

**NORTH CAROLINA INSURANCE UNDERWRITING ASSOCIATION  
PROPERTY APPLICATION ADDENDUM FOR  
BUSINESS INCOME  
(An ACORD® Application may also be used)**

**BUSINESS INCOME COVERAGE GUIDELINES**

1. The monthly maximum claim payment limit is ¼ of the business income sum insured (see example below). Select the maximum amount of insurance required for each month, and multiply this by the number of months that coverage is required (at least four months) to determine the total amount of Business Income coverage to be requested. The maximum available coverage per location per policyholder is \$250,000. Exception – an aggregate maximum of \$500,000 is available in a multiple tenant location. A location is defined as each separately rated, non-communicating building or structure.
2. There is an option for 1/6 monthly limit available if desired by the applicant.
3. Since coverage is provided on an actual loss sustained basis, no coverage is provided for vacant or unoccupied properties.
4. There is no co-insurance requirement to obtain this coverage.
5. The premium will be considered fully earned at the time the policy is written, unless the policyholder no longer has an interest in the business; then, with proper request for cancellation, the pro-rate unearned premium will be returned.
6. **Please read the Coverage Forms' definitions, exclusions and coverages upon receipt of the policy.**

FORM SELECTIONS:

? CP 0030 BI (AND EXTRA EXPENSE)                      ? CP 0032 BI (WITHOUT EXTRA EXPENSE)

COVERAGE AGREEMENT SELECTIONS:                      (If no box is checked BI including rental Value will apply).

? BI INCLUDING RENTAL VALUE                      ? BI OTHER THAN RENTAL VALUE                      ? RENTAL VALUE

AMOUNT OF BUSINESS INCOME INSURANCE REQUESTED:    \$ \_\_\_\_\_

CIRCLE MONTHLY LIMITATION DESIRED:    1/4            1/6            (If not circled, ¼ will apply).

TYPE OF OCCUPANCY:            (SHOW PERCENTAGES THAT APPLY)

MANUFACTURING \_\_\_\_%    MERCANTILE AND NON-MANUFACTURING \_\_\_\_%    RENTAL PROPERTY \_\_\_\_%

**EXAMPLE:** When the amount of insurance selected is... \$100,000, the most we will pay for loss in each 30 consecutive day period is,,, \$100,000 x .25 = \$25,000.

The following is an example of actual loss and payment under the policy:

	<b>ACTUAL LOSS</b>	<b>WE WILL PAY</b>
Days 1-30	\$30,000	\$25,000
Days 31-60	\$20,000	\$20,000
Days 61-90	<u>\$20,000</u>	<u>\$20,000</u>
	\$70,000	\$65,000

The remaining \$5000 loss is not covered.

Producer's or  
Applicant Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**INSTRUCTIONS FOR COMPLETING THIS FORM**

1. Complete the appropriate form for New Business, Endorsements or Continuations.
2. Complete, sign and date this Addendum and staple to the appropriate application form.
3. The effective date of coverage is determined in accordance with the Beach Plan's terms and conditions for new business, endorsement or continuation submissions, as outlined in the Producer's Manual.
4. If this policy is for Windstorm and Hail only, please indicate the carrier for the essential Insurance Coverages, the policy term and all limits of the Essential coverage, and the telephone number for the Underwriter of the Insurance Company. (You may use our WH0005 if desired).

BI-4-3 (1/98)