs and expenses incidental thereto.

THE INSURANCE UNDER ITEM 3 is limited to Legal, clerical and other charges necessarily incurred in the replacement or restoration of deeds and other documents (including stamps thereon) manuscripts, plans, specifications and writings of every description and books (written and printed), books of account, card indexes and other business records, not exceeding in respect of any one document, plan, book or card index set the sum of Rs.

### Definitions

**GROSS FEES** – the money paid or payable to the Insured for services rendered in course of the business at the premises.

**INDEMNITY PERIOD** – the period beginning with the occurrence of the damage and ending not later than months thereafter during which the results of the business shall be affected in consequence of the damage.

\* Here is inserted the appropriate multiple if the Indemnity Period exceeds 12 months.

**ANNUAL GROSS FEES** – the gross fees earned during the twelve months immediately before the date of the damage

**STANDARD GROSS FEES** – the gross fees earned during that period in the twelve months immediately which corresponds with the Indemnity Period

To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in & or special circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the damage, would have been obtained during the relative period after the damage.

**Memo 1.** If during the indemnity period services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money

paid or payable in respect of such services shall be brought into account in arriving at the Gross Fees during the Indemnity Period.

**Memo 2.** The Insurance by item 3 extends to cover property as therein described if and in so far as it is not otherwise insured whilst temporarily removed to any premises not in the insured's occupation and whilst in transit between such places by road, rail or inland waterway, in India to an amount not exceeding 10 percent of the sum insured by the said item.

**Memo 3.**

If the Insured declares, at the latest twelve months after expiry of any period of Insurance, that the Gross Fees earned (or a proportionately increased multiple thereof where the maximum Indemnity Period exceeds 12 months) during the accounting period of 12 months most nearly concurrent with any period of Insurance, as certified by the Insured's Auditors, was less than Sum Insured thereon, a pro-rata of premium not exceeding 50% of the premium paid on such Sum Insured for such period of Insurance shall be made in respect of the difference.

If any damage has occurred giving rise to a claim under this policy, such return shall be made in respect only of said difference as is not due to such damage.

Note: As regards the rate for covering Professional Mens' Fees, the standard percentage scale of the basis rate provided in the Consequential Loss (Fire) Tariff would be applicable to such covers. **Specification I – Alternative Basis Clause**

It is agreed and declared that, whenever found necessary, the term „Output“ may be substituted for the term „Turnover“ and for the purpose of this policy „Output“ shall mean the sale value of goods manufactured by the „Insured“ in the course of the business at the premises,

Provided that:

- a) Only one such meaning shall be operative in connection with any one occurrence involving damage (as within defined)
- b) If the meaning set out above be used, memo no. 1 shall be altered to read as follows:

Memo 1. If during the INDEMNITY PERIOD goods shall be manufactured other than at the premises for the benefit of the business either by the Insured or by others on the Insured's behalf, the sale value of the goods so manufactured shall be brought into account in arriving at the OUTPUT during the INDEMNITY PERIOD.

**Endorsement for extension in respect of Add-On Covers**

**A. Extension to cover Consequential Loss due to other Add-On Covers:**

Add-On Covers such as Earthquake may be included in the Policy by use of an endorsement wording as follows: -

In consideration of the payment of the after mentioned premium, it is hereby agreed and declared that, notwithstanding anything in the within written policy contained to the contrary, the terms „Damage“ as defined in this Policy shall (subject always to the Special Conditions hereinafter contained) extend to include:

(here insert the appropriate Add-On Cover)

Provided that it is hereby further expressly agreed and declared that: -

- 1) The liability of the Company shall in no case under this Endorsement and the Policy exceed the sum insured by this Policy.“
- 2) All the Conditions of the Policy shall apply in all respects to the insurance granted by this extension save in so far as the same may be expressly varied by the above Special Conditions.
- 3) The Special Conditions herein shall apply only to the insurance granted by this extension and the Conditions of the Policy shall apply in all respects to the insurance granted by the policy as if this Endorsement had not been made thereon.

