

CONSEQUENTIAL LOSS (FIRE) INSURANCE

Product Information Statement

The Product Information Statement is intended to facilitate an easier understanding of the policy terms and conditions. It gives a summary of the significant benefits and risks associated with this product.

What the Policy covers?

This the most significant benefit of this policy is that it protects your Balance Sheet from an adverse consequence arising out of an interruption to your business from a peril covered under your Fire (Material Damage) policy.

The Consequential Loss policy covers

- Loss of Gross Profit* due to Reduction in Turnover/Output.
- Increase in Cost of Working - This is the additional expenditure that has to be incurred in order to avoid or diminish the reduction in turnover following a loss payable under the Fire (Material Damage) policy.

***Gross Profit** – It is the sum of Net Profit & standing charges

Net Profit – It is the net trading profit excluding capital receipts, accretions and outlay chargeable to capital after making provisions for all Standing charges.

Standing charges – It means all expenses which do not reduce proportionately with a reduction in turnover

What the Policy does not cover?

Your policy does not provide coverage for

- A loss that is not admissible under a Fire (Material Damage) policy.
- War, Invasion, Act of Foreign Enemy, Hostilities or War Like operations, Civil War
- Mutiny, Civil Commotion Military Rising, Insurrection Rebellion, Revolution, Military or Usurped Power

Please read the policy for complete details.

What can be additionally covered on payment of extra premium?

You may extend your policy by paying additional premium. Major optional extensions available are:

- Wages-Dual Basis or Pro Rata Basis
- Layoffs and Retrenchment compensation and Notice Wage Liability.
- Auditor's Fees.
- Extension to cover Supplier's Premises
- Extension to cover Customer's Premises
- Insured's property stored at Other Situations.
- Extension to cover loss due to Accidental Failure or Public Electricity/Gas/Water supply.
- Molten Material Damage
- Spoilage Consequential Loss

Other Important Features

- Discounts/Loadings based on various Risk Features available
- Discount for Higher Voluntary Excess available.
- Premium refund available if Actual Turnover is less than Projected Turnover.