



INSURANCE COMPANY (BARBADOS) LIMITED

Suite 8, Dome Mall, Warrens, St. Michael BB22026
Telephone: 246-538-2200
Email: infobb@genac.com

BURGLARY INSURANCE PROPOSAL

Note to Proposer

Notice to Insured on the Nature and Effect of the Pro Rata Condition of Average (Average Clause)

Please note that any property that is insured or to be insured under the policy mentioned above is subject to the **pro rata condition of average (Average Clause)**. This means that, under certain circumstances, if the property covered under this policy is, at the time of any loss or damage from an insured peril, of greater value than the sum for which the property is insured, you will only be entitled to recover under this policy such proportion of the loss as the sum insured under this policy bears in relation to the total value of the property. You are said to be under-insured because the sum insured at the time of the loss is less than the actual value of the insured property and so a part of the insured loss will not be covered under this Policy. In this case, you are considered as being your own insurer for the part of your loss which is not covered under this policy.

For example, should you have a property, which has a value of \$10,000,000 and you decide to insure it for \$7,000,000 and you suffer a loss from an insured peril, there are three possible scenarios depending on the size of the loss. The formula that is applied in each case is the same as set out below:

$$\frac{\text{Sum Insured}}{\text{Value}} \times \frac{\text{Amount of the loss}}{1} = \frac{\text{Amount Recoverable}}{1}$$

Example 1 Where loss is less than value and less than Sum Insured

- Assume the loss is \$5,000,000

$$\frac{\$7,000,000}{\$10,000,000} \times \frac{\$5,000,000}{1} = \frac{\$3,500,000}{1}$$

You will be paid \$3,500,000 or 70% of your loss less any deductible stated in the policy

Example 2 Where loss is less than value but greater than Sum Insured

- Assume the loss is \$8,000,000

$$\frac{\$7,000,000}{\$10,000,000} \times \frac{\$8,000,000}{1} = \frac{\$5,600,000}{1}$$

You will be paid \$5,600,000 or 70% of your loss less any deductible stated in the policy

Example 3 Where loss is equal to replacement value

Should you have a total loss that is, \$10, 000,000 then you will only receive the amount you insured the property for that is, \$7,000,000 less any deductible stated in the policy.

Under certain circumstances where you under-insure, you may be entitled to the full amount of the insured loss if the sum insured is equal to or more than 85% of the value. This will depend on the terms of your policy.

Please review the terms of your policy carefully, including checking on the adequacy of the sum for which the property is insured or to be insured. This will enable you to identify whether you are or will be under-insured in a manner which will cause the **pro rata condition of average** detailed in your policy to be applied. You may check with your insurer, agent or broker for further clarification on the terms of your policy and the nature and effect of the pro rata condition of average contained therein.

This notice is given to you in fulfillment of the legal requirement to provide you with information on the nature and effect of the **pro rata condition of average** stated in your policy to be inserted in the policy of insurance mentioned above.

Please note that the extent to which the condition applies is governed by the terms of your policy.

.....
Proposer's Signature

.....
Date

POLICY NO.

Broker

PLEASE COMPLETE IN BLOCK CAPITALS

Proposer's full Name	
Email	
Address	
Occupation/Business	

1. State whether ordinary private house, flat, apartments, boarding or lodging house, bungalow, warehouse, shop, factory, store, office or showroom.		
State how often and for what periods the premises are likely to be left entirely unattended.		How often? For what periods?
How long have the premises to be insured been occupied by you?		
2. Have you, or if a firm, any member thereof been previously insured or applied for Burglary Insurance?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If so, state name of Company or Underwriter		
Has any application for Insurance been declined or not completed?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Has the renewal of any Insurance been refused or an increased rate demanded for renewal?		<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Have thieves ever entered or attempted to enter these or any other premises occupied by you, or if a firm, any member or director thereof?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Have you, or if a firm, any member or director thereof ever claimed for loss by Burglary or Fire?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If so, state name of Company and amount claimed.		
4. Of what construction are:		(a) Walls (b) Roof
5. What precautions are in operation:		(a) For securing outer doors? (b) For protecting windows? (c) For protecting roof lights and other means of access?
6. Is this premises protected by Electronic Security?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If "Yes", give details.		
7. Please state:		(a) Name of Fire Insurance Company (b) Amount of Insurance

THE FOLLOWING QUESTIONS ARE TO BE ANSWERED IN THE CASE OF TRADE OR BUSINESS RISKS

8. Address of premises in which the property to be insured is contained.		
Exact nature of Trade or Business		
Are you the sole occupier of the premises?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If not, give particulars of other tenants and their trade and business.		
Are the premises occupied outside of business hours?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If so, state by whom		
9. Are all or any of the valuables secured in burglary-resisting safes when the premises are closed?		<input type="checkbox"/> Yes <input type="checkbox"/> No
10. Do you keep books with a complete record of all purchases and sales, and are these regularly entered up?		<input type="checkbox"/> Yes <input type="checkbox"/> No

DECLARATION

I/We declare that all the answers in this Proposal are true; and no information withheld that might lead to influence the Company's decision regarding this proposal. I/We confirm that the amounts proposed represent the full value of the property; and undertake to exercise all reasonable precautions for the safety of the property. I/We agree that this Proposal and Declaration shall be the basis of the contract between the Company and myself/ourselves. and to accept the Policy issued under all the conditions contained therein or endorsed thereon, and to pay the premium on request.

Date _____

Signature _____

Liability does not commence until this Proposal has been accepted by the Company and premium paid.

AVERAGE

Each item of the Burglary policy when issued will be subject to Average. This means that if the property covered is, at the time of any loss or damage, of greater value than the sum insured, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss accordingly. It is therefore in the interests of Proposers to make certain that the sums insured placed against each item do represent the full value of the property. General Accident has provided the insured with written notice of the Average Condition.

Print Form