BUSINESS INTERRUPTION PROPOSAL FORM – *GROSS PROFIT*

Agent: Policy Number: | | | | | | | | | | | |

YOUR DUTY OF DISCLOSURE

You must tell us of all information you know (or could reasonably be expected to know) which would influence the judgement of a prudent underwriter whether or not to accept your application, and if it is accepted, on what terms and at what cost.

Examples of information you may need to disclose:

* Anything that increases the risk of an insurance claim.
* Any criminal record.
* If another insurer has cancelled or refused to renew insurance or has imposed special terms on your policy.
* Any insurance claim you have made in the past.

Examples of information you do not need to disclose:

* Anything that reduces the risk of an insurance claim.
* Anything we say you do not need to tell us about.
* Anything that is common knowledge.
* Anything you have already told us, or that we should be expected to know in the ordinary course of our business.

These examples are a guide only. If you are unsure whether you should disclose a particular piece of information, please ask.

WHEN IN DOUBT – DISCLOSE. ALL INFORMATION WILL BE TREATED CONFIDENTIALLY

NOTE: The completion of this form is to enable Federal Pacific Insurance (FPI) to establish the nature of the proposers operations, the extent of the cover required, the conditions that are in existence and the rules and the procedures which will apply during the currency of the proposed insurance. The completion and/or signing of this form does not bind the proposer or FPI to the making of a contract of insurance. However, should such a contract be made then the information contained herein shall constitute a part of that contract. Alterations and/or variations of any of the answers given to any of the questions in this proposal form can only be made with the prior advice to, and approval of, FPI.

DETAILS OF APPLICANT(S)

Name _____

Postal Address_____

Business Location/Village_____

Phone _____ Mobile _____ Email _____

Contact Person _____ Position _____

Business Activity _____

Period of Insurance From _____ To _____ at 4pm

BUSINESS INTERRUPTION

Covering Interruption to your Business following a claim made and accepted under the Material Damage Insurance policy.

Details of items to be insured (please provide annual figures)

Item No	Item	Sum Insured
1	Insurable Gross Profit (refer calculator, page 2)	$_____
2	Claims preparation costs	$_____
3	AICOW	$_____
4	Other _____	$_____
5	Other _____	$_____
	TOTAL SUM INSURED	$_____

INDEMNITY PERIOD: 3, 6, 9, 12, 18 or 24 MONTHS _____months

BUSINESS INTERRUPTION SUM INSURED CALCULATOR

Insurable gross profit is the sum of your turnover, closing stock and work in progress (derived from your business at your business premises), less the sum of your opening stock and work in progress. This has no relation to your taxable gross profit, either net or gross. In certain situations, you may wish to nominate some expenses that you do not wish to insure. This can save you premium but can be dangerous in the case of a partial loss if such expenses may continue to incur.

Total turnover/sales (derived from your business at your business premises)	$_____
PLUS Closing stock and work in progress	$_____
LESS Opening stock and work in progress	$_____
SUB TOTAL A (Turnover)	**$_____**

LESS Nominated Uninsurable Working Expenses (if any):

Purchase of consumables, stock, etc.	$_____
Commissions	$_____
Freight & Packaging	$_____
Sub-contractors and/or labour hire	$_____
Wages	$_____
Other	$_____
Other	$_____

LESS Total Uninsured Working Expenses		$_____
SUB TOTAL B (Insurable Gross Profit)		**$_____**
PLUS adjustment for trend of business since last accounting period	@_____%	$_____
PLUS adjustment for trend of business during policy period	@_____%	$_____
PLUS adjustment for trend of business during indemnity period	@_____%	$_____
YOUR INSURABLE GROSS PROFIT FOR A 12 MONTH INDEMNITY PERIOD IS		**$_____**
YOUR INSURED RATE OF GROSS PROFIT IS (Sub Total B divided by Sub Total A)		_____%

PLUS THE FOLLOWING OPTIONAL COVERS

Additional Increase in Cost Of Working - AICOW (minimum 10% of Sub Total A)	$_____
Annual gross rentals (including all outgoings)	$_____
Book debts; outstanding debtors/accounts receivable	$_____
Wages (_____% for _____ months), severance	$_____
Redeployment costs	$_____
Fines or damages	$_____
Claims preparation costs	$_____
Other	$_____

Please understand that this information is intended as a guide only and should not be used in any other context, or as a replacement for tailored financial advice

SUMMARY SECTION

1. Are you now, or have you ever been, insured for the type of risk proposed? Yes ☐ No ☐ If "Yes" please give details below

Insurer	Cover	Date of Cover
_____	_____	_____
_____	_____	_____

2. Has any insurer in respect to your Business:

- Ever declined a proposal?;
- Withdrawn, cancelled or refused to renew a policy?;
- Demanded an increased premium for renewal?;
- Imposed a penalty excess or restriction?; or
- Declined any claim in respect of insurance held by you, any director or any company with which you or they have been associated?

If you answered "Yes" to any of the above questions, please give details below

_____

_____

3. Have you or any director or partner ever committed any criminal offence? Yes ☐ No ☐ If "Yes" please give details below

_____

_____

4. How long have you been in your current business? _____ years

5. Have you had any losses (whether insured or not) over the last 3 years incurred by you or any director or partner in respect of any of the types of risks proposed? Yes ☐ No ☐ If "Yes" please give details below

_____

_____

ON BEHALF OF THE APPLICANTS

I agree that:

1. Material facts

(a) All information given to FPI (whether oral or written) is true and correct, and

(b) All material facts have been disclosed (see "Your Duty of Disclosure")

2. Terms of Policy

The terms of FPI policy are accepted

3. Agency

Anyone who assists me to complete this Application Form is acting as my agent only

Important Information

- We gather information about you (including your claims history) to consider your application for insurance. If you refuse to provide it, your application may be declined.
- This information is held by FPI and you may access it. It may be passed to other insurers you deal with and mortgagees, etc.

Applicants signature _____ Position/Title _____ Date _____

Full Name _____

Applicants signature _____ Position/Title _____ Date _____

Full Name _____