ERECTION/CONSTRUCTION ALL RISK ADVANCE LOSS OF PROFIT (ALOP) INSURANCE

The Insurers shall indemnify the Insured - named as Principal in the Schedule to Section I of this Policy in respect of the loss of gross profit actually sustained due to the reduction in turnover and the increased cost of working as defined in this Section, if at any time during the period of insurance stated in the Schedule to this Section any or all the insured items suffer loss or damage covered under Section I of this Policy, unless specifically excluded in this Section, thereby causing an interference in the erection work and/or testing schedule resulting in a delay of commencement of and/or interference with the insured business, hereinafter referred to as "the delay".

The amount payable as indemnity hereunder shall be:

- in respect of loss of gross profit: the sum obtained by applying the rate of gross profit to the amount by which the actual turnover during the indemnity period falls short of the turnover which would have been achieved had the delay not occurred;

- in respect of increased cost of working: the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, without such expenditure, would have taken place during the indemnity period, but not exceeding the sum obtained by applying the rate of gross profit to the amount of the reduction in turnover thereby avoided.

If the annual sum insured hereunder is less than the sum obtained by applying the rate of gross profit to the annual turnover, the amount payable shall be reduced proportionately.

Definitions

Period of Insurance
The period of insurance shall be the period stated in the Schedule to this Section, terminating on the date specified in the Schedule or on any earlier date when the EAR material damage cover of Section I ceases.

Scheduled Date of Commencement of the Insured Business

The provisional date stated in the Schedule to this Section or any revised date upon which the business would have commenced had the delay not occurred.

Indemnity Period

The period during which the results of the business are affected in consequence of the delay, beginning on the scheduled date of commencement of the insured business and not exceeding the maximum indemnity period stated in the Schedule to this Section.

Time Excess

The period stated in the Schedule to this Section for which the Insurers are not liable. The corresponding amount shall be calculated by multiplying the average daily value of loss sustained during the indemnity period by the number of days agreed upon as the time excess.

Turnover

The amount of money (less discounts allowed) paid or payable to the Insured for goods, products or services sold, delivered or rendered in the course of the insured business conducted at the premises.

Annual Turnover

The turnover which, had the delay not occurred, would have been achieved during the 12 months after the scheduled date of commencement of the insured business.

Annual Gross Profit

The amount by which the value of the annual turnover and the value of the closing stock exceeds the value of the opening stock and the amount of the specified working expenses. The value of the opening and closing stocks shall be calculated in accordance with the Insured's normal accounting methods, due provisions being made for depreciation.

Specified working expenses shall be any costs incurred for the acquisition of goods, raw materials or auxiliaries as well as for supplies (unless required for the upkeep of operations) and any costs for packaging, carriage, freight, intermediate storage, turnover tax, purchase tax, licence fees and royalties for inventors, etc., insofar as such costs are dependent on turnover. *Rate of Gross Profit*

The rate which, had the delay not occurred, would have been earned on the turnover during the indemnity period.

Special Exclusions Applying to Section III

The Insurers shall not be liable for

1. Loss of gross profit and/or increased cost of working due to any delay caused by or resulting from
   1.1. loss or damage covered under Section I by way of endorsement, unless it has been specifically agreed in writing;
   1.2. loss of or damage to surrounding property, construction machinery, plant and equipment;
   1.3. loss of or damage to operating media or feedstock, shortage, destruction, deterioration of or damage to any materials necessary for the insured business;
   1.4. Any restrictions imposed by a public authority;
   1.5. Non-availibility of funds;
   1.6. Alterations, additions, improvements, rectification of defects or faults or elimination of any deficiencies carried out after the occurrence;
   1.7. Loss or damage to items taken over or taken into use by the Insured or for which cover under Section I to this Policy has ceased;

2. Any loss due to fines or damages' for breach of contract, for late or non-completion of orders, or for any penalties of whatever nature;
3. loss of business due to causes such as suspension, lapse or cancellation of a lease, licence or order, etc. which occurs after the date of actual commencement of the business;

4. loss of or damage to erection work of a prototype nature, unless specifically agreed by endorsement

5. Loss Damage or liability directly or indirectly caused prior to risk inception date or the ALOP inception date whichever is later.

