Prospectus

This document is only a summary of the features of the Policy. Actual benefits available are as mentioned in the Policy, and are subject to its terms, conditions and exclusions.

CONSEQUENTIAL LOSS (FIRE) POLICY

Insurance policies generally cover only physical damage to property by insured perils which would pay for expenses incurred for repairing or replacing the damaged property. But the financial loss suffered due to interruption of business operations whilst the damaged property is being repaired or replaced is not provided for. This Policy offers a solution by covering profit lost due to reduction in turnover arising from interruption of business following damage to the property insured. This Policy can be taken only in conjunction with a Fire Policy and would trigger only if the loss is admissible under a Standard Fire & Special Perils Policy.



Scope of Cover

The scope and purpose of consequential loss insurance is therefore:

- To make good the loss of net profit due to stoppage of business as a result of an insured peril.
- To pay the standing charges which continue to accrue in spite of stoppage of business.
- To pay the additional expenditure incurred by the Insured to maintain normal business activity, during the period in which the business is affected.

Further, on payment of additional premium, the following coverages can be opted:

- Supplier's extension
- Customer extension
- Failure of Public power supply/Gas works/water works
- Spoilage Risk extension

Sum Insured

The Sum Insured is based on the gross profit of the business.

Gross Profit is defined as the sum of Net Profit and insured standing charges.

Damage could occur at the very end of the period of insurance. In order to provide for an adequate Sum Insured, in such a event, projection must be made one year beyond the Indemnity period. Thus if the indemnity period is 24 months, projections for the next three years should be considered in arriving at the Gross Profit figures.

Additional Items which can be incorporated as part of the Sum Insured :

- Wages
- Insurance of lay off and/or retrenchment compensation
- Auditors' fees

Premium

The rate of premium depends on the nature of process and indemnity period.

Indemnity Period

The indemnity period commences with the date of damage and lasts till such time as the business is restored to its pre-damage level or the period stipulated in the Policy whichever comes first. A consequential loss insurance policy insures earnings of the business lost during the indemnity period. Hence, selection of the indemnity period is of utmost importance.

Basis of Indemnity

- Reduction in Turnover
- Rate of Gross Profit
- Increased Cost of Working

If at the time of damage, the Sum Insured is less than the gross profit which would have been earned during the ensuing 12 months, the amount recoverable will be proportionately reduced. At the same time if the maximum indemnity period exceeds 12 months the gross profit figure will be proportionately increased.

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In the event of a claim

Kindly approach SBIGIC through

- Phone
- Email notification
- Letter /Fax
- Submitting manual claim form at any of SBIGIC's branch
- Your Insurance Representative

Minimum information required

- Insured's details
- Policy number
- Loss details such as
  - Type of Loss
  - Date of loss
  - Loss Location
- Contact details for communication
- Completed & signed claim form along with supporting documents

Dear Customer

We request you to kindly complete the Proposal form for this product and return it to us either direct or through your insurance adviser.

At SBIGIC we assure you a fair service when you step in as our customer in any of our offices.

If on any occasion our service falls below the standard you expect, you should contact your insurance adviser or alternatively the Branch Manager of the local branch.

If you feel that you require further assistance, then you can write to our office at

"Natraj" 301, Junction of Western Express Highway & Andheri Kurla - Road, Andheri (East) Mumbai - 400 069

Insurance is the subject matter of solicitation

Exclusions

This insurance does not cover any loss resulting from damage occasioned by or through or in consequence, directly or indirectly, of any of the following occurrences, namely:-

(a) Arising out of perils not covered under Standard Fire & Special Perils Policy.

(b) War, Invasion, act of foreign enemy, hostilities or Warlike Operations (whether war be declared or not), Civil War.

(c) Mutiny, Civil commotion assuming the proportion of or amounting to a popular-rising, military rising, insurrection, rebellion, revolution, military or usurped power.

In any action suit or other proceeding where the Company alleges that by reason of the provision 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.

Information about our Claims Services

- The Company's dedicated and experienced claims team aim to deliver a differentiated customer service of a fast, fair, convenient and transparent claims process for the management and settlement of your claim.
- The Company's philosophy is to always look for ways to pay valid claims in a fair and timely manner.

Our Claims Services will:

- Provide assistance in emergency situations
- Where necessary, co-ordinate repair/replacement of your property if it is damaged or lost
- Keep you informed of the progress of your claim

The Company will act efficiently to ensure you get back to normal as quickly as possible

Insurance Act,1938, Section 41-Prohibition of Rebates

1. 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 or risk relating to lives or property in India, any rebate of the 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 prospectuses or tables of the Insurer
2. 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.

Add ons:-

S.No	Add ons
1	Spoilage Risk Extension under the consequential loss (Fire) Policy
2	Insured Property stored at other situations including supplier premises
3	Electricity Stations, Gas Works & Water Works
4	Extension to cover customer's premises