

Allianz Insurance plc

# Electronic Equipment

Policy Wording



**Allianz** 

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Thank you for choosing  
Allianz Engineering.

Our technical expertise built over many years of providing engineering insurance and inspection products and services means you can trust us to be there when you need us.

If you need further details or have any questions, your broker or local Allianz Engineering branch will be delighted to help. Alternatively help and guidance can be obtained from:

Allianz Engineering  
Head Office  
Haslemere Road  
Liphook  
Hampshire  
GU30 7UN  
UK

#### Important

The insurance cover provided by this Policy may be varied by clauses printed in the Schedule.

Please read both the Policy and Schedule to make sure that you have the insurance cover required.



# Electronic Equipment

Allianz Insurance plc (referred to as ‘the Insurers’ or ‘the Insurer’) will indemnify or otherwise compensate the Insured named in the Schedule (referred to as ‘the Insured’) in accordance with and subject to the terms and conditions of this insurance in return for the Insured having paid or agreed to pay the Insurance Premium for the Period of Insurance.

Your insurance policy is made up of this Policy including all Exclusions Extensions and Conditions the Schedule and the proposal which you made to the Insurers prior to taking out this cover. These documents shall be read together as one contract.

Any word or expression to which a specific meaning has been given shall have the same meaning wherever it may appear in this Policy.

Please read all the pages of this Policy and Schedule carefully to ensure that your insurance requirements are met.

For Allianz Insurance plc

A handwritten signature in black ink that reads "Jonathan Dye". The signature is written in a cursive style with a large initial 'J'.

Jonathan Dye  
Chief Executive

**Allianz Engineering is a trading name used by  
Allianz Insurance plc**

# Definitions

## Territorial Limits

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

## Premises

- a** Any building in the sole occupancy of the Insured or
- b** where the Insured is not the sole occupier the parts of the building occupied by them.

## Location

The addresses shown in the Schedule.

## Insured Property

### Owned Equipment

Electronic equipment described in the Schedule belonging to the Insured or for which they are responsible under a hire purchase or lease agreement.

### Hired in Equipment

Electronic equipment described in the Schedule hired by the Insured and for which they are responsible under the terms of their hiring agreement or otherwise but not equipment on hire purchase or subject to a lease agreement or on free loan.

### Data Media

- a** Data carrying materials of all types
  - b** software programs or data
- other than paper records or paper licences.

### Maintenance Agreement

A maintenance rental hire or lease agreement providing at an inclusive cost on-call remedial maintenance with free repair or replacement in the event of breakdown arising out of normal use.

### Corruption

Loss distortion corruption or erasure of software programs or data forming part of Data Media.

### 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 virus trojan horses worms and logic bombs.

## Hacking

Unauthorised access to any computer or other equipment or component or system or item whether part of the Insured Property or not which processes stores transmits or retrieves data.

## Accident

- a** Loss or damage insured under Cover One Two or Three **a** which is not specifically excluded by the Exclusions or General Exclusions other than Exclusion **2** Breakdown or Derangement.
- b** Loss or damage covered by a guarantee or Maintenance Agreement on the Insured Property.
- c** The failure of any telecommunications system used in connection with the Insured Property caused by accidental physical damage occurring within the Territorial Limits.
- d** The accidental failure or fluctuation of the supply of electricity to the Insured Property.
- e** Denial of access to or use of the Insured Property by the Insured due to
  - i** loss of or damage to other property at or in the vicinity of any Location specified in the Schedule
  - ii** the exercise by any public or Police authority of its powers for the sole purpose of safeguarding life or property.

## Indemnity Period

The period beginning with the occurrence of the Accident or Corruption and ending when the results of the Business cease to be affected in consequence of the Accident or Corruption but not exceeding the period shown in the Schedule as the Indemnity Period.

## Time Exclusion

The period stated in the Schedule beginning with the occurrence of the Accident during which Financial Loss is not covered.

## Gross Profit

The amount by which the sum of the Turnover and the value of any closing stock shall exceed the sum of the value of any opening stock and the amount of the Uninsured Working Expenses.

## Notes

- a** The values of the opening and the closing stocks shall be arrived at in accordance with the normal accountancy methods of the Insured due provision being made for depreciation.
- b** The words and expressions used in this definition shall have the meaning usually attached to them in the books and accounts of the Insured.

# Definitions *continued*

## Uninsured Working Expenses

All expenses of the Business which vary in direct proportion to any variation in the Turnover.

## Turnover

The money paid or payable to the Insured for goods sold and for services rendered in the course of the Business.

## Rate of Gross Profit

The rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Accident.

## Annual Turnover

The Turnover during the twelve months immediately before the date of the Accident.

## Standard Turnover

The Turnover during that period in the twelve months immediately before the date of the Accident which corresponds with the Indemnity Period (appropriately adjusted where the Indemnity Period exceeds twelve months).

