SALES LITERATURE

PARAMETRIC INSURANCE POLICY-COMMERCIAL

Introduction

Policy compensate insured for the loss of income/ revenue/ assets (physical/financial)/ profit or increased cost/ expenses on account of various perils as opted in the policy, resulting from deviation of observed index from strike index within a specific geographical location and within a specified time period, subject to the maximum Sum Insured opted. Policy compensates insured for losses on account of various perils that can be measured through different parameters/indices. Insured shall be entitled for the peril coverage which are opted by the insured during the proposal and prescribed in the policy schedule.

Coverage

These include perils that can be measured through different parameters. Below mentioned are the details of the perils covered.

1. Rainfall
2. Temperature
3. Relative Humidity
4. Fog
5. Snowfall
6. Hailstorm
7. River Flow
8. Wind Speed /Cyclone
9. Earthquake
10. Landslide
11. Forest Fire/Wild Fire
12. Epidemic & Pandemic risk
13. Flood / Inundation
14. Tidal Waves / Tsunami wave height
15. Air Quality Index (AQI)
16. Solar Radiations
17. Sunshine Hours
18. Remote Sensing based Indices derived from different band combinations of electromagnetic spectrum
19. Any other indices/parameters that are measurable and mentioned in the policy schedule.

EXCLUSIONS:

The Company shall not be liable to make any payment under this policy to the incurred by any in connection with or in respect of any expenses whatsoever incurred by any insured arising out of deviation in parameter/Index resulting from:

1. Ionizing radiation or radioactive contamination from any nuclear fuel or nuclear waste or from the combustion of nuclear fuel;

2. The radioactive, toxic, explosive or otherwise hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;

3. Any weapon or device employing atomic or nuclear fission and/or fusion or any other similar reaction or radioactive force or matter.

4. Any wilful, deliberate, malicious, fraudulent, dishonest act or omission by the Insured.

5. Manipulation of parameter/index data readings

6. Any peril other than that insured and mentioned on policy schedule

The Company shall not be liable to make any payment under this Policy in connection with or in respect of any expenses whatsoever incurred by any Insured in connection with or in respect of any event leading to diminished agricultural or non-agricultural output/yield or increased operational costs, howsoever caused, other than on account of a deviation in indices/ parameters as stated in Part I of the Schedule within a specific geographical location and specified time period.

Delegation of authority for processing and settlement of claims

- Claims settlement process is centralized at Corporate office and is handled by Specialized Claims handlers.
- Information collected from the proposal form is databased centrally and analysed with respect to claims on periodic basis.

BASIS OF ASSESSMENT OF CLAIMS

1. Insofar by the end of the policy. For the geographical location mentioned in term sheet and for the time period of the policy, the data is extracted for the same period. After the calculations based on the Index specified in term sheet, if observed index is greater (or lower) than the strike index, the benefit payable to the Insured shall be as per the predefined formula specified in Term Sheet, subject to a maximum of the sum Insured.

2. The Company shall not be liable to compensate the Insured or pay any amount, in the event that the observed index is lower than the strike Index in case of coverage for excess parameter cover or in the event that the observed index is greater than the strike Index in case of coverage for deficient parameter cover during the period of insurance.

Limits of Liability

The liability of the Insurer(s) in respect of any one loss or series of losses arising out of one event (as ascertained after the application of all terms, conditions and limitations) shall not exceed the Limits of liability as stated in the policy schedule.