

PROPOSAL FOR BUSINESS INTERRUPTION

AGENT:	POLICY NO.
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FULL NAME

FULL ADDRESS:

TELEPHONE No.

AGENCY.....

PERIOD OF INSURANCE:	From:	To:
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Sums Insured (As arrived in Part – II & III hereof)

1. On Gross Profit.....
2. On Wages.....
3. On Auditors Charges.....

Total sum insured.....

For producing and certifying any details required in connection with a claim

Optional Extensions

Extension to insure the effect on the Assureds' business damage as covered hereon to premises which are not owned or occupied by the Assured.

(a) Suppliers, Sub-Contractors or storage at other premises.

	Name	Goods or Services <u>Concerned</u>	Address of <u>Premises</u>	Limit Required <u>% Sum Insured</u>
i)	_____.	_____.	_____.	_____.
ii)	_____.	_____.	_____.	_____.
iii)	_____.	_____.	_____.	_____.
iv)	_____.	_____.	_____.	_____.

(b) Customers

	Name	Goods or Services <u>Concerned</u>	Address of <u>Premises</u>	Percentage of <u>Turnover</u>
i)	_____.	_____.	_____.	_____.
i)	_____.	_____.	_____.	_____.
i)	_____.	_____.	_____.	_____.
i)	_____.	_____.	_____.	_____.

PART – II

GROSS PROFIT

Net Profit and Standing Charges Basis.

Total of Net Profit and Standing Charges
for last financial year KSH. _____

Add allowance for possible increases
over last financial year KSH. _____

Increase proportionately where Indemnity
Period is more than 12 months KSH. _____

Salaries are normally included as a Standing Charge

KSH. _____

PART – III

WAGES

Total Annual Wage Roll including related costs

KSH. _____

Add allowance for possible increases
over last Financial Year

KSH. _____

Increase proportionately where Indemnity
Period is more than 12 months.

KSH. _____

Coverage required for the indemnity period:

KSH _____

PART – IV

GENERAL QUESTIONS:

(1) Are you insured against Fire and other perils insurance

Yes No

Please give name of Insurers, amount and expiry date.

(2) Are you at present insured against Loss of Profits?

Yes No

Please give particulars as above.

(3) Please give details of any past losses.

	date	course	material damage amount	profits amount
i)	_____.	_____.	_____.	_____.
i)	_____.	_____.	_____.	_____.
i)	_____.	_____.	_____.	_____.
i)	_____.	_____.	_____.	_____.

(4) Have you ever been declined Insurance for the Perils proposed?

Yes No

If so please give details.

(5) Please state date at which your financial year ends.

(6) How many years have you been in operation?

(7) Name and address of Auditors.

Signing this Form does not bind the Proposer to complete the Insurance but it is agreed that this Form shall be the basis of the contract should a Policy be issued.

I/We hereby declare that the above statements and particulars are true and that I/we have not suppressed or mis-stated any material facts.

Date. _____ Signature of Proponent _____

NOTES FOR BUSINESS INTERRUPTION PROPOSAL:

1. SUMS INSURED

This Insurance is designed to indemnify against loss of profits and wages during the chosen Indemnity Period following damage, and this damage can occur on the last day of a period of insurance for which the Sums Insured are fixed, as readily as on the first.

The Policy contains provisions which will reduce the amount of indemnity if the Sums Insured prove to be inadequate. On the other hand, allowance is made for the difficulty in accurately forecasting upward trends, by providing for a proportionate rebate of up to 50 % of the premium paid on Gross Profit and Wages, if the actual results prove to be less than the Sums Insured.

Whilst therefore the last available Trading and Profit and Loss Accounts will provide a basic guide to the Sums Insured, it is important to adjust these figures to take into account not only known expansion and increased figures, but also future trends of the business, planned developments and all other factors tending to increase the cover eventually required, projecting these right through any Indemnity Period commencing at any time during the period of insurance.

2. INSURED STANDING CHARGES

In electing which charges to insure, all charges should be reviewed to establish:-

- (a) Whether they would vary in all circumstances in direct proportion to Turnover, in which case insurance is unnecessary, Raw Materials, Packaging, Freight, may come in this category;
- (b) Whether they would not vary in all circumstances in direct proportion to Turnover, in which case they should be included for insurance: Rent, Rates, Advertising, etc. may fall under this heading;

3. SPECIFIED WORKING EXPENSES

In electing which expenses not to insure, all expenses should be similarly reviewed to establish:-

- (a) Whether they would vary in all circumstances in direct proportion to Turnover, in which case they can be specified to be deducted in arriving at the sum to be insured- examples as at 2(a) above;
- (b) Whether they would not vary in all circumstances in direct proportion to Turnover, in which case they should not be deducted in arriving at the sum to be insured- examples as at 2(b) above;

4. WAGES:

This provides cover for a selected period

PERILS

(It is necessary that there is in force a policy covering the material loss due to such Perils.)

- (a) Fire, Lightning or Explosion as covered under the Material Damage Fire policies and Boiler or Economizer Explosion occurring within the premises.
- (b) The following additional perils may be covered (Please delete those not required).
 - 1. Explosion (other than covered in (a) above) excluding explosion of vessels, machines or apparatus in which internal pressure is due to steam only and belonging to or ,under the control of the Assured.
 - 2. Aircraft and other aerial devices or articles dropped there from.
 - 3. Riots and Civil Commotion (a) without or (b) with Malicious Damage. (Indicate which).
 - 4. Earthquake.
 - 5. Storm and Tempest.
 - 6. Flood.
 - 7. Burst Pipes
 - 8. Impact by road vehicles not belonging to or under the Control of the Assured.
Other perils can be considered by Underwriters.