

Business Interruption All Risks Section

Gross Rent

Section Definitions

Annual Gross Rent

The **Gross Rent** during the twelve months immediately before the date of any **Event**.

Business Interruption

Loss resulting from interruption of or interference with the **Business** carried on by **the Insured** at the **Premises** in consequence of an **Event** to property used by **the Insured** at the **Premises** for the purpose of the **Business**.

Event

Accidental loss or destruction of or damage to property used by **the Insured** at the **Premises** for the purpose of the **Business**.

Gross Rent

The money paid or payable to **the Insured** by tenants for rent of the **Premises** and services rendered at the **Premises** in course of the **Business**.

Indemnity Period

The period beginning with the occurrence of the **Event** and ending not later than the **Maximum Indemnity Period** thereafter during which the results of the **Business** shall be affected in consequence of any **Event**.

Maximum Indemnity Period

The period shown in the **Schedule** or the period specified within any Basis of Settlement Adjustment, Extension, Contingency or clause.

Specified Events

Fire, lightning, explosion, aircraft or 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 or impact by any road vehicle or animal.

Standard Gross Rent

The **Gross Rent** during that period in the twelve months immediately before the date of any **Event** which corresponds with the **Indemnity Period**.

Unoccupied

Any building or any part of any building which;

- a at the inception of this **Policy** or on the date which any **Premises** are added to this **Policy** during the **Period of Insurance**, is empty or unfurnished or unattended or no longer in active use by **the Insured** or any tenant of **the Insured**

And,

- b at any time during the **Period of Insurance**, is empty or unfurnished or untenanted or no longer in active use by **the Insured** or any tenant of **the Insured** for a period exceeding 30 consecutive days

Business Interruption All Risks Section

Gross Rent (continued)

Cover

The Insurer will pay the Insured for **Business Interruption** by any **Event**, excluding

1 **Business Interruption** caused by or consisting of

- a gradual deterioration, wear and tear, inherent vice, latent defect, frost, change in water table level, its own faulty or defective design or materials
- b the bursting of any boiler (not being a boiler or economiser on the **Premises** or a boiler used for domestic purposes only), belonging to **the Insured** or under the control of **the Insured** in which internal pressure is due to steam only
- c pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds

but **the Insurer** will pay for subsequent **Business Interruption** which itself results from a cause not otherwise excluded

- d faulty or defective workmanship by **the Insured** or any employee of **the Insured**
- e operational error or omission by **the Insured** or any employee of **the Insured** but **the Insurer** will pay for
 - i such **Business Interruption** not otherwise excluded which itself results from a **Specified Event**
 - ii subsequent **Business Interruption** which itself results from a cause not otherwise excluded
- f acts of fraud or dishonesty by any partner, director or employee of **the Insured** but **the Insurer** will pay for such **Business Interruption** not otherwise excluded which itself results from a **Specified Event**

2 **Business Interruption**

- a caused by or consisting of corrosion, rust, wet or dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring, scratching, vermin or insects
- b caused by or consisting of change in temperature, colour, flavour, texture or finish
- c arising directly from theft or attempted theft
 - i which does not involve entry to or exit from a building at the **Premises** by forcible and violent means or hold-up by violence or threat of violence to **the Insured** or any partner, director or employee of **the Insured** or any other person who has a legal right to be on the **Premises**
 - ii to property in the open or in open fronted buildings or in buildings not on permanent foundations
 - iii expedited or in any way brought about by **the Insured** or any partner, director or employee of **the Insured** or any other person who has a legal right to be on the **Premises**
- d consisting of joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of steam and feed piping connected to them
- e consisting of mechanical or electrical breakdown or derangement in respect of the particular machine, apparatus or equipment in which such breakdown or derangement originates
- f caused by the deliberate act of a supply undertaking in withholding the supply of water, gas, electricity, fuel or telecommunications services

but **the Insurer** will pay for

- i such **Business Interruption** not otherwise excluded which itself results from a **Specified Event** or from any other accidental loss, destruction or damage

Business Interruption All Risks Section

Gross Rent (continued)

