# PROPOSAL FORM FOR CONSEQUENTIAL LOSS (FIRE) INSURANCE

Proposal Form No. Business Sector: Urban Rural Social

Marketing Officer

Branch Address

Phone No. Group I.D.No. Client I.D.No.

## GUIDELINES FOR COMPLETION OF THE FORM

1. Please answer all the questions fully and correctly. Where any question does not apply, please mention clearly that the same is not applicable.
2. Insurance is a contract of Utmost Good Faith requiring the Insured not only to disclose all material facts but also not to suppress any material facts in response to the questions in the proposal form. If you think any fact is material, please disclose it.
3. The policy shall become voidable at the option of Insurer, in the event of any untrue or incorrect statement, misrepresentation, non-description or non-disclosure in any material particular in the proposal form/personal statement, declaration and connected documents or any material information having been withheld by the Proposer or any one acting on his behalf.
4. Kindly contact the Company's Offices or Agents for any doubts or clarifications on the proposal form.

**Note:** The liability of the Company does not commence until this proposal has been accepted by the Company and premium paid.

**SCOPE OF COVER:** The Insurance Policy broadly covers loss of Net Profit on account of interruption of business, consequent upon Material Damage to property due to Fire or any other insured peril under the Standard Fire and Special Perils Policy. It also covers standing charges, which continue to be incurred during the period of interruption and the increase in cost of working, necessarily and reasonably incurred to maintain the business as far as possible, at its normal level, so that the loss under net profit and standing charges is avoided or at least minimised.

**SIGNIFICANT EXCLUSIONS:** This Insurance Policy does not cover loss of gross profits, which is not consequent upon property damage due to an insured peril, loss due to material damage to property, difference between value of stock at the time of fire and the value at the time of subsequent replacement, deterioration of undamaged stock after fire, cost of preparing fire and loss of profits claim, third party claims and loss of goodwill.

**EXTENSIONS:** Certain extensions are available, the details of which are provided in the relevant section of the proposal form.

**NOTE:** The foregoing is only a broad indication of the cover offered. For details, please refer to the Policy.

DETAILS: Put a (✓) mark wherever applicable

## 1. CLIENT INFORMATION

i. Proposer's Name (please leave a space after each part of name)

ii. Proposer's Mailing Address

City/Town State Pin Code

Contact No Fax No.

Email ID

iii. Proposer's trade or business

iv. Paid-up capital of the firm (in Rs. million)

Are you or any of the proposed applicants/beneficial owner a PEP* or Family member/ Close relatives/Associates of PEPs*?

☐ Yes ☐ No

If yes, please give details (Nature of relationship and position held by PEP): _____

**Politically Exposed Persons (PEPs) are individuals who have been entrusted with prominent public functions by a foreign country, including the heads of States or Government, senior politicians, senior government or judicial or military officers, senior executives of state-owned corporations and important political party officials.*

**Type of Proposer:** ☐ Individual ☐ MSME/SME ☐ Partnership firm ☐ Company ☐ Govt. ☐ Others _____

## 2. RISK DETAILS

**i. Period of Insurance:** From D D M M Y Y Y Y To Midnight D D M M Y Y Y Y

ii. Number of locations to be insured ☐☐☐☐☐☐

iii. Address of the locations to be insured (please leave a space after each part of address and attach separate sheet for multiple locations) _____

_____

City/Town ☐☐☐☐☐☐☐☐☐☐☐☐☐☐ State ☐☐☐☐☐☐☐☐☐☐ Pin Code ☐☐☐☐☐☐

iv. Details of Joint Insured Policy to be issued in favour of (list out all the parties who have insurable interest including financial institutions/banks. Please leave a space after each name.) ☐☐☐☐☐☐☐☐☐☐☐☐☐☐

ix. Are your books regularly audited? ☐ Yes ☐ No

Please indicate the name and address of the auditors and enclose one copy of the latest audited accounts

x. Please furnish particulars of sum insured, period of insurance and premium of all Fire Insurance (material damage) policies in respect of the premises now proposed for loss of profits insurance:

| Name of Insurer | Location | Property Covered | Sum Insured | Date (DDMMYYYY) | | Premium (Rs.) |
|---|---|---|---|---|---|---|
| | | | | Commencement of Cover | Expiry of Cover | |
| | | | | | | |
| | | | | | | |
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xi. Please indicate the basis of indemnity required

