

## Business Protection Plan Questionnaire

Quote Number

### 1.0 Business insurance PLEASE COMPLETE IN ALL INSTANCES FOR BUSINESS INSURANCE

1) What is the business name and address?

2) What is the nature of the business?

3) How long has the business been in operation?

4) How many employees are in the business?

5) Please advise the financial results of the business for each of the last three financial years.

	/ /	/ /	/ /
Sales revenue/turnover	\$	\$	\$
Cost of sales	\$	\$	\$
Gross profit	\$	\$	\$

6) If the Gross Profits have decreased in the most recent financial year please provide an explanation for the decrease and whether or not that trend is expected to change in the current financial year, and why?

7) What is the purpose of the business insurance?

- ☐ **Loss of Revenue** (go to question 8 or 16).
- ☐ **Permanent Loss of Key Person** (go to question 24).
- ☐ **Partnership or Business/Shareholder protection** (go to question 34).
- ☐ **Debt protection** (go to question 40).

Note that if the business insurance cover being proposed is greater than \$2,500,000 or Loss of Revenue insurance is required, we will require the detailed business financial accounts for all business entities for the last two years. Please provide the audited balance sheets, detailed profit and loss accounts and any explanatory notes to the accounts.

Notes

LOSS OF REVENUE

WHERE THE LIFE ASSURED IS A KEY PERSON WHO IS NOT A FARM OWNER

8) Why is the Life Assured considered a key person to the business?


9) How many key people are in the business, including the Life Assured?

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10) What is the Life Assured’s percentage contribution to the turnover of the business?

	% (A)
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11) How was this percentage calculated?


If the Life Assured is applying for Variable Loss of Revenue Cover, please go straight to Variable Loss of Revenue section: Question 23

12) What is the average of the gross profits from Page 1?

\$	(B)
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13) Please calculate the lesser of (A x B)/12 or (80% x B)/12

\$
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Note: This amount is called the monthly **automatic cover limit**.  
If the required sum insured exceeds this **automatic cover limit** then please also complete the justification questionnaire in Section 2.0 or provide an alternative report which clearly justifies the required level of cover.

14) If the Life Assured is applying for the Seasonal Booster Benefit please indicate which month requires boosting and what percentage it will be boosted by (please note that the two months immediately following the specified month will also be boosted).

Boosted month:	<input type="checkbox"/>	25%	<input type="checkbox"/>	50%	<input type="checkbox"/>	100%
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15) Please explain why the above month (and following two months) require boosting and why the above percentage boost is required.


Notes

## LOSS OF REVENUE

## WHERE THE LIFE ASSURED IS A KEY PERSON WHO IS A FARM OWNER

**16) How many key people are there on the farm contributing to turnover, including the Life Assured?**

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**17) What is the Life Assured's percentage contribution to the turnover of the farm?**

	% (A)
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18) How was this percentage calculated?


***If the Life Assured is applying for Variable Loss of Revenue Cover, please go straight to Variable Loss of Revenue section: Question 23***

19) What is the average of the farm turnovers from Page 1?

\$ (B)

20) Please calculate  $(A \times (30\% \times B))/12$

Note: This amount is called the monthly **automatic cover limit**.

If the required sum insured exceeds this **automatic cover limit** then please also complete the justification questionnaire in Section 2.0 or provide an alternative report which clearly justifies the required level of cover.

21) If the Life Assured is applying for the Seasonal Booster Benefit please indicate which month requires boosting and what percentage it will be boosted by (please note that the two months immediately following the specified month will also be boosted).

Boosted month: ☐ 25% ☐ 50% ☐ 100%

22) Please explain why the above month (and following two months) require boosting and why the above percentage boost is required.


[illegible]

VARIABLE LOSS OF REVENUE

23) In the boxes below, please confirm the benefit required for each month and provide a breakdown of how these were calculated.  
If you require further space for disclosures please use the notes section on page 9.

Month 1	\$	
Month 2	\$	
Month 3	\$	
Month 4	\$	
Month 5	\$	
Month 6	\$	
Month 7	\$	
Month 8	\$	
Month 9	\$	
Month 10	\$	
Month 11	\$	
Month 12	\$	

PERMANENT LOSS OF KEY PERSON

24) What is the position of the key person in the business?

25) How long has the key person been in the business?

26) What special knowledge, qualities and responsibilities does the key person have?

27) What is the key person’s total remuneration package? Please include salary, fringe benefits and share of net profit.

This year: \$Last year: \$

28) What is the total salary bill of the business?

29) Is the key person a shareholder, partner or equivalent in the business?

Y | N

If yes what percentage share of the business does the key person hold?

%

30) What proportion of the gross business profit is attributable to the key person’s activities?

%

31) Please tell us how you calculated the sum to be insured.

This should equate to the financial loss suffered by the business in the event of the permanent loss of a key person.

32) How many key persons are there in the business apart from the person to be insured?

33) Are there any, or are you applying for any other policies on the life of the key person?

Y | N

If yes please provide details.

Go to section 3.0

Notes

## PARTNERSHIP OR BUSINESS/SHAREHOLDER PROTECTION

34) a) How many partners or shareholders are there in the business?

b) What are their respective percentage shareholdings in all business entities?

Name	No. of shares held	% of shares held	Current valuation
			\$
			\$
			\$
			\$
Total shares/value			\$

c) What was the person to be insured's share of profits for the last two financial years?

