

Engineering Policy

Services

Services

The following additional benefits are automatically included with Your policy cover.

Legal and tax Helpline

You have automatic access to our 24 hour legal and tax Helpline on 0845 300 1899*.

Our consultants will give you confidential advice over the phone on any legal or tax matter affecting your business under the laws of the United Kingdom. They will tell you what your legal rights are, what courses of action are available to you and whether you need to consult with your legal adviser.

There are no consultation fees; you only pay for the cost of the call.

Risk Solutions Helpline

The Risk Solutions Helpline aims to provide you with unlimited competent advice on risk management, compliance, security and health & safety issues, all at the end of a phone.

Staffed by qualified advisers, backed up with specialists and extensive library resources on many aspects of business risk, we can answer the majority of queries on the phone.

Also included is access to our 'Hardfacts' series of risk management advice sheets, which provide guidance on issues of relevance to the sector you trade in.

The Risk Solutions Helpline is available between 9.00am and 5.00pm Monday to Friday on 0845 366 66 66* (with an answering service outside these times).

Preferred Supplier Scheme

Offers a range of discounted products and services to help you manage the risk to your business.

Products include:

- Intruder and Fire alarms
- Sprinkler systems
- Fire extinguishers and fire safety signs
- Locks, bars, grilles and shutters

Every one of the preferred suppliers meet Aviva's own exacting standards of quality, service and commitment to customer satisfaction, so you know the products you get are the best for your business. We are able to offer substantial discounts by using our bulk purchasing power, passing on all of the savings to you.

Claims Service

A 24 hour, 365 days a year claims line, providing you with emergency assistance whenever it is required.

Notification of a claim triggers Aviva's Total Incident Management process. This enables you to get back to business as usual as rapidly as possible. Upon first notification a claims incident manager will be able to:

- Ensure appropriate help is dispatched quickly in order to minimise impact of an event on your business. This could include glaziers, builders, plumbers, or computer recovery specialists
- Arrange for rapid replacement of stolen goods and equipment
- Set in motion any other steps required to resolve your claim in the quickest way possible.

0500 114477

* For our joint protection telephone calls may be recorded and/or monitored

Introduction

Thank you for choosing Aviva as Your Insurer.

This is Your

Your premium has been based upon the information shown in The Schedule and recorded in the written application You have signed and/or declaration You have made. Please read it carefully to make sure that it meets Your requirements and that the details on The Schedule are correct.

If after reading Your policy You have any questions, please contact Your insurance adviser.

Your insurance adviser's details are:

Your Aviva branch office

Contents - a guide to Your policy

This policy booklet consists of individual Sections. It should be read in conjunction with The Schedule which indicates both the Sections You are insured under and gives precise details of the extent of Your insurance protection.

The Contract of Insurance

Our Service to You

Policy Definitions

Sections which comprise Your policy

Policy Conditions

Policy Exceptions

Your Policy Schedule

The Contract of Insurance

The policy, the application form and/or declaration made by You and The Schedule should be read together and form the contract of insurance between You, The Policyholder and Us, Aviva.

In return for You having paid or agreed to pay the premium for the Period of Insurance, We will indemnify You by payment or, at Our option, by reinstatement or repair, in respect of loss, liability, destruction, damage, accident or injury to the extent of and subject to the terms contained in or endorsed on the policy.

IMPORTANT

This policy is a legal contract. You must tell Us about any facts or changes which affect Your insurance and which have occurred either since the policy started or since the last renewal date.

If You are not sure whether certain facts are relevant please ask Your adviser or local Aviva office. If You do not tell Us about relevant changes, Your policy may not be valid or the policy may not cover You fully.

You should keep a written record (including copies of letters) of any information You give Us or Your insurance adviser when You renew this policy.

Choice of Law

The appropriate law as set out below will apply unless We agree with You otherwise

- (1) The law applying in that part of the United Kingdom, Channel Islands or Isle of Man in which You normally live or (if applicable) the first named policyholder normally lives
or
- (2) In the case of a business, the law applying in that part of the United Kingdom, Channel Islands or Isle of Man where You have Your principal place of business
or
- (3) Should neither of the above be applicable, the law of England and Wales.



Aviva Insurance Limited

Registered in Scotland, No.2116.

Registered Office: Pitheavlis, Perth PH2 0NH.

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Our Promise of Service

Our goal is to give excellent service to all our customers but We recognise that things do go wrong occasionally. We take all complaints We receive seriously and aim to resolve all Our customers' problems promptly. To ensure that We provide the kind of service You expect We welcome Your feedback. We will record and analyse Your comments to make sure We continually improve the service We offer.

What will happen if You complain

- We will acknowledge Your complaint promptly.
- We aim to resolve complaints as quickly as possible.

Most of Our customers' concerns can be resolved quickly but occasionally more detailed enquiries are needed. If this is likely, We will contact You with an update within 10 working days of receipt and give You an expected date of response.

What to do if You are unhappy

If You are unhappy with any aspect of the handling of Your insurance We would encourage You, in the first instance, to seek resolution by contacting Your insurance adviser or usual Aviva point of contact.

If You are unhappy with the outcome of Your complaint You may refer the matter to the Financial Ombudsman Service (FOS) at:

The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR

Telephone:
0800 023 4567 (free from landlines) or
0300 123 9123 (Free from most mobile phones)

Or simply log on to their website at
www.financial-ombudsman.org.uk.

Whilst We are bound by the decision of the FOS, You are not. Following the complaints procedure does not affect Your right to take legal action.

Financial Services Compensation Scheme

We are members of the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from this scheme if we cannot meet our obligations, depending on the type of insurance and the circumstances of your claim.

Further information about the scheme is available from the FSCS website www.fscs.org.uk or write to Financial Services Compensation Scheme, 7th Floor Lloyds Chambers, Portsoken Street, London, E1 8BN.

Your Cancellation Rights

There are no statutory cancellation rights under this policy.

Policy Definitions

Each time We use one of the words or phrases listed below, it will have the same meaning wherever it appears in Your policy unless We state otherwise. A defined word or phrase will start with a capital letter each time it appears in the policy.

Each Section of the policy contains definitions. They must be read in conjunction with the following Policy Definitions.

Damage

Loss, destruction or damage.

Europe

The member countries of the European Union, Iceland, Liechtenstein and Norway.

Period of Insurance

From the effective date until the expiry date (both shown in The Schedule) or any subsequent period for which We accept payment for renewal of this policy.

The Business

Activities directly connected with the business specified in The Schedule.

The Excess

The amount(s) specified in Your policy or The Schedule which We will deduct from each and every claim.

The amount(s) are to be deducted after the application of any Average condition

You will repay any such amount paid by Us.

The Premises

The premises specified in The Schedule.

The Schedule

The document which specifies details of The Policyholder, The Premises, Property Insured Sums Insured, Limits of Liability, Limits of Indemnity and any Excess(es), Endorsements and Conditions applying to this policy.

Unattended Vehicles

Any vehicle where neither You or any person(s) authorised by You are able to keep the vehicle under observation and able to observe and reasonably prevent any attempt to interfere with it.

We/Us/Our/Aviva

Aviva Insurance Limited.

You/Your/The Policyholder

The person, persons, company, companies, partnership, partnerships or unincorporated association, named in The Schedule as The Policyholder.

Sections which comprise Your policy

Operative only if stated in The Schedule

Asset Protection	Computer
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	Electronic Equipment
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	Machinery Damage
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	Plant - Own
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	Plant - Hired in
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	Contract Works - Machinery
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	Deterioration of Stock
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Revenue Protection	Business Interruption
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Asset and Revenue Protection	Terrorism
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Computer Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Accident

- (1) Damage which is insured under this Section.
- (2) Damage which is recoverable under a guarantee, maintenance, rental, hire or lease agreement on the Equipment.
- (3) Damage to Equipment which is not subject to a Maintenance Agreement arising from its own breakdown or derangement
- (4) Prevention of Access
- (5) The accidental failure or fluctuation of Your supply of electricity at the terminal ends of Your supplier's feed to The Premises from any cause which is not specifically excluded.
- (6) The accidental failure of the internal distribution wiring within The Premises for supply of electricity from the terminal ends of Your supplier's feed to the Equipment from any cause which is not specifically excluded.
- (7) The accidental failure of any telecommunication links to the Equipment at The Premises from any cause which is not specifically excluded.
- (8) Damage to data contained in Data Carrying Materials and fixed disks resulting from an identifiable cause which is discovered during the Period of Insurance

Data Carrying Materials

Current and back-up

- (1) disks
- (2) tapes
- (3) other materials

incorporating stored programs or data.

We will not indemnify You in respect of fixed disks and paper records

Equipment

The following items specified as insured in The Schedule which belong to You or for which You are responsible including software or programs contained in or for use with the Equipment.

We will not indemnify You for property which is more specifically insured.

1 Computer Equipment

Equipment, including

- (a) fixed disks
- (b) interconnected wiring
- (c) air conditioning and cooling equipment
- (d) generating and voltage regulating equipment
- (e) satellite, telecommunication links and computerised telephone exchanges
- (f) electronic access equipment
- (g) temperature and humidity recording equipment
- (h) Data Carrying Materials

used for processing, communicating and storing electronic data.

We will not indemnify You in respect of

- (1) Equipment held as stock.
- (2) customer's Equipment.
- (3) facsimile and photocopying machines, digital cameras and similar machinery not used for the processing of electronic data.
- (4) Equipment which controls or monitors any manufacturing process.

2 Portable Equipment

Computer Equipment designed to be carried by hand used away from the Premises

This includes, but is not limited to, Laptops Palmtops and Handheld Computers.

Asset Protection Computer

Indemnity Period

The period during which The Business results are affected due to an Accident, beginning with the date of the Accident and ending not later than the Maximum Indemnity Period.

Maintenance Agreement

A contract providing on-call remedial or corrective maintenance which includes the cost of parts and labour.

Maximum Indemnity Period

The number of months stated in The Schedule.

Prevention of Access

- (a) Damage to Property which is within 1 mile of the boundary of The Premises
- or
- (b) the exercise by any public or police authority of its powers for the sole purpose of safeguarding life or property due to an emergency event within 1 mile of the boundary of The Premises

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions with the ability to damage, interfere with or otherwise adversely affect Equipment or data whether involving self replication or not.

This includes, but is not limited to, Trojan horses, worms and logic bombs.

Damage to Equipment

Cover

We will indemnify You in respect of Damage to the Equipment occurring during the Period of Insurance at The Premises.

The Maximum We will pay

- (a) in respect of any one claim arising from Damage to Equipment which is not subject to a Maintenance Agreement arising from its own breakdown or derangement will not exceed £10,000
- (b) in any one Period of Insurance will not exceed the Sum Insured on the item and any additional sum stated by a clause

Exceptions

The following exceptions apply to Damage to Equipment

(Also refer to the Section Exceptions at the end of this Section and the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage to Equipment which is recoverable under any guarantee or maintenance rental hire or lease agreement
- (2) loss of use of the Equipment or other consequential loss or liability.
- (3) The cost of reinstating data.
- (4) The Excess but the Excess shall not apply to Damage caused by fire, lightning explosion, aircraft or aerial devices or articles dropped from them.

Conditions

This Section is subject to the Section Conditions at the back of this Section and the Policy Conditions at the back of this policy booklet.

Average

If at the time of Damage the Total Sum Insured plus the value of any Equipment insured under the Additional Equipment Clause is less than 85% of the total new replacement value of Equipment You will

- (a) be responsible for the difference
- (b) bear a proportionate part of the loss

Clauses

The following clauses apply to Damage to Equipment.

Accidental Discharge of Gas Systems

We will indemnify You in respect of the costs incurred in refilling the cylinders of any gas flooding systems installed solely for the protection of the Equipment provided that the discharge is accidental.

Asset Protection Computer

The maximum We will pay in respect of any one claim is £50,000.

Additional Equipment

We will indemnify You in respect of Damage to additional Equipment acquired in the Period of Insurance.

The maximum We will pay in respect of any one location is

- (1) 25% of the Total Sum Insured specified in The Schedule under Damage to Equipment or
 - (2) £300,000
- whichever is the lower

You must provide Us with details of such additional Equipment as soon as possible and specifically insure such property with Us from the date Our liability commenced for an agreed additional premium.

Additional Interests

Where the Equipment is the subject of hire purchase lease or other agreements the interest of the other parties to those agreements is noted under this policy. The nature and extent of such interests must be disclosed to Us in the event of any Damage.

Anti-Theft Devices

When Damage occurs to any anti-theft device which is permanently fitted to the Equipment We will indemnify You in respect of the costs incurred to replace or repair the device.

The maximum We will pay in respect of any one claim is £50,000

Basis of Settlement and Average

In the event of Damage to the Equipment, the basis upon which We will calculate the amount We will pay for any claim will be as follows.

Where the Equipment

- (a) cannot be repaired economically We pay for its replacement with Equipment of similar capacity to that of the damaged Equipment when new but not of better or higher specification. If Equipment of a similar capacity is unavailable then We will pay for Equipment with the next highest capacity.

- (b) is repaired it will be to a condition as good as, but not better or more extensive than, its condition when new.

However, We will not pay more than We would have done if the Equipment had been completely destroyed.

- (c) (a) and (b) above include the additional cost of reinstating the Equipment necessary to comply with any
 - (i) European Community legislation
 - (ii) Act of Parliament
 - (iii) Bye laws of any public authority.

We will not indemnify You in respect of

- (a) costs incurred
 - (i) where notice was served on You before the Damage occurred.
 - (ii) where an existing requirement must be completed within a stipulated period.
 - (iii) for Equipment which has not suffered Damage.
- (b) charge or assessment arising from capital appreciation following compliance with any legislation or Bye law.

The work of reinstatement

- (1) may be carried out on another site and in a manner suitable to Your needs, but this must not increase our liability
- (2) must begin and be carried out as quickly as possible

However, the maximum We will pay will not exceed the item Sum Insured specified in The Schedule under Damage to Equipment.

We will not make any payment under this clause

- (1) until replacement or repair costs have actually been incurred.
- (2) if You do not comply with any of the terms of this clause.

If, for any reason, a payment cannot be made in accordance with the provisions of this clause, the basis of claim settlement will be as stated in the Contract of Insurance at the front of this policy.

Asset Protection Computer

Debris Removal

We will indemnify You in respect of the costs incurred in the removal of Equipment which has suffered Damage under this Section.

The maximum We will pay in respect of any one claim is £50,000

Incompatibility of Software or Programs

Where Damage to Equipment results in the existing software or programs being incompatible with the replacement Equipment We will at Our option indemnify You in respect of either

- (1) necessary modifications to the replacement Equipment
- or
- (2) the conversion of the existing software or programs into a format which is compatible with the replacement Equipment, and the necessary cost of replacing incompatible Data Carrying Materials.

The maximum We will pay in respect of any one claim is

- (1) the Total Sum Insured specified in The Schedule under Damage to Equipment
- or
- (2) £50,000

whichever is the lower

Loss Avoidance Measures

We will indemnify You in respect of the costs necessarily and reasonably incurred by You to avoid or reduce impending Damage provided that

- (1) the impending Damage does not arise from any reasonably foreseeable or gradually developing cause and We are satisfied that Damage has been avoided or reduced as a result of the measures taken
- (2) the policy terms exceptions and conditions will apply as if Damage had occurred.

The maximum We will pay in respect of any one claim is £50,000.

Non-Invalidation

The insurance by this Section will not be invalidated by any act, omission or alteration either unknown to You or beyond Your control which increases the risk of Damage.

However, You must

- (a) notify Us immediately You become aware any such act, omission or alteration
- and
- (b) pay any additional premium We require

Repair Investigation Costs

We will indemnify You in respect of any repair investigation costs including consulting engineer fees, necessarily and reasonably incurred with Our consent in the repair or replacement of Equipment which has suffered Damage.

The maximum We will pay in respect of any one claim is £50,000.

We will not indemnify You in respect of the cost of preparing a claim.

Security Guard Costs

We will indemnify You in respect of the necessary and reasonable costs incurred in employing temporary professional security guards at The Premises following Damage insured by this Section caused by theft, malicious damage, or arson.

The maximum We will pay for any or all claims arising out of one occurrence is £25,000

We will not indemnify You in respect of the hire of security guards for more than 4 days unless We have given our consent.

Software or Programs

We will indemnify You in respect of the cost of reinstating software or programs arising from erasure, distortion or corruption occurring during the Period of Insurance and resulting from an identifiable event which is covered under this Section and not otherwise excluded.

Asset Protection Computer

Temporary Removal

We will indemnify You in respect of Damage to

- (1) Equipment insured under this Section whilst temporarily removed from The Premises anywhere in Europe including whilst in transit.

The maximum We will pay for any one claim is

- (1) the Total Sum Insured specified in The Schedule under Damage to Equipment
or
(2) (a) £5,000 in respect of theft or attempted theft from an Unattended Vehicle
(b) £50,000 in respect of any other damage

Whichever is the lower.

- (2) Data Carrying Materials insured under this Section whilst anywhere in the world.
(3) Portable Equipment specified in The Schedule whilst anywhere in the world

The maximum We will pay in respect of any one claim is

- (1) the Sum Insured specified in The Schedule for Portable Equipment
or
(2) (a) £5,000 in respect of theft or attempted theft from an Unattended Vehicle
(b) £50,000 in respect of any other Damage

Whichever is the lower.

If in relation to any claim for Damage caused by theft or attempted theft You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim

You must ensure that while the Equipment is

- (a) left unattended inside any vehicle

- (i) the vehicle is securely locked, its keys, key card or remote control transmitter are removed, all windows are securely closed and all security devices to protect the vehicle are set to operate
(ii) the vehicle is kept overnight in a securely locked building, compound or enclosure, unless it is aboard a ship or ferry.
(iii) the Equipment is
- concealed from view
 - stored in the boot or under the parcel shelf where such facilities are available
- (b) in transit by air it is carried as hand luggage
(c) in transit by ship or ferry and not in use, it is kept in a securely locked cabin or vehicle aboard such vessel.

Temporary Repair and Expediting Costs

We will, at Our option, indemnify You in respect of the additional costs necessarily and reasonably incurred in making temporary repairs or accelerating repairs in the event of Damage to the Equipment insured under this Section.

The maximum We will pay in respect of any one claim is £50,000.

Virus Seek and Destroy Costs

We will indemnify you in respect of costs necessarily and reasonably incurred by You to locate and remove a detectable Virus or Similar Mechanism contained in any Equipment or Data Carrying Media

The maximum We will pay in respect of any one claim is £50,000.

