## SECTION A:  Personal /Corporate Data

Full name of Proposer(s): _____ PIN No: _____

Business or Profession: _____

Name of Contact Person:_____ Position: _____

Physical Address: Bldg: _____ Floor: _____ Street: _____

Postal Address: _____ Postal Code: _____Town: _____

Telephone No. - Office: _____Mobile Phone: _____ Fax No.: _____

Email Address: _____Website:_____

Period of Insurance:     From_____          To_____

## SECTION B: Underwriting Information

| | |
|---|---|
| 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 to be insured under a Machinery Breakdown Policy? Date of issue of 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 at 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? | |
| 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)_____<br>_____<br>Duration_____<br>Due to Machinery of Item No. _____ |

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?<br>Please indicate external repair facilities for the individual machines in the list of machinery. | _____<br>_____<br>_____<br>_____<br>_____ |
| 12. What maintenance work and what inspections are carried out regularly to keep the machines to be insured in good working order? | Type of maintenance and intervals<br>_____<br>_____<br>_____<br>_____ |

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| 13. Number of employees in the works to be insured | Total number _____<br>Number employed for maintenance purposes _____<br>Fluctuation (%) _____ |
| 14. Normal working hours of the works to be insured | per day                    hours in         shifts<br>per week                 hours<br>per year                 Days |
| 15. Are there any seasonal productions or sales fluctuations of more than 20% in the works to be insured? | ☐ Yes         ☐ No<br>If so, please indicate monthly figures._____<br>_____<br>_____<br>_____<br>_____<br>_____ |
| 16. Is there a stock of semi-finished or finished products? | ☐ Yes         ☐ No<br>If so, what period of interruption can be compensated thereby? _____<br>_____ |
| 17. Are supplies furnished against letters of credit? | ☐ Yes         ☐ No<br>If so, please indicate percentage such supplies have in the turnover.<br>_____ |
| 18. In the case of machinery damage, is the interruption period longer than the repair period for the machinery involved? | ☐ Yes         ☐ No<br>If so, please indicate the cause and duration of such a delay._____<br>_____<br>_____ |
| 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:<br><br><br>If maximum demand charges are to be insured: | ☐ Yes         ☐ No<br>Item numbers of the machines to be insured hereunder_____<br>Power requirements of the works (kW, kWh p.a.)_____<br>Percentage of power requirement met by the factory generator_____<br>Extent (kW, kWh p.a.) of current that may be drawn from external power sources_____<br>Cost per kWh of external power_____<br>Factory generating cost saved per kWh if external power is used_____<br>Please indicate the annual increased cost of electricity under question 23 (item 2).<br>_____<br>Maximum demand charge per kW of external power_____<br>Method of calculation (Please enclose copy of electricity supply contract.)<br>_____<br>Please indicate the annual maximum demand charge for external power to be insured under question 23 (item 3). _____<br>Percentage of deductible desired for maximum demand charges (minimum deductible 10%) _____ |
| 20. | If business interruptions due to failure of public supplies (power, water, gas) are to be included in the cover, please fill in separate questionnaire. |
| 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 all standing | chargers 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 Profit and Loss Account of the year<br><br>Commencement of business year:<br><br>Currency: |
|---|---|---|---|
| Deduction from turnover(such as discounts granted to customers, rebates, price deductions)<br><br>_____ | | Turnover | _____ |
| Excise and turnover taxes _____ | | Expenditure incurred for external power, goods, raw materials and supplies used for maintenance | |
| Expenditure incurred for external power, goods, raw materials and supplies, total<br><br>_____ | | | _____ |
| Other costs (such as carriage paid to other firms, customs duties, postage, turnover-dependent insurance premiums, licenses)<br><br>_____ | | Company-manufactured additions to assets<br><br>Reduction in gross profit due to damage incurred during the business year | _____<br><br>_____ |
| Inventory value of finished and semi-finished good at the commencement of the business year _____ | | Inventory value of finished and semi-finished good at the end of the business year | _____ |
| Total | | Total | |
| If a separate indemnity period is desired for wages, please subdivided the sum insured accordingly and indicate the indemnity period desired for the item of wages under question 23. | | Less<br><br>Gross profit<br><br>Safety margin for increase during the policy year<br><br>Sum insured | _____<br><br>_____<br><br>_____ |

