

# Engineering Business Interruption Insurance



## Proposal form

Policy number

Intermediary

### Completion notes

Please read the following before completing this document.

- Answer all questions in full. If you need extra space, attach additional pages on your company letterhead (if applicable) and mark their inclusion on the proposal form;
- Please ensure you read and sign the Declaration at the end of this document.

### Duty of Disclosure

Before you enter into a contract of general insurance with us, you have a duty at common law to disclose to us every matter you know, or could reasonably be expected to know that a prudent insurer would want to take into account in deciding whether to insure you and, if so, on what terms. This applies to all persons to be covered under this contract of insurance.

You have the same duty to disclose those matters to us before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however, does not require disclosure of a matter:

- that diminishes the risk to be insured;
- that is of common knowledge;
- that we know or in the ordinary course of our business we ought to know;
- that we state to you that we do not want to know.

### Non-disclosure or misrepresentation

If you make a material misrepresentation to us, or if you do not comply with your duty of disclosure, we may treat your policy as if it never existed.

### False statement and Fraudulent acts

Your policy is based on the information supplied to us by you or on your behalf. All statements made by you or on your behalf on the proposal and/or questionnaire, in support of this policy, on any claim form or in support of any claim must be true and correct. If you take any action or make any statement in connection with this policy or any claim made under it, which is fraudulent in any way or which is supported by untrue or incorrect information, we are entitled to avoid this policy and all benefits under it will be forfeited.

### Privacy Act 1993

Zurich respects your privacy. The following is brought to your attention. However this does not apply to companies.

- (a) This Proposal collects personal information about you;
- (b) The information is collected by Zurich to evaluate the insurance being sought;
- (c) The intended recipient of the information is Zurich;
- (d) The information is being collected and held by Zurich;
- (e) The collection of this information is required pursuant to the common law duty to disclose all material facts relevant to the insurance sought and is mandatory;
- (f) The failure to provide this information may result in your application for insurance being declined, or your insurance being void from the beginning;
- (g) You have rights to access, and correct this information subject to the provisions of the Privacy Act 1993.

### Important Note – Average

1. This insurance policy contains a provision making it subject to Average.
2. This provision will have effect only if the property insured under the policy is underinsured at the time of loss.
3. If the property insured under the policy is underinsured at the time of loss, the following rules apply:
  - (a) if you suffer a total loss, the provision will have no effect;
  - (b) if you suffer a partial loss, the maximum amount that you may recover will bear the same proportion to your actual loss as the amount for which the property is insured bears to the full value of the property;
  - (c) whatever your loss, in no case will you be entitled to recover more than the amount for which the property is insured.e.g. your property is worth \$20,000. You insured it for \$10,000. You suffer a loss of \$5,000. If your policy is 'subject to Average' the maximum amount that you may recover will be \$2,500.



**3 Business (continued)**

Do you operate any other business? Yes  No  If 'Yes', please provide full details

Does any other party (e.g. mortgagor) have an interest in the subject matter of the insurance proposed?

Yes  No  If 'Yes', please provide full details

Are the items of Plant and/or Equipment, specified in your Schedule, insured under our Engineering Plant and/or Electronic Equipment Insurance policy?

Yes  No

In respect of Engineering Plant or Electronic Equipment or associated Business Interruption Insurance Policies. Have you made a claim under any such policy(s) of insurance during the last five years?

Yes  No  If 'Yes', please provide full details, including dollar amounts

Have you ever had any:

(i) insurance declined or cancelled Yes  No  If 'Yes', please provide full details

(ii) renewal refused Yes  No  If 'Yes', please provide full details

(iii) special conditions imposed Yes  No  If 'Yes', please provide full details

(iv) excess imposed Yes  No  If 'Yes', please provide full details

(v) claim rejected Yes  No  If 'Yes', please provide full details

Are there any other facts relating to this insurance or the persons making this proposal which should be disclosed to enable a true assessment of your proposal to be made before acceptance?

Yes  No  If 'Yes', please provide full details

**4 Gross profit**

Gross profit, that is turnover less specified working expenses (difference method). Please define your working expenses and state the opening and closing stock items in your books of account. (N.B. Specified working expenses are those expenses which vary in direct proportion to turnover e.g. Factory power, purchases, wages (if not insured separately), carriage, packing, freight.

**5 Payroll**

If you are insuring payroll other than under the Gross Profit item please state the basis for settlement in the event of loss.

Period Basis (i.e. all payroll for an agreed period of time only) Yes  No  If 'Yes', state number of weeks

## 6 Limits of indemnity

1. Annual Gross Profit		Sum Insured \$
2. Fees	Yes <input type="radio"/> No <input type="radio"/>	Sum Insured \$
3. Payroll (Period Basis)	Yes <input type="radio"/> No <input type="radio"/>	Sum Insured \$
5. Other	Yes <input type="radio"/> No <input type="radio"/>	If 'Yes', please specify
6.		Sum Insured \$
7.		Sum Insured \$
8.		Sum Insured \$
Please state Indemnity period required	months	Exclusion period required days

## 7 Schedule of specified Plant and/or Equipment

Item	Description of Plant / Type / Make / Model / Kw (Hp)	% effect on Gross Profit
		%
		%
		%
		%
		%
		%
		%
If space insufficient, please attach list.		

## 8 Declaration

I/We hereby declare on behalf of all proposed insureds that:

- all answers and statements in this proposal are correct and complete in every respect and there is no further information which may affect acceptance of the proposal;
- if accepted by Zurich, this proposal and declaration, and any other material which I/We have provided Zurich, shall be incorporated into and form the basis of the contract of insurance;
- all Sums Insured represent the full value of the item(s) insured;
- I/We understand that Zurich requires this and needs to retain this information in order to decide whether to accept this proposal and also that the Privacy Act 1993 entitles me/us to have access to and request the correction of this information;
- Zurich is authorised to disclose information received from me/us to its advisors, reinsurers and to other insurers. I/We authorise Zurich to obtain, from any party, information that is, in Zurich's view, relevant to this proposal;
- I/We understand that the insurance will not be in force until this proposal has been accepted and cover confirmed by Zurich.

Signature of proposer(s)

Date

X

/ /

## Office use only

Premium	Term	Annual
Total premium	\$	\$
GST	\$	\$
Stamp Duty	\$	\$
<b>TOTAL ANNUAL PREMIUM</b>	<b>\$</b>	<b>\$</b>