

Business Interruption Insurance

If Damage by any of the Covers insured occurs at the Premises

- A) to property used by the Insured for the purpose of the Business which causes interruption of or interference with the Insured's Business at the Premises
- B) which prevents the Insured from tracing or establishing customers' Outstanding Debit Balances in whole or in part due to them

the Company will pay to the Insured

- 1) in respect of A) the amount of loss resulting from the interruption or interference caused by the Damage in accordance with the provisions of the insurance

provided that payment has been made or liability admitted for the Damage under an insurance covering the interest of the Insured in the property

or

payment would have been made or liability admitted for the Damage but for the operation of a proviso in such insurance excluding liability for losses below a specified amount

- 2) in respect of B) the amount of loss resulting from the Damage in accordance with the provisions of the insurance

The Company's liability in any one Period of Insurance shall not exceed in the whole

- 1) in respect of A) the total sum insured or in respect of any item its sum insured or any other stated limit of liability
- 2) in respect of B) the sum of £50,000 or any other limit of liability stated in the Schedule

For the purpose of this insurance Damage shall mean loss destruction or damage

Covers

The following are the Covers insured except as otherwise stated in the Schedule

- 1 A **Fire** excluding Damage
 - 1) by explosion resulting from fire
 - 2) to property caused by its undergoing any process involving the application of heat
- B **Explosion** excluding
 - 1) Damage caused by the bursting of any vessel machine or apparatus belonging to or under the control of the Insured in which internal pressure is due to steam only
 - 2) loss resulting from the Insured being deprived of the use of any vessel machine or apparatus or its contents as a result of the explosion thereof
but this shall not exclude explosion of
 - any boiler used for domestic purposes only or of any other boiler or economiser on the Premises
 - gas used for domestic purposes only
- C **Lightning**
- D **Aircraft** or other aerial devices or articles dropped therefrom
- 2 **Earthquake** excluding Damage caused by fire
- 3 **Riot civil commotion strikers locked-out workers or persons taking part in labour disturbances or malicious persons** excluding Damage
 - 1) arising from confiscation requisition or destruction by order of the government or any public authority
 - 2) arising from cessation of work
- 4 **Storm or Flood** excluding Damage
 - 1) attributable solely to change in the water table level
 - 2) caused by frost subsidence ground heave or landslip
 - 3) to fences gates and moveable property in the open
- 5 **Escape of water from any tank apparatus or pipe** excluding Damage
 - 1) by water discharged or leaking from an automatic sprinkler installation
 - 2) in respect of any building which is empty or not in use
- 6 **Impact** by any road vehicle (including any fork lift truck or other industrial vehicle) or animal
- 7 **Accidental escape of water from any automatic sprinkler installation** excluding Damage
 - 1) by freezing in any building which is empty or not in use
 - 2) by heat caused by fire

- 8 Theft (which shall be deemed to include attempted theft)** excluding Damage
- 1) from any part of the building not occupied by the Insured for the purpose of the Business
 - 2) from the open or from any outbuilding
 - 3) expedited or in anyway brought about by the Insured or any director partner or employee of the Insured
 - 4) due to a person obtaining any property by deception
 - 5) to lead forming part of the exterior of the Premises
 - 6) due to disappearance unexplained or inventory shortage
- 9 Subsidence ground heave or landslide** excluding Damage
- 1) arising from the settlement or movement of made-up ground or by coastal or river erosion
 - 2) occurring as a result of the construction demolition structural alteration or structural repair of any property at the Premises
 - 3) arising from normal settlement or bedding down of new structures
 - 4) commencing prior to the granting of cover under this insurance
- 10 Any other accident** excluding Damage
- 1) by any of
 - A) the Covers
 - B) the causes expressly excluded from the Covers specified in paragraphs 1-9 (whether or not insured)
 - 2) to any property caused by
 - A) its own faulty or defective design or materials
 - B) inherent vice latent defect gradual deterioration wear and tear
 - C) faulty or defective workmanship operational error or omission on the part of the Insured or any of their employeesbut this shall not exclude subsequent Damage which itself results from a cause not otherwise excluded
 - 3) caused by
 - A) corrosion rust wet or dry rot shrinkage evaporation loss of weight dampness dryness marring scratching vermin or insects
 - B) change in temperature colour flavour texture or finish
 - C) joint leakage failure of welds cracking fracturing collapse or overheating of boilers economisers superheaters pressure vessels or any range of steam and feed piping in connection therewith
 - D) mechanical or electrical breakdown or derangement in respect of the particular machine apparatus or equipment in which the breakdown or derangement originates
 - E) the deliberate act of a supply undertaking in withholding the supply of water gas electricity fuel or telecommunication servicesbut this shall not exclude
 - 1) such Damage which itself results from other Damage and is not otherwise excluded
 - 2) subsequent Damage which itself results from a cause not otherwise excluded
 - 4) caused by
 - A) pollution or contamination
 - B) acts of fraud or dishonesty
 - C) disappearance unexplained or inventory shortage misfiling or misplacing of information
 - 5) to
 - A) a building or structure caused by its own collapse or cracking
 - B) moveable property in the open fences and gates by wind rain hail sleet snow flood or dust
 - C) property resulting from its undergoing any process of production packing treatment testing commissioning servicing or repair
 - 6) to
 - A) property or structures in course of construction or erection and materials or supplies in connection with all such property or structures
 - B) vehicles licensed for road use (including accessories thereon) caravans trailers railway locomotives rolling stock watercraft or aircraft
 - C) land roads pavements piers jetties bridges culverts or excavations
 - D) livestock growing crops or trees

