



## Business Income Worksheet

**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
<p><b>Net Annual Sales:</b> the gross sales – <b>less:</b> discounts, returns, allowances, bad debt, collection expenses and prepaid freight – <b>plus:</b> other earnings from your business operations such as rents, commissions, cash discounts received, interest or service fees.</p> <p>(For manufacturing risks: add or subtract the change in finished goods inventory during the year. If inventory has increased, add the amount of the increase. If inventory has decreased, subtract the amount of the decrease.)</p>	<b>\$4,450,000</b>			
<p><b>Cost of Goods Sold:</b> deduct the cost of non-continuing outside services and the cost of (1) raw stock used in production, (2) materials directly consumed in production &amp; (3) merchandise sold including packaging materials and (4) services purchased from subcontractors.</p>	<b>-\$2,800,000</b>	-	-	-
<p><b>Power, Heat &amp; Refrigeration:</b> If the Power, Heat and Refrigeration Deduction Endorsement applies deduct the cost of this services that don't continue under contract</p>	-	-	-	-
<p><b>Ordinary Payroll:</b> If the ordinary payroll exclusion applies deduct all ordinary payroll expenses or the amount of payroll expenses to be excluded</p>	-	-	-	-
<p><b>100% Business Income Exposure</b></p>	<b>=\$1,650,000</b>	=	=	=
<p><b>Coinsurance Percentage</b></p>	<b>X .80</b>	<b>x</b>	<b>x</b>	<b>x</b>
<p><b>Adjusted Business Income Exposure</b></p>	<b>=\$1,320,000</b>	=	=	=
<p><b>Extra Expense Exposure</b> – 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 &amp; data reproduction. (Complete this section if requesting Combined Business Income and Extra Expense coverage)</p>	<b>+\$100,000</b>	+	+	+
<p><b>Extended Business Income and Extended Period of Indemnity Exposure</b> –Enter the anticipated amount of reduced earnings that might be expected during the twelve months after you are able to resume normal business operations.</p>	+	+	+	+
<p><b>Margin for Error:</b> This figure should reflect the expected change in earnings for the upcoming year, allowing for both growth and inflation.</p>	<b>+\$50,000</b>	+	+	+
<p><b>Total Business Income Exposure</b> – This is the sum of Adjusted Business Income, Extra Expense and Extended Business Income and Extended Period of Indemnity Exposures.</p>	<b>=\$1,470,000</b>	=	=	=

Insured Signature \_\_\_\_\_ Title \_\_\_\_\_

Printed Name \_\_\_\_\_

Date \_\_\_\_\_