6. Loss of business due to causes such as suspension, lapse or cancellation of a lessee, license or order etc. which occurs after the date actual commencement of the business.

7. Exclusion of loss or damage to the property insured arising directly or indirectly or otherwise aggravated by sabotage and terrorism, war, civil war, political risk, defective design, plan ,specification, materials and workmanship and all consequential losses of transmission and distribution lines

8. Damage to second hand plant and machinery testing

Provisions Applying to Section III

Memo 1 - Extension of Period: Any extension of the period of insurance under Section I of this Policy shall not automatically lead to an extension of the period of insurance stated in the Schedule to this Section.

Any extension of the period of insurance under this Section of the Policy shall be requested in writing as early as possible by the Insured, stating the circumstances leading to the need for extension, and shall have effect for this Section only if specifically agreed upon in writing.

Any alteration of the scheduled date of commencement of the insured business shall be reported and shall have effect for this Section only if specifically agreed upon in writing.

Memo 2 - Basis of Loss Settlement: In calculating the rate of gross profit and annual turnover, the following points shall in particular be taken into consideration:

a. the results of the insured business for the 12-month period after commencement,
b. variations and special circumstances which would have affected the insured business had the delay not occurred,
c. Variations and special circumstances affecting the insured business after commencement, so that the final figures represent as closely as may be reasonably practicable the results which the insured business would have obtained after the scheduled date of commencement had the delay not occurred.

Special Conditions Applying to the Policy

1. The Insured shall present the Insurers with updated progress reports at intervals stated in the Schedule to this Section.
2. In the event of any material change in the original risk such as

- changes of the envisaged progress programme, testing procedure, etc. - alteration, modification or addition to any item of machinery or work, etc.
- departure from prescribed construction or operation conditions
- changes in the Insured's interest (such as discontinuation or liquidation of the business or its being placed in receivership) taking place, the Policy shall be void unless its continuance be agreed by memorandum signed by the Insurers.

3. In the event of any occurrence which might cause a delay and give rise to a claim under this section:
   a. the Insured shall immediately notify the Insurers by telephone or telegram and send them written confirmation thereof within forty-eight hours of the occurrence;
   b. the Insured shall do and concur in doing and permit to be done all such things as may be reasonably practicable to minimize or establish the extent of any interference with the erection work and/or testing schedule so as to avoid or diminish any delay resulting therefrom.
   c. the Insurers and every person authorized by the insurers shall, without prejudice to any party insured by this Policy, have access to the erection site where such loss or damage has occurred for the purpose of direct negotiation with the responsible contractor or subcontractor in order to establish the possible cause and extent of the loss or damage, its effect on the insured items, to examine the possibilities for minimizing any delay to the scheduled date of commencement of the insured business, and if necessary to make any reasonable recommendations for the avoidance or minimization of such delay.

   This condition shall be evidence of the leave and licence of the Insured to the Insurers so to do. If the Insured or anyone acting on his behalf hinders or obstructs the Insurers during any of the abovementioned acts or does not comply with such recommendations of the Insurers, all benefits under this Section shall be forfeited.

4. In the event of a claim being made under this Section, the Insured shall at his own expense deliver to the Insurers not later than thirty days after the delay or within such further periods as the Insurers may allow in writing a written statement setting forth particulars of his claim. Furthermore, the Insured shall at his own expense produce and furnish to the Insurers such books of account and other business books,
   e.g. invoices, balance sheets and other documents, proofs, information, explanations or other evidence as may reasonably be required by the Insurers for the purpose of investigating or verifying the claim,
   together with - if required - a statutory declaration of the truth of the claim and of any matters connected therewith.