<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/> %	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/> %
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35) Is there currently, or is there intended to be, a partnership agreement and/or buy-sell agreement in respect of the partners'/shareholders' interests?

Y | N

If **no** what is the purpose of the insurance?

<input type="text"/>
<input type="text"/>

36) What is the anticipated financial liability arising from the death or disablement of the partner/shareholder?

<input type="text"/>
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37) Are there any, or are you applying for any other policies on the life of the key person?

Y | N

If **yes** please give details.

<input type="text"/>
<input type="text"/>

38) Are policies in place or being effected on the other partners/shareholders?

Y | N

If **yes** please give details.

<input type="text"/>
<input type="text"/>

39) a) What is the current value of the business/partnership?

\$

b) Who performed this valuation?

<input type="text"/>
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c) What was the date and basis of the valuation?

<input type="text"/>
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Go to section 3.0

Notes
<input type="text"/>
<input type="text"/>
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## DEBT PROTECTION

40) What is the amount of the loan?

\$

41) What is the purpose of the loan?


42) To whom is the loan being made?

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43) Why is insurance specifically required on the person being insured?

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44) Who is providing the loan?

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45) What is the term of the loan?

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46) What is the method of loan repayment?

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47) What is the interest rate on the loan per annum?

%

48) Are there any, or are you applying for any other policies on the life to be insured?

Y | N

If **yes** please provide details.


49) Have the funds been fully drawn down?

Y | N

If **no** please provide details.


50) Is the loan conditional upon the issuing of this policy?

Y | N

51) What was the person to be insured's income for the past three financial years? (Before tax but after deduction of business expenses.)

	/	/	/	/	/
Gross salary (if applicable)	\$		\$		\$
Business income (net of business expenses but before tax) e.g. partnership income, trust income	\$		\$		\$
Income from other sources e.g. investments, rental income	\$		\$		\$

Note that if the cover is above \$2,500,000 a copy of the final loan agreement confirming approval must be provided.

Notes


## 2.0 Loss of Revenue Cover – Justification Questionnaire

PLEASE COMPLETE ONLY IF THE REQUIRED SUM INSURED EXCEEDS THE AUTOMATIC COVER LIMIT. PLEASE COMPLETE ONLY THE APPLICABLE SECTIONS.

### PURPOSE OF COVER – ALL

52) What is the **automatic cover limit** from the previous page?

\$

53) What is the Loss of Revenue payment term being applied for?

months

### PURPOSE OF COVER – LOCUM

54) If, when the Life Assured is disabled, you would replace them with Locum resources, what would you estimate the total **monthly** Locum costs would be?

\$

55) How much of these monthly Locum costs are you wishing to insure?

months (C)

### PURPOSE OF COVER – BUSINESS OVERHEADS

56) What is the total amount of additional business expenses over and above current business expenses, that you would expect the business to incur throughout the duration of the payment term as a result of the disability of the key person?

\$

57) Please explain what each of those additional monthly costs would be and why they would arise (i.e. what would the business use the funds for)?


58) How much of these additional **averaged monthly** business expenses do you wish to insure?

\$

(D)

### PURPOSE OF COVER – LOSS OF REVENUE

59) If you have Locum and/or Business Overheads Cover in place as detailed above what would you estimate the residual percentage decrease (if any) of gross profits would be?

% (E)

60) Please explain why.


61) Please calculate  $(B \times E)/12$

\$

62) How much of this averaged **monthly** residual loss of gross profits do you wish to insure?

\$ (F)

63) Calculate the sum insured.

SUM INSURED CALCULATION	
Monthly Locum Costs (C)	\$
Monthly Additional Business Overheads (D)	\$
Monthly Loss of Revenue (F)	\$
Total Monthly Sum Insured	\$



64) Please explain your justification for additional cover over and above the **automatic cover limit** and provide your calculations of the sum insured.

[illegible][illegible]

### 3.0 Declarations PLEASE COMPLETE IN ALL INSTANCES

#### Declaration by life to be insured/policy owners

I/we declare that the answers given in this questionnaire are complete and true and I/we understand that Partners Life will rely on the complete accuracy of the answers when assessing my/our application for insurance, and that this questionnaire will form part of the application form.

Signature of life to be insured	Date	/ /
Signature of policy owner	Date	/ /
Signature of policy owner	Date	/ /

#### Declaration by accountant

(To be completed in all instances where the total sum insured from all sources exceeds \$2,500,000 business insurance and personal insurance.)

I confirm that to the best of my knowledge, the information given in the questionnaire is complete and true. I understand that Partners Life will rely on the complete accuracy of the answers when assessing this application for insurance.

Signature of life to be insured	Date	/ /
Signature of accountant	Date	/ /

**PLEASE NOTE:** If there are multiple policies being applied for by this Life Assured please ensure a separate Declaration and Consent page is completed by the applicable policy owners for each policy.

### 4.0 Adviser report PLEASE COMPLETE IN ALL INSTANCES

Dear adviser,

The adviser report is required in order to give our underwriters background information on the proposed insurance. As each client's circumstances differ significantly, we have not provided a generic template for you to complete, rather, the adviser report should be styled to fit the individual application. Please provide information below such as:

- the background of the person to be insured
- a description of the business of the person to be insured
- a description of the corporate structure of this business if more than one entity is involved
- comments on the financial position of the person to be insured and the business
- details as to how the sum insured has been calculated, and
- any other information thought to be relevant to the assessment of the proposal.

Please provide the adviser report in the following section:

Notes

Signature of adviser	Date	/ /
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