

Business Interruption (Loss of Profit) Coverage Format

1. Policy Information

Policy Number	[Insert Policy Number]
Insured Name	[Insert Insured's Name]
Period of Insurance	[Start Date] to [End Date]
Business Address	[Insert Business Address]

2. Description of Business

[Provide brief details of the business and nature of operations]

3. Coverage Details

Sum Insured	[Insert Amount]
Indemnity Period	[Insert Duration, e.g., 12 months]
Covered Perils	[List insured perils, e.g., fire, flood, machinery breakdown, etc.]
Deductible	[Insert Deductible Amount or Percentage]

4. Basis of Calculation of Loss

The policy indemnifies for loss of gross profit due to reduction in turnover and increased cost of working as a result of business interruption caused by a covered peril, subject to policy conditions.

Gross Profit	[Turnover less purchases and variable expenses]
Increased Cost of Working	[Additional expenses incurred to avoid reduction in turnover, subject to policy limit]

5. Exclusions

- Losses arising from uninsured perils
- Losses due to market trends
- Consequential losses not covered by the policy
- Voluntary closures/interruptions not related to insured events

6. Claim Procedure

1. Notify the insurer immediately after occurrence of a covered peril.
2. Submit preliminary claim with supporting documents.
3. Provide detailed loss calculation, financial statements, and relevant records.
4. Assist in the loss assessment as required by the insurer.

Important Notes

- Accurate record-keeping is essential to support your claim.
- Understand the policy's definitions, coverage, and exclusions thoroughly.
- Review indemnity period and adequacy of sum insured annually.
- Prompt communication with the insurer can expedite claim processing.

