



ذی اورینتال انشورنس کومپانی لیمتد  
**The Oriental Insurance Co. Ltd.**  
(Regd. Office : "ORIENTAL HOUSE" A 25/27, Asaf Ali Road, New Delhi, India)



مسجل في شركات التأمين، التسجيل بموجب القانون الاتحادي رقم (٩) لعام ١٩٨٤ م. شهادة رقم ٣٧، مؤرخة في ١٢/٢٩/١٩٨٤م.  
Registered in the Insurance Companies Register Under Federal Law No. (9) of 1984, Certificate No. 37 Dated 29th December 1984.

Issuing Office : ARMAH: CHIEF AGENTS, MANAGED BY MR. K. S. MULANI. Dubai, Sheikh Rashid Building, Above Bank of Baroda, Dubai Creek, Floor 3, Suite 303, Entrance from Rear. P.O. Box 478, DUBAI - U.A.E., Phone: +971 4 3538688 / 3537795, Fax: +971 4 3531722, E-mail: ksm@oicgulf.ae, Cable : SOBHRAJ  
"IN DUBAI SINCE 1960"

## **BUSINESS INTERRUPTION INSURANCE**

In consideration of the **Insured** named in the **schedule** hereto paying to **The Oriental Insurance Company Limited** (hereinafter called the Company) the premium mentioned in the said schedule.

The company agrees (subject to the conditions contained herein or endorsed or otherwise expressed hereon) that if any building or other property or any part thereof used by the Insured at the premises for the purpose of the Business be destroyed or damaged by any of the insured perils (as covered under Fire Insurance Policy No. or Property All Risks Policy No)

and the insurance on building arranged by the owners thereof) at any time after payment of the premium and before the time specified in the Schedule on the last day of the period of insurance or of any subsequent period in respect of which the premium required for the renewal of this Policy shall have been paid to and accepted by the Company and the business carried on by the Insured at the premises be in consequence thereof interrupted or interfered with

Then the **Company** will pay to the Insured in respect of each item in the Schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provision therein contained.

Provided that at the time of the happening of the damage there shall be in force an insurance covering the interest of the Insured in the property at the premises against such damage and that payment shall have been made or liability admitted thereof under such insurance.

And that the liability of the Company shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured hereon or in the whole, the total sum insured hereby or such other sums as may hereafter be substituted therefore by memorandum signed by or on behalf of the Company.

### **SPECIFICATION REFERRED TO IN POLICY NO.**

ITEM I ON GROSS PROFIT  
ITEM II ON AUDITOR'S FEES

THE INSURANCE UNDER ITEM I is limited to loss of Gross Profit due to (a) REDUCTION IN TURNOVER and (b) INCREASE IN COST OF WORKING and the amount payable as indemnity thereunder shall be:

- IN RESPECT OF REDUCTION IN TURNOVER, the same produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of damage, fall short of the Standard Turnover.
- IN RESPECT OF INCREASE IN COST OF WORKING, the additional expenditure (subject to the provision on Memo 2) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided.

less any sum saved during the Indemnity Period in respect of such of the Insured Standing Charges as may cease or be reduced in consequence of the damage.

Provided that if the sum Insured by this Item be less than the sum produced by applying the Rate of Gross profit to Shortage in the Annual Turnover, the amount payable shall be proportionately reduced.

THE INSURANCE UNDER ITEM II is limited to the reasonable fees payable by the Insured to the Auditors for producing and certifying and particulars or details contained in the Insured's books or documents or such other proofs, informations or evidence as may be required by the Insured under the terms of Condition 4 of this Policy.

### **DEFINITIONS**

GROSS PROFIT – The sum produced by adding to the Net Profit the amount of the Insured Standing Charges, or if there be no Net Profit the amount of the Insured Standing Charges less such a proportion of any net trading loss as the amount of the Insured Standing Charges bears to all the Standing Charges of the business.

NET PROFIT – The net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provisions has been made for all Standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

INSURED STANDING CHARGES – To be calculated on the basis of latest approved balance sheet available with the insured.

TURNOVER – The money paid or payable to the Insured for goods sold and delivered and for services rendered in course of the business at the premises.

INDEMNITY PERIOD – The period beginning with the occurrence of the damage and ending not later than \_\_\_\_ months hereafter during which the results of the business shall be affected in consequence of the damage.

RATE OF GROSS PROFIT – The rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the damage )  
) to which such adjustment shall be made as may be necessary to provide for the trend of the business either before or after the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the damage.