Cover (continued)

- ii subsequent **Business Interruption** which itself results from a cause not otherwise excluded
- 3 loss resulting from, in any way contributed to by or in any way consisting of pollution or contamination, but **the Insurer** will pay for such loss resulting from destruction of or damage to property used by **the Insured** at the **Premises** for the purpose of the **Business** not otherwise excluded, caused by
 - a pollution or contamination at the **Premises** which itself results from a **Specified Event**
 - b any **Specified Event** which itself results from pollution or contamination
- 4 **Business Interruption** caused by or consisting of
 - a subsidence, ground heave or landslip
 - i in respect of walls, gates, fences, roads, car parks, yards, forecourts, patios, pavements, footpaths and similar hard surfaced areas unless a building at the same **Premises** is **Damaged** by the same cause at the same time
 - ii resulting from
 - a the settlement or movement of made-up ground
 - b coastal or river erosion
 - c defective design or workmanship or the use of defective materials
 - iii which commenced prior to the inception of this cover
 - iv occurring as a result of demolition, construction, structural alteration or repair of any property, or as a result of ground work or excavation, at the same **Premises**
 - b normal settlement or bedding down of new structures.

5 **Business Interruption** arising directly or indirectly from

- a disappearance, unexplained or inventory shortage or the misfiling or misplacing of information
- 6 Loss resulting from destruction or damage to a building or structure used by **the Insured** at the **Premises** caused by its own collapse or cracking, but **the Insurer** will pay for such loss resulting from a **Specified Event** in so far as it is not otherwise excluded
- 7 **Business Interruption** in respect of fences, gates and moveable property in the open caused by wind, rain, hail, sleet, snow, flood or dust

8 **Business Interruption**

- a caused by fire resulting from any property undergoing any heating process or any process involving the application of heat
- b resulting from any property undergoing any process of production, packing, treatment, testing, commissioning, servicing or repair, but **the Insurer** will pay for such **Business Interruption** caused by fire or explosion
- 9 **Business Interruption** in respect of any building which is **Unoccupied** or any property therein caused by
 - a freezing
 - b escape of water from any tank, apparatus or pipe
 - c malicious persons not acting on behalf of or in connection with any political organisation, but **the Insurer** will pay for such **Business Interruption** caused by fire or explosion
 - d the escape of oil from a fixed heating installation

Business Interruption All Risks Section

Gross Rent (continued)

Cover (continued)

10 Business Interruption in respect of

- a glass (other than fixed glass), sanitaryware (other than fixed sanitaryware), china, earthenware, marble or other fragile or brittle objects
- b vehicles licensed for road use (including accessories on them), caravans, trailers, railway locomotives, rolling stock, watercraft or aircraft
- c property or structures in course of construction or erection and materials or supplies in connection with all such property or structures
- d land, piers, jetties, bridges, culverts or excavations
- e livestock, growing crops or trees.

but **the Insurer** will pay for such **Business Interruption** caused by

- i a **Specified Event** in so far as it is not otherwise excluded
- ii theft of property described under 10a above

11 Business Interruption directly or indirectly caused by or consisting of or arising from the failure of any computer or other equipment or system for processing, storing or retrieving data, whether the property of **the Insured** or not, to achieve any or all of the purposes and consequential effects intended by the use of any number to denote a date, including the failure

- a correctly to recognise any date as its true calendar date
- b to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date

- c to recognise, capture, save, retain, restore and/or correctly to manipulate, interpret, calculate or process any data or information as a result of the operation of any command which has been programmed into any computer software or firmware, being a command which causes the loss of data or the inability to recognise, capture, save, retain, restore or correctly to manipulate, interpret, calculate or process any data on or after any date

but **the Insurer** will pay for subsequent **Business Interruption** which is not otherwise excluded and which itself results from a **Specified Event**

12 Business Interruption resulting from loss destruction or damage to property in Northern Ireland occasioned by or happening through or in consequence directly or indirectly of riot, civil commotion, and (except in respect of **Business Interruption** by fire or explosion) strikers, locked out workers or persons taking part in labour disturbances.

