* How Does Insurance Encourage Enterprise

Insurance encourages enterprises in the following ways:

i) insurance enables businesses or enterprises to operate in a cost-effective manner by providing risk transfer mechanism whereby risk associated with business activities are assumed by third parties

ii) It allows businesses to take on credit that otherwise would be unavailable from banks and other credit-providers fearful of losing their capital without such protection.

iii) It provides protection against the business risk of expanding into unfamiliar territory (new locations, products or services) which is critical for encouraging risk taking and creating and ensuring economic growth

* What measures are adapted by insurance to encourage the reduction of fire loss

The insurance business is concerned with effectively managing and minimizing exposure to loss.

The following measures can be taken by the insurance company to reduce loss due to fire

i) Installation of reliable smoke and fire detection in a wide array of environment where traditional detections are challenged

ii) High sensitivity for the earliest possible warning of a fire and mutiple configurable

iii)pre-alarm to trigger responses, providing valuable time to respond, investigate and take remedial actions to minimize damage and reduce exposure

iv) Active sampling of the environment where smoke will travel and positioning of detectors in locations that are easily accessible for testing and maintainance

v) Unique detection chamber design protects the detector optics from contamination, reducing nuisance alarms and maintaining detector sensitivity for a long operational life

vi) Enhanced suppression system performance through timely notification and intelligent suppression activities

* When is exgratia payment justified?

An exgratia payment is a payment by the charity where the trustees believe that they are under a moral obligation to make the payment but are not under a legal obligation to do so. They have no power under the governing document of the charity which they can properly exercise to make the payment and cannot justify the payment as being expedient in the interest of the charity within the meaning of s26 of the charity act 1993.

Therefore an exgratia is said to be justified when the charity has received evidence to:

i) Determine the true intentions of the testator –useful evidence includes a solicitor’s attendance notes, or a witnessed conversation

ii) See what the testator had done to give effect to those intentions

iii) Ascertain if there were any factors which had prevented the testator from carrying out those intentions