

PROPOSAL FOR LOSS OF PROFITS INSURANCE

(Following Machinery Breakdown and/or Boiler Explosion)

a) Name and Address of Proposer

b) Business Premises

c) Nature of Trade or Business

1. Do you wish to cover the risk of Loss of Profits arising from -

a) Breakdown of Machinery in your premises

☐ Yes

☐ No

If so, please complete schedule 'A'

b) Explosion of Boiler and Pressure Plant in your premises

☐ Yes

☐ No

If so, please complete schedule 'B'

2. Is the plant and Machinery specified in Schedule A & B insured against material damage risk ie breakdown and/or explosion?

☐ Yes

☐ No

If yes, please state -

a) Name of the Insurer

b) Title of the Policy

c) Policy Nos.

d) Period(s) of Insurance

From

To

3. a) Are the lists of the Machinery in Schedule A and B representing the whole or only a part of the Machinery in the premises?

☐ Whole

☐ Part

b) Are all your Machineries subject to periodical inspection?

☐ Yes

☐ No

If yes, state by whom and at what intervals inspections are carried out.

Supply details of your maintenance Schedule.

4. Give description of the manufacturing process and utility supplies such as power, steam, air ,water etc. required for production.

Please attach a process flow diagram showing connected machinery and indicate bottlenecks or buffer stocks if any

Please attach separate line diagram for utility supplies such as power, steam, air and water showing interconnected machinery.

5. In the event of stoppage of any of the machines proposed for insurance -

a) Can machines, which remain in operation, carry the load originally borne by the machine, which has failed?

☐ Yes

☐ No

b) Are there any alternative means of maintaining production by -

i) the work being done at other premises ?

☐ Yes

☐ No

If yes, to what extent?

ii) hiring temporarily suitable replacement machine

☐ Yes

☐ No

iii) by any other means

☐ Yes

☐ No

6. Are any of the machines described in the schedule A & B de-rated?

☐ Yes

☐ No

If yes please give details

7. State repair facilities available in regard to machinery specified in Schedule A & B

a) In your own premises

b) Any other nearest place

8. Which machines proposed under this insurance are the machines for which the spare parts would need to be imported?

9. State the estimated period of interruption affecting resumption of normal production, on account of spoilage of materials in process following a breakdown or failure of utility supplies.

10. a) What are your normal working hours?

a) hrs. per day

b) days per week

c) days per year.

b) Can extra shifts be worked to make up production loss?

☐ Yes

☐ No

11. a) Have you ever suffered Loss of Profit following Machinery Breakdown and/or Boiler Explosion?

☐ Yes

☐ No

b) If so give details of the cause, duration and loss suffered in each stoppage, during the last three years.

12. If the business is 'Seasonal' indicate the period of high and low output or turnover and indicate the degree of fluctuation. State if there is a tendency of fluctuations due to demands.

13. State what terms are required for Loss of Profits insurance with regard to -

a) Indemnity period (max.12 months)

Note - The Indemnity period should be selected based on an estimate of the Maximum time, which would be required to resume normal production after a serious accident.Different periods can be selected for different items.

b) Time Exclusion (Min.7 working days)

☐ 7 days

☐ 14 days

☐ 28 days

14. INSURED STANDING CHARGES - Please indicate charges to be insured - delete or supplement as appropriate -

a) Interest on Debentures Motor Upkeep and Licenses:

b) Mortgages, Loans and Lighting, Heating Power and Bank Overdrafts:

c) Water Charges

d) Directors' Fees and Office Expenses:

e) Remuneration

f) Rents and Rates

g) Salaries including State Insurance Contribution

h) Taxes other than those chargeable on Profits

i) Insurance Premiums

j) Contributions to Pension Fund

k) Telephone Rentals

l) Miscellaneous Charges (not travelling expenses) exceeding 5% of the total amount of the aforesaid Standing Charges.

m) Traveling Expenses

Machinery Loss of Profit Policy UIN No.: IRDAN108P0010V01200001

n) Advertising Cost

o) Auditors' and Legal Fees

p) Trade and Charitable Subscriptions

q) Repairs and renewals chargeable to revenue account

r) Depreciations of Buildings/ Machinery Plant and Motor Vehicles

15. State the Sum Insured on –

a) Gross Profit under the Loss of profits Policy (The Gross Profit for the current financial year to be computed from the last annual balance sheet being the Sum of net profit and Standing Charges with adjustment for upward or downward trend of business for the period of Insurance.)