Business Interruption All Risks Section

Gross Rent (continued)

Basis of Settlement

The **Insurer** will pay the **Insured**, in respect of each item covered, the amount of their claim for **Business Interruption**, provided that at the time of any **Event**

- a there is an insurance in force covering the interest of the **Insured** in the property at the **Premises** against such **Event** and that
 - i payment has been made or liability has been admitted for payment, or
 - ii payment would have been made or liability would have been admitted for payment but for the operation of a proviso in such insurance excluding liability for claims below a specified amount
- b the most the **Insurer** will pay for any one claim is in
 - i 200% of the **Gross Rent Sum Insured**
 - ii for any other item, 100% of the **Sum Insured** or any other limit of liability in this **Section**
 - iii in total the sum of 200% of the **Gross Rent** and 100% of the **Sums Insured** or limits of liability for any other items.

The **Sums Insured** or limits of liability shall not be reduced by the amount of any claim as insured under this **Section** provided that

- a the **Insurer** does not give written notice to the contrary within 30 days of the notification of any **Event**
- b the **Insured** pays the appropriate additional premium on the amount of the claim from the date of the **Event** to the expiry of the **Period of Insurance**
- c the **Insured** agrees to comply with any security recommendations or other measures the **Insurer** may require to reduce the risk of an **Event**.

The **Insurer** will pay the **Insured** as indemnity in consequence of **Business Interruption** for

- a Loss of **Gross Rent**, and
- b Increase in Cost of Working.

Loss of **Gross Rent** means the amount by which the **Gross Rent** during the **Indemnity Period** falls short of the **Standard Gross Rent**.

Increase in Cost of Working means the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of **Gross Rent** which but for that expenditure would have taken place during the **Indemnity Period**.

Basis of Settlement Adjustments

The **Insurer** will not pay the **Insured** for

- a Increase in Cost of Working exceeding the amount of loss of **Gross Rent** thereby avoided
- b any amounts saved during the **Indemnity Period** in respect of any of the charges and expenses of the **Business** payable out of **Gross Rent** that may cease or be reduced.

In calculating the amounts the **Insurer** will pay the **Insured** as indemnity, adjustments shall be made in accordance with the following clauses.

1 Average

If the **Sum Insured** by any item on **Gross Rent** is less than the **Annual Gross Rent**, or if the Departmental Trading clause applies is less than the aggregate of the sum produced by the **Annual Gross Rent** for each department of the **Business** (whether affected by the **Event** or not), the amount payable will be proportionately reduced.

The amount of the **Annual Gross Rent** will be proportionately increased when the **Maximum Indemnity Period** exceeds 12 months.

2 Alternative Premises

If during the **Indemnity Period** money is paid to the **Insured** for rent of premises elsewhere than at the **Premises**, for the benefit of the **Business**, the rent derived from such other premises shall be taken into account in arriving at the **Gross Rent** during the **Indemnity Period**.

Business Interruption All Risks Section

Gross Rent (continued)

Basis of Settlement Adjustments (continued)

3 Departmental Trading

If the **Business** is conducted in departments, the independent trading results of which can be ascertained, the Basis of Settlement for **Gross Rent** shall apply separately to each department affected.

4 Trends and Variations

Adjustments shall be made to the figures representing the **Annual Gross Rent** and the **Standard Gross Rent** that may be necessary to provide for the trend of the **Business**, and for variations in or other circumstances affecting the **Business**, either before or after the **Event**, and which would have affected the **Business** had the **Event** not occurred, so that the adjusted figures represent as near as reasonably practicable results which but for the **Event** would have been obtained during the relative period after the **Event**.

5 New Business

If the **Business** is in its first year of trading during the first **Period of Insurance**, and an **Event** occurs before completion of such first **Period of Insurance**, **Annual Gross Rent** and **Standard Gross Rent** shall mean the following.

Annual Gross Rent – the proportional equivalent, for the period of 12 months, of the **Gross Rent** realised during the period between the date of commencement of the **Business** and the date of the **Event**.