Exclusions

The Company shall not be liable for loss resulting from

A War and allied Risks

Damage occasioned by

- 1) riot or civil commotion unless such Cover is specifically insured and then only to the extent stated
- 2) war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

B Sonic Bangs

Damage caused by pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

C Pollution and Contamination

pollution or contamination but this shall not exclude loss resulting from Damage (not otherwise excluded) caused by

- 1) pollution or contamination which itself results from any Cover insured (other than Cover 10)
- 2) any Cover insured (other than Cover 10) which itself results from pollution or contamination

D Radioactive Contamination

Damage occasioned by or happening through or occasioning loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss directly or indirectly caused by or contributed to by or arising from

- 1) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- 2) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

E Northern Ireland

Damage in Northern Ireland occasioned by or happening through

- 1) civil commotion
- 2) any unlawful wanton or malicious act committed maliciously by a person or persons acting on behalf of or in connection with any Unlawful Association

For the purpose of this exclusion –

Unlawful Association means any organisation which is engaged in Terrorism and includes an organisation which at any relevant time is a proscribed organisation within the meaning of the Northern Ireland (Emergency Provisions) Act 1973

Terrorism means the use of violence for political ends and includes any use of violence for the purpose of putting the public or any section of the public in fear

In any action suit or other proceedings where the Company alleges that by reason of the provisions of this exclusion any loss resulting from such Damage is not covered by this Policy the burden of proving that such loss is covered shall be upon the Insured

F Computer and Ancillary Equipment

Damage to Computer and Ancillary Equipment and Computer Systems Records

The Insurance Provided

Item on Gross Revenue

Subject to the provisions below the Company will pay as indemnity –

- A) In respect of Loss of Gross Revenue
the amount by which the Gross Revenue during the Indemnity Period shall in consequence of the Damage fall short of the Standard Gross Revenue
- B) In respect of Increase in Cost of Working
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross Revenue which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage
but not exceeding the total of
 - the amount of the reduction in Gross Revenue thereby avoidedplus
 - 5% of the sum insured by the item (but not more than £250,000)

The following are the provisions referred to above

- 1 Alternative Trading**
If during the Indemnity Period work shall be done or services rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on the Insured's behalf the money paid or payable in respect of work or services shall be taken into account in arriving at the Gross Revenue during the Indemnity Period
- 2 Savings**
If any of the charges or expenses of the Business payable out of Gross Revenue shall cease or reduce in consequence of the Damage the amount of such savings during the Indemnity Period shall be deducted from the amount payable
- 3 Professional Accountants' Charges**
The Company will pay the reasonable charges payable by the Insured to their professional accountants for producing information required by the Company under the terms of the Claims Conditions and for reporting that such information is in accordance with the Insured's accounts
- 4 Underinsurance**
If the sum insured is less than the Insurable Amount the amount payable shall be proportionately reduced

Item on Additional Cost of Working

Subject to the provision below the Company will pay as indemnity the additional expenditure necessarily and reasonably incurred in order to minimise any interruption or interference with the Business during the Indemnity Period in consequence of the Damage

The following is the provision referred to above

Professional Accountants' Charges

The Company will pay the reasonable charges payable by the Insured to their professional accountants for producing information required by the Company under the terms of the Claims Conditions and for reporting that such information is in accordance with the Insured's accounts

Outstanding Debit Balances

Subject to the provisions below the Company will pay as indemnity –

- A) the difference between
 - 1) the Outstanding Debit Balances
 - and
 - 2) the total of the amounts received or traced in connection with such balances
- B) the additional expenditure incurred with the consent of the Company in tracing and establishing customers' debit balances after the Damage

The following are the provisions referred to above

- 1 Professional Accountants' Charges**
The Company will pay the reasonable charges payable by the Insured to their professional accountants for producing information required by the Company under the terms of the Claims Conditions and for reporting that such information is in accordance with the Insured's accounts
- 2 Limit of Liability**
The Company's liability in any Period of Insurance shall not exceed in the whole the sum of £50,000 or any other limit of liability stated in the Schedule
- 3 Damage to Computer and Ancillary Equipment and Computer Systems Records**
Exclusion F does not apply to the insurance provided in respect of Outstanding Debit Balances

