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".

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

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.

Termination of Insurance

The insured can cancel the policy at any time during the term, by informing the company.

The company can cancel the policy only on the grounds of established fraud, by giving minimum notice of 7 days to the policyholder.

The company shall –
i) refund proportion premium for unexpired policy period, if the term of the policy is upto one year and there is no claim(s) made during the policy period.
ii) refund premium for the unexpired policy period, in respect of policy with the term more than one year and the risk coverage for such policy years has not commenced.

Grievance Redressal Procedure:

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.

STATUTORY WARNING PROHIBITION OF REBATES
(Under Section 41 of Insurance Act, 1938) (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 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

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