



Allied Insurance Company of the Maldives Pvt Ltd

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CONSEQUENTIAL LOSS INSURANCE PROPOSAL (FIRE AND ADDITIONAL PERILS)

AGENCY

You are to disclose in this proposal form, fully and faithfully all the facts which you know or ought to know, otherwise the policy issued hereunder may be void.

Please type or use block letters. It is important that a complete answer be given to every question. If insufficient space is provided for your answers please continue on a separate sheet.

FOR OFFICE USE ONLY	DEBIT No.	DATE	ACCOUNT	POLICY NUMBER							
PROPOSER'S NAME											
PROPOSER'S POSTAL ADDRESS											
TELEPHONE No.											
FOR OFFICE USE ONLY	PREMIUM	L.T.A. DISC	STAMP	CHCK	D.T.I	TOTAL	C. PCT.	A.C.	NET	P.P.R.R.B.	
	F										
R				C T							
SITUATION OF PREMISES											
PROPOSER'S BUSINESS											
ITEMS INSURED	PLEASE DESCRIBE, IN THE SPECIFICATION OVERLEAF, THE PROPERTY TO BE INSURED										
FOR OFFICE USE ONLY	W										
	E/C										
	AP										
PERIOD OF INSURANCE	FROM:				TO:						

ADDITIONAL PERILS: Please tick (✓) if insurance is required for damage caused by the undermentioned Additional Perils

- | | |
|---|--|
| <input type="checkbox"/> 1. EXPLOSION | <input type="checkbox"/> 4. AIRCRAFT, WATER DAMAGE DUE TO BURSTING OR EVER FLOWING OF WATER TANKS, IMPACT, EARTHQUAKE, WINDSTORM AND FLOOD ARISING THEREFROM |
| <input type="checkbox"/> 2. RIOT AND STRIKE | |
| <input type="checkbox"/> 3. RIOT, STRIKE AND MALICIOUS DAMAGE | <input type="checkbox"/> 5. OTHERS (PLEASE SPECIFY) _____ |

Insurance for these Additional Perils is subject to the Company's discretion. Additional premiums will be quoted on request.

SPECIFICATION OF ITEMS AND SUMS TO BE INSURED

FOR OFFICE USE ONLY								ITEMS TO BE INSURED	SUMS TO BE INSURED	MAXIMUM INDEMNITY PERIOD:	
SPEC	1	2	3	4	5	6	7				
I T E M N O S.	1	1	1				1	On Gross Profit	Mrf	months	
		2						On Wages	Mrf	⇒ WHEN DUAL BASIS WAGES ARE TO BE INSURED PLEASE INDICATE THE UNDERMENTIONED INITIAL PERIOD: months REMAINDER PERCENTAGE: % ALTERNATIVE PERIOD:	
			1					On Rent Receivable	Mrf		
				1				On Income	Mrf		
					2			On Additional Expenditure	Mrf		
					3			On Legal, Clerical and Other Charges	Mrf	(SINGLE ARTICLE LIMIT Mrf)	
						1		On Trading Profit	Mrf		
	2	3	2	2	4	2	2	On Professional Accountant's Charges	Mrf		
									Mrf		
								TOTAL SUM TO BE INSURED:	Mrf		
WHEN GROSS PROFIT IS TO BE INSURED PLEASE COMPLETE ONE OF THE UNDERMENTIONED:											
UNINSURED WORK EXPENSES								OR			
100 per cent of purchases (less discounts received) 100 per cent of discounts allowed											

QUESTIONS CONCERNING THE BUSINESS TO BE INSURED

1. How long have you conducted business at the premises?			
	TICK (✓) APPROPRIATE BOXES	If YES, Give full details	
2. Is there any insurance on the same property in force with this or any other Company?.....	YES	NO	
3. Have you ever suffered damage by fire of any other perils included in this proposal at this or any other premises owned or occupied by you?.....	YES	NO	
4. Have any Company of Insurer ever declined to insure you or your property, imposed special terms or cancelled or refused to renew your insurance?.....	YES	NO	

DECLARATION: I / We warrant that the foregoing statements and particulars are true and I / we hereby agree that this Declaration shall be held to be promissory and shall from the basis of the Contract between me / us and the **Allied Insurance Company of the Maldives Pvt. Ltd.**, and I / we are willing to accept a policy subject to the terms, clauses and conditions prescribed by the Company therein.