Waste Electrical and Electronic Equipment Disposal Costs

We will indemnify You in respect of costs necessarily and reasonably incurred by You in complying with the Waste Electrical and Electronic Equipment Regulations in respect of Equipment following Damage insured under this Section.

The maximum We will pay in respect of any one claim is £25,000.

We will not indemnify you in respect of costs that You accept responsibility for as part of a contract to purchase new Equipment.

Increased Cost of Working

Cover

We will indemnify You in respect of any additional expenditure You necessarily and reasonably incur to avoid or reduce interruption to or interference with The Business at The Premises during the Indemnity Period as a result of an Accident which occurs during the Period of Insurance

The maximum We will pay will not exceed

- (1) in respect of any one loss arising from Prevention of Access £50,000 or the Sum Insured if lower
- (2) in any one Period of insurance in respect of
 - (a) any loss arising from a Virus or Similar Mechanism
 - (i) the Sum Insured specified in The Schedule
 - or
 - (ii) £50,000whichever is the lower.
- (b) any other loss the Sum Insured specified in The Schedule

Exceptions

The following exceptions apply to Increased Cost of Working.

(Also refer to the Section Exceptions at the end of this Section and the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) interruption to or interference with The Business as a result of
 - (a) accidental failure of Your electricity supply lasting less than four hours
 - (b) accidental failure of any telecommunication system lasting less than eight hours

- (c) breakdown or derangement of any item of Equipment which has not completed a period of one month's trouble-free operation.
 - (d) Prevention of Access lasting less than twelve hours
- (2) interruption or interference to The Business during the first 48 hours following breakdown or derangement of Equipment which is not subject to a Maintenance Agreement.
 - (3) the cost of reinstating data or programs.
 - (4) interruption or interference to The Business where the length of the interruption does not exceed the time franchise specified in The Schedule.

Conditions

This Section is subject to the Section Conditions at the back of this Section and the Policy Conditions at the back of this policy booklet.

Clauses

The following clauses apply to Increased Cost of Working.

Additional Rental Charge

We will indemnify You in respect of the additional costs of a new lease or hire contract for similar Equipment which replaces any lease or hire contract in force at the time of the Accident.

The maximum period for which We will provide indemnity is two years commencing from the date of the Accident.

The maximum We will pay in respect of any one claim is £50,000.

Asset Protection Computer

Auditors and Professional Accountants

The Sum Insured specified in The Schedule includes an amount for Your auditor's and professional accountant's reasonable charges for

- (1) producing information We require to investigate a claim
and
- (2) confirming that information is in accordance with
 - (a) Your business books, documents or records
and
 - (b) and any other relevant business books, documents or records

Payments on Account

Claims payments on account may be made to You during the Indemnity Period, if required.

Reinstatement of Data

Cover

We will indemnify You in respect of the necessary and reasonable costs of reinstating data contained in the Data Carrying Materials and fixed disks resulting from Damage from an identifiable cause which is discovered during the Period of Insurance.

The maximum We will pay in any Period of Insurance will not exceed in respect of

- (1) any loss arising from a Virus or Similar Mechanism
 - (a) the Sum Insured specified in the Schedule
or
 - (b) £50,000whichever is the lower.
- (2) any other loss the Sum Insured specified in the Schedule.

Exceptions

The following exceptions apply to Reinstatement of Data.

(Also refer to the Section Exceptions at the end of this Section and the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) (a) loss of
 - (b) loss of use of
 - (c) inaccessibility ofdata or programs arising from pre-existing faults in or the unsuitability of programs or computer systems software.
- (2) The Excess but the Excess shall not apply to Damage caused by fire, lightning, explosion, aircraft or aerial devices or articles dropped from them.

Conditions

This Section is subject to the Section Conditions at the back of this Section and the Policy Conditions at the back of this policy booklet.

Clauses

The following clauses apply to Reinstatement of Data.

Incompatibility of Data

Where Damage to the Equipment results in the existing data being incompatible with the replacement Equipment We will indemnify You in respect of the cost of conversion of the existing data into a format which is compatible with the replacement Equipment.

The maximum We will pay in respect of any one claim is

- (1) the Sum Insured specified in The Schedule under Reinstatement of Data
or
 - (2) £50,000
- whichever is the lower.

Asset Protection Computer

Payments on Account

Claims payments on account may be made to You, if required.

Research And Development Costs

We will indemnify You against the cost of re-writing data processing research and development projects to the stage reached immediately prior to the occurrence of the Damage

The maximum We will pay in respect of any one claim is

- (1) the Sum Insured specified in The Schedule under Reinstatement of Data
or
- (2) £50,000

whichever is the lower.

We will not indemnify You in respect of any benefit to You which would have been obtained from the completion of the project had the Accident not occurred

Endorsements

The following endorsements only apply if the number against it is shown in The Schedule.

51 Non-Maintained Equipment - Breakdown Cover

Where no Maintenance Agreement applies the Maximum We will pay in respect of Damage to Equipment is restated as

The maximum We will pay in any one Period of Insurance will be the Sum Insured on the item and any additional sums stated by a clause.

If in relation to any claim for Damage You have failed to fulfil any of the Intruder Alarm Conditions (1) to (8) shown below, You will lose Your right to indemnity or payment for that claim.

52 Intruder Alarm Conditions

- (1) While The Premises are unattended they must be protected by an Intruder Alarm System

- (a) maintained in full and efficient working order under an ongoing maintenance contract provided by an Alarm Company.
 - (b) registered with an Alarm Receiving Centre.
 - (c) eligible for police response, via the issue and retention of a valid police unique reference number (URN).
 - (d) which is set in its entirety, with all means of communication used to transmit Activations to an Alarm Receiving Centre in full operation.
- (2) If requested, You must supply Us with a copy of the Intruder Alarm System specification.
 - (3) The Protected Premises must not be left without at least one Responsible Person in attendance where
 - (a) the Intruder Alarm System is not set in its entirety
 - (b) the police have withdrawn their response to Activations unless We agree otherwise.
 - (4) During any period that the Intruder Alarm System is set, a Key Holder must, following notification of Activations or interruption of any of the means of communication used to transmit Activations to an Alarm Receiving Centre
 - (a) attend The Premises as soon as reasonably possible in order to confirm the security of The Premises and
 - (b) reset the Intruder Alarm System in its entirety with all means of communication used to transmit Activations to an Alarm Receiving Centre in full operation.

If the Intruder Alarm System cannot be reset in its entirety or all the means of communication used to transmit Activations to an Alarm Receiving Centre are not in full operation, a Key Holder must remain at The Premises unless We agree otherwise.

Asset Protection Computer

(5) You must advise Us as soon as possible and, in any event, not later than 10:00am on Our next working day

(a) of notice from

(i) the police giving warning of withdrawal of their services, or a reduction or delay in the level of their response to Activations.

(ii) a Local Authority or Magistrate imposing any requirement for abatement of nuisance caused by the Intruder Alarm System.

(b) when the Intruder Alarm System and the means of communication used to transmit Activations to an Alarm Receiving Centre cannot be returned to or maintained in full working order.

You must comply with Our subsequent requirements.

(6) Any alteration or substitution of

(a) any part of the Intruder Alarm System

(b) the structure of The Premises or changes to the layout of The Premises which would reduce the effectiveness of the Intruder Alarm System

(c) the means of communication used to transmit Activations to an Alarm Receiving Centre

(d) the procedures agreed with Us for police or any other response to any Activations

(e) the Intruder Alarm System maintenance contract

must not be made without Our written agreement.

(7) You and each Key Holder must maintain

(a) the secrecy of all the codes and

(b) the security of all keys and other setting devices

for the operation of the Intruder Alarm System. All such keys and setting devices must be removed from The Premises when they are left unattended.

(8) You must appoint at least two Key Holders and lodge written details (which must be kept up to date) with the Alarm Company, the Alarm Receiving Centre and, if they so require, the police or local authority.

For the purposes of this additional condition the following definitions apply.

Intruder Alarm System

An electrical installation to detect and indicate the presence, entry or attempted entry of an intruder into the Protected Premises, including all devices used to transmit Activations to an Alarm Receiving Centre.

Alarm Company

An organisation recognised as an approved company by the National Security Inspectorate (NSI) or as a registered firm by the Security Systems and Alarm Inspection Board (SSAIB).

Alarm Receiving Centre

An organisation recognised as an approved company by the NSI or as a registered firm by the SSAIB and which agrees to receive Activations from the Intruder Alarm System and make arrangements for notifying them to a Key Holder and/or the police.

Activations

Signals or other information generated by the Intruder Alarm System which indicate

(a) a suspected or confirmed intrusion into the Protected Premises.

(b) a fault or tamper event may have occurred.

(c) incorrect or unexpected setting or unsetting of the Intruder Alarm System.

Key Holder

You, or any person or key holding company authorised by You, who must be

(1) available at all times to

(a) accept notification of Activations.

(b) attend and allow access to The Premises.

(2) fully trained in the operation of the Intruder Alarm System.

Asset Protection Computer

Protected Premises

The Premises, or those portions of The Premises, protected by the Intruder Alarm System.

Responsible Person

You or any person authorised by You to be responsible for the security of The Premises.

53 Reinstatement of Data excluding Malicious Damage

We will not indemnify You under Reinstatement of Data for the cost of reinstating data arising from any malicious act resulting in the data's erasure, destruction, distortion, corruption or loss.

55 Software in the Course of Development exclusion

We will not indemnify You against any claim involving the development of software or programs.

56 Security Device

If in relation to any claim for Damage as insured by this Section You have failed to fulfil the following condition, You will lose Your right to indemnity or payment for that claim.

In respect of Damage by theft or attempted theft, You must ensure that all computer processing units and printers are secured to either office furniture or the permanent building structure by a lockdown plate, entrapment or other similar anti-theft device approved by Us.

57 Minimum Security

If in relation to any claim for Damage to the Property Insured at The Premises, which occurs more than 30 days after the inception of this policy, You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must ensure that

- (1) all hinged final exit doors are secured as follows

- (a) timber doors by a mortice deadlock certified as meeting BS3621 and where the frame, or if a double door, the receiving door, has a boxed striking plate
 - (b) aluminium doors by a five pin cylinder mortice lock operating a swinging lock bolt
 - (c) PVCu doors by a multi-point security device having at least three moving bolts operated by a central handle which is secured by a five pin cylinder lock
 - (d) double leaf doors by the first closing leaf having a multi-point security device having at least two moving bolts operated by a central handle secured by a five pin cylinder lock or fitted at top and bottom of the leaf lockable bolts or key operated mortice rack bolts or rebate bolts. The final closing leaf to be secured as (a) (b) or (c) above. Alternatively each leaf to be fastened to the other by means of a centrally positioned hardened steel padlock bar secured by a closed-shackle padlock
- (2) all other hinged external doors and internal doors leading to areas of The Premises not occupied by You, common areas, or to other premises, are secured by
 - (a) the means set out in (1) (a), (b), (c) and (d) above
or, secured internally by
 - (b) lockable bolts or key operated mortice rack bolts fitted at the top and bottom of the door(s).
 - (3) any cellar trap door to be secured by means of a centrally positioned internal steel padlock bar secured by a padlock.
 - (4) all opening basement and ground floor windows or opening upper storey windows which can be reached by a person standing on adjacent or adjoining lower storey roofs or other structural features, are secured by a window lock or lockable fastening device or are screwed permanently shut from the inside.
 - (5) opening roof lights are to be secured using a proprietary fastening device.
 - (6) any other security measures stipulated or agreed by Us in writing are implemented.

Asset Protection Computer

- (7) when The Premises are unattended all such locks and security devices are put into full and effective operation, and all keys removed to a secure place.

Any door or window designated as a fire exit by any person who is legally responsible for fire safety at The Premises under current fire safety legislation, is excluded from these requirements. However, any such doors must be secured by proprietary emergency escape mechanism.

58 Approved Alarm

If in relation to any claim for Damage as insured by this Section You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

Whenever The Premises are

- (a) closed for business
- or
- (b) left unattended

they are protected by an intruder alarm system which

has been installed and is maintained by a contractor approved by the National Security Inspectorate (N.S.I.) or Security Systems and Alarms Inspection Board (S.S.A.I.B.).

which is set in its entirety

60 Additional Protections

If in relation to any claim for Damage as insured by this Section You have failed to fulfil the following You will lose Your right to indemnity or payment for that claim.

The security requirements detailed in The Schedule are implemented within the timescales specified.

61 Restricted Cover

We will not indemnify You in respect of Damage covered under Damage to Equipment or Reinstatement of Data caused by or consisting of

- (1) fire
- (2) lightning
- (3) explosion (other than steam explosion)
- (4) aircraft or aerial devices or articles dropped from them

- (5) storm, flood or inundation from the sea
- (6) water leaking or discharged from any sprinkler installation
- (7) subsidence, ground heave or landslip
- (8) theft or attempted theft regardless of any other contributory cause.
- (9) any other cause more specifically described in The Schedule.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage or interruption to or interference with The Business caused by

- (a) Your wilful act or wilful neglect
- (b) wear and tear gradual deterioration due to atmospheric conditions or otherwise rust corrosion or oxidisation

However We will indemnify You for any subsequent Damage resulting from such cause not otherwise excluded

- (2) Increased Cost of Working or Reinstatement of Data resulting from

- (a) any accidental failure of the telecommunication links
- (b) any accidental failure of Your electricity supply

caused by

- (i) a deliberate act of any supply authority not performed for the sole purpose of safeguarding life or protecting any part of the supply authority's system
- (ii) the exercise of any supply authority's power to withdraw or restrict supply or services
- (iii) industrial action

- (3) any accidental failure of the telecommunication links caused by

- (a) Equipment which is not
 - (i) properly installed or compatible with the telecommunications system provided by Your telecommunication services supplier.

Asset Protection Computer

- (ii) recognised and approved by Your telecommunication services supplier.
- (b) failure of any satellite
 - (i) prior to obtaining its full operating function.
 - (ii) while in or beyond the final year of its design life.
- (c) atmosphere, solar or lunar conditions causing temporary interference with transmission to or from any satellite.

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

(1) Data Backup

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must store data, software or programs and maintain adequate backup copies by backing up

- (a) the original disks or media and storing in a fire resistant data safe or in a secure location away from The Premises.
- (b) all data produced by the software or programs no less than once a day or any other period agreed by Us.
The integrity of any data backup must be validated using operating system routines or checks produced by the software supplier.

(2) Firewall

If in relation to any claim You have failed to fulfil the following condition, You will lose Your right to indemnity or payment for that claim.

You must ensure that Equipment that is connected to the internet is protected by a suitable firewall which is regularly maintained and in full and effective operation at the time of a loss.

(3) Prevention of loss

If in relation to any claim You have failed to fulfil the following condition, You will lose Your right to indemnity or payment for that claim.

You must

- (a) maintain the Equipment in a satisfactory state of repair
- (b) take all reasonable precautions to prevent Damage to the Equipment and loss of data or programs

(4) Virus

If in relation to any claim You have failed to fulfil the following conditions, You will lose Your right to indemnity or payment for that claim.

You must install suitable virus protection software and ensure that it is

- (a) updated at intervals of at least once a month
and
- (b) in full and effective operation at the time of a loss.

Clauses

The following Clauses apply to this Section

Automatic Reinstatement of Sum Insured

The Sums Insured stated in The Schedule will not be reduced by the amount of any claim unless We or You give notice to the contrary.

You must pay the additional premium required to reinstate the Sums Insured.

Subrogation Waiver

In the event of a claim arising under this Section, We agree to waive any rights, remedies or relief to which We may be entitled by subrogation against

- (1) any company whose relationship to You is either a parent to subsidiary or subsidiary to parent
- (2) any company which is a subsidiary of a parent company of which You are a subsidiary

as defined within the relevant legislation at the time of Damage

- (3) any user of the Equipment authorised by You
provided that
 - (a) such users observe fulfil and are subject to the terms conditions and limitations of this Policy
 - (b) You do not receive any form of indemnity or damages from such users

Electronic Equipment Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Accident

- (1) Damage which is insured under this Section.
- (2) Prevention of Access
- (3) The accidental failure or fluctuation of Your supply of electricity at the terminal point of Your supplier's feed to The Premises from any cause which is not specifically excluded.
- (4) The accidental failure of the internal distribution wiring within The Premises for supply of electricity from the terminal point of Your supplier's feed to the Equipment from any cause which is not specifically excluded.
- (5) Damage to data contained in Data Carrying Materials and fixed disks resulting from an identifiable cause which is discovered during the Period of Insurance

Data Carrying Materials

Current and back-up

- (1) disks
 - (2) tapes
 - (3) other materials
- incorporating stored programs or data.

We will not indemnify You in respect of fixed disks and paper records.

Equipment

Equipment as specified as insured in The Schedule which belongs to You or for which You are responsible including Data Carrying Materials and Portable Equipment.

We will not indemnify You for property which is more specifically insured.

Indemnity Period

The period during which The Business results are affected due to an Accident, beginning with the date of the Accident and ending not later than the Maximum Indemnity Period.

Maximum Indemnity Period

The number of months stated in The Schedule.

Portable Equipment

Equipment used away from The Premises.

Prevention of Access

- (a) Damage to Property which is within 1 mile of the boundary of The Premises
or
- (b) the exercise by any public or police authority of its powers for the sole purpose of safeguarding life or property due to an emergency event within 1 mile of the boundary of The Premises

Virus or Similar Mechanism

Program code, programming instruction or any set of instructions with the ability to damage, interfere with or otherwise adversely affect Equipment or data whether involving self replication or not.

This includes but is not limited to, Trojan horses, worms and logic bombs.

Damage to Equipment

Cover

We will indemnify You in respect of Damage to the Equipment occurring during the Period of Insurance at The Premises.

The maximum We will pay in any one Period of Insurance will be the Sum Insured on the item and any additional sums stated by a clause.

Asset Protection Electronic Equipment

Exceptions

The following exceptions apply to Damage to Equipment.

(Also refer to the Section Exceptions at the end of this Section and the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage caused by or consisting of
 - (a) mechanical or electrical breakdown, failure, breakage or derangement.
 - (b) gradual deterioration or wear and tear or gradually developing defects

However, We will indemnify You for any subsequent Damage which results from a cause not otherwise excluded.