**B. Spoilage Consequential Loss Cover:**

Loss of Profits as a result of spoilage may be covered as an additional item by extending the Consequential Loss (fire) Insurance Policy subject to the following conditions: -

**a) Scope of Cover**

The cover shall extend to loss of profits arising out of the spoilage, i.e. interruption of business solely as a result of (i) loss of stock-in-process; and (ii) damage to machinery, containers and equipment. The following endorsement wording shall be used: -

Endorsement for Spoilage Risk Extension under the Consequential Loss (Fire) Policy

Attached to and forming part of the Policy No.

In consideration of the payment of the sum of Rs.     additional premium, it is hereby agreed and declared that notwithstanding anything in the within written policy contained to the contrary, the term „Damage“ as defined under this Policy, shall extend to include loss or damage in consequence of spoilage resulting from the retarding or interruption or cessation of any process or operation cause by any of the perils covered under this Policy.

Provided that it is hereby further expressly agreed and declared that: -

- 1)       The liability of the Company shall in no case under this endorsement and the policy exceed the sum insured by this policy.
  
- 2)       All the conditions of this policy shall apply (except in so far as they may be hereby expressly varied) and that any reference therein to loss or damage by fire shall be deemed to apply also to loss or damage caused by spoilage which perils this insurance extends to include by virtue of this Endorsement.

**b)       Sum to be insured:**

Consequential Loss Cover may be covered for an indemnity period selected by the insured and the sum insured being gross profit corresponding to the same indemnity period which shall not be less than one month.

**c)       Rate to be charged:**

The rate to be charged shall not be less than the full „Average Spoilage Rate“ of the items covered against Spoilage Risk under the Material Damage Policy. The „Average Spoilage Rate“ shall be the percentage

which the aggregate net premium in respect of items covered under the Material Damage Policy against Spoilage risks under the material damage policy. The cover to be otherwise subject to the Condition of Average.

## **OTHER EXTENSIONS**

Note: For extension given as per extensions of covers, reference must be made to Corporate Office for the fixation of an additional premium to be charged, if the rates are not provided for in this manual for such extension.

### **1. Insured property stored at other situations**

In consideration of the payment of (the after mentioned additional premium) (an additional premium which is included in the premium hereon) it is hereby agreed and declared that subject to the conditions of the policy, loss as insured by the item (s) number(s) of this policy, resulting from interruption of/ or interference with the business in consequence of damage (as within defined) to property at the undernoted situation shall be deemed to be loss resulting from damage to property used by the insured at the premises.

Provided that the liability under this memorandum in respect of any one location shall not exceed in respect of (each of) item(s) number(s) percent of the Insured thereunder.

#### **Note: a) Property of the Insured Stored**

Where the extension relates solely to property of the Insured, the words “property at the undernoted situation” and the heading „situation“s should be deleted from the wording and the former replaced by “property of the Insured while stored anywhere than at premises in the Insured“s occupation”.

#### **Note: b) Suppliers' Premises**

Where the extension relates to more than one supplier with different limits, the proviso and „Situation“ and the heading „Situations“ should be amended to read as follows: -

“Provided that the liability under this memorandum in respect of any one location under (each of) Item(s) No.(s) shall not exceed the percentage of the sum insured thereunder shown against each situation,

SITUATIONS	LIMIT”
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“Further provided that if the percentage shown against the name of the supplier in whose premises damage has occurred shall be less than the percentage of dependence of the Insured on that supplier, the amount otherwise payable shall be proportionately reduced”.

c) Premises where a Contract is being carried out: The following should be inserted under „SITUATIONS“: - “Any location where the Insured is carrying out work”.

d) Professional Insured:

(Applicable solely to items on the Gross Revenue/ Fees of a business providing professional or similar services only)

The words „Property at the undernoted situations“ and the heading „SITUATION“ should be deleted from the wording and the former replaced by „documents belonging to or held in trust by the Insured, whilst temporarily at premises not in the occupation of the Insured, or whilst in transit by road, rail or inland waterway“.