Standard Gross Rent – the proportional equivalent, for the period equal to the **Indemnity Period**, of the **Gross Rent** realised during the period between the date of commencement of the **Business** and the date of the **Event**.

6 Auditors and Accountants Charges

If the auditors or professional accountants of the **Insured** produce any particulars or details required by the **Insurer** from the **Insured's** books of account or other business books or documents, or any other proofs, information or evidence under the terms of Condition 2 of this **Section**, the **Insurer** will pay the **Insured** the

reasonable charges payable by the **Insured** to their auditors or professional accountants provided that the sum of such reasonable charges and any other amount payable under this **Section** shall not exceed the liability of the **Insurer** under this **Section**.

7 Value Added Tax

All terms in this **Section** shall be exclusive of value added tax to the extent that the **Insured** are accountable to the tax authorities for such tax.

8 Current Cost Accounting

For the purposes of this **Section**, any adjustment implemented in current cost accounting shall be disregarded.

9 Payments on Account

The **Insurer** will make payments on account during the **Indemnity Period**, if the **Insured** so request, subject to any necessary adjustment at the end of the **Indemnity Period**.

10 Claims Preparation Expenses

Cover extends to include the necessary and reasonable costs, expenses and charges incurred by the **Insured** in producing and certifying any particulars or details required by the **Insurer** in connection with any claim under this **Section** and which are incurred with the consent of the **Insurer** and for which the **Insurer** has admitted liability, provided that

- i such costs and expenses are limited to
 - any additional costs and expenses incurred by any employees of the **Insured** and the cost of materials used in furnishing the **Insurer's** requirements
 - the reasonable charges payable by the **Insured** to their auditors or professional accountants for producing such information as may be required by the **Insurer**
- ii the **Insurer** shall have the right to review and audit all documentation relating to such costs and expenses
- iii such costs expenses and charges are not otherwise recoverable under this **Section** or the **Policy**

Business Interruption All Risks Section

Gross Rent (continued)

Basis of Settlement Adjustments (continued)

- iv an **Excess** of £1,000 shall apply in respect of each and every claim
- v the liability of **the Insurer** shall not exceed £25,000 in respect of any one claim, and such limit shall apply in addition to the **Sums Insured** or limits applying under this **Section**.

11 Theft Damage to Buildings

Cover extends to include **Business Interruption** caused by or consisting of theft or attempted theft of a building or part of a building where insured under the Theft Damage to Buildings Basis of Settlement Adjustment clause under the Property Damage Section.

12 Seventy Two Hours Clause

An **Event** occurring at any one **Premises** within 72 consecutive hours of and arising from the **Specified Events** of storm or flood is deemed to be one claim. **The Insured** have the right to select the moment from which the 72 hour period shall be deemed to have commenced within the terms of this **Section**, provided that such **Event** occurred prior to expiry of the **Period of Insurance**.

13 Book Debts Extension

The Insurer will pay **the Insured** the amount of their claim for Outstanding Debit Balances if in consequence of Damage

- a at the **Premises**
- b at any premises in the **United Kingdom** occupied by persons acting on behalf of **the Insured**, to which **Insured Records** have been temporarily removed
- c in transit, including sea or air transit within the **United Kingdom**,

to the **Insured's Records** within the **Period of Insurance**, **the Insured** are unable to trace or establish Outstanding Debit Balances in whole or in part

The cover is limited to loss sustained by **the Insured** directly due to such Damage and the amount payable shall not exceed

- a the difference between
 - i the Outstanding Debit Balances, and
 - ii the total of the amounts received or traced in respect of such balances
- b the additional expenditure incurred with the **Insurer's** previous consent in tracing and establishing customers' debit balances after the Damage.
- c the **Sum Insured** shown in the **Schedule**.

Provided that at the end of each month **the Insured** shall record the total amount outstanding in customers' accounts at that time, and keep a copy of such records at a place other than the **Insured's Premises**.

The following Definitions apply in respect of this cover:

Damage

Loss or destruction or damage

Insured's Records

The Insured's books of account or other business books or records.