- (2) light sources, fuses, non-rechargeable batteries, filters and items which require periodic replacement
- (3) loss of use of the Equipment or other consequential loss or liability
- (4) the cost of reinstating data
- (5) The Excess

Conditions

This Section is subject to the Section Conditions at the back of this Section and the Policy Conditions at the back of this policy booklet.

Average

If at the time of Damage the Total Sum Insured plus the value of any Equipment insured under the Additional Equipment Clause is less than 85% of the total new replacement value of Equipment You will

- (1) be responsible for the difference
- (2) bear a proportionate part of the loss

Clauses

The following clauses apply to Damage to Equipment.

Additional Equipment

We will indemnify You in respect of Damage to additional Equipment acquired in the Period of Insurance.

The maximum We will pay in respect of any one location is

- (1) 25% of the Total sum insured specified in The Schedule under Damage to Equipment
or
- (2) £250,000

whichever is the lower

You must provide Us with details of such additional Equipment as soon as possible and specifically insure such property with Us from the date Our liability commenced for an agreed additional premium.

Additional Interests

Where the Equipment is the subject of hire purchase lease or other agreements the interest of those other parties to these agreements is noted under this policy. The nature and extent of such interests must be disclosed to Us in the event of any Damage.

Anti-Theft Devices

When Damage occurs to any anti-theft device which is permanently fitted to the Equipment We will indemnify You in respect of the costs incurred to replace or repair the device.

The maximum We will pay in respect of any one claim is £25,000.

Clause Basis of Settlement for Owned Equipment

In the event of Damage to the Equipment which is owned by You We will calculate the amount We will pay for any claim as follows.

Asset Protection Electronic Equipment

Where the Equipment

- (a) cannot be repaired economically We pay for its replacement with Equipment which is similar and has similar capacity to a condition as good as, but not better or more extensive than, its condition when new. If Equipment of a similar capacity is unavailable then We will pay for Equipment with the next highest capacity.
- (b) is repaired it will be to a condition as good as, but not better or more extensive than, its condition when new.

However, We will not pay more than We would have done if the Equipment had been completely destroyed.

- (c) (a) and (b) above includes the costs necessary to comply with any
 - (1) European Union legislation
 - (2) Act of Parliament
 - (3) Byelaws of any public authority.

We will not indemnify You in respect of

- (a) costs incurred
 - (i) for Damage not insured by this Section.
 - (ii) where notice was served on You before the Damage occurred.
 - (iii) where an existing requirement must be completed within a stipulated period.
 - (iv) for property or parts of the property, other than foundations (unless foundations are specifically excluded), which have not suffered Damage.
- (b) any change or assessment arising from capital appreciation following compliance with any legislation or Bye law.

The work of reinstatement

- (1) may be carried out on another site and in a manner suitable to Your needs, but this must not increase Our liability.
- (2) must begin and be carried out as quickly as possible.

We will not make any payment under this clause

- (1) until replacement or repair costs have actually been incurred.
- (2) if You do not comply with any of the terms of this clause.

If, for any reason, a payment cannot be made in accordance with the provisions of this clause, the basis of claim settlement will be as stated in the Contract of Insurance at the front of this policy.

Basis of Settlement for Hired in Equipment

In the event of Damage to the Equipment which is hired in by You We will indemnify You for Your legal liability under the contract of hire for compensation in respect of

- (1) Damage to Equipment
- (2) continuing hire charges in respect of Equipment whilst being repaired or replaced as a direct result of Damage.

The maximum We will pay in respect of any one claim is £100,000.

Debris Removal

We will indemnify You in respect of the costs incurred in the removal of Equipment which has suffered Damage under this Section.

Incompatibility of Software or Programs

Where Damage to Equipment results in the existing software or programs being incompatible with the replacement Equipment We will at Our option indemnify You in respect of either

- (1) necessary modifications to the replacement Equipment
- or
- (2) the conversion of the existing software or programs into a format which is compatible with the replacement Equipment and necessary cost of replacing incompatible Data Carrying Materials.

The maximum We will pay in respect of any one claim is

- (1) the Total Sum Insured specified in The Schedule under Damage to Equipment
- or
- (2) £50,000

whichever is the lower.

Asset Protection Electronic Equipment

Loss Avoidance Measures

We will indemnify You in respect of any costs necessarily and reasonably incurred by You to avoid or reduce impending Damage provided that

- (1) the impending Damage does not arise from any reasonably foreseeable or gradually developing cause and We are satisfied that Damage has been avoided or reduced as a result of the measures taken
- (2) the policy terms exceptions and conditions will apply as if Damage had occurred.

The maximum We will pay in respect of any one claim is £25,000.

Non-Invalidation

The insurance by this Section will not be invalidated by any act, omission or alteration either unknown to You or beyond Your control which increases the risk of Damage.

However, You must

- (1) notify Us immediately You become aware of any such act, omission or alteration

and
- (2) pay any additional premium We require.

Repair Investigation Costs

When agreed by Us we will indemnify You in respect of any repair investigation costs including consulting engineer fees necessarily and reasonably incurred in the repair or replacement of Equipment provided Damage has occurred.

The maximum We will pay in respect of any one claim is £25,000.

We will not indemnify You in respect of the costs of preparing a claim.

Software or Programs

We will indemnify You in respect of the cost of reinstating software or programs arising from erasure, distortion or corruption occurring during the Period of Insurance and resulting from an identifiable event which is covered under this Section and not otherwise excluded.

Temporary Removal

We will indemnify You in respect of Damage to

- (1) Data Carrying Materials insured under this Section whilst anywhere in the world.
- (2) Portable Equipment specified in The Schedule whilst anywhere in the world

The maximum We will pay in respect of any one claim is

- (a) the Total Sum Insured specified in The Schedule for Portable Equipment

or

- (b) (i) £5,000 in respect of theft or attempted theft from an Unattended Vehicle

(ii) £50,000 in respect of any other Damage.

whichever is the lower.

If in relation to any claim for Damage caused by theft or attempted theft You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim

You must ensure that while the Equipment is

- (1) left unattended inside any vehicle
 - (a) the vehicle is securely locked, its keys, key card or remote control transmitter are removed, all windows are securely closed and all security devices to protect the

Asset Protection Electronic Equipment

vehicle are set to operate

- (b) the vehicle is kept overnight in a securely locked building, compound or enclosure, unless it is aboard a ship or ferry
- (c) the Equipment is
 - (i) concealed from view
 - (ii) stored in the boot or under the parcel shelf where such facilities are available
- (2) in transit by air it is carried as hand luggage
- (3) in transit by ship or ferry and not in use, it is kept in a securely locked cabin or vehicle aboard such vessel.

Temporary Repair and Expediting Costs

We will, at Our option, indemnify You in respect of the additional costs necessarily and reasonably incurred in making temporary repairs or accelerating repairs in the event of Damage to the Equipment insured under this Section.

The maximum We will pay in respect of any one claim is £50,000.

Virus Seek and Destroy Costs

We will indemnify you in respect of costs necessarily and reasonably incurred by You to locate and remove a detectable Virus or Similar Mechanism contained in any Equipment or Data Carrying Materials.

The maximum We will pay in respect of any one claim is £25,000.

Waste Electrical and Electronic Equipment Disposal Costs

We will indemnify You in respect of any costs necessarily and reasonably incurred by You in complying with the Waste Electrical and Electronic Equipment Regulations in respect of Equipment following Damage insured under this Section.

The maximum We will pay in respect of any one claim is £25,000.

We will not indemnify You in respect of costs that You accept responsibility for as part of a contract to purchase new Equipment.

Increased Cost of Working

Cover

We will indemnify You in respect of Your additional expenditure which has been reasonably and necessarily incurred as a result of the Accident to avoid or reduce interruption or interference with The Business at The Premises during the Indemnity Period.

The maximum We will pay will not exceed

- (1) in respect of any one loss arising from Prevention of Access £50,000 or the Sum Insured if lower
- (2) in any one Period of Insurance in respect of
 - (a) any loss arising from a Virus or Similar Mechanism
 - (i) the Sum Insured specified in The Schedule
 - or
 - (ii) £50,000whichever is the lower
 - (b) any other loss the Sum Insured specified in The Schedule

Exceptions

The following exceptions apply to Increased Cost of Working.

(Also refer to the Section Exceptions at the end of this Section and the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) the cost of reinstating data or programs
- (2) interruption to or interference with The Business during the first 24 hours following the Accident.
- (3) Prevention of Access lasting less than twelve hours

Conditions

This Section is subject to the Section Conditions at the back of this Section and the Policy Conditions at the back of this policy booklet.

Asset Protection Electronic Equipment

Clauses

The following clauses apply to Increased Cost of Working.

Additional Rental Charge

We will indemnify You in respect of the additional costs of a new lease or hire contract for similar Equipment which replaces any lease or hire contract in force at the time of the Accident.

The maximum period for which We will provide indemnity is two years commencing from the date of the Accident.

The maximum We will pay in respect of any one claim is £25,000.

Auditors Professional Accountants

The Sum Insured specified in The Schedule includes an amount for Your auditor's and professional accountant's reasonable charges for

- (1) producing information We require to investigate a claim
and
- (2) confirming that information is in accordance with
 - (a) Your business books, documents or records
and
 - (b) any other relevant business books, documents or records.

Payments on Account

Claims payments on account may be made to You during the Indemnity Period, if required.

Reinstatement of Data

Cover

We will indemnify You in respect of the necessary and reasonable costs of reinstating data contained in the Data Carrying Materials and fixed disks resulting from Damage from an identifiable cause which is discovered during the Period of Insurance.

The maximum We will pay in any Period of Insurance will not exceed in respect of

- (1) any loss arising from a Virus or Similar Mechanism
 - (a) the Sum Insured specified in The Schedule
or
 - (b) £50,000whichever is the lower.
- (2) any other loss the Sum Insured specified in The Schedule.

Exceptions

The following exceptions apply to Reinstatement of Data.

(Also refer to the Section Exceptions at the end of this Section and the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1)
 - (a) loss of
 - (b) loss of use of
 - (c) inaccessibility of
data or programs arising from pre-existing faults in or the unsuitability of programs or computer systems software.
- (2) The Excess

Asset Protection Electronic Equipment

Conditions

This Section is subject to the Section Conditions at the back of this Section and the Policy Conditions at the back of this policy booklet.

Clauses

The following clauses apply to Reinstatement of Data.

Incompatibility of Data

Where Damage to the Equipment results in the existing data being incompatible with the replacement Equipment We will indemnify You in respect of the cost of conversion of the existing data into a format which is compatible with the replacement Equipment.

The maximum We will pay in respect of any one claim is

(1) the Sum Insured specified in The Schedule under Reinstatement of Data

or

(2) £50,000

whichever is the lower.

Payments on Account

Claims payments on account may be made to You, if required.

Research And Development Costs

We will indemnify You against the cost of re-writing data processing research and development projects to the stage reached immediately prior to the occurrence of the Damage

The maximum We will pay in respect of any one claim is

(1) the Sum Insured specified in The Schedule under Reinstatement of Data

or

(2) £25,000

whichever is the lower.

We will not indemnify You in respect of any benefit to You which would have been obtained from the completion of the project had the Accident not occurred

Endorsements

This Section is subject to any endorsements stated as applying in The Schedule.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

(1) Damage or interruption to or interference with The Business caused by

(a) Your wilful act or wilful neglect

(b) wear and tear gradual deterioration due to atmospheric conditions or otherwise rust corrosion or oxidation

However We will indemnify You for any subsequent Damage resulting from such cause not otherwise excluded

(2) Increased Cost of Working or Reinstatement of Data resulting from any accidental failure of Your electricity supply

caused by

(a) a deliberate act of any supply authority not performed for the sole purpose of safeguarding life or protecting any part of the supply authority's system

(b) the exercise of any supply authority's power to withdraw or restrict supply or services

(c) industrial action

(3) Damage or interruption to or interference with The Business caused when the Equipment is hired out.

Asset Protection Electronic Equipment

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

(1) Data Backup

If in relation to any claim You have failed to fulfil the following conditions, You will lose Your right to indemnity or payment for that claim.

You must store data, software or programs and maintain adequate backup copies by backing up

- (a) the original disks or media and storing in a fire resistant data safe or in a secure location away from The Premises.
- (b) all data produced by the software or programs no less than once a day or any other period agreed by Us. The integrity of any data backup must be validated using operating system routines or checks produced by the software supplier.

(2) Firewall

If in relation to any claim You have failed to fulfil the following condition, You will lose Your right to indemnity or payment for that claim.

You will ensure that any Equipment that is connected to the internet is protected by a suitable firewall which is regularly maintained and in full and effective operation at the time of a loss.

(3) Prevention of Loss

If in relation to any claim You have failed to fulfil the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) maintain the Equipment in a satisfactory state of repair
- (b) take all reasonable precautions to prevent Damage to the Equipment or loss of data or programs

(4) Virus

If in relation to any claim You have failed to fulfil the following conditions, You will lose Your right to indemnity or payment for that claim.

You must install suitable virus protection software and ensure that it is

- (a) updated at intervals of at least once a month
- and
- (b) in full and effective operation at the time of a loss.

Clauses

The following Clause applies to this Section

Automatic Reinstatement of Sum Insured

The Sums Insured stated in The Schedule will not be reduced by the amount of any claim unless We or You give notice to the contrary.

You must pay the additional premium required to reinstate the Sums Insured.

Machinery Damage Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section unless an alternative definition is stated to apply.

Accidental Damage

Accidental damage to Plant or Machinery by any external cause not otherwise excluded.

Accidental Damage does not include Breakdown, Collapse or Explosion.

However, We will indemnify You in respect of any consequent Damage caused by Breakdown, Collapse or Explosion which is not otherwise excluded.

Breakdown

- (1) The breaking, distortion or burning out of any part of the Plant or Machinery which occurs while the Plant or Machinery is being used normally, arising from
 - (a) any mechanical or electrical defect in the Plant or Machinery
 - (b) any sudden and unforeseen failure of any insured boiler or pressure plant
- (2) The complete severance of a rope
- (3) The fracturing or distortion of any part of the Plant or Machinery by frost

including any resultant loss of cooling, lubricating or insulating oil, refrigerant or brine.

Collapse

The sudden and dangerous distortion of any part of the Plant or Machinery caused by crushing stress by force of steam or fluid pressure.

Collapse does not include distortion by pressure or ignition of flue gases.

Damage

Physical loss, destruction or damage

Explosion

The sudden and violent rending of Plant or Machinery by force of internal steam or fluid pressure.

Explosion does not include

- (a) pressure of chemical action.
- (b) ignition of the contents of the Plant or Machinery.
- (c) the pressure or ignition of flue gases.

Plant or Machinery

All parts of the Property Insured stated in The Schedule. Any item described in The Schedule as a boiler includes the firing apparatus, motors, pumps, fans and dedicated controls. Plant or Machinery does not include

- (a) non-metallic or refractory linings.
- (b)
 - (i) cutting edges or extrusion heads
 - (ii) moulds, patterns or dies
 - (iii) heating elements
 - (iv) cables, ropes, belts or chains.unless these require replacement as a result of Damage for which We have admitted liability
- (c) supporting or enclosing structures, foundations, masonry or brickwork
- (d) any power unit, used only for road or site mobility, where Damage is caused solely by Breakdown
- (e)
 - (i) office equipment
 - (ii) spare parts

unless specified in The Schedule.

Cover

We will indemnify You in respect of Damage occurring during the Period of Insurance to the Plant or Machinery at The Premises by the Contingency set against it on The Schedule.

The maximum We will pay in respect of any one occurrence which gives rise to a claim under this Section is the Limit of Indemnity specified in The Schedule.

Contingencies

A Sudden and Unforeseen Damage

Sudden and unforeseen Damage including

- (1) Breakdown
- (2) Explosion
- (3) Collapse
- (4) Accidental Damage

to Plant or Machinery at The Premises, which requires repair or replacement before normal working of the Plant or Machinery can resume.

B Breakdown, Explosion or Collapse

Breakdown, Explosion or Collapse of Plant or Machinery at The Premises which requires repair or replacement before normal working of the Plant or Machinery can resume.

C Accidental Damage

Accidental Damage at The Premises which requires repair or replacement before normal working of the Plant or Machinery can resume.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage caused by or consisting of
 - (a) fire, lightning or explosion (except Explosion as defined in this Section)
 - (b) aircraft or aerial devices or articles dropped from them
 - (c) storm, flood or inundation from the sea
 - (d) escape of water from any tank apparatus or pipe
 - (e) subsidence, ground heave or landslip
 - (f) theft or attempted theft.regardless of any other contributory cause.
- (2) the cost of remedying or repairing
 - (a) gradual deterioration or wear and tear
 - (b) gradually developing defects, flaws, deformation, distortion, cracks or partial fractures
 - (c) loose parts or defective joints or seams unless caused directly by overheating brought about by shortage of water in Plant or Machinery which is subject to steam or fluid pressure.However We will indemnify You for any consequent Damage to Plant or Machinery insured under this Section.
- (3) the cost of any maintenance work.
- (4) Damage caused by the use of one or more cranes unless the lifting operation complies fully with the requirements of BS7121 or any other British or International standard which may replace it.

- (5) any penalty
 - (a) for delay or detention
 - (b) in connection with guarantees of performance or efficiency
 - (c) for liquidated damages or consequential loss
 - (d) for liability not specifically provided for by this Section.
- (6) tyres damaged by
 - (a) the application of brakes
 - (b) cuts, punctures or bursts.
- (7) Damage caused by Your wilful act or wilful neglect.
- (8) Damage to experimental or prototype Plant or Machinery.
- (9) Damage caused by the chipping of painted surfaces or scratching of any surfaces.
- (10) The Excess stated in The Schedule.

We will deduct the Excess in respect of any claim or all claims arising out of one cause.

If more than one Excess is stated in The Schedule the highest amount will apply.

Conditions

The following condition applies to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

If in relation to any claim You have failed to fulfil the following condition You will lose Your right to indemnity or payment for the claim.

(1) Maintenance

You must maintain all Plant or Machinery in accordance with the manufacturers recommendations.

Clauses

The following clauses apply to this Section.

Additional Plant or Machinery

We will indemnify You in respect of Damage to additional Plant or Machinery of a similar type to that specified in The Schedule subject to the Limit of Liability provided that You

- (a) tell Us of any additional Plant or Machinery before the end of the Period of Insurance in which it was installed and ready for use and pay an agreed additional premium.
- (b) comply with current law for examination and certification of Plant or Machinery before it is used.