MEMO 1 – If during the Indemnity Period goods shall be sold or service shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

MEMO 2 - If any Standing Charges of the business be not insured by this Policy then in computing the amount recoverable hereunder as Increase in Cost of working that proportion only of the additional expenditure shall be brought into account which the sum of the Net Profit and the Insured Standing Charges bears to the sum of the Net Profit and all the Standing Charges.

MEMO 3 – In the event of the actual declaration of the Gross Profit earned during the accounting period of twelve months most nearly concurrent with any period of insurance as certified by the Insured's Auditors, being less than the sum insured thereon a pro rata return of premium not exceeding fifty percent, of the premium paid on such sum insured for such period of insurance will be made in respect of difference. If any damage shall have occurred, giving rise to claim under Policy, such return shall be made in respect only of so much of the said difference as is not due to such damage.

### CONDITIONS

1. If there be any material misdescription of the business or premises to which this insurance refers or any misrepresentation to any fact material to be known for estimating the risk, or any omission to state such fact, the Company shall not be liable upon this Policy.
2. No payment in respect of any premium shall be deemed to be payment to the Company unless a printed form of receipt for the same signed by an Official or duly appointed Agent of the Company shall have been given to the Insured.
3. The Insured shall give notice to the Company of any insurance or insurances already effected, or which may subsequently be affected, covering any of the loss hereby insured against and unless such notice be given and the particulars of such insurance or insurances be stated in or endorsed on this Policy by or on behalf of the Company before the occurrence of any damage, all benefit under this Policy shall be forfeited.
4. Immediately upon any fall or displacement
  - (a) of any building damage to which might give rise to a claim under this policy.
  - (b) of any part of such building
  - (c) of the whole or any part of any range of building forms part, the insurance under this Policy shall cease in respect loss resulting from damage to such building or property therein.

### PROVIDED THAT

- (1) Such fall or displacement is of the whole or a substantial or important part of such building or impairs the usefulness of such

buildings or any part thereof or leaves such buildings or any part thereof or any property contained therein subject to increased risk of damage or is otherwise material.

- (2) Such fall or displacement is not caused by damage, loss resulting from which is covered by this Policy or would be covered if such building, range of buildings or structures were included in the premises to which this Policy refers.

In any claim be made upon this Policy in consequence of damage whether occurring before, during or after such fall or displacement the Insured shall produce such proof as may reasonably be required that the loss was not, either in original or in extent, directly or indirectly, proximately or remotely, occasioned by or contributed to by any such fall or displacement and did not either in origin or extent directly or indirectly, proximately or remotely, arise out of or in connection with any such fall or displacement.

In any action, suit or other proceeding, the burden of proving that any fall or displacement is caused by damage shall be upon the Insured.

5. Any loss resulting from damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of said occurrences shall be deemed to be loss which is not covered by this insurance, except to the extent that the Insured shall provide that such damage happened independently or the existence of such abnormal conditions.

In any action, suit or other proceeding where the Company alleges that by reason of provision of this condition any loss is not covered by this insurance, the burden of proving that such loss is covered shall be upon the Insured.

6. The insurance of this Policy shall cease if:-

(a) the business be wound up or carried on by a Liquidator or Receiver or Permanently discontinued.

(b) the Insured's interest cease otherwise than by death or

(c) any alternation be made either in the business or in the premises or property therein whereby the risk of damage is increased, at any time after the commencement of this insurance, unless its continuance be admitted by memorandum signed by or on behalf of the Company.

7. Notice shall be given to the Company and, if required, an additional premium paid, if the rate of premium payable in respect of the insurance covering the interest of the Insured in the property at the premises against damage shall be increased.

8. This Insurance may be terminated at any time at the request of the Insured, in which case the Company will retain the customary short period rate for the time the Policy has been in force. This insurance may also at any time be terminated at the option of the Company, on notice to that effect being given to the Insured, in which case the Company shall be liable to repay on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.

9. On the happening of any damage in consequence of which a claim is or may be made under this Policy, the Insured shall forthwith give notice thereof to the Company and shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss, and in the event of a claim being made under this Policy shall, not later than thirty days after the expiry of the Indemnity Period or within such further time as the Company may in writing allow, at his own expense deliver to the Company in writing a statement setting forth particulars in his claim, together with details of all other insurances (if any) covering the damage or any part of it or consequential loss of any kind resulting therefrom.

