

Material Damage/Business Interruption

Proposal

Please answer all questions fully. If there is insufficient space, please provide further details on your letterhead.

Section 1: Proposer(s) general information

The Insured:		
Website address:		
Postal address:		
Describe Your business in full:		
Interested Parties (mortgage etc) name and branch:		
Period of Insurance: From	To	at 4pm

Underwriting criteria

Have You alone, in partnership, jointly with any other party or, if a corporation, any of its directors:		
1 for the insurance being applied for:		
a) Suffered any loss(es) (insured or otherwise) in the last 3 years (whether or not a claim was made)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
b) Ever experienced a claim over \$10,000	Yes <input type="checkbox"/>	No <input type="checkbox"/>
c) Ever withdrawn a claim	Yes <input type="checkbox"/>	No <input type="checkbox"/>
2 in the last 10 years, has an insurer declined any claim or proposal for insurance, cancelled or refused to renew a policy, imposed an additional excess or imposed special terms, conditions or restrictions on a policy?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3 in the last 10 years, been placed in receivership or liquidation or declared bankrupt?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4 subject to the Criminal Records (Clean Slate) Act 2004, been convicted of any criminal offence or charged with any criminal offence?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If you have answered 'Yes' to any of the questions 1-4, please provide details:		

Your Duty of Disclosure

Before You enter into this insurance with Us for the first time, You have a duty, at law, to disclose to Us all material facts. This duty also applies when You renew, vary, extend or reinstate Your Policy.

A material fact is one that may influence a prudent insurer in deciding whether or not to accept the insurance and, if so, on what terms and conditions and for what premium.

Examples of information You may need to disclose include but are not limited to:

- anything that increases the risk of an insurance claim;
- subject to the Criminal Records (Clean Slate) Act 2004, any criminal conviction or offence;
- if another insurer has cancelled or refused to insure or renew insurance, has imposed special terms, or refused any claim;
- any insurance claim made or loss suffered in the past.

These examples are a guide only. If there is any doubt as to whether a particular piece of information needs to be disclosed, this should be referred to Us through Your broker.

What happens if You or they breach the duty?

If You or they fail to comply with the Duty of Disclosure, it may result in Your claim being declined, the Policy being cancelled or the amount we pay if You make a claim being reduced.

Who does the duty apply to?

Everyone who is insured under the Policy must comply with the duty.

Pursuant to the Privacy Act 1993

The following information is provided for Your benefit:

- This proposal form collects personal information about You;
- The collection of this information is required pursuant to the terms of Your insurance policy;
- The information is collected to evaluate the insurance being sought and any claim You may make;
- The failure to provide this information may result in Your claim being declined;
- The intended recipient of the information is Lumley;
- Lumley may pass your personal information on to Insurance Claims Register Limited ('ICR') for inclusion in the Insurance Claims Register, for general claims and underwriting purposes;
- You acknowledge that any ICR participant may access this personal information by way of enquiry to the ICR.
- You have the right of access to and correction of this information in accordance with the Privacy Act 1993.

Section 2: Material Damage

Situation – Business Location

Situation 1:	Post code:
Situation 2:	Postcode:
Business activities of all Building occupants:	
Situation 1:	
Situation 2:	

Cover

	Buildings	IV/RV	Contents	IV/RV	Stock	IV/D	Other property	IV/RV
Situation 1	\$		\$		\$		\$	
Situation 2	\$		\$		\$		\$	

RV = Replacement Value IV = Indemnity Value D = Indemnity Value and Declaration Conditions Apply

