

# Business Interruption Insurance

Whilst insuring your building and contents will cover the physical loss or damage to your practice following an insured event, such as a fire or damage from a storm, you may not be covered for your financial loss, due to not being able to operate your practice whilst your premises are being repaired or rebuilt. This can have devastating effects not only on the financial aspects of the practice, but also on patient care and continuity.

**Business Interruption Insurance protects your practice against a loss of income, revenue or profit following an insured event, allowing the practice to get back up and running without a major financial loss.**

**Business Interruption Insurance can cover the practice for up to 36 months, depending on the period of cover selected by the practice.**

Cover under your Avant Business Insurance policy will also allow you to insure against additional costs of getting your practice up and running to minimise the loss of income you suffer, insure your payroll so you can continue to retain key staff and practitioners whilst the practice is unable to operate. You can also cover any rent or other accounts or bills that you are still required to pay although the practice is non-operational, or any fines or penalties that may be levied if you can't uphold contractual obligations due to the practice being closed.

## Key features and benefits

- ▶ Varied coverage types – Business Income Protection, Consequential Loss of Profits or Revenue Protection.
- ▶ Closure by Public Authority up to \$200,000.
- ▶ Automatic cover for additional premises (subject to notification).

## Basis of settlement – What is Right for You?

### Business Income Protection

Protects the weekly income of the practice. Suitable for practices that can get back into business in a relatively short period of time and are not reliant on building up stock levels or long lead times to replace equipment.

### Consequential Loss of Profit

Traditional Business Interruption cover for businesses that do require a longer lead time to get them back to their original position before the loss, such as those that have specialised equipment or stock that takes a longer time to replace.

### Revenue Protection

Protects the revenue of the practice and is suitable for an established practice.

## Claims scenario

Armidale Aesthetics, a cosmetic surgery practice is severely damaged by a fire that occurs at the premises due a neighbouring restaurant burning down. The building, and much of the equipment is damaged, by the fire and suffered water damage from extinguishing the blaze. Due to the nature of the equipment used it will take six months to replace, as it needs to be manufactured and shipped from Germany. They will not be able to operate until this happens and they have relocated to new premises.

As Armidale Aesthetics has comprehensive Business Interruption Insurance under their Avant Business Insurance, they are covered for their loss of gross profit that occurs due to them being unable to operate. They are also covered for the cost of preparing their financials to make a claim and any additional expenditure that they undertook in order to get the practice operating again as quickly as possible, subject to the limit for claims preparation costs and additional increased costs of working.

IMPORTANT: Professional indemnity insurance products and the Practice Medical Indemnity Policy are issued by Avant Insurance Limited, ABN 82 003 707 471, AFSL 238 765 (Avant). Avant arranges Avant Business Insurance as agent of the insurer Allianz Australia Insurance Limited ABN 15 000 122 850, AFSL 234 708 (Allianz) and may receive a commission on each policy arranged.

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