Basis of Settlement - Reinstatement

The basis upon which We will calculate the amount We will pay for any claim will be the reinstatement of the Plant or Machinery or other property insured by this Section subject to the following conditions

- (1) if Plant or Machinery or other property insured is destroyed We will pay for its replacement by similar Plant or Machinery or property insured in a condition as good as but not better or more extensive than its condition when new. If Plant or Machinery or other property insured is damaged We will pay the cost of repairs to a condition as good as but not better or more extensive than its condition when new but will not pay more than We would have if the Plant or Machinery or other property insured had been completely destroyed.
- (2) (1) above includes the additional cost of reinstating the Plant or Machinery or other property insured by this Section necessary to comply with any
 - (a) European Union Legislation
 - (b) Act of Parliament
 - (c) Bye laws of any public authority.

We will not indemnify You in respect of

- (a) costs incurred
 - (i) in respect of Damage not insured by this Section.

Asset Protection Machinery Damage

- (ii) where notice was served on You before the Damage occurred.
 - (iii) where an existing requirement must be completed within a stipulated period.
 - (iv) in respect of Plant or Machinery or other property insured which has not suffered Damage.
- (b) any charge or assessment arising from capital appreciation following compliance with any legislation or Bye law.
- (3) the Plant or Machinery or other property may be replaced on another site in a manner suitable to Your needs but this must not increase Our liability
- (4) all work must begin and be carried out as quickly as possible.

We will not make any payment under this clause where

- (a) the parts necessary for repairs are not available at the manufacturers listed prices in which case We will pay for the cost of an equivalent repair to similar property for which parts are available at manufacturers listed prices
- (b) (i) the normal working environment of the Plant or Machinery is a yard, an open sided building, a compound or other open space unless for the purpose of providing effluent, electricity, gas, heating water or other building services for The Premises.
- (ii) the other property is insured by the Lifted Goods Endorsement or is stock in trade or is in the process of manufacture.

in which case the basis of settlement will be indemnity.

Damage to Surrounding Property - boiler and pressure plant

We will indemnify You in respect of Damage to Plant or Machinery and other property belonging to You or in Your custody or control arising from Explosion or Collapse of boiler and pressure Plant or Machinery

The maximum We will pay in respect of any one claim is £250,000

Debris Removal

We will indemnify You in respect of costs and expenses incurred with Our consent, for

- (i) removal of debris
- (ii) dismantling or demolishing
- (iii) shoring or propping

of the Plant or Machinery or other property which has suffered Damage insured under this Section.

We will not indemnify You in respect of costs and expenses

- (a) incurred in removing debris from anywhere other than the site of the Damage and the area immediately adjacent to it.
- (b) arising from pollution or contamination of Plant or Machinery or other property not insured by this Section.
- (c) more specifically insured.

The maximum We will pay in respect of any one claim is £25,000.

Loss Avoidance Measures

We will indemnify You in respect of reasonable costs and expenses incurred by You to mitigate Damage to the Plant or Machinery which would otherwise be inevitable provided that

- (a) the impending Damage does not stem from any reasonably foreseeable or gradually developing cause and We are satisfied that Damage has been avoided or mitigated as a result of the measures taken
- (b) the Policy terms, exceptions, clauses and conditions shall apply as if Damage had occurred.

The maximum We will pay in respect of any one claim is £25,000.

Supplementary Expenses

We will, at Our discretion, pay additional costs and expenses incurred as a result of

- (1) temporarily repairing Damage to Plant or Machinery

and
- (2) ensuring the Damage to Plant or Machinery is repaired as soon as possible.

The maximum We will pay in respect of any one claim is £25,000.

Temporary Hire of Replacement Plant or Machinery

We will indemnify You in respect of costs and expenses incurred with Our consent for the temporary hire or rental of replacement Plant or Machinery following Damage which is insured under this Section.

We will not indemnify You in respect of any hire or rental costs incurred in the first 48 hours immediately following Damage.

The maximum We will pay in respect of any one claim is £25,000.

Temporary Removal

We will indemnify You in respect of Damage to Plant or Machinery whilst temporarily removed for a period not exceeding 6 months anywhere in the world including transit for the purposes of the Business or for cleaning, renovating or repair.

The maximum We will pay in respect of any one claim for Damage to Plant or Machinery during transit by sea or air is £100,000.

Exception (1) will not apply to this Clause.

Endorsements

This Section extends to include the following endorsement only if stated as applying in The Schedule.

901-Inspection Services

We will arrange for the inspection and issue of reports of examination by Our Inspection Service Provider in respect of the schedule of inspections agreed between Us and You or any Plant and Machinery described in the Schedule to which this Endorsement applies

Inspection will take place

- (1) at the frequencies

and

- (2) whilst located at The Premises

specified by You at the inception of the policy or as subsequently amended by mutual agreement but in any event at least once every 12 months.

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Endorsement and shall keep the same meaning wherever they appear in the Endorsement, unless an alternative definition is stated to apply.

Exceptions

The following exceptions apply to this Endorsement

(Also refer to the Policy Exceptions at the back of this policy booklet).

- (1) We do not include
 - (a) precommissioning inspections, laboratory services, consultation work, load testing, non-destructive testing, thermographic testing, checking of drawings or design inspection prior to sale or purchase unless agreed by Us in writing.
 - (b) visits in excess of those agreed at inception of this Section or inspections following repairs.
 - (c) liquidated damages, penalties for delay, detention or guarantees of performance or efficiency, or consequential loss.
 - (d) any additional fees levied by Our Inspection Service Provider for carrying out inspections on Saturdays, Sundays, Public Holidays or outside normal working hours where performed at Your request.
 - (e) the maintenance or repair of any item

Conditions

The following conditions apply to this Endorsement.

(Also refer to the Policy Conditions at the back of this policy booklet).

(1) Calculation of Fees

The fees payable by You have been calculated in accordance with the details of plant provided by You at inception and are adjustable in the following circumstances.

(a) First Fee

Where no details of plant have been provided We may adjust the fee after inspection of the plant to reflect the amount of work undertaken.

(b) Renewal

The fee will be adjustable at the first and any subsequent renewal to take account of the plant to be inspected during the subsequent period.

(c) Annual Adjustment

Where there have been any additions to or deletions from the plant to be inspected during the previous Period of Insurance, an additional fee will be payable or a return fee allowed. This will be calculated at 50% of the difference between the fee paid at the beginning of the period and the fee calculated on the plant inspected during the period.

(d) VAT

Value added tax is chargeable on all fees.

(2) Notification of Changes

You will provide Us or Our Inspection Service Provider with details of

- (a) any additional plant
- (b) plant which has been permanently withdrawn from service

as soon as possible.

(3) Preparation of Plant

At the times agreed with Our Inspection Service Provider and at Your own expense, You will have the plant properly cleaned and prepared for examination and reassemble the plant afterwards unless We have specifically agreed otherwise.

(4) Provision of Assistance

You will provide all assistance reasonably required by Our Inspection Service Provider in carrying out the inspections.

(5) Responsibility for Statutory Inspections

Our agreement to arrange inspections does not relieve You of Your legal responsibility to ensure that all statutory inspections are carried out.

Plant - Own Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Non-Mechanical Plant

Site huts, temporary buildings, ladders, scaffolding, shuttering, tarpaulins, skips, portable containers, temporary bridges and items of a similar type.

Portable Hand Tools

Plant and machinery designed for hand held operation and transportation.

Property Insured

Plant and machinery owned by You and for which You are responsible stated in The Schedule.

Sum Insured

The estimated new replacement value of the Property Insured.

Cover

We will indemnify You for Damage to Property Insured caused by the following Contingency occurring at The Situation.

The maximum We will pay under this Section in respect of any one claim will not exceed

- (1) the Limit of Liability on each item
or
- (2) the Maximum Limit of Liability
or
- (3) any other maximum amount payable or Limit of Liability specified in The Schedule.

Contingency

- (A) All risks.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage caused by or consisting of
 - (a) mechanical or electrical breakdown, failure, breakage or derangement.
 - (b) gradual deterioration or wear and tear or gradually developing defects.

However, We will indemnify You for any subsequent Damage which results from a cause not otherwise excluded.

- (2) Non-Mechanical Plant, Portable Hand Tools, or plant and machinery on demonstration or free loan to You unless specifically stated on The Schedule.
- (3) bands, belts, trailing cables, flexible hoses or non-metallic linings unless requiring replacement as a result of Damage to other parts of the Property Insured.
- (4) vehicles which require a Road Fund Licence or Certificate of Motor Insurance unless designed or adapted primarily as a tool of trade for the purpose of The Business.
- (5) **Damage to Property Insured on any** airborne or waterborne vessel, craft, marine rig or platform other than whilst in transit by roll-on/roll-off ferry.
- (6) Damage to tyres caused by punctures or bursts or the application of brakes.
- (7) abandonment or any Damage or recovery costs following abandonment of Property Insured whilst underground or underwater.
- (8) Damage caused by the use of one or more cranes unless the lifting operation complies fully with the requirements of BS7121 or any other British or International standard which may replace it.

- (9) clothing and personal effects.
- (10) any penalty
 - (a) for delay or detention
 - (b) in connection with guarantees of performance or efficiency
 - (c) for liquidated damages or consequential loss
 - (d) for liability not specifically provided for by this Section.
- (11) The Excess stated in The Schedule.

Conditions

The following condition applies to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

If in relation to any claim You have failed to fulfil the following condition You will lose Your right to indemnity or payment for that claim.

1 Plant and Machinery Hired Out

We will indemnify You when Property Insured is hired out only when the hire is under the Construction Plant-hire Association or Scottish Plant Owners Association Model Conditions or under written conditions no less onerous than these conditions.

Clauses

The following clauses apply to this Section.

Additional Plant

We will indemnify You in respect of Damage to additional Property Insured of a similar type to that stated in The Schedule subject to the Limit of Liability provided that You

- (a) tell Us of any additional Property Insured before the end of the current Period of Insurance in which it was acquired and ready for use and pay an agreed additional premium

- (b) comply with current law for the examination and certification of the Property Insured before it is used.

Anti-theft and Security Devices

We will indemnify You in respect of Damage to any anti-theft, locating or tracking device that is permanently fitted to Property Insured.

The maximum We will pay in respect of any one claim is £2,500

For this clause The Excess is reduced to nil.

Application of Excess

In the event of a claim arising out of one incident of Damage, being payable under Plant - Own and Plant - Hired-in Sections of this policy, We will deduct from the amount of that claim only the higher of the two Excesses that would otherwise apply to that Damage.

Basis of Settlement

Unless otherwise stated in The Schedule, in the event of Damage to Property Insured the basis upon which We will calculate the amount We will pay for any claim will be reinstatement of the Property Insured subject to the following conditions.

- (1) where Property Insured is lost or destroyed, We will pay for its replacement by similar property in a condition as good as, but not better than, its condition when new
- (2) where Property Insured is damaged, We will pay the cost of repairs to the damaged item so that its working condition is substantially the same as, but not better or more extensive than, its condition when new

However, We will not pay more than We would have done if the Property Insured had been completely destroyed.

- (3) all work must begin and be carried out as quickly as possible
- (4) the maximum that We will pay in respect of any one claim will be the Limit of Liability stated in The Schedule.

We will not pay under this Clause

- (1) (a) If the Property Insured other than any Non-Mechanical Plant or Portable Hand Tools is suitable for registration and marking under the Construction Equipment Security and Registration Scheme but has not been registered and marked
- (b) if the Damage occurs more than 12 months from the date of purchase as new of the Property Insured
- (c) until You have incurred the cost of replacing or repairing the Property Insured
- (d) If You or someone acting on Your or any hirer of the property Insured behalf have insured the Property Insured under another Policy which does not have a similar basis of reinstatement
- (e) If You do not comply with any of the terms of this Clause

in which case the basis of settlement will be indemnity

- (2) if parts necessary for repairs are not available at the manufacturers listed prices in which case We will pay for the cost of an equivalent repair to similar property for which repairs are available at manufacturers listed prices.

If at the time of Damage the Sum Insured is less than 80% of the new replacement value of the Property Insured on which the current premium has been calculated You will

- (a) be responsible for the difference
- (b) bear a proportionate share of the loss.

CPA Contract Lift Cover

We will indemnify You or Your liability under Construction Plant-hire Association Contract Lift Conditions for Damage to

- (a) Your Property Insured
- (b) contract goods (as defined in the Construction Plant-hire Association Contract Lift Conditions).

The maximum We will pay for Damage to contract goods is £25,000.

Immobilised Plant and Machinery

We will indemnify You in respect of the reasonable cost of recovery or withdrawal of unintentionally immobilised Property Insured unless required solely due to electrical or mechanical breakdown or derangement.

The maximum We will pay will be no greater than 110% of the current market value of the immobilised plant and machinery.

Loss Avoidance Measures

We will indemnify You in respect of reasonable costs and expenses incurred by You to mitigate Damage to the Property Insured which would otherwise be inevitable provided that

- (a) the impending Damage does not stem from any reasonably foreseeable or gradually developing cause and We are satisfied that Damage has been avoided or mitigated as a result of the measures taken
- (b) the Policy terms exceptions clause and conditions shall apply as if Damage had occurred.

The maximum We will pay in respect of any one claim is £25,000.

Loss of Keys

We will indemnify You in respect of the cost of replacing the cylinder of the lock of any immobilising device which is permanently fitted to Property Insured as a result of the key to the device having been lost or stolen.

The maximum We will pay in respect of any one claim is £2,000.

For this clause The Excess is reduced to nil.

Property Insured Hired Out - Pursuit of Recovery

We will indemnify You for legal costs incurred with Our written consent in pursuit of rights of recovery against any company or person to whom You have hired Your Property Insured.

Asset Protection Plant - Own

Protection and Removal

We will indemnify You in respect of the reasonable costs of the protection and removal of Property Insured to a location agreed by Us and the transportation to You after repairs providing that the Property Insured has suffered Damage insured by this Section.

Repairable Damage

We will make no deduction for wear and tear against the cost of repairable Damage to Property Insured less than 12 months old provided the cost of repair does not exceed the current market value of the Property Insured.

Repair Investigation Costs

When agreed by Us We will indemnify You in respect of any repair investigation costs including consulting engineer fees necessarily and reasonably incurred in the repair or replacement of the Property Insured provided Damage has occurred.

The maximum We will pay in respect of any one claim is £25,000.

Supplementary Expenses

We will, at Our discretion, pay additional costs and expenses incurred as a result of

(1) temporarily repairing Damage to Property Insured

and

(2) ensuring the Damage to Property Insured is repaired as soon as possible.

The maximum We will pay in respect of any one claim is £25,000.

Temporary Removal to Europe

We will indemnify You in respect of Damage to Property Insured while temporarily removed anywhere in Europe for a period not exceeding 150 days.

The maximum We will pay in respect of any one claim is £100,000.

Endorsements

This Section is subject to the endorsements stated as applying in The Schedule.

Plant - Hired In Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Legal Liability

Your legal liability under any contract of hire for compensation in respect of

- (a) Damage to Property Insured
- (b) continuing hiring charges in respect of Property Insured whilst being repaired or replaced as a direct result of Damage.

Non-Mechanical Plant

Site huts, temporary buildings, ladders, scaffolding, shuttering, tarpaulins, skips, portable containers and temporary bridges and items of a similar type.

Portable Hand Tools

Plant and machinery designed for hand held operation and transportation.

Property Insured

Plant and machinery hired in by You and for which You are responsible stated in The Schedule.

Cover

We will indemnify You for Damage to Property Insured caused by the following Contingency occurring at The Situation.

The maximum We will pay in respect of any one claim will not exceed

- (1) the Limit of Liability on each item

or

- (2) the Maximum Limit of Liability

or

- (3) any other maximum amount payable or limit of liability specified in The Schedule.

Contingency

- (A) Legal Liability.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage comprising gradual deterioration or wear and tear or other gradually developing defects.

However, We will indemnify You for any subsequent Damage which results from a cause not otherwise excluded.

- (2) Non-Mechanical Plant, Portable Hand Tools, or plant and machinery on demonstration or free loan to You unless specifically stated in The Schedule.
- (3) bands, belts, trailing cables, flexible hoses or non-metallic linings unless requiring replacement as a result of Damage to other parts of the Property Insured.
- (4) vehicles which require a Road Fund Licence or Certificate of Motor Insurance unless designed or adapted primarily as a tool of trade for the purpose of The Business.
- (5) Damage to Property Insured on any airborne or waterborne vessel, craft, marine rig or platform other than whilst in transit by roll-on/roll-off ferry.
- (6) Damage to tyres caused by punctures or bursts or the application of brakes.

- (7) abandonment or any Damage or recovery costs following abandonment of Property Insured whilst underground or underwater.
- (8) Damage caused by the use of one or more cranes unless the lifting operation complies fully with the requirements of BS7121 or any other British or International standard which may replace it.
- (9) clothing and personal effects.
- (10) any penalty
 - (a) for delay or detention
 - (b) in connection with guarantees of performance or efficiency
 - (c) for liquidated damages or consequential loss
 - (d) for liability not specifically provided for by this Section.
- (11) The Excess stated in The Schedule.

Conditions

The following condition applies to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

If in relation to any claim You fail to fulfil the following condition You will lose Your right to indemnity for that claim.

1 Plant and Machinery Hired Out

We will indemnify You when Property Insured is hired out only when the hire is under the Construction Plant-hire Association or Scottish Plant Owners Association Model Conditions or under written conditions no less onerous than these conditions.

Clauses

The following clauses apply to this Section.

Application of Excess

In the event of a claim arising out of one incident of Damage, being payable under Plant - Own and Plant - Hired-in Sections of this policy, We will deduct from the amount of that claim only the higher of the two Excesses that would otherwise apply to that Damage.

CPA Contract Lift Cover

We will indemnify You or Your liability under Construction Plant-hire Association Contract Lift Conditions for Damage to

- (a) Your Property Insured
- (b) contract goods (as defined in the Construction Plant-hire Association Contract Lift Conditions).

The maximum We will pay for Damage to contract goods is £25,000.

Declaration and Adjustment

You will provide Us with an estimate of the hiring charges You expect to incur for the forthcoming Period of Insurance.

Within 30 days of the expiry of the previous Period of Insurance You will provide Us with a declaration of the actual hiring charges incurred by You. We will then adjust the policy and either allow a return of premium to You or You will pay Us an additional premium depending upon whether the actual charges incurred were lower or higher than the estimate.