Description of other property

	\$
	\$
	\$

Additional Cover

The Total Sum Insured of the Material Damage section of this Policy or these item limits will apply whichever are the lesser:		
	Standard limit	Optional limit
Alternative Residential Accommodation	25% of the cost incurred in reinstating	
Capital Additions	\$100,000	\$
Claims Assessment	*	
Computer Software	*	
Demolition and other Costs	**	\$
Electric Current Damage	3.75kw or 5hp	*
Employees Effects: any one employee	\$5,000	* \$
any one event	\$10,000	* \$
Expediting Costs	*	
General Average/Salvage Charge	*	
Gradual Damage (residential portion of the building)	\$5,000	* \$
Hazardous Substance Emergency	\$20,000	* \$
Landscaping	*	
Money: Part A	\$10,000	\$
Part B	\$1,000	\$
Christmas Carry	-	\$
Portable Tools of Trade (including electronic equipment) away from your business premises: Any one item	\$7,500	* \$
Any one event	\$15,000	* \$
Professional Fees	*	
Property Under Construction	\$100,000	* \$
Protection Costs	\$20,000	* \$
Redundant Foundations	*	
Redundant Plant, Equipment and Stock	*	*
Refrigerated Goods	\$2,500	* \$
Rewards	*	
Rewriting of Records	\$10,000	*
Social Club	*	
Stolen Keys	*	
Subsidence and Landslip	\$250,000	* \$
Temperature Change Protection	*	
Temporary Removal	*	
Theft	*	
Transit	\$10,000	* \$
Unharmed Property	*	

* means included in the Sum Insured of the affected property and the Total Sum Insured of the Material Damage section of the Policy
 ** means included in the Sum Insured of the affected property unless optional limit specified

Optional Additional Cover

Natural Disasters (earthquake, tsunami, volcanic eruption, geothermal activity, hydrothermal activity or fire following any of these):	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Seasonal Stock Increase (90 days):	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Start date:	/	/
	Limit: \$	

General questions

Please answer the following questions in relation to the above Situation.

1	What fire protection is in place?	Automatic sprinklers	Smoke/fire detectors	Hose reels	Extinguishers
	Situation 1:	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
	Situation 2:	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
2	Are the buildings on mains water supply?				
	Situation 1:				Yes <input type="checkbox"/> No <input type="checkbox"/>
	Situation 2:				Yes <input type="checkbox"/> No <input type="checkbox"/>
3	Is there an operational burglar alarm?				
	Situation 1:				Yes <input type="checkbox"/> No <input type="checkbox"/>
	Situation 2:				Yes <input type="checkbox"/> No <input type="checkbox"/>
4	Is the burglar alarm monitored?				
	Situation 1:				Yes <input type="checkbox"/> No <input type="checkbox"/>
	Situation 2:				Yes <input type="checkbox"/> No <input type="checkbox"/>
	Is there a professional security guard response to alarm activation?				Yes <input type="checkbox"/> No <input type="checkbox"/>
5	Do You use or store flammable liquids or gases?				Yes <input type="checkbox"/> No <input type="checkbox"/>
	If Yes , please advise details and quantity:				
6	Do You have a safe?				Yes <input type="checkbox"/> No <input type="checkbox"/>
	Is the safe covered by burglar alarm sensors?				Yes <input type="checkbox"/> No <input type="checkbox"/>
	Is it bolted to floor?				Yes <input type="checkbox"/> No <input type="checkbox"/>
7	Do You have a deep fat fryer? Refer Fat Frying Warranty:				Yes <input type="checkbox"/> No <input type="checkbox"/>

Building construction:

	Floor	Exterior walls	Roof	Frame	Year of construction
Situation 1					
Situation 2					
	Does any part of the Building construction include expandable polystyrene?				Yes <input type="checkbox"/> No <input type="checkbox"/>
	If Yes , percentage of building:				%
	Does any part of the Building contain a walk in chiller/freezer?				Yes <input type="checkbox"/> No <input type="checkbox"/>

Deductibles

Only one Deductible, the highest, shall apply to any one event except for a Natural Disaster event.