Definitions

Computer Equipment Ancillary Equipment Computer Systems Records Deeds and Documents Transparencies Office Machines

These terms shall have the same meanings as defined in Property Damage Insurance

The following notes refer to the Definitions stated below

- 1 To the extent that the Insured are accountable to the tax authorities for Value Added Tax all terms in this insurance shall be exclusive of such tax
- 2 For the purpose of these definitions any adjustment implemented in current cost accounting shall be disregarded
- 3 In the definition of Insurable Amount the amount of Gross Revenue shall be proportionately increased to correspond with the Maximum Indemnity Period where it exceeds twelve months

Indemnity Period

the period beginning when the Damage occurs and ending when the results of the Business cease to be affected by the Damage but not exceeding the Maximum Indemnity Period (as shown in the Schedule)

Gross Revenue

the money paid or payable to the Insured for works done and for services rendered in course of the Business at the Premises

Standard Gross Revenue

the Gross Revenue which would have been obtained during the Indemnity Period

Insurable Amount

the Gross Revenue which would have been earned in the twelve months immediately following the date of the Damage



had the Damage not occurred after account has been taken of the trends of the Business and of the variations in or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred (subject to the provision of Note 3 above)

Outstanding Debit Balances

the total recorded under the provisions of Debit Recording adjusted for

- A) bad debts
- B) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Damage) to the credit accounts of the Business in the period between the date to which the last monthly record relates and the date of the Damage and
- C) any abnormal condition of trade which had or could have had a material effect on the Business so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the Damage had the Damage not occurred

Extensions

This insurance is extended to include loss as insured in consequence of

- 1 Damage by any of the Covers insured
 - A) at any premises not occupied by the Insured but used by them solely for storage purposes in Great Britain Northern Ireland the Channel Islands and the Isle of Man
 - B) to Transparencies Deeds and Documents Office Machines machinery plant accounting records other trade equipment and contents (but not motor vehicles Computers and Ancillary Equipment or Computer Systems Records) whilst temporarily removed from the Premises and in transit by road rail air or inland waterway to and from the Premises anywhere in Europe

provided that the Company's liability after the application of all other terms and conditions of the Policy shall not exceed 10% of the total of the sum insured or £250,000 whichever is the less (unless otherwise stated in the Schedule)

- 2
 - A) closure or restrictions placed on the Premises on the advice or with the approval of the Medical Officer of Health of the Public Authority as a result of a notifiable human disease manifesting itself at the Premises
 - B) injury or illness sustained by any customer or employee arising from or traceable to foreign or injurious matter in food or drink sold from the Premises
 - C) closing of the whole or part of the Premises by order of the Public Authority for the area in which the Premises are situate consequent upon defects in the drains and other sanitary arrangements at the Premises
 - D) murder or suicide occurring at the Premises
 - E) vermin and pests at the Premises
 - F) loss destruction or damage caused by any of the Covers to property in the vicinity of the Premises which prevents or hinders the use of the Premises or access thereto whether the Premises or the Insured's property therein shall be damaged or not but excluding Damage which prevents or hinders the supply of electricity gas water or telecommunications services

provided that the Company's liability after the application of all other terms and conditions of the Policy shall not exceed the sum insured by this insurance

- 3 Damage by any of the Covers insured to property at any generating station or substation of the public electricity supply undertaking land based premises of the public gas supply undertaking or of any natural gas producer linked directly therewith water works or pumping station of the public water supply undertaking from which the Insured obtains electricity gas or water shall be deemed to have resulted from Damage to property at the Premises

provided that the Company's liability after the application of all other terms and conditions of the Policy shall not exceed the sum insured by this insurance

Memoranda

Payments on Account

Payments on account may be made during the Indemnity Period if desired

Automatic Reinstatement after a Loss (not applicable in respect of Outstanding Debit Balances)

In the absence of written notice by the Insured or the Company to the contrary the Company's liability shall not be reduced by the amount of any loss the Insured undertaking to pay the appropriate additional premium for such automatic reinstatement of cover

Debit Recording Warranty

The Insured shall maintain a record elsewhere than in the building in which the original records are kept showing the total amount outstanding in the credit accounts of the Business at the end of each month and in the event of Damage giving rise to a claim shall supply that record to the Company

Misuse or Contamination of Computer Systems

Insofar as this insurance covers loss of Outstanding Debit Balances resulting from Computer Misuse the Company's liability in respect of any such loss shall not exceed £50,000 (or any other stated limit of liability if less) after the application of all the provisions of the insurance including any deductible

Computer Misuse shall mean the deliberate or accidental misuse or contamination of any computer system (including programs and data) from

- A) Any act executed through accessing the system
- B) Any infection of any kind within the system

