

Hired Car Liability

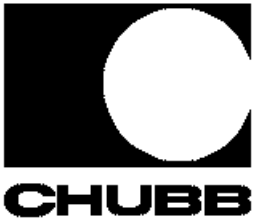
Underwriting Questions

1. What is your Hired Car Physical Damage Cost of Hire _____
2. Number of Employees Traveling _____
3. Cost per day _____
4. Number of Days Traveled _____
5. What percentage of your overall staff rent cars for business _____
Do you check the MVRs of staff who rent cars _____
6. Average number of days per business trip _____
7. What is your annual cost of hire _____
8. Do you have corporate agreements with any of the major car rental companies _____
9. Please list the names of the rental car companies _____
10. Do you buy coverage from any of the rental car companies _____
If yes, please indicate limits _____
11. Do any of your employees rent cars overseas _____
Please list the approximate number of overseas trips and the average time period of these trips _____
12. Do you have employees of your foreign operations visiting the U.S. on company business _____
If yes, are they renting cars and what is the approximate number of employees and their average stay in the U.S. _____

Non-Ownership Automobile Coverage

Underwriting Questions

1. Total number of employees (including officers) _____
2. Total number of employees whose usual duties require the use of vehicles not owned, hired or leased by the employer? _____
3. Are these employees compensated for the use of such vehicles by salary, commission, terms of employment or specific operating allowances such as mileage, gasoline, oil maintenance, etc. _____
4. How many sales people does the company employ _____
5. Are sales people furnished company owned and maintained vehicles _____
6. Do you have an established policy requiring employees that use their personal vehicles for business purposes to carry personal automobile insurance _____
7. What limits are required _____
8. Do you require that the employee's insurance carrier have at least an A.M. Best "A" rating or better _____
9. Name and title of the person responsible for administering the program described in question #6 _____
10. Do you check MVRs of all drivers of non-owned autos _____



Chubb Group of Insurance Companies

Life Science Renewal Business Application

This application is a word document that allows applicant to enter information in the boxes indicated. This document is configured so that each data entry section will expand to accommodate the information. A box for detailed commentary has been provided below each major section of the application. **If a question or section is not applicable, please answer “NA”.**

This is an application for a **CLAIMS MADE POLICY**. Should this application be accepted by the Company, the policy will apply to claims first made against the insured during the policy period. This policy will not apply to claims first made against the insured after the end of the policy period (unless the extended reporting period applies) or claims first made prior to the retroactive date shown in the declarations page. **The completion and submission of this application to the Company does not constitute a binder of insurance under any circumstances. All questions must be answered. If a question or section is not applicable, please answer “NA”. If the answer to a question is none, state “None” or “0”.** If more space is required to answer a question completely, please provide a separate attachment and identify the question it responds to.

A. General Information	
1. Applicant:	
2. Address:	
3. Mailing Address: <i>(if different)</i>	
4. Web Site Address:	
5. Locations: <i>(if other than above)</i>	
6. All Named Insureds:	
7. Additional Insureds: <i>(explain relationship)</i>	
8. Describe changes involving applicant's product(s) or operation(s), including but not limited to details concerning new or discontinued product(s), new or discontinued operation(s), companies acquired or sold, etc.	
9. Projected gross USA sales?	
10. Projected gross non-USA sales?	
11. Projected R&D expenditures for human clinical trials?	
12. Total expenditures for medical treatments for side effects sustain by clinical trial participants during the current policy period?	
13. Projected annual prescriptions / units to be sold?	
14. Projected # of annual products users?	
15. Does applicant have any past, present or planned association with any of the following: animal derived products, oral contraceptives, vaccines, weight reduction products, psychotropic products, products that are known teratogens, products that are known mutagens, Ephedrine, Phenylalanine, Androsteredione, Estazolam, Phenylpropanolamine (PPA), Aristolochic Acid, St. John's Wort, Phentermine, Butanediol, Gamma Butyrolactone, Stephania or Magnolia, Chaparral, Gamma Hydroxybutyric Acid, Chomper, Germander, Thimerosal, Comfrey, Germanium, Tiractricol, Creatine, Indinavire, Trix Metabolic Accelerator, Dehydroepiandrosterone, Jin Bu Huan, Willow Bark, Yohimbe, Dieter's Tea, L-tryptophan, Diethylstilbestrol, and Melatonin. <i>(If yes, please explain).</i>	
17. Does applicant have any past, present, or planned association with any of the following: breast implants, IUD devices, pedicle screws, spinal devices, or latex gloves.	
Details:	