In respect of any other loss for which no Deductible is shown:	\$500
In respect of Burglary or malicious damage:	\$1,000
In respect of Theft:	\$2,500
In respect of Subsidence and Landslip.	\$5,000

Natural Disaster Deductibles

The *Deductible* that will apply to a Natural Disaster event will be as follows:

If the insured Property is situated in the regions of Northland, Auckland, and the districts of Dunedin City and Clutha:

The *Deductible* to be applied to the combined Material Damage and Business Interruption loss will be 2.5% of the Total Sum Insured for the Material Damage section at the *Situation* subject to a minimum *Deductible* of \$2,500

PROVIDED

That if any building at the *Situation* was built pre 1936, the deductible to be applied to the combined Material Damage and Business Interruption loss will be 10% of the Total Sum Insured for the Material Damage section at the *Situation*, subject to a minimum *Deductible* of \$10,000.

If the insured Property is situated outside of the regions of Northland, Auckland, and the districts of Dunedin City and Clutha:

The *Deductible* to be applied to the combined Material Damage and Business Interruption loss will be 5% of the Total Sum Insured for the Material Damage section at the *Situation*, subject to a minimum *Deductible* of \$5,000.

PROVIDED

That if any building at the *Situation* was built pre 1936 the *Deductible* to be applied to the combined Material Damage and Business Interruption loss will be 10% of the Total Sum Insured for the Material Damage section at the *Situation*, subject to a minimum *Deductible* of \$10,000.

Section 3: Business Interruption

The Indemnity Period:	Months
Annual Turnover:	\$
Purchases:	\$
Financial Year End:	/ /

Cover

	Limits
Gross Profit or Gross Revenue (Please circle selected option)	\$
Gross Rental and Management Fees Receivable	\$
Wages: Dual Basis	\$
Initial Period Weeks: Remainder Period Percentage: %	–
Optional Period Weeks:	–
Payroll/Wages in Lieu of Notice: Weeks:	\$
Redeployment Expenses	\$
Severance and Redundancy Expenses	\$
Additional Cost of Working	\$
Book Debts	\$
Penalty Payments	\$
Claim Preparation Costs	\$
Rewriting of Records	\$
Loss of Lease Goodwill: Commencement Date of Lease: / / Period of Lease:	\$
Total Sum Insured	\$

Additional Cover

	Limit	Deductible	Natural disaster deductible
Accumulated Stocks	Included	Nil	
Acts of Civil Authorities	10% of TSI or \$500,000 whichever is the lesser	24 hours	14 days
Closure of Transport Routes, Ports or Airports	10% of TSI or \$500,000 whichever is the lesser	7 days	14 days
Contractual Commitments	Included	Nil	
Customers'/Suppliers'/Premises	10% of TSI or \$500,000 whichever is the lesser	Nil	
Dependent Business that Attracts Customers	30 day Indemnity Period	24 hours	14 days
Loss of Utilities	10% of TSI or \$500,000 whichever is the lesser	24 hours	14 days
Prevention of Access	10% of TSI or \$500,000 whichever is the lesser	24 hours	14 days

TSI = Total Sum Insured for the Business Interruption Section

Optional Additional Cover

Natural Disasters (earthquake, tsunami, volcanic eruption, geothermal activity, hydrothermal activity or fire following any of these): Yes No

Declaration

I/We hereby declare that the information and answers given in this proposal and other information I/we supplied are in every respect true and correct and that Lumley is aware of all information that may be material in considering this proposal.

I/We agree that this Proposal and Declaration shall be the basis of and incorporated in the insurance contract.

I/We undertake to inform Lumley of any material alteration to the facts provided whether occurring before or after the completion of this insurance contract.

I/We authorise Lumley to give or to obtain from other insurers or any insurance brokers or other party any information relating to this insurance or any other insurance held by me/us or any claim made by me/us.

I/We understand that Lumley is collecting the information on this proposal to evaluate my/our insurance requirements. I/We am/are obliged to advise Lumley of any information which may be material to its consideration of this application.

If my broker/agent has completed the proposal on my behalf I agree all the information provided is correct.

Insured's signature: _____ Date: / /

Broker / agent: _____ Broker / agent account number: _____
 Customer number: _____ Replacing policy number: _____ ANZIC Code: _____