23. Summary of insurance covers desired

| Item No. | Subject matter to be insured | Sum insured |
|---|---|---|
| 1 | Gross Profit | |
| 2 | Increased cost of electricity | |
| 3 | Maximum demand charges | |
| 4 | | |
| 5 | | |

| 24. What time excess is desired? (Minimum time excess 2 days) | ☐ 2 days | ☐ 4 days | ☐ 7 days | ☐ 14 days |
|---|---|---|---|---|
| 25. When is the insurance to commence? | | | | |

The insurers undertake to deal with the information supplied in strict confidence.

## SECTION C: DECLARATION BY THE PROPOSER

I/ We declare and warrant that the above answers/information in every respect are true and correct and I/We have not withheld any information likely to affect the acceptance of this proposal.

Executed at this ........................................................... day of ........................................................... 20 ...........................................

For and on behalf of: .....................................................................................................................................

Name: ...........................................................................................................................................................

Signature: ................................................................................ Date: ......................................................

(If Corporate): Designation of contact person: .........................................................................................

Company Stamp: .........................................................................................................................................

# List of Machinery and Plant to be Insured

| Item no | Qty | Description of machine or plant[1] (designation, manufacturer, type, capacity, speed, number of cylinders, transmission ratio, voltage, pressure, temperature, heat surface, new replacement value, etc.) | Year of manufacture | Load[2] | Relative importance[3] | Spare parts available, replacement period for machine or plant | Desired indemnity period limit[4] (months) | Special remarks: Loss minimizing possibilities[5], external repair facilities? Prototype? Remaining period of maker's guarantee? Teething troubles? Last inspection? Results thereof? Hazard of interruption being prolonged due to solidifying melt, long cooling or starting-up periods? Etc. |
|---|---|---|---|---|---|---|---|---|
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[1] Each prime mover and machine should be listed separately. Spare machines should be designated as such and are to be included in the insurance cover.

[2] Ratio between actual load and designed load (e.g. 80%)

[3] Reduction (per cent) of the gross profit in the event of failure of a machine (disregarding any loss minimizing possibilities).

[4] The indemnity period limit represents the maximum period during which the insurers pay indemnification for loss of profits. 3,6,9 or 12 months may be agreed on as indemnity periods

[5] Reduction (per cent) of the loss of production by using machines not fully utilized or not utilized at all, carrying on production on other premises, etc. how long does it take to procure hired machinery?

**TYPE OF COVER** : Consequential Loss

**PERIOD OF INSURANCE** :

**ANNUAL PREMIUM** : Kshs. _____

**BUSINESS PREMISES** :

**Total Sum Insured** : **Kshs. _____**

**COVER:** Reduction in turnover or increase in cost f working to maintain turnover as a result of any admitted claim under current machinery breakdown Insurance.

**Limits:** Gross profit including wages – Kshs. _____

Audit fees for claim Preparation – Kshs. _____

Period of Indemnity – _____Months

## EXTENSION OF COVER

Policy subject to compliance with Factories Act

Including riot, strike and civil commotion | Including explosion (all units)
Including fuel gas explosion | Excluding earthquake/volcanic eruption
Including express freight/labour overtime - Limit 25% | Excluding nuclear fission, war and kindred risks
Including stock deterioration - Limit per batch Kshs. | Including malicious damage
Excluding known faults/defects, wear, tear, rust etc. | Including reinstatement of loss
Including cost of erection, re-erection and dismantling
Including burning out of electrical equipment from electrical cause

## BASIS OF VALUATION
Stock - Indemnity
Rest - Reinstatement

## REMARKS