B. Clinical - Active Trials Currently Being Sponsored. If N/A Indicate Here:						
Product Name & Protocol Number	# of New Enrollees Over Next Policy Period	Indication	Trial Phase	Country(ies)	Expanded Access Participants	Devices SR/NSR

Complete the following questions if applicant has been or is involved with clinical trials. If N/A Indicate Here:	
1. Total number of human test subjects enrolled in the last 3 years:	
2. Any clinical trials discontinued or suspended due to safety reasons during the current policy period? <i>(if yes, provide details)</i>	
3. Has any of applicant's CI's been cited for regulatory violations associated with clinical trials during the current policy period? <i>(if yes, provide details)</i>	
4. Has applicant had any evidence of serious regulatory non-compliance or fraud by applicants CI's and their staff during the current policy period? <i>(if yes, provide details)</i>	
Details:	

C. Professional Services. If N/A Indicate Here:	
1. Are any contracts past due or has a client stopped paying or asked for a refund during the current policy	

period? <i>(if yes, provide details)</i>	
2. Total # of current contracts?	
3. Any discontinued services during current policy period? <i>(if yes, provide details)</i>	
4. Average dollar value of applicant's contracts?	
5. Indicate largest client for upcoming policy year, and include contract size and length:	
6. What is the total value of the personal property of others at applicant's facilities?	
Details:	

D. Regulatory/Marketing/Safety Surveillance

1. Any product recalls during the current policy period? <i>(if so, provide details)</i>	
2. Identify any product requiring the addition of a black box warning to existing labeling during the current policy period?	
3. Has applicant been cited for any GLP, GCP, GMP, QS, or Advertising & Promotion violations during the current policy period? <i>(if yes, provide details)</i>	
4. Identify any safety surveillance team recommendations involving any of the following forms of remedial actions that have yet to be implemented or completed: product recall/withdrawal, black box warning label, "Dear Healthcare Professional" letter, additional studies, or expanded product monitoring.	
5. Has there been any FTC violations during the current policy period? <i>(if yes, provide details)</i>	
6. Has any company product submitted to a FDA Advisory Committee during the current policy period received less than a 2/3 rd majority committee approval vote? <i>(if yes provide details)</i>	
7. Any product discontinued for safety reasons during current policy period? <i>(if yes, provide details)</i>	
Details:	

E. Property

1. What is the estimated value of temperature sensitive property, and roughly how much would it cost to re-create such property?	
2. Is applicant scheduled to receive any grants, endowments or milestone payments in the upcoming year, which are contingent upon performance of your R&D operations? If so, please describe source and amounts.	
3. What is the total value of the personal property of others at applicant facilities?	
Details:	

F. Loss History

**Total aggregate cost (losses from ground up including defense, deductibles, and SIRs) for last five years*

Policy Period	Insurer	# of Claims	Total Incurred	Total Paid	Loss Ratio

1. Describe all incurred losses of \$10,000 or more:	
2. Any known incidents or circumstances that might reasonably be expected to give rise to a claim? <i>(If yes, provide details)</i>	
3. Any claims not yet reported? <i>(If yes, provide details)</i>	
Details:	

Please include the following with this application:

- If private, most recent financial statement.
- Protocols or Investigator Brochures & Master Informed Consent documents for active sponsored clinical trials.

COMPLETION OF THIS APPLICATION DOES NOT BIND COVERAGE. APPLICANT'S ACCEPTANCE OF THE COMPANY'S QUOTATION IS REQUIRED PRIOR TO BINDING COVERAGE AND POLICY ISSUANCE.

NOTICE TO ARKANSAS APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT, OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

NOTICE TO CALIFORNIA APPLICANTS: ANY PERSON WHO KNOWING PRESENTS FALSE OR FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON.

NOTICE TO COLORADO APPLICANTS: IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, DENIAL OF INSURANCE, AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICYHOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICYHOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AUTHORITIES.