## Note

Adjustments shall be made to the figures representing the Rate of Gross Profit the Annual Turnover and the Standard Turnover as may be necessary to provide for the trend in the Business and for variations in or other circumstances affecting the Business either before or after the Accident or which would have affected the Business had the Accident not occurred so that the adjusted figures shall represent as nearly as may be practicable the result which but for the Accident would have been obtained.

## Estimate

The amount declared to the Insurers as representing not less than the Gross Profit which the Insured anticipates will be earned by the Business during the financial year most nearly concurrent with the Period of Insurance (proportionately increased where the Indemnity Period exceeds twelve months).

## Period of Insurance

Period from the effective date to the renewal date as shown in the Schedule.

## Policy

The contract of insurance formed of the Policy wording Schedule and any proposal made by the Insured or on their behalf to the Insurers (whether or not such proposal is recorded in writing).

# Cover Options

## Cover One

### Owned Equipment

Loss of or damage to Owned Equipment while at any Location shown in the Schedule within the Territorial Limits.

## Cover Two

### Hired in Equipment

The legal liability of the Insured under the terms of their hiring agreement or otherwise to pay

- a** compensation for loss of or damage to Hired In Equipment while at any Location shown in the Schedule within the Territorial Limits and
- b** continuing hire charges as a result of loss of or damage to Hired In Equipment for which indemnity is provided by **a** above.

In addition the Insurers will pay all expenses for which the Insured may be liable where legal proceedings have been defended with the written consent of the Insurers.

## Cover Three

### Data Media

- a** Loss of or damage to data carrying materials
- b** The cost necessarily and reasonably incurred by the Insured in
  - i** recompilation of software programs or data from other records
  - ii** repurchase of proprietary softwarefollowing Corruption

anywhere in the World.

## Cover Four

### Additional Expenditure

Additional expenditure necessarily and reasonably incurred by the Insured during the Indemnity Period to prevent or minimise interruption of or interference with the operations of the Business carried out by the Insured Property in consequence of

- a** an Accident
- b** Corruption

which occurs during the Period of Insurance.

## Cover Five

### Business Interruption

The Financial Loss of the Insured resulting from interruption of or interference with the Business during the Indemnity Period in consequence of an Accident.

Financial Loss means

- a** in respect of reduction in Turnover the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall in consequence of an Accident fall short of the Standard Turnover
- b** in respect of increase in cost of working the costs necessarily and reasonably incurred for the sole purpose of preventing or minimising the reduction in Turnover which but for those costs would have taken place during the Indemnity Period in consequence of the Accident but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of reduction in Turnover avoided by the costs incurred

less any sum saved during the Indemnity Period in respect of the charges and expenses of the Business as may cease or be reduced in consequence of the Accident.

# Limit of Liability

The liability of the Insurers under this Policy arising from one occurrence of Accident or Corruption shall not exceed

## Cover One

the Limit of Liability shown in the Schedule.

## Cover Two

the Limit of Liability shown in the Schedule.

Provided that the liability of the Insurers shall not exceed

- a** under Cover Two **a** the new replacement value of Hired In Equipment lost or damaged
- b** under Cover Two **b** the hire rate paid by the Insured prior to the loss or damage up to a maximum amount of £30,000 and continuing for a maximum period of three (3) months.

## Cover Three

the Limit of Liability shown in the Schedule.

## Cover Four

the Limit of Liability shown in the Schedule.

## Cover Five

133 1/3% (one hundred and thirty three and a third percent) of the Estimate shown in the Schedule as the Limit of Liability.

## Extensions

the amounts shown in the Extensions.

# Extensions

## This Policy is extended to cover

### 1 Additional Equipment

- a** additional items of Owned Equipment of similar type as described in the Schedule
- b** items of equipment of similar type as described in the Schedule on loan or trial for a continuous period not exceeding three (3) months

during the Period of Insurance.

Provided that

- i** the value of equipment covered under this Extension shall not exceed 25% (twenty five percent) of the amount stated in the Schedule under Cover One or £350,000 whichever is less
- ii** so far as the Insured is aware the additional equipment is free from any material defect
- iii** the value of the equipment is included in the next declaration in accordance with General Condition 7 Renewal Requirement.

### 2 Temporary Removal

loss of or damage to Insured Property occurring within the European Union or European Free Trade Area while it is

- a** temporarily located at any premises not occupied by the Insured or
- b** in transit

for the purposes of repair service or maintenance.

Provided that the total liability of the Insurers under this Policy for loss of or damage to Insured Property which is in transit or temporarily located at premises not occupied by the Insured for the purposes of repair service or maintenance shall not exceed £100,000.

### 3 Claims Preparation Cost

the necessary and reasonable cost incurred in producing and certifying any particulars or details required by the Insurers in connection with a claim for which liability has been accepted but limited to

- a** additional cost incurred by employees of the Insured
- b** additional fees incurred by the usual auditors of the Insured
- c** cost of materials used in furnishing the requirements of the Insurers.

Provided that the liability of the Insurers shall not exceed £50,000.

### 4 Payments on Account

payments as agreed between the Insured and the Insurers in advance of final settlement of a claim under this Policy where the Insurers have admitted liability.

