

LOSS OF PROFIT INSURANCE

GROSS PROFIT COMPUTATION SHEET "DIFFERENCE METHOD"

The purpose of this form is to assist you in computing the sum to be insured and also to advise the Company of the Uninsured Working Expenses, as each one must be noted on your Policy by Name and Percentage applicable thereto.

The sum insured is to be the ANNUAL INSURABLE GROSS PROFIT PLUS THE ESTIMATED TREND of the BUSINESS, for at least the forthcoming financial year – PROVIDED THE INDEMNITY PERIOD does not exceed 12 months (for longer period see below).

AN UNINSURED WORKING EXPENSES is a charge, expense or cost which varies in direct proportion to **TURNOVER** or **OUTPUT** and the particular expenses listed hereunder are those most generally deducted.

However, there may be other named in your Final Accounts, if so, kindly substitute them for those not applicable to your business and complete the computation accordingly.

FIGURES FOR LAST FINANCIAL YEAR

From: / /
To : / /

| | | |
|--|------------|------------|
| TOTAL TURNOVER | US\$ _____ | |
| <u>PLUS</u> CLOSING STOCK | US\$ _____ | |
| <u>LESS</u> OPENING STOCK | US\$ _____ | |
| (Not: The amount of the Opening and Closing Stocks shall be arrived at in accordance with the Insured's normal Accountancy Methods due Provisions being made for depreciation) | | |
| <u>LESS</u> UNINSURED WORKING EXPENSES | | |
| (e.g) PURCHASE (LESS DISCOUNT RECEIVED) | US\$ _____ | |
| DISCOUNT ALLOWED | US\$ _____ | |
| FREIGHT AND CARRIAGE | US\$ _____ | |
| WRAPPING AND/OR PACKING EXPENSES | US\$ _____ | |
| BAD DEBTS | US\$ _____ | US\$ _____ |
| TOTAL AS AT BALANCE DATE | | US\$ _____ |
| PLUS ESTIMATED TREND FOR CURRENT YEAR | | US\$ _____ |
| PLUS ESTIMATED TREND FOR A FURTHER 12 MONTHS | | US\$ _____ |
| ITEM 1. INSURABLE GROSS | | US\$ _____ |
| WHEN INDEMNITY PERIOD EXCEEDS 12 MONTHS, INCREASE ABOVE PROFIT PROPORTIONATELY | | |
| ITEM 2. PUBLIC ACCOUNTANTS FEES | | US\$ _____ |
| ITEM 3. | | US\$ _____ |
| TOTAL SUM INSURED | | US\$ _____ |

WE WOULD ADVISE YOU THAT THIS CLASS OF INSURANCE IS SUBJET TO AVERAGE AND COMPLETE PROTECTION DEPENDS ON FULL INSURANCE.