5. The indemnity shall be payable one month after final determination of its amount. Notwithstanding the above, the Insured may, one month after the Insurers have been duly notified of the loss and have acknowledged their liability, claim as advance payment(s) the minimum amount(s) payable under the prevailing circumstances.
   The Insurers shall be entitled to postpone payment:
   a. if there are doubts as to the Insured's right to receive payment, until the necessary proof is furnished;
   b. if, as a result of any loss or damage or any delay to the anticipated date of commencement of the insured business, police or criminal investigations have been initiated against the Insured, until the

completion of such investigations. The Insurers shall not be liable to pay interest on indemnity moneys withheld other than interest for default.

6. The parties to the contract may mutually agree and enter into a separate Arbitration Agreement to settle any and all disputes in relation to this policy. Arbitration shall be conducted under and in accordance with the provisions of the Arbitration and Conciliation Act, 1996." (*Applicable to commercial entities only*)

Claim Clause/ Settlement of Claim

1) Claim Intimation: Connect with us via: Toll-free no.: 1800 2666,
Email ID: customersupport@icicilombard.com, on our website: https://coclaims.icicilombard.com/claimstracker/CommercialClaims/ccplandingpage.aspx
Register the claim and submit claim related documents along with claim form. You will receive a claim reference number as your reference point for future correspondence.
2) File an FIR: In case of third-party property damage/bodily injury, fire etc. if applicable as per policy terms and conditions.

3) Surveyor Appointment: Your Claims Manager (CSM) will contact you and appoint a licensed surveyor basis claim eligibility within 24 hours of reporting the claim

4) Documents: submit documents to the assigned CSM/Surveyor.

List of documents which are necessary and relevant to the claim are as below:

1. Claim bill / Claim Form duly filled up
2. Photographs / Video of damaged property/item under claim
3. Document/s in support of admissibility of the claim, for instance, Service Engineer's Report, Fire Brigade Report, etc.
4. FIR / Final Police investigation report wherever applicable
5. For items which are to be repaired or reinstated, repair/ replacement quotation, invoice and payment proofs for each and every item as claimed.
6. For items which are under claim & not to be repaired or reinstated, documents substantiating the quantum & value of the items under claim
7. Offer for retention of salvage, if any
8. KYC / NEFT Details as per AML guidelines
9. Invoice copy / Goods Receipt Note / Monetary Claim on carrier / Damage Certificate
10. Any other document which may be specified by the surveyor post completion of initial survey

5) Assessment Approval: Repair/Replacement details submitted in support of the claim will be assessed and approved by CSM/surveyor

6) Salvage: The amount that is assessed which the damaged asset will fetch in the open market *(wherever applicable).*

7) Turnaround Time (TAT): Assessment sheet /Survey report will be furnished within 15 days of receipt of all relevant information/documents and all queries of the surveyors being concluded. Claim will be decided within 7 days of receipt of the assessment sheet / survey report *(This condition will not apply in case of policies issued on the property/building on reinstatement value basis).*

Grievances

For resolution of any query or grievance, Insured may contact the respective branch office of the Company or may call toll free no.1800-2666 or may approach us at the sub section "Grievance Redressal" on our website www.icicilombard.com (Customer Support section). However, if the resolution provided by us is not satisfactory you may approach Insurance Regulatory and Development Authority of India (IRDAI) through the Bima Bharosa Portal - https://bimabharosa.irdai.gov.in/ or IRDAI Grievance Call Centre (IGCC) at their toll free no. 1800 4254 732 / 155255.
You may also approach Insurance Ombudsman, subject to vested jurisdiction, for the redressal of grievance. Details of Insurance Ombudsman offices are available at IRDAI website www.irdai.gov.in, or on the Company's website at www.icicilombard.com.