## **II. Electricity Station, Gas Works and Water Works.**

In consideration of the payment of an additional premium amounting to Rs.        it is hereby agreed and declared that loss as insured by + (item nos.        of ) this policy resulting from interruption of or interference with the business carried on by the insured at the premises described within in consequence of failure of electric supply at the terminal ends of the electricity service feeders\*/ Gas Works\*/ Water Works\* from which the Insured obtain electric Supply\*/ Gas\*/ Water\* at the said premises directly due to Damage (as within defined) to property at an Electricity

Station or Substation of Public Electricity Supply Undertaking/\* Gas works/ Water Works (excluding jack wells) from which the Insured obtain electricity supply\*/ Gas\*/ Water\* shall be deemed to be loss resulting from damage to property used by the Insured at the premises.

+ Delete if inapplicable

\* Omit as may be necessary

Provided, however, that the Company shall not be liable for any loss occasioned by the deliberate act of the Government, Municipal or Local Authority or Supply Authority not performed for the sole purpose of safeguarding life or protecting any part of the supply undertaking’s system or by the exercise by any such Authority of its power to withhold or restrict or ration supply not necessitated solely by Damage to the supply undertaking’s generating or supply equipment by an insured peril.

For the purpose of the above extension, the „Indemnity Period“ in respect of each damage or of a series of damages consequent on or attributable to one source or original cause shall be as follows: -

“The period beginning with the occurrence of damage and ending not later than 60 days thereafter during which the result of the business shall be affected in consequence of the damage.”

Provided that the Company shall not be liable for any loss unless the duration of each such failure exceeds 24 hours.

Subject otherwise to the terms, exceptions, conditions and limitations of this Policy.

In any action, suit or other proceeding, where the Company alleges that by reason of the provisions of this Condition any loss or damage is not covered by this insurance, the burden of proving that this loss or damage is covered shall be upon the insured.

#### **VOLUNTARY DEDUCTIBLE CLAUSE:**

The Insurer must attach to the policy(ies) the following clause in case the Insured accept the deductible and the discount in premium is granted.

“It is hereby declared and agreed that insured having opted to bear the amount of loss as computed hereunder of each and every admissible claim under the policy.

I. In respect of a policy insuring reduction in turnover, the amount equivalent to the rate of Gross Profit applied to the Standard Turnover for      Days.

II. In respect of a policy insuring reduction in output, the amount equivalent to the rate of Gross Profit applied to the Standard Output for      Days.

The Company has allowed a discount of      .% on the final premium payable for Consequential Loss (Fire) Policy and its extensions covering all the Special Perils”.

#### **RETURN OF PREMIUM CLAUSE:**

If the Insured declares, at the latest twelve months after the expiry of any period of insurance, that the Gross Profits earned or a proportionately increased multiple thereof where the maximum indemnity period exceeds 12 months during the accounting period of 12 months most nearly concurrent with any period of insurance, as certified by the Insured’s Auditors, was less than the Sum Insured thereon, a prorate return of premium not exceeding 50% of the premium paid on such Sum Insured for such period of insurance shall be made in respect of the difference.

### **ACCUMULATED STOCKS CLAUSE**

In adjusting any loss account shall be taken and an equitable allowance made if any shortage in Turnover due to damage is postponed by reason of the Turnover being temporarily maintained from accumulated stock of finished goods in the Insured's warehouses.

### **GENERAL EXCLUSION CLAUSE OF SOFTWARE AND YEAR 2000 PROBLEMS**

This Policy does not cover:

- a) loss or destruction of or damage to any property whatsoever (including a computer) or any loss or expense whatsoever resulting or arising therefrom;
- b) any legal liability of whatsoever nature;
- c) any consequential loss;

Directly or indirectly caused by or contributed to by or consisting of or arising from the incapacity or failure of any computer

- i) to treat any date before, during or after the year 2000 as the correct date or true calendar date, or correctly or appropriately to recognize manipulate interpret process store receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date or
- ii) to capture save retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer, being a command which causes the loss of data or the inability to capture save retain or correctly to process such data in regard to or in connection with any such date.

