



PROGRESSIVE ΑΣΦΑΛΙΣΤΙΚΗ ΛΤΔ
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PROPOSAL FOR INSURANCE AGAINST LOSS OF PROFITS BY FIRE

Name of Proposer (in full) _____
 Address for correspondence _____ Tel. No. _____
 Situation of Premises to which the insurance is to apply _____
 Nature of Business carried on therein _____

AMOUNTS TO BE INSURED

ITEM 1. ON GROSS PROFIT (See Note 1) _____
 The Working to be excluded are:—
 (i) Purchases (less discounts received) (iv)
 (ii) Wages (if insured under Item 2) (v)
 (iii) (vi)

ITEM 2. ON ALL WAGES (See Note 2) _____
 For the first _____ weeks and _____ %
 of the total wages roll for the remainder of the Indemnity Period.

ITEM 3. ON AUDITORS' FEES (See Note 3) _____

TOTAL SUM INSURED _____

PERIOD FOR WHICH INDEMNITY IS REQUIRED _____ CONSECUTIVE
 MONTHS FOLLOWING THE DATE OF THE DAMAGE.

ADDITIONAL PERILS (See Note 4)

Please indicate any Additional Perils required:-

QUESTIONS TO BE ANSWERED BY PROPOSER

	years
1. How long have you carried on business in these premises or elsewhere?	years
	Elsewhere at years
2. Give full particulars of all losses sustained by you at this or any address in respect of any perils to which this proposal applies _____	
3. Has any Company or Insurer in respect of any of the perils to which this proposal relates:	
(a) Declined to insure you? _____	(a)
(b) Required special terms to insure you? _____	(b)
(c) Cancelled or refused to renew your Insurance? _____	(c)
If so, give full particulars _____	
4. Do you keep Stock Books and Sales Books, and will these be posted promptly? _____	
5. Are your books regularly audited? Give the Name and Address of Auditor _____	
6. Do you carry on business at any other premises? If so, give details _____	
7. Have you at present any insurance covering Loss of Profits? If so, give details _____	
8. Total amount of the Annual Fire Insurance with all Companies and Insurers on the CONTENTS of the Premises to which the Insurance is to apply _____	
Total Annual Premium paid in respect of such Insurances _____	
Name of Company or Insurer having the largest Share of such Insurances _____	

I warrant the above statements are true and that I have withheld no information material to the insurance.

Date _____ Signature of Proposer _____

NOTE

This insurance will not be in force until the Proposal has been accepted. Subject thereto please specify from what date you wish the insurance to commence _____ and at what date you wish it to be renewable _____

LOSS OF PROFITS POLICY

An Ordinary Fire Policy covers damage to a Building and its Contents. It does not compensate for Loss of Trade.

A Loss of Profits Policy covers:—

- (a) Loss of Net Profit due to the partial or total stoppage of the business in consequence of FIRE, LIGHTNING, or EXPLOSION "in a building in which gas is not generated and which does not form part of any gasworks" of GAS used therein for illuminating or domestic purposes.
- (b) Payment of Overheads such as Rent, Rates and Taxes; Interest on Debentures, Mortgages and Loans; Insurance Premiums; Advertising; Salaries and Wages to Employees; Travelling Expenses and like charges which will continue to be payable during interruption of business.
- (c) Increase in Working Expenses necessarily incurred to overcome or to minimise the effects of the fire, such as Rent of temporary premises, Hire of Machinery, or extra Labour Costs.

The rate of premium varies with the Indemnity Period, that is, with the period after any fire during which compensation is desired, e.g. twelve, eighteen or twenty-four months.

NOTES RELATING TO THE PROPOSAL

If the Indemnity Period is to be—

Twelve months, then the sum insured under Item 1 must represent the estimated annual Gross Profit and the sum insured under Item 2 (if required) must represent 100% of the estimated annual Wages.

Greater than twelve months, then the sum insured must be increased proportionately.

Less than twelve months, then the sum insured under Item 1 must nevertheless represent the estimated Gross Profit for a whole year.

1. GROSS PROFIT—as indicated in the Pro Forma the Sum Insured on Gross Profit should be calculated from the latest available annual accounts of the business as follows:

Annual Turnover (net of discounts allowed) plus Closing Stock

less

Opening Stock, Purchases and other Working Expenses which vary with Turnover (as specified for Item 1 of the Proposal)

due allowance being made for any anticipated increase in business.

2. WAGES—If it is not desired to insure Wages in full throughout the Indemnity Period selected, the amount of the wages can be deducted in arriving at the Sum Insured for Gross Profit and the Wages can then be separately insured by Item 2 under which 100% wages cover is provided for a short initial period (of not less than four weeks) following a fire and a smaller percentage for the remainder of the Indemnity Period selected for Item 1 on Gross Profit. This form of Wages cover is not conceded in conjunction with insurances for Gross Profit for indemnity periods of less than twelve months, under which it is recommended that Wages be included in full in the Gross Profit item.

The Sum Insured on Wages should include Employer's State Insurance contributions, where applicable, Bonuses, Holiday Pay and all other payments pertaining to Wages.

3. AUDITORS' FEES—The insurance of Auditors' Fees is to provide for fees payable to your Auditors for extracting and certifying information required in connection with a claim.

4. ADDITIONAL PERILS

Where the ordinary form of Fire cover effected by the Proposer has been extended to include of Additional perils, the Loss of Profits Policy can be correspondingly extended subject to the appropriate additional premium and the scope of the perils under the Loss of Profits Policy to coincide with those covered under the Fire Policy.

LOSS OF PROFITS INSURANCE

PRO FORMA FOR CALCULATION OF THE SUM INSURED

This Pro Forma is for the Proposer and is intended to assist him in formulating the sum to be insured.

ITEM 1. GROSS PROFIT

Turnover for the last financial year (net of discounts allowed) — — — — — _____

Add Closing Stock at end of year — — — — — _____

Deduct Opening Stock at beginning of year — — — — — _____

Deduct Specified Working Expenses which vary directly with turnover

(i) Purchases (less discounts received) — — — — — _____

(ii) Wages* (if insured under Item 2) — — — — — _____

(iii) _____

(iv) _____

(v) _____

(vi) _____

* (Delete if Wages are to be insured in full for entire Indemnity Period) _____

GROSS PROFIT for last financial year — — — — — _____

Add allowance for future increase — — — — — _____

Basic annual figure for Item 1 — — — — — _____

Proportionate increase if Indemnity Period exceeds 12 months — — — — — _____

SUM TO BE INSURED under Item 1 — — — — — _____

ITEM 2. WAGES (Not required if Wages are to be insured in full throughout the Indemnity Period selected):

Total annual wages roll for last financial year — — — — — _____

Add allowance for future increase — — — — — _____

Basic annual figure for Item 2 — — — — — _____

Proportionate increase if indemnity Period exceeds 12 months — — — — — _____

SUM TO BE INSURED under Item 2 — — — — — _____

RETURN OF PREMIUM

The intention of the policy is to pay for loss of Gross Profit which would have been earned or Wages which would have been paid during the period of interruption following the damage. The Sum Insured should therefore be fixed at a figure high enough to allow for any possible upward trend of the business. An Auditors' Certificate showing the actual Gross Profit earned and Wages paid should be submitted annually to the Company and should this disclose that there has been over-insurance a return of premium will be made to the Insured under each Item of the Insurance up to a maximum return of one-half of the actual premium paid during the relative period of Insurance.