### 5 Debris Removal

the cost necessarily and reasonably incurred by the Insured in

- a** removing debris
- b** dismantling and/or demolishing
- c** shoring up propping and/or protecting

following damage insured by Cover One.

Provided that the liability of the Insurers shall not exceed £50,000.



# Reinstatement

The amount payable under Cover One of this Policy shall be the cost of reinstatement of Insured Property lost or damaged.

Provided that

- a** reinstatement shall mean
  - i** replacement of any item lost or damaged beyond repair by new property of equal performance and/or capacity
  - ii** repair of any item otherwise damaged to a condition equal in performance and/or capacity to its condition when new
- b** reinstatement shall be carried out without delay and in the most economical manner
- c** where any Insured Property is damaged or lost in part only the liability of the Insurers shall not exceed the cost of reinstatement had it been wholly lost
- d** no payment shall be made until reinstatement has been carried out
- e** the amount payable under this clause shall not exceed the new replacement value of the Insured Property lost or damaged
- f** if reinstatement is not carried out the amount payable shall be the cost of indemnifying the Insured provided that such cost does not exceed the cost of reinstatement
- g** reinstatement is subject to Special Condition 2 Obsolete Property.

# Exclusions

## This Policy does not cover

### 1 Excess

the amount stated in the Schedule as the Excess in respect of each and every occurrence for which the Insured is indemnified by this Policy.

### 2 Breakdown or Derangement

damage to an exchangeable component of an item forming part of the Insured Property due to its own electrical or mechanical breakdown or derangement.

This Exclusion does not apply to subsequent damage to other components of the item or any legal liability cost additional expenditure or Financial Loss that would be covered under this Policy but for the application of this Exclusion.

### 3 Time Exclusion if no Maintenance Agreement

- a** in respect of Cover Four additional expenditure incurred during the first forty eight (48) hours following an occurrence of Accident or Corruption or
- b** in respect of Cover Five Financial Loss incurred during
  - i** the first forty eight (48) hours or
  - ii** the Time Exclusion stated in the Schedule
 whichever is the greater following the occurrence of an Accident

to any item of Insured Property for which a Maintenance Agreement is not in force.

### 4 Time Limitation

additional expenditure or Financial Loss commencing more than twelve (12) months after the date on which the Accident or Corruption occurred.

### 5 Value of Data

the value to the Insured of data stored on Insured Property.

### 6 Other Consequential Loss

liquidated damages penalties for delay or detention or in connection with guarantees of performance or efficiency or consequential loss or damage not specifically provided for in this Policy.

### 7 Guarantee or Maintenance Agreement

loss or damage covered under a guarantee or Maintenance Agreement.

## 8 Electricity Supply

additional expenditure or Financial Loss in consequence of failure or fluctuation of the supply of electricity directly or indirectly due to

- a** a deliberate act not performed for the sole purpose of safeguarding life or protecting any part of the supply system
- b** a scheme of rationing not necessitated by accidental damage to the generating or supply distribution equipment
- c** the inability of the supplier to maintain the supply system due to industrial action.

## 9 Telecommunications Systems

additional expenditure or Financial Loss in consequence of failure of any telecommunications system directly or indirectly due to

- a** the use by the Insured of equipment which is not approved by the telecommunications supplier
- b** failure of any satellite before it has obtained its full operating function or when it is in or past the final year of its design life
- c** atmospheric solar or lunar conditions causing temporary interference with transmission to or from any satellite
- d** the deliberate act of any telecommunications supplier to withhold or restrict operation of the system or the inability of the supplier to maintain the system due to industrial action.

**This Policy does not cover loss damage legal liability cost additional expenditure or Financial Loss consisting of or in consequence of**

## 10 Auxiliary Materials Consumables or Items Requiring Periodic Replacement

damage to

- a** auxiliary materials and consumables including but not limited to development fluids reagents toner coolant and extinguishing medium cassette ribbons films image and sound carriers film/foil combinations specially prepared paper and typeface carriers
- b** light sources fuses non-rechargeable batteries filters cutters bits tools and items which require periodic replacement.

## Exclusions *continued*

**This Policy does not cover loss damage legal liability cost additional expenditure or Financial Loss consisting of or in consequence of**

### 11 Wear and Tear or Gradual Deterioration

wear and tear gradual deterioration due to atmospheric conditions or otherwise rust corrosion or oxidation.

### 12 Property In Unattended Vehicle

theft or attempted theft while Insured Property is in an unattended vehicle unless

- a** the doors of the vehicle are locked and all its windows and other openings are fully closed and properly fastened
- b** the vehicle is in a locked garage or compound overnight
- c** the Insured Property is concealed from view
  - i** in a locked boot or covered luggage compartment in a motor car or
  - ii** in an enclosed luggage area of a van or lorry
- d** any alarm system fitted to the vehicle is activated.

### 13 Insufficient or Improper Packing or Packaging

damage during transit due to insufficient or improper packing or packaging.

### 14 Sea or Air Transit

damage during transit by sea or air.