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: "WARNING: IT IS A CRIME TO PROVIDE FALSE OR MISLEADING INFORMATION TO AN INSURER FOR THE PURPOSE OF DEFRAUDING THE INSURER OR ANY OTHER PERSON. PENALTIES INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, AN INSURER MAY DENY INSURANCE BENEFITS IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT."

NOTICE TO FLORIDA APPLICANTS: "ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY IN THE THIRD DEGREE."

NOTICE TO KENTUCKY APPLICANTS: "ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERE TO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME."

NOTICE TO MAINE APPLICANTS: "IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS."

NOTICE TO NEBRASKA APPLICANTS: ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON, FILES AN APPLICATION FOR INSURANCE CONTAINING ANY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY MATERIAL FACT THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, WHERE SUCH PERSON SUBSEQUENTLY SUBMITS A CLAIM.

NOTICE TO NEW JERSEY APPLICANTS: "ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO NEW MEXICO APPLICANTS: "ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES."

NOTICE TO NEW YORK APPLICANTS: "ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION."

NOTICE TO OHIO APPLICANTS: "ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD."

NOTICE TO OKLAHOMA APPLICANTS: "WARNING: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY." (365:15-1-10,36 § 3613.1).

NOTICE TO OREGON APPLICANTS: ANY PERSON, WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON, FILES AN APPLICATION FOR INSURANCE CONTAINING ANY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY MATERIAL FACT THERETO, MAY BE GUILTY OF AN INSURANCE FRAUD.

NOTICE TO PENNSYLVANIA APPLICANTS: "ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR AN INSURANCE OR STATEMENT OF CLAIM

CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES."

NOTICE TO VIRGINIA APPLICANTS: "IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS."

The undersigned **authorized officer of the applicant** knows of no other relevant facts which might affect the Company's judgment when considering this application and represents that the statements herein are true, accurate, and complete. The undersigned understands and agrees that the company is relying on such statements in determining whether or not to accept this application and provide insurance.

Authorized Signature of Applicant	Date
Print Name	Title

Applicant	Authorized Agent (Please Print Name)	
Authorized Agent (Signature)	Title	Date
Submitted By (Insurance Agent)	Insurance Agency	
Insurance Agency Taxpayer ID or Social Security No.	Agent License No. (For non-admitted placements a copy of valid surplus lines license will be required)	
Address (No., Street, City, State, and ZIP Code)		

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**Chubb Group of
Insurance Companies**

*Business Income, Extra Expense and
Research and Development Income Worksheet
For Ongoing-Business with/without R&D Activities*

CHUBB

This worksheet will help you determine the correct amount of Business Income and/or R & D Income protection your business requires.

Instructions to Complete the Worksheet:

1. If you:

- do not have a separate Research & Development operation, complete Parts A, B and C.
- have a separate Research & Development operation in addition to your normal business operations, complete Parts A through D.

2. When completing Part A:

- Calculate on accrual basis (not a cash basis);
- Figure on a 12 month fiscal year;
- Example: For current fiscal year 2002, provide year-end figures for 1/01 through 12/01;
- Use your profit/loss statement to obtain figures;
- Base projections (e.g., fiscal year 2002; 1/02 through 12/02) on profit/loss and business conditions. Be as realistic as possible for each entry using your budget/business plan for the fiscal year your insurance is to apply;
- Be sure to complete all applicable sections;
- Ordinary payroll will be covered unless you exclude or limit to 90 or 180 days;
- Your union contract may permit you to suspend ordinary payroll after a loss. However, you may be obligated to continue employee benefits. If so, do not exclude employee benefits and document worksheet accordingly if you exclude (or limit) ordinary payroll.
- Ordinary payroll includes your payroll for all your employees except:
 - officers;
 - executives;
 - department managers;
 - employees under contract; and
 - employees you specify in the policy declarations or on a separate sheet attached to this worksheet, either by job classification or employee name.
- Ordinary payroll comprises:
 - salaries;
 - benefits;
 - FICA (social security/governmental pension);
 - union dues you pay; and
 - workers compensation premium you pay for the ordinary payroll.

3. Be sure to complete the Extra Expense Worksheet (Parts B & C) in addition to Part A so that you will purchase the proper Combined Business Income/Extra Expense Limit of Insurance.