Outstanding Debit Balances

The total recorded by **the Insured** under the provisions of the Outstanding Debit Recording Condition adjusted for

- a bad debts
- b amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through **the Insured's** books at the time of the **Event**) to customers' accounts in the period between the date to which the total last recorded relates and the date of the Damage

Business Interruption All Risks Section

Gross Rent (continued)

Basis of Settlement Adjustments (continued)

- c any abnormal condition of trade which had or could have had a material effect on the **Business**

so that the adjusted figures represent as near as reasonably practicable results which but for the Damage **the Insured** would have obtained at the date of the Damage had the Damage not occurred.

14 Break Clause

The insurance shall not be prejudiced by any insurance or causality break clause in a lease which enables a lessee to determine the lease in consequence of an **Event** deeming the property to be uninhabitable.

15 Buildings Awaiting Sale

If at the time of the **Event** **the Insured** shall have contracted to sell their interest in the **Premises** or shall have accepted an offer in writing to purchase their interest in the **Premises** subject to contract and the sale is cancelled or delayed solely in consequence of the **Event** **the Insured** may opt for the amount payable by **the Insurer** to be as follows:

- A during the period prior to the date upon which but for the **Event** the **Premises** would have been sold, the loss of **Gross Rent** being the actual amount of the reduction in **Gross Rent** solely in consequence of the **Event**
- B during the period commencing with the date upon which but for the **Event** the **Premises** would have been sold and ending with the actual date of sale or when the **Premises** or that part of the **Premises** capable of direct occupation and affected by the **Event** is restored to its pre-damaged condition or the **Maximum Indemnity Period** whichever is the earlier during which the results of the **Business** shall be affected in consequence of the **Event**
 - a the loss in respect of interest being
 - i the actual interest incurred on capital borrowed (solely to offset in whole or part the loss of use of the sale proceeds) for the purpose of financing the **Business**

- ii the investment interest lost to **the Insured** on any balance of the sale proceeds (after deduction of any capital borrowed as provided under **ai**

less any amount receivable in respect of **Gross Rent**

- b the additional expenditure being
 - i the additional expenditure necessarily and reasonably incurred in consequence of the **Event** solely to avoid or minimise the loss payable under **A** and **B** above but not exceeding the amount of loss avoided by such expenditure
 - ii the additional legal fees and other expenditure incurred solely as a result of the cancellation or delay in consequence of the **Event** but not exceeding an amount equivalent to the expenditure incurred immediately prior to the **Event**.

Provided that

- i **the Insured** shall make all reasonable efforts to complete the sale of the **Premises** as soon as practicable after the **Event**
- ii the assessment of the actual loss of interest shall be at a rate of not more than 2% above the London Interbank Offered Rate applying during the **Indemnity Period**
- iii the amount payable under this **Section** shall not exceed the amount of **Gross Rent** that would have been earned had the **Premises** been leased or rented
- iv **the Insurer's** liability in total in any one **Period of Insurance** shall in no case exceed 10% of the **Gross Rent Sum Insured** specified against the relevant item or £100,000 whichever is the lower, unless stated otherwise in the **Schedule**

Business Interruption All Risks Section

Gross Rent (continued)

Basis of Settlement Adjustments (continued)

16 Contracting Purchaser's Interest

The Insurer agrees that without prejudice to the rights and liabilities of **the Insured** or **the Insurer**, if at the time of an **Event the Insured** shall have contracted to sell their interest in any **Premises** for which **Gross Rent** is insured under this **Section** and the purchase has not been but is subsequently completed, the purchaser shall be entitled on completion of the purchase to benefit under this **Section** for loss of **Gross Rent** in consequence of such **Event** until completion, to the extent that such **Gross Rent** is not otherwise insured by the purchaser or on their behalf.