### 15 Testing or Commissioning

damage to any item of Insured Property caused by its own breakdown or derangement before the satisfactory completion of testing or commissioning.

### 16 Unproven Software Programming Errors or Design Defects

- a** use of software programs on which development has not been finalised or which has not passed all testing procedures and has not been successfully proven
- b** programming errors or design defects in software.

### 17 Prototype Experimental or Untried Equipment

damage to equipment which is prototype experimental or untried.

### 18 Incorrect Storage of Data Media

failure of the Insured to comply with the manufacturers' recommendations relating to the storage of Data Media.

### 19 Inventory Loss or Unidentifiable Occurrence

loss due to

- a** disappearance or shortage if the disappearance or shortage is only revealed when an inventory is made or
- b** theft of Insured Property being stolen or otherwise missing unless such loss is identifiable by the Insured with a specific occurrence which has been the subject of notification under the terms of the Claims Conditions including reporting the matter to the Police.

### 20 Scratching

scratching of painted or polished surfaces unless accompanied by other indemnifiable damage to the item.

# General Exclusions

**This Policy does not cover loss damage legal liability cost or additional expenditure or Financial Loss consisting of or in consequence of**

## 1 War and Kindred Risks

- a** loss damage or Corruption directly or indirectly caused by war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power confiscation nationalisation or requisition or destruction of or damage to property by order of the Government Public Municipal or Local Authority.
- b** in the case of Insured Property outside Great Britain Northern Ireland the Isle of Man and the Channel Islands loss damage or Corruption directly or indirectly caused by warlike operations mutiny conspiracy martial law state of siege or any events or causes which determine the proclamation or maintenance of martial law or state of siege riot civil commotion strike lock-out persons taking part in labour disturbances or malicious persons acting on behalf of or in connection with any political organisation.

## 2 Terrorism

loss damage or Corruption directly or indirectly caused by resulting from or in connection with

- a** in respect of England Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987:
  - i** any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
  - ii** any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism

In respect of **a** above an act of Terrorism means:

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.

- b** in respect of territories other than those stated in **a** above:
  - i** any act of Terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss
  - ii** any action taken in controlling preventing suppressing or in any way relating to any act of Terrorism
  - iii** riot or civil commotion in Northern Ireland

In respect of **b** above an act of Terrorism means:

Any act including but not limited to the use of force or violence and/or the threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

In any action suit or other proceedings where the Insurers allege that by reason of this Exclusion any loss damage or liability is not covered by this Policy (or is covered only up to a specified Limit of Liability) the burden of proving the contrary shall be on the Insured.

In the event any part of this Exclusion is found to be invalid or unenforceable the remainder shall remain in full force and effect.

# General Exclusions *continued*

**This Policy does not cover loss damage legal liability cost or additional expenditure or Financial Loss consisting of or in consequence of**

## 3 Radioactive Contamination

loss damage or Corruption directly or indirectly caused by or contributed to by or arising from

- a** ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- b** the radioactive toxic explosive or other hazardous or contaminating properties of any nuclear installation reactor or other nuclear assembly or nuclear component thereof
- c** any weapon or other device utilising radioactive material and/or matter and/or ionising radiation and/or atomic or nuclear fission and/or fusion or other like reaction.

## 4 Pollution or Contamination

loss or damage or Corruption directly or indirectly caused by or contributed to by or arising from pollution or contamination.

This Exclusion shall not apply to cost arising from pollution or contamination of Insured Property caused directly by an occurrence which is insured by this Policy.

## 5 E Risks

loss damage or Corruption directly or indirectly caused by or occasioned by or arising from or in consequence of Virus or Similar Mechanism or Hacking.

## 6 Computer Date Recognition

loss damage or Corruption directly or indirectly caused by the failure of any computer or other equipment or system for processing storing or retrieving data whether the property of the Insured or not

- a** correctly to recognise any date as its true calendar date
- b** to capture save or retain and/or correctly to manipulate interpret 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 capture save retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software being a command which causes the loss of data or the inability to capture save retain or correctly to process such data on or after any date

but this Exclusion shall not apply to subsequent loss or damage arising from or caused by fire lightning explosion aircraft or other aerial devices or articles dropped therefrom 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 which would but for the application of this Exclusion be insured by this Policy.

# Special Conditions

## 1 Restricted Life

In respect of loss of or damage to tubes and intermediate image carriers the amount payable will decrease proportionately to the estimated remaining life of the items at the time of loss or damage.

This Special Condition does not apply where

- a** loss or damage is due to fire lightning explosion water damage theft or attempted theft
- b** a special agreement has been made and endorsed on this Policy and additional premium has been paid by the Insured as required.

## 2 Obsolete Property

In the event of loss of or damage to any item of Insured Property which is unobtainable or for which spares or parts are no longer manufactured or available at the manufacturers listed prices the liability of the Insurers shall be limited to the cost of the repair or replacement of an equivalent item of equipment which is in current production and for which spare parts are readily available.