4. The beginning and ending inventories in all calculations should be based on the same valuation method.

Business Income/Extra Expense Worksheet

PART A - BUSINESS INCOME

Note: Disregard lines 2 and 3 if you do not manufacture finished stock.

Line	REVENUE/INCOME	Year-end figures for / /	Projected figures for / /
1.	Gross sales (<i>net of city and state sales taxes</i>)	\$	\$
2.	<i>Ignore lines 2 and 3 if you do not manufacture.</i> Finished Stock Inventories (meaning stock you have manufactured) • Sales value at beginning of year	-	-
3.	• Sales value at end of year	+	+
4.	Add your other income: • Commission or rents	+	+
5.	• Cash discounts you received from vendors, etc.	+	+
6.	• If you purchase Research and Development Income Insurance, complete part D and include the net amount from line 3 of part D	+	+
7.	• All other income (<i>i.e., licensing fees, royalties, etc.</i>)	+	+
8.	Minus Deductions for • Returns and Allowances	-	-
9.	• Discounts granted to customers	-	-
10.	• Prepaid outgoing freight	-	-
11.	• Bad debts	-	-
12.	• Collection expenses	-	-
13.	100% Revenue/Income (sum of lines 1 - 12)	=	=
	EXPENSES/DEDUCTIONS		
14.	Purchases including incoming transportation costs: • Raw stock or merchandise	\$	\$
15.	• Factory or operational supplies consumed	+	+
16.	Services purchased from outsiders, not under contract (<i>e.g., subcontract costs/work in progress services/ production services</i>)	+	+
17.	Non-contracted power, heat and refrigeration expenses may be deducted only if you are a manufacturer and your policy excludes these expenses from the coverage	+	+
18.	Inventories (<i>for manufacturing, include raw stock and stock in process of manufacture but not finished stock; for non-manufacturing, include inventories</i>): • Beginning-of-year inventory	+	+
19.	• End-of-year inventory	-	-
20.	Total Expenses/Deductions (sum of lines 14 - 19)	=	=
21.	100% Business Income , including ordinary payroll, for 12 month fiscal year (subtract line 20 from line 13)	\$	\$
	<ul style="list-style-type: none"> • The limit of insurance you require may be less than, equal to or more than the 100% Business Income amount. • If ordinary payroll is to be excluded or limited to 90 or 180 days, complete the next section, otherwise go to Parts B & C. 		

Part A - Business Income, continued

	100% of Ordinary Payroll (includes benefits, social security and union dues you pay plus workers' compensation premium for the ordinary payroll).	Year-end figures for / /	Projected figures for / /
22.	Ordinary payroll	\$	\$
23.	Benefits you pay for ordinary payroll	+	+
24.	FICA you pay for ordinary payroll	+	+
25.	Union dues you pay for ordinary payroll	+	+
26.	Workers Compensation Premium for ordinary payroll	+	+
27.	Total (sum of lines 22-26)	\$	\$
28.	100% Business Income excluding ordinary payroll (subtract line 27 from line 21)	\$	\$
29.	Purchase the Limit of Insurance you require, either less than, equal to or more than the 100% BI excluding ordinary payroll on line 28	\$	\$
30.	If ordinary payroll is to be covered for only 90 or 180 days, what is your largest 90 or 180 day payroll (include all components of the payroll)	\$	\$
31.	Business Income limit of insurance with only 90 or 180 days of ordinary payroll coverage (sum of lines 29 and 30)	\$	\$
	Note: Whichever Business Income limit you select, consider adding an additional amount to cover Extra Expenses (See Part B)		

*Finished Stock Finished stock means goods you have manufactured which are in their completed state and ready for sale. Finished stock does not include goods you have manufactured which are in their completed state and ready for sale on the premises of any retail outlet insured by Business Income Insurance.

Note: If your finished stock inventory is on a cost basis, convert to selling price; eg: total sales (\$1,500,000) divided by total costs (\$1,000,000) equals a factor of 1.5. Multiply cost inventory by 1.5 to determine the selling price inventory.

Name of Insured: _____

Individual completing this worksheet: _____ Title: _____

Signature: _____ Date: _____

Agent: _____

EXTRA EXPENSE WORKSHEET

Part B - Extra Expense

1. This worksheet is designed to help you determine the extra monthly costs necessary to continue operations as your business recovers after a physical loss.
2. Be sure to include extra expense you will incur in your research and development operations.
3. Typically the start-up (1st month) and close down (last month) will have larger extra expenses than the intervening months following a loss.

