



Loss of Profits following Fire

(Net Profit plus Standing Charges Basis)

THIS POLICY IS SUBJECT TO A PRO RATA CONDITION OF AVERAGE
PROPOSAL FORM

Why you should **INSURE YOUR PROFITS**

The assets of your business are worth only what they can earn. Assets which do not produce any profit are of little value. You insure your assets - why neglect to insure the income they earn?

Have you carefully considered what the effect of a fire occurring in your premises would be on your business? It is not necessary that there should be a complete burn -out for you to suffer a serious loss. In many cases quite a small fire will so interfere with the processes or business carried on, as to hold up production for a considerable period. Are you prepared to run that risk without insurance protection?

The cash you would receive from your ordinary fire insurance is a frozen asset, until it can again be remuneratively employed in your business. The fire which damages your premises must necessarily cause you to suffer more than the material loss of property. It also destroys the earning power of that property. Your ordinary Fire Insurances only provide the cash value at the time of the loss of the property burnt. The greater part of your premises may be untouched by fire and the intrinsic value of the property destroyed quite small, yet your production may be entirely stopped.

Your income is vitally important to you.

HAVE YOU INSURED IT?

If you are to maintain the goodwill and connections it has taken you years to accumulate, you may be put to considerable additional expense in carrying on after any fire. You may be able to secure temporary premises, but probably only at a high rental. Machinery replacements by special order entail additional cost. Raw materials need to be bought in a hurry and consequently at disadvantageous prices. Extra staff, extra labour, extra transport and many other extra expenses will absorb all the profit which was to be expected from maintaining your normal turnover after the fire.

**A LOSS OF PROFITS POLICY SPECIALLY PROVIDES FOR
SUCH INCREASE IN COST OF WORKING INCURRED IN THE
ENDEAVOUR TO MAINTAIN A NORMAL TURNOVER.**

Loss of Profits

**THIS POLICY IS DESIGNED TO PROTECT THE EARNINGS OF
A BUSINESS BY PROVIDING COMPENSATION AFTER A FIRE,**

in respect of:-

- (a) **Loss of net profit** due to the disturbance of the business as a result of damage.
- (b) **Payment of those charges** which must be met despite reduction in trading due to the damage.
- (c) **Payment of Salaries and Wages** which it may be essential to continue to pay to those employees whose services the employer would wish to retain.
- (d) **Additional Working Costs** reasonably incurred in order to overcome or minimise the effects of the damage upon the trading.

Explanatory Notes (see opposite page)



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1. INDEMNITY PERIOD

This should be the Proposer's estimate of the maximum period necessary for the reinstatement of the damage and the return of the business to normal working. The rate of premium charged varies according to the period chosen.

2. SUM INSURED

This is based upon the anticipated annual amount of the Net Profit of the business (before the deduction of any taxes on profits) and of the Standing Charges included on the next page, which charges should embrace all the Standing Charges of the business.

N.B.1 In arriving at the sum to be insured, consideration should be given to the anticipated expansion of the business (see NB.2 below).

N.B.2 Where the Indemnity Period is twelve months or less the sum insured should represent the Annual Gross Profit and where the Indemnity Period exceeds twelve months, the sum insured should be proportionately increased in either case adjusted in accordance with NB.1 above.

3. STANDING CHARGES

Many charges are still payable although the business may be at a standstill and other charges may not diminish in proportion to the reduction in turnover. Such charges should be insured.

4. WAGES (including National Insurance Contributions, Bonuses, Overtime, Holiday Pay and other payments pertaining to Wages)

The insurance of wages provides that the Proposer will not suffer a loss through the payment of wages to employees standing by or not fully employed during the Indemnity Period and provides for the Proposer's liability under the Contracts of Employment and the Redundancy Payment Acts.

Wages may be insured by the following methods:-

- (a) Included as a Standing Charge in full or for a proportion only of the total annual wage roll.
- (b) As a separate item for a limited period only. Where a proportion of the total annual wage roll only is insured as a Standing Charge, the remaining wages can be insured under this heading.
- (c) Under a separate item insuring 100% of wages for an initial period and for a percentage only of the wages for the balance of the Indemnity Period.

N.B. It is recommended that all wages be insured for a period sufficient to provide for Proposer's liabilities under the Contracts of Employment and the Redundancy Payments Acts.

5. REBATE OF PREMIUM

A rebate of premium will be allowed each year if the certified results of the business show over-insurance. It is, therefore, advisable to be liberal in deciding the sum to be insured to make full provision for future expansion of the business.

Extensions of Cover

The insurance may be extended to cover:-

1. Loss resulting from destruction or damage *at your own premises* by any of the following perils provided the material damage by these perils is insured.

Please place a tick against those perils which you require included.

