

**LOSS OF PROFITS FOLLOWING
MACHINERY BREAKDOWN INSURANCE
PROPOSAL FORM**



Name: _____

Postal address: _____ Nature of business: _____

1. What works of your business are to be insured against Machinery Loss of Profits (names and addresses of the works, their purposes)? _____

2. What company insures these works against Fire? _____

Fire Loss of Profits? _____

3. What company covers the Machinery Breakdown 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 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. _____ ?

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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 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? _____

Total Number? _____ Number employed for maintenance purposes? _____

Fluctuation (in %) ? _____

14. Normal working hours of the works to be insured? Per day _____ hours in Per week _____ hours
shifts Per year _____ days

15. Are there any seasonal production or sales fluctuations of more than 20% in the works to be insured?

Yes No

If so, what period of interruption can be compensated thereby? _____

16. Is there a stock of semi-finished or finished products? Yes No

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17. Are supplies furnished against letters of credit? Yes No

If so, please indicate the percentage such supplies have in the turnover.

18. In the case of machinery damage, is the interruption period longer than the repair 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? If so, please indicate

Yes No

Item numbers of the machines to be insured hereunder? _____

Power requirements of the works (kW, kWhrs, p.a)? _____

Percentage of power requirement met by the factory generator? _____

Extent (Kw, kWhrs,p.a)of current that may be drawn from external sources? _____

Cost per kWhr. Of external power? _____

Factory generating costs saved per kWhr. 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 charges? (minimum deductible 10%) _____

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

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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 in separate questionnaire.

22. Calculation of the sum insured

The subject matter insured is the profit achieved by selling the goods manufactured in the works insured and the profit gained from services rendered as well as well standing charges which continue to 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