Property Insured Hired Out - Pursuit of Recovery

We will indemnify You for legal costs incurred with Our written consent in pursuit of rights of recovery against any hirer of Your Property Insured.

Protection and Removal

We will indemnify You in respect of the reasonable costs of the protection and removal of Property Insured to a location agreed by Us and the transportation to You after repairs providing that the Property Insured has suffered Damage insured by this Section.

Asset Protection Plant - Hired In

Supplementary Expenses

We will, at Our discretion, pay additional costs and expenses incurred by You as a result of

- (1) temporarily repairing Damage to Property Insured
- (2) any overtime worked to ensure the Damage to Property Insured is repaired as soon as possible.

The maximum We will pay in respect of any one claim is £25,000.

Temporary Removal to Europe

We will indemnify You in respect of Damage to Property Insured while temporarily removed anywhere in Europe for a period not exceeding 150 days.

The maximum We will pay in respect of any one claim is £100,000.

Endorsements

This Section is subject to the endorsements stated as applying in The Schedule.

Contract Works - Machinery Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet.)

The following definitions apply to this Section and shall keep the same meaning wherever they appear in this Section, unless an alternative definition is stated to apply.

Contract

Any contract or agreement, entered into by You to carry out work in the course of The Business including Maintenance where

- (1) the estimated Maximum Contract Price
and
- (2) the Maximum Contract Period

does not exceed the amount stated in The Schedule.

Contract Site

- (1) A site within the Territorial Limits at which You are carrying out work under a Contract

or
- (2) The site address stated in The Schedule if cover applies to a specific Contract.

Dismantling

From the start of the dismantling or disconnection of Plant and Machinery until the start of loading on to a vehicle.

Employees' Tools

Employees' tools and personal belongings while on or adjacent to any Contract Site and in transit between Your premises and the Contract Site.

Employees tools does not include

- (1) motor vehicles.
- (2) gold or silver articles.
- (3) watches or jewellery.
- (4) money or other financial cards, coins, documents or vouchers of any kind.

Erection

From the completion of unloading the Plant and Machinery from the transport vehicle until the completion of its erection or installation.

Estimated Original Contract Price

The estimated valuation of the Works, including Free Issue Materials, to be carried out or the estimated contract price at the commencement date of the Contract or Works.

Exhibition

The showing or demonstrating of Plant and Machinery.

Existing Structures

Any property (including fixtures, fittings and contents) which, prior to the commencement of any Contract, forms part of any structure.

Free Issue Materials

Materials for incorporation into the Contract issued free to You by or on behalf of Your employer and for which You are responsible under the conditions of the contract, the value of which will not be included in the final valuation of the Works carried out or the final contract price and which are not otherwise excluded from this Section. The value of these materials must be included in any turnover estimate or declaration given for this cover.

Handling

The actual raising or lowering of the Plant and Machinery by means of lifting apparatus.

Maintenance

The course of operations carried out by You in compliance of Your obligations under a Contract for the maintenance, repair or overhaul of Plant and Machinery.

Asset Protection Contract Works - Machinery

Maintenance Period

The period indicated in the conditions of the Contract, commencing from the date the Property Insured is taken over or taken into use by the employer or contractor but not exceeding 12 months.

Maximum Contract Price

The maximum price of any Contract for which We will provide indemnity as stated in The Schedule.

Plant and Machinery

All parts of the plant and machinery insured or in Your custody and control as stated in the Contract Description.

Property Insured

(1) Works and Employees' Tools

or

(2) Plant and Machinery

Which you are responsible for as stated in The Schedule.

Re-siting

Removal of Plant and Machinery bodily from one position to another at its existing premises not involving the use of road or rail vehicles.

Territorial Limits

Great Britain, Northern Ireland, the Channel Islands and the Isle of Man.

Testing

The actual operation of the machinery or parts thereof for the sole purpose of providing it mechanically and/or electrically.

Testing Period

The period, not exceeding 28 days, beginning with the commencement of testing or commissioning.

Transit

From commencement of loading until completion of unloading at the destination, including incidental storage and any vehicle changes.

Works

- (1) Temporary or permanent works completed or to be completed as part of any Contract and/or
- (2) materials for incorporation whilst on or adjacent to the Contract site.

Cover

We will indemnify You in respect of Damage during the Period of Insurance and within the Territorial Limits for each of the following Covers if shown in The Schedule.

Covers

(1) Erection and Maintenance

Damage to the Works

The maximum We will pay for any or all claims arising out of one event will not exceed 125% of the Estimated Original Contract Price including the value of Free Issue Materials in respect of any Contract or Works.

(2) Testing

Damage during Testing of the Works by its own electrical or mechanical failure or explosion during the Testing Period.

The maximum We will pay in respect of any one claim is the Estimated Original Contract Price.

(3) Transit

Damage to materials intended for incorporation in the Contract whilst in Transit to and from the Contract Site within the Territorial Limits.

The maximum We will pay in respect of any one claim is the Estimated Original Contract Price.

(4) Off-Site Storage

Damage to materials anywhere within the Territorial Limits, separately stored and identified for inclusion in any Contract.

The maximum We will pay in respect of any one claim is

- (a) the value of the materials as detailed in an interim certificate under any standard printed contract conditions

or

- (b) £250,000

whichever is lower.

(5) Employees' Tools

Damage to Employees' Tools

The maximum We will pay under this Section in respect of any one claim will not exceed the Sum Insured stated in the Schedule

The maximum We will pay in respect of any one employee is the limit stated in The Schedule

(6) Machinery Movement

Damage to Plant and Machinery occurring during the operations stated in The Schedule.

We will not indemnify You in respect of

- (a) Damage at Your premises caused by or consisting of
 - (i) fire, lightning or explosion
 - (ii) aircraft or aerial devices or articles dropped from them
 - (iii) storm, flood or inundation from the sea
 - (iv) escape of water from any tank, apparatus or pipe
 - (v) subsidence, ground heave or landslip
 - (vi) theft or attempted theft

regardless of any other contributory cause.

- (b) Damage caused by the use of any tool or process applied to the Property Insured during maintenance, repair, alteration, modification or overhaul.

- (c) Damage as a result of chipping of painted surfaces or scratching of any surface.

The maximum We will pay in respect of any one claim is the Sum Insured stated in The Schedule.

Exceptions

The following exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage to any part of the permanent Works

- (a) for which a certificate of completion has been issued

or

- (b) which has been completed and handed over to Your employer

or

- (c) taken into use unless the Damage occurs

- (i) during the Maintenance Period but is caused before the beginning of the Maintenance Period

or

- (ii) while You are carrying out Your obligations under the Maintenance Period

or

- (iii) within 14 days of the issue of a certificate of completion but only to the extent You are responsible under the conditions of the Contract.

- (2) Damage to Property Insured due to it's own electrical or mechanical failure or explosion
This Exception will not apply to Damage to the Works

- (a) during the Maintenance Period

- (b) during Testing if that Cover is shown in The Schedule
- (3) Damage as a result of
 - (a) gradual deterioration or wear and tear.
 - (b) rust or mildew.
- (4) Damage to Property Insured whilst in transit by sea or air.
- (5) Damage to
 - (a) Existing Structures.
This Exception does not apply to Cover (6) Machinery Movement
 - (b) money or other financial notes, cards, vouchers or documents of any kind.
 - (c) any aircraft or waterborne vessel or to Property Insured in or on such property.
 - (d) property for which You are relieved of responsibility by the conditions of the Contract.
- (6) Damage caused by pollution or contamination other than that of or to the Property Insured.
- (7) Damage caused by the use of one or more cranes unless the lifting operation complies fully with the requirements of BS7121 or any other British or International standard which may replace it.
- (8) liquidated damages, fines or any other penalties under contract for delay or non-completion.
- (9) consequential loss or damage of any kind.
- (10) the cost of normal upkeep or making good.
- (11) Damage to and the cost necessary to reinstate or repair
 - (a) Property Insured which is in a defective condition due to a defect in
 - (i) design, plan or specification
 - (ii) materials
 - (iii) workmanship

- of or of any part of that Property Insured
- (b) other Property Insured to enable the reinstatement or repair of Property Insured excluded by (a) above.
of or of any part of that Property Insured
This exception will not apply to other Property Insured which is free of the defective condition but is damaged as a result.

Property Insured will not be considered as having suffered Damage solely by virtue of the existence of any defect in design, plan, specification, materials or workmanship in, or in any part of, that Property Insured.
- (12) The Excess stated in The Schedule.

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

If in relation to any claim You have failed to fulfil any of the following conditions You will lose Your right to indemnity or payment for the claim.

(1) Adjustment of Premium

If the premium is based on estimates You have supplied You must

- (a) keep accurate records (which We may require to examine) of all relevant information.
- (b) submit a declaration within one month after the expiry of the Period of Insurance so that the premium can be calculated and (subject to any minimum premium requirements) any difference paid to Us or to You.

(2) Loss Minimisation Measures

You shall carry out and permit any action to be taken which may be reasonably practicable to diminish Damage and at Our request and expense comply with and co-operate in any measures that may be reasonably required.

Clauses

The following clauses apply to this Section

Additional Interests

We will, if required by the conditions of the Contract, include the interest as joint insured of any employer or contractor.

Automatic Reinstatement of Sum Insured

The sums insured stated in The Schedule will not be reduced by the amount of any claim unless We or You give notice to the contrary.

You must pay the additional premium required to reinstate the sums insured.

Consecutive Damage

Damage to Property Insured at any one Contract Site during a period of 72 consecutive hours caused by

- (1) earthquake
- (2) storm, flood or other water damage
- (3) subsidence or collapse

will be considered for the purpose of applying any Excess as one occurrence of Damage.

Debris Removal

We will indemnify You for the costs and expenses that You incur following Damage to the Works, with Our consent for

- (1) removing debris
- (2) dismantling or demolishing
- (3) shoring up or propping
- (4) clearing or repairing drains or service mains.

The maximum that We will pay in respect of any one claim is 25% of the Estimated Original Contract Price.

We will not indemnify You in respect of costs and expenses

- (a) incurred in removing debris from anywhere other than the site of the Damage and the area adjacent to it.

- (b) arising from pollution or contamination of property not insured under this Section.
- (c) more specifically insured.

European Union and Public Authorities Clause

Following Damage to Works, We will pay the additional cost of reinstating the Property Insured necessary to comply with any

- (a) European Union Legislation.
- (b) Act of Parliament.
- (c) Bye-Laws of any Public Authority.

We will not indemnify You in respect of

- (1) costs incurred
 - (a) in respect of Damage not insured by this Section.
 - (b) where notice was served on You before the Damage occurred.
 - (c) where an existing requirement must be completed within a stipulated period.
 - (d) in respect of property or parts of the property, other than foundations (unless foundations are specifically excluded) which have not suffered Damage.
- (2) any charge or assessment arising from capital appreciation following compliance with this legislation.

The reinstatement, repair or replacement

- (a) must begin and be carried out as quickly as possible.
- (b) may be carried out on another site if necessary provided this does not increase Our liability.

If Our liability under this Section is reduced by the application of any terms of this policy, Our liability under this clause will be similarly reduced.

The maximum We will pay in respect of any one Contract is the Estimated Original Contract Price.

Expediting Expenses

We will indemnify You in respect of the reasonable costs and expenses that You incur for

- (1) overtime
- (2) nightwork
- (3) work on public holidays
- (4) special delivery

to reinstate or repair Property Insured following Damage.

The maximum that We will pay in respect of any one claim is 25% of the amount which reinstatement, repair or replacement would have cost if these expenses had not been incurred.

Indemnity to Sub-Contractors

We will, to the extent required by contract conditions, provide indemnity to nominated or domestic sub-contractors in respect of Damage to the Property Insured.

Professional Fees

We will indemnify You in respect of professional fees necessarily incurred in reinstating, repairing or replacing the Works following Damage.

We will not indemnify You in respect of fees

- (a) more specifically insured.
- (b) incurred in preparing a claim.

Redrawing Plans or Documents

We will indemnify You in respect of the cost of rewriting or redrawing plans, drawings or other Contract documents following Damage.

The maximum that We will pay in respect of any one claim is £50,000.

Endorsements

This Section is subject to any endorsements as stated in The Schedule as applying.

Deterioration of Stock Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Cold Chamber

The cold-room or chamber in which the Insured Goods are stored at a controlled temperature stated in The Schedule.

Insured Event

- (1) A change in temperature as a result of any cause not otherwise excluded.
- (2) Accidental leakage of refrigerant gases or refrigerant fumes from the Cold Chamber.

Insured Goods

Any goods stored in any Cold Chamber at The Premises stated in The Schedule and goods, which would have been stored in the Cold Chamber, but for an Insured Event.

Refrigerating Plant

Refrigerating plant used for the sole purpose of controlling the temperature in the Cold Chamber including any switchgear motors, engines, pumps, fans, piping valves and controlling or recording apparatus.

Cover

We will indemnify You in respect of Damage to Insured Goods, during the Period of Insurance, belonging to You or for which You are responsible by deterioration or contamination caused by an Insured Event.

The maximum amount We will pay in respect of any one claim will not exceed

- (1) the Sum Insured on each item

or

- (2) the Limit of Liability

and any additional sums stated by a clause.

Exceptions

The following Exceptions apply to this Section.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage at The Premises caused by or consisting of
 - (a) fire, lightning or explosion
 - (b) aircraft or aerial devices or articles dropped from them
 - (c) storm, flood or inundation from the sea
 - (d) escape of water from any tank apparatus or pipe
 - (e) riot, civil commotion, strikers, locked out workers or persons taking part in labour disturbances
 - (f) subsidence, ground heave or landslip
 - (g) theft or attempted theft

regardless of any other contributory cause.

- (2) Damage caused by wearing away, wasting, erosion, corrosion, slowly developing deformation, or any other gradual deterioration or failure of the Cold Chamber.

However We will indemnify You for Damage to Insured Goods as a result of any subsequent sudden and unforeseen Damage to the Cold Chamber arising from such causes.

Asset Protection Deterioration of Stock

- (3) Damage caused by
- (a) a deliberate act of any electricity supply authority unless performed for the sole purpose of safeguarding life or protecting any part of the supply authority's system
 - (b) the exercise of any supply authority's power to withdraw or restrict supply or service,
 - (c) failure of Your electricity supply due to industrial action.
- (4) Damage caused by faulty packing or storage or inherent defect or disease in the Insured Goods.
- (5) any penalty
- (a) for delay or detention
 - (b) in connection with guarantees of performance or efficiency
 - (c) for liquidated damages or consequential loss
 - (d) for liability not specifically provided for by this Section.
- (6) The Excess stated in The Schedule.

Conditions

The following conditions apply to this Section.

(Also refer to Policy Conditions at the back of this policy booklet).

1 Average

The Sum Insured for each Item stated in The Schedule is subject to average. This means that if at the time of the Damage the Sum Insured is less than the total value of the Insured Goods You will

- (a) be responsible for the difference
- (b) bear a proportionate share of the loss.

2 Cold Chamber Maintenance

If in relation to any claim You have failed to fulfil the following condition You will lose Your right to indemnity or payment for the claim.

The Refrigerating Plant shall be the subject of a maintenance contract with competent engineers visiting The Premises at least once every six months to maintain the Cold Chamber in good working order.

3 Insured Goods Condemnation

If in relation to any claim You have failed to fulfil the following condition You will lose Your right to indemnity or payment for the claim.

In the event of the Insured Goods needing to be condemned as unfit for consumption You will report the loss to the local enforcing authority who will issue the required condemnation certificate.

We will accept sight of the original of this document as proof of loss.

4 Property Cover

We will not indemnify You in respect of any Damage arising from sudden and unforeseen Damage to Refrigerating Plant unless

- (a) at the time of Damage, an insurance policy is in force covering Your interest in the Refrigerating Plant for the Damage

and

- (b) (i) payment has been made or liability admitted for such Damage
or
(ii) payment would have been made or liability would have been admitted for such Damage but for the exclusion of losses below a stated amount in such insurance policy.

This condition shall not apply to any Refrigerating Plant that is the subject of any guarantee or warranty provided by its manufacturer.

Asset Protection Deterioration of Stock

5 Temperature Logging

If in relation to any claim You have failed to fulfil the following condition You will lose Your right to indemnity or payment for the claim.

The temperature within the Cold Chamber containing Your Insured Goods should be manually checked and logged at least once every 24 hours. The log must record the temperature, date and time for each check.

Clauses

The following clauses apply to this Section.

Automatic Reinstatement of Sum Insured

The Sums Insured stated in The Schedule will not be reduced by the amount of any claim unless We or You give notice to the contrary. You must pay the additional premium required to reinstate the Sums Insured.

Cleaning and Decontamination Costs

The costs necessarily incurred by You in cleaning or decontamination of the Cold Chamber in which the Insured Goods were stored following an Insured Event.

The maximum We will pay for any one claim is

(1) 10% of the Sum Insured stated in The Schedule

or

(2) £25,000

whichever is the lower

Disposal of Insured Goods

The costs necessarily incurred by You to dispose of Insured Goods, which have been condemned as result of an Insured Event.

The maximum We will pay for any one claim is

(1) 10% of the Sum Insured stated in The Schedule

or

(2) £25,000

whichever is the lower

Loss Avoidance Measures

We will indemnify You in respect of any costs necessarily and reasonably incurred by You to avoid or reduce inevitable Damage provided that

- (1) the impending Damage does not arise from any reasonably foreseeable or gradually developing cause and We are satisfied that Damage has been avoided or reduced as a result of the measures taken
- (2) the policy terms exceptions and conditions will apply as if Damage had occurred.

The maximum We will pay for any one claim is

(1) the Sum Insured stated in The Schedule

or

(2) £25,000

whichever is the lower

Endorsements

This Section is subject to the endorsements stated as applying in The Schedule.

Revenue Protection Business Interruption

Business Interruption Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and shall keep the same meaning wherever they appear in the Section, unless an alternate definition is stated to apply.

Accidental Damage

Accidental damage to Property Insured by any external cause not otherwise excluded.

Accidental Damage does not include Breakdown or Collapse.

However, Accidental Damage does include any consequent Damage caused by Breakdown or Collapse which is not otherwise excluded.

Breakdown

- (1) The breaking, distortion or burning out of any part of the Property Insured which occurs while the Property Insured is being used normally, arising from
 - (a) any mechanical or electrical defect in the Property Insured
 - (b) any sudden and unforeseen failure of any insured boiler or pressure plant.
- (2) The complete severance of a rope.
- (3) Fracturing or distortion of any part of the Property Insured by frost.