☐ Turnover basis ☐ Output basis ☐ Difference basis ☐ Revenue basis

xii. Has any insurance company,

a. Declined your proposal or cancelled any insurance? ☐ Yes ☐ No

b. Required an increased premium or imposed special conditions or refused renewal thereof? ☐ Yes ☐ No

If yes, to any of the above, please provide details.

xiii. Is the Proposer at present or has he been insured for loss of profits now proposed for insurance? ☐ Yes ☐ No

If yes, please provide information in the following format

| Name of insurer | Policy no. | Commencement of cover (DDMMYYYY) | Expiry of cover (DDMMYYYY) | Sum insured (Rs.) |
|---|---|---|---|---|
| | | | | |
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xiv. Has the Proposer ever sustained any loss by fire or other perils? ☐ Yes ☐ No

If so, give details for 3 policy periods in the following format (attach separate sheet if required):

| Year of damage | Description of damage | Loss (Rs.) |
|---|---|---|
| | | |
| | | |
| | | |

xv. Has the Proposer made any claim under loss of profits policy? ☐ Yes ☐ No

If so, give details in the following format (attach separate sheet if required) for the last 3 years:

| Year of damage | Description of damage | Loss (Rs.) |
|---|---|---|
| | | |
| | | |
| | | |

## EXTENSIONS

If you want to avail of additional covers by the payment of additional premium, please specify the limit of indemnity in each such case.

i. Do you wish to include layoff or retrenchment compensation ☐ Yes Rs. ☐☐☐☐☐☐☐☐ ☐ No

ii. Do you wish to include fee payable to Auditors for certifying particulars in connection with a claim

☐ Yes Rs. ☐☐☐☐☐☐☐☐☐☐ ☐ No

iii. Do you need to include Wages (Other than those insured as part of Gross Profit) ☐ Yes ☐ No

If yes, please state the basis of Insurance

Wages – Dual Basis ☐

100% for_____weeks and_____% for the remainder of the indemnity period

Wages – Pro-Rata Basis ☐

Number of weeks_____(Not exceeding 36 weeks)

iv. Do you wish to include property situated at other locations used for storage ☐ Yes ☐ No

**Note:** These should not include manufacturing locations, which can be specified in item 2 (iii) of the proposal form.

If yes, please provide the details in the following format (in a separate sheet): State whether it is suppliers' premises (A), premium where contract is being carried out (B) or any other premises where property of insured is stored (C).

| Sr No. | Address of location |
|---|---|
| | |
| | |
| | |

v. Do you wish to include electricity, gas works or water works ☐ Yes ☐ No

If yes, please provide the details in the following format (in a separate sheet):

| Sr No. | Address of location |
|---|---|
| | |
| | |
| | |

vi. Do you wish to include suppliers' premises ☐ Yes ☐ No

If yes, please provide the details in the Additional Questionnaire attached herewith.

vii. Do you wish to include customer's premises ☐ Yes ☐ No

If yes, please provide the details in the Additional Questionnaire attached herewith.

**Any additional information relevant to the policy applied for**

_____

_____

_____

_____

**Note:** Please use additional sheets if space is not sufficient to complete details

I/We, the undersigned hereby declare that the above statements and particulars are true, accurate and complete and I/We declare and agree that this declaration and the answers given above shall be held to be promissory and shall be the basis of the contract between me/us and the Company.

I/We hereby give my/our consent to the Company to verify and obtain my/our identity/address proof as well as the identity /address proof of the insured through Central KYC Registry or UIDAI or through any other modes for the purpose of undertaking KYC.

I/We hereby declare and confirm that the premium has been paid out of legally acquired sources of income and the subsequent premiums if any, will continue to be paid out of legally declared and assessed source of income.