The updated ombudsman details are mentioned below:

S no.	Name of office of insurance Ombudsman	Territorial Area of jurisdiction
1	AHMEDABAD Insurance Ombudsman Office of the Insurance Ombudsman, Jeevan Prakash Building, 6th floor, Tilak Marg, Relief Road, Ahmedabad – 380 001. Tel.: 079 - 25501201/02/05/06 Email: bimalokpal.ahmedabad@cioins.co.in	Gujarat, Dadra & Nagar Haveli, Daman and Diu.
2	BENGALURU Insurance Ombudsman Office of the Insurance Ombudsman, Jeevan Soudha Building,PID No. 57-27-N-19 Ground Floor, 19/19, 24th Main Road, JP Nagar, Ist Phase, Bengaluru – 560 078. Tel.: 080 - 26652048 / 26652049 Email: bimalokpal.bengaluru@cioins.co.in	Karnataka
3	BHOPAL Insurance Ombudsman Office of the Insurance Ombudsman, 1st floor,"Jeevan Shikha", 60-B,Hoshangabad Road, Opp. Gayatri Mandir, Bhopal – 462 011. Tel.: 0755 - 2769201 / 2769202 Email: bimalokpal.bhopal@cioins.co.in	Madhya Pradesh, Chattisgarh.

4	BHUBANESHWAR Insurance Ombudsman Office of the Insurance Ombudsman, 62, Forest park, Bhubaneswar – 751 009. Tel.: 0674 - 2596461 /2596455 Email:bimalokpal.bhubaneswar@cioins.co.in	Odisha.
5	CHANDIGARH Insurance Ombudsman Office Of The Insurance Ombudsman, Jeevan Deep Building SCO 20-27, Ground Floor Sector- 17 A, Chandigarh – 160 017. Tel.: 0172 - 4646394 / 2706468 Email: bimalokpal.chandigarh@cioins.co.in	Punjab, Haryana (excluding Gurugram, Faridabad, Sonepat and Bahadurgarh), Himachal Pradesh, Union Territory of Jammu & Kashmir, Ladakh & Chandigarh.
6	CHENNAI Insurance Ombudsman Office of the Insurance Ombudsman, Fatima Akhtar Court, 4th Floor, 453, Anna Salai, Teynampet, CHENNAI – 600 018. Tel.: 044 - 24333668 / 24333678 Email: bimalokpal.chennai@cioins.co.in	Tamil Nadu, Pondicherry Town and Karaikal (which are part of Pondicherry).
7	DELHI Insurance Ombudsman Office of the Insurance Ombudsman, 2/2 A, Universal Insurance Building, Asaf Ali Road, New Delhi – 110 002. Tel.: 011 – 23237539 Email: bimalokpal.delhi@cioins.co.in	Delhi & following District of Haryana – Gurugram, Faridabad, Sonepat and Bahadurgarh
8	ERNAKULAM Insurance Ombudsman Office of the Insurance Ombudsman, 2nd Floor, Pulinat Bldg., Opp. Cochin Shipyard, M. G. Road, Ernakulam - 682 015. Tel.: 0484 - 2358759 / 2359338 Fax: 0484 - 2359336 Email: bimalokpal.ernakulam@cioins.co.in	Kerala, Lakshadweep, Mahe-a part of Puducherry.
9	GUWAHATI Insurance Ombudsman Office of the Insurance Ombudsman, Jeevan Nivesh, 5th Floor, Nr. Panbazar over bridge, S.S. Road, Guwahati – 781001(ASSAM). Tel.: 0361 - 2632204 / 2602205 Email: bimalokpal.guwahati@cioins.co.in	Assam, Meghalaya, Manipur, Mizoram, Arunachal Pradesh, Nagaland and Tripura.