A computer includes any computer, data processing equipment, microchip, integrated circuit or similar device or any computer software tools operating system or any computer hardware or peripherals and the information or data stored in or on any of the above, whether the property of the Insured or not.

### **DATA CORRUPTION ENDORSEMENT PROPERTY ENDORSEMENT**

It is noted and agreed that this Policy is hereby amended as follows:

The Company will not pay for Damage or Consequential loss directly or indirectly caused by, consisting of, or arising from:

1. Any functioning or malfunctioning of the internet or similar facility, or of any intranet or private network or similar facility,
2. Any corruption, destruction, distortion, erasure or other loss or damage to data, software, or and kind of programming or instruction set,

3. Loss of use or functionality whether partial or entire of data, coding, program, software, any computer or computer system or other device dependent upon any microchip or embedded logic, and any ensuing liability or failure of the Insured to conduct business.

This Endorsement shall not exclude subsequent damage or Consequential loss, not otherwise excluded, which itself results from a Defined Peril. Defined Peril shall mean: Fire, Lightning, Earthquake, Explosion, Falling Aircraft, Flood, Smoke, Vehicle Impact, Windstorm or Tempest.

#### **CO-INSURANCE CLAUSE**

It is hereby declared and agreed that this is a Co-insurance Policy subscribed by the insurers (named in the Policy Schedule in respect of this Clause) whose liabilities in respect of losses shall be limited to the amounts set against their respective names.

This Co-insurance is subject in all respects to the same terms, clauses, conditions, warranties, adjustments, and amendments, as may be authorized by the Insurer named in the Schedule as the Leading Insurer. Any alterations and/or amendments and/or adjustments agreed upon under the terms of Leading Insurer's agreement shall be automatically binding on the participating Co-insurers hereon who agree to waive advice hereunder.

The Co-insurer(s) agree to follow in every respect all settlements or other payments of whatsoever nature made by the Leading Insurer arising out of and in connection with this insurance and to bear its proportion of any expenses incurred, whether legal or otherwise in the investigation and defense of any claim hereunder.

#### **Customers' premises Extension**

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In consideration of the payment of the after-mentioned additional premium shown in the policy/the Endorsement, it is hereby agreed and declared that, subject to the conditions of the Policy, loss as insured by items(s) Nos. of this policy, resulting from interruption of or interference with the business in consequence of damage (as within defined) to property at the undernoted situations, shall be deemed to be loss resulting from damage to property used by the Insured at the premises.

**Provided that** the liability under this memorandum in respect of any location shall not exceed in respect of (each of) item(s) No.(s) ..... ..percent of the sum insured thereunder.

**Further Provided** that if the percentage, shown against the name of the customer in whose premises damage has occurred, shall be less than the percentage of the Annual Turnover derived by the Insured from that customer, the amount otherwise payable will be proportionately reduced.

**Provided Again** that the liability under this memorandum in respect of any one location under (each of) item(s) no(s) ..... shall not exceed the percentage of the sum insured thereunder shown against each situation.

Name of the Customer	Situation of	Selected percentage
	the premises	limit of the sum insured

### **Terrorism Damage Coverage Endorsement**

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#### **INSURING CLAUSE**

Subject otherwise to the terms, exclusions, provisions and conditions contained in the Policy and in consideration of the payment by the Insured to the Company of additional premium as stated in the Schedule, it is hereby agreed and declared that notwithstanding anything stated in the „Terrorism Risk Exclusion” of this Policy to the contrary, this Policy is extended to cover:-

(i) Physical loss or physical damage occurring during the period of this Policy caused by an act of terrorism, subject to the exclusions, limits and excess hereinafter contained,

For the purpose of this cover, 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. (ii) loss, damage, cost or expense directly caused by, resulting from or in connection with any action taken in suppressing, controlling, preventing or minimizing the consequences of an act of terrorism by the duly empowered government or Military Authority.

Provided that If the Insured is eligible for indemnity under any government compensation plan or other similar scheme in respect of the damage described above, this Policy shall be excess of any recovery due from such plan or scheme.