10. The Insured shall at his own expense produce, procure and give to the Company such books of account and other business books, vouchers, invoices, balance sheets and other documents proofs, information, explanation and other evidence as may reasonably be required by or on behalf of the Company for the purpose of investigating or verifying the claim together with a declaration on oath or in other legal form of the truth of the claim and of any matters connected therewith. No claim under this Policy shall be payable unless the terms of this condition have been complied with and in the event of non compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the Company forthwith.

11. If the claim be in any respect fraudulent, or if any false declaration be made or used in support thereof, or if any fraudulent means or devices are used by the Insured or any one acting on his behalf to obtain any benefit under this Policy; or if the damage be occasioned by the willful act, or with the connivance of the Insured, or, if the claim be made and rejected and an action or suit be not commenced within three months after such rejection, or (in case of an arbitration taking place in pursuance of the 14<sup>th</sup> condition of this Policy) within three months after the Arbitrators or Umpire shall have made their award, all benefit under this Policy shall be forfeited.

12. If at the time of any loss under this Policy there be any other subsisting insurance or insurances, whether effected by the Insured or by any other person or persons, covering such loss or any other part of it, the Company shall not be liable to pay or contribute hereunder more than its rateable proportion of such loss.

13. The Insured, shall at the expense of the Company, do and concur in doing, and permit to be done, all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights and remedies, or if obtaining relief or indemnity from other parties to which the Company shall be or would become entitled or subrogated, upon its paying for any loss under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by the Company.

14. If any difference arises as to the amount of any loss such differences shall independently of all other questions be referred to the decision of an Arbitrator to be appointed in writing by the parties in difference, or, if they cannot agree upon a single Arbitrator, to the decision of two disinterested persons as Arbitrators, of whom one shall be appointed in writing by each of the parties within

two calendar months after having been required so do to in writing by the other party. In case either party shall refuse or fail to appoint an Arbitrator within two calendar after receipt of notice in writing requiring an appointment, the other party shall be at liberty to appoint a sole Arbitrator: and in case of disagreement between the Arbitrators the difference shall be referred to the decision of an Umpire who shall have been appointed by them in writing before entering on the reference and who shall sit with the Arbitrators and preside at their meetings. The death of any party shall not revoke or affect the authority or powers of the Arbitrator, Arbitrators or Umpire respectively; and in the event of the death of an Arbitrator or Umpire another shall in each case be appointed in his stead by the party or Arbitrators (as the case may be) by whom the Arbitrator or Umpire so dying was appointed.

The costs of the reference and of the award shall be in discretion of the Arbitrator, Arbitrators or Umpire making the award. And it is hereby expressly stipulated and declared that it shall be a condition precedent to any right of action or suit upon this Policy that the award by such Arbitrator, Arbitrators or Umpire of the amount of the loss if disputed shall be first obtained.

15. In no case whatever shall the Company be liable in respect of any claim under this Policy after the expiration of

(a) One year from the end of the Indemnity Period

or, if later

(b) Three months from the date on which payment shall have been made on liability admitted by the Insurers covering the damage giving rise to the said claim.

Unless the claim is the subject of pending action or arbitration

16. This policy and the schedule annexed (which forms an integral part of this Policy) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this Policy or of the Schedule shall bear such specific meanings wherever they may appear.

17. Every notice and other communication to the Company required by these conditions must be written or printed.

### Exclusions

1. This insurance does not cover:-

Loss occasioned by or happening through or in consequence of:-

(a) The burning of property by order of any Public Authority,

(b) Subterranean Fire

(c) Explosion except as stated on the face of this policy.

(d) The burning, whether accidental or otherwise, of forests, bush, prairies, papas or jungle and the clearing of lands by fire.

(e) Damage, to property occasioned by its own fermentation, natural heating or spontaneous combustion or by its undergoing any heating or drying process.

(f) Loss or damage, directly or indirectly cause by or arising from or in consequence of or contributed by any nuclear weapons material.

(g) Loss or damage directly or indirectly caused by or arising from or in consequence of or contributed to by ionising radiations or contaminations by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of fuel. For the purpose of this combustion shall include any self-sustaining process of nuclear fission.

2. This insurance does not cover any loss resulting from Damage occasioned by or through or in consequence, directly or indirectly of any of the following occurrences, namely:-

(a) Volcanic eruption, or other convulsion of nature,

(b) Typhoon, hurricane, tornado, cyclone or other atmospheric disturbances,

(c) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war,

(d) Mutiny, riot, military or popular rising, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege, or any of the events or causes which determine the proclamation of maintenance or martial law or state of siege.