- | | | | |
|------------------------------|--------------------------|---|--------------------------|
| (a) Explosion | <input type="checkbox"/> | (e) Storm or tempest | <input type="checkbox"/> |
| (b) Earthquake | <input type="checkbox"/> | (f) Flood | <input type="checkbox"/> |
| (c) Riot (excluding Ireland) | <input type="checkbox"/> | (g) Bursting or Overflowing of
Water Tanks, Apparatus or Pipes | <input type="checkbox"/> |
| (d) Aircraft | <input type="checkbox"/> | (h) Impact | <input type="checkbox"/> |

2. Loss resulting from interference with the business following fire occurring *elsewhere than at your premises*.

Please indicate whether you wish to extend to cover loss resulting from such destruction or damage:-

- | | | |
|-------------------------------|--|--------------------------|
| (a) Electricity, Gas or Water | At any electricity station or sub-station or gas works or water works from which electricity, gas or water is supplied. | <input type="checkbox"/> |
| (b) Suppliers or Processors | At the premises of any supplier of components, goods or materials or where your goods are processed or work is done for your business. | <input type="checkbox"/> |
| (c) Stored Property | At premises, not your own, where your goods are stored | <input type="checkbox"/> |
| (d) Transit | To goods while in transit by road, rail or inland waterway | <input type="checkbox"/> |
| (e) Motor Vehicles | To your own motor vehicles while away from your own premises | <input type="checkbox"/> |
| (f) Contract Sites | At premises where you are carrying out a contract | <input type="checkbox"/> |
| (g) Prevention of Access | Preventing or hindering the use of your own premises notwithstanding that your premises are undamaged | <input type="checkbox"/> |

Note: A perusal of the Explanatory Notes on the previous page will assist you in completing this Proposal adequately

Branch _____

Agent _____



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Insurance against Loss of Profits following Fire(Net Profit plus Standing Charges Basis)

PLEASE USE BLOCK LETTERS

Name of Proposer (in full)

Mr. Mrs. Miss

2. Date of Birth:		3. Place of Birth:		4. Nationality:	
5. Marital Status:			6. TRN:		
7 Home Address:			8. Mailing Address:		
9. Work/Business Address:			10. Email Address:		
11. Home Phone #:		12. Mobile #:		13. Work Phone #:	
14. Type of ID:		15: ID #:		16. ID Expiry Date:	
17. Occupation/Type of Business: (Describe in full and be specific; avoid vague terms like "businessman", "Director")					
18. Name and Place of Employment:					
19. Do you have any other type of insurance with JNGI?		Yes	No	If Yes, give details:	
20. Are you a Director of any company insured by JNGI?		Yes	No	If Yes, give details:	
21. Have you or any relative or close associate been entrusted with prominent public function (e.g. Politician, Senior Government, Judicial or Security Force Officials) in any country?		Yes	No	If Yes, give details:	
22. To the best of your knowledge are you or any close relative (spouse, children, parents or siblings) connected in any way (personal or business) to JNGI or any other member company within the Jamaica National Group?		Yes	No	If Yes, give details:	

ADDITIONAL PROPOSER INFORMATION (IF PROPOSER IS AN ENTITY)

23. Name of Chief Executive Officer:		
24. Name of Contact Person/Authorised Signatory for the Entity:		
25. Contact's Relationship to insured:		26. Contact's Email Address:
27. TRN:		28. Type of ID:
29. ID Number:		30: ID Expiry Date:
31. Names and Addresses of Shareholder(s) with 10% or more shareholding:		
Name	Address	
1)		
2)		
3)		
32. Names and Addresses of Directors:		
Name	Address	
1)		
2)		
3)		
NB: Copy of Certificate of Incorporation for the Entity is required		
33. Source of Funds (used for paying Insurance Premium):		

PERIOD OF INSURANCE from _____ to _____		
<small>(It is recommended that the renewal date should be coincide with the end of your financial year)</small>		
INDEMNITY PERIOD (see Note 1)		
GROSS PROFIT (see Notes 2, 3, 4 & 5)		SUM INSURED
Sum to be insured		\$ _____
Being the amount of the Net Profit of the BUSINESS carried on in the PREMISES plus the following Standing Charges:		
(Delete those not required)		
Advertising Auditor's and other Professional Fees Bank Charges Depreciation, Maintenance, Repairs and Renewal of Buildings, Plant, Machinery and Vehicles Director's Remuneration Donations and Subscriptions Duties and Licenses Interest on Borrowed Capital Insurance Premiums	Lighting, Heating and Water Charges Motor Vehicle Expenses Office Expenses (including Printing, Stationery, Postage and Telephones) Pensions Rates Rent Reserve for Bad Debts Salaries (including National Insurance Contributions, Bonuses, Overtime, Holiday Pay and other payments pertaining to Salaries)	Sinking Fund and Capital Redemption Taxes (other than those chargeable on profits) Traveller's Commission Travelling Expenses Wages (including National Insurance Contributions, Bonuses, Overtime, Holiday Pay and other payments pertaining to Wages) to the extent of % of the total wage roll Miscellaneous Charges (not exceeding 5% of the total amount of those specified)
(Add any other Standing Charges required) _____		
N.B. Alternatively, if you wish to include ALL Standing Charges of the Business without specifying them, please state percentage of Annual Wages (as defined above) to be insured as a Standing Charge		
		%