## 3 Duplicate Records

The Insured shall

- a** back up data records and update the records no less frequently than once every seven (7) days
- b** where possible maintain up to date duplicate copies of software programs
- c** store back up data records and up to date duplicate software programs away from the building where the original software programs and data is held
- d** observe the manufacturer's and/or suppliers recommendations for the storage verification and security of Data Media.

## 4 Physical Security Standards

The liability of Insurers in respect of theft or attempted theft from any Location occupied by the Insured is conditional on

### Doors

all external doors and internal doors leading to other parts of the building not in the sole occupation of the Insured being secured out of normal working hours or when the Location is unoccupied as follows

- a** aluminium doors must be fitted with a cylinder mortise deadlock
- b** armour plate doors must be fitted with the locks supplied by the manufacturer
- c** doors less than 4.5 cms thick must be fitted with a deadlocking rimlatch
- d** other single leaf doors must be fitted with mortise deadlock and boxed striking plate conforming to the British Standard for Thief Resistant Locks BS 3621 including any subsequent amendments and revisions
- e** the standing leaf of double leaf doors must be fitted with bolts top and bottom and the other leaf fitted with a lock appropriate to the construction of the door as specified above.

### Windows

all external opening ground floor windows and other windows accessible from decks fire escapes or downpipes being fitted and secured out of business hours with key operated window locks.

Any door or window officially designated a fire exit by the fire authority is excluded from these requirements.

# General Conditions

## 1 Survey and Risk Improvement – Subjectivity Condition

It is a Condition of this Policy that

- a** the Insurers have the right to carry out a survey of the risks insured at any time mutually agreed with the Insured
- b** the Insured shall comply with all survey risk requirements stipulated by the Insurers within the completion time scales specified by the Insurers.

In the event that a risk requirement is not completed or risk requirement procedures are not introduced within the completion time scales specified by the Insurers then the Insurers reserve the right to either continue cover subject to alteration of the terms and Conditions of such cover or to suspend cover effective from the expiry of any time period specified by the Insurers for completion/introduction of the required survey risk improvements until such risk requirement is completed or risk requirement procedures introduced.

If the terms or Conditions of cover are amended by the Insurers then the Insured will have fourteen (14) calendar days to accept or reject the revised basis of cover.

If the Insured elect to reject the revised basis of cover then the Insured will be entitled to a refund of premium provided that no claim has been made during the current Period of Insurance.

If the Insurers exercise the right to suspend cover then the Insured will be entitled to a refund of premium in respect of such period that cover is suspended provided that no claim has been made during the current Period of Insurance.

All other terms and Conditions of this Policy shall apply to the extent that they are not in conflict with this Condition.

## 2 Observance of Policy Terms

The liability of the Insurers will be conditional on the Insured complying and as appropriate any other person entitled to indemnity complying as though they were the Insured with the terms of this Policy.

## 3 Fair Presentation of the Risk

- a** The Insured must make a fair presentation of the risk to the Insurers at inception renewal and variation of the Policy.
- b** The Insurers may avoid the Policy and refuse to pay any claims where any failure to make a fair presentation is
  - i** deliberate or reckless or
  - ii** of such other nature that if the Insured had made a fair presentation the Insurers would not have issued the Policy.

The Insurers will return the premium paid by the Insured unless the failure to make a fair presentation is deliberate or reckless.

- c** If the Insurers would have issued the Policy on different terms had the Insured made a fair presentation the Insurer will not avoid the Policy (except where the failure is deliberate or reckless) but the Insurers may instead
  - i** reduce proportionately the amount paid or payable on any claim the proportion for which the Insurers are liable being calculated by comparing the premium actually charged as a percentage of the premium which the Insurers would have charged had the Insured made a fair presentation and/or
  - ii** treat the Policy as if it had included such additional terms (other than those requiring payment of premium) as the Insurers would have imposed had the Insured made a fair presentation.

For the purposes of this clause references to

- 1** avoiding a Policy means treating the Policy as if it had not existed from the inception date (where the failure to make a fair presentation of the risk occurs before or at the inception of the Policy) the renewal date (where the failure occurs at renewal of the Policy) or the variation date (where the failure occurs when the Policy is varied)
- 2** refunds of premium should be treated as refunds of premium back to the inception date renewal date or variation date as the context requires
- 3** issuing a Policy should be treated as references to issuing the Policy at inception renewing or varying the Policy as the context requires.

# General Conditions *continued*

## 4 Alteration In Risk

The Insured must notify the Insurers as soon as possible if during the Period of Insurance

- a** the business is wound up or carried on by a liquidator or receiver or permanently discontinued
- b** the interest of the Insured ceases other than by death
- c** there is any alteration to the facts or matters set out in the Schedule or otherwise comprising the risk presentation made by the Insured to the Insurers at inception renewal or variation of the Policy which materially increases the risk of loss damage legal liability cost or additional expenditure or Financial Loss.

Upon being notified of any such alteration the Insurers may at their absolute discretion

- i** continue to provide cover under this Policy on the same terms
- ii** restrict the cover provided under this Policy
- iii** impose additional terms
- iv** alter the premium
- v** cancel the Policy.

