

Business Income Worksheet



Policy Name _____
Policy Number _____
Policy Period _____

***Notes -** Calculate on accrual basis (not a cash basis) and provide actual values for 12 months figuring on the fiscal year.

	Example	Location 1	Location 2	Location 3
Net Annual Sales : the gross sales - less : discounts, returns, allowances, bad debt, collection expenses and prepaid freight - plus : other earnings from your business operations such as rents, commissions, cash discounts received, interest or service fees. (For Manufacturing risks: add or subtract the change in finished goods inventory during the year. If inventory has increased, add the amount of increase. If inventory had decreased, subtract the amount of the decrease.)	\$ 4,450,000			
Cost of Good Sold : deduct the cost of non-continuing outside services and the cost of (1) raw stock used in production, (2) materials directly consumed in production, (3) merchandise sold including packaging materials and (4) services purchased from subcontractors.	\$ (2,800,000)			
Power, Heat & Refrigeration : If the Power, Heat and Refrigeration Deduction Endorsement applies deduct the cost of this services that don't continue under contract				
Ordinary Payroll : If the ordinary payroll exclusion applies deduct all ordinary payroll expenses or the amount of payroll expenses to be excluded				
100% Business Income Exposure	\$ 1,650,000	\$ -	\$ -	\$ -
Coinsurance Percentage	0.80			
Adjusted Business Income Exposure	\$ 1,320,000	\$ -	\$ -	\$ -
Extra Expense Exposure - Enter the anticipated amount needed to pay the increased expenses over normal expenses to keep an interrupted business in operation. Consider such items as increased rent, advertising costs, moving expenses, additional hourly wages, increased utilities, computer equipment, rental & data reproduction. (complete this section if requesting Combined Business Income and Extra Expense coverage)	\$ 100,000			
Extended Business Income Period of Indemnity Exposure - Enter the anticipated amount of reduced earnings that might be expected during the 12 months after you are able to resume normal business operations.				
Margin for Error : This figure should reflect the expected change in earnings for the upcoming year, allowing for both growth and inflation.	\$ 50,000			
Total Business Income Exposure - This is the sum of Adjusted Business Income, Extra Expense and Extended Business Income and Extended Period of Indemnity Exposures	\$ 1,470,000	\$ -	\$ -	\$ -

Insured Signature _____

Date _____

Agent _____