10	HYDERABAD Insurance Ombudsman Office of the Insurance Ombudsman, 6-2-46, 1st floor, "Moin Court", Lane Opp. Saleem Function Palace, A. C. Guards, Lakdi-Ka-Pool, Hyderabad - 500 004. Tel.: 040 - 23312122 Email: bimalokpal.hyderabad@cioins.co.in	Andhra Pradesh, Telangana, Yanam and Part of Territory of Puducherry.
11	JAIPUR Insurance Ombudsman Office of the Insurance Ombudsman, Jeevan Nidhi – II Bldg., Gr. Floor, Bhawani Singh Marg, Jaipur - 302 005. Tel.: 0141- 2740363/2740798 Email: Bimalokpal.jaipur@cioins.co.in	Rajasthan.
12	KOLKATA Insurance Ombudsman Office of the Insurance Ombudsman, Hindustan Bldg. Annexe, 4th Floor, 4, C.R. Avenue, KOLKATA - 700 072. Tel.: 033 - 22124339 / 22124340 Fax : 033 - 22124341 Email: bimalokpal.kolkata@cioins.co.in	West Bengal, Sikkim, Andaman & Nicobar Islands.
13	LUCKNOW Insurance Ombudsman Office of the Insurance Ombudsman, 6th Floor, Jeevan Bhawan, Phase-II, Nawal Kishore Road, Hazratganj, Lucknow - 226 001. Tel.: 0522 - 4002082 / 3500613 Email: bimalokpal.lucknow@cioins.co.in	Districts of Uttar Pradesh : Laitpur, Jhansi, Mahoba, Hamirpur, Banda, Chitrakoot, Allahabad, Mirzapur, Sonbhabdra, Fatehpur, Pratapgarh, Jaunpur,Varanasi, Gazipur, Jalaun, Kanpur, Lucknow, Unnao, Sitapur, Lakhimpur, Bahraich, Barabanki, Raebareli, Sravasti, Gonda, Faizabad, Amethi, Kaushambi, Balrampur, Basti, Ambedkarnagar, Sultanpur, Maharajgang, Santkabirnagar, Azamgarh, Kushinagar, Gorkhpur, Deoria, Mau, Ghazipur, Chandauli, Ballia, Sidharathnagar.
14	MUMBAI Insurance Ombudsman Office of the Insurance Ombudsman, 3rd Floor, Jeevan Seva Annexe, S. V. Road, Santacruz (W), Mumbai - 400 054. Tel.: 022 - 69038800/27/29/31/32/33 Email: bimalokpal.mumbai@cioins.co.in	Goa, Mumbai Metropolitan Region Excluding (Navi Mumbai & Thane).

15	NOIDA Insurance Ombudsman Office of the Insurance Ombudsman, Bhagwan Sahai Palace 4th Floor, Main Road, Naya Bans, Sector 15, Distt: Gautam Buddh Nagar, U.P-201301. Tel.: 0120-2514252 / 2514253 Email: bimalokpal.noida@cioins.co.in	State of Uttaranchal and the following Districts of Uttar Pradesh: Agra, Aligarh, Bagpat, Bareilly, Bijnor, Budaun, Bulandshehar, Etah, Kanooj, Mainpuri, Mathura, Meerut, Moradabad, Muzaffarnagar, Oraiyya, Pilibhit, Etawah, Farrukhabad, Firozbad, Gautambodhanagar, Ghaziabad, Hardoi, Shahjahanpur
16	PATNA Insurance Ombudsman Office of the Insurance Ombudsman, 2nd Floor, Lalit Bhawan, Bailey Road, Patna 800 001. Tel.: 0612-2547068 Email: bimalokpal.patna@cioins.co.in	Bihar, Jharkhand.
17	PUNE Insurance Ombudsman Office of the Insurance Ombudsman, Jeevan Darshan Bldg., 3rd Floor, C.T.S. No.s. 195 to 198, N.C. Kelkar Road, Narayan Peth, Pune – 411 030. Tel.: 020-24471175 Email: bimalokpal.pune@cioins.co.in	Maharashtra, Area of Navi Mumbai and Thane (excluding Mumbai Metropolitan Region).
18	THANE Insurance Ombudsman Office of the Insurance Ombudsman, 2nd Floor,Jeevan Chintamani Building, Vasantrao Naik Mahamarg, Thane (West) Thane - 400604 Email: bimalokpal.thane@cioins.co.in	Area of Navi Mumbai, Thane District, Raigad District, Palghar District and wards of Mumbai M/East, M/West, N, S and T

The updated details of Insurance Ombudsman are available on IRDAI website: www.irdai.gov.in, on the website of General Insurance Council: www.generalinsurancecouncil.org.in, website of the Company www.icicilombard.com or from any of the offices of the Company.