



APPLICATION FOR PROFITS FORM BUSINESS INTERRUPTION INSURANCE

NAME OF APPLICANT _____

ADDRESS _____

Nature of Business _____

Location of all premises in respect of which application is made _____

1. Amount to be insured on Gross Profit \$ _____ the sum of The annual Net Profit and annual Standing Charges as per worksheet overleaf. When the Period of Indemnity exceeds one year, the amount of insurance on Gross Profit should be proportionately greater.

2. Is Ordinary Payroll Expense Coverage required? If yes, indicate amount below. (*Note: Coverage is limited to 90 days.) Ordinary Payroll Amount \$ _____

3. Is Premium Adjustment Clause required? Yes No

4. Period for which indemnity is required? _____consecutive months following loss.

5. How often do you balance your books? _____

6. Are your books regularly audited? _____

7. Give the name and address of your Auditor _____

8. How long have you carried on the present business? _____

9. Are you at present insured against Loss from Business Interruption? _____
If so, state name of Company _____

10. Has any Company or Underwriter declined to accept or continue your insurance under a policy covering:
(a) Damage to Property? _____ (b) Business Interruption? _____

11. Have you ever made a claim for loss under a policy covering:
(a) Damage to Property? _____ (b) Business Interruption? _____

I/We hereby apply for insurance on the usual terms and conditions of your Policies against Loss of Gross Profit. viz. Net Profit and Standing Charges due to reduction in Turnover during the Period of Indemnity and the Increase in Cost of Working to maintain the normal Turnover during that period due to loss in the aforesaid premises, and I/We agree that this proposal and the statements contained therein shall be the basis of the contract between the Insurer and myself/ourselves.

AGENCY STAMP WITH NAME, ADDRESS AND NUMBER	DATE	
		<p style="text-align: center;">_____ Signature of Insured</p>

PROFITS INSURANCE WORKSHEET

This worksheet and the explanations given are not intended to be an interpretation of the Profits Form Business Interruption Policy. In matters of coverage the actual policy wording will govern.

STANDING CHARGES	YEAR ENDING 20____	DEFINITIONS
1. Advertising	\$	<p>Standing Charges: All expenses which would continue during a total shut down, or in case of a partial suspension of business, those expenses which would continue at a disproportionate rate.</p> <p>Net Profit: The profit based on the trading results of the business Insured, including taxes payable on profit. It does not include loss of rents as available under a Rent or Rental Value Form. Income from other sources, such as investments or other capital receipts, will not be affected by an insured peril, and should not be insured.</p> <p>Salaries - Key Personnel: Wages of employees other than key personnel is referred to as ordinary payroll and is not covered under the basic Profits Form. It may, however, be included as a separate item. The period of Insurance is 90 days. See item 2 on page 1.</p> <p>Period of Indemnity: This is the estimated time it will take to restore the physical assets of the business after a loss, plus the time needed to regain a normal level of Turnover. The usual period of Indemnity is 12 months. If a longer period is necessary the sum insured must be increased proportionately. For an 18 month period of Indemnity the sum insured should be 150% of the annual "gross profit" for 24 months 200% and so on.</p> <p>Premium Adjustment Clause: Since the sum insured (Gross Profit) is an estimated amount based on the future trend of the business operation, a premium adjustment clause is available, which makes provision to report the actual gross profits annually allowing the refund of the excess premium paid (up to 50%).</p>
2. Agency Contracts and Expenses	\$	
3. Auditors' Fees	\$	
4. Data Processing under contract	\$	
5. Delivery and other services under contract	\$	
6. Depreciation of Buildings, Plant, Machinery, Motor Vehicles and General Equipment	\$	
7. Directors' Fees	\$	
8. Donations and Subscriptions	\$	
9. Expenses of Branch or Local Offices	\$	
10. Insurance Premiums	\$	
11. Interest on Debentures, Bonds, Mortgages, Loans, Bank Overdrafts and other borrowed capital	\$	
12. Lighting, heating, power	\$	
13. Maintenance of Plant and Machinery	\$	
14. Printing, Stationary and Postages	\$	
15. Pumping and Ventilation	\$	
16. Rent	\$	
17. Royalties	\$	
18. Salaries and Wages:		
a. Officers, Executives and Permanent Staff	\$	
b. Foremen and Skilled employees whose services could not be dispensed with pending resumption of normal operations	\$	
c. All other employees (Ordinary Payroll). (Ordinary Payroll may be insured as a separate item on a short term basis. See explanation opposite).	\$	
19. Taxes	\$	
20. Telephone, Telegraph and Telex	\$	
21. Travelling Expenses	\$	
22. Upkeep of Automobiles, Etc.	\$	
23. Miscellaneous Standing Charges (not exceeding 5% of the total amount insured in respect of specified Standing Charges)	\$	
Total Standing Charges	\$	
Net Profit (Add)	\$	
TOTAL	\$	
Anticipated Increase or Decrease in Operations During Next Two (2) Years	\$	
GROSS PROFIT	\$	