

DECLARATION LINKED COVER

Name of Insured:

Policy Number:

Period of Insurance:

The premium for Declaration Linked cover is provisional, and is based on the Estimated Gross Profit advised to Allianz Insurance plc at the beginning of each period of insurance. It is a condition of Declaration Linked cover that not later than 6 months after the expiry of the period of insurance, you shall provide Allianz Insurance plc with a declaration, confirmed by your auditors or accountants, of the actual Gross Profit earned during the financial year most nearly concurrent with the period of insurance.

To enable you to comply with this important condition, please arrange for your auditors or accountants to confirm the following information to Allianz Insurance plc:

Financial Year Ending:

Declared Annual
Gross Profit:

£

(see notes below)

Certified by:

Date:

IMPORTANT NOTES

- 1** Definition – Gross Profit for the purposes of this declaration is defined as the difference between the amounts of:
 - a** Turnover plus the closing stock/work in progress less the total of
 - b** Purchases (less discounts received), carriage, packing or freight, discounts allowed and bad debts, and the opening stock/work in progress.

Any adjustment implemented in Current Cost Accounting should be disregarded, and Value Added Tax should be excluded to the extent that you are accountable to the tax authorities for such tax.
- 2** For the purposes of premium adjustment if
 - the Indemnity Period exceeds 12 months, then the annual Gross Profit figure as declared above will be proportionately increased
 - any claims have occurred, the declared figure will be increased by Allianz Insurance plc, by the amount by which the Gross Profit was reduced during such financial year in consequence of such claims
 - the declaration of Gross Profit is
 - a** is less than the Estimated Gross Profit previously notified, for the relative period of insurance, Allianz Insurance plc will allow to you a pro rata return of premium not exceeding 50% of the premium paid
 - b** greater than the Estimated Gross Profit previously notified, for the relative period of insurance, you will be required to pay a pro rata additional premium.
- 3** If you are unsure how to complete this declaration form, or have any doubts as to the definition of or calculation of Gross Profit please contact your insurance adviser.
- 4** Failure to comply with the declaration condition, may lead to the terms or conditions of cover being amended, or to the withdrawal of Declaration Linked cover for subsequent periods of insurance. Please ensure you review the current Estimated Gross Profit Sum Insured against the latest declared figure, and advise Allianz Insurance plc of any amendments required