

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

- 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 - _____ Indemnity period - _____ months
Rs. _____
- 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.

AML Guidelines

1. I/we hereby confirm that all premiums paid / payable in future will be from bonafide sources and not paid out of proceeds of crime and that such premiums are not disproportionate to my/our income. I / we understand that the Company has the right to call for documents to establish sources of funds and to cancel the insurance policy in case I / we are found guilty by any competent court of law under any of the statutes, directly or indirectly governing the prevention of money laundering law in India.
2. I/we are not Politically Exposed Persons * nor are their close relatives. I / we shall keep the company informed if we subsequently become a Politically Exposed Person.

"Politically Exposed Persons" shall have the meaning assigned to it under sub clause (xii) of 3(b) of Chapter I of Master Direction – Know Your Customer (KYC) Direction, 2016 issued by Reserve Bank of India (RBI), as amended from time to time

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 _____

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 relating 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 | Email: customersupport@tataaig.com | Website: www.tataaig.com
IRDA of India Registration No: 108 | CIN: U85110MH2000PLC128425

Machinery Loss of Profit Policy UIN No.: IRDAN108CP0040V01201819