If the Insured fails to notify the Insurers of any material alteration of the risk the Insurers may

- 1** treat 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 Insurers would have cancelled the Policy had they known of the increase in risk
- 2** treat 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 Insurers would have applied had they known of the increase in risk
- 3** reduce proportionately the amount paid or payable on any claim the proportion for which the Insurers are liable being calculated by comparing the premium actually charged as a percentage of the premium which the Insurers would have charged had they known of the increase in risk.

## 5 Reasonable Precautions

It is a condition precedent to the liability of the Insurers that

- a** the Insured shall take all reasonable precautions to safeguard the Insured Property against loss or damage and
- b** the Insured shall maintain the Insured Property in an efficient condition and take all reasonable steps to ensure that all Government and other regulations relating to the operation and use of the Insured Property are observed.

## 6 Cancellation

Other than where Claims Condition **3** applies the Insurers may cancel this Policy by giving the Insured thirty (30) calendar days notice in writing at their last known address. Provided the premium has been paid in full and no claim has been made during the Period of Insurance the Insured shall be entitled to a proportionate rebate of premium in respect of the unexpired period of the insurance.

If the premium for this Policy is paid by instalments and in the event that the Insured fails to pay one or more instalments whether in full or in part the Insurer may cancel the Policy by giving the Insured fourteen (14) calendar days notice in writing at their last known address.

## 7 Renewal Requirement

Prior to each renewal the Insured shall supply to the Insurers for the forthcoming Period of Insurance details of

- a** the new replacement value of Owned Equipment and Data Media
- b** the estimated hiring charges for Hired In Equipment
- c** the Estimate in respect of Cover Five
- d** Locations where Insured Property will be situated.

## 8 Declarations

### Cover Two – Hired In Equipment

The premium payable under Cover Two is based on estimates declared to the Insurers and is subject to adjustment.

Within one (1) month following expiry of the Period of Insurance the Insured shall supply to the Insurers a declaration of the total hiring charges paid or payable for Hired In Equipment on hire during the Period of Insurance.

### Cover Five – Business Interruption

The premium payable under Cover Five is based on the Estimate declared to the Insurers and is subject to adjustment.

Within six (6) months following the expiry of the Period of Insurance the Insured shall provide to the Insurers a declaration of the Gross Profit or the Revenue certified by the auditors of the Insured earned during the financial year most nearly concurrent with the Period of Insurance.



# General Conditions *continued*

## 9 Law and Language Applicable

Unless the Insurers agree otherwise

- a the language of the Policy and all communications relating to it will be in English and
- b all aspects of the Policy including negotiation and performance are subject to English law and the decisions of English courts.

## 10 Adjustment of Premium

### Cover Two – Hired In Equipment

If the premium calculated on the basis agreed between the Insurers and the Insured on the declarations made for the Period of Insurance exceeds or falls short of the deposit then the Insured shall pay or the Insurers shall refund the difference as the case may be subject to a minimum retention of 75% (seventy five percent) of the deposit or the minimum annual premium retention specified in the Schedule whichever is the greater.

### Cover Five – Business Interruption

In the event of the declaration (proportionately increased where the Indemnity Period exceeds twelve months) being less than the Estimate a pro rata return of premium not exceeding 50% (fifty percent) of the premium paid on the Limit of Liability will be made in respect of the difference.

If the declaration (proportionately increased where the Indemnity Period exceeds twelve months) is greater than the Estimate the Insured shall pay a pro rata additional premium in respect of the difference.

If any Accident shall have occurred giving rise to a claim under this Policy the Insurers will increase the declaration for the purpose of premium adjustment by the amount by which the Gross Profit or the Revenue was reduced during the financial year in consequence of the Accident.

## 11 Assignment

The Insured shall not assign any of the rights or benefits under this Policy without the prior written consent of the Insurer. The Insurer will not be bound to accept or be affected by any notice of trust charge lien or purported assignment or other dealing with or relating to this Policy.

## 12 Conditions Precedent

If the Insured does not comply with any part of any condition which makes payment of a claim conditional upon compliance with it (a condition precedent) the Insurers will not pay for any claim except that where the condition concerned

- a operates only in connection with particular premises or Locations the Insurers will pay for claims arising out of an event occurring at other premises or Locations which are not specified in the condition
- b operates only at particular times the Insurers will pay for any claim where the Insured shows on the balance of probabilities that its non-compliance with the condition did not cause or contribute to the loss damage legal liability cost or additional expenditure or Financial Loss which occurred
- c would if complied with tend to reduce particular types of loss damage legal liability cost or additional expenditure or Financial Loss or as the context may require liability the Insurers will pay for any claim where the Insured shows on the balance of probabilities that its non-compliance with the condition did not cause or contribute to the loss damage legal liability cost or additional expenditure or Financial Loss which occurred.