Signature:	Date:
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NOTE: No insurance is in force until this proposal has been accepted by the Company.

ASSESSING THE MAXIMUM INDEMNITY PERIOD

Our Consequential Loss insurance pays for losses resulting from an interruption of a business up to a period selected by the Insured, called the maximum indemnity period. This should represent the longest time damage by an insured peril could interrupt the business and interfere with its planned level of trading.

In assessing the length of the maximum indemnity period, take into account delays arising from:-

Site clearance

Planning agreement and approval for rebuilding.

(A review of CU claims since 1970 shows that 1 in 7 Insured found recovery of their business delays by redevelopment planning).

Contract negotiation and actual rebuilding.

Allowance for possible shortages of building materials and building delays.

Availability of raw materials and components.

Extended replacement time for specialized or foreign made plant and machinery.

Replacement and training staff.

Recovery of lost customers

Important: The maximum indemnity period should be revised if circumstances alter.

SALARIES AND WAGES

When salaries and wages are combined they are referred as payroll.

Payroll: If an employer intends to retain all or most of the staff throughout any period of interruption, payroll should be insured in full as part of the gross profit.

Reduced rating applies when payroll is included in full making this attractive, even if some employees are, in the event, made redundant.

Dual basis: If it is intended that a high proportion of employees would be declared redundant, either the whole payroll or wages only should be excluded from the gross profit items and insured separately.

Cover under this separate, dual basis cover is in two parts:

Provision at 100% for an initial number of weeks following damage, to cover the Insured's obligations.

A percentage to apply during the remainder of the indemnity period to cover those employees who are to be retained throughout any interruption.

Dual basis cover also offer two free options:

Remuneration not expended during the initial period can be carried over and used during the remainder of the indemnity period.

In the event of short interruptions, the remainder period cover can be converted to provide an increased number of weeks at 100% cover.

Legal Position: It is essential for employers to take account of statutory and contractual obligations to employees when arranging Consequential Loss cover.

*Redundancy or retrenchment payments

*Period of notice of termination of employment

*Union or Labour Agreements

Please ask for a Data Sheet to assist in calculating your Sums Insured

Consequential Loss Check List

Perils Insured	Fire is not the only peril that can cause substantial loss.	Have all relevant perils been insured?
Gross Profit	A total loss is rare. Partial losses are more common.	Have all uninsured working expenses been considered with this in mind?
Salaries and Wages, if insured separately	Under a dual basis item the length of the initial period must take account of:- Statutory requirements Union of Labour Agreements Any other obligations	Is the initial period sufficiently long to cater for the length of service of employees who would be paid of? 17/21 weeks is a common requirement. Does the remaining percentage reflect the problems of key staff and others to be retained, linked to local conditions? Have you considered the benefits of full payroll cover?
Maximum Indemnity Period	Rebuilding / repair work can take many months, if not years to complete. Replacement plant can have a 12month delivery date or more.	How long to rebuild / repair? How long to get new plant? When will business return to normal, including regaining customers and anticipated expansion?
Sums Insured	It is necessary to forecast several years ahead, when fixing sums insured.	Have future trends, growth and inflation been taken into account? Is there any planned increased in turnover?
Extensions	Many businesses have a single supply source for one or more essential raw materials or components, or a limited number of customers.	Is business dependent upon suppliers and / or main customers or public electricity, gas or water? Can damage to nearby property deny access to the premises?
Advance Profits	Many businesses in the course of expansion or diversification engage in projects involving new building and plant..	Has cover been arranged on anticipated earnings from commencement date of trading from the new venture?
Loss of Book Debts	Destruction of records of money owed may result in loss of receipts in respect of business done before the damage.	Is the business insured against the cost of re-establishing the amount of any money owed and / or not recovered due to the damage?
Computer Insurance, material damage and / or Consequential Loss	Cover can be separately arranged for:- Sudden and unforeseen external damage Mechanical or electrical breakdown Financial Loss Increase in cost of working / Additional Expenditure Loss of damage to data or data carrying media	Do you wish to insure damage to the hardware and consequential loss under the same Policy? Are there any gaps or overlaps between your existing Fire, CL and Computer Insurances?