

Account No. Policy No.

Agency / Broker:

Period of Insurance: From: To:

SECTION 1: BUSINESS DETAILS

a. Full Name of Proposer: Surname Other Names

b. Contact Details: (tel): (fax):

(mobile): (web):

(email):

(postal): (code): (town/city):

c. Proposer PIN Number:

SECTION 2: PROPOSAL DETAILS

1. What works of your business are to be insured against Machinery Loss of profits?

(Names and address of the works, their purposes?)

2. What Company insures these against;

Fire?

Fire Loss of profits?

3. What Company covers the machinery to be insured under a Machinery Breakdown Policy?

Name

Date of issue of Policy

4. Has the machinery to be insured been formerly covered by other companies against Machinery Loss of Profits?

Yes: ☐ No: ☐

If so, what Company?

5. What Chartered Accountant (Name and Address) audits the accounting records and at what intervals?

6. When was your firm established?

7. Since when has the works to be insured existed?

8. Since when has the present production method used in the works to be insured been applied?

9. What interruptions due to a machinery loss have occurred in the works to be insured during the last 5 years?

Number and type(s)

Duration

Due to machinery of item No.

10. Please give a brief description of the production process, making special allowance for production bottlenecks and attaching a flow sheet to show the Machinery to be insured. (Please attach further sheets if necessary)

11. What type of repair work can be carried out without external help?

Please indicate external repair facilities for the individual machines in the list of machinery.

12. What maintenance work and what inspections are carried out regularly to keep the machines to be insured in good working order? Type of maintenance and intervals.

13. Number of employees in the works to be insured.

Number employed for maintenance purposes:

Fluctuation (in %):

14. Normal working hours of the works to be insured

per day hours in shifts.

15. Are there any seasonal production or sales fluctuations of more than 20% in the works to be insured? Yes: ☐ No: ☐
If so, please indicate monthly figures;

16. Is there a stock of semi-finished or finished products? Yes: ☐ No: ☐
If so, what period on interruption can be accomplished thereby?

17. Are there supplies furnished against letters of credit? Yes: ☐ No: ☐
If so, what period on interruption can be accomplished thereby?

[illegible]

¹ Each prime mover and machine should be listed separately. Spare Machines should be designated as such are to be included in the Insurance Cover.

² Ratio between actual load and designed load (e.g. 80%)

³ Reduction (per cent) of the gross profit in the event of failure of a machine (disregarding any loss minimizing possibilities)

⁴ The Indemnity period limit represents the maximum period during which the insurers pay indemnification for loss of profits. 3,6,9 or 12 months may be agreed as indemnity periods.

⁵ Reduction (per cent) of the loss of production by using machines not fully utilized or not utilized at all, carrying on production on the premises etc. How long does it take to procure hired machinery?

18. In the case of Machinery damage, is the interruption period longer than the repair period for the machinery involved? Yes: ☐ No: ☐

If so, please indicate the cause and duration of such a delay.

19. Is the insurance to cover only the additional expenditure caused by using an external electric power supply in the case of breakdown of machines in your own power generating plant? Yes: ☐ No: ☐

If so, please indicate;

Item numbers of the Machines to be insured hereunder	
Power requirements for the works (KW, KWh p.a.)	
Percentage of power requirement met by factory generator	
Extend (KW, KWh p.a.) of current that may be drawn from external power sources	
Cost per KWh of external power	
Factory generating costs saved per KWh if external power is used	
Please indicate the annual increased cost of electricity under question 23 (item 2)	
If Maximum demand charges are to be insured	
Maximum demand charge per KW of external power	
Method of calculation (please enclose copy of electricity supply contract)	
Please indicate the annual maximum demand charge for external power to be insured under question 23 (item 2)	
Percentage of deductible desired for maximum demand charges (minimum deductible 10%)	

20. If business interruption is due to the failure of public supplies (power, electricity, gas) are to be included in the cover, please fill separate questionnaire.

21. If the risk of deterioration of goods (raw materials, semi-finished or finished goods) due to a business interruption is to be included in the cover, please fill separate questionnaire.

22. Calculation of Sum Insured;

The subject matter insured is the profit achieved by selling goods manufactured in the works insured and the profit gained from services rendered as well as all standing charges which accrue in the works insured in the event of a business interruption. The annual total of net profit and standing charges, the gross profit is conveniently determined on the basis of the Profit and Loss Account. The following calculation is based on the Profit and Loss Account of the year:

		Commencement of year	
		Currency	
Deduction from turnover (such as discounts granted to customers, rebates, price deductions)		Turnover	
Excise and Turnover Taxes			
Expenditure incurred for external power, goods, raw materials and supplies total		Expenditure incurred for external power, goods, raw materials and supplies used for maintenance.	
Other costs (such as carriages paid to other firms, custom duties, postage, turnover-dependent insurance premiums, licenses)		Company manufactured additions to assets	
Inventory value of finished and semi-finished goods at the commencement of the business year.			
TOTAL (a)		TOTAL (b)	
		Less: Total (a)	
		Gross Profit	
		Safety margin for increase during the policy year	
		Sum Insured	

If a separate indemnity period is desired for wages, please subdivide the sum accordingly and indicate the indemnity period desired for the item of wages under question 23.

23. Sum of the Insurance Covers desired

Item No.	Subject matter to be insured	Sum Insured
1	Gross profit	
2	Increased cost of electricity	
3	Maximum demand charges	
4		
5		

24. What time excess is desired? (minimum time excess 2 days)

☐

2 Days

☐

4 Days

☐

7 Days

☐

14 Days

25. When is the Insurance to commence?

DECLARATION:

I/We hereby declare that all the statements and particulars entered in this Proposal are true and that I/we have not withheld any material information whatsoever regarding the proposal. I/we further declare that the amounts proposed for insurance represent the full value of the property described. I/we agree that this Declaration shall form the basis of the contract between Me/Us and the Insurer and I/We agree to abide by the terms and conditions of the Policy to be issued.

Executed at: _____

Signature of Proposer: _____

Date: _____