17 Loss of Investment Income on Late Payment of Rent

If as a result of an **Event the Insurer** is paying indemnity in respect of loss of **Gross Rent** and the payment by **the Insurer to the Insured** is made later than the date upon which **the Insured** would normally have expected to receive the **Gross Rent** from a lessee **the Insurer** will pay a further sum representing the investment interest lost to **the Insured** during the delay period
Provided that

- i the assessment of the interest lost shall be at a rate of not more than 2% above the London Interbank Offered Rate applying during the **Indemnity Period**
- ii **the Insurer's** liability in total in any one **Period of Insurance** shall in no case exceed 200% of the **Sum Insured** specified against the relative item or any limit of liability stated in this **Section** whichever is the lower

18 Relocation of Tenants

In the event that the tenant is relocated to an empty **Premises** of **the Insured** following an **Event** the claim for any resultant loss of **Gross Rent** in relation to the damaged **Premises** will not be reduced provided that

- a the **Buildings** are insured under the **Property Damage Section** of this **Policy**
- b the maximum **the Insurer** will pay by any item is the **Sum Insured**.

19 Service Charges and Other Charges

Gross Rent is deemed to include

- i service charges and other income paid or payable to **the Insured** for the use of the **Premises** and services provided in connection therewith and for car parking facilities
- ii insurance premiums where there is a cessor clause in the lease which enables the lessee to cease paying such premiums or part thereof in consequence of an **Event** unless otherwise stated in the **Schedule**.

Business Interruption All Risks Section

Gross Rent (continued)

Section Extensions

Any claim resulting from interruption of or interference with the **Business** in consequence of

- a** accidental physical loss, destruction or damage at any Situation or to any Property shown below, or
- b** any of the under-noted Contingencies

occurring during the **Period of Insurance** and within the **United Kingdom**, shall be understood to be **Business Interruption** by an **Event** covered by this **Section**, provided that after the application of all other terms, conditions, exclusions and provisions of this **Section**, the **Policy** and the terms set out below, the liability of **the Insurer** for any one claim shall not exceed in the whole 200% of the **Gross Rent Sum Insured**, or the percentage of 200% of the **Gross Rent Sum Insured**, or the amount shown below (or the amount as specified otherwise in the **Schedule**) against any of the Situations or any of the Property or any Contingency as the Limit, whichever is the less.

To the extent that a claim or claims arising out of or in connection with the same originating cause are covered under more than one Extension, or under one Extension and the general cover afforded by this **Section**, the **Insurer's** maximum liability under this **Section** and all the Extensions combined shall not exceed the largest of any applicable Limits or **Sums Insured**.

Situations

Exhibition Sites

Any exhibition site where **the Insured** are exhibiting goods or services, excluding any such site under canvas or in the open.

Limit £25,000.

Property

Supply Undertakings

Property

- A** at any land based premises
- B** comprising any land based cable or pipe connecting to the terminal connecting point at the **Premises** or any pylon through which any such cable runs

of any supply undertaking service provider or producer from which **the Insured** directly obtains

- i** electricity (including generating stations or sub-stations)
- ii** gas (including any natural gas producer provided that it supplies gas directly to the supply undertaking or service provider which supplies gas to **the Insured**)
- iii** water (including water works and pumping stations)
- iv** telecommunications services (excluding intranet or extranet services)
- v** other telecommunications services providing intranet or extranet services

Provided that:

- a** the **Maximum Indemnity Period** shall not exceed 1 month beginning with the date on which the damage occurred
- b** **the Insurer** shall not be liable
 - i** unless the loss, destruction or damage results in a complete cessation of the supply of the relevant service to the **Premises** for more than 48 consecutive hours

Business Interruption All Risks Section

Gross Rent (continued)

Situations (continued)

- ii for the first 48 consecutive hours of cessation of the supply of the relevant service to the **Premises**
- iii for any **Business Interruption** caused by loss or destruction of or damage to any overhead transmission and distributing cables or lines and their supporting structures (including pylons), other than where such loss, destruction or damage occurs to such cables, lines and structures situated within 1 mile of the **Premises**
- iv for more than £1,000,000 for each occurrence (of loss, damage or destruction to the supply undertaking's, service provider's or producer's property) or series of occurrences arising out of or in connection with the same originating cause, irrespective of the number of the **Premises** which are affected by the occurrence or series of occurrences. Where the same originating cause results in loss, damage or destruction to the property of more than one supply undertaking, service provider or producer, **the Insurer** shall not be liable to pay more than £1,000,000 under this Extension in respect of all occurrences of loss, destruction or damage combined and in the aggregate, irrespective of the number of supply undertaking's, service provider's or producer's properties affected.