Including any resultant loss of cooling, lubricating or insulating oil, refrigerant or brine.

Collapse

The sudden and dangerous distortion of any part of the Property Insured caused by the crushing stress by force of steam or fluid pressure.

Collapse does not include distortion by pressure or ignition of flue gases.

Damage

Loss, destruction or damage to Property Insured used by You at The Premises for the purpose of The Business.

Property Insured

Plant and machinery owned by You and for which You are responsible stated in The Schedule.

Cover

We will indemnify You in respect of any interruption or interference with The Business as a result of Damage to Property Insured occurring during the Period of Insurance caused by each of the following Contingencies if it appears in The Schedule.

The Schedule will state

- (a) which of the following Contingencies apply
- (b) any other Contingencies which apply.

Contingencies

SU Sudden and unforeseen Damage including

- (1) Breakdown
- (2) Collapse
- (3) Accidental Damage

to Property Insured at The Premises, which requires repair or replacement before normal working of the Property Insured can resume.

BD Breakdown or Collapse of the Property Insured at The Premises which requires repair or replacement before normal working of the Property Insured can resume.

AD Accidental Damage to Property Insured at The Premises which requires repair or replacement before normal working of the Property Insured can resume.

CD Damage to Property Insured at The Premises.

Revenue Protection Business Interruption

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet).

1 Alteration

We will not indemnify You in respect of Damage if

- (a) The Business is
 - (i) wound up or carried on by a liquidator or receiver.
 - (ii) permanently discontinued.
- (b) Your interest ceases otherwise than by Your death.

However, We will indemnify You if We agree otherwise in writing.

2 Claims Procedures

If in relation to any claim You have failed to comply with the following Claims Procedures You will lose Your right to indemnity under this Section.

You must

- (a) take any action reasonably practicable to minimise any interruption of or interference with The Business or to avoid or minimise any Damage.
- (b) at Your expense, provide Us with
 - (i) a written claim and
 - (ii) details of other insurances covering the Damagewithin 30 days after the expiry of the Indemnity Period or such further time that We may allow.
 - (iii) books, records and documents We require to assess Your claim.
- (c) repay Us, any payment on account We have already made, if You fail to comply with this condition.

3 Maintenance

If in relation to any claim You have failed to comply with the following Condition You will lose Your right to indemnity under this Section.

You must maintain all Property Insured in accordance with the manufacturer's recommendations.

4 Property Cover

We will not indemnify You in respect of any Damage insured by this Section unless

- (a) there is in force at the time of the Damage, an insurance policy covering Your interest in the Property Insured at The Premises for the Damage
 - and
- (b) (i) payment has been made or liability admitted for such Damage or
 - (ii) payment would have been made or liability would have been admitted for such Damage but for the exclusion of losses below a stated amount in such insurance policy.

Revenue Protection Business Interruption

Extensions

The following extensions only apply to this Section if stated in The Schedule.

A Full Failure of Utilities - Electricity

We will indemnify You in respect of loss resulting from interruption or interference with The Business as a result of accidental failure of Your supply of electricity at the terminal ends of Your suppliers feed to The Premises during the period starting with the failure and ending not later than the expiry of the Indemnity Period shown in the Schedule against the Extension.

We will not indemnify You in respect of accidental failure

- (1) caused by the deliberate act of any supply authority unless performed for the sole purpose of safeguarding life or protecting any part of the supply authority's system.
- (2) caused by the exercise of any supply authority's power to withdraw or restrict supply or services.
- (3) caused by industrial action.
- (4) lasting less than the Franchise period shown in The Schedule against the Extension.

The maximum We will pay in respect of any one claim shall be the Sum Insured stated in The Schedule.

B Full Failure of Utilities - Gas

We will indemnify You in respect of loss resulting from interruption or interference with The Business as a result of accidental failure of Your supply of gas at the terminal ends of Your suppliers feed to The Premises during the period starting with the failure and ending not later than the expiry of the Indemnity Period shown in the Schedule against the Extension.

We will not indemnify You in respect of accidental failure

- (1) caused by the deliberate act of any supply authority unless performed for the sole purpose of safeguarding life or protecting any part of the supply authority's system

- (2) caused by the exercise of any supply authority's power to withdraw or restrict supply or services.
- (3) caused by industrial action.
- (4) lasting less than the Franchise period shown in The Schedule against the Extension.

The maximum We will pay in respect of any one claim shall be the Sum Insured stated in The Schedule.

C Full Failure of Utilities - Water

We will indemnify You in respect of loss resulting from interruption or interference with The Business as a result of accidental failure of Your supply of water at the terminal ends of Your suppliers feed to The Premises during the period starting with the failure and ending not later than the expiry of the Indemnity Period shown in the Schedule against the Extension.

We will not indemnify You in respect of accidental failure

- (1) caused by the deliberate act of any supply authority unless performed for the sole purpose of safeguarding life or protecting any part of the supply authority's system.
- (2) caused by the exercise of any supply authority's power to withdraw or restrict supply or services.
- (3) caused by industrial action.
- (4) caused by drought or other weather conditions unless equipment has been damaged.
- (5) lasting less than the Franchise period shown in The Schedule against the Extension.

The maximum We will pay in respect of any one claim shall be the Sum Insured stated in The Schedule.

Revenue Protection Business Interruption

D Full Failure of Utilities - Telecommunications

We will indemnify You in respect of loss resulting from interruption or interference with The Business as a result of accidental total failure of Your supply of telecommunications services at the incoming line terminals or receivers at The Premises during the period starting with the failure and ending not later than the expiry of the Indemnity Period shown in the Schedule against the Extension.

We will not indemnify You in respect of accidental failure

- (1) caused by Your use of equipment which is not properly installed or compatible with the telecommunications system or is not approved by the telecommunication service.
- (2) caused by the deliberate act of any supply authority unless performed for the sole purpose of safeguarding life or protecting any part of the supply authority's system.
- (3) caused by industrial action.
- (4) caused by failure of any satellite prior to obtaining its full operating function or while in or beyond the final year of its design life.
- (5) caused by atmospheric, solar or lunar conditions causing temporary interference with transmission to or from any satellite.
- (6) lasting less than the Franchise period shown in The Schedule against the Extension.

The maximum We will pay in respect of any one claim shall be

- (a) the Sum Insured stated in The Schedule or
 - (b) £250,000
- whichever is the lower

Revenue Protection Business Interruption

Computer Gross Profit Declaration-Linked Basis Specification

Item

Estimated Gross Profit stated in The Schedule.

Definitions

(Also refer to the definitions stated in this Section and the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Specification and shall keep the same meaning wherever they appear in the Specification.

1 Estimated Gross Profit

Your estimate of Gross Profit for the financial year (proportionately increased if the Maximum Indemnity Period exceeds 12 months) most closely corresponding to the Period of Insurance, and stated in The Schedule as the Sum Insured.

2 Gross Profit

(a) The combined value of the Turnover, closing stock and work in progress

less

(b) the combined value of opening stock and work in progress and Uninsured Working Expenses.

The values of opening and closing stocks and work in progress will

- (i) be calculated using Your usual accounting methods
- (ii) make due provision for depreciation.

3 Indemnity Period

The period during which The Business results are affected due to the Damage, beginning with the date of the Damage and ending no later than the Maximum Indemnity Period.

4 Maintenance Agreement

A contract providing on-call remedial or corrective maintenance which includes the cost of parts and labour.

5 Maximum Indemnity Period

The number of months stated in The Schedule unless amended in any Additional Contingency.

6 (a) Rate of Gross Profit

Gross Profit earned on the Turnover and expressed as a percentage of Turnover, during the financial year immediately before the date of the Damage.

(b) Standard Turnover

The Turnover during that period in the 12 months immediately before the date of the Damage which corresponds with the Indemnity Period.

Rate of Gross Profit and Standard Turnover may be adjusted to reflect any trends or circumstances which

- (i) affect The Business before or after the Damage
- (ii) would have affected The Business had the Damage not occurred.

The adjusted figures will represent, as near as possible, the results which would have been achieved during the same period had the Damage not occurred.

7 Turnover

Money paid or payable to You for

- (a) goods sold and delivered
- (b) services provided

in course of The Business at The Premises.

Revenue Protection Business Interruption

8 Uninsured Working Expenses

- (a) Purchases (less any discounts received)
- (b) discounts allowed
and
- (c) any additional Uninsured Working Expenses stated in The Schedule.

The words and expressions used in this definition will have the meaning usually attached to them in Your books and accounts.

9 Virus or Similar Mechanism

Program code, programming instruction or any set of instructions with the ability to damage, interfere with or otherwise adversely affect Equipment or data whether involving self replication or not

This includes, but is not limited to, Trojan horses, worms and logic bombs.

Notes

- 1 All terms in this Section exclude Value Added Tax to the extent that You are accountable to the Tax Authorities for Value Added Tax.
- 2 Any adjustment made for current cost accounting will be ignored.

Basis of Settlement

The insurance on Gross Profit is limited to loss due to

- (a) reduction in Turnover
and
- (b) increase in cost of working.

We will pay

- (i) in respect of reduction in Turnover:

the sum produced by applying the Rate of Gross Profit to the amount by which, due to the Damage, the Standard Turnover exceeds the Turnover during the Indemnity Period

- (ii) in respect of increase in cost of working:

any additional expense You necessarily and reasonably incur solely to prevent or limit a reduction in Turnover during the Indemnity Period which but for such additional expense would have taken place due to the Damage. We will not pay more than

- the reduction avoided by the expenditure plus
- 5% of the Sum Insured, up to a maximum of £250,000

less any savings during the Indemnity Period in business charges or expenses, payable out of Gross Profit, which reduce or cease due to the Damage.

Maximum Amount Payable

The maximum amount We will pay

- (1) in respect of any loss arising from a Virus or Similar Mechanism is £50,000 or the sum stated in The Schedule if lower

or

- (2) in respect of any other loss is 133.33% of the Sum Insured stated in The Schedule.

Exceptions

The following exceptions apply to this Specification.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) interruption or interference to the computer operations of The Business due to
 - (a) Your wilful act or neglect.
 - (b) Breakdown or derangement of any item of Property Insured which has not completed a period of one months trouble free operation.

Revenue Protection Business Interruption

- (c) wear and tear, gradual deterioration due to atmospheric conditions or otherwise, rust corrosion or oxidisation.

However We will indemnify You for any subsequent Damage to Property Insured under this Section.

- (2) interruption or interference to the computer operations of The Business incurred during the first 48 hours following Breakdown or derangement of the Equipment which is not subject to a Maintenance Agreement.
- (3) the cost of reinstating data.
- (4) The Excess stated in The Schedule

We will deduct The Excess in respect of any claim or all claims arising out of one cause.

If more than one Excess is stated in The Schedule the highest amount will apply.

Clauses

The following Clauses apply to this Specification.

1 Additional Rental Charge

We will indemnify You in respect of the additional costs of a new lease or hire contract for similar Equipment which replaces any lease or hire contract in force at the time of the Accident.

The maximum period We will indemnify You in respect of the additional rental charges is two years commencing from the time of the Accident.

The maximum We will pay in respect of any one claim is 25% of the Sum Insured.

2 Alternative Premises

The Turnover during the Indemnity Period will include any money paid or payable to You during the Indemnity Period for goods sold or services provided elsewhere than at The Premises.

3 Auditors and Professional Accountants

We will pay Your auditors and professional accountants reasonable charges for

- (a) producing information We require for investigating any claim and
- (b) confirming the information is in accordance with Your business books.

The maximum We will pay in respect of any one claim, including auditors and professional accountants charges, is the Maximum Amount Payable.

4 Automatic Reinstatement

The Sum Insured stated in The Schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary.

However, You must pay the additional premium required to reinstate the Sum Insured.

5 Payments on Account

Payments on account will be made if requested where We have admitted liability.

6 Premium Adjustment

You will supply, within six months of the expiry of each Period of Insurance, a professional accountants declaration of Gross Profit earned in Your financial year most closely corresponding to the Period of Insurance.

We will, for the purposes of premium adjustment, increase the declared figure by the amount by which the Gross Profit was reduced during the financial year as a result of a claim.

If the declared figure (adjusted as above and proportionately increased where the Maximum Indemnity Period exceeds 12 months) for the relative Period of Insurance

- (a) is less than the Estimated Gross Profit, We will allow a pro rata return of up to 50% of the premium paid
- (b) exceeds the Estimated Gross Profit, You will pay a pro rata additional premium.

Revenue Protection Business Interruption

7 Renewal

You will supply, prior to each renewal, the Estimated Gross Profit for the financial year most closely corresponding to the following Period of Insurance.

8 Subrogation Waiver

In the event of a claim arising under this Section, We agree to waive any rights, remedies or relief to which We may be entitled by subrogation against

- (1) any company whose relationship to You is either a parent to subsidiary or subsidiary to parent
- (2) any company which is a subsidiary of a parent company of which You are a subsidiary

as defined in, or within the meaning of the relevant Companies Act or Companies (N.I.) Order, current at the time of the Damage

- (3) any user of the Equipment authorised by You
provided that
 - (a) such users observe fulfil and are subject to the terms conditions and limitations of this Policy
 - (b) You do not receive any form of indemnity or damages from such users

9 Temporary Removal and Transit

We will pay You for loss of Gross Profit due to

- (a) reduction in Turnover
and
- (b) Increase in Cost of Working

resulting from interruption or interference to the Business caused by Damage to the Property described in the Schedule whilst temporarily removed from the Situation for a period of up to three months to anywhere in Europe including whilst in transit but excluding transportation of Insured Property under its own power.

10 Uninsured Standing Charges

Any increase in cost of working settlement will take into account any standing charges of The Business which are not insured (having been deducted in arriving at the Gross Profit).

We will reflect in any such settlement the proportion only of any additional expenditure which

- (a) the Gross Profit bears
to
- (b) the sum of the Gross Profit and the uninsured standing charges.

Additional Contingencies

This Section extends to include the following Additional Contingencies.

A Erasure of Data

We will indemnify You in respect of the accidental or malicious erasure, destruction, distortion or corruption of data or programs on the Property Insured which is discovered during the Period of Insurance and results from an identifiable cause.

We will not indemnify You in respect of loss of or loss of use of or inaccessibility of data or programs arising from pre-existing faults in or unsuitability of programs in computer systems software.

B Failure of Distribution Equipment

We will indemnify You in respect of the accidental failure of the internal distribution wiring within The Premises for supply of electricity from the terminal point of the suppliers feed to the Equipment from any cause which is not specifically excluded.

Revenue Protection Business Interruption

C Prevention of Access

We will indemnify You in respect of

(1) Damage to property which is near or part of The Premises

or

(2) the exercise by any public or police authority of its powers for the sole purpose of safeguarding life or property

which prevents You gaining access to the property or using the Equipment.

Computer Revenue Declaration Linked Basis Specification

Basis of Cover

Estimated Revenue stated in The Schedule.

Definitions

(Also refer to the definitions stated in this Section and the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Specification and shall keep the same meaning wherever they appear in the Specification.

1 Estimated Revenue

Your estimate of Revenue for the financial year (proportionately increased where the Maximum Indemnity Period exceeds 12 months) most closely corresponding to the Period of Insurance and stated in The Schedule as the Sum Insured.

2 Indemnity Period

The period during which The Business results are affected due to the Damage, beginning with the date of the Damage and ending no later than the Maximum Indemnity Period.

3 Maintenance Agreement

A contract providing on-call remedial or corrective maintenance which includes the cost of parts and labour.

4 Maximum Indemnity Period

The number of months stated in The Schedule unless amended by any Extension.

5 Revenue

As stated in The Schedule.

6 Standard Revenue

The Revenue during that period in the 12 months immediately before the date of the Damage which corresponds with the Indemnity Period.

Standard Revenue may be adjusted to reflect any trends or circumstances which

(a) affect The Business before or after the Damage.

(b) would have affected The Business had the Damage not occurred.

The adjusted figure will represent, as near as possible, the results which would have been achieved during the same period had the Damage not occurred.

7 Virus or Similar Mechanism

Program code, programming instruction or any set of instructions with the ability to damage, interfere with or otherwise adversely affect Equipment or data whether involving self replication or not

This includes, but is not limited to, Trojan horses, worms and logic bombs.

Notes

1 All terms in this Section exclude Value Added Tax to the extent that You are accountable to the Tax Authorities for Value Added Tax.

2 Any adjustment made for current cost accounting will be ignored.

Basis of Settlement

The insurance on Revenue is limited to loss due to

(a) reduction in Revenue

and

(b) increase in cost of working.

We will pay

(i) in respect of reduction in Revenue

the amount by which, due to the Damage, the Standard Revenue exceeds the actual Revenue during the Indemnity Period

Revenue Protection Business Interruption

(ii) in respect of increase in cost of working any additional expenses You necessarily and reasonably incur solely to prevent or limit a reduction in Revenue during the Indemnity Period which but for such additional expense would have taken place due to the Damage. We will not pay more than

- the reduction avoided by the expenditure plus
- 5% of the Sum Insured, up to a maximum of £250,000

less any savings during the Indemnity Period in business charges or expenses, payable out of Revenue, which reduce or cease due to the Damage.

Maximum Amount Payable

The maximum amount We will pay is

- (a) in respect of any loss arising from a Virus or Similar Mechanism £50,000 or the Sum Insured stated in The Schedule if lower
- or
- (b) in respect of any other loss is 133.33% of the Sum Insured stated in The Schedule.

Exceptions

The following exceptions apply to this Specification.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) interruption or interference to the computer operations of The Business due to
- (a) Your wilful act or neglect.
- (b) Breakdown or derangement of any item of Property Insured that has not completed a period of one months trouble free operation.
- (c) wear and tear, gradual deterioration due to atmospheric conditions or otherwise, rust corrosion or oxidisation.

However We will indemnify You for any subsequent Damage to Property Insured under this section.

(2) interruption or interference to the computer operations of The Business incurred during the first 48 hours following Breakdown or derangement of the Equipment which is not subject to a Maintenance Agreement.

(3) the cost of reinstating data.

(4) The Excess stated in The Schedule

We will deduct The Excess in respect of any claim or all claims arising out of one cause.

If more than one Excess is stated in The Schedule the highest one will apply.

Clauses

The following clauses apply to this Specification.

1 Additional Rental Charge

We will indemnify You in respect of the additional costs of a new lease or hire contract for similar Equipment which replaces any lease or hire contract in force at the time of the Accident.

