

BUSINESS INTERRUPTION WORKSHEET



(For Use with Gross Earnings Form C-715)

Name of Insured _____

Location of Risk _____

Date _____

ALL ENTRIES TO BE ON AN ANNUAL BASIS	COLUMN 1 Actual Values for Year		COLUMN 2 *Estimated Values for Year	
	Ended	20	Ending	20
A. Total net sales value of production from Manufacturing Operations and total net sales or net revenue from Merchandising or Non-Manufacturing Operations, (Gross sales or gross revenues less discounts, returns, bad accounts and prepaid freight, if included in sales).....	\$		\$	
B. Add other earnings (if any) derived from operations of the business:				
1. Cash Discounts Received.....	
2. Commissions or Rents from Leased Departments.....	
3. _____.....	
C. Total ("A" plus "B").....	\$		\$	
D. Deduct only cost of:				
1. Raw stock from which such production is derived	
2. Supplies consisting of materials consumed directly in the conversion of such raw stock in to finished stock or in supplying the service(s) sold by the Insured	
3. Merchandise sold, including packaging materials therefor.....	
4. Service(s) purchased from outsiders (not employees of the Insured) for resale which do not continue under contract.....	
5. _____.....	
6. Total Deductions ('D')	\$		\$	
E. GROSS EARNINGS ("C" minus "D").....	\$		\$	
F. Take 50% or 80% of "E", Column 2, as amount of insurance required depending upon percentage Co-insurance Clause to be used (___ %).....			\$	
IF INSURANCE IS TO BE WRITTEN WITH ORDINARY PAYROLL EXCLUSION ENDORSEMENT, Deduct From "E" Above:				
G. All Ordinary Payroll Expense as defined overleaf	\$		\$	
H. Business Interruption Basis for Co-insurance ("E" minus "G").....	\$		\$	
I. Amount of Insurance -- Take 80% of H, Column 2.....			\$	
IF INSURANCE IS TO BE WRITTEN WITH ORDINARY PAYROLL LIMITED COVERAGE ENDORSEMENT, Complete the Following:				
J. Select the largest Ordinary Payroll Expense for consecutive calendar days (90 or 180 days may be selected).....	\$		\$	
K. Business Interruption Basis for Co-insurance ("H" plus "J").....	\$		\$	
L. Amount of Insurance -- Take 80% of K, Column 2.....			\$	

- Note 1. THE CO-INSURANCE CLAUSE ALWAYS APPLIES TO THE FUTURE (never the PAST).
*Estimate of values to be projected for two years ahead of the year shown in Column 1.
- Note 2. When the Ordinary Payroll Limited Coverage Endorsement is used, the amount to be stated in the Endorsement should be at least 80% of the amount shown under Item J. "Column 2" above.
- Note 3. Do not inadvertently enter Cost of Sales as Cost of Raw Stock under "D" above. This item should not include any labour. "Freight in" may be considered as a part of the cost of raw stock.
- Note 4. Business Interruption values should be checked at regular intervals and any actual or impending change that would affect values as they have been projected in Column 2, should be notified to the agent or broker as soon as such changes become know.

EXPLANATORY NOTES:

I To obtain annual net sales value of production from Manufacturing Operations, the following procedure is recommended:

Net sales of Insured's product during the year (i.e. gross sales less discounts granted, returns, allowances, bad debts, and prepaid freight, if included in sales figures).....	\$
DEDUCT -- Inventory of FINISHED STOCK at the beginning of year, priced at sales value	\$ _____
Balance.....	\$
ADD -- Inventory of FINISHED STOCK on hand at end of year, priced at sales value	\$ _____
TOTAL -- Annual Net Sales Value of production during the year	\$

II To obtain cost of raw stock, merchandise, supplies consisting of materials consumed, the following procedure is recommended:

Inventory at beginning of year	\$
ADD -- Net cost of raw stock, merchandise, supplies consisting of materials purchased during the year (including cartage and transportation charges on said incoming purchases)	\$ _____
TOTAL.....	\$
DEDUCT -- Inventory at end of year	\$ _____
Amount for deductions 1, 2 and 3 of "D"	\$

NOTE: Adjust for any inventory increase or decrease caused by price fluctuations.

III Definition of Ordinary Payroll Expense: The entire payroll expense for all employees of the Insured, except officers, executives, department managers, employees under contract and other important employees.