Denial of Access – Damage

Property in the immediate vicinity of the **Premises**, which prevents or hinders the use of or access to the **Premises** whether the **Premises** or property in the **Premises** is destroyed or damaged or not,

Provided that

- a the **Maximum Indemnity Period** shall not exceed 3 months beginning with the date on which the damage occurred
- b **the Insurer** shall not be liable for any **Business Interruption**
 - i that does not involve hindrance or prevention of access to the **Premises** for at least 4 consecutive hours

- ii resulting from loss or destruction of or damage to
 - A the property of any supply undertaking from which **the Insured** obtains electricity, gas, water or telecommunications services which prevents or hinders the supply of such services to the **Premises**
 - B any property situated more than 1 mile from the **Premises**

Limit £5,000,000 or the **Sum Insured** in the **Schedule** whichever is less in respect of any one claim and in total during the **Period of Insurance**

Documents

Documents belonging to **the Insured** or held by **the Insured** in trust, whilst at premises not in the occupation of **the Insured** or in transit by road, rail or inland waterway.

Limit 10% or £100,000

whichever is the less.

Contingencies

Failure of Supply

Accidental failure of supply of

- i electricity at the terminal ends of the service provider's feeders at the **Premises**
- ii gas at the service provider's meters at the **Premises**
- iii water at the service provider's main stop cock serving the **Premises**
- iv land based telecommunications services (excluding intranet or extranet services) at the incoming line terminals or receivers at the **Premises**
- v other telecommunications services (including intranet or extranet services) at the incoming line terminals or receivers at the **Premises**

Provided that

- a the **Maximum Indemnity Period** shall not exceed 1 month beginning with the date on which the failure of the supply first started occurring

Business Interruption All Risks Section

Gross Rent (continued)

- b** the **Insurer** shall not be liable
- i** unless there is a complete cessation of the supply of the relevant service to the **Premises** of more than 48 consecutive hours
 - ii** for the first 48 consecutive hours of cessation of the supply of the relevant service to the **Premises**
 - iii** for any **Business Interruption** resulting from the deliberate act of any supply undertaking or service provider, or from any such undertaking or provider exercising its power to withhold or restrict supply or services or otherwise not performing its services
 - iv** for any **Business Interruption** resulting from failure of supply caused by
 - strikes or any labour or trade dispute
 - Riot or civil commotion
 - drought
 - other atmospheric or weather conditions, but this shall not exclude failure due to physical damage caused by such conditions
 - the acts of any government or nation state or any person acting on their behalf
 - energy, supply or fuel shortages, schemes of rationing and rota disconnections and pre-planned supply outages
- v** for any **Business Interruption** caused by the failure of any overhead transmission and distributing cables, lines and their supporting structures (including pylons), other than where such failure occurs to such cables, lines and structures situated within 1 mile of the **Premises**
- vi** for any **Business Interruption** resulting from the failure of telecommunications services delivered via satellite
- vii** for any **Business Interruption** which is insured under the Supply Undertakings Extension
- viii** for more than £25,000 for each failure of supply or series of failures arising out of or in connection with the same originating cause, irrespective of the number of the **Premises** which are affected by the failures. Where the same originating cause results in failure of supply from more than one supply undertaking or service provider, **the Insurer** shall not be liable to pay more than £25,000 under this Extension in respect of all failures of supply combined and in the aggregate, irrespective of the number of supply undertakings or service providers involved.