	1st month	Intervening Months	Last Month
Rent:			
• Temporary location	\$	\$	\$
• Temporary fixtures, machinery and equipment	+	+	+
Moving and hauling	+	+	+
Installation of operations at temporary location	+	+	+
Light, heat and power at temporary location	+	+	+
Maintenance at temporary location	+	+	+
Insurance at temporary location	+	+	+
Employee expenses			
• Transportation	+	+	+
• Payroll incidentals	+	+	+
• Overtime	+	+	+
• Nightwork	+	+	+
• Travel allowances	+	+	+
• Incentives	+	+	+
• Additional staff	+	+	+
Advertising	+	+	+
Telephone and communications (installation and maintenance at temporary location)	+	+	+
Engineering and administrative costs	+	+	+
Operating Expenses:			
Emergency facilities	+	+	+
Transporting supplies and materials to temporary location	+	+	+
Net cost of services purchased	+	+	+
Net amount paid to others for processing and manufacturing	+	+	+
Net cost of property and equipment purchased for temporary site. (Note: Please consider the "sale" or "salvage" value of property and equipment after restoration)	+	+	+
Additional freight and shipping costs due to temporary location	+	+	+
Miscellaneous Expenses:			
Automobile rentals	+	+	+
Bonuses paid	+	+	+
Additional utility excess demand charges	+	+	+
Other	+	+	+
	+	+	+
	+	+	+
Total Extra Expense	\$	\$	\$
To complete calculation, carry totals (A), (B) and (C) to next section	TOTALS		
	(A)	(B)	(C)

Extra Expense, continued

Determining Total Extra Expense Dollar Requirements

Base your calculations on the longest foreseeable recovery period, in order to ensure adequate coverage.

Line		
1.	Total Extra Expense per month for each intervening month following loss. (Carry over (B) from prior section.)	\$
2.	Number of months required to recover from total destruction of property, excluding first and last months, if Extra Expense dollars are spent. (BE CONSERVATIVE)	x
3.	Total Extra Expense for all months except first and last months. (LINE 2 x LINE 1)	\$
4.	Total Extra Expense for first month following loss. (Carry over (A) from prior section.)	\$
5.	Total Extra Expense for last month following loss. (Carry over (C) from prior section.)	\$
6.	Estimated total Extra Expense dollars for the full recovery period. (SUM OF LINES 3, 4 & 5)	\$

Part C. Combined Business Income And Extra Expense

To determine the affect of Extra Expense dollars on Business Income Coverage, complete the calculation below. Base estimates on total destruction of property.

7.	Projected 12 month Business income from Business Income Worksheet (Part A, Line 21. If ordinary payroll is to be excluded or limited, Line 28 or 31.)	\$
8.	Estimated 12-month Business Income amount you think you will require to insure the worst possible loss. <i>(May differ from line 7 above)</i> . This is based on your analysis of operations and represents the amount you think you will require for 12 months based on the worst possible loss. BE CONSERVATIVE. For example, review expenses on your P&L statement not eligible for entry under, Part A, Expenses/Deductions. Determine if any may be reduced and, if so, by how much. Subtract the sum of your reductions from line 7 to arrive at the BI amount you think you will require for 12 months following a total loss to your property, but before the implementation of any business recovery plan. (Extra expense dollars pays for the implementation of a business recovery plan.)	\$
9.	Estimate of the total number of months from date of physical loss until operations/sales are back to normal if Extra Expense dollars were not spent and you did not conduct any business during restoration. <i>Be conservative.</i>	
10.	Estimate of Business Income dollars required for loss duration. (Multiply line 8 by the number of months in line 9. Convert the number of months to a percentage of one year. For example, if line 9 is 15 month, then multiply line 8 by 125%; or if line 9 is 10 months multiply line 8 by 83.3%). (CAUTION: MODIFY IF SEASONAL BUSINESS)	\$
11.	Estimated percentage by which the business income loss (line 10) can be reduced by spending extra expense dollars (line 6) thereby mitigating loss and staying in the market place to some degree. BE VERY CONSERVATIVE. This is in addition to the number of months spending extra expense dollars will reduce the timeframe to restore your business.	%
12.	Estimate of the amount the Business Income loss reduction due to spending Extra Expense dollars. (Multiply 10 by line 11).	\$
13.	Estimate of the remaining Business Income loss. (Subtract line 12 from line 10).	\$
14.	Total Extra Expense dollars for full recovery period. (line 6, Part B).	\$
15.	Estimate of the limit of insurance for combined Business Income and Extra Expense for the worst possible physical loss and duration of loss you can foresee. (Sum of lines 13 and 14).	\$