The maximum period We will indemnify You in respect of the additional rental charges is two years commencing from the time of the Accident.

The maximum We will pay in respect of any one claim is 25% of the Sum Insured.

2 Alternative Premises

The Revenue during the Indemnity Period will include any money paid or payable to You during the Indemnity Period for goods sold or services or accommodation provided elsewhere than at The Premises.

3 Auditors and Professional Accountants

We will pay Your auditors and professional accountants reasonable charges for

- (a) producing information We require for investigating any claim and
- (b) confirming the information is in accordance with Your business books.

The maximum We will pay in respect of any one claim, including auditors and professional accountants charges is the Maximum Amount Payable.

4 Automatic Reinstatement

The Sums Insured stated in The Schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary.

However, You must pay the additional premium required to reinstate the Sum Insured.

5 Payments on Account

Payments on account will be made if requested where We have admitted liability.

6 Premium Adjustment

You will supply, within six months of the expiry of each Period of Insurance, a professional accountants declaration of Revenue earned in Your financial year most closely corresponding to the Period of Insurance.

We will, for the purposes of premium adjustment, increase the declared figure by the amount by which the Revenue was reduced during the financial year as a result of a claim.

If the declared figure (adjusted as above and proportionately increased where the Maximum Indemnity Period exceeds 12 months) for the relative Period of Insurance

- (a) is less than the Estimated Revenue, We will allow a pro rata return of up to 50% of the premium paid
- (b) exceeds the Estimated Revenue, You will pay a pro rata additional premium.

7 Renewal

You will supply, prior to each renewal, the Estimated Revenue for the financial year most closely corresponding to the following Period of Insurance.

8 Subrogation Waiver

In the event of a claim arising under this Section We agree to waive any rights, remedies or relief to which We may be entitled by subrogation against

- (1) any company whose relationship to You is either a parent to subsidiary or subsidiary to parent
- (2) any company which is a subsidiary of a parent company of which You are a subsidiary

as defined, or within the meaning of the relevant Companies Act or Companies (N.I) Order, current at the time of the Damage

- (3) any user of the Equipment authorised by You

provided that

- (a) such users observe fulfil and are subject to the terms conditions and limitations of this Policy
- (b) You do not receive any form of indemnity or damages from such users

9 Temporary Removal and Transit

We will pay for loss of Revenue due to

- (a) reduction in Turnover

and

- (b) Increase in Cost of Working

resulting from interruption or interference to the Business caused by Damage to the Property described in the Schedule whilst temporarily removed from the Situation for a period of up to three months to anywhere in Europe whilst in transit but excluding transportation of Insured Property under its own power.

Additional Contingencies

This Section extends to include the following Additional Contingencies.

A Erasure of Data

We will indemnify You in respect of the accidental or malicious erasure, destruction, distortion or corruption of data or programs on the Property Insured which is discovered during the Period of Insurance and results from an identifiable cause.

We will not indemnify You in respect of loss of or loss of use of or inaccessibility of data or programs arising from pre-existing faults in or unsuitability of programs in computer systems software.

B Failure of Distribution Equipment

We will indemnify You in respect of the accidental failure of the internal distribution wiring within The Premises for supply of electricity from the terminal point of the suppliers feed to the Equipment from any cause which is not specifically excluded.

C Prevention of Access

We will indemnify You in respect of

(1) Damage to property which is near or part of The Premises

or

(2) the exercise by any public or police authority of its powers for the sole purpose of safeguarding life or property

which prevents You gaining access to the property or using the Equipment.

Revenue Protection Business Interruption

Gross Profit Declaration- Linked Basis Specification

Item

Estimated Gross Profit stated in The Schedule.

Definitions

(Also refer to the definitions stated in this Section and the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Specification and shall keep the same meaning wherever they appear in the Specification.

1 Estimated Gross Profit

Your estimate of Gross Profit for the financial year (proportionately increased if the Maximum Indemnity Period exceeds 12 months) most closely corresponding to the Period of Insurance, and stated in The Schedule as the Sum Insured.

2 Gross Profit

(a) The combined value of the Turnover, closing stock and work in progress

less

(b) the combined value of opening stock and work in progress and Uninsured Working Expenses.

The values of opening and closing stocks and work in progress will

- (i) be calculated using Your usual accounting methods
- (ii) make due provision for depreciation.

3 Indemnity Period

The period during which The Business results are affected due to the Damage, beginning with the date of the Damage and ending no later than the Maximum Indemnity Period.

4 Maximum Indemnity Period

The number of months stated in The Schedule unless amended in any Additional Contingency.

5 (a) Rate of Gross Profit

Gross Profit earned on the Turnover and expressed as a percentage of Turnover, during the financial year immediately before the date of the Damage.

(b) Standard Turnover

The Turnover during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period.

Rate of Gross Profit and Standard Turnover may be adjusted to reflect any trends or circumstances which

- (i) affect The Business before or after the Damage
- (ii) would have affected The Business had the Damage not occurred.

The adjusted figures will represent, as near as possible, the results which would have been achieved during the same period had the Damage not occurred.

6 Turnover

Money paid or payable to You for

- (a) goods sold and delivered
- (b) services provided

in course of The Business at The Premises.

7 Uninsured Working Expenses

- (a) Purchases (less any discounts received)
- (b) discounts allowed
- and
- (c) any additional Uninsured Working Expenses stated in The Schedule.

The words and expressions used in this definition will have the meaning usually attached to them in Your books and accounts.

Revenue Protection Business Interruption

Notes

- 1 All terms in this Section exclude Value Added Tax to the extent that You are accountable to the Tax Authorities for Value Added Tax.
- 2 Any adjustment made for current cost accounting will be ignored.

Basis of Settlement

The insurance on Gross Profit is limited to loss due to

- (a) reduction in Turnover
- and
- (b) increase in cost of working.

We will pay

- (i) in respect of reduction in Turnover:

the sum produced by applying the Rate of Gross Profit to the amount by which, due to the Damage, the Standard Turnover exceeds the Turnover during the Indemnity Period

- (ii) in respect of increase in cost of working:

any additional expense You necessarily and reasonably incur solely to prevent or limit a reduction in Turnover during the Indemnity Period which but for such additional expense would have taken place due to the Damage. We will not pay more than

- (a) The reduction avoided by the expenditure plus
- (b) 5% of the Sum Insured, up to a maximum of £250,000

less any savings during the Indemnity Period in business charges or expenses, payable out of Gross Profit, which reduce or cease due to the Damage.

Maximum Amount Payable

The maximum amount We will pay is 133.33% of the Sum Insured stated in The Schedule

Exceptions

The following exceptions apply to this Specification.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage caused by or consisting of

- (a) fire, lightning or explosion
- (b) aircraft or aerial devices or articles dropped from them
- (c) storm, flood or inundation from the sea
- (d) escape of water from any tank apparatus or pipe
- (e) subsidence, ground heave or landslip
- (f) theft or attempted theft

regardless of any contributory cause.

- (2) Damage caused by

- (a) gradual deterioration, erosion, corrosion or wear and tear.
- (b) gradual developing defects, flaws, deformation, distortion, cracks or partial fractures.
- (c) loose parts or defective joints or seams unless caused directly by overheating brought about by shortage of water in the Property Insured which is subject to steam or fluid pressure.

However, we will indemnify You for any subsequent Damage to Property Insured under this Section.

- (3) Breakdown or derangement of any item of Insured Property that has not completed a period of one month's trouble free operation.

Revenue Protection Business Interruption

- (4) Damage to
- (a) non-metallic or refractory linings
 - (b) (i) cutting edges or extrusion heads
(ii) moulds, patterns or dies
(iii) heating elements
(iv) cables, ropes, belts or chains
 - (c) Supporting or enclosing structures, foundations, masonry or brickwork
 - (d) any power unit, used only for road or site mobility, where Damage is caused solely by Breakdown
 - (e) (i) office equipment
(ii) spare parts
- unless caused by other Damage for which We have admitted liability.
- (5) Damage caused by chemical reaction or ignition of the contents of the Property Insured.
- (6) The Excess stated in The Schedule.
- We will deduct The Excess in respect of any claim or all claims arising out of one cause.
- If more than one Excess is stated in The Schedule the highest amount will apply.

Clauses

The following Clauses apply to this Specification.

1 Accumulated Stocks

If after Damage the Turnover is temporarily maintained from accumulated stocks of raw materials, work in progress or finished goods then an allowance will be made when calculating the amount payable to You.

2 Alternative Premises

The Turnover during the Indemnity Period will include any money paid or payable to You during the Indemnity Period for goods sold or services provided elsewhere than at The Premises.

3 Auditors and Professional Accountants

We will pay Your auditors and professional accountants reasonable charges for

- (a) producing information We require for investigating any claim and
- (b) confirming the information is in accordance with Your business books.

The maximum We will pay in respect of any one claim, including auditors and professional accountants charges is the Maximum Amount Payable.

4 Automatic Reinstatement

The Sum Insured stated in The Schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary.

However, You must pay the additional premium required to reinstate the Sum Insured.

5 Departmental Trading

If You conduct The Business in departments and independent trading results are obtainable, the Basis of Settlement of the Gross Profit item will apply separately to each department affected by the Damage.

6 Payments on Account

Payments on account will be made if requested where We have admitted liability.

7 Premium Adjustment

You will supply, within six months of the expiry of each Period of Insurance, a professional accountants declaration of Gross Profit earned in Your financial year most closely corresponding to the Period of Insurance.

We will, for the purposes of premium adjustment, increase the declared figure by the amount by which the Gross Profit was reduced during the financial year as a result of a claim.

Revenue Protection Business Interruption

If the declared figure (adjusted as above and proportionately increased where the Maximum Indemnity Period exceeds 12 months) for the relative Period of Insurance

- (a) is less than the Estimated Gross Profit, We will allow a pro rata return of up to 50% of the premium paid.
- (b) exceeds the Estimated Gross Profit, You will pay a pro rata additional premium.

8 Renewal

You will supply, prior to each renewal, the Estimated Gross Profit for the financial year most closely corresponding to the following Period of Insurance.

9 Temporary Removal and Transit

We will pay You for loss of Gross Profit due to

- (a) reduction in Turnover
- and

- (b) Increase in Cost of Working

resulting from interruption or interference to the Business caused by Damage to the Property described in the Schedule whilst temporarily removed from the Situation for a period of up to three months to anywhere in Europe including whilst in transit but excluding transportation of Property Insured under its own power.

10 Uninsured Standing Charges

Any increase in cost of working settlement will take into account any standing charges of The Business which are not insured (having been deducted in arriving at the Gross Profit).

We will reflect in any such settlement the proportion only of any additional expenditure which

- (a) the Gross Profit bears

to

- (b) the sum of the Gross Profit and the uninsured standing charges.

Revenue Protection Business Interruption

Revenue Declaration Linked Basis Specification

Basis of Cover

Estimated Revenue stated in The Schedule.

Definitions

(Also refer to the definitions stated in this Section and the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Specification and shall keep the same meaning wherever they appear in the Specification.

1 Estimated Revenue

Your estimate of Revenue for the financial year (proportionately increased where the Maximum Indemnity Period exceeds 12 months) most closely corresponding to the Period of Insurance stated in The Schedule as the Sum Insured.

2 Indemnity Period

The period during which The Business results are affected due to the Damage, beginning with the date of the Damage and ending no later than the Maximum Indemnity Period.

3 Maximum Indemnity Period

The number of months stated in The Schedule unless amended by any Extension.

4 Revenue

As stated in The Schedule.

5 Standard Revenue

The Revenue during that period in the 12 months immediately before the date of the Damage which corresponds with the Indemnity Period.

Standard Revenue may be adjusted to reflect any trends or circumstances which

- (a) affect The Business before or after the Damage.
- (b) would have affected The Business had the Damage not occurred.

The adjusted figure will represent, as near as possible, the results which would have been achieved during the same period had the Damage not occurred.

Notes

- 1 All terms in this Section exclude Value Added Tax to the extent that You are accountable to the Tax Authorities for Value Added Tax.
- 2 Any adjustment made for current cost accounting will be ignored.

Basis of Settlement

The insurance on Revenue is limited to loss due to

- (a) reduction in Revenue
- and
- (b) increase in cost of working.

We will pay

- (i) in respect of reduction in Revenue
- the amount by which, due to the Damage, the Standard Revenue exceeds the actual Revenue during the Indemnity Period

Revenue Protection Business Interruption

- (ii) in respect of increase in cost of working

any additional expenses You necessarily and reasonably incur solely to prevent or limit a reduction in Revenue during the Indemnity Period which but for such additional expense would have taken place due to the Damage. We will not pay more than

- the reduction avoided by the expenditure plus
- 5% of the Sum Insured, up to a maximum of £250,000

less any savings during the Indemnity Period in business charges or expenses, payable out of Revenue, which reduce or cease due to the Damage.

Maximum Amount Payable

The maximum amount We will pay is 133.33% of the Sum Insured stated in The Schedule.

Exceptions

The following exceptions apply to this Specification.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage caused by or consisting of
- (a) fire, lightning or explosion
 - (b) aircraft or aerial devices or articles dropped from them
 - (c) storm, flood or inundation from the sea
 - (d) escape of water from any tank apparatus or pipe
 - (e) subsidence, ground heave or landslip
 - (f) theft or attempted theft
- regardless of any contributory cause.

- (2) Damage caused by

- (a) gradual deterioration, erosion, corrosion or wear and tear
- (b) gradual developing defects, flaws, deformation, distortion, cracks or partial fractures
- (c) loose parts or defective joints or seams unless caused directly by overheating brought about by shortage of water in the Property Insured which is subject to steam or fluid pressure.

However, we will indemnify You for any subsequent Damage to Property Insured under this Section.

- (3) Breakdown or derangement of any item of Insured Property that has not completed a period of one months trouble free operation.

- (4) Damage to

- (a) non-metallic or refractory linings
- (b) (i) cutting edges or extrusion heads
(ii) moulds, patterns or dies
(iii) heating elements
(iv) cables, ropes, belts or chains
- (c) Supporting or enclosing structures, foundations, masonry or brickwork
- (d) any power unit, used only for road or site mobility, where Damage is caused solely by Breakdown
- (e) (i) office equipment
(ii) spare parts

unless caused by other Damage for which We have admitted liability.

- (5) Damage caused by chemical reaction or ignition of the contents of the Property Insured.

- (6) The Excess stated in The Schedule.

We will deduct The Excess in respect of any claim or all claims arising out of one cause.

If more than one Excess is stated in The Schedule the highest amount will apply.

Revenue Protection Business Interruption

Clauses

The following clauses apply to this Specification.

1 Accumulated Stocks

If after Damage the Turnover is temporarily maintained from accumulated stocks of raw materials, work in progress or finished goods then an allowance will be made when calculating the amount payable to You.

2 Alternative Premises

The Revenue during the Indemnity Period will include any money paid or payable to You during the Indemnity Period for goods sold or services or accommodation provided elsewhere than at The Premises.

3 Auditors and Professional Accountants

We will pay Your auditors and professional accountants reasonable charges for

- (a) producing information We require for investigating any claim and
- (b) confirming the information is in accordance with Your business books.

The maximum We will pay in respect of any one claim, including auditors and professional accountants charges is the Maximum Amount Payable.

4 Automatic Reinstatement

The Sums Insured stated in The Schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary.

However, You must pay the additional premium required to reinstate the Sum Insured.

5 Payments on Account

Payments on account will be made if requested where We have admitted liability.

6 Premium Adjustment

You will supply, within six months of the expiry of each Period of Insurance, a professional accountants declaration of Revenue earned in Your financial year most closely corresponding to the Period of Insurance.

We will, for the purposes of premium adjustment, increase the declared figure by the amount by which the Revenue was reduced during the financial year as a result of a claim.

If the declared figure (adjusted as above and proportionately increased where the Maximum Indemnity Period exceeds 12 months) for the relative Period of Insurance

- (a) is less than the Estimated Revenue, We will allow a pro rata return of up to 50% of the premium paid
- (b) exceeds the Estimated Revenue, You will pay a pro rata additional premium.

7 Renewal

You will supply, prior to each renewal, the Estimated Revenue for the financial year most closely corresponding to the following Period of Insurance.

8 Temporary Removal and Transit

We will pay You for loss of Revenue due to

- (a) reduction in Turnover
and
- (b) Increase in Cost of Working

resulting from interruption or interference to the Business caused by Damage to the Property described in the Schedule whilst temporarily removed from the Situation for a period of up to three months to anywhere in Europe including whilst in transit but excluding transportation of Insured Property under its own power.

Increased Cost of Working Specification

Basis of Cover

Increase in Cost of Working Sum Insured stated in The Schedule.

Definitions

(Also refer to the definitions stated in this Section and the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Specification and shall keep the same meaning wherever they appear in the Specification.

1 Indemnity Period

The period during which The Business results are affected due to the Damage, beginning with the date of the Damage and ending not later than the Maximum Indemnity Period.

2 Maximum Indemnity Period

The number of months stated in The Schedule unless amended by any Extension.

Basis of Settlement

Increase in Cost of Working

We will pay Your additional expenditure which has been reasonably and necessarily incurred, as a result of the Damage, to continue The Business during the Indemnity Period.

The maximum We will pay in any Period of Insurance will not exceed the Sum Insured in The Schedule.

Exceptions

The following exceptions apply to this Specification.

(Also refer to the Policy Exceptions at the back of this policy booklet).

We will not indemnify You in respect of

- (1) Damage caused by or consisting of
 - (a) fire, lightning or explosion
 - (b) aircraft or aerial devices or articles dropped from them
 - (c) storm, flood or inundation from the sea
 - (d) escape of water from any tank apparatus or pipe
 - (e) subsidence, ground heave or landslip
 - (f) theft or attempted theftregardless of any contributory cause.

- (2) Damage caused by
 - (a) gradual deterioration, erosion, corrosion or wear and tear.
 - (b) gradual developing defects, flaws, deformation, distortion, cracks or partial fractures.
 - (c) loose parts or defective joints or seams unless caused directly by overheating brought about by shortage of water in the Property Insured which is subject to steam or fluid pressure.

However, We will indemnify You for any subsequent Damage to Property Insured under this Section.