Section Conditions

1 Alteration in Risk

The Insured must notify **the Insurer** as soon as possible if during the **Period of Insurance** there is any alteration in the ownership of **the Insured**, or any alteration in or to the **Business** at the **Premises**

- a** due to the **Business** being wound up or carried on by a liquidator or receiver or permanently discontinued
- b** in respect of which the interest of **the Insured** ceases other than by death
- c** in respect of the risks of subsidence, ground heave or landslip where any demolition, construction, ground works or excavation work is being carried out on any adjoining site
- d** to the facts or matters set out in the **Schedule** or otherwise comprising the risk presentation made by **the Insured** to **the Insurer** at inception, renewal or variation of the **Policy**

which materially increases the risk of an **Event** and any other loss or expenditure as insured by this **Section**.

Upon being notified of any such alteration, **the Insurer** may, at its absolute discretion

- a** continue to provide cover under this **Section** on the same terms
- b** restrict the cover provided by this **Section**
- c** impose additional terms
- d** alter the premium
- e** cancel this **Section** and the **Policy**.

If **the Insured** fails to notify **the Insurer** of any such alteration, **the Insurer** may

- a** treat this **Section** and the **Policy** as if it had come to an end as at the date of the alteration of the risk, returning a proportionate amount of the premium for the unexpired **Period of Insurance**, if **the Insurer** would have cancelled this **Section** and the **Policy** had it known of the increase in risk

Business Interruption All Risks Section

Gross Rent (continued)

Situations (continued)

- b** treat this **Section** and the **Policy** as if it had contained such terms (other than relating to premium) or other restrictions (if any) from the date of the alteration in risk as **the Insurer** would have applied had it known of the increase in risk
- c** reduce proportionately the amount paid or payable on any claim, the proportion for which **the Insurer** is liable being calculated by comparing the premium actually charged as a percentage of the premium which **the Insurer** would have charged had it known of the increase in risk.

2 Additional Claims Conditions

If any **Event** or other circumstances in consequence of which **the Insured** make or may make a claim under this **Section**, **the Insured** shall at their own expense deliver to **the Insurer**

- a** within 28 days of its happening, full details of **Business Interruption** caused by riot, civil commotion, strikers, locked-out workers, persons taking part in labour disturbances, malicious persons or theft
- b** not later than 30 days after expiry of the **Indemnity Period**, or such further time that **the Insurer** may allow, full information in writing of the particulars of the claim, together with details of all other policies covering property used by **the Insured** at the **Premises** for the purpose of the **Business** or any part of the **Business**, and the amount of any resulting **Business Interruption**
- c** such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence that **the Insurer** may reasonably require for the purpose of investigating or verifying the claim, together with, if required, a statutory declaration of the truth of the claim and of any matters connected with it.

Particulars or details contained in **the Insured's** books of account or other business books or documents, which may be required by **the Insurer** for the purpose of investigating or verifying any claim under this **Section**,

may be produced by professional accountants if at the time they are regularly acting for **the Insured**. Their report shall be prima facie evidence of the particulars and details to which such report relates.

The Insurer will not pay for any claim unless the terms of this condition have been complied with, and any payment on account already made shall be repaid to the Insurer.

3 Contribution

If at the time of any **Event** resulting in a claim under this **Section** there is any other insurance effected by or on behalf of **the Insured** covering such loss or any part of it, the liability of **the Insurer** under this **Section** shall be limited to **the Insurer's** rateable proportion of such loss.

4 Subrogation

Any claimant under this **Section** shall, at **the Insurer's** request and expense, take or permit to be taken all necessary steps for enforcing rights against any other party in the name of **the Insured**, before or after **the Insurer** makes any payment.

The Insurer agrees to waive any such rights to which **the Insurer** might become entitled by subrogation against any company standing in relation of parent to subsidiary (or subsidiary to parent) to **the Insured** or against any company which is a subsidiary of a parent company of which **the Insured** are themselves a subsidiary, in each case within the meaning of the Companies Act or Companies (Northern Ireland) Order current at the time of the **Business Interruption**.

5 Arbitration

If any difference arises as to the amount to be paid under this **Section** (liability being otherwise admitted by **the Insurer**), such difference shall be referred to an arbitrator to be appointed by **the Insured** and **the Insurer** in accordance with statutory provisions.

Where any difference is referred to arbitration in accordance with this condition, the making of an award shall be a condition precedent to any right of action against **the Insurer**.

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