



Frequently Asked Questions: The Livelihood Protection Policy

GENERAL INFORMATION

1. Am I eligible to buy the Livelihood Protection Policy?

The Livelihood Protection Policy (LPP) is targeted at all individuals and you are eligible regardless of your annual income or means of employment.

2. What weather events or hazards are covered and what can be insured?

High wind speed and high rainfall exposure are the covered events, as recorded in the location identified in your policy document. You do not need to identify any physical property to be insured.

3. What are the sources of weather data?

Independent calculation agents monitor the weather situation. High wind speed and rainfall are respectively monitored by the Caribbean Catastrophe Risk Insurance Facility (CCRIF) and DHI (formerly known as Danish Hydraulic Institute).

4. What features does the insurance scheme include?

An early warning SMS will inform you of upcoming extreme weather events, allowing you to take appropriate precautionary measures to protect you, your family members and property. Within 4 days of a triggered event, you will also receive an SMS on your mobile phone informing you that you will receive a payout.

5. Is any on-the-ground assessment conducted as a prerequisite to be accepted as a new client and to receive payouts?

No. The insurance payout does not relate to actual experienced loss, but is tied to the amount of rain or the wind speed in a given event. Therefore, no on-the-ground assessment of property at risk is conducted prior to accepting a new client or prior to a payout.

6. Can I buy the insurance for my relatives who live in other areas?

Yes, it is possible to buy insurance coverage for other persons. You will need to submit a duly completed LPP enrollment form together with the premium payment to the local insurance company or an authorized distributor.

7. Can I purchase the Livelihood Protection Policy if I have another insurance policy (e.g. car, house, etc.)?

Yes. The LPP is a flexible product and may be bought in multiple units of insurance coverage, allowing you to choose the level of protection you need.

8. What are the sum insured and the premium rate?

The minimum sum insured and annual premium vary from country to country. Please contact the local insurer/distribution channel for details.

OPERATIONS AND CLAIMS

9. When and how do I pay the premium?

Premiums for the first 12 months of coverage are due when the LPP enrollment form is submitted to the insurer/distribution channel. Payments can be made through the local insurer/distribution channel of your choice.

10. What is the term period of my insurance?

The LPP provides coverage for 1 year from the date of issue and will terminate after 12 months unless renewed. The insurance cover comes into effect 10 days after the receipt of the annual premium.

11. Is there a specific period when I can buy the Livelihood Protection Policy?

The LPP is available throughout the year.

12. How and when will I know if I receive a payout?

Within 4 days of an event, you will receive an SMS on your mobile phone to confirm the occurrence of the triggered event and the payout amount. You do not need to fill out any forms. Within 14 days the payment will be deposited to your bank account.

13. Who will pay me?

The distribution channel where you purchased the LPP, e.g. a credit union, will deposit the payout amount to your account.

14. What if I experience a loss, but I did not receive notification of a triggered payout?

The insurance payout is made on the basis of the weather data reported by the independent calculation agents. There might be an instance where you could have experienced some loss, but there was no triggered payout because the rain and/or wind thresholds were not exceeded.

15. What if I do not experience a loss but the event has triggered a payout?

You will still get the payout even if you do not experience any loss, because the actual payout is only based on wind speed and rainfall amount as recorded by the independent calculation agents.

16. If several events affect the same location, is there any limitation regarding the payout?

The maximum annual payout per location is 100% of the sum insured. If this is exhausted in one or two events, you are advised to renew the cover.