# Claims Conditions

## 1 Claims Procedures

In the event of any occurrence giving rise or likely to give rise to a claim under this Policy it is a condition precedent to the liability of the Insurers that the Insured shall

- a** at their own expense deliver to the Insurer
  - i** within thirty (30) calendar days after such occurrence (seven (7) calendar days in the case of loss or damage by riot civil commotion strikers locked-out workers persons taking part in labour disturbances malicious persons or theft) or such further time as the Insurer may allow in writing
    - 1** full information in writing of the Insured Property and the amount of loss or damage
    - 2** details of any other insurances on the Insured Property covered by this Policy
  - ii** all such proof and information relating to the claim as may reasonably be required
  - iii** if required a statutory declaration of the truth of the claim and of any matters connected with it
- b** preserve any damaged or defective Insured Property for inspection by the Insurers representatives
- c** in the case of Insured Property lost stolen or wilfully damaged take all steps (including immediate notice to the Police) to discover any guilty person and recover the property
- d** carry out and permit to be taken any reasonable action to prevent further loss damage liability cost additional expenditure or Financial Loss
- e** in the case of any claim made against the Insured by any third party forward every claim writ or other document immediately and unacknowledged to the Insurers
- f** not pay or offer or agree to pay any money or make any admission of liability without the prior consent of the Insurers
- g** furnish at their own expense all particulars and information as the Insurers require
- h** allow the Insurers in the name of and on behalf of the Insured to take over and during such periods as they think proper to have the absolute conduct and control of all negotiations and proceedings which may arise in respect of any claim and its settlement and the Insured shall give the Insurers all necessary assistance for that purpose

- i** in the case of Financial Loss within thirty (30) days of the expiry of the Indemnity Period or any further period the Insurers may allow in writing provide details of the loss and produce books of account or other business books or documents or any other proofs information or evidence as the Insurers may require for the purposes of investigating or verifying the claim.

## 2 Options for Claims Settlement

- a** The Insurers may at their option repair reinstate or replace what is lost or damaged or pay for the loss or damage in money.

If any Insured Property is to be reinstated or replaced by the Insurers the Insured shall at their own expense provide all such plans documents books and information as may reasonably be required.

The Insurers shall not be bound to reinstate exactly but only as circumstances permit and in a reasonably sufficient manner.

- b** The Insurers shall not be liable for the cost of repairs undertaken without their written consent except in urgent cases where it has been necessary to put minor repairs in hand provided that
  - i** the requirements of Claims Conditions **1** and **5** have been complied with and
  - ii** the repairs are carried out to the satisfaction of the Insurers.
- c** Where loss or damage is confined to a part of an item the Insurers shall be liable for the value of that part plus the cost of any necessary dismantling and erection for which the Insured is responsible.
- d** The Insurers shall only be liable for legal liability cost additional expenditure or Financial Loss resulting from the period of repair or replacement of the part plus necessary dismantling and erection for which the Insured is responsible.
- e** The Insured shall not be entitled to abandon any property to the Insurers whether taken into the possession of the Insurers or not.

# Claims Conditions *continued*

## 3 Fraud

If the Insured or anyone acting on the Insured's behalf

- a** makes any false or fraudulent claim
- b** makes any exaggerated claim
- c** supports a claim by false or fraudulent documents devices or statements (whether or not the claim is itself genuine) or
- d** makes a claim for loss or damage which the Insured or anyone acting on the Insured's behalf deliberately caused

the Insurers will

- i** refuse to pay the whole of the claim and
- ii** recover from the Insured any sums that they have already paid in respect of the claim.

The Insurers may also notify the Insured that they will be treating the Policy as having terminated with effect from the date of the earliest of any of the acts set out in sub-clauses **a – d** above. In that event the Insured will

- 1** have no cover under the Policy from the date of the termination and
- 2** not be entitled to any refund of premium.

## 4 Other Insurances

The Insurers will not indemnify the Insured in respect of loss damage legal liability cost additional expenditure or Financial Loss which is insured by or would but for the existence of this Policy be insured by any other policy except in respect of any excess beyond the amount payable under such other policy or which would have been payable under such other policy had this insurance not been effected.

## 5 Subrogation

Any claimant under this Policy shall at the request and expense of the Insurers 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 any payment is made by the Insurers.

## 6 Arbitration

If any difference arises as to the amount to be paid under this Policy the difference shall be referred to an arbitrator to be appointed by the parties in accordance with statutory provisions. Where any difference is by this Condition to be referred to arbitration the making of the award shall be a condition precedent to any right of action against the Insurers.

## 7 Average

If at the time of the loss or damage the new replacement value of Owned Equipment exceeds the sum declared by the Insured for the purpose of calculation of premium under Cover One the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss or damage accordingly. For the purpose of this Condition reference to Owned Equipment shall not include additional equipment for which insurance is provided by Extension **1** Additional Equipment.

## 8 Alternative Premises

If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at any Location specified in the Schedule for the benefit of the Business either by the Insured or by others on their behalf the money paid or payable to the Insured in respect of such sales or services shall be brought into account in arriving at the Turnover or Revenue during the Indemnity Period.