I/We understand that the Company has right to call for documents to establish source of funds

I/We hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/we undertake to inform you of any changes therein, immediately, not later than 30 days.

In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am/we are aware that I/we may be held liable for it.

Place: _____ Name: _____

Date D D M M Y Y Y Y Designation: _____

Proposer's Signature

## INTERMEDIARY DECLARATION AND DETAILS/PRINCIPAL OFFICER DETAILS

I, _____<full name> in my capacity as an Insurance Advisor/ Specified Person of the Corporate Agent/ Insurance Sales Persons of Insurance Marketing Firm / Broker Qualified Person/ Point of Sales Person/ Designated Person/ Authorised Verifier or any other authorised salesperson/ Rural Authorized Person (RAP) and Village Level Entrepreneur – Ins (VLE-Ins) of Common Public Service Centre 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 cancel the policy at its discretion. Further, this declaration does not confirm issuance of policy or assumption of risk thereof.

_____ (to be filled in, only in case there is some disclosure to be made).

I hereby confirm to the best of my knowledge and belief that there is no inconsistency or adverse habits that may affect the underwriting of this proposal except as mentioned below:

Intermediary Name / Principal Officer Name: _____ Code/Functional Identity: _____

Contact No. of the branch: _____ Email ID of the branch: _____ Branch/Office: _____

## STATUTORY WARNING

### PROHIBITION OF REBATES

(Under Section 41 of Insurance Act 1938)

(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 the premium shown on the policy, nor shall any person taking out or renewing [or continuing] a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectuses or tables of the insurer:
(Provided that acceptance by an insurance agent of commission in connection with a policy of any class of insurance business taken out by himself in relation to risks associated with his own life, health or property shall not be deemed to be acceptance of a rebate of premium within the meaning of this sub-section if at the time of such acceptance the insurance agent satisfies the prescribed conditions establishing that he is a bona fide insurance agent employed by 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.

## ADDITIONAL QUESTIONAIRE FOR SUPPLIERS' PREMISES EXTENSION

i. If Suppliers' Premises Extension is required, please answer the following:

| Sr. No. | Supplier's name | Type of Industry | Address of location | Limit as percentage of Sum Insured |
|---|---|---|---|---|
| | | | | |
| | | | | |
| | | | | |

ii. Do you maintain Buffer Stock for 7 Days? ☐ Yes ☐ No

iii. Are all the suppliers' plants covered in the name of the same Insured? ☐ Yes ☐ No

iv. Where there are a number of suppliers,

a. Is the dependence on a number of suppliers for similar goods? ☐ Yes ☐ No

b. Is the dependence total on a number of separate suppliers for different components? ☐ Yes ☐ No

c. If Yes, please specify the percentage of dependence on each such supplier:

| Sr. No. | Supplier's name | Type of Goods | Percentage of Dependence |
|---|---|---|---|
| | | | |
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## ADDITIONAL QUESTIONAIRE FOR CUSTOMERS' PREMISES EXTENSION

i. If Customers' Premises Extension is required, please answer the following:

| Sr. No. | Customer's name | Type of Industry | Address of location | Limit as percentage of Sum Insured |
|---|---|---|---|---|
| | | | | |
| | | | | |
| | | | | |

ii. Do you maintain Buffer Stock for 7 Days? ☐ Yes ☐ No

iii. Are all the customers' plants covered in the name of the same Insured? ☐ Yes ☐ No

## ADDITIONAL QUESTIONAIRE FOR SOLICITORS' & PROFESSIONAL MEN'S FEES EXTENSION

i. Do you wish to cover Solicitors' and Professional Men's Fees in connection with a claim? ☐ Yes ☐ No

If yes, specify the sum insured:

| Item No. | Particulars | Sum Insured (Rs.) |
|---|---|---|
| 1. | On Gross Fees | |
| 2. | On Additional Expenditure | |
| 3. | On Legal, Clerical and other charges | |
| TOTAL | | |