



## BUSINESS INCOME WORKSHEET FOR GOLF/COUNTRY CLUBS

**CLUB NAME:**

**ADDRESS:**

**AGENCY:**

**ADDRESS:**

<u>DESCRIPTION</u>	<u>BASE YEAR</u>	<u>GROWTH FACTOR*</u>	<u>POLICY YEAR</u>
Gross Revenue	\$	%	\$
Discontinued Expenses	\$	%	\$
<b>ANNUAL INTERRUPTION EXPOSURES</b>			\$

(Gross Revenue minus Discontinued Expense)

**NOTE:** It is important to note that since land is excluded under the Business Income Coverage Part, damage **solely** to the Golf Course Grounds arising from a covered peril will **not** trigger coverage under the Business Income Coverage form.

We do provide a BI limit of \$25,000 under our Golf and Country Clubs Endorsements for damage solely to the Golf Course Grounds arising from a covered peril.

**ADJUSTMENT FOR DURATION OF INTERRUPTION** %  
(Percent of time Golf/Country Club will be interrupted)

**ADJUSTED INTERRUPTION EXPOSURE** \$  
(Annual Interruption Exposure times Adjustment for Duration of Interruption)

**EXTRA EXPENSE EXPOSURE** \$

**TOTAL EXPOSURE FOR LOSS OF INCOME** \$  
(Adjusted Interruption Exposure plus Extra Expense Exposure)

\* Growth factor indicates the expected change in earnings from the base year to the period covered under the insurance policy, allowing for both growth and inflation.

**NOTE:**

A key question in selecting a Limit of Business Income at the Golf/Country Club is the Club's attitude towards membership dues. Most golf/country clubs take a firm position that membership dues are under no circumstances refundable nor is it an option for a member to decide not to pay dues without the loss of membership. If the Board supports this position, then it should be thoroughly circulated throughout the Club membership. If the Club dues are not at risk, this changes the Loss of Income Limit requirements.

Once the dues question is answered, it is important to analyze the impact of a loss on the income of the Club's Operating Departments (food, liquor, guest fees, cart rentals, etc.). Remember, if the club's Operating Department is out of business, expenses for it will be reduced. In many instances, operating departments are at a break even level, so the loss of income may be very little.

There will be ongoing expenses for the Club that must be continued after the loss. These must be estimated as well. Do not forget that our coverage is provided on a Net Income basis and that Extra Expense is included in the limit. Extra Expense could be substantial.