

RPS Bollinger Golf Course and Club Program

CLUB CALCULATION FOR BUSINESS INCOME

DESCRIPTION

ANNUAL GROSS REVENUE _____

DISCONTINUING EXPENSE - _____

ANNUAL INTERRUPTION EXPOSURES _____
(Annual gross revenue - discontinuing expense)

HOW LONG WILL CLUB EXPOSURES BE INTERRUPTED? _____
(% of time Club will be interrupted - i.e. 3 months=25%; 6 months=50%, etc.)

ADJUSTED INTERRUPTION EXPOSURE _____
(Annual interruption exposure X duration of interruption %)

EXTRA EXPENSE EXPOSURE + _____
(Enter anticipated extra expense costs)

TOTAL EXPOSURE FOR LOSS OF INCOME
(Adjusted interruption exposure + extra expense exposure)

THIS IS YOUR ANTICIPATED LOSS OF BUSINESS INCOME

CLUB NAME

ADDRESS

CITY / STATE / ZIP

AGENCY NAME

ADDRESS

CITY / STATE / ZIP

FORM COMPLETED BY _____
DATE

NOTE:

A key question in selecting a Limit of Business Income at the Club is what is the Club's attitude towards membership dues. Most 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 Club Board supports this position, then it should be thoroughly circulated throughout the Club membership.

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 **net income and fixed continuing expenses**. Extra Expense is included in the limit. It could be substantial. **Each Club is different. You must review the Club's financials.**