For the purpose of the aforesaid inclusion clause, "Military Authority" shall mean armed forces, para military forces, police or any other authority constituted by the government for maintaining law and order.

(iii) Loss resulting from necessary interruption of business caused by direct physical loss or damage in respect of which liability has been admitted by the Company under (i) and/or (ii) above. In the event of such direct physical loss or damage, this Policy shall be liable for the actual loss sustained by the insured resulting directly from such necessary interruption of business, but not exceeding the loss of gross profits, as defined in the Policy, less charges and expenses which are not necessary during the interruption of business, for such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the property as has been destroyed or damaged, commencing with the date of such direct physical loss or damage and not limited by the expiration of this Policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent necessary to resume operations of the Insured with the same operational capability as existed immediately before the loss.

### **LOSSES EXCLUDED (A) For Materials Damage**

This cover shall not indemnify loss of or damage to property caused by any or all of the following:-

1. loss by seizure or legal or illegal occupation; 2. loss or damage caused by:
  - (i) voluntary abandonment or vacation,
  - (ii) confiscation, commandeering, nationalisation, requisition, detention, embargo, quarantine, or any result of any order of public or government authority, which deprives the Insured of the use or value of its property;
3. loss or damage arising from acts of contraband or illegal transportation or illegal trade;
4. loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment;
5. loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind;
6. loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind;
7. any fine, levy, duty, interest or penalty or cost or compensation/damages and/or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person;
8. loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon.

This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile;

9. loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labour unrest, riots or civil commotion;

10. loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder;
11. any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working;
12. loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service;
13. loss or increased cost as a result of threat or hoax;
14. loss or damage caused by or arising out of burglary, house - breaking, looting, theft, larceny or any such attempt or any omission of any kind of any person (whether or not such act is committed in the course of a disturbance of public peace) in any action taken in respect of an act of terrorism;
15. loss or damage caused by mysterious disappearance or unexplained loss;
16. loss or damage directly or indirectly caused by mould, mildew, fungus, spores or other micro-organism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health;
17. total or partial cessation of work or the retardation or interruption or cessation of any process or operations or omissions of any kind.

**(B) For Loss of Profit**

This cover shall not indemnify:-

1. increase in loss resulting from interference at the insured premises, by terrorists or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;
2. increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured interruption of business, and then the Company shall be liable for only such loss as affects the Insured's earnings during, and limited to, the period of indemnity covered under this Policy;
3. increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
4. the Insured's lack of sufficient capital for timely restoration or replacement of property lost destroyed or damaged;
5. loss resulting from:
  - a) deliberate erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software;

- b) other erasure, loss, distortion or corruption of information on computer systems or other records, programmes or software unless caused by damage to the machine or apparatus in which the records are mounted;
- 6. loss resulting from alterations, additions, improvements, rectification of defects or faults or elimination of any deficiencies carried out after the physical;
- 7. loss of market or any other consequential loss.
- 8. loss as a result of physical or mental or bodily injury to any person.

#### **LIMIT OF INDEMNITY**

The limit of indemnity under this cover shall not exceed the Total Sum Insured for Material Damage and Loss of Profits given in the Policy Schedule or INR 10,000,000,000 whichever is lower. In respect of several insurance policies within the same compound/location with one or different insurers, the maximum aggregate loss payable per compound/location by any one or all insurers shall be INR 10,000,000,000 for Material Damage and Loss of Profits. If the actual aggregate loss suffered at one compound/location is more than INR 10,000,000,000 for Material damage and Loss of Profits, the amounts payable under individual policies shall be reduced in proportion to the sum insured of the policies.

#### **EXCESS A. For material damage**

0.5% of the sum insured for each and every claim subject to -

- i. a minimum of INR 100,000 and a maximum of INR 100,000,000 (for industrial risks)
- ii. a minimum of INR 25,000 and maximum of INR 1,000,000/- (for non-industrial risks) / a minimum of INR 10,000 and maximum of INR 500,000 (for shops and residences)

#### **B. For Loss of Profit**

In any one occurrence of loss or damage, the Company shall not be liable for the amount obtained by multiplying seven (7) days standard turnover with rate of gross profit.

