

Proposal Form for Reliance Loss of Profit Policy

(Following Machinery Breakdown and/or Boiler Explosion)

Proposer's Details (To be filled in BLOCK LETTERS)

1. Name of the Proposer Mr. Mrs _____

2. Nature of Trade or Business _____

Address of the Proposer's

Flat Building _____

Road/Street/Sector _____

Area _____

Taluka/Village/District/City _____ Pin Code _____

State _____ Country _____

Phone _____ Mobile _____

Email _____ Fax _____

3. Do you wish to cover the risk of Loss of Profits arising from-

a. Breakdown of Machinery in your premises Yes No

If so, please complete schedule 'A'

B. Explosion of Boiler and pressure Plant in your premises Yes No

If so, please complete schedule 'B'

4. Is the plant and Machinery specified in Specified in schedule A & B insured against material damage risk i.e. breakdown and/or explosion? Yes No

If yes, Please state-

a. Name of the Insurer _____

b. Title of the Policy _____

c. Policy Nos. _____

d. Period(s) of Insurance From dd/mm/yyyy To dd/mm/yyyy

5. a. Are the lists of the Machinery in Schedule A and B representing the whole or only a part of the Machinery in the premises? Whole Part

b. Are all your Machineries subject to periodical inspection ? Yes No

If yes, state by whom and at what intervals inspections are carried out supply details of your maintenance schedule.

6. Give description of the manufacturing process and utility supplies such as power, air, water etc. required for production.

Please attach a process flow diagram showing connected machinery and indicate bottlenecks or buffer stock if any
Please attach separate line diagram for utility supplies such as power, steam, air and water showing interconnected machinery.

7. In the event of stoppage of any of the machines proposed for insurance:

a. Can machines, which remain in operation, carry the load originally borne by the machine, which has failed? Yes No

b. Are there any alternative means of maintaining production by-

i. the work being done at other premises? Yes No

If yes, to what extent ? _____

ii. hiring temporarily suitable replacement machine Yes No

iii. by any other means Yes No



8. Are any of the machines described in the schedule A & B de-rated? Yes No
 If yes please give details _____

9. State repair facilities available in regard to machinery specified in Schedule A & B
 a. In your own premises _____
 b. Any other nearest place _____
10. Which machines proposed under this insurance are the machines for which the spare parts would need to be imported?

11. State the estimated period of interruption affecting resumption of normal production, on account of spoilage of materials in process following a breakdown or failure of utility supplies.

12. a. What are your normal working hours?
 i) _____ hrs. per day
 ii) _____ days per week.
 iii) _____ days per year.
- b. Can extra shifts be worked to make up production loss? Yes No
11. a. Have you ever suffered Loss of Profit following Machinery Breakdown and/or Boiler Explosion? Yes No
 b. If so give details of the cause, duration and loss suffered in each stoppage during the last three years.

12. If the business is 'Seasonal' indicate the period of high and low output or turnover and indicate the degree of fluctuations. State if there is a tendency of fluctuations due to demand.

13. State what terms are required for Loss of Profits insurance with regard to-
 a. Indemnity period (max, 12 months) _____
Note-The indemnity period should be selected based on an estimate of the Maximum time, which would be required to resume normal production after a serious accident.
 b. Time Exclusion (min.7 working days) 7 Days 14 Days 28 Days
14. Insured standing charges- please indicate charges to be insured - delete or supplement as appropriate-
- a. Interest on Debentures Motor Upkeep and licenses _____
 - b. Mortgages, Loans and Lighting, Heating Power and Bank Overdrafts _____
 - c. Water Charges _____
 - d. Directors' Fees and Office Expenses _____
 - e. Remuneration _____
 - f. Rents and Rates _____
 - g. Salaries including State Insurance Contribution _____
 - h. Taxes Other Than those chargeable on profits _____
 - i. Insurance Premiums _____
 - j. Contributions to Pension Fund _____
 - k. Telephone Rentals _____
 - l. Miscellaneous Charges (not traveling expenses) exceeding 5% of the total amount of the aforesaid standing Charges. _____
 - m. Traveling Expenses _____
 - n. Advertising Cost _____
 - o. Auditors' and Legal Fees _____
 - p. Trade and charitable subscriptions _____
 - q. repairs and renewals chargeable to revenue account _____
 - r. Depreciations of Building / Machinery Plant and Motor Vehicles _____

15. State the Sum Insured on-
- a. Gross Profit under the Loss of Profits Policy (The Gross profit for the current financial year to be computed from the last annual balance sheet being the sum of net profit and Standing Charges with adjustment for upward or downward trend of business for the period of Insurance.)
 - b. On wages (Alternative forms of cover available)
 - i. _____ weeks wages to the extent of _____ % of the total wage roll. **OR**
 - ii. Wages to the extent of _____ % of the total wages for roll. **OR**
 - iii. Total wages for the fist _____ weeks followed by _____ % for the remainder of the Indemnity Period
 - c. On Auditors/Accountants Fees - (cost incurred in the preparation of Claims.)
16. Are you books regularly audited? Yes No
 a. If so, give name and address of your Auditors. _____
 b. When does your financial year end? _____
 c. Date of commencement of Insurance? From To
17. Are you insured or have you made a proposal in respect of loss of Profit following Machinery Breakdown and/or Boiler Explosion? Yes No
 If so, give name of the Company concerned and state if renewal has been (a) declined (b) subjected to increased rates or special conditions

18. Are you insured against Loss of Profit following Fire? Yes No
 a. Name of the Insurer _____
 b. Sum Insured _____
 c. Policy No. _____

I/We hereby declare and that the above statements are true and complete and that I/We have withheld no information whatsoever which is material for the acceptance of this proposal.

I/We agree that this declaration and the answers give above be the basis of the contract between me/us and the Company shall be deemed to be incorporated in such contract. And that if any untrue statement be contained therein the said contract shall be absolutely null and void. I/We undertake to exercise all reasonable and ordinary precaution for the safety of the machinery and I/We agree to accept the policy in the form issued by the Company subject to the terms exceptions and conditions prescribed therein or endorsed on the policy.

Place: _____

Date: _____

 Signature of Proposer

Note- If the space above is insufficient for any answer please continue on separate sheet and attach hereto.