

PROPOSAL FOR MACHINERY LOSS OF PROFIT INSURANCE POLICY

(The property proposed for insurance is not covered until the proposal is accepted by the company and premium paid in advance. Coverage is as per the terms and conditions of Liberty Videocon General Insurance Company Limited's Standard Policy Wordings)

COMPANY OFFICE DETAILS (To be filled by insurer)

1. Office Code:
2. Office Address:
- City District
- State Pin Code

INTERMEDIARY DETAILS

1. Agent/ Broker Name:
2. Agent/ Broker License Code:
3. Agent/ Broker Contact Number:

PROPOSER DETAILS

1. Name of Proposer:
2. Address of Proposer:
- Road Area
- City District
- State Pin Code
3. Business of Proposer
4. Paid Up Capital of the Company
5. Financial Interest

ADVANCE LOSS OF PROFIT DETAILS

1. Do you wish to cover the risk of Loss of Profits arising from
- A. Breakdown of Machinery in your premises Yes No
If so, please complete schedule 'A'
- B. Explosion of Boiler and Pressure Plant in your premises Yes No
If so, please complete schedule 'B'
2. Is the Plant and Machinery specified in Schedules A & B insured against material damage risk i.e. breakdown and/or explosion? Yes No
 If yes, please state

A. Name of Insurer

B. Title of the Policy

C. Policy Nos.

D. Period(s) of Insurance From to

3. A. Are the lists of the Machinery in Schedule A and B representing the whole or only a part of the Machinery in the premises? Whole Part

B. Are all your Machineries subject to periodical inspection? Yes No
 If yes, state by whom and at what intervals inspections are carried out. Supply details of your maintenance schedule.

4. Give description of the manufacturing process and utility supplies such as power, steam, air, water etc. required for production. Please attach a process flow diagram showing connected machinery and indicate bottlenecks or buffer stocks if any. Please attach separate line diagram for utility supplies such as power, steam, air and water showing interconnected machinery.

5. In the event of stoppage of any of the machines proposed for insurance

A. Can machines, which remain in operation, carry the load originally borne by the machine, which has failed? Yes No

B. Are there any alternative means of maintaining production by

i. the work being done at other premises? Yes No
 If yes, to what extent?

ii. hiring temporarily suitable replacement machine? Yes No

iii. by any other means? Yes No

6. Are any of the machines described in the Schedules A & B de-rated? Yes No
 If yes please give details

7. State repair facilities available in regard to machinery specified in Schedules A & B

A. In your own premises

B. Any other nearest place

8. Which machines proposed under this insurance are the machines for which spare parts would need to be imported?

9. State the estimated period of interruption affecting resumption of normal production, on account of spoilage of materials in process following a breakdown or failure of utility supplies.

10. A. What are your normal working hours hours per day

days per week days per year

- B. Can extra shifts be worked to make up production loss? Yes No
11. A. Have you ever suffered Loss of Profit following Machinery Breakdown and/or Boiler Explosion?
 Yes No
 B. If yes, give details of the cause, duration and loss suffered in each stoppage, during the last three years.
-
12. If the business is 'Seasonal' indicate the period of high and low output or turnover and indicate the degree of fluctuation. State if there is a tendency of fluctuations due to demands.
-
13. State what terms are required for Loss of Profits insurance with regard to
- A. Indemnity period (max.12 months) Months
- Note - The Indemnity period should be selected based on an estimate of the Maximum time, which would be required to resume normal production after a serious accident. Different periods can be selected for different items.
- B. Time Exclusion (Min.7 working days) 7 Days 7 Days 14 Days
14. Insured Standing Charges - Please indicate charges to be insured - delete or supplement as appropriate –
- | | |
|---|--|
| A. Interest on Debentures Motor Upkeep and Licenses: | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| B. Mortgages, Loans and Lighting, Heating Power and Bank Overdrafts: | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| C. Water Charges | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| D. Directors' Fees and Office Expenses: | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| E. Remuneration | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| F. Rents and Rates | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| G. Salaries including State Insurance Contribution | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| H. Taxes other than those chargeable on Profits | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| I. Insurance Premiums | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| J. Contributions to Pension Fund | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| K. Telephone Rentals | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| L. Miscellaneous Charges (not Traveling Expenses) exceeding 5% of the total amount of the aforesaid Standing Charges. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| M. Traveling Expenses | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| N. Advertising Cost | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| O. Auditors' and Legal Fees | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| P. Trade and Charitable Subscriptions | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Q. Repairs and Renewals chargeable to revenue account | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| R. Depreciations of Buildings/ Machinery Plant and Motor Vehicles | <input type="checkbox"/> Yes <input type="checkbox"/> No |
15. State the Sum Insured on
- A. Gross Profit under the Loss of Profits Policy (The Gross Profit for the current financial year to be computed from the last annual balance sheet being the sum of Net Profit and Standing Charges with adjustment for upward or downward trend of business for the period of Insurance.)
- Sum Insured Rs
- Indemnity Period Months

B. On Wages (Alternative forms of cover available)

 i. weeks wages to the extent of % of the total wage roll Rs

OR

 ii. Wages to the extent of % of the total wages for roll Rs

OR

 iii. Total wages for the first weeks followed by % for the remainder of the Indemnity Period Rs
C. On Auditors/Accountants Fees - (cost incurred in the preparation of claims.)

 16. Are your books regularly audited? Yes No

A. If so, give name and address of your Auditors

 B. When does your financial year end?

 C. Date of commencement of Insurance?

 17. Are you insured or have you made a proposal in respect of Loss of Profit following Machinery Breakdown and/or Boiler Explosion? Yes No

If yes, give

A. Name of the Company concerned and state if renewal has been

 B. Declined Yes No

 C. Subjected to increased rates or special conditions Yes No

 18. Are you insured against Loss of profit following fire? Yes No

If so, please state

A. Name of the Insurer

 B. Sum Insured

 C. Policy No.
PAYMENT DETAILS

 1. PAN card number (10 character number):

 2. Sources of funds: Please tick appropriate box
 Salary Business Investments Others (Please Specify)
Declaration:

- I/We hereby confirm that all premiums have been/will be paid from bonafide sources and no premiums have been/will be paid out of proceeds of crime related to any of the offence listed in Prevention of Money Laundering Act, 2002.
- I understand that the Company has the right to call for documents to establish sources of funds.

- The insurance company has right to cancel the insurance contract in case I am/ have been found guilty by any competent court of law under any of the statutes, directly or indirectly governing the prevention of money laundering in India.

DECLARATION BY INSURED

I/We hereby declare that the statements made by me / us in this Proposal Form and annexure if any are true to the best of my / our knowledge and belief and I/we hereby agree that this declaration shall form the basis of the contract between me/ us and the “ Liberty Videocon General Insurance Company Limited”

If any additions or alterations are carried out in the risk proposed after the submission of this proposal form then the same should be conveyed to the insurers immediately.

Date:

Place:

Signature of Proposer

Recommendations of Officer/ Agent / Broker

Prohibition of Rebates (Section 41) of the Insurance Act

No person shall 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 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.

Any person making default in complying with the provisions of this section shall be punishable with fine, which may extend to Five Hundred Rupees.