#### **CANCELLATION CLAUSE**

##### **Cancellation of policy by the Insurer:**

The Company may at any time cancel the Policy and wherever applicable, the certificate of insurance, on the ground of established fraud and no refund of premium will be made. In case of each such cancellation, the Company shall serve a written notice to the Insured and, wherever applicable, to the Beneficiary, of at least seven (7) calendar days.

##### **Cancellation of policy by the Insured:**

The Insured can cancel the insurance cover at any time during the Policy Period by serving a written notice to the Company, with or without citing the cause/reason.

Refund of premium will apply in the following manner:

1. If the Policy Period is upto one (1) year and no claim has been made till the date of cancellation request, Proportionate premium will be refunded for the unexpired period.
2. If the Policy Period is more than one (1) year and no claim has been made till the date of cancellation request, Proportionate premium will be refunded for the unexpired period.

Note: The definitions, terms and conditions of the Policy save as modified or endorsed herein shall apply.

#### **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.

#### **Information on claims**

In case of claims please contact:

The Future Generali India Insurance Company Limited

Address: Unit No. 801 & 802, Tower C, 247 Embassy Park, LBS Marg,  
Vikhroli (West), Mumbai – 400083

CIN: U66030MH2006PLC165287 E-

mail: [www.futuregeneralial.in](http://www.futuregeneralial.in)

Customer Service: 1800-220-233 | 1860-500-3333 | 022-67837800.

#### **Grievances**

##### **Redressal of Grievance**

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

Website: <https://general.futuregeneralial.in/> Toll Free: 1800-220-233 / 1860-500-3333 / 022-67837800

Email: [Fgcare@futuregeneralial.in](mailto:Fgcare@futuregeneralial.in)

Courier: Grievance Redressal Cell, Future Generali India Insurance Company Ltd. 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 [fggro@futuregenerali.in](mailto:fggro@futuregenerali.in) or call at: 7900197777

For updated details of grievance officer, kindly refer the link  
<https://general.futuregenerali.in/customerservice/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”**

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## GRIEVANCE REDRESSAL PROCEDURE

Dear Customer,

At Future Generali, 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 expression (includes communication in the form of electronic mail or other electronic scripts, Inbound Call, SMS, Letter), of dissatisfaction by a complainant with insurer, distribution channels, intermediaries, insurance intermediaries or other regulated entities about an action or lack of action about the standard of service or deficiency of service of such insurer, distribution channels, intermediaries, insurance intermediaries or other regulated entities.

- ▶ Explanation: An inquiry/ query or request does not fall within the definition of the 'complaint' or 'grievance'.
- ▶ Complainant means a policyholder or prospect or any beneficiary of an insurance policy who has filed 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 <b>1800 220 2333/ 1860 500 3333/ 022-67837800</b>	<a href="#">Click here to know more</a>	Write to us at <a href="mailto:fgcare@futuregenerali.in">fgcare@futuregenerali.in</a>	<a href="#">Click here to know your nearest branch.</a>	<a href="#">Click here to raise a complaint</a>

### By when will my grievance be resolved?

- ▶ You will receive grievance acknowledgement from us within 3 business days 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 Office at [fggro@futuregenerali.in](mailto:fggro@futuregenerali.in)
- ▶ You may send a physical letter to our Grievance Redressal Cell, Head Office at the below address-

**Future Generali India Insurance Company Ltd.**

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

## GRIEVANCE REDRESSAL PROCEDURE

### 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 (IRDAI)-

- ▶ Call 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@futuregenerali.in](mailto:care.assure@futuregenerali.in)) as complaints for faster attention or speedy disposal of grievance, if any.

### Insurance Ombudsman:

If you are still dissatisfied with the resolution provided, you may opt to approach the Office of the Insurance Ombudsman, provided the same is under their purview.

**Click here** to know the guidelines for taking up a complaint with the Insurance Ombudsman.

In case you wish to send your complaint to insurance ombudsman.

**Click here** to access the list of insurance ombudsman offices.