## 9 Departmental Trading

If the Business is conducted in departments the independent trading results of which are identifiable the provisions of clauses **a** and **b** of Cover Five shall apply separately to each department affected by the Accident.

## Complaints Procedure

Our aim is to get it right, first time every time. If you have a complaint we will try to resolve it straight away but if we are unable to we will confirm we have received your complaint within five working days and do our best to resolve the problem within four weeks. If we cannot we will let you know when an answer may be expected.

If we have not resolved the situation within eight weeks we will issue you with information about the Financial Ombudsman Service (FOS) which offers a free, independent complaint resolution service.

If you have a complaint, please contact our Customer Satisfaction Manager at:

Customer Satisfaction Manager, Allianz Engineering, Head Office  
Haslemere Road, Liphook, Hampshire, GU30 7UN

**Telephone:** 01428 722407  
**Fax:** 01428 724824  
**Email:** customer.satisfaction@allianz.co.uk

**You have the right to refer your complaint to the Financial Ombudsman, free of charge – but you must do so within six months of the date of the final response letter.**

If you do not refer your complaint in time, the Ombudsman will not have our permission to consider your complaint and so will only be able to do so in very limited circumstances. For example, if the Ombudsman believes that the delay was as a result of exceptional circumstances.

The Financial Ombudsman Service, Exchange Tower, London, E14 9SR

**Website:** [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)  
**Telephone:** 0800 0234567 or 0300 1239123  
**Email:** [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Using our complaints procedure or contacting the FOS does not affect your legal rights.

The European Commission has an online dispute resolution service for consumers who have a complaint about a product or service bought online. If you choose to submit your complaint this way it will be forwarded to the Financial Ombudsman Service.

Visit <https://ec.europa.eu/odr> to access the Online Dispute Resolution Service. Please quote our e-mail address: [customer.satisfaction@allianz.co.uk](mailto:customer.satisfaction@allianz.co.uk).

Alternatively, you can contact the Financial Ombudsman Service directly.

## Financial Services Compensation Scheme

Allianz Insurance plc contributes to the Financial Services Compensation Scheme (FSCS).

You (the Insured) may be entitled to compensation from the FSCS if we (the Insurers) are unable to meet our liabilities. Further information about compensation scheme arrangements is available at [www.fscs.org.uk](http://www.fscs.org.uk), by emailing [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk) or by phoning the FSCS on 0800 678 1100 or 0207 741 4100.

## Data Protection

Allianz Insurance plc together with other companies within the Allianz SE group of companies ('Allianz Group') may use the personal and business details you (the Insured) have provided or which are supplied by third parties including any details of directors officers partners and employees (whose consent you must obtain) to:

- provide you with a quotation, deal with the associated administration of your Policy and to handle claims;
- search credit reference, credit scoring and fraud agencies who may keep a record of the search;
- share with other insurance organisations to help offset risks, administer your Policy, for statistical analysis and to handle claims and prevent fraud;
- support the development of our business by including your details in customer surveys, for market research and business reviews which may be carried out by third parties acting on our behalf.

Allianz Group may need to collect and process data relating to individuals who may benefit from the Policy ('Insured Persons') which under the Data Protection Act is defined as sensitive (such as medical history of Insured Persons) for the purpose of evaluating the risk and/or administering claims which may occur. You must ensure that you have explicit verbal or written consent from the Insured Persons to such information being processed by Allianz Group and that this fact is made known to the Insured Persons.

Telephone calls may be recorded for our mutual protection, training and monitoring purposes.

Under the Data Protection Act 1998 individuals are entitled to request a copy of all the personal information Allianz Insurance plc holds about them. Please contact the Customer Satisfaction Manager, Allianz Insurance plc, Haslemere Road, Liphook, Hampshire, GU30 7UN.

Personal details may be transferred to countries outside the EEA. They will at all times be held securely and handled with the utmost care in accordance with all principles of English law.

By applying for and/or entering into this insurance Policy you will be deemed to specifically consent to the use of your data and your insurance Policy data in this way and for these purposes and that your directors, officers, partners and employees have consented to our using their details in this way.

## Notifying a Claim

Claims under this Policy should be notified to the Insurers in accordance with the Claims Conditions of the Policy at the following Allianz Office.

Please provide your Policy number and as much information as possible about the claim:

Allianz Engineering  
Claims Department  
Haslemere Road  
Liphook  
Hampshire  
GU30 7UN

**Tel:** 01483 265825

**Email:** [claims@allianzengineering.co.uk](mailto:claims@allianzengineering.co.uk)

**Lines are open from 9am to 5pm Monday to Friday**

## Allianz Engineering also provides the following covers:

### **Machinery**

All Machinery  
Machinery Movement  
Machinery Options  
Property Engineering

### **Contractors**

Contractors All Risks  
Erection All Risks  
Contractors Plant

### **Electronics**

Computer

### **Consequential Loss**

Deterioration of Stock  
Machinery Business Interruption



[www.allianzengineering.co.uk](http://www.allianzengineering.co.uk)

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