Sum Insured - Rs. _____

Indemnity period - _____ months

b) On Wages (Alternative forms of cover available)

I) _____ weeks wages to the extent of _____ % of the total wage roll. **OR**

Rs. _____

ii) Wages to the extent of _____ % of the total wages for roll. **OR**

Rs. _____

iii) Total wages for the first _____ weeks followed by _____ % for the remainder of the Indemnity Period

Rs. _____

c) On Auditors/Accountants Fees - (cost incurred in the preparation of claims.)

Rs. _____

16. Are your books regularly audited?

☐ Yes

☐ No

a) If so, give name and address of your Auditors.

b) When does your financial year end?

c) Date of commencement of Insurance?

From _____ To _____

17. Are you insured or have you made a proposal in respect of loss of Profit following Machinery Breakdown and/or Boiler Explosion?

☐ Yes

☐ No

If so, give name of the Company concerned and state if renewal has been (a) declined (b) subjected to increased rates or special conditions

18. Are you insured against Loss of profit following Fire?

☐ Yes

☐ No

If so, please state -

a) Name of the Insurer

b) Sum Insured

c) Policy No.

Additional Details (Mandatory):

Nationality: ☐ Indian ☐ Non – Indian ☐ If Non-Indian, please specify Country: _____

Type of Organization

☐ Corporations ☐ Governments ☐ Non Governmental Organizations ☐ Society ☐ International Organization

☐ Trust ☐ Partnership ☐ Cooperatives ☐ Section 25 Company

PAN card number (10 character number):

Sources of funds: Please tick appropriate box ☐ Salary ☐ Business ☐ Others (please specify) _____

Intermediary Declaration:

I, _____ (Full Name) in my capacity as an Insurance Advisor/ Specified Person of the Corporate Agent/Authorized employee of the Broker/Relationship Officer, do hereby declare that I have explained all the contents of this Proposal Form, including the nature of the questions contained in this Proposal Form to the Proposer including statement(s), information and response(s) submitted by him/her in this Proposal Form to questions contained herein or any details sought herein will form the basis of the Contract of Insurance between the Company and the Proposer, if this Proposal is accepted by the Company for issuance of the Policy. I have further explained that if any untrue statement(s)/ information/response(s) is/are contained in this Proposal Form/including addendum(s), affidavits, statements, submissions, furnished/to be furnished, the Company shall have the right to vary the benefits which may be payable and further more if there has been a non-disclosure of any material fact, the policy issued to his/her favor pursuant to this Proposal may be treated by the Company as null and void and all premiums paid under the Policy may be forfeited to the company.

License No.(Intermediary/Corporate Agent/Broker/Relationship Officer) _____

Name of the specified Person and code _____

Place: _____ Date: _____ Signature of Agent _____

Declaration:

1. I/we herby confirm that all premiums have been/will be paid from bonafide sources and no premiums have been/will be paid out of proceeds of crime related to any of the offence listed in Prevention of Money Laundering Act, 2002.

2. I understand that the Company has the right to call for documents to establish sources of funds.

3. The insurance company has right to cancel the insurance contract in case I am/ have been found guilty by any competent court of law under any of the statutes, directly or indirectly governing the prevention of money laundering in India.

Date : _____ Signature of Proposer : _____

Place : _____ Name & Title of Signatory: _____

The content of this form along with product benefits, terms/conditions and exclusions have been clearly explained to me. I/we have understood these and confirm to abide by the policy terms & conditions.

Signature of the Proposer: _____

Name & Signature of agent/intermediary: _____ Code: _____

The content of this form along with product benefits, terms/conditions and exclusions have been clearly explained to me. I/we have understood these and confirm to abide by the policy terms & conditions.

Signature of the Proposer: _____

Name & Signature of agent/intermediary: _____

Code: _____

Vernacular Declaration (Certification in case the proposer has signed in vernacular/thumb print):

The content of this form along with product benefits, terms/conditions and exclusions have been clearly explained by me in vernacular to the proposer who has understood and confirmed the same.

Signature/Thumb impression of the Proposer: _____

Name & Signature of agent/intermediary: _____

Payment Details Rs. _____ vide CASH/Cheque No _____ Dated _____

Prohibition of Rebates - Section 41 of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015

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 of risk elating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of 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 prospectus or tables of the insurer.

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

Section 64 VB of the Insurance Act 1938

Commencement of risk cover under the policy is subject to receipt of premium by Tata AIG General Insurance Company Limited.

Tata AIG General Insurance Company Limited

Registered Office: Peninsula Business Park, Tower A, 15th Floor, G.K. Marg, Lower Parel, Mumbai – 400013
24X7 Toll Free No: 1800 266 7780 Fax: 022 6693 8170 Email: customersupport@tataaig.com Website: www.tataaig.com
IRDA of India Registration No: 108 CIN: U85110MH2000PLC128425

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