- (3) Breakdown or derangement of any item of Insured Property that has not completed a period of one months trouble free operation
- (4) Damage to
 - (a) non-metallic or refractory linings
 - (b)
 - (i) cutting edges or extrusion heads
 - (ii) moulds, patterns or dies
 - (iii) heating elements
 - (iv) cables, ropes, belts or chains
 - (c) Supporting or enclosing structures, foundations, masonry or brickwork
 - (d) any power unit, used only for road or site mobility, where Damage is caused solely by Breakdown

Revenue Protection Business Interruption

- (e) (i) office equipment
- (ii) spare parts

unless caused by other Damage for which We have admitted liability.

- (5) Damage caused by chemical reaction or ignition of the contents of the Property Insured.
- (6) The Excess stated in The Schedule.

We will deduct The Excess in respect of any claim or all claims arising out of one cause.

If more than one Excess is stated in The Schedule the highest amount will apply.

Temporary Removal and Transit

We will pay You for an Increase in Cost of Working resulting from interruption or interference to The Business caused by Damage to the Property Insured described in The Schedule while temporarily removed from The Premises for a period of up to three months to anywhere in Europe including while in transit but excluding transportation of Property Insured while under its own power.

Clauses

The following clauses apply to this Specification,

Auditors and Professional Accountants

We will pay Your auditors and professional accountants reasonable charges for

- (a) producing information We require for investigating any claim

and

- (b) confirming the information is in accordance with Your business books.

The maximum We will pay in respect of any one claim, including auditors and professional accountants charges, is the Sum Insured stated in The Schedule.

Automatic Reinstatement of Sum Insured

The Sum Insured stated in The schedule will not be reduced by the amount of any claim unless We or You give written notice to the contrary.

However, You must pay the additional premium required to reinstate the Sum Insured.

Terrorism Section

Definitions

(Also refer to the Policy Definitions at the front of this policy booklet).

The following definitions apply to this Section and will keep the same meaning wherever they appear in the Section, unless an alternative definition is stated to apply.

Act of Terrorism

Act of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's Government in the United Kingdom or any other government de jure or de facto.

Denial of Service Attack

Any actions or instruction constructed or generated with the ability to damage, interfere with or otherwise affect the availability of networks, network services, network connectivity or information systems.

This includes but is not limited to the generation of excess traffic into network addresses, the exploitation of system or network weaknesses and the generation of excess or non genuine traffic between or amongst networks.

Excess/Excesses

The amount(s) shown in Your policy and The Schedule which We will deduct from each and every claim at each separate location. If applicable, the amount(s) will be deducted after the application of Average.

You will repay any such amount(s) paid by Us.

Hacking

Unauthorised access to any computer or other equipment, component, system or item which processes, stores or retrieves data whether Your property or not.

Head/Heads of Cover

Any of the following types of direct insurance cover:

- (1) All Equipment and property insured under this policy.
- (2) Business Interruption.

Treasury

The Lords Commissioners of Her Majesty's Treasury from time to time or any successor relevant authority.

Virus or Similar Mechanism

Program, code, programming instruction or any set of instructions intentionally constructed with the ability to damage, interfere with or otherwise adversely affect computer programs, data, files or operations whether involving self-replication or not.

This includes but is not limited to trojan horses, worms and logic bombs.

Cover

We will indemnify You in respect of all losses arising under any of the Heads of Cover resulting from damage to or destruction of Equipment and/or property insured under this policy directly caused by an Act of Terrorism occurring during the Period of Insurance at The Premises, The Situation or Contract Site but only in England, Wales and Scotland (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man or the Channel Islands.)

The maximum We will pay under this Section in any one Period of Insurance will not exceed the Limit of Liability or Sum Insured for each of the Heads of Cover specified in the Section of this policy where the Head of Cover is otherwise insured.

In any action or suit or proceedings where we allege that any loss is not covered by this Section the burden of proving that such loss is covered shall be upon You.

Exceptions

The following exceptions apply to this Section.

- (1) We will not indemnify You in respect of any losses arising under any of the Heads of Cover directly or indirectly caused by or contributed to, by or arising from or occasioned by or resulting from
 - (a) damage to any computer or other equipment, component, system or item which processes, stores, transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information, programs or software) and whether Your property or not where such damage is caused by Virus or Similar Mechanism, Hacking or Denial of Service Attack.
 - (b) riot, civil commotion, war, invasion, act of foreign enemy hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power.

Conditions

The following conditions apply to this Section.

(Also refer to the Policy Conditions at the back of this policy booklet)

- (1) The insurance provided by this Section is subject to all the Definitions, Conditions and Clauses of the Sections of this policy where the Head of Cover is otherwise insured together with the Policy Definitions and Policy Conditions and providing that if there is conflict between this Section and the rest of the policy, this Section shall prevail.
- (2) We will not indemnify You under this Section unless and until
 - (a) the Treasury issues a certificate certifying that any loss was caused by an Act of Terrorism.
 - (b) or in the event of the Treasury refusing to issue such a certificate, a tribunal formed by agreement between Us and Pool Reinsurance Company Limited decides that the cause of such loss was an Act of Terrorism.

- (3) If in relation to any claim You have failed to fulfil any of the following conditions, You will lose your right to indemnity or payment for that claim.

You must declare to Us all property and/or premises owned by You or for which You are responsible including all such property and/or premises of subsidiary companies unless it is the practice of any subsidiary company to effect its own insurance. You must purchase Terrorism insurance from a Pool Reinsurance Company Limited member company in respect of all such property and/or premises.

- (4) We may cancel the cover provided by this Section
 - (a) by sending You 30 days written notice to Your last known address.

We will refund a proportionate part of any premium paid for the unexpired period

- (b) immediately if the premium has not been paid or if there has been a default under an instalment or linked credit agreement.

We will not refund any instalment paid.

Policy Conditions

Each Section of the policy contains conditions. They must be read in conjunction with the following Policy Conditions which apply to all Sections unless otherwise stated.

(1) Alteration of Risk

If

- (a) there has been any alteration to the Property Insured and/or The Premises and/or The Business after the effective date of this insurance which increases the risk of loss, destruction, damage, accident or injury
or
- (b) Your interest ceases except by will or operation of law

We will at Our option avoid the policy from the date of such alteration or when Your interest ceases, unless We accept the alteration.

(2) Arbitration

If We accept liability but You disagree with the amount We offer to pay, the claim will be referred to an arbitrator who will be appointed in accordance with statutory provisions.

(3) Cancellation

- (1) You may cancel this policy at any time after the date We have received the premium, by providing 30 days notice in writing to Us.
- (2) We may cancel this policy, by providing notice in writing to You at your last known address, if there is a default under any relevant instalment agreement. In such case, Your policy will end with effect from the beginning of the period in respect of which the instalment has not been paid.

If your policy is cancelled under (1) or (2) above, at Our discretion, We may refund part of the premium for the unexpired period, which will be calculated on Our, then current, short period rating basis, and provided that there have been no

- (i) claim(s) made under the policy for which We have made a payment,
- (ii) claim(s) made under the policy which are still under consideration,

- (iii) incident(s) which You are aware of and are likely to give rise to a claim which has yet to be reported to Us,

during the current Period of Insurance.

- (3) We will cancel this policy from the inception date if the premium has not been paid and no return premium will be allowed. Such cancellation will be confirmed in writing by Us to Your last known address.

- (4) We may also cancel this policy at any time by sending not less than 30 days notice in writing to Your last known address.

We will refund a proportionate part of the premium for the unexpired period provided that there have been no

- (i) claim(s) made under the policy for which We have made a payment,
- (ii) claim(s) made under the policy which are still under consideration,
- (iii) incident(s) which You are aware of and are likely to give rise to a claim which has yet to be reported to Us,

during the current Period of Insurance.

(4) Claims Procedure

If in relation to any claim You have failed to fulfil any of the following conditions, You will lose Your right to indemnity or payment for that claim.

You must

- (a) tell Us immediately of any event or occurrence which may result in a claim.
- (b) notify the police immediately of loss, destruction or damage caused by malicious persons or thieves.
- (c) at Your expense, provide Us with a written claim containing as much information as possible of the loss liability, destruction, damage, accident or injury including the amount of the claim within
 - (i) 30 days
 - or

Policy Conditions

- (ii) seven days in the case of loss, destruction or damage caused by riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances or malicious persons

of You becoming aware of the event or occurrence or such further time that We may allow

- (d) provide Us with all information and help We require in respect of the claim.
- (e) pass to Us unanswered, immediately all communications from third parties in relation to any event which may result in a claim under this policy.
- (f) not admit or repudiate liability, nor offer to settle, compromise, make payment which may result in a claim or pay any claim under this policy without our written agreement.
- (g) allow Us to take over and conduct in Your name the defence or settlement of any claim. You will also allow Us to prosecute at Our own expense and for Our own benefit, any claim for indemnity or compensation against any other person and You must give Us all information and assistance required.

(5) Contribution

- (a) Where any loss, destruction, damage or liability covered by the policy is also covered by another policy, (or would be but for the existence of this policy), We will only pay a reliable share of the loss.
- (b) If the other insurance is subject to a condition of Average and this policy is not, this policy will become subject to the same condition of Average.
- (c) If the Property Insured covered by the other insurance is subject to a provision excluding proportional payment in whole or in part, the payment We make will be limited to the proportion of loss, destruction or damage as the Sum Insured bears to the value of the property.

(6) Discharge of Liability

We may at any time pay

- (a) the Limit of Indemnity

or

- (b) the Sum Insured

or

- (c) a smaller amount for which a claim can be settled

after deduction of any sum already paid.

We will not make any further payment except for costs and expenses incurred prior to the payment of the claim

(7) Fraud

- (a) If a claim made by You or anyone acting on Your behalf, or any person claiming to be Indemnified, is fraudulent or exaggerated, whether ultimately material or not

or

- (b) (i) if a false declaration or statement is made

or

- (ii) if a fraudulent device is used in support of a claim.

We may at Our option

- (i) avoid the policy from the inception of this insurance

or

- (ii) cancel the policy from the date of the claim or alleged claim and repudiate the claim

or

- (iii) repudiate the claim.

(8) Identification

The policy and The Schedule will be read as on contract.

(9) Non Disclosure, Misrepresentation or Misdescription

We will avoid this policy if there has been any misrepresentation, misdescription or failure to disclose any material fact by You or anyone acting for You.

Policy Conditions

(10) Option for Settlement

We may at Our option

- (a) repair, reinstate or replace any equipment damaged
- or
- (b) pay the amount of the Damage.

We do not include

- (i) temporary repairs carried out without Our consent
- (ii) the cost of any alterations, additions, improvements or overhauls carried out when any repair is undertaken.

(11) Our Rights

If Damage occurs which may lead to a claim We may

- (a) enter the building or premises
- (b) take possession of, or require to be delivered to Us, equipment which We will deal with in a reasonable manner

without incurring liability or reducing Our rights.

We will not pay for Damage if You or anyone acting on Your behalf

- (i) do not comply with Our requirements
- (ii) hinder or obstruct Us.

(12) Reasonable Precautions

If in relation to any claim You have failed to fulfil any of the following conditions. You will lose Your right to Indemnity or payment for that claim.

You must

- (a) maintain The Premises, machinery, plant and equipment in a satisfactory state of repair.
- (b) take all reasonable precautions to prevent
 - (i) loss or destruction of or damage to the Property Insured
 - (ii) accident or injury to any person or loss, destruction or damage to their property.
- (c) comply with all legal requirements and

safety regulations and conduct The Business in a lawful manner.

- (d) keep books with a complete record of purchases and sales.

(13) Reinstatement

When We decide, or are required to reinstate or replace any property You will, at Your expense, provide any

- (a) plans
- (b) documents
- (c) books
- (d) information

which we require.

We will not be obliged to reinstate property exactly but only in a satisfactory manner as circumstances allow.

The maximum amount We will pay in respect of any one item is the Limit of Indemnity or the Sum Insured for that item.

(14) Subrogation

Anyone making a claim under this policy must, at Our request and expense, do everything We reasonably require to

- (a) enforce a right or remedy
- or
- (b) obtain relief or indemnity

from other parties to which We will become entitled or subrogated because of payment for or making good loss, destruction, damage, accident or injury.

We may require You to carry out such actions before or after We make any admission of or payment of a claim.

(15) Suspension of Cover

We may suspend cover by notice in writing to You until any requirement We have stipulated has been completed by You. Cover will only be reinstated following written notice by Us.

If cover is suspended We will refund a proportionate part of the premium.

Policy Conditions

(16) Long Term Undertaking

Where a Section is stated in The Schedule to be subject to Long Term Undertaking a discount of 5% under that Section is allowed in consideration of You having provided an undertaking with effect from the date stated in The Schedule to offer annually for a period of three years the insurance under the Section on the terms and conditions in force at the expiry of each Period of Insurance and to pay the premiums annually in advance, it being understood that:

- (a) We shall be under no obligation to accept an offer made in accordance with such an undertaking
- (b) the Sums Insured may be reduced at any time to correspond with any reduction in value or reduction in The Business.

The discount does not apply to any inspection fees charged under this policy.

The above mentioned undertaking applies to any policy which may be issued by Us in substitution for this policy and the same discount shall be allowed.

(17) Subjectivity

At the inception of or during each Period of Insurance, the insurance provided by this policy may be subject to You

- (a) (i) providing Us with any additional information
 - (ii) completing any actions agreed between You and Us
 - (iii) allowing Us to complete any actions agreed between You and Us.
- (b) If required by Us, You must allow Us access to The Premises and/or The Business to carry out survey(s).

If this is the case, then The Schedule will clearly state the information required and/or the actions to be completed and the dates we require such information or the actions to be completed.

Upon completion of these requirements (or if they are not completed by the required dates), We may, at Our option:

- (i) modify Your premium,
- (ii) amend the terms and conditions of this policy,
- (iii) require You to make alterations to The Premises,
- (iv) exercise Our right to cancel Your policy under Policy Condition **(3) Cancellation**,
- (v) leave the policy terms, conditions, and premium unaltered.

If We proceed with any of (i) (ii) and (iii) above, You have the right to cancel this policy from a date agreed by You and Us and, providing no claims have been made, We will refund a proportionate part of the premium paid for the unexpired period of cover.

Policy Exceptions

Each Section of the policy contains exceptions. They must be read in conjunction with the following Policy Exceptions which apply to all Sections unless otherwise stated.

We will not provide indemnity in respect of

- (1) any consequence whatsoever resulting directly or indirectly from or in connection with any of the following, regardless of any other contributory cause or event
 - (a)(i) war, invasion, act of a foreign enemy, hostilities or a warlike operation or operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power
 - (ii) mutiny or military uprising, martial law
 - (b) nationalisation, confiscation, requisition, seizure or destruction by any government or any public authority
 - (c) any action taken in controlling, preventing, suppressing or in any way relating to (a) and/or (b) above.

However, exceptions 1 (a) (b) and (c) do not apply to the Terrorism Section, when insured by this policy.

- (2) death or disablement, loss or destruction of or damage to any property, any loss or expense whatsoever, any consequential loss or any legal liability
 - (a) directly or indirectly caused by or contributed to by or arising from
 - (i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
 - (ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof.
 - (b) directly or indirectly caused by or contributed to by or arising from the use of or threatened use of any weapon
 - (c) directly or indirectly caused by or contributed to by or arising from the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter but this will

not apply in respect of radioactive isotopes at the Premises (other than nuclear fuel or nuclear waste), used in the course of the Business for the purposes for which they were intended.

- (i) dispersing radioactive material and/or ionising radiation
- or
- (ii) using atomic or nuclear fission and/or fusion or other like reaction.

However, exceptions 2 (a) and (b) do not apply to the Terrorism Section when insured by this policy.

- (3) loss or destruction of or damage to property, any loss or expense, any consequential loss or any legal liability, directly or indirectly caused by or contributed to or arising from
 - (a) any test, experiment or routine inspection
 - (b) the imposition of abnormal working conditions including intentional overloading unless occurring without Your knowledge or consent
- However, exceptions 3 (a) and (b) do not apply to the Terrorism Section, when insured by this policy
- (4) any claim which arises directly or indirectly from or consists of the failure or inability of any
 - (a) electronic circuit, microchip, integrated circuit, microprocessor, embedded system, hardware, software, firmware, program, computer, data processing equipment, telecommunication equipment or systems, or any similar device
 - (b) media or systems used in connection with anything referred to in (a) above

whether Your property or not, at the time to achieve any or all of the purposes and consequential effects intended by the use of any number, symbol or word to denote a date and this includes without any limitation the failure or inability to recognise, capture, save, retain or restore and/or correctly to manipulate, interpret, transmit, return, calculate or process any date, data, information, command, logic or instruction as a result of

Policy Exceptions

- (i) recognising, using or adopting any date, day of the week or period of time, otherwise than as, or other than, the true or correct date, day of the week or period of time
- (ii) the operation of any command or logic which has been programmed or incorporated into anything referred to in (a) and (b) above.

However,

- (a) We shall not exclude any claim for subsequent loss or destruction of or damage to any property or consequential loss which itself results from a Defined Contingency, but only to the extent that such claim would otherwise be insured by this policy.
- (b) Exceptions 4 (a) and (b) do not apply to the Terrorism Section, when insured by this policy

Definition

The following definition only applies to this exception

'Defined Contingency'

fire, lightning, explosion, aircraft and other aerial devices or articles dropped from them, riot, civil commotion, strikers, locked out workers, persons taking part in labour disturbances, malicious persons other than thieves, earthquake, storm, flood, escape of water from any tank apparatus or pipe, impact by any road vehicle or animal, or theft.

- (5) any Damage whatsoever resulting directly or indirectly from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss
 - (a) Terrorism
 - (b) Civil commotion in Northern Ireland
 - (c) any action taken in controlling, preventing, suppressing or in any way relating to (a) and/or (b) above.

Terrorism means

- (i) in respect of Damage occurring in England Wales and Scotland only (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987 nor the Isle of Man or the Channel Islands) acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto
- (ii) in respect of Damage occurring in any territory not specified in (i) above any act or acts including but not limited to
 - the use or threat of force and/or violence and/or
 - harm or damage to life or to property (or the threat of such harm or damage) including but not limited to harm or damage by nuclear and/or chemical and/or biological and/or radiological means

caused or occasioned by any person(s) or group(s) of persons or so claimed in whole or in part for political, religious, ideological or similar purposes.

In any action, suit or other proceedings where We allege that any Damage results from Terrorism as defined above and is therefore not covered under this Policy the burden of proving that any such Damage is covered under this Policy will be upon You.

- (6) Damage caused by or contributed to or arising from
 - (a) disappearance
 - (b) unexplained or inventory shortage

YOUR POLICY SCHEDULE