PART D - LOSS OF RESEARCH AND DEVELOPMENT INCOME

(Not to be used when Business income is requested for other than R&D operations)

List of grants, endowments and other financial contributions. We suggest that you review this list with your financial consultant at least quarterly so that any necessary modifications in your insurance may be made.

<u>Description (Include donor and purpose of donation)</u>	<u>Term</u>	<u>Amount of Contribution</u>
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

1.	What grants, endowments and other financial contributions will be available to you during the coming year to further your research and development operations (do not include commercial financing transactions, including, but not limited to public offerings of stocks, bonds or other securities; loans or lines of credit). Please list and describe each contribution individually in the space provided above, or on a separate sheet(s) of paper. Please include the amount of the contribution.	\$ _____
MINUS		
2.	Total R & D expenses that would not continue to be incurred; eg: deduct any expenses involved in your R&D operations that you think you will not have to continue to pay during restoration, such as, but not limited to: <ul style="list-style-type: none"> • Payroll expenses; • Cost of supplies and materials including incoming transportation costs; • Services purchased from outsiders who are not under contract; and • Any other R&D expense you are confident you will not be obligated to pay. 	\$ _____
3.	100% Loss of Research and Development Income. (Subtract line 2 from line 1). (See line 6, Part A, Business Income Worksheet.)	\$ _____



Chubb Group of Insurance Companies

Warren, New Jersey 07059

<http://www.chubb.com>

LIFE SCIENCES PERISHABLE PROPERTY (SPOILAGE) PROPERTY / BUSINESS INCOME INSURANCE QUESTIONNAIRE



COMPLETE FOR EACH LOCATION WHERE COVERAGE IN EXCESS OF \$250,000 IS REQUESTED

Location Address: _____

- 1) Is perishable property stored on site (i.e. reagents, cell cultures, temperature sensitive work-in-process or stock, etc.)? Yes ___ No ___

- 2) As a means of quantifying the degree of temperature sensitivity of such property, would you describe the property as being susceptible to spoiling, or rapid decay or deterioration if the controlled environment were compromised? Feel free to provide additional commentary by attachment to clarify your answer. Yes ___ No ___

- 3) Does the total value of such property at this location, inclusive of both the cost to recreate such property, and any resulting business income impact owing to it's loss, exceed \$250,000? Yes ___ No ___

- 4) Is all temperature sensitive property monitored by either 1) a UL listed central station temperature alarm, programmed to activate in the event of both low and high temperatures with protection operational at all times, or 2) an automatic dialer / paging system with a minimum of five employees on the call list, all of whom have received training on how properly respond to a temperature emergency? Yes ___ No ___

- 5) Is temperature alarm effectiveness ensured through a regular maintenance program with, at a minimum, annual scheduled testing? Yes ___ No ___

- 6) Are automatic, self-starting, non-electric back-up power units providing a minimum six hour power supply to all temperature sensitive property operational and load tested at least annually? Yes ___ No ___

- 7) Is a specific, pre-planned emergency response action plan in place and practiced at least annually to ensure rapid and effective intervention by trained personnel to failure of building support systems and resulting temperature emergencies? Yes ___ No ___

- 8) Do you have an emergency service contract for all critical utilities and refrigeration equipment (refrigeration, HVAC, generators, electrical), and for delivery of fuel if your facility relies on a finite on-site fuel supply to power your back-up power units? Yes ___ No ___

- 9) In the event of failure of all of these protection features, what would be the estimated property damage and business income loss from a perishable property spoilage situation at this location? \$ _____

The statements, information or answers given above are true, accurate and complete. You have not willfully concealed or misrepresented any material fact or circumstance concerning this questionnaire. You understand and agree that Chubb is relying on such statements in determining whether or not to issue insurance.

Name:	